



UMHLABUYALINGANA MUNICIPALITY

DRAFT ANNUAL REPORT

2015/2016

DATE: 23 AUGUST 2016

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CHAPTER 1

- **MAYOR'S FOREWORD,**
- **MUNICIPAL MANAGERS'S OVERVIEW**

INTRODUCTION

UMHLABUYALINGANA MUNICIPALITY ANNUAL REPORT

The structure of Umhlabuyalingana Municipality Annual Report-2015/2016 is based on the revised Annual Report Template provided by the National Treasury, dated 31 July 2012.

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and

The other financial years will follow a similar sequence as explained above.

COMPONENT A: MAYOR'S FOREWORD



VISION STATEMENT

To be a people centered premier socio-economic development and environmentally friendly service delivery municipality by 2030.

MISSION STATEMENT

Creating an enabling environment and sustainable development which promotes quality of life.
Core Values

CORE VALUES

Integrity	Courtesy	Transparency
Redress	Quality service	Learning
Benchmarking	Good governance	Dialogue and Diversity
Commitment	Honesty	Partnership and Professionalism
Interpersonal skills	Responsibility	Consultation/Participation
Accessibility	Accountability	

Long Term Development Goals, Objectives and Strategies, Structured Ito Six KPA's Including KZN- KPA

Goals	Strategic objectives	Strategies / projects
KPA 1: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT		
<ul style="list-style-type: none"> • To ensure human and utilization of natural resources are in harmony • To ensure all employable people are employed 	<ul style="list-style-type: none"> • To improve quality of life and create a pleasant living and working environment • To provide the optimal institutional structure to render effective and efficient services • To attract and retain qualified and experienced staff across the staff establishment • To create a positive image of Umhlabuyalingana Municipality 	<ul style="list-style-type: none"> • Review of Organogram • Filling of vacant positions as per approved organogram • Employment Equity Plan and Policy • Employment equity plan and targets • Retention Strategy • Human Resource Administration • Skills Audit • Workplace Skills Plan • Performance Agreements and Performance Plans. • Performance Assessments and Review • Labour Relations • Occupational Health and Safety (OHS) • Human Resource Policies • Develop and Review Human Resources Policies • Develop and Review Human Resources Policies • Secretarial support to Council Committees • Secretarial support to Council • Secretarial support to Council • Develop and Review Human Resources Policies • Website Management • ICT Policies • Information security Management • File plan • Documents management system (manual & electronic) • Provision of legal services • Service level agreements and contract of service providers • Employee Assistance programme and wellness

		<ul style="list-style-type: none">• Municipal Calendar (Council Year Planner)• Secretarial support to Council Committees• Website Management• Information Security Management• Develop and Review ICT Policies• Review File Plan• Provision of Legal Services• Management of Service level agreements and contracts
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Goals	Strategic objectives	Strategies / projects
KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT		
<ul style="list-style-type: none"> ➤ To ensure that all people have access to basic services 	<ul style="list-style-type: none"> ➤ To facilitate bulk infrastructure development in support of economic development initiatives ➤ To deliver services efficiently and effectively; ➤ To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities ➤ To facilitate the delivery of basic services to RDP standards. ➤ To provide access and facilitate vehicular movement in Umhlabuyalingana ➤ To facilitate an improvement in access to community/public facilities to minimum standards ➤ Improve access to free basic services among the indigent ➤ To comply fully with all municipal legislation 	<ul style="list-style-type: none"> ➤ Monitoring implementation of water and sanitation project within KZN 271 ➤ Review infrastructure and maintenance plan ➤ Provide electricity/alternative sources of energy to reduce backlog. ➤ Provide free basic services ➤ Provide access roads and bridges ➤ Upgrade access road to the municipal main offices ➤ Housing development ➤ Implement Integrated Waste Management Plan ➤ Provision of community/public facilities ➤ Implement public safety programmes ➤ Provide Library services ➤ Indigent register and policy ➤ Registration of landfill sites ➤ Review of Waste Management ➤ Conduct Road Blocks ➤ Community Road Safety Forums ➤ Community Safety Plan ➤ Drivers Screening for Alcohol ➤ Vehicle Speed Screening ➤ Conduct Multi-Disciplinary Road Blocks ➤ Charge Drunken/Speed Drivers ➤ Suspend Unroadworthy Vehicles ➤ High visibility patrol hours ➤ Road safety education ➤ Routine roadside roadblocks ➤ Speed operations ➤ Issuing of Learner Driver's License ➤ Conduct Driving License Testing ➤ Issue Temporal Driving Licence ➤ Issuing of duplicate learners license

		<ul style="list-style-type: none"> ➤ issuing of Professional Driving Permit (PrDP) ➤ Renewal of Driver's License
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Goals	Strategic objectives	Strategies / projects
KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED) & SOCIAL DEVELOPMENT		
<ul style="list-style-type: none"> ➤ To boost investors' confidence to invest in KZN, ➤ To create safe healthy and sustainable living environment, and ➤ To ensure all employable people are employed 	<ul style="list-style-type: none"> ➤ To create an environment that promotes investment and economic growth. ➤ To create an environment conducive for investment and economic growth ➤ To promote and support and support eco-tourism as a means as means to increase tourism market share ➤ To facilitate the commercialization of food production and life stock farming 	<ul style="list-style-type: none"> ➤ Community Works Programme (CWP) ➤ Expanded Public Works Programme (EPW) ➤ Local Economic Development Strategy ➤ Small Town Rehabilitation ➤ By-laws (Liquor and Business Licensing; and Informal Traders) ➤ Market Stalls ➤ SMME/Coops/Informal Trading Incubation

Goals	Strategic objectives	Strategies / projects
KPA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT		
<ul style="list-style-type: none"> ➤ To boost investors' confidence to invest in KZN, 	<ul style="list-style-type: none"> ➤ To develop Umhlabuyalingana LM as a viable and sustainable local government structure. ➤ To develop and maintain systems and procedures for effective and sound management of municipal finances ➤ To improve revenue generation by 5% per 	<ul style="list-style-type: none"> ➤ Review of Financial Policies ➤ Calculation of Capital expenditure Ratio ➤ Calculation of Debt Coverage Ratio ➤ Calculation of Cost Coverage Ratio ➤ Calculation of Outstanding Service Debtor ➤ Budget Adjustment ➤ Annual financial Statements/Financial Reporting ➤ Annual Budget for 2017/2018 ➤ MFMA Compliance

	<p>annum over the next five years</p> <ul style="list-style-type: none"> ➤ To be 100% compliant with the SCM regulations 	<ul style="list-style-type: none"> ➤ Training of Finance Staff on MFMA Competency ➤ Calculation of Liquidity Ratio ➤ Grants Reconciliations ➤ Vat Reconciliation ➤ Traffic Reconciliations ➤ Implementation of MSCOA ➤ Repairs and maintenance ➤ Development and Updating of Fixed Asset Register ➤ Salaries Reconciliations ➤ Creditor Reconciliations ➤ Debtor Report ➤ Revenue Collection Plan ➤ Updating General Valuation Roll(SV)/Enhancement ➤ Municipal Billing ➤ Bank and Investment Reconciliations ➤ SCM Report ➤ Procumbent plan ➤ Update Database ➤ Management and Implementation of Procurement Plan
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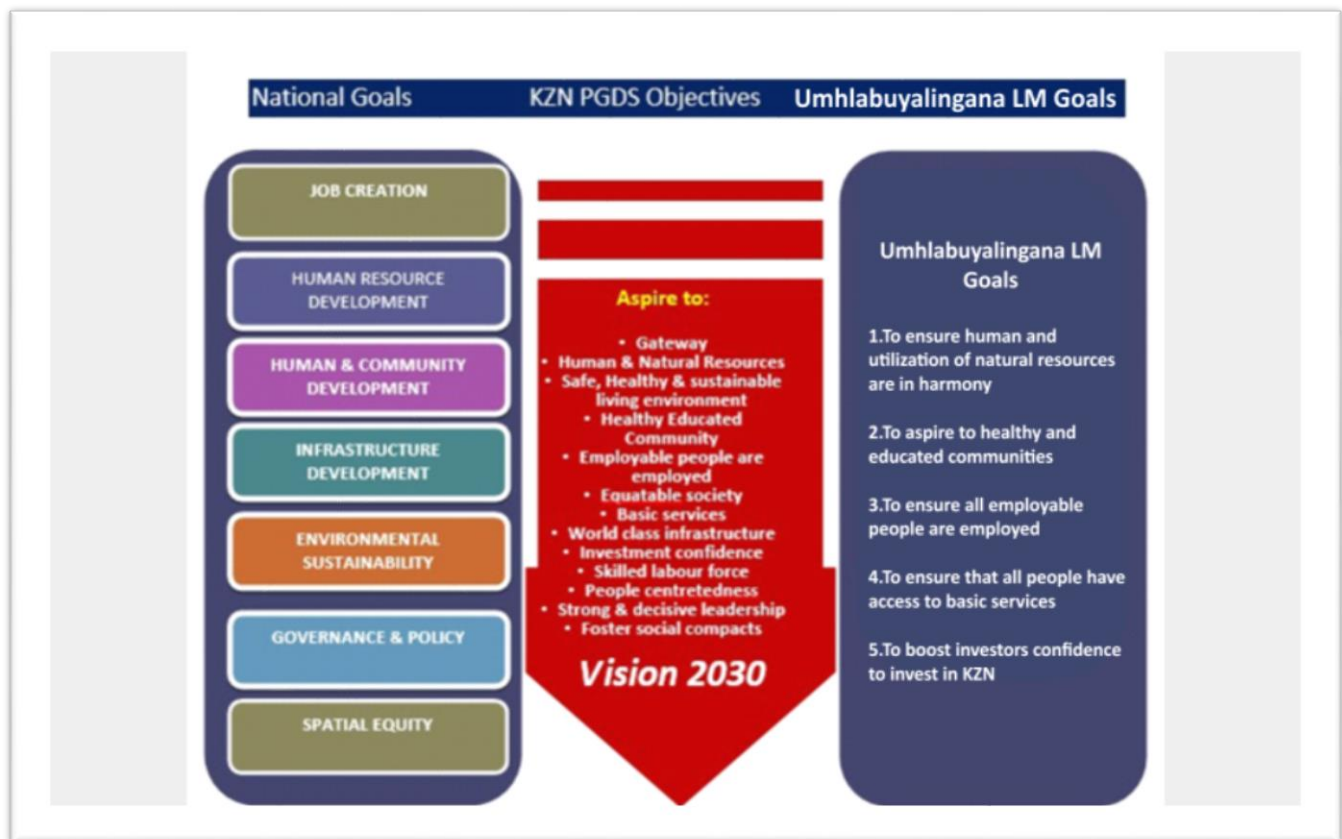
Goals	Strategic objectives	Strategies / projects
KPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION		
<ul style="list-style-type: none"> ➤ To aspire to healthy and educated communities 	<ul style="list-style-type: none"> ➤ To run the municipality in an open, transparent and accountable manner ➤ To comply with all municipal legislation ➤ To involve local communities and stakeholders in municipal 	<ul style="list-style-type: none"> ➤ Annual Report ➤ Facilitate Ward Committee Meetings ➤ Career Exhibition and Youth celebration Day

Goals	Strategic objectives	Strategies / projects
KPA 6: CROSS CUTTING INTERVENTIONS		
<ul style="list-style-type: none"> ➤ To aspire to healthy and educated communities ➤ To ensure human and utilization of natural resources are in harmony 	<ul style="list-style-type: none"> ➤ To provide effective support to environmental management initiative in the area ➤ To create an efficient and functional structure for effective development and delivery of services ➤ To promote productive, harmonious and sustainable land use 	<ul style="list-style-type: none"> ➤ IDP Review ➤ Organizational and Individual PMS ➤ Review Spatial Development Framework (SDF) ➤ Development of Precinct Plans ➤ Risk Assessment ➤ Conduct Disaster Risk Reduction Management Awareness Campaign ➤ Disaster incident reports ➤ Disaster risk awareness campaigns ➤ Conduct Fire Drills ➤ conduct safety evaluation of municipal buildings and offices ➤ Conduct compliance inspections in businesses and government institution ➤ Occupational health and safety ➤ Review of Disaster Management Plan

KEY POLICY DEVELOPMENTS

Strategic alignment to the Provincial Growth and Development Strategy and IDP strategies.

NATIONAL GOALS KZN PGDS OBJECTIVES UMHLABUYALINGANA GOALS



Key Service Delivery Improvements:

The Council of Umhlabuyalingana adopts a 5-year plan in a form of the IDP on an annual basis. This is reviewed as stipulated by the MSA. The IDP gives guide to the municipality in delivering its mandate. Key focus areas of performance are adopted from the national directive defined under the 6 Key Performance Areas (KPA's). Discussed below is the report on the performance of the municipality in terms of its IDP objectives. The report is set out in accordance to the 6 KPA's.

1. MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

DEVELOPMENT AND REVIEW OF POLICIES, PLANS, BYLAWS AND SOPS

- Development and Implementation of Policies, Plans, by-laws and standard operating
- Procedures for the municipality.
- Several policies, plans, by-laws and standard operating procedures were identified, developed and implemented in order to ensure successful achievement of the municipality's vision.

FILLING OF CRITICAL POSITIONS

All critical positions during the 5 year term were filled in order to ensure successful implementation of the municipality's vision. The following positions constituted the Umhlabuyalingana senior management structure.

- Municipal Manager
- Director Technical Services
- Director Corporate Services
- Chief Financial Officer
- Director Community Services
- Technical Manager
- Manager: Town Planning
- IDP/PMS Manager
- Finance Manager
- Risk and Compliance Manager

CAPACITY BUILDING

The Council of Umhlabuyalingana Municipality was provided with accredited training on all relevant local government – governance requirements in order for it to provide sufficient oversight.

The municipality through the Corporate Services Department conducted skills audit on an annual basis in order to identify skills gap and ensure provision of training in order to bridge the skills gaps. Several municipal officials have been up-skilled through this process. The 2014/15 financial year's Auditor General's-Audit outcomes can be greatly attributed to the result of training provided.

PERFORMANCE MANAGEMENT

The municipality has developed an Organisational Performance Management Framework and Individual Performance Management Policy. These documents are reviewed on an annual basis. Performance Management System is a strategic approach to management, which equips councillors, managers, employees and other stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of Umhlabuyalingana Municipality in terms of indicators and targets for efficiency, effectiveness and impact. This system will therefore in turn ensure that all the councillors, managers and individuals in the municipality are held accountable for their actions which should bring about improved service delivery and value for money.

Performance management is aimed at ensuring that the municipality monitors its IDP and continuously improve its operations. The performance management system has assisted to make a significant contribution to organisational and individual performance. The system is designed to improve strategic focus and organisational effectiveness through continuously seeking to improve the performance of the municipality as a whole and the individuals in it.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Objective	Strategies/Projects	Project Indicator	Financial Year	Status
To facilitate an improvement in access to community / public facilities to minimum standards	Council Chamber	Area of Council Chamber constructed	2011/12	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Manguzi Market Stalls	Area of community centre constructed	2011/12	2011/12
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mbazwane Tarred Roads (1km)	No. of km's of gravel road constructed	2011/12	2011/12
To facilitate an improvement in access to community / public facilities to minimum standards	Manaba Sports Field New		2011/12	2011/12

To facilitate an improvement in access to community / public facilities to minimum standards	Manaba Electrification	Number of households electrified	2011/12	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Library Guardhouse	Area of library guardhouse constructed	2011/12	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Library Parking	Area of library parking completed	2011/12	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Manguzi Sport Refurbishment	Area of sportfield completed	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Manguzi Tarred Roads (1.5km)	No. of km's of gravel road constructed	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Manguzi Tarred Roads (300m)	No. of km's of gravel road constructed	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Thandizwe Gravel Road (5km)	No. of km's of gravel road constructed	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mbazwane Dumpsite Road (4km)	No. of km's of gravel road constructed	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Dumpsite Fencing (Skhemelele)	Area of dumpsite fenced	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Dumping Site (Mbazwane Fencing)	Area of dumpsite fenced	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Dumpsite Fencing (Thandizwe)	Area of dumpsite fenced	2012/13	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mabibi Gravel Road (5km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Nsukumbili Gravel Road (5km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Hlomula Phase-1 Gravel Road (3.6km)	No. of km's of gravel road constructed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Zamazama Sportfield	Area of sportfield completed	2013/2014	Completed

To facilitate an improvement in access to community / public facilities to minimum standards	Mseleni Sportfield	Area of sportfield completed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Masibambisane Market Stalls	Area of sportfield completed	2013/2014	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Madonela Electrification	Number of households electrified	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Traffic Station Parking	Area of traffic station completed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Parking Shelter for Cashiers Office	Area of parking shelters completed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Manguzi & Mbazwane Public Toilets	Number of public toilets constructed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Sibhoweni Community Hall	Area of community hall constructed	2013/2014	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Nyamazana Sportfield	Area of sportfield completed	2013/2014	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Mseleni Electrification	Number of households electrified	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Zangomeni-Mngomezulu Gravel Road (4.5km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mbubeni-Majola Gravel Road (4km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mlamula-Manaba Gravel Road (9km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Qongwane Gravel Road (800m)	No. of km's of gravel road constructed	2013/2014	Completed

To provide access and facilitate vehicular movement in Umhlabuyalingana	Mntanenkosi Gravel Road (1.2km)	No. of km's of gravel road constructed	2013/2014	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mfihlweni Mfakubheka Gravel Road (6km)	No. of km's of gravel road constructed	2014/2015	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Scabazini Sportfield	No. of km's of gravel road constructed	2014/2015	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Zangomeni Velabusha Gravel Road (7km)	No. of km's of gravel road constructed	2014/2015	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Mboza Sportfield	Area of sportfield completed	2014/2015	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Hlomula Phase-2 Gravel Road (4.5km)	Number of km constructed	2014/2015	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Bhekabantu Sportfield (4.5km)	Area of sportfield completed	2014/2015	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Mboza Electrification	Number of households electrified	2014/2015	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Sbhoweni Electrification	Number of households electrified	2014/2015	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Nsukumbili Causeway		2014/2015	Completed
	Mbazwane Sportfield	Area of sportfield completed	2014/2015	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Sokalezangoma-Mshudu Gravel Road (4.5km)	No. of km's of gravel road constructed	2015/2016	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Zangomeni-Masulumane Gravel Road (5km)	No. of km's of gravel road constructed	2015/2016	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Nsukumbili Gravel Road (3km)	No. of km's of gravel road constructed	2015/2016	Completed
To provide access and facilitate vehicular movement in Umhlabuyalingana	Egazini Gravel Road (3km)	No. of km's of gravel road constructed	2015/2016	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Welcome Community Hall	Area of community hall constructed	2015/2016	Completed

To facilitate an improvement in access to community / public facilities to minimum standards	Hlokohloko Community Hall	Area of community hall constructed	2015/2016	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Lulwane Community Hall	Area of community hall constructed	2015/2016	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Mlamuli Community Hall	Area of community hall constructed	2015/2016	Completed
To facilitate an improvement in access to community / public facilities to minimum standards	Manzengwenya Community Hall	Area of community hall constructed	2015/2016	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Ward-8- Electrification	Number of households electrified	2015/2016	Completed
To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities	Mboza Phase 2 Electrification	Number of households electrified	2015/2016	Completed

WASTE MANAGEMENT SECTION

- Development of Umhlabuyalingana Waste By-Laws and Gazetted
- Development of Umhlabuyalingana Waste Management Policy
- Development of Integrated Waste Management Plan
- Development of refuse collection tariffs
- Procurement of 2-Waste Tipper Trucks
- Procurement of 20 2.5 Skips bins
- Procurement of Waste Trailer
- Employment of 103 general workers under Waste Management Section
- Procurement and delivery of 260ml waste bins to all government institutions.
- Registration of landfill sites
- Installation of boreholes in all dumpsites
- construction of ablution facilities in all dumpsites

SPECIAL SOCIAL PROGRAMMES

- Formation of **Local Aids Council** to deal with issues such as HIV/AIDS, Teenage pregnant, and TB.
- Establishment of **Women's Forum** to deal with all women related issues under Umhlabuyalingana Municipality
- Establishment of **Youth Council** to deal with all youth related issues under Umhlabuyalingana Municipality, e.g. career guidance exhibition.
- Establishment of **Disability Forum** to look into all issues pertaining to people living with disabilities.
- Establishment of a **Sports Council**, participate in Mayoral cup, SALGA Games, to encourage youth to stay away from drugs.
- **Sports Programs** in wards 2 and 3 where the leagues are being funded through the poverty alleviation fund by the respective Councillors.

INDIGENT REGISTER

The municipality has developed an indigent policy which seeks to provide financial relief to the citizens of the communities who are unable to afford basic services. An indigent register has been developed as a result and is updated on an annual basis to re-assess the existing beneficiaries' affordability and extend to those that are needy.

The municipality has a **Poverty Alleviation Fund** through which it assists learners who are needy to be able to register in tertiary institutions, as a result hundreds of young people from Umhlabuyalingana have had access to tertiary education and many have graduated through this initiative. Ward Councillors have played a big role in the identification of learners in their communities.

ARTS AND CULTURE

The municipality has established Arts and Culture Forums, i.e. Maiden Forum for Umkhosi Womhlanga. The Municipality supports participation and also funds the participants from all the four Amakhosi areas of Umhlabuyalingana.

The municipality hosts Arts Competitions as a platform for the display of young talent within Umhlabuyalingana. Budget is allocated for winners of the competition to further their talents.

Umhlabuyalingana Municipality also hosts 100% Music Festival where only artists from this municipality are given the platform to perform. The artists have also undergone through a mentorship programme which covered mainly two parts namely: the stage performance and stage management and the administration matters in the music business. The festival focuses in all music genres.

TRAFFIC

2012/04/01 The completion of Phase 2-Driving License Testing Centre (DLTC) from grade E to B= Conducted Driving License test for light motor Vehicles and heavy motor vehicles. –

The provision of new service from grade E to B will provide testing services of approximately 6000 per annum. The DLTC has set to assist government in reducing the backlog of testing in South Africa (Particularly in KwaZulu-Natal). The upgrading of DLTC has resulted in at least 10 new business opportunities in the area. Members of surrounding communities also benefit by providing accommodation to applicant who travels as far as from Port Shepstone for service due to efficient in service delivery. The DLTC is current average of 4 million per annum.

LAW ENFORCEMENT UNIT

The number of protection officers employed increased from 2 to 8, the number of law enforcement vehicles increased from 1-to 3 to further enforce the compliance. The unit worked with other road safety structures to provide awareness campaigns in schools, churches, etc.

The number of road fatalities have dramatically decreased in the in the last 5 years. South Africa is the signatory to 2011 UN decade of Action for road safety, as one of the participants in the countries to reduce the number of road fatalities by 50% by 2020.

LOCAL ECONOMIC DEVELOPMENT

TOURISM DEVELOPMENT AND PROMOTION

- The municipality has managed to train a total number of thirty four (34) local youth members from Mazambane reserve. These are indigenous youth community members that constantly provide a variety of hospitality services to the influx of the tourists; and
- One potential community owned tourism campsite have been prioritized for rehabilitation (Manzamnyama Community Tourism Camp site)

SMME SUPPORT

- Forty seven (47) SMME's including informal traders benefitted through the trainings; and
- Two municipal by-laws on business licencing and informal trading have been adopted by the council for gazetting process

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

- A total number of three hundred and ninety three (393) job opportunities have been created through the Expanded Public Works Programme

COMMUNITY WORKS PROGRAMME (CWP)

- A total number of one thousand six hundred and seventy (1 670) job opportunities have been created through the Community Works Programme

4. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

COUNCIL OVERSIGHT STRUCTURES

The municipality has established the following committees to ensure efficient oversight over the municipality's administration:

- Council
- Executive Committee
- Portfolio Committees
- MPAC
- Audit Committee

The abovementioned structures are in place and are fully resourced, capacitated and operational.

- In terms of Section 81 of the Municipal Structures Act, all Amakhosi within Umhlabuyalingana Municipality participated in Municipal Council Meetings.

WARD COMMITTEES

- Elected ward committees in all 17 wards, each ward has 10 members
- Trained all Ward Committee Structures
- Ward Committee Reports are timeously submitted

INTERNAL AUDIT

The municipality established an Internal Audit Unit. However, due to lack of capacity within the institution, at least 70% of the unit's function has been outsourced. This has not in any way compromised the Council's Internal Audit's objectives in terms of governance requirements.

RISK MANAGEMENT

The municipality established a risk management unit, through which strategic risk management documents have been developed in order to ensure a systematic process of risk management within the municipality. An assessment of the municipality's risk is done on an annual basis in order to ensure optimum achievement of the municipality's objectives. This process allows for prioritisation and monitoring of the identified risks.

COMMUNICATIONS

Umhlabuyalingana Municipality has a Communication strategy in place. This document outlines the municipality's strategies and processes of communication with all municipal stakeholders as per the recommendations of the language policy.

5. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

MUNICIPAL PROPERTY RATE ACT.

The municipality developed the General in 2014 financial year which is valid for four years, wherein the municipality develop Supplementary Valuation Roll which is performed annually to accommodate new development which have occurred after the adoption of the General Valuation Roll by the municipal council. The municipality have achieved to adopt the supplementary valuation roll which was adopted on the 30 June 2016 for implementation in 2016-2017 financial year.

REVENUE ENHANCEMENT STRATEGY

It is vital to indicate that our municipality is still grants dependant, however the municipality is trying its level best to enhance the own revenue generation with in its area of jurisdiction. The draft revenue enhancement strategy was represented to the finance and information portfolio for comments which will be presented to council in the 2016-2017 financial year. Over and above the revenue enhancement strategy management have adopted certain strategies to encourage property owners to pay for services and taxes, wherein meetings have been held between the municipality and property owners to discuss discounts and certain write offs. The municipality has also appointed legal firms to assist the municipality with recovery of amounts owed to the municipality.

ASSET MANAGEMENT

The municipality have recently purchased the asset management system, which will be utilised to record municipal asset. The municipal asset is perform in the manner that we ensure that it complies with the GRAP standards. Asset verification, was performed and council was advised accordingly to take necessary resolution to write off assets that are eligible to be written off from the asset register

SUPPLY CHAIN MANAGEMENT

The supply chain management unit was expanded by the municipal council after identifying the shortage of staff complements within the finance department wherein the following employees were appointed, SCM Officer, Bid Committee clerk and SCM Clerk to try and accommodate the compliance issues that related to SCM. The review of the SCM policy was adopted by council on the 30 May 2016 to allow new changes in the current legislations.

AUDITOR GENERAL'S –AUDIT OUTCOME 2014/15

The municipality have acquire clean administration in the 2014-15 financial year. The municipality have develop the action plan to address the issue which were raised as matters of emphasis. The administration was also task to develop clean audit sustainability plans which will assist the municipality to sustain the good result. The oversight is performed monthly by councillors during the council meetings because clean audit is the standing agenda item.

6. CROSS CUTTING INTERVENTIONS

DISASTER MANAGEMENT PLAN:

- **DISASTER RISK MANAGEMENT** (incorporation fire and rescue services unit) the number of employees has increased from 2 to 9 in the last 5 years the Municipality has strengthen the function in the area. The unit also provide a number of Awareness campaigns in the area. The unit also embark on Number of Proactive measure to reduce the number of incidents in the area. Amongst other things the disaster management unit conducts inspections in public facilities and businesses. The unit has managed to provide temporal relief to almost 99% of the reported incidents.
- **Manguzi Land Use Management Scheme** to provide for a Legal Framework in which land use management operate, Appropriate land use and general definitions, Standard Zones and Districts which will apply throughout the municipality, Statements of intent to guide decisions for each zone, Appropriate controls for each zone, district and management area, as where applicable, Procedures for considering the use, development and subdivision of land and furthermore enable the efficient and coordinated use of land
- **SPLUMA By-laws** Municipalities, have to adopt planning by-laws. In order to do so, a municipality will have to advertise its intension to adopt a set of planning by-laws. This will later be followed by a further resolution to adopt the by-law after the public consultation process, which will require gazetting of the full set of by laws in the Provincial Gazette. Municipalities will be responsible for these costs. The Umhlabuyalingana Municipality has compiled the Planning By-laws and advertised for public perusal, however the by-laws have not been gazette due to financial constraints, however the above mentioned will be gazetted in the 2016/17 financial year .
- **Mbazwana, Phumobala and Skhemelele Rural Precinct Plans** to give effect to the development principles contained in the Spatial Planning & Land Use Management Act including:- Spatial Justice; Spatial Sustainability; Efficiency; Spatial Resilience; and, Good Administration. The plans set out objectives that reflect desired spatial form of the rural municipality. A Rural Precinct Plan demonstrates the relationship between the rural precinct planning intent and other planning initiatives such as local economic development strategies, Revitalization of Rural Towns, infrastructure planning, natural resource management plans and environmental management strategies and should encourage and support rural economic development opportunities.

PUBLIC PARTICIPATION

Public participation is important to determine the exact needs that exist in the communities in relation to the developmental priorities during the public meetings and information gathering. Umhlabuyalingana Municipality is utilizing the following mechanisms for public participation when developing its IDP.

- **IDP Representative Forum (IDP RF):** This forum represents all stakeholders and key interested and affected parties. This includes the ward committees, Amakhosi, Non-Governmental Organizations (NGOs), Community Based Organizations (CBOs), etc.
- **Media:** Local newspapers are used to inform the public about progress with the IDP and to invite comments on the process plan, draft IDP and final adoption of the IDP.

- **Radio Slots:** The community radio station is used to make public announcements where necessary.
- **UMkhanyakude and Umhlabuyalingana Website:** UMkhanyakude DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.
- **Ward Committees:** Umhlabuyalingana Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. The municipality considers ward committees as one of the institutional bodies to fast-track service delivery. They are represented in the IDP RF meetings and their input is always considered. They are also being used to disseminate the information about the agenda of the municipality.

2016/17 IDP Review Process Plan Followed

ACTIVITY	SCHEDULE DATE
Signed 2015/16 performance agreements for senior managers, scorecards and SDBIPs and submitted to COGTA and advertised	July 2015
Submitted Quarter 3 and 4 Performance Reports for 2014/15	April and July 2015
Phase-0-	
Preparation of the IDP, Budget and OPMS Review Process Plan for 2016/17	July 2015
Consultation with Stakeholders of the 2016/17 IDP Review Process Plan (Steering Committee, IDP Representative Forum, Manco, Exco and Council) followed by Publishing and Advertising	July – August 2015
Approval of 7 IDP Review Process Plan	August 2015
Submission of Draft Annual Report 2014/15	August 2015
Submission of 2014/15 Performance Evaluation Reports and Assessment for Senior Managers	September 2015
Phase-1- Review Analysis	
Review of information (text and mapping update) and update of information on situational analysis and sector plans	September 2015
Phase-2- Strategies Phase	
A review of the Vision, Mission, Core Values, Legislative Mandates and Strategic Goal	November-December 2015
Conducting an environmental analysis	November-December 2015
Developing initiatives to address environmental challenges	November-December 2015

Developing a detailed operational plan	November-December 2015
Phase-3-Projects Review and Identification	
Ward Consultation meetings on projects in all wards	October-December 2015
Submission of capital projects for 2016/17	October-December 2015
IDP Representative Forum	October-December 2015
Council prioritization meeting on projects	October-December 2015
Phase-4- Projects Integration	
2015/16 Mid-Year Review	January 2016
Submission of 2015/16 Annual Report	January 2016
Screening of projects and sector plans	January 2016
Alignment Meeting on Projects with District Municipality and sector departments	January 2016
2016/17 Umkhanyakude District Municipality IDP Alignment Meeting	March 2016
Presentation of 2016/17 Draft IDP to the IDP Representative Forum	March 2016
Submission of 2016/17 Draft IDP and Budget to Manco/Standing Committees/Exco/Council	March 2016
Submission of 2016/17 Draft IDP to COGTA	March 2016
Provincial IDP Assessments	April 2016
Advertisement of Draft IDP 2016/17 and consultation meetings on the Draft IDP.	
Phase-5- Approval	

FUTURE ACTIONS:

The Initiatives committed whereby service delivery will be improved over the next few years is addressed in the Vision Section above, refer to a table on Long Term Development Goals, Objectives and Strategies Structured into 6KPA's including KZN-KPA. Furthermore, Council Approved 2016/2017 IDP and Service Delivery, Budget and Implementation Plan (SDBIP) details the municipality's planned programmes and projects for 2016/2017 and beyond.

AGREEMENTS / PARTNERSHIPS: ANNOUNCEMENTS ON SPECIAL PARTNERSHIPS INITIATED.

- UMngeni Water and UMhlathuze?
- District IGR-TORs

CONCLUSION:

Our duty as political principals of the municipality is to ensure meaningful contribution in the eradication of the three social ills namely: poverty, unemployment and inequality in our municipal area. This can only be achieved through playing constructive oversight role over administration in their performance in the implementation of council approved service delivery budget and implementation plans and maintains good partnership with all stakeholders to ensure collective development approach towards development.

As the Mayor of the Municipality, I take pride in presenting this annual report which reflects on the performance, both service delivery and budget, for the 2015/2016 financial year. In terms of Local Government: Municipal Performance Regulations 2001 and 2006, it is a legislative requirement that we report on the institutional performance in terms of Regulation 2001. The municipality is obliged to perform the organisational and individual (Municipal Manager and the Managers directly reporting to the Municipal Manager) Performance Management System to evaluate the performance of the municipality and its administration for a pre-determined period. It is in this context that this report has been prepared to appraise the stakeholders about progress made to date in relation to the set targets as well as challenges experienced and the remedial action that have been put in place as corrective measures in cases where the set targets have not been achieved accordingly.

In accordance with the council approved organisational scorecard annual targets, the municipality had set itself 67 targets. The overall performance as at the financial year end depicts a good picture which indicates 78 percent as opposed to 59 percent during 2014/2015 financial year overall achievement of targets. This could not be achieved without cooperation between the current political leadership and dedicated administration. I am hopeful that as we approach the end of our financial year we will maintain this performance or even improve it for the better for the benefit of the current and future generations of Umhlabuyalingana.

Finally, I would like to take this opportunity to thank the members of the public who are continuously supportive and understanding in all aspects with one intention, to have a better future for all.

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Cllr. T.S Mkhombo

His Worship the Mayor's

COMPONENT B: EXECUTIVE SUMMARY

MUNICIPAL MANAGER'S OVERVIEW



The local Government: Municipal Performance Regulations 2006 requires that all Section 54 and 56 Managers performance must be monitored on a regular basis. This monitoring process provides early warning signs on issues pertaining to performance for the purposes of establishing adequate and responsive corrective measures in cases where the set targets have not been achieved accordingly. This regulation has however been extended, through the Council adopted performance management policy and performance management framework, to managers below section 56 and all other staff to ensure a cohesive and collaborative front in the achievement of the Council set targets.

It must further be noted that the institutional performance is influenced by three key aspects, namely; leadership, financial and performance and governance, as they appear in the Dashboard report. In the year 2015/2016 the municipality has 4 (four) Senior Managers reporting to the Municipal Manager and this has improved the administration of the municipality.

It is important to mention that the municipality does not have any shared service arrangements with other municipalities and/or organisations. It is also imperative to mention that the municipality wards have expanded from 17 wards to 18 wards resulting from the demarcation process took place during the 2015/2016 financial year.

In accordance with the Constitution of the Republic of South Africa and applicable Local Government legislation and regulations, it is pleasing to note that the municipality as a local municipality has not over stretched its, but has accordingly confided itself within the law; for example, the function of library services was accordingly transferred to the relevant department of Art and Culture, hence the signed Memorandum of Agreement between the department and the municipality.

It is also imperative to note that the municipality is deeply rural (99%) with high levels of unemployment and poverty. It is for this reason that our policy on property rate emanating from the Municipal Property Rates Act (MPRA) targets only businesses and government as rate payers. In addition to property rates, refuse removal, rental income, licensing and library serve as our sources of revenue over and above the conditional grants which forms bigger part of our income. In addition the municipality does not have any loans or borrowings.

It is also comforting to state that the liquidity ratio of the municipality is 4:1 which reflects a healthy financial position. The cash coverage ratio is also 28.3 times which further confirms, in accordance with the audited financial statements that the municipality is liquid and financially stable. This can only be attributed to a number of factors including stable political leadership and dedicated administration; hence the clean audit opinion from the office of the Auditor-General.

It is also worth noting and appreciating the extent to which the municipality has embraced the constitutional principle of cooperative governance as well as that of the Intergovernmental Relation Framework Act through cooperatively engaging other sector departments in the integrated Development Planning Forum meetings as well as Intergovernmental Relations meetings with municipalities in the uMkhanyakude District. These advancements have seen the coordinated development, although there is room for improvement, in Umhlabuyalingana, especially from the sector departments.

It is important to mention that in the 2014/2015 financial year, the municipality obtained the clean audit opinion. The management has developed the action plan on the findings raised on our ICT, corrective measures and implementation dates on how to address the issues raised and the Audit Steering Committee was established to deal with such issues.

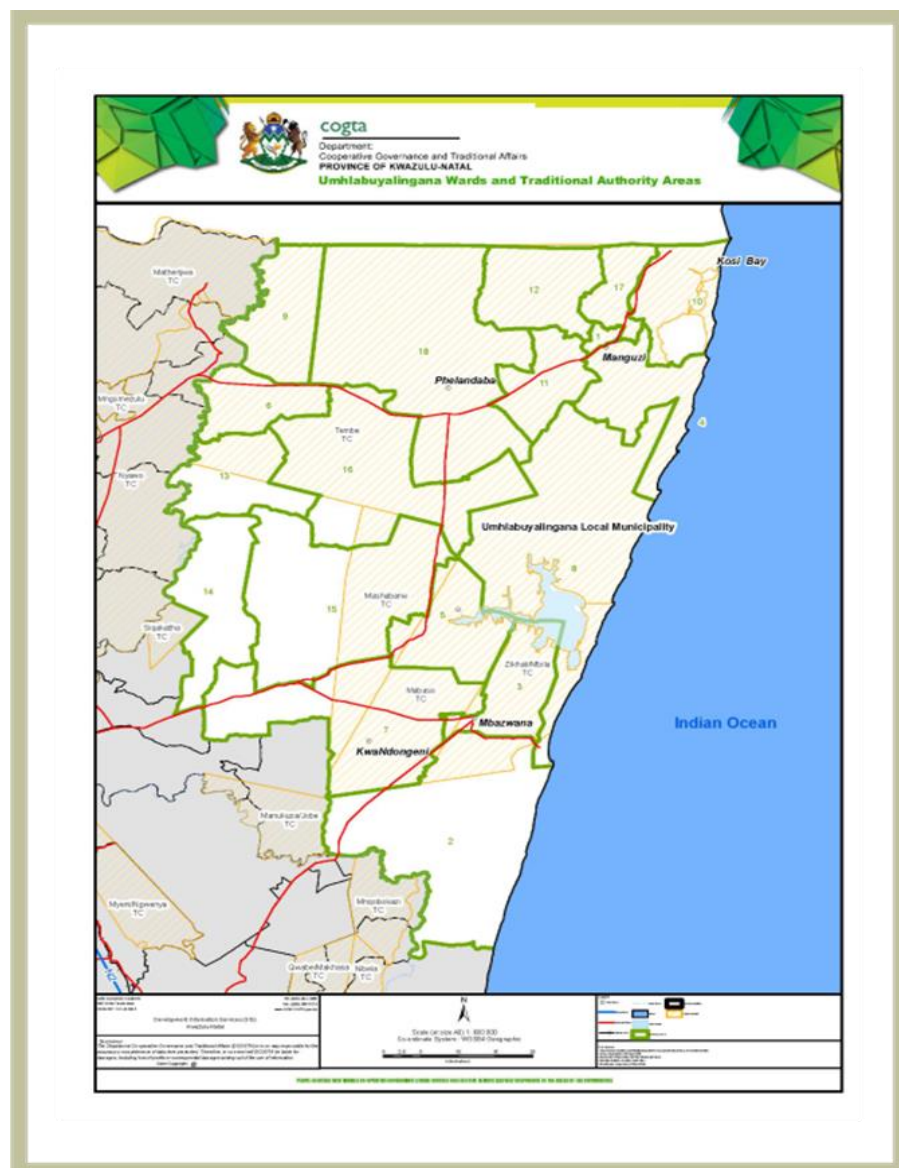
In our endeavour to maintain the clean audit in 2015/2016 financial year as the municipality commits to working tirelessly and diligently during the next financial year, minimising and eliminating administrative inadequacies thus increasing public confidence in the public service.

The need for risk management is to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity. It is an appropriate proactive way of managing risks and to successfully achieve the municipality's goals and strategic objective. Hence risk assessment has been conducted by Provincial Treasury and action plan including corrective measures to manage and mitigate risks has been developed and monitored by the Risk Committee.

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Mr. S E Bukhosini

Municipal Manager

Map 1: Umhlabyalingana Im locality

Umhlabyalingana Municipality is one of the five local municipalities that comprise uMkhanyakude District Municipality. It is located in north-eastern KwaZulu-Natal along the border with Mozambique to the north, the Indian Ocean to the east, Jozini Municipality to the west and the Big Five False Bay Municipality to the south (Figure 1.1). This municipality is predominantly rural, with the population spread amongst the 17 municipal wards and the four traditional council areas (Tembe, Mashabane Mabaso and Zikhali).

Umhlabyalingana Municipality consists of a predominantly African population (99%+), with the White, Coloured and Indian/Asian population contributing less than one percent.

Only three percent of the economically active population within the municipality earns more than R1 600 per month. The alarming fact is that 47 percent of the economically active population (out of a total of 52%) receives either no income or less than R1 600 per month.

Out of the total population, 18 percent has had no formal education, 57 percent did not complete Grade 12, and only eight percent obtained a Grade 12 or higher education. Of the eight percent with Grade 12 or higher, two percent of the municipality's population obtained a tertiary education. The Umhlabuyalingana Municipality's economic base depends largely on tertiary services, with community services accounting for about 70 percent of the municipality's GDP. Agricultural production contributes about 20 percent, while the secondary sector consisting of manufacturing, electricity/gas/water supply contributes 10 percent to the GDP of the municipality.

REGIONAL ACCESS

Access to Umhlabuyalingana Municipality is achieved mainly through the MR439 also known as the Lubombo Spatial Development Initiative. This provincial corridor runs in a north/south direction and serves as a major link between South Africa and Mozambique along the coast.

UMHLABUYALINGANA SPATIAL SYSTEM OF INTEREST

The delineation of Umhlabuyalingana Municipality boundaries was based on a number of factors including, population movement patterns, population distribution, and most importantly, regional economic patterns. This establishes the area as a system of interest reflecting complex interconnections among a range of component parts.

The area itself is also a subset of the other systems, such as uMkhanyakude District Municipality in local government and service delivery terms, and Maputaland/Elephant Coast in tourism planning and development terms. Other systems of interest that impact on the area include conservation and heritage, international conventions and national development processes.

SETTLEMENT PATTERN

Umhlabuyalingana is generally rural in character and is characterised by expansive low density settlements occurring on Ingonyama Trust land. However, over the last few years there has been an increase in density in some areas along the main roads with the conurbation of commercial activities in some strategic points thus giving rise to development nodes, such as Mbazwana and Manguzi. Other nodal areas within the area include the following:

- KwaSikhemelele
- Mseleni, which developed as a result of the public facilities, such as a hospital
- Phelandaba, which is strategically located at the intersection of provincial and district corridors
- Ntshongwe

Manguzi and Mbazwana are experiencing relatively high population growth rates due to in-migration into these areas. Unless the formalisation process is fast-tracked, these areas run a risk of deteriorating into expansive rural slums, which will be very difficult to manage in the future.

SERVICE CENTRES

The importance of promoting development in Mbazwana has been recognised by all spheres of government, particularly Umhlabuyalingana Municipality and uMkhanyakude District Municipality, and is accepted to be a

priority. Spatial frameworks for both municipalities identify the area as a rural service centre and a catalyst for regional spatial restructuring. This recognises the role of the centre, and challenges the authorities to focus development and growth in this area, and ensure that spin-offs are generated for the outlying areas.

The district Spatial Development Framework as outlined in the IDP emphasizes the importance of an efficient service delivery system based on the model of development nodes, service centres and development corridors. These are differentiated by the role they play in regional space and the thresholds they serve. Mbazwana is identified as a secondary node with both administrative and service delivery functions.

Service centres have a critical role to play in underdeveloped areas with high levels of poverty and service backlog. The current dispersed settlement pattern of the Umhlabuyalingana area forces members of local communities to travel long distances under trying circumstances to access community facilities. The cost of these trips are reflected not only in the financial expenses incurred, but also time spent and opportunities that are foregone.

LAND USE MANAGEMENT

Umhlabuyalingana Municipality has adopted both a municipal wide Spatial Development Framework (SDF) and a Land Use Management Scheme (LUMS) for Manguzi. Currently there is funding from CoGTA to compile a wall to wall scheme for Umhlabuyalingana Municipality.

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

MUNICIPAL FUNCTIONS

The municipality derives its powers and functions from the prescripts of the Constitution, Schedule 4, part B read in conjunction with Section 152, which contains the objects of local government. Municipal transformation and institutional development relates to a fundamental and significant change in the way the municipalities perform their functions, deploy resources and the institutional strategies applied to achieve optimum results for delivery of quality services to the communities served.

Transformation and institutional development is expected to take shape where the following is addressed as part of our strategic planning and direction.

POWERS AND FUNCTION OF MUNICIPALITIES

Schedule 5 Part B Functional Areas of Concurrent National and Provincial Legislative Competence	Schedule 4 Part B Functional Areas of Exclusive Provincial Legislative Competence
<ul style="list-style-type: none"> ➤ Air pollution ➤ Building regulations ➤ Child care facilities ➤ Electricity and gas reticulation ➤ Firefighting services ➤ Local tourism 	<ul style="list-style-type: none"> ➤ Beaches and amusement facilities ➤ Billboards and the display of advertisements in public places ➤ Cemeteries, funeral parlours and crematoria ➤ Cleansing ➤ Control of public nuisances

<ul style="list-style-type: none"> ➤ Municipal airports ➤ Municipal planning ➤ Municipal health services ➤ Municipal public transport ➤ Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this constitution or any other law ➤ Pontoons, ferries, piers and harbours, excluding the regulation of international and national shipping and matters related thereto ➤ Storm water management systems in built-up areas ➤ Trading regulations ➤ Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems 	<ul style="list-style-type: none"> ➤ Control of undertakings that sell liquor to the public ➤ Facilities for the accommodation, care and burial of animals ➤ Licensing of dogs ➤ Licensing and control of undertakings that sell food to the public ➤ Local amenities ➤ Local sport facilities ➤ Markets ➤ Municipal abattoirs ➤ Municipal parks and recreation ➤ Municipal roads ➤ Noise pollution ➤ Pounds ➤ Public places ➤ Refuse removal, refuse dumps and solid waste disposal ➤ Street trading ➤ Street lighting ➤ Traffic and parking
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DEMOGRAPHIC PROFILE

According to the 2011 Census, Umhlabuyalingana Municipality's population is 156 736 people. This represents about 25 percent of the population in the district, making it the third largest in uMkhanyakude District Municipality (Figure 1.2). The municipality covers an area of 3 613km².

While much of Umhlabuyalingana Municipality consists of very low intensity and sparsely populated rural settlements, Manguzi and to some extent Mbazwana, Mseleni and Skhemelele are fast emerging as urban centres albeit with different levels of concentration.

The gender profile of Umhlabuyalingana is typical of the trend in most other local municipalities in KwaZulu-Natal i.e. there are generally a greater number of females residing in the area as opposed to males. However, the difference is not significant. The municipality has 10 percent more females compared to their male counterparts (Figure 1.3). Thus economic interventions targeting women are required.

Umhlabuyalingana has, over the last few years, experienced phenomenal population growth. Table 1.1 shows the population distribution by gender and age for the years 1996 and 2001 and 2011.

Table 1.1 **Population by age and gender for 1996, 2001 and 2011 (Stats SA: Census)**

KZN271 Umhlabuyalingana									
Age	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 – 4	9 236	9 226	18 461	9 727	9 738	19 464	11 291	10 989	22 281
5 – 9	9 897	9 875	19 771	10 556	10 777	21 333	10 181	9 794	19 974
10 – 14	8 972	9 122	18 094	10 602	10 831	21 433	10 697	9 982	20 679
15 – 19	7 262	7 938	15 200	9 027	9 539	18 565	10 014	10 030	20 044
20 – 24	4 768	6 319	11 087	5 477	6 724	12 201	6 855	8 057	14 912
25 – 29	3 144	5 379	8 523	3 421	5 690	9 111	4 699	6 614	11 313
30 – 34	2 359	4 196	6 554	2 964	5 079	8 043	3 346	5 261	8 608
35 – 39	2 103	3 517	5 620	2 657	4 445	7 102	3 060	4 465	7 525
40 – 44	1 519	2 253	3 772	2 024	3 396	5 421	2 586	4 170	6 756
45 – 49	1 288	1 907	3 195	1 385	2 356	3 741	2 347	3 682	6 030
50 – 54	857	1 279	2 136	1 224	1 949	3 173	1 739	2 777	4 515
55 – 59	947	1 652	2 599	913	1 380	2 293	1 374	1 876	3 250
60 – 64	745	1 771	2 516	971	1 966	2 937	1 130	1 790	2 920
65 – 69	951	2 218	3 169	579	1 745	2 324	735	1 215	1 949
70 – 74	548	946	1 493	753	2 059	2 812	735	1 433	2 168
75 – 79	426	696	1 121	372	815	1 187	326	1 082	1 408
80 – 84	179	237	415	321	593	914	373	1 087	1 460
85 +	135	230	365	163	348	511	281	663	945
Total	55 333	68 759	124 092	63 134	79 431	142 565	71 769	84 967	156 736

The population of Umhlabuyalingana is very young with more than 57 percent falling under the 20 year age category and 34 percent officially defined as youth (15–53 years) (Figure 1.4). This has a huge implication for service delivery, education and job creation in the municipality, which has to be prioritised on account of such a young population.

A relatively young population implies a high dependency rate on the working population to meet the needs of this young generation. As such there is significant pressure on the working population to take care of the youth and the elderly. To further exacerbate the problem, not all the people within the economically active category are employed. A relatively high representation of very young people in Umhlabuyalingana has serious implications for service delivery, education and job creation in the area.

SOCIO-ECONOMIC PROFILE

The prevalence rate of HIV in Umhlabuyalingana could be estimated at 16 percent of the total population. Some of the impacts of the disease in Makhathini Flats are the decrease in life expectancy and increase in the dependency ratio and the number of orphans; and the slowing down of the population growth rate (increasing mortality and morbidity)(Figure 1.5). Developmental impacts include a loss in social skills and changes in the distribution of income. A result is an increased demand for healthcare facilities and a reduction in school entrants. The impact of HIV/AIDS on municipalities is likely to be present in all aspects of the municipality's functions, but may lead, in particular, to an increase in the need for poverty alleviation and under-utilisation of infrastructure in the long run.

Between 2010/11 and 2011/12 the district institutional maternal mortality rate decreased from 130.1/100 000 to 68.1/100 000 compared with the National overall MMR of 310/100 000 (SA Strategic Plan for CARMMA) (Table 1.2). It should be noted that a number of maternal deaths occurred following transfer from the district to the regional referral hospital in Uthungulu.

The leading contributory cause of maternal deaths is HIV and AIDS, with AIDS-related infections being the leading causes of maternal deaths, followed by obstetric haemorrhage, indicating where attention needs to be applied to further reduce maternal mortality. The decrease might also be due to effective monthly perinatal reviews; training of professional nurses by Region 4 Specialists in the management of major conditions leading to maternal deaths; and training of CCGs on the MCWH Community Care Framework in order to strengthen MCWH services in the community.

Table 1.2 Maternal and infant mortality rate in uMkhanyakude District (DHIS)

Indicator Name	Indicator Type	2010/2011	2011/2012
Total mortality rate	%	7,0	6,0
Facility maternal mortality rate	per 100K	130,1	68,1
Infant mortality rate	%	11,4	8,5
Under 5 years mortality rate	%	9,4	6,6
ANC prevalence survey	%	41,9	40,0

The infant and child mortality rates have shown substantial improvement since 2009. The main reason for this improvement is the reduction in mother to child transmission of HIV since dual therapy was introduced in 2008, which has reduced transmission at 6 weeks of age in the district from 12 percent in 2008 to 4 percent in 2011.

The HIV prevalence (ANC) remains high although it shows a slight reduction from 41, 9 percent in 2010 to 40 percent in 2011. The district is one of three districts in the country where the prevalence exceeds 40 percent. Success in the treatment programmes will however increase the life expectancy of women.

There is a steady improvement in early ANC attendance and the proportion of eligible women started on HAART, which should enhance PMTCT and reduce maternal mortality. There continues to be room for improvement in the ante-natal Nevirapine uptake rate, although data collection is a challenge.

As indicated in Table 1.3, 13 865 households reside in traditional dwellings, the majority of which are poorly constructed. This marks an increase of about 30 percent from the 2001 figures. It demonstrates the level of poverty in the area and suggests an acute need for rural housing. While this is spread throughout the area, it is noted that the settlement pattern in Umhlabuyalingana is changing as an increasing number of households is locating along major access routes and within or in close proximity to Mbazwana and Manguzi, thus highlighting the importance of settlement planning and co-ordination of infrastructure provision and development of sustainable human settlements.

Table 1.3 ***Distribution of households by type of main dwelling (Stats SA: Census)***

Municipality	Formal Dwelling			Informal Dwelling			Traditional Dwelling		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
KZN271: Umhlabuyalingana	4 523	9 457	19 525	101	1 019	130	14 581	15 698	13 865

Table 1.4 ***Type of dwelling (Stats SA: Census 2011)***

Type	Total
House or brick/concrete block structure on a separate stand or yard or on a farm	18 329
Traditional dwelling/hut/structure made of traditional materials	13 865
Flat or apartment in a block of flats	964
Cluster house in complex	52
Townhouse (semi-detached house in a complex)	37
Semi-detached house	13

House/flat/room in backyard	91
Informal dwelling (shack; in backyard)	104
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	26
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	38
Caravan/tent	54
Other	284
Unspecified	–
Not applicable	–
Total	33 857

By using the backlog figures for water and sanitation supply, it is estimated that the backlog is 8 806 housing units. Although Mbazwana and Manguzi are still rural towns and subject to the dictates of the Ingonyama Trust Act, they are urbanising at a fast rate and present new challenges in terms of housing development. Housing needs in these areas include rental stock, middle income housing and the traditional low income housing. A relatively high representation of informal rental housing stock suggests a large number of people who occupy backyard shacks, cottages and other rented accommodation (Table 1.4 & Figure 1.6). Introduction of town planning in these areas will help to direct growth and ensure that the area develops in accordance with the National Housing Development Policy – sustainable human settlement.

EDUCATION PROFILE & LITERACY LEVELS

A large number (54%) of people is functionally illiterate meaning that they either do not have school-based education or have not received sufficient school-based education to acquire marketable skills and engage in serious business ventures (Table 1.5).

Table 1.5 Distribution of population aged 20 years and older by level of education attained for 1996, 2001 and 2011 (Stats SA: Census)

Education Level	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
No schooling	9 718	18 823	28 541	10 993	22 161	33 154	14 689	7 585	22 274

Some primary	3 116	4 968	8 084	3 669	5 581	9 250	6 800	4 685	11 485
Completed primary	1 018	1 420	2 438	1 126	1 465	2 591	1 818	1 241	3 058
Some secondary	3 723	4 272	7 995	4 290	5 194	9 483	9 232	7 421	16 653
Std 10/Grade 12	1 550	1 947	3 497	2 540	3 263	5 803	9 290	6 933	16 222
Higher	283	373	656	605	883	1 488	2 005	1 272	3 277
Total	19 408	31 803	51 211	23 223	38 546	61 770	43 833	29 137	72 970

Only a small fraction has secondary education and the representation of people with tertiary education is even more negligible (Figure 1.7). Poor educational levels also mean that the ability to equip the local population with skills and training in non-agricultural activities becomes more difficult. This situation is aggravated by the lack of access to colleges, technikons and universities for the local population.

Table 1.6 Distribution of population aged between 5 and 24 years by school attendance for 1996, 2001 and 2011
(Stats SA: Census)

Schooling	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Attending	19 198	19 841	39 040	26 945	27 141	54 087	31 379	29 667	61 046
Not Attending	11 202	12 562	23 764	8 716	10 729	19 445	5 352	7 126	12 478
Total	30 400	32 403	62 803	35 661	37 870	73 531	36 731	36 793	73 524

HOUSEHOLD INCOME

Household income levels in the municipality are extremely low, with almost half (44, 9%) the number of households earning no income (Figure 1.8). The majority of the population survives on around R500 a month.

Representation reduces significantly as income brackets increase. There is a relatively high dependence on social grants.

It is also clear that given the low employment levels in the area, the majority of households are dependent on social welfare grants. These low levels of income are indicative of the high levels of poverty found in Umhlabuyalingana and the urgent need to create income generating activities.

EMPLOYMENT PROFILE

An extremely high percentage of the population is not economically active. This also means a high dependency ratio exists on household heads with low income levels. Despite the diversified nature of the local economy, unemployment in the municipal area is of concern as only 13 percent of the total labour force is employed. Unemployment rate is currently estimated at 22 percent while 65 percent of the total labour force is not economically active (Figure 1.9).

The classification of employment with regard to industry is difficult since 95, 1 percent of the local economy could be classified as undetermined. The majority of the employed that can be classified, work in the community and government sector services. The majority of the employed population is paid employees. Self-employed people account for less than one percent of the employed population. This indicates poor levels of entrepreneurship within the municipality.

For those who are employed, the majority occupy semi and unskilled positions, with a small handful in skilled employment. This indicates the fact that the area has high levels of dependency on the few people that are employed. The low levels of education also limit the ability of local people to be employed. This also points to the levels of poverty in the area.

INDIGENT SUPPORT

The municipality has initiated a process towards the compilation of an Indigent Register as a means to implement free basic services policy. It is expected that the process will be completed during this financial year. It is noted that Umhlabuyalingana is located within a poverty node, and has a relatively high number of households who cannot afford basic payment for services. Ward Councillors and Community Development Workers are playing a major role in the identification of deserving households and the compilation of a register.

ECONOMIC PROFILE

Umhlabuyalingana Municipality, like any other municipalities in the country, has a huge service backlog. The municipality does try to deliver relevant services to the communities through effective utilization of funds and human resources but, there is still much work to be done. Its economic base depends largely on tertiary services, with community services accounting for about 70% of the municipality's GDP. Agricultural production contributes about 20%, while the secondary sector consisting of manufacturing, electricity/gas/water supply contributes 10% to the GDP of the Municipality

Overview of Neighbourhoods within Umhlabuyalingana Municipality

Overview of Neighbourhoods within Umhlabuyalingana Municipality		
Settlement Type	Households	Population
Towns		
Manguzi (Ward 17)		
Mbazwana (Ward 2)		
Skhemelele (Ward 6)		
Sub Total		
Townships		
No Townships within the municipality		
Sub Total		
Rural Settlements		
Ward 1		
Ward 2		
Ward 3		
Ward 4		
Ward 5		
Ward 6		
Ward 7		
Ward 8		
Ward 9		
Ward 10		
Ward 11		
Ward 12		
Ward 13		
Ward 14		
Ward 15		
Ward 16		
Ward 17		
Sub Total		
Informal Settlements		
There are no informal settlements within the municipality		
Sub- Total		
Total		

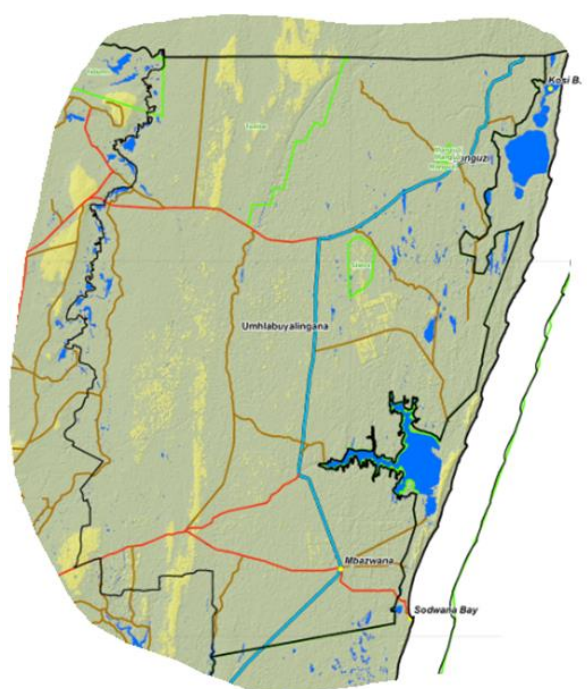
NATURAL RESOURCES

Natural Resources	
Major Natural Resource	Relevance to Community
Sand Mining	
Marula Farming	

ENVIRONMENTAL OVERVIEW

TOPOGRAPHY

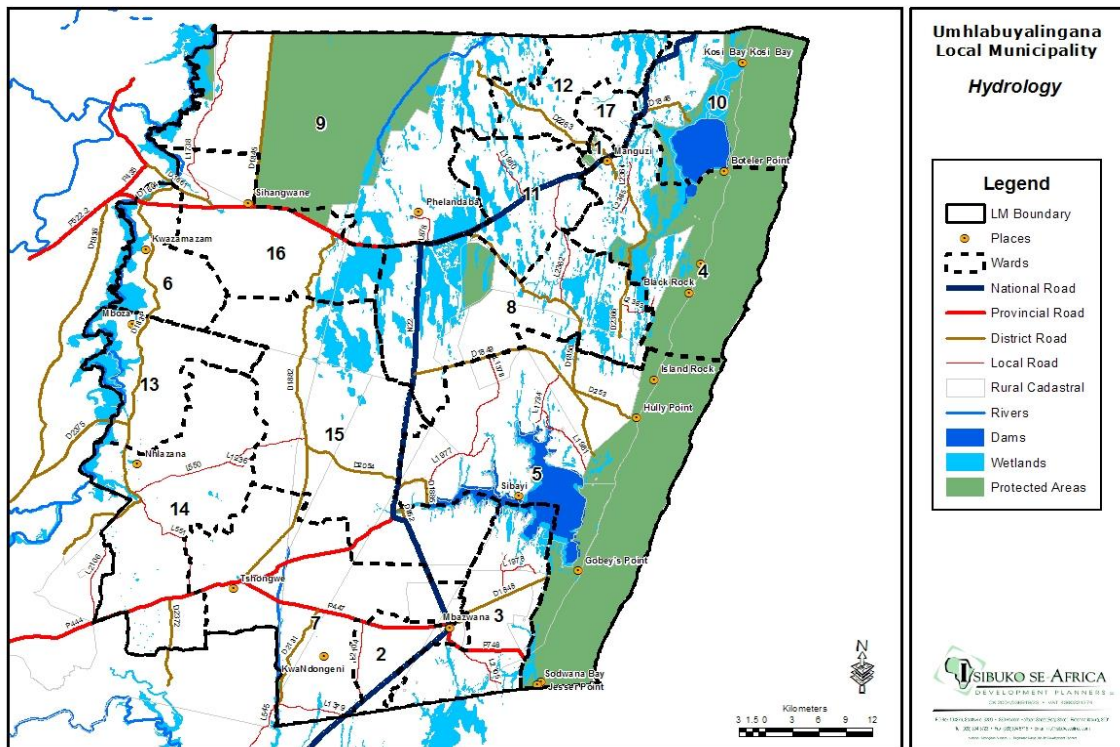
The general topography within Umhlabuyalingana Municipal area is flat to gentle rolling. This normally implies that there are limited hindrances to development as far as topography or slope is concerned. The slope in the area is gentle and within acceptable limits for development. However given the sandy nature of the topsoil, any removal of ground cover may result in erosion, especially in areas that are moderately sloping. It is advisable that when planning the developments, activities that involve significant removal of vegetation or the land cover be avoided in the areas that are sloping. It is also advisable that development-specific geotechnical investigations be undertaken to determine the subsoil stability for the intended activity in the planning of specific developments.



The maximum elevation of land within the uMhlabuyalingana LM is 200m above sea level (see areas indicated in yellow). This constitutes some 5% of the total area of the Municipal Area. The remaining 95% of the Municipal Area is between 0m and 100m above sea level.

Topography (Metres AMSL)

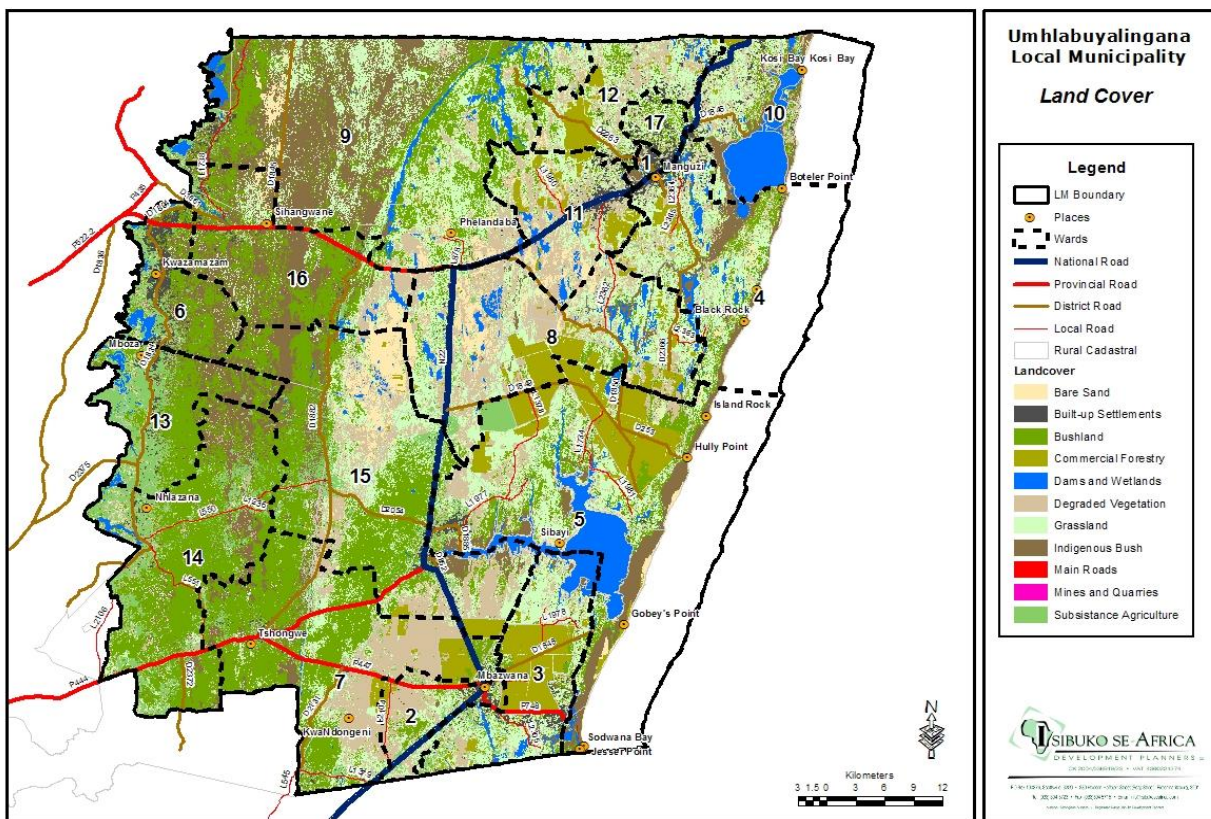




The area has limited drainage lines and rivers with exception of Pongola River that runs on western

edge of the municipal boundary. However there are extensive wetlands, with the presence of typical wetland vegetation species like the Juncus species (Nncema.) These hydrologically sensitive areas are mainly on the central and eastern sections of the municipal area under investigation. There are also patches of wetlands along the R22 Mbazwana bound road. The typically wet areas may be underlain by clayey sandy soils.

The most significant hydrological system in the area is wetland. Most of the wetlands in the area appear to be functional wetlands with little disturbances. It is known that wetlands function to provide several ecosystem goods and services which for the area under investigation will to a large extent, be provision of grass for crafts and households use and flood attenuation. Thus maintenance of the integrity of the wetland and assurance of its functionality are important management considerations during development planning for the area.



The general vegetation type of the area is described as Maputaland Coastal Thicket. This vegetation type is said to be vulnerable to KZN province. According to KZN Wildlife vegetation classification, the province has an estimated 148,840 ha of this vegetation type of which 11.2% is protected. It is estimated that approximately 9.684% of this vegetation type in the province is completely transformed and a further 17.44% degraded. It is said that a total of approximately 73.25% of this vegetation type is still untransformed. In view of these statistics, this vegetation type is classified as vulnerable and therefore care need to bet taken in order protect its conservation significance in the province and in the country as a whole.

It is noted that a fairly large portion of this vegetation type within the project areas especially along the main roads and tracks is degraded or completely transformed. From this it can be seen that majority of the project area still have fairly untransformed Maputaland Coastal Thicket, which is said to be vulnerable. From this assessment also, it was noted that the Maputaland Coastal Thicket is dominated by grassland. Portions of this grassland are still in fairly good condition. The settlement activities in the area have resulted in a significant degradation of the vegetation especially within around Phelandaba and Mbazwana. This confers 'a reduced' conservation significance on the site. However, in terms of environmental legislation, development of any site greater than 1 hectare (whether in a suitably good vegetation condition or derelict), requires authorization from the Provincial Department of Agriculture and Environmental Affairs.

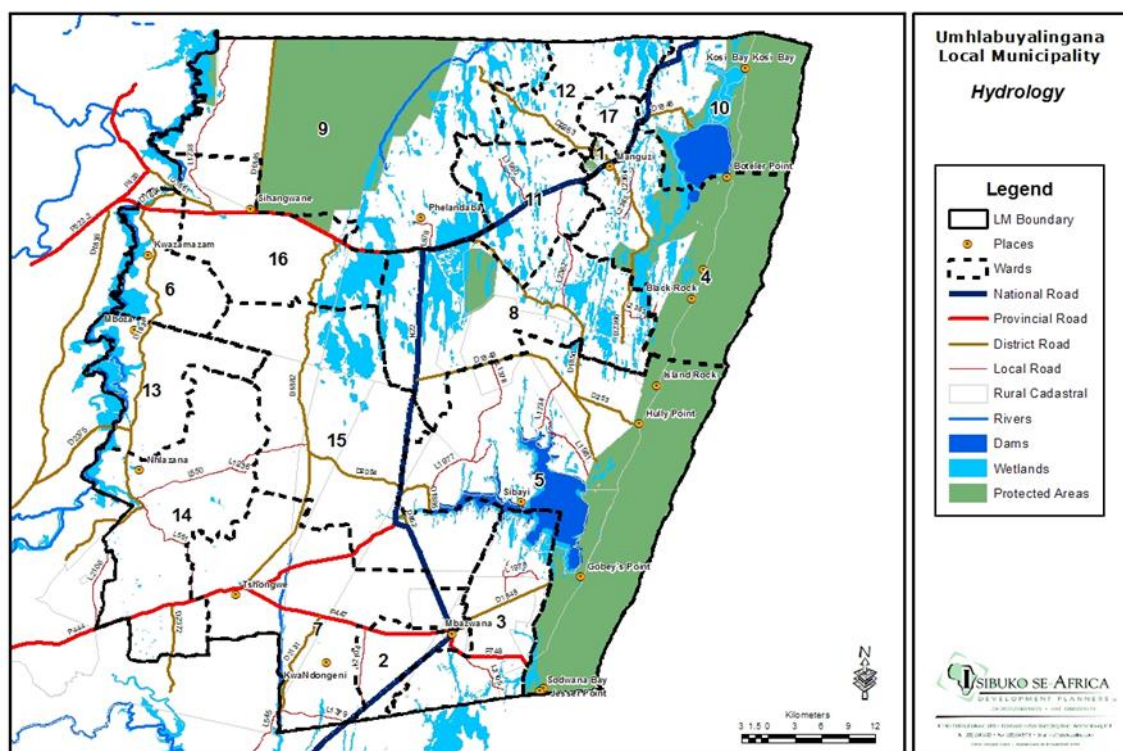
Given the status of the vulnerable vegetation at a municipal level, care needs to be taken in the planning of developments so that unnecessary disturbances would not occur on the untransformed thicket and grassland. Development of any untransformed or derelict area may be subject to an environmental impact assessment. The key environmental issues may be removal of vegetation if the transformation or the size of the development is

more than the allowed size in hectares and degradation of wetland vegetation and subsequent reduction in its functionality.

Hydrology

Umhlabuyalingana comprises 16 different wetland types, including:

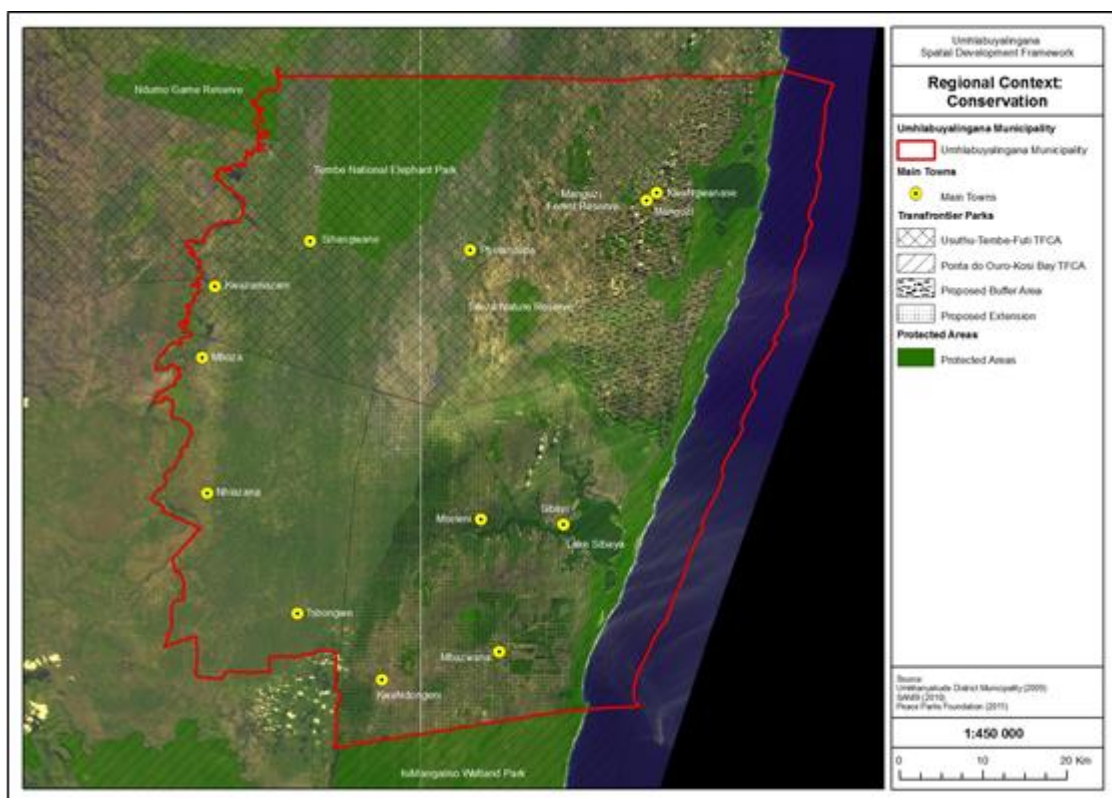
- Shallow marine waters
- Coral reefs
- Sand/shingle shores
- Estuarine waters
- Tidal mudflats, including intertidal flats and salt flats
- Salt marshes
- Mangrove/tidal forest
- Coastal brackish/saline lagoons
- Coastal fresh lagoons
- Deltas
- Freshwater lakes: permanent
- Freshwater lakes: seasonal/intermittent
- Saline/brackish lakes/marches: permanent
- Saline/brackish lakes/marches: seasonal/intermittent
- Freshwater marches/pools: permanent
- Freshwater marches/pools: seasonal/intermittent



COASTAL MANAGEMENT

The coastal area of Umhlabuyalingana Municipality was proclaimed as a nature reserve in 1987. South Africa currently has 16 and by 2007 they total to 19 wetlands designated as wetlands of international importance in accordance with the Ramsar Convention, one of which is the Isimanagaliso wetland park system. The site is a Nature Reserve administered by the KZN Wild Life Under the communally owned land falling under the Tembe, Mabaso, Mbila and Mashabane Traditional Council.

Formally protected areas and TFCAs within and surrounding the Umhlabuyalingana Municipality



SPATIAL ENVIRONMENT

The following section presents a short description of each of the five formally protected areas within the Umhlabuyalingana LM.

TEMBE ELEPHANT NATIONAL PARK

The Tembe Elephant National Park is situated on the Mozambique border in close proximity to Ndumo Game Reserve¹. The park is approximately 30,000 ha in extent and managed by Ezemvelo KZN Wildlife. The park is situated within the sand veld ecological zone and consists mainly of closed woodland and secondary thicket formation, with clumps of Sand Forest. The zone falls within a transition area between tropical and sub-tropical forms and therefore is home to a great diversity of vegetation. This results in high diversity of birdlife (340 bird

species). The park is also home to approximately 220 elephants, some of which are among the largest in the world.

MANGUZI NATURE RESERVE

The Manguzi Forest Reserve is situated on the outskirts of the Manguzi urban centre. The reserve is 237 ha in extent and managed by Ezemvelo KZN Wildlife. The reserve protects the last significant patch of KwaZulu-Natal Coastal Forest, an Endangered Ecosystem, to the north of Lake Sibaya. There are currently no facilities for visitors to the reserve.

SILEZA NATURE RESERVE

The Sileza Nature Reserve is situated south-west of Manguzi. The reserve is 2,125 ha in extent and managed by Ezemvelo KZN Wildlife. The reserve protects a large portion of Maputoland Wooded Grassland, which is classified as Vulnerable. There are currently no facilities for visitors to the reserve.

TSHANINI COMMUNITY CONSERVATION AREA

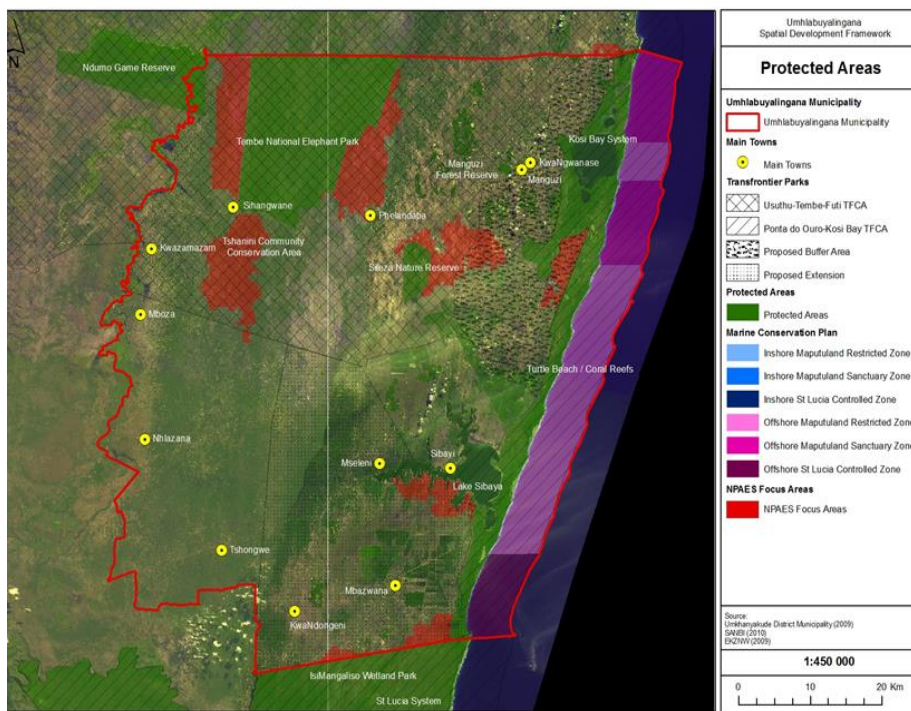
The Tshanini Nature Reserve is a community conservation area to the south of Tembe National Elephant Park. The reserve is approximately 3,000 in extent and managed by the local Tshanini community, with assistance from the Wildlands Conservation Trust². The reserve largely protects areas of Tembe Sandy Bushveld and Sand Forest.

NDUMO GAME RESERVE

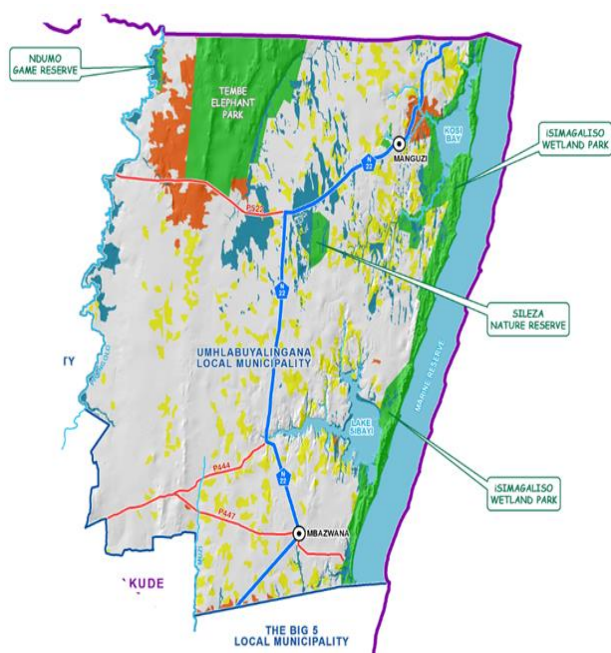
The Ndumo Game Reserve is a registered Ramsar Site which is situated on the Mozambique border. It is located at the confluence of the Great Usutu, which forms its northern boundary, and the Pongola River. The reserve is approximately 11,860 ha in extent and comprises a variety of ecosystems, including floodplain pans, wetlands, reedbeds, savanna and sand forest³. It has the highest bird count in South Africa with 430 recorded bird species. This includes several aquatic species, such as Black Egret, Pygmy Geese, and Pelicans, as well as several species of interest, such as the Pell's Fishing Owl, Broadbill, and Southern Banded Snake Eagle. The reserve is home to a number of game species, including Nyala, Bushbuck, Impala, Red Duiker, Suni, Black and White Rhino, Hippopotamus and Crocodiles.

ISIMANGALISO WETLAND PARK

The ISimangaliso Wetland Park is South Africa's first UNESCO World Heritage Site. The 332,000 ha park contains three major lake systems, most of South Africa's remaining swamp forest, Africa's largest estuarine system, 526 bird species, and 25,000 year old coastal dunes. The park also includes an extensive Marine Reserve which protects 190,000 km of the South African coastline. There are also four RAMSAR sites, namely the Kosi Bay System, Turtle Beaches / Coral Reefs, Lake Sibaya, and the St Lucia System within the park.

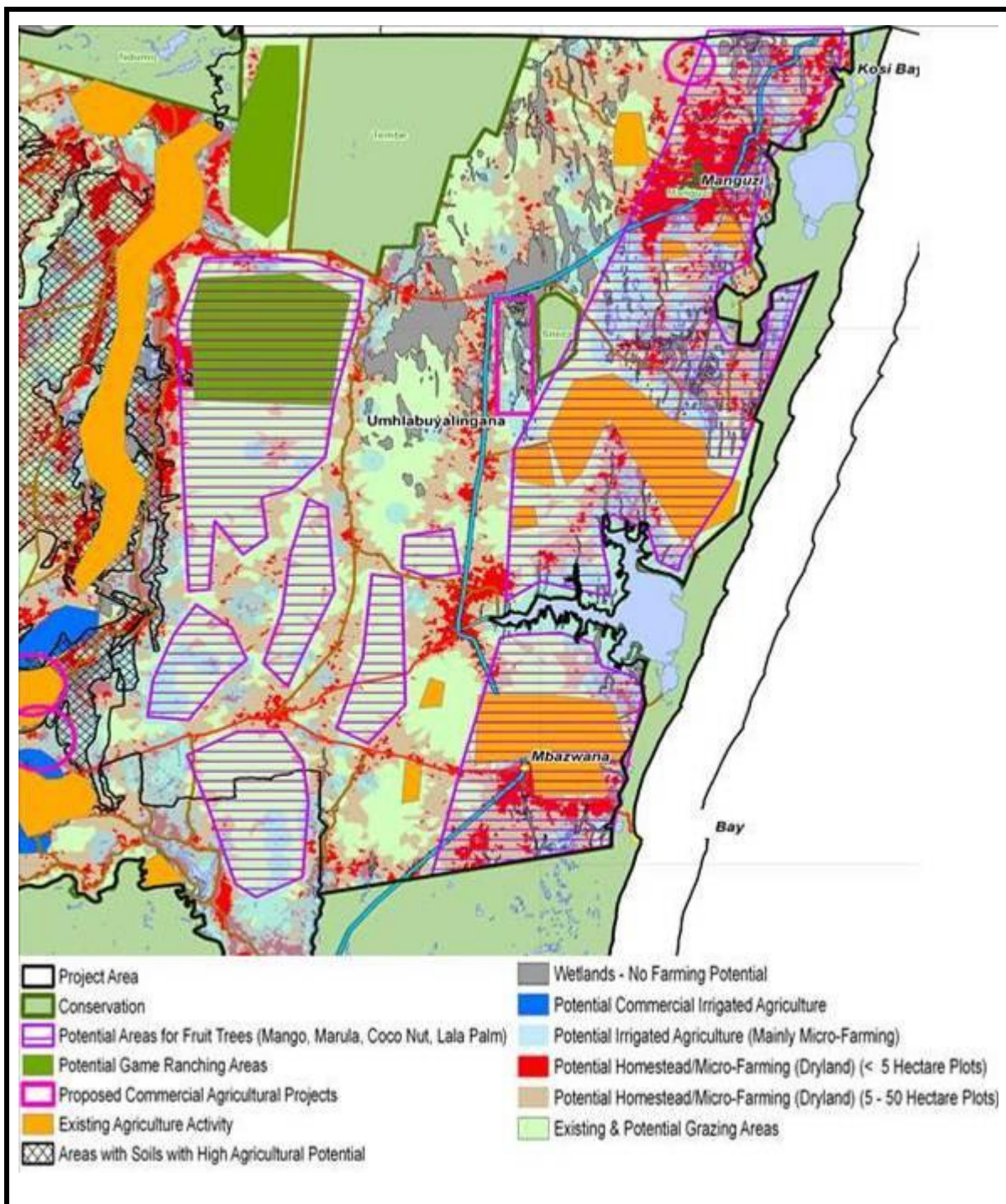


ENVIRONMENTAL SENSITIVE AREAS MAP



- The environmentally sensitive corridor along the coastline in the eastern part of the Municipality (mainly the Isimangaliso Wetland Park);
- The Makhathini flats along the Pongola River, which forms the western boundary of the Municipality area;
- The Tembe Elephant Park between the P522 provincial road and the Municipality's border with Mozambique, in the north-western part of the Municipality area.

Figure 7: Agricultural potential in Umhlabuyalingana LM (Source: Urban-Econ, agricultural potential map - Makhathini Integrated Development Plan 2007)



Agriculture is one of the two key drivers of economy in Umhlabuyalingana LM, the other being tourism. The majority of the population in Umhlabuyalingana LM is involved in these two sectors. Agriculture in the municipality is based on commercial agriculture and consumption agriculture which is directed towards meeting consumption needs the population.

The Umhlabuyalingana LM consists of 9 bio resource units. It has fairly flat land with good soil conditions with weather conditions that influences the agriculture production in this municipality. The Umhlabuyalingana LM also falls under the Makhathini Flats area which is also characterized by its flat land and rich soils which make it suitable for agricultural production. Commercial farming has become a key area where investment has been

directed in the Makhathini Flats and there has been much focus on development and job stimulation in the agricultural sector in this area.

The Makhathini Integrated Development Plan is one such programme that is being implemented in the area which is focused on the provision of agricultural infrastructure to optimize opportunities for crop and animal production in the Makhathini Flats. Although this programme started in the 2009/2010 financial year, efforts for infrastructure development intensified in the 2010/2011 financial year. According to the MEC Johnson's Budget Speech (2011)¹ the main infrastructure projects supported in 2010/2011 include improvement of farm access roads, refurbishment of pumps and irrigation infrastructure, construction of drainage canals and construction of livestock centres in Jozini and Umhlabuyalingana Municipalities. Improvement of irrigation infrastructure will stop water-losses due to leaking pipes while the construction of drainage canals will address water logging currently affecting 2500ha. Livestock centres aim to support livestock farmers in the Makhathini Flats to improve animal production and enhance local economic development. Implementation of these infrastructure projects created 192 job opportunities for the local people.

The agricultural potential of the land varies throughout Umhlabuyalingana LM; where relative to the eastern sea board, the area with high potential for dry land agriculture is closest to the sea and the one with low potential furthest from the sea with the moderate potential area falling in-between.

Agricultural development in areas in Umhlabuyalingana LM that have a high agricultural potential are hindered by the limited availability of land due to the sandy nature of the soils, by the settlements present in these areas and the fact that these areas often fall within the environmentally protected spaces of the municipality.

Access to water resources also plays an important role in both commercial and consumption agriculture and determines what types of crops that can be grown and where it can be grown. The limited and lack of access to water can further hinder development in the agricultural sector. The major surface water resources in Umhlabuyalingana LM are as follows.

The Pongola River- which provides opportunities for irrigation along the Pongola floodplains. It is also evident that the Pongola floodplains has been a draw card for settlements that have settled informally and have increased in density in areas close to the floodplains which reinforces the fact that people are dependent on natural resources for their survival in the Umhlabuyalingana LM. Usuthu River which runs along the north-western boundary of Umhlabuyalingana LM. The coastal fresh water lakes and swamps which includes Lake Sibaya and Kosi Bay

Water sources, in the form of large water bodies, reside on the peripheral ends of the Municipality and include areas such as the Kosi lake system, Lake Sibaya, Bhangazi and the St Lucia system¹³. In recent years efforts have been made to improve the irrigation systems in the Makhathini Flats area however research has indicated that the lack of reliable sources of water for irrigation poses a major constraint on commercial agriculture projects such as the Mboza groundnuts project.

The predominant and forms of agricultural activities that take place in Umhlabuyalingana can broadly be categorized as follows:

Homestead and community gardens dominated by the production of fresh vegetables. Crop production systems (groundnuts, maize, cassava, cowpea, taro (amadumbe), sweet potato (red, white & yellow), jugo (izindlube and sugar beans). Forestry Plantations (pine and eucalypt); Livestock farming; and Commercial forestry plantations

There is evidence of commercial forestry plantations that are located at Mbazwana and Manzengwenya along the coast. Although the predominant commercial agriculture activities are limited to the production of cashew nuts, ground nuts and a few other niche products is poorly developed, there is potential to expand and this is dependent on a number of factors such as improving the accessibility to water, access to defined blocks of land

that are designated to agricultural activities, etc. As consumption agriculture is important activity in the Umhlabuyalingana LM area, community garden initiatives have been established in Umhlabuyalingana LM and play an important role in alleviating poverty and ensure food security. The community gardens are the important generators for fresh vegetables in the area that is directed toward consumption needs. However, the poor design of these community gardens have resulted in a number of problems such and range from lack of infrastructure and funds to group dynamics

Production systems are considered to include the activities that are coordinated either by the government or private companies and such activities in Umhlabuyalingana include the production of:

- Cotton which is concentrated mainly in the Makhathini Flats area;
- Pineapples which are in a process of being introduced in the Umhlabuyalingana;
- Ground nuts;
- Essential oils;
- Honey
- Cashew nuts.

Households involved in consumption agriculture are involved in the production of a range of crops for household consumption which includes crops such as maize, amadumbe, sweet potatoes, etc. The type of crops grown in the various households throughout Umhlabuyalingana is again dependent on accessibility water resources and the type of soil conditions. Research has indicated that there is potential to commercially produce these crops but this is dependent on technology and the supply of water, for example, the provision of water irrigation systems. Livestock production also forms an integral part of community activities that ensure food security and also as an income generating resource includes livestock such as chickens, cattle and goats.

AGRICULTURAL PROJECTS AND POTENTIAL AREAS FOR AGRICULTURAL DEVELOPMENT

The areas for potential agricultural development in Umhlabuyalingana LM. it is evident that the full potential of the agricultural sector has not been fully realized in Umhlabuyalingana as the areas of existing agricultural activities is small in comparison to the areas that have agricultural potential. It is evident that Umhlabuyalingana has the opportunity to expand its agricultural sector in the following areas:

- Fruit tree farming - fruits that can be grown in the municipality include mango, amarula, coconut and lala palm
- Game ranching - such a development can impact on both the agriculture sector and the tourism sector.
- Irrigated farming
- Homestead farming in areas that have plot sizes of less than 5 hectares
- Homestead farming in areas that have plot sizes of between 5 and 50 hectares

CASHEWS NUTS PROJECT AND ITS SPIN-OFFS

Cashew nuts is an important part of the commercial agriculture sector in Umhlabuyalingana and it is grown in the areas around Umhlabuyalingana LM where the soils are most favorable. Cashew nuts have been in production in the Maputaland area since the 1980.s and began as part of a research project the Industrial Development Corporation. A joint partnership with Ithala Development Corporation was formed and Coastal Cashew (Pty) Ltd. Was established. In 1994 the scheme of this venture under Coastal Cashew (Pty) Ltd was extended into Manguzi in 1994 to include and is still in operation today. The development of the cashew nut out grower block has stimulated development and interest in other agricultural production initiatives for the Umhlabuyalingana LM and surrounding areas in the Maputaland region which includes:

- Essential oils
- Peanuts
- Honey
- Cashews
- Ground nuts

GROUND NUTS

The favorable coastal climate and sandy soils increases the potential for ground nuts production in the Maputaland area. Ground nuts projects have currently been established in Umhlabuyalingana LM where large tracts of land have been made available for this type of projects in areas such as Mboza.

BEE-KEEPING AND HONEY PRODUCTION ACTIVITIES

According to the MDIC (2012) bee keeping and honey production activities have been exclusively practiced the community in the forests that are owned by Sappi and Mondi in the Umhlabuyalingana LM. The MDIC further indicates that .honey production can be a lucrative business venture for community development [as] it has very little initial capital cost, little management is required [and it] promotes the retaining of indigenous trees in the area. It is ideal for resource poor farmers, as it requires low cost technology, minimum infrastructure and no land ownership. Eucalyptus trees provides excellent source for pollen and these are found extensively in the [uMkhanyakude] District and another opportunity exists in the natural forests in the game parks.

PALMS

Umhlabuyalingana LM is notable for the prolific growth of palms in this area. These palms are used by the local people for the manufacturing of handcrafts, while a significant quantity of the palm fronds (in particular the Lala Palm) is exported to other regions for use by craft workers. The sap of Wild Date Palm, and in particular the Lala Palm is used for the production of palm wine. The over-harvesting of palm could be a problem but current controls and active planting of palms are ensuring their sustainability. However, sale of palm material for craftwork outside of the district should be restricted.

CONSTRAINTS AND LIMITS TO THE DEVELOPMENT OF THE AGRICULTURAL SECTOR

A number of constraints that impede or limit commercial agricultural development in Umhlabuyalingana LM were identified in Umhlabuyalingana LM. Local Economic Development Strategy in 2007 and includes, but is not limited, to the following:

Access to adequately sized agricultural land is limited. Dispersed settlement patterns with no formal defined areas designated for agricultural production further limits agricultural production activities as well as access to sufficient land in areas under traditional leadership is limited. Settlements which are dense also occur primarily in high potential agricultural areas, limiting land availability for agricultural activities.

Land Claims - large portions of land under state authority cannot be developed until land claim issues are resolved. This is largely limited to the coastal forestry reserve and the Pongola flood plains.

Management and control of communal grazing areas for livestock. The management and stock of communal grazing land is difficult. This is largely due to overstocking of livestock in some areas which leads to the degeneration of land, the land that is available for grazing is not managed or maintained, livestock are often not contained in a specific area and their movements are not controlled and negatively impact on other areas such as croplands and conservation areas.

Consumption agriculture - Food security is naturally the prime motivation for crop selection and general agricultural practice. The change to producing a commercial cash crop has real risks associated with it, and it is difficult to overturn the habits and rituals of many generations. Way of minimizing risks and appropriate ways of introducing commercial ventures into the areas where consumption agriculture is practiced need to be employed.

Technical and financial support there is a lack of technical expertise and knowledge where the production of high value cash crops or niche market products is required.

Lack of sector strong organization. Although farmers groups do exist, and some activities such as ploughing may rely on the sharing of resources, there are generally not strong and effective agricultural organizations within the tribal areas. This denies the farmers benefits that could be derived from joint buying of seeds or fertilizer's, collective use of machinery, collective marketing and transport strategies.

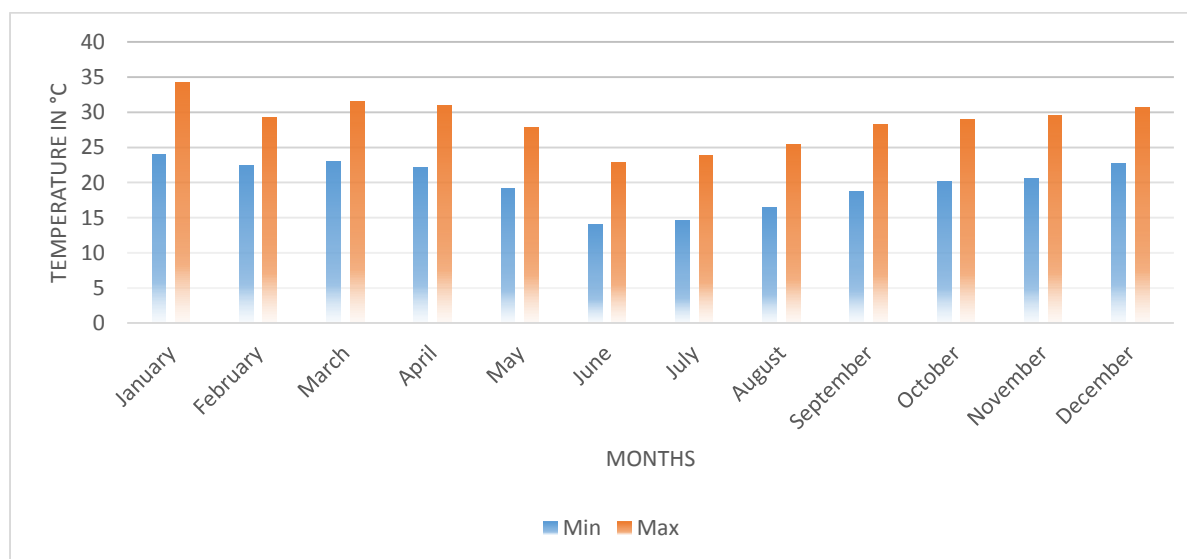
Inadequate Processing and Storage Facilities. Processing and storage facilities are absent or lacking within Umhlabuyalingana LM, especially if high valuable, perishable and/or produce requiring processing is required. This is particularly so in the more remote, north eastern parts of the area, where the conditions are most conducive to tropical fruit production and aquaculture, where these facilities would be in the most demand (PS2 Consortium 2001:78 in Umhlabuyalingana LM 2007).

AIR QUALITY

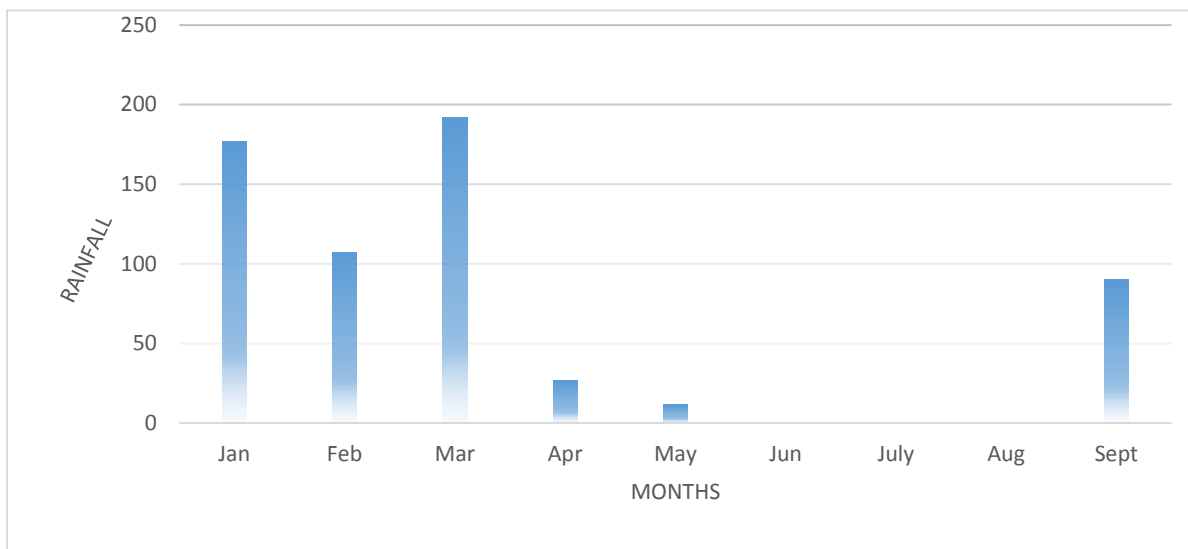
There is no data for air quality and will be incorporated during 2017/18 financial year.

CLIMATE

The climate condition of Umhlabuyalingana Municipal area is always warm and humid and is normally frost free.



The graph indicating a rainfall recorded from January to December 2011



STRATEGIC

ENVIRONMENTAL ASSESSMENT

TOPOGRAPHY

The general topography within Umhlabuyalingana municipal area is flat to gently rolling. This normally implies that there are limited hindrances for development as far as topography or slope is concerned. The slope in the area is gentle and within acceptable limits for development. However, given the sandy nature of the topsoil, any removal of ground cover may result in erosion, especially in areas that are moderately sloping. It is advisable that when planning the developments, activities that involve significant removal of vegetation or ground cover be avoided in the areas that are sloping. It is also advisable that development-specific geotechnical investigations be undertaken to determine the subsoil stability for the intended activity in the planning of specific developments.

SOIL

The soil type in the area is varied. However, the most predominant is sandy soil. Sandy soils by their very nature are unstable and are susceptible to erosion. Thus the soils in the area are sandy and erodible. These soils tend to have accelerated erosion under poor land uses and in areas where the topsoil is exposed. This accounts for the extensive erosion evident in parts of the transformed areas. It would be necessary to ensure that soil erosion prevention measures are planned and vegetation removal is kept to only areas where it is absolutely necessary. A rehabilitation programme to combat soil erosion and to re-vegetate eroded areas is also recommended.

GEOLOGY

The geology of the central part of Umhlabuyalingana comprises sandy Aeolian (wind-blown) deposits that were deposited during the Quaternary Age. This formation generally comprises poorly consolidated yellowish or greyish sands extending to depths in excess of 30 metres below existing ground level and is characterised by the presence of a shallow water table. The uppermost portion of these soils (i.e. $\pm 3\text{m}$ below existing ground level) is usually very loose to loose in consistency and becomes progressively medium dense to dense with depth. The sandy Aeolian soils are anticipated to classify as a fair sub grade material (i.e. G9 and poorer in terms of TRH14 classifications).

The most predominant geological feature is Cenozoic sediments, which is comprised of a 1–20 kilometre wide band of Cretaceous age rocks and is further subdivided into the Mzinene Formation, which consists of a siltstone with shelly concretionary layers. These soils are anticipated to extend to depths in excess of approximately 25 metres below existing ground level and are characterised by the presence of a shallow water table. The geology of the area is characterised essentially by glauconitic siltstone, which was deposited during the Cretaceous age respectively (Figure 1.19).

RIVERS & WETLANDS

The area has limited drainage lines and rivers with the exception of the Pongola River that runs on the western edge of the municipal boundary. However, there are extensive wetlands with the presence of typical wetland vegetation species like the *Juncus* species (Nncema). These hydrologically sensitive areas are mainly in the central and eastern sections of the municipal area under investigation. There are also patches of wetlands along the R22 Mbazwana bound road. The typically wet areas may be underlain by clayey sandy soils.

The most significant hydrological system in the area is the wetland. Most of the wetlands in the area appear to be functional wetlands with little disturbances. It is known that wetlands function to provide several ecosystem goods and services, which for the area under investigation will, to a large extent, be the provision of grass for crafts and household uses and flood attenuation. Thus maintenance of the integrity of the wetland and assurance of its functionality are important management considerations during development planning for the area.

LAND COVER & GRASSLAND

The general vegetation type of the area is described as Maputaland Coastal Thicket (Figure 1.21). This vegetation type is said to be vulnerable within KwaZulu-Natal. According to the KZN Wildlife vegetation classification, the province has an estimated 148 840 hectares of this vegetation type of which 11, 2 percent is protected. It is estimated that approximately 9,684 percent of this vegetation type in the province is completely transformed and a further 17, 44 percent degraded. It is said that a total of approximately 73, 25 percent of this vegetation type is still untransformed. In view of these statistics, this vegetation type is classified as vulnerable and therefore care needs to be taken in order protect its conservation significance in the province and in the country as a whole.

It is noted that a fairly large portion of this vegetation type within the project areas, especially along the main roads and tracks, is degraded or completely transformed. From this it can be seen that the majority of the project area still has fairly untransformed Maputaland Coastal Thicket, which is said to be vulnerable. From this assessment also, it was noted that the Maputaland Coastal Thicket is dominated by grassland. Portions of this grassland are still in fairly good condition.

The settlement activities in the area have resulted in a significant degradation of the vegetation, especially within around Phelandaba and Mbazwana. This confers 'a reduced' conservation significance on the site. However, in terms of environmental legislation, development of any site greater than 1 hectare (whether in a suitably good vegetation condition or derelict), requires authorisation from the Provincial Department of Agriculture and Environmental Affairs. Given the status of the vulnerable vegetation at a municipal level, care needs to be taken in the planning of developments so that unnecessary disturbances do not occur on the untransformed thicket and grassland.

Development of any untransformed or derelict area may be subject to an environmental impact assessment. The key environmental issues may be removal of vegetation if the transformation or the size of the development is

more than the allowed size in hectares and degradation of wetland vegetation and subsequent reduction in its functionality.

SERVICE DELIVERY OVERVIEW

BASIC SERVICES

In order to provide an overview of the current levels of basic infrastructural service provision in the municipal area, the 2001 Census and 2007 Community Survey results are the basis for the information below.

Service delivery achievements transformation and challenges according 6 KPA's

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT		
NO.	CHALLENGES	INTERVENTION
1	Slow progress w.r.t. implementation of Retention Strategy and OPMS Framework IPMS Policy-	The municipality is currently in a process of developing Retention Strategy which will look at the current challenges facing the municipality and focal areas which can boost the morale of its employees and encourage them to participate fully in running of the institution. The focus areas include amongst others; employee assistance programmes, training and capacity building, implementation of Performance Management System (PMS) with non-monetary rewards and encouraging job rotation where possible.
2	Slow progress in finalization of TASK Job Evaluation hampering the grading of posts within the municipality and causing unrest.	Communication has been established with UThungulu Job Evaluation Committee and budget has been set aside in 2016/2017 draft budget for obtaining license for staff job descriptions to be evaluated.
3	Network infrastructure resulting in poor ICT (Poor infrastructure, geographical location and cable theft posing challenges).	Alternate methods of internet connectivity are being explored to cater for unique ICT needs of Umhlabuyalingana which are mostly attributed to geographical location, slow progress in development, cable theft and poor infrastructure. Alternative methods like towers and satellite connection are being explored.
4	Limited funding towards structured trainings and capacity building programmes which will assist the employees to enhance capacity.	There is an on- going consultation with relevant stakeholders like LGSETA to apply for grant funding where possible and to cease opportunities

		where stakeholders like SALGA and COGTA can provide such assistance. The funding set aside from municipal budget is inadequate to cover all training needs. The establishment and sustainability of government funded training institutions will have positive impact in overcoming this challenge.
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT		
1.	Electricity capacity constraint	ESKOM is putting infrastructure in place to boost electricity capacity.
2.	Water shortage due to poor planning at a district level, i.e. alignment of RBUBIG and MIG	Cogta has intervened in the District municipality to the extent that UMGENI water and UMHLATHUZI water are appointed as support entities in the entire district
3	Sanitation backlog	District function
4.	Poor coordination between the local and provincial sphere (department of Transport) thus leading to unsatisfactory road conditions in Umhlabuyalingana, this despite the efforts from the local municipality	Umhlabuyalingana municipality is in a process of developing a capital investment framework, in line with the SDF with express intention to identify all areas that require attention and then elevate to the relevant authorities through the IGR meetings
5.	Poor maintenance of existing public facilities	The municipality is putting more funds to address public facilities.
LOCAL ECONOMIC DEVELOPMENT		
1	High rate of the economically active population receives either no income, or less;	Introduction of more responsive training opportunities to capacitate the business population.
2	Household income levels in the municipality are extremely low;	Identification and implementation of more labour intensive catalytic projects
3	Unsustainable agricultural economy and reduced tourist length of stay due to restrictions on various tourism experiences.	Development of an inclusive LED strategy monitoring plan with clear institutional arrangements that will focus on agricultural production sustainability while also unlocking tourist experience in a responsible manner.
4	Non-compliant business operators and high rate of illegal immigrants taking over on local enterprises.	Enforcement of trading by-laws to enhance competitive and compliant trading environment.
5	Limited energy supply which compromises investment rate;	Enforcement of a responsive renewable energy technology plan to boost the current gap between energy supply and demand private sectors
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT		
1	Low revenue base and highly dependent on Grant Funding owing to financial constraints.	Implementation of revenue enhancement strategy.
2	Poor revenue enhancement strategy	Implementation of revenue enhancement strategy.

3	Uncooperative business community in the implementation of the MPRA	Awareness campaigns that aim to educate and involve the business community on the impact thereof.
GOOD GOVERNANCE AND PUBLIC PARTICIPATION		
1	Poor functioning of IGR structures	Promote participative, facilitative and accountable governance. Policy and strategy co-ordination IGR
2	Lack of comprehensive understanding of the role and responsibilities of the MPAC	Facilitate capacity building programmes directed to MPAC roles and responsibilities
3	Functionality of ward committees is not consistent across all wards	Improve the administration of ward committees through reviewing the organogram to reflect the administrative aspect of ward committees
CROSS CUTTING INTERVENTION		
1	Lack of intergovernmental linkages	Improve IGR participation
2	Slow progress in the formalization of towns (Manguzi and Mbazwana) as approved by the KwaZulu Natal Cabinet in 2011	Umhlabuyalingana Spatial Development Framework identifies important nodes, such as Mbazwana (Primary Node), Manguzi (Primary Node), etc. Obviously, these nodes have different functions or roles in the development of Umhlabuyalingana. The successful development of Manguzi and Mbazwana Towns would have many economic benefits for the people of Umhlabuyalingana. In five years' time, Umhlabuyalingana would have made significant progress in terms of attracting investors to the towns, thereby creating a platform for a sustainable revenue base for the municipality.
3	Response to climate change	Sound and effective disaster management Increase productive use of land resource.
4	Umhlabuyalingana Municipality is currently experiencing problems with poor response public involvement in the implementation of the land use scheme and land management.	Preparation of the wall to wall scheme as required in terms of the KwaZulu Natal Planning and Development Act is set to be underway in 2016/17 financial year.

WATER

Table 1.7 illustrates the main supply of water to households. There has been an increase in the number of households that have access to piped water, although the majority of households still rely on natural resources for their water supply (Figure 1.10). Only 10 percent of households have access to piped water inside their dwellings (Figure 1.11).

Table 1.7 Distribution of households by access to piped (tap) water for 1996, 2001 and 2011
(Stats SA: Census)

Municipality	Piped (tap) Water inside Dwelling/Yard			Piped (tap) Water on a Communal Stand			No Access to Piped (tap) Water		
	1996	2001	2011	1996	2001	2011	1996	2001	2011

Umhlabuyalingana	1 149	3 394	10 107	1 633	4 974	9 278	16 382	17 955	14 472
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SANITATION

The type of sanitation facility utilised by households is illustrated in Table 1.8 and Figures 1.12 & 1.13). There are very few households which have access to the flush toilet sewer (including flush septic tank). A positive trend between 2001 and 2007 has been the decrease in the number of individuals who do not have access to any form of sanitation facility.

Table 1.7 Distribution of households by type of toilet facility for 1996, 2001 and 2011
(Stats SA: Census)

Municipality	Flush or Chemical Toilet			Pit Latrine			Bucket Latrine			None		
	1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
Umhlabuyalingana	214	3 159	7 400	5 461	4 615	18 933	122	218	476	13 542	18 333	6 226

ELECTRICITY

Figures 1.14 and 1.15 illustrate the energy source used by households for cooking and lighting purposes. It is estimated that only 2 480 and 3 474 households have a supply of electricity for cooking and lighting purposes respectively.

TRANSPORT INFRASTRUCTURE

At a regional level, Umhlabuyalingana has a well-established road connectivity comprising national and provincial, which link different areas within the municipality. The routes that currently provide this role include R22, P522, P447 and P444. These routes connect the main settlement areas and emerging towns, which include Mbazwana, Manguzi, Somkhele and Phelandaba. The R22, in particular, links the area with Hluhluwe town, N2 and a number of towns towards the south of Umhlabuyalingana while it also connects the area with Mozambique towards the north. The upgrading of R22 and its declaration as an LSDI Route during the early 2000s has drastically improved accessibility and connectivity at a regional scale and serves as an opportunity for corridor based development.

However the same cannot be said about the other three significant connector routes. The P522 links the area town of Jozini. Although it is a tar road, this route had deteriorated to a very bad state with potholes that stretch

for many kilometres. It appears as if more focus has been placed on temporarily patching the potholes without addressing the root cause of the road situation, i.e. to re-tar and reseal the entire route since it has exceeded its life span. The P447 and P444 are provincial routes that link different settlements (especially in Mashabane) with the town of Mbazwana. These are currently gravel 'sandy' roads which need serious attention. It should also be borne in mind that light vehicles are unable to easily use these routes during the heavy rainfall seasons.

At a local level, the road network tends to be very problematic. According to the Department of Transport's assessment report of the municipal road network completed in 2007, the Umhlabuyalingana Municipality has a total of 346 kilometres of roads. This figure was determined by estimating the road lengths using a figure of 382 inhabitants per kilometre of paved and gravel road, and assuming that 8 percent of all roads can be classified as tracks. By applying the above assumptions, it is estimated that the Umhlabuyalingana Municipality has 152 kilometres of paved roads, 169 kilometres of gravel roads and 26 kilometres of tracks.

With exception of the road from Mbazwana to Manguzi, the road network is in a poor to very poor condition, and in dire need of upgrade. This is due to a number of existing roads being informal and in need of upgrading. These mainly include the local access roads that provide direct access to settlements. The majority of these roads are mere tracks.

According to uMkhanyakude District IDP (2008/09), there are 33 taxi facilities in the form of formal and informal taxi ranks and routes within Umhlabuyalingana. The "bakkies", which are considered to be illegal passenger transport vehicles, still provide a service that could be considered as parallel. They actually operate on the routes where taxis do not want to travel due to the poor quality of the roads. No bus termini facilities are provided within the area. Table 1.8 gives an indication of the accessibility of public transport within the municipality.

Table 1.8 Public transport within Umhlabuyalingana (uMkhanyakude District Municipality Public Transport Plan Report, September 2006)

Main Route	Main Route Description	Number of Passengers per Peak	Percentage of Active Seats Used	Number of Trips	Average Occupancy per Vehicle
KZN-R0032F-U	Jozini to Sikhemelele	224	100,00	15	14,9
KZN-R0036F-U	Manguzi to Ezangomeni	570	95,96	38	15,0
KZN-R0061F-U	Mbazwane to Mseleni	285	100,00	19	15,0
KZN-R0066F-U	Mbazwane to Sodwana Bay	267	100,75	20	13,4
KZN-R0056F-U	Mbazwane to Manzibomvu	170	116,47	17	11,6

It is clear that most of the routes inside and linking the municipality to other major centres within the district are operating at capacity, and that consideration to expand route capacity should receive high priority. When commuting, whether by motorized or non-motorized means, people face many challenges within the municipal area.

These can be summarised as follows:

- Poor conditions of roads;
- Inadequate pedestrian signs and markings and off-loading areas, especially within the few urban areas;
- Limited traffic calming measures within high accident areas;
- Absence of traffic lights, especially at major intersections;
- Unavailability of adequate public transport facilities especially for the disabled;
- Lack of pedestrian and non-motorized transport facilities.

The areas that should be considered for intervention include improving pedestrian signs, markings and off-loading areas, especially in the urban areas. The traffic calming measures within areas of high accidents should also be explored and wherever possible the provision of traffic lights, especially at major intersections, should be provided.

Umhlabuyalingana does not have an established public and goods rail transport system. The railway line runs parallel to the N2 within the uMkhanyakude District. It cuts across Mtubatuba, The Big Five False Bay, Hlabisa and some parts of Jozini to Swaziland but it passes outside of the Umhlabuyalingana administrative boundary. In any case it also appears as though this transport service was discontinued some time ago.

Umhlabuyalingana does not have an established or operational air transport system. Small landing strips (airstrip) exist within both Mbazwana and Sodwana Bay. However, the condition of these facilities is currently unknown.

ACCESS TO COMMUNITY FACILITIES

Umhlabuyalingana Municipality is served by two hospitals and 17 clinics (Figure 1.16). The hospitals are located in Mseleni and KwaNgwanase, while the clinics are strategically placed in the areas of greater population densities. By applying the same principle as above, with radiuses of 10 kilometres for clinics and 50 kilometres for hospitals, it appears that 91,6 percent of municipal households have access to health facilities. The application of another form of planning standards suggests that a population of 50 000 people is required for a hospital while a clinic should be provided for every 6 000 people. This therefore suggests that ideally the area is supposed to be serviced by three hospitals and 26 clinics, which suggests a backlog of a hospital and nine clinics. It must be noted that these standards tend to be difficult to comprehend in a rural context, especially in an area such as Umhlabuyalingana which is characterised by sparsely populated settlements.

There are currently 98 primary schools and 36 secondary schools in the Umhlabuyalingana municipal area (Figure 1.17). The uMkhanyakude Spatial Development Framework analysed the placement of these schools in relation to the settlement pattern within the municipality, to determine accessibility to these facilities. The method used was to apply a buffer of 2 000 metres around a primary school and 5 000 metres around a secondary school, and all households falling outside the buffer were deemed not to have access to education facilities. From the analysis it was determined that 29,7 percent of households within the municipality do not have access to education facilities.

This figure might seem acceptable in terms of service standards for rural areas, except for the fact that the learner/teacher ratio in the municipality is between 38 to 40 learners per teacher. The average number of learners per classroom varies from 54 to 56, which is unacceptable in terms of the Department of Education standards.

Application of other planning standards for education facilities suggests that there should be one primary school per 600 households and one secondary school for every 1 200 households. This suggests that the area should have 272 primary schools and 136 secondary schools. This suggestion indicates a backlog of 174 primary schools and 100 secondary schools.

Once again these standards are more applicable in the urban context.

CEMETERIES

There is very little data regarding the need for cemeteries, since neither the district nor the municipality has compiled a cemeteries master plan. The general observation regarding the placement of cemeteries is that the placement of these facilities is closely related to cultural and religious traditions. These facilities are normally located close to areas of settlement. It is custom in rural areas to bury the dead close to the homestead in which the individual lived, and specifically within the boundaries of a specific traditional authority.

There is need to ensure that all communities have access to adequate burial facilities in the most proper way. This would include the identification of cemetery sites within the small towns or emerging nodes (Manguzi, Mbazwana, Skhemelele and Phelandaba) since home burial cannot be considered to be an ideal situation in those cases. Such cemeteries will need to be fenced and maintained. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones.

SPORTS FACILITIES

The municipality is comprised of mainly a youthful population and this warrants that specific attention should be given to the development of sport and recreation facilities and initiatives. Currently there are no formal sport stadiums within the area. These facilities will need to be constructed and maintained as and when required.

PUBLIC SAFETY & SECURITY

POLICE SERVICES

There are two police stations in Umhlabyalingana that is Mbazwana and Manguzi. South African Police Service (SAPS) is currently investigating the feasibility of developing another police station in Ntshongwe. This will improve access to police services and public safety and address increasing levels of crime. According to SAPS (2011 Crime Statistics), the most common crimes in the area include: at residential premises; and assault with intention to inflict grievous bodily harm.

ROAD SAFETY

A Traffic Law Enforcement and Licensing Unit was established in 2009 and entrusted with the following responsibilities:

- Learners licences – all codes
- Driving licences for light and heavy motor vehicles
- Renewal of driving licences and professional driving permits.
- Replacement of temporary driving licences and learners licences
- Conversion of foreign driving licences
- Enforcement of municipal by-laws.

There is a need to develop the vehicle testing station so that it is able to issue vehicle certificate of roadworthiness and certificate of fitness.

DISASTER MANAGEMENT

Umhlabuyalingana Local Municipality established a Disaster Management Unit in 2011 with the assistance of the Provincial Disaster Management Centre following the cancellation of a service level agreement with Rural Metro in 2009. It is noted that disaster management is a district function, but uMkhanyakude District does not have the capacity to assume this function. It is only recently that the district initiated a process to formulate a Disaster Management Framework. With all the incidents that have occurred in Umhlabuyalingana over the past few years, the district has failed to assess these incidents and where applicable, declare a disaster situation.

The common disasters within Umhlabuyalingana are as follows:

- Veld fires – the area is generally dry and prone to veld fires
- Lightning
- Drought
- Floods
- Accidents – some of which are caused by stray animals.

Some of these are common disasters throughout the uMkhanyakude District. As a response to this and in compliance with the requirements of the Disaster Management Act (Act No. 57 of 2002), which requires each metropolitan and each district municipality to establish and implement a policy framework for disaster risk management within its area of jurisdiction, uMkhanyakude District has initiated a process. The Act further prescribes the consultation and participation of local municipalities in the development and establishment of District Disaster Risk Management Policy Frameworks. Accordingly, the uMkhanyakude District Framework is being finalised with Umhlabuyalingana as one of the participating municipalities. It is expected that the final framework will clarify roles and responsibilities and the future role of the Umhlabuyalingana Disaster Management Unit.

HUMAN SETTLEMENTS

SETTLEMENT PATTERN

The spatial pattern of the area has developed as a result of various factors including, the settlement pattern, natural features and infrastructure. Umhlabuyalingana is generally rural in character. It is characterised by expansive low density settlements occurring on Ingonyama Trust land. However, over the last few years there

has been an increase in density in some areas along the main roads, with conurbation of commercial activities occurring in strategic points thus giving rise to development nodes. This pattern is a result of the unfortunate history of the area. The previous (apartheid) government discouraged development in the area as a means to control movement of the freedom fighters between South Africa and Mozambique in particular. Prevalence of malaria in the area also contributed to the lack of development. This is despite the area having received significant attention in terms of development planning since the 1990s (*Vara, Wendy Force and Associates*, etc.).

INFORMAL SETTLEMENTS

It is more often than not argued that this municipality has a challenge with informal settlements. By natural default, the area of Umhlabuyalingana determines itself to be rural in character and as such 99 percent of the area is classified as rural. This is evident throughout the municipal area when you look at the housing typology and the dispersed rural settlements with the poor road infrastructure interlinking them.

Dwelling units constructed of traditional material are still prevalent in the area, however, the municipality does not consider these to be “informal settlements” for the simple reason that these communities often have some form of land tenure rights to settle where they are. Basically, the issue of affording decent housing is the cause and some erect such houses by choice.

Furthermore, what is often over-looked is the fact that most decent and modern houses are often erected without following due processes, i.e. acquiring approval of a building plan from the municipality in terms of the National Building Regulations and Building Standards Act 103 of 1977 as amended. This also boils down to the fact that in such areas the culture of ensuring as to which areas are best suitable for locating housing was never practiced and brings along challenges in terms of installing infrastructure in some of these areas.

Generally speaking and on the basis of the above, in the context of Umhlabuyalingana it will be socially incorrect to consider the municipality as having a challenge with informal settlements but will be technically correct to make such a statement.

SUITABLE LAND FOR HOUSING DEVELOPMENT

The Local Municipality of Umhlabuyalingana’s area of jurisdiction spreads for approximately 3 613km² in land magnitude. In terms of land tenure, an estimated 60 percent of the municipal area falls under Ingonyama Trust ownership with four tribal councils who are the custodians of the land, with the remaining 40 percent consisting of commercial farms and conservation areas (*Source: Stats SA, Census 2011*).

Like many rural municipalities in South Africa, Umhlabuyalingana was established [to the Municipal Systems Act 32 of 2000] at the time when unplanned small rural towns/villages (organic towns/villages) had already emerged and as such the culture of identifying suitable land for housing purposes has never been practiced. It is imperative to sensitise the afore when one has to infomercial exhaust this vein, as is, the municipality is currently crafting a wall-to-wall Spatial Development Framework (SDF) and scheme(s) for Manguzi and Mbazwana towns respectively. This is a two-fold exercise that will involve a high level land identification and designation wherein, feasible land for future housing expansions will be identified and other subsequent specialist investigations will have to be undertaken for each specific land parcel.

Parallel to this the District Municipality of uMkhanyakude is currently developing a district wide Environmental Management Framework which will also serve as informant for decision-making for future identification of feasible land for housing expansion. There is currently one housing project in the rural area that is under construction, i.e. Mabaso. There are however plans for additional projects in the traditional authority areas.

1.4 FINANCIAL HEALTH OVERVIEW

The municipality's own revenue in 2015/16 financial year reflect 21% decrease as compared to 2014/15 and this is largely due to decrease in Property rates after there was a change in property rates tariffs as well as the Valuation Roll. The operating expenditure has also increased by 45% as compared to 2014/15 financial year which is due to a significant increase in repairs and maintenance and general expenses.

Table 1.4.2 Financial Overview

Financial Overview: Year 2015/16			
		R' 000	
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	175 555	185 834	182 242
Taxes, Levies and tariffs	20 857	21 466	17 792
Other	9 713	7 523	14 436
Sub Total	206 125	214 823	214 470
Less: Expenditure	150 680	186 550	191 946
Net Total*	55 445	28 273	22 524

Employee costs represent 20% of the total operating expenditure, which is somehow within the norm. The Repairs and Maintenance 14% and Finance charges 0, 4% of the total operating expenditure.

Table 1.4.3 Operation Ratios

Operating Ratios	
Detail	%
Employee Cost	20%
Repairs & Maintenance	14%
Finance Charges & Impairment	0,4%

Table 1.4.4 Total Capital Expenditure

Total Capital Expenditure: Year 2015/16			
		R' 000	
Details	2013/2014	2014/2015	2015/2016
Original Budget		54 354	84 954
Adjustment Budget		66 629	94 954
Actual		50 813	79 902

The variance between the Original Budget vs the Actual expenditure is 94% and the variance between the Adjustment budget vs the Actual expenditure is 84% which means there was an under expenditure in Capital Budget

MUNICIPAL ADMINISTRATION

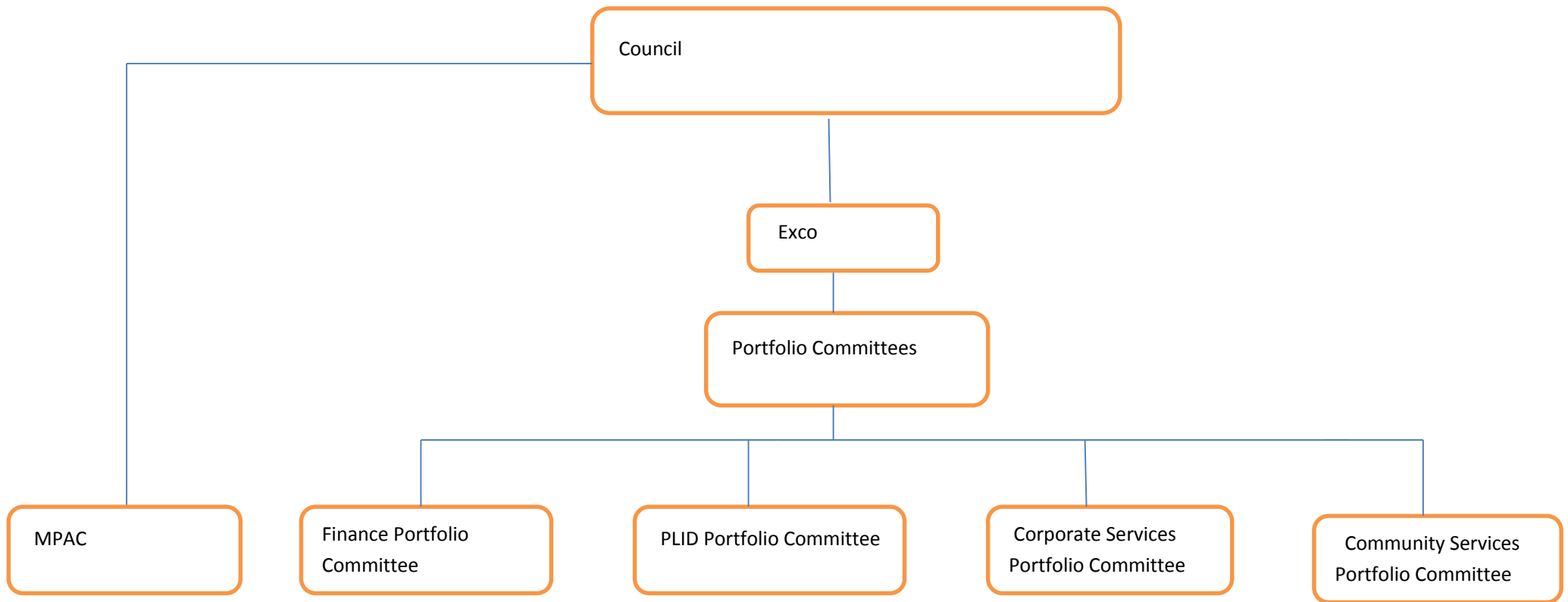
Organisational Structure

The municipality has developed and approved an organogram based on the mandate, powers and functions and need for effective administration. The organogram defines organisational structure and makes provision for the following departments and strategic programmes:

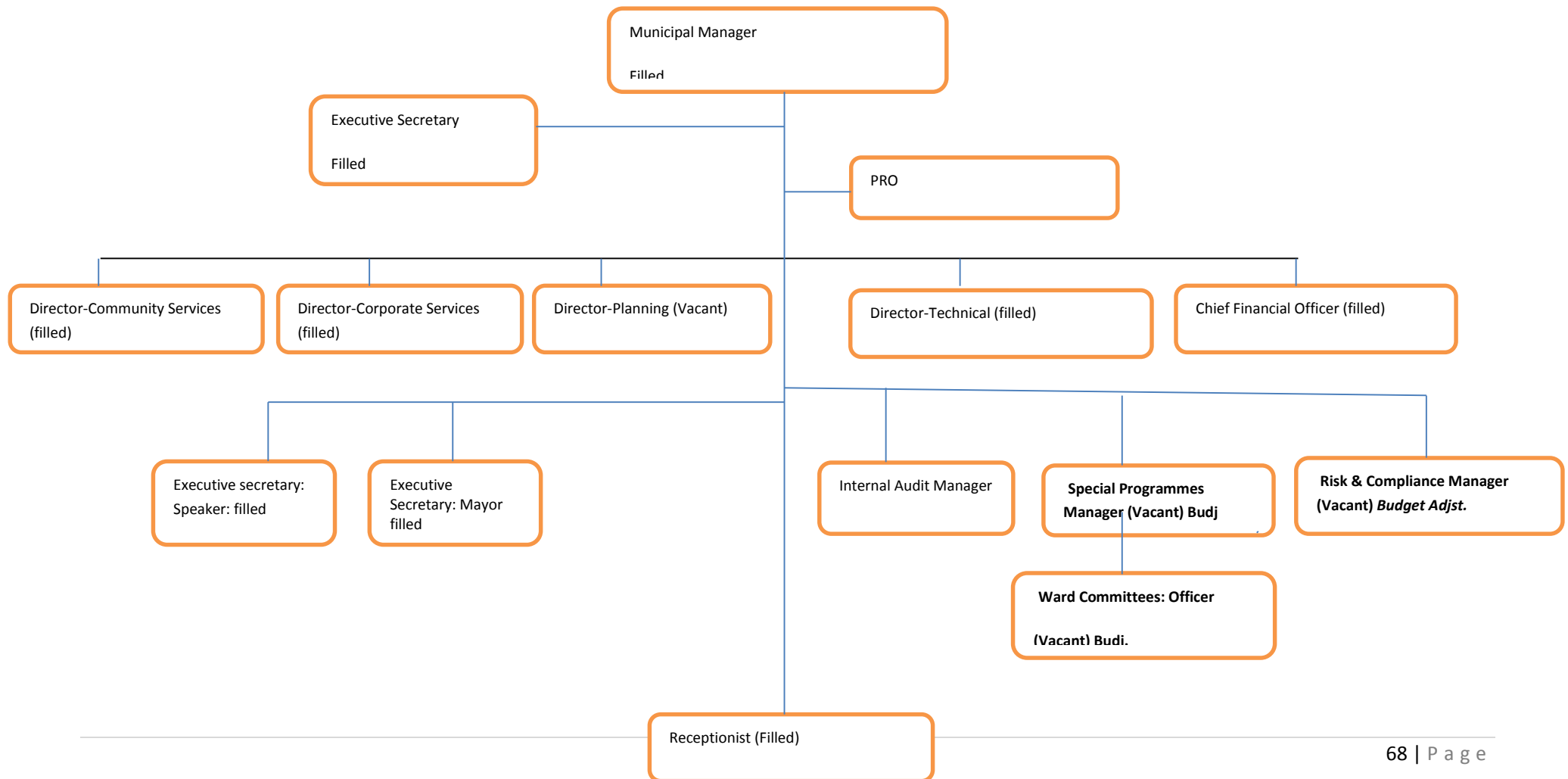
- The Office of the Municipal Manager
- Corporate Services Department
- Technical Services Department and Local Economic Development
- Finance Department
- Community Services Department

The implementation of the organogram is a priority for the municipality given a need to create sufficient capacity to implement the IDP and render services effectively. The organogram is revised annually to cater for the changing needs of the municipality. However, the key challenge is to attract and retain qualified and experienced personnel. This could be ascribed to the remote location of the area in relation to major urban centres and the limited resources available to the municipality for staff remuneration.

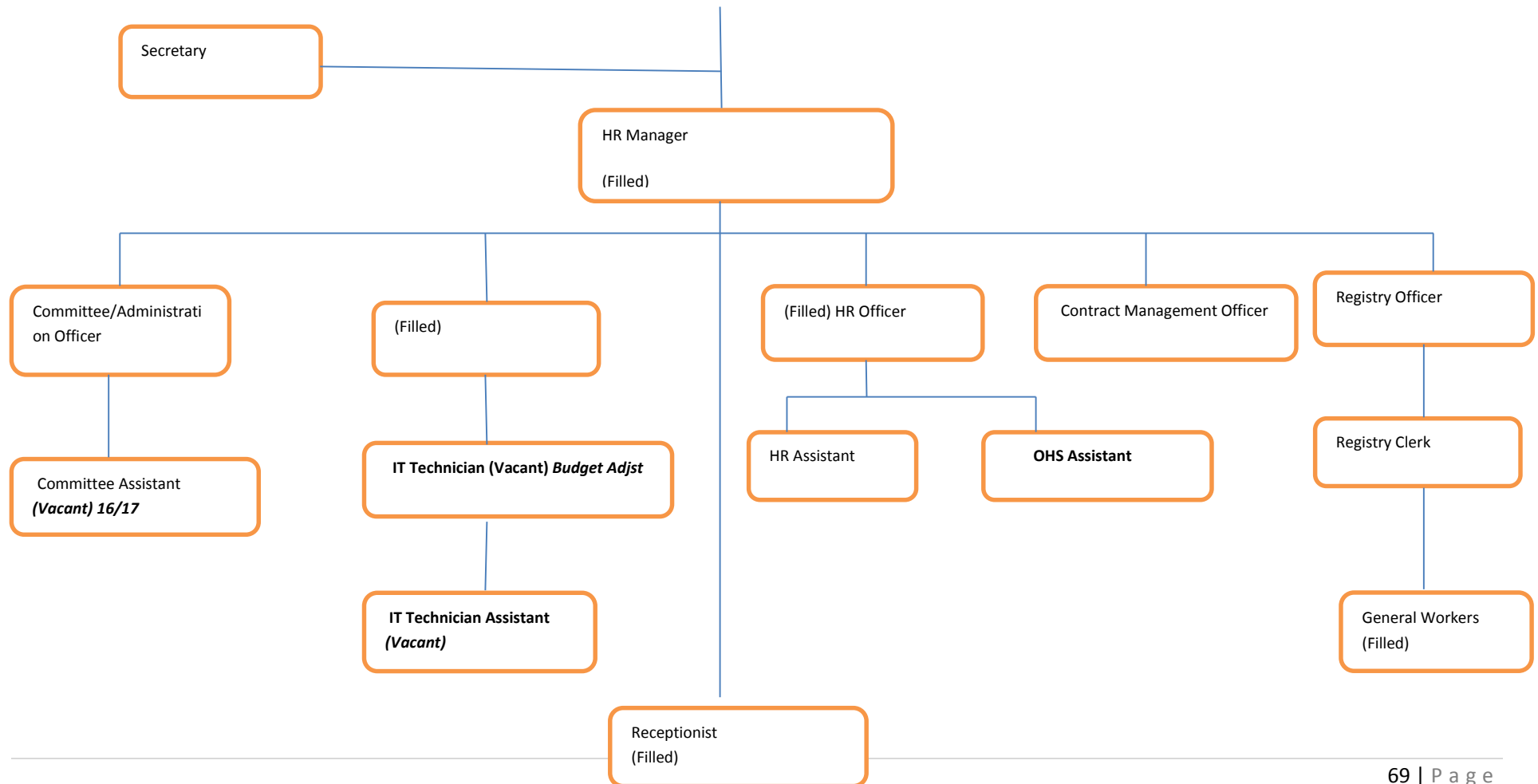
UMHLABUYALINGANA MUNICIPAL ORGANOGRAMME



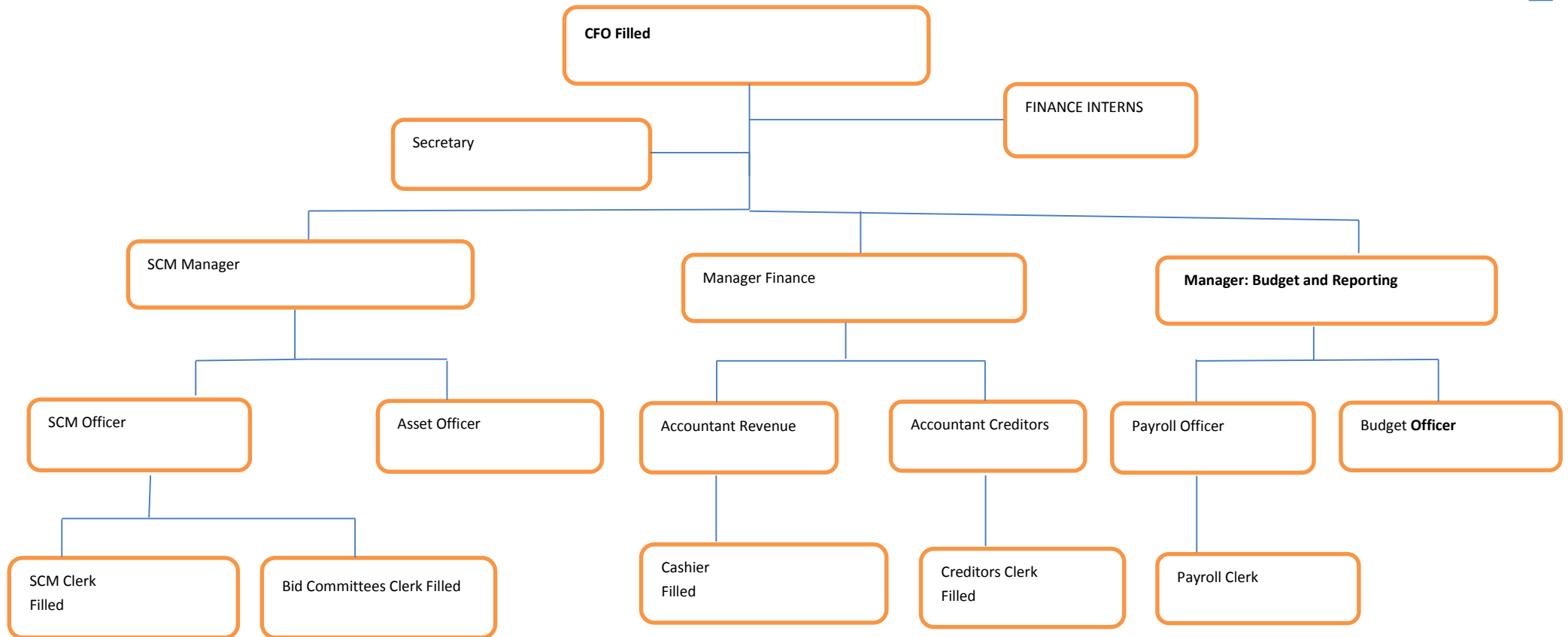
CURRENT: MANAGEMENT DEPARTMENT



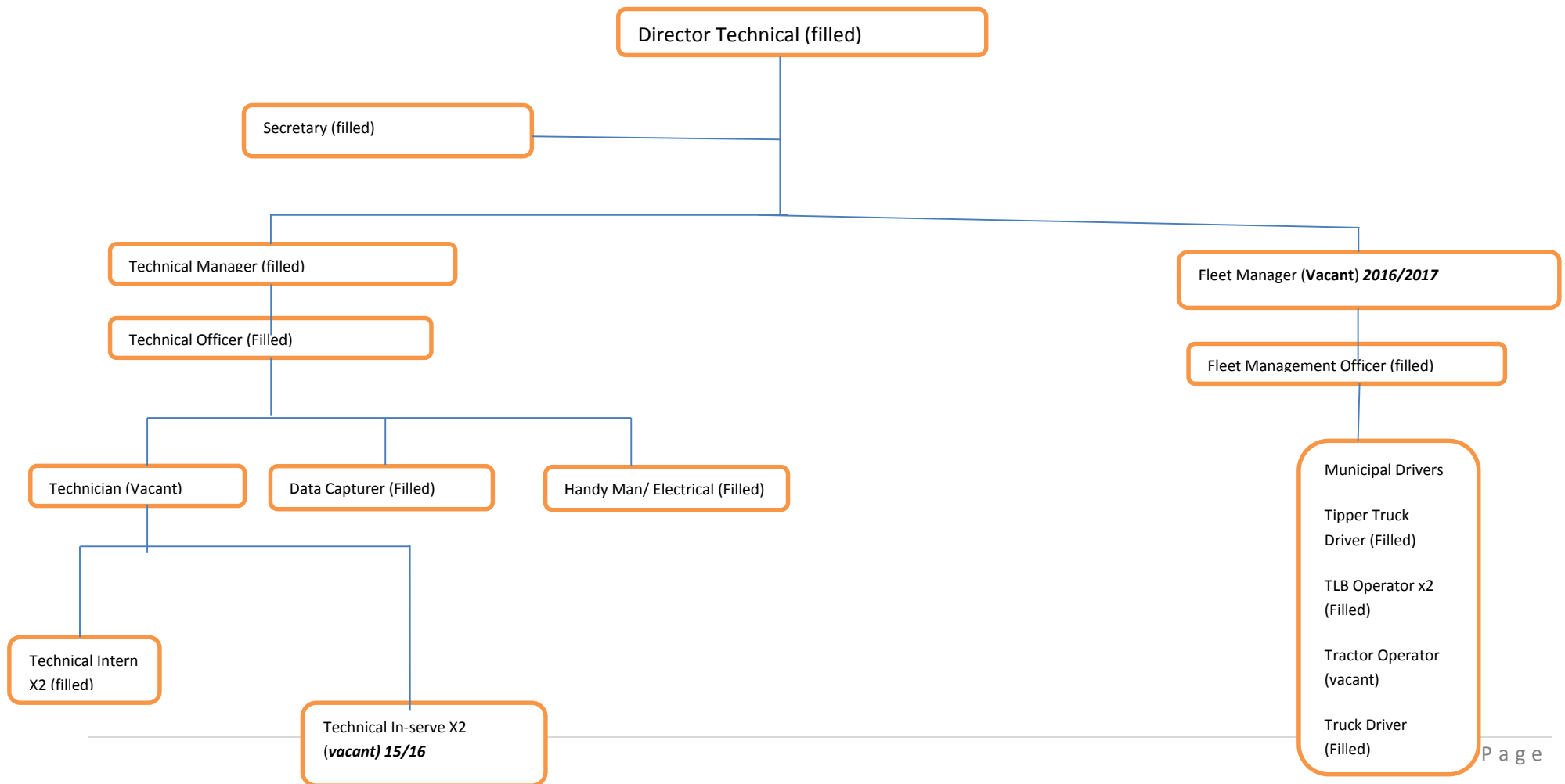
CURRENT: CORPORATE SERVICES:



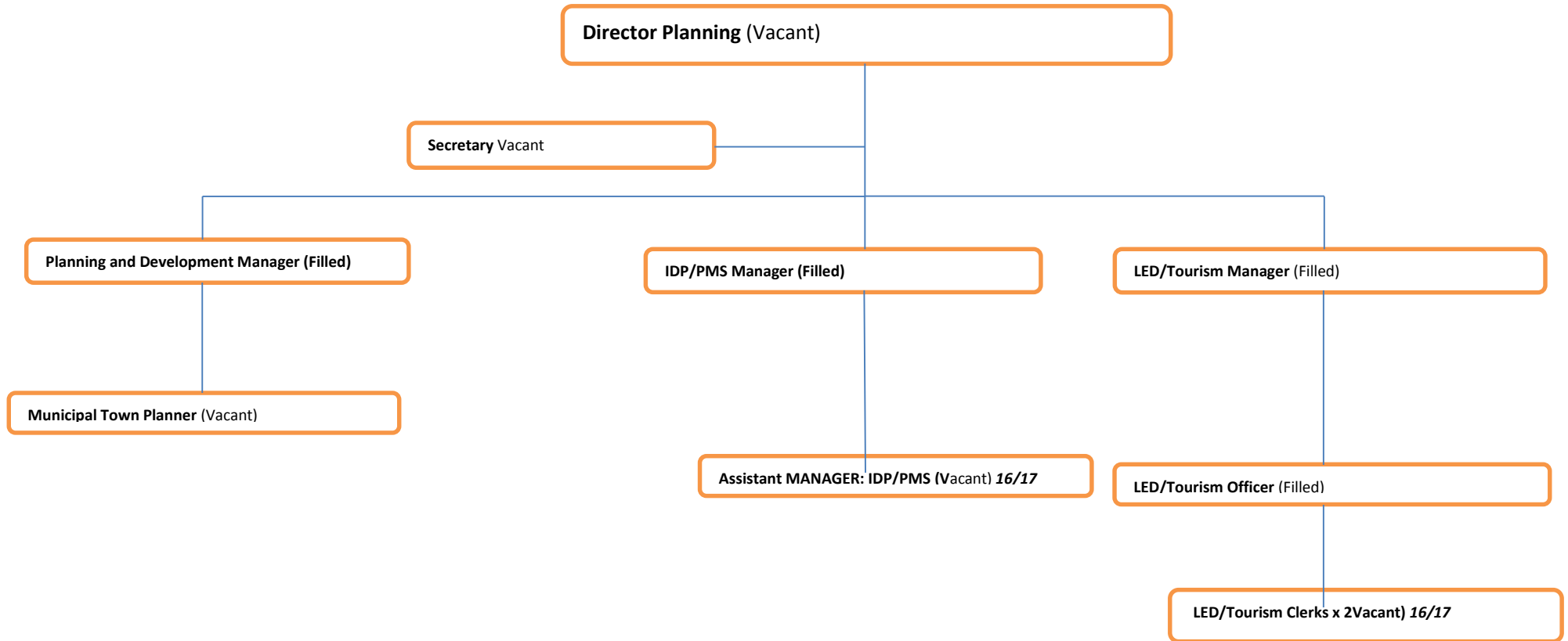
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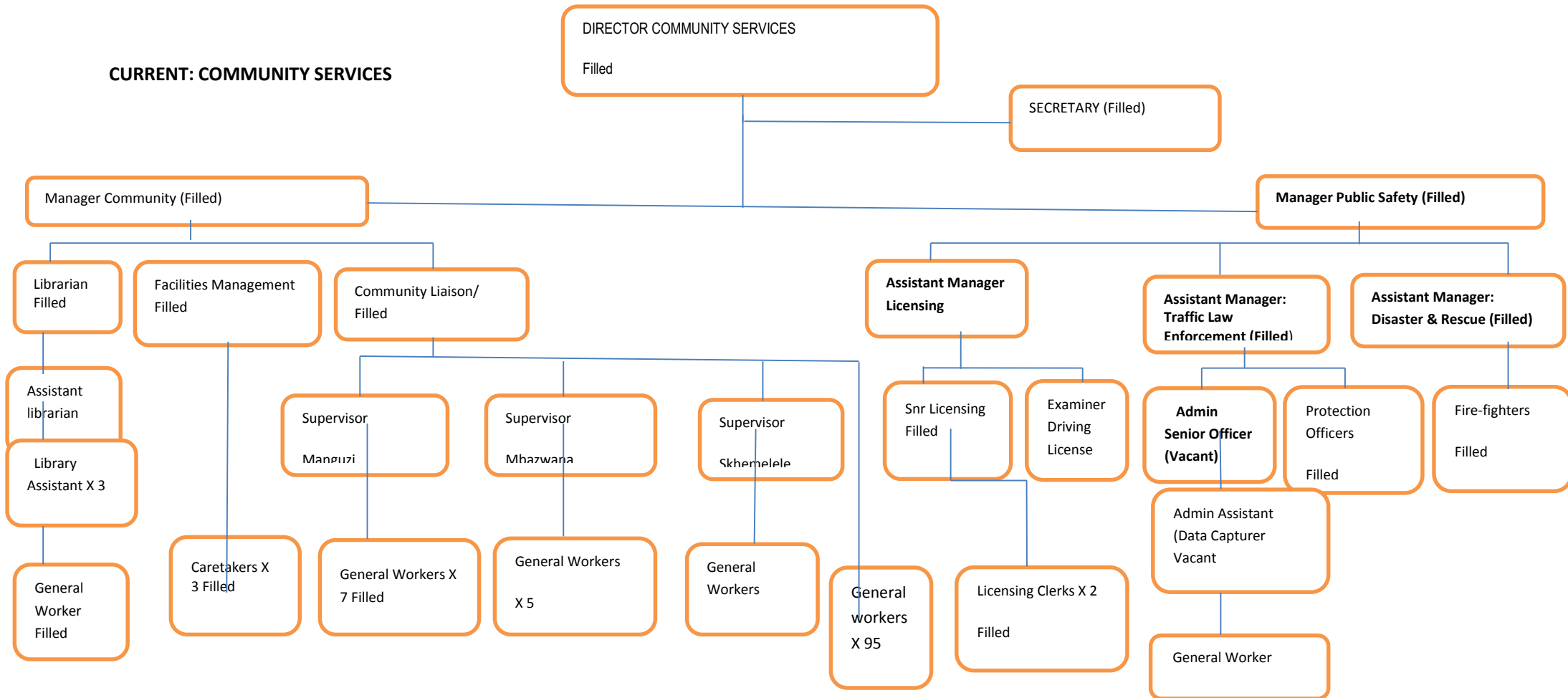
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CURRENT: PLANNING DEPARTMENT



CURRENT: COMMUNITY SERVICES



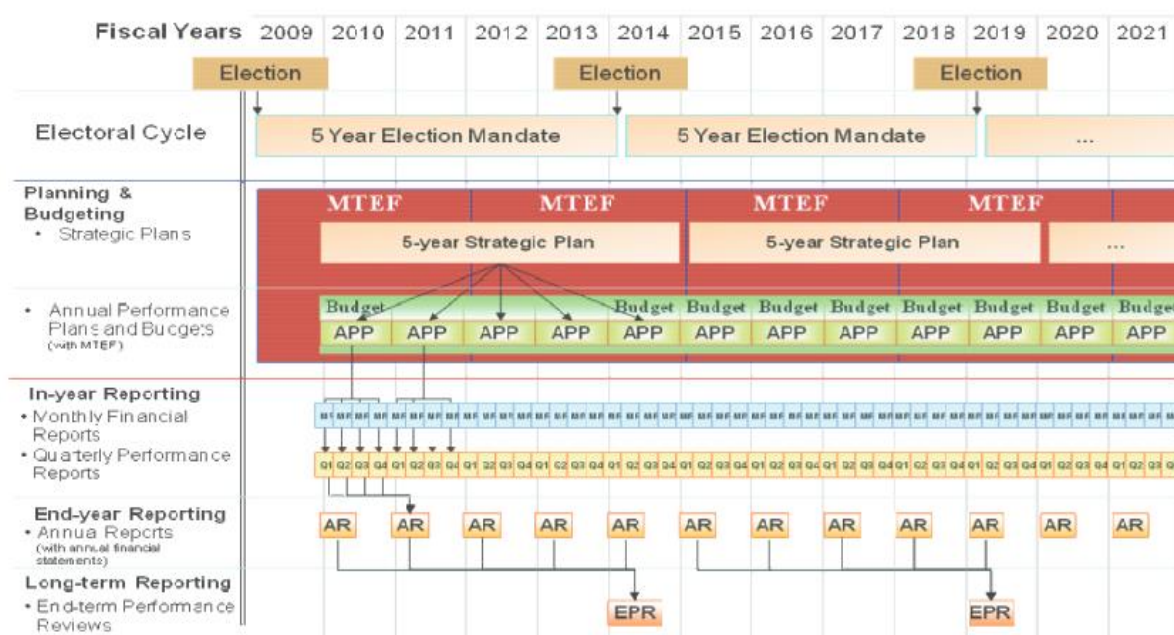
1.6 AUDITOR GENERAL REPORT

The municipality received a clean audit opinion with no matters of emphasis during 2014/15. It is the intention of the municipality to maintain and sustain a clean audit opinion in 2015/2016 financial-year. The audit report is contained in Chapter 6 of this annual report.

STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July 2015
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August 2015
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	September – October 2015
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	November 2015
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	December 2015
T 1.7.1		January 2016

THE RELATIONSHIP AND TIMING OF THE DIFFERENT ACCOUNTABILITY



STRATEGIC PLANS

The municipality conducted a strategic planning session during 2015, setting out the municipality's policy priorities, programmes and project plans for a five-year period, as approved by its executive authority, within the scope of available resources.

The strategic plan focused on strategic outcomes oriented goals for the municipality as a whole, and objectives for each of its main service-delivery areas aligned to its budget programmes and, where relevant, also its budget sub-programmes.

A strategic plan covers a period of five years, ideally from the first planning cycle following an election, linked to the identified outcomes of the Presidency. Although plans may have a longer timeframe, they are revised every five years, and a draft new or revised strategic plan was prepared for consideration. Departments tabled their strategic plans for budgeting purpose. Linked to a strategic plan is the consideration of the MTSF, the provincial growth and development strategies, IDPs of the municipality, Performance Agreements and Service Delivery Agreements entered into in terms of the broad strategic outcomes and any other relevant long term government plans. The municipality's resources and capabilities were also considered. The document lays the foundation for the development of Annual Performance Plans.

ANNUAL PERFORMANCE PLANS / SDBIPS

Annual Performance Plan setting out what the municipality intends doing in the upcoming financial year and during the MTEF to implement its strategic plan.

The SDBIPs sets out performance indicators and targets for budget programmes, and sub-programmes where relevant, to facilitate the municipality realizing its goals and objectives set out in the Strategic Plan. Where appropriate, the plan has quarterly breakdown of performance targets for the upcoming financial year.

To simplify performance tracking, in-year changes to the plan should be made during the mid-year review. Where the municipality's performance exceeds or misses targets due to in-year budget changes or for another reason, this is noted and documented in the mid-year report. In-year monitoring of the Annual Performance Plans/SDBIPs is conducted through the quarterly performance reports and end-year reporting is made in the programme performance section of the institution's annual report.

LEGAL REQUIREMENTS AND GUIDELINES

Chapters 5 and 30 of the Treasury Regulations set out the legal requirements.

ANNUAL BUDGET AND MTEF

The annual budget sets out what funds an institution is allocated to deliver services. The Annual Performance Plan shows funded service-delivery targets or projections. The annual budget indicates the resource envelope for the year ahead, and sets indicative future budgets over the MTEF. The budget covers the current financial year and the following two years.

QUARTERLY PERFORMANCE REPORTS

Quarterly performance reports provide progress updates on the implementation of the municipality's Annual Performance Plan/SDBIPs in the previous quarter, with particular reference to monitoring delivery against quarterly performance targets.

A quarterly performance report provides with information on performance against plans. It also provides the accounting officer with an opportunity to indicate measures that will be taken to ensure that implementation of the Annual Performance Plan remains on track.

TIMEFRAMES

Quarterly reports were prepared for each quarter. Changes to planned targets are not to be made in quarterly performance reports. The quarterly performance reports for the second and third quarters provide information on the present year's performance to be taken into consideration in the development of the Annual Performance Plan and annual budget for the following year. Legal requirements and guidelines Chapters 5 and 30 of the Treasury Regulations set out the legal requirements. This Framework provides guidance on the processes relating to the production of such reports.

ANNUAL REPORTS

The Annual Report provides information on the performance of the institutions in the preceding financial year for the purposes of oversight. It looks at the municipality's performance relative to the targets set in the Annual Performance Plan/SDBIPs and provides the audited annual financial statements. It reveals how the budget was implemented and the state of the institution's financial management systems, and should include relevant background statistics and administrative data series.

The timeframes are set out in the MFMA and the Treasury Regulations. Linked to The Annual Report should be linked to the implementation of the Annual Performance Plan/SDBIPs and budget. All in-year reports assist in the drawing up of the Annual Report, which should be subjected to an annual review and oversight process. Recommendations emerging from the review would feed into the planning and budgeting process for the following year.

PERFORMANCE AGREEMENTS

A performance agreement summarises the official duties and responsibilities that are attached to an appointment or position, and include a performance-related incentive and reward system for managing an official's job performance. A performance agreement specifies individual performance targets for the accounting officer and other HODs.

Performance agreements are signed by the end of July. Linked to Performance Agreements should be linked to the achievement of the Strategic Plan, the implementation of the Annual Performance Plan, and the annual budget. At the end of the financial year each official's performance are reviewed in relation to the agreement.

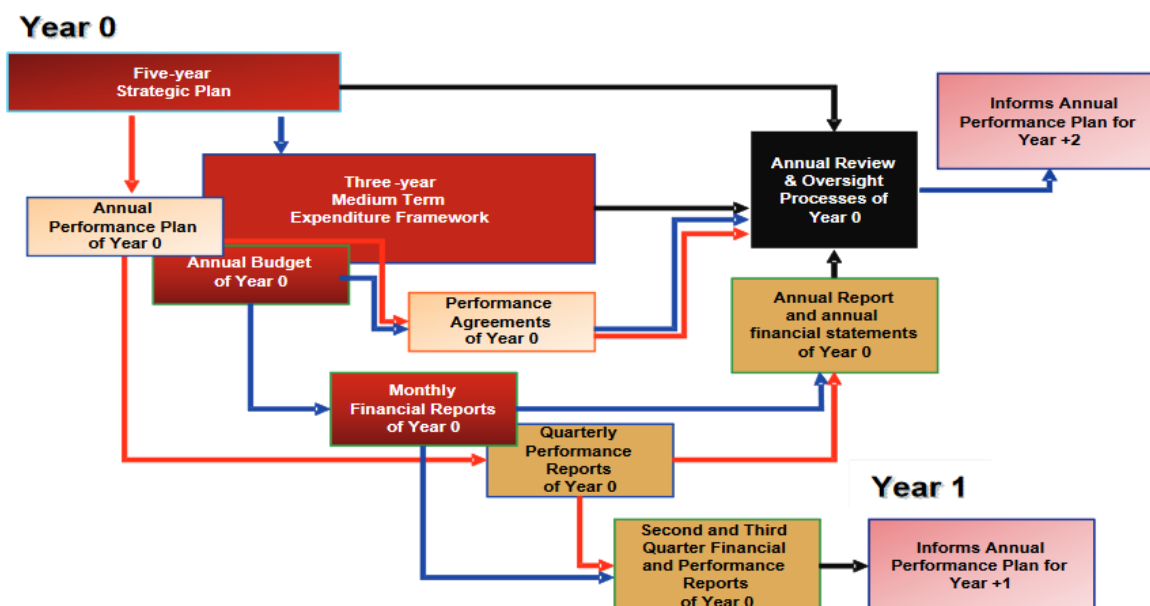
END-TERM REVIEWS

The municipality conducts an end-term review towards the end of the period covered by its Strategic Plan. The review follows the format of the plan. The municipality reports on the extent to which it has succeeded in achieving each of the strategic outcome oriented goals and objectives set at the beginning of the five-year period, as well as on any other evaluations conducted during the period.

INFORMATION FLOW AND RELATIONSHIP BETWEEN PLANS AND BUDGETS

The figure below shows the link between the various accountability documents, performance agreements and oversight processes, as well as the link to future planning.

LINK BETWEEN PLANNING, BUDGETING AND REPORTING



At the end of the financial year, the accounting officer compiles annual financial statements reporting on the implementation of the budget, and an annual report on the implementation of the Annual Performance Plan. All information contained in the annual report, and information on the evaluation of managers' individual performances, are incorporated into an annual review and oversight process involving the Public Accounts

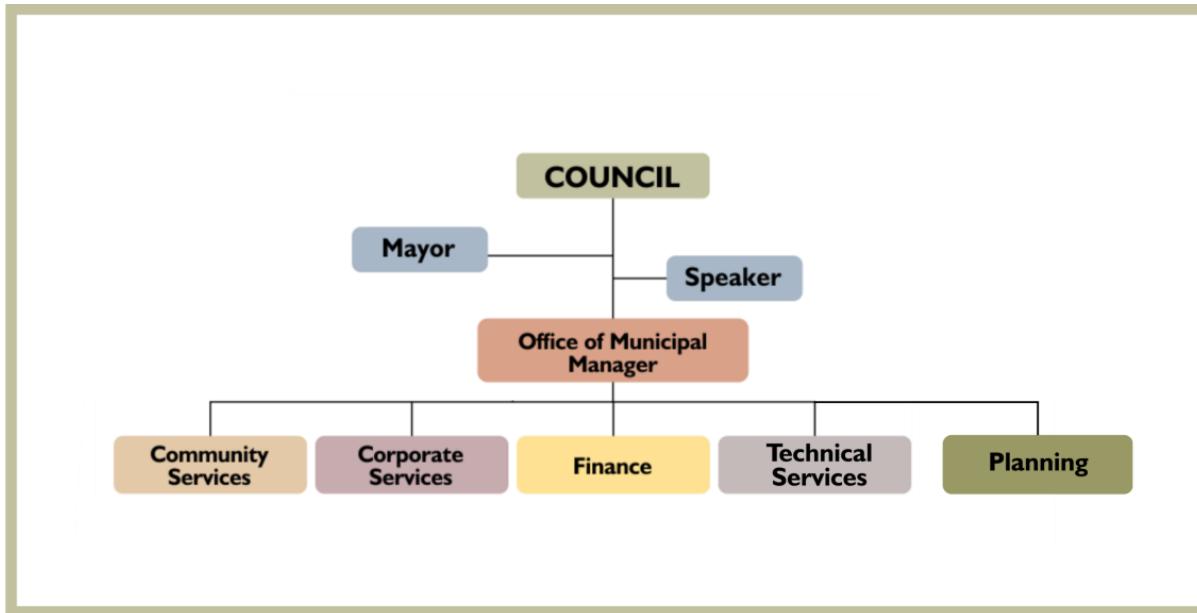
Committee. Recommendations are made about future performance targets which would feed into the planning and budgeting process for the following year.

CHAPTER 2: GOVERNANCE

- POLITICAL AND ADMINISTRATIVE GOVERNANCE
 - INTERGOVERNMENTAL RELATIONS
- PUBLIC ACCOUNTABILITY AND PARTICIPATION
 - CORPORATE GOVERNANCE

2.3.0 INTRODUCTION TO GOVERNANCE

Umhlabuyalingana Municipality political governance structure consists of Portfolio Committees, EXCO, MPAC and Council.



In addition, the Council is constituted by 3 political parties in a form of public representation, which is as follows:

Table 1: Representation of Political Parties

Political Party	Number of Representatives/Councillors
African National Congress	22
National Freedom Party	4
Inkatha Freedom Party	8

EXECUTIVE COMMITTEE



Mayor,
Cllr T.S. Mkhombo



Deputy Mayor,
Cllr N.M. Nxumalo



Speaker,
Cllr N.S. Mthembu



Cllr M.J. Ntsele



Cllr B.T. Tembe



Cllr S.N. Mthethwa



Cllr T.A.X. Zikhali

Councillors



Cllr K.O. Tembe
Ward 01



Cllr N.M. Nxumalo
Ward 02



Cllr B.N. Ntsele
Ward 03



Cllr Q.I. Nhlozi
Ward 04



Cllr J.S. Mkhabela
Ward 05



Cllr M.R. Mthembu
Ward 06



Cllr D.M. Mhlongo
Ward 07



Cllr B.H. Ngubane
Ward 08



Cllr T.M. Gumede
Ward 09



Cllr C.B. Mahlangu
Ward 10



Cllr S.N. Mthethwa
Ward 11



Cllr N.S. Mthembu
Ward 12



Cllr J.B. Gwala
Ward 13



Cllr N.L. Mlambo
Ward 14



Cllr N.C. Mdletshe
Ward 15



Cllr E.G. Mhlongo
Ward 16



Cllr S.N. Tembe
Ward 17



Cllr T.S. Mkhombo
Mayor



Cllr S.P. Mthethwa



Cllr B.T. Tembe



Cllr F.G. Mlambo



Cllr N.R. Mthethwa



Cllr S.K. Phyffer



Cllr M.J. Ntsele



Cllr S.X. Mabika



Cllr R.N. Mthembu



Cllr T.F. Zikhali



Cllr T.A. Fakude



Cllr T.A.X. Zikhali



Cllr B.E. Biyela



Cllr G.A. Mathenjwa



Cllr G.N. Gumede



Cllr L.T. Nsele



Cllr M.Z. Mhlongo

2.3 INTER-GOVERNMENTAL RELATIONS

All service delivery matters involving other government departments, private sector, development agencies, etc are co-ordinated through the District IGR-Forum. Other Forums that are established at District Level are Mayors, Forum, Municipal Managers Forum, Planners Forum, Finance Forum, Technical Services Forum, Corporate Services Forum, etc. A revised Terms of Reference for all these committees is in place and annual calendar for forum meetings is prepared by the District. Umhlabuyalingana Local Municipality has its own IGR to address local services delivery matters with the relevant sectors.

The Provincial Department COGTA provided grant funding to support Umkhanyakude family of municipalities in strengthening their IGR functions. Necessary forums required to facilitate IGR have been established and terms of reference to facilitate smooth operations for these forums have been developed. Dates of IGR meetings are incorporated in the District Events Calendar. Protocol Agreements was signed by all the Mayors and Municipal Managers in December 2013. Technical Forum and Sub Committee are meeting frequently. Local municipalities have appointed IGR Champions to strengthen communication.

2.4 PUBLIC ACCOUNTABILITY AND PARTICIPATION

THE STATUS OF THE STRUCTURES ESTABLISHED AS PER IDP PROCESS PLAN

The structures listed below participated in the municipal IDP Programmes. The involvement and participation of these role-players is crucial to the accomplishment of a participatory review process:

- All municipal Councillors
- The municipal council
- The Executive Committee
- The IDP Manager
- Municipal Manager
- The IDP/ Budget Steering Committee
- The IDP Representative Forum
- The District IDP Steering Committee
- Organized business structures
- Traditional Councils
- Sector Departments
- Ward Committees
- Municipal Officials
- Neighbouring Provinces
- NGOs and CBOs
- Local Farmers Association
- Organized Farm-workers structures
- Private sector

UMHLABUYALINGANA MUNICIPAL COUNCIL

The Council is responsible for the following:

- Adoption of the IDP Process Plan
- Adoption and approval of the reviewed IDP,
- Amendment of the IDP in accordance with the comments by sector departments and MEC,
- Approval of the various review phases,
- Ensuring that the IDP is linked to the PMS and Municipal Budget

THE EXECUTIVE COMMITTEE

The Executive Committee has the following responsibilities:

- Recommend to Council the adoption of the IDP Process Plan and reviewed IDP.
- Overall management of the IDP Review process,
- Monitoring the IDP review process

THE IDP MANAGER

The IDP Officer is assigned the following responsibilities:

- Management and Co-ordination of the IDP process
- Ensure that there's vertical and horizontal alignment,
- Management of the consultants,
- Ensuring all stakeholders are informed of the process and their involvement,
- Create a conducive environment for public participation

IDP/BUDGET STEERING COMMITTEE

The IDP Steering Committee is assigned the following responsibilities:

- Ensuring the gathering and collating of information while the IDP implementation is proceeding,
- Support the IDP Manager in the management and co-ordination of the IDP,
- Discussion of input and information for the IDP review,
- Ensuring the monitoring and evaluation of the gathered information,
- Attending to MEC's comments

IDP REPRESENTATIVE FORUM

The IDP Representative Forum is assigned the following responsibilities:

- Recommend reports for approval / adoption,
- Representing interests of the constituents,
- Present a forum for communication and participation for all stakeholders,
- Monitoring the IDP review process.

This is the structure that institutionalizes and ensures a participatory IDP review process. It represents the interests of the constituents of the municipality in the review process. It is envisaged that all organizations, stakeholders or interest groups are represented in the forum. The composition of the IDP Representative Forum is as follows:

Chairperson	: The Mayor
Secretariat	: Umhlabuyalingana IDP Steering Committee
Members	: All Municipal Councillors
	: The Executive Committee
	: Councillors and Officials from Umkhanyakude District
	: Municipal Manager and Municipal Officials
	: Traditional Leaders within Umhlabuyalingana Municipality
	: Ward Committees Representatives
	: Community Development Workers (CDWs)
	: Parastatals and Service Providers

- : NGOs and CBOs
- : Sector Departments
- : Neighbouring Municipalities
- : Neighbouring Countries
- : Farmers Associations
- : Traditional Healers
- : Churches
- : Private sector

UMKHANYAKUDE DISTRICT MUNICIPALITY PLANNING AND DEVELOPMENT FORUM

The Umkhanyakude District Municipality forms a district-wide Planning and Development Forum for the purpose of alignment with all the local municipalities within the district:

MUNICIPAL OFFICIALS

The municipal officials are responsible for the implementation of the IDP and in the process gather information on changes in the circumstances. They have to provide budgetary information and any information on the performance evaluation. They provide technical expertise during the planning process. Municipal Officials also interact with the Ward Councillors and Ward Committees and provide guidance and advice that is crucial during the IDP process.

2.4.2 WARD COMMITTEES

The Ward Committees have a crucial role of identifying the needs and service delivery gaps in the community and meet on a monthly basis, submit their sectoral reports and report to the Ward Councillor.

Umhlabuyalingana Local Municipality has embraced and enrolled the government initiative of ward committees to ensure that service delivery is effective in all wards.

The functions and powers of Umhlabuyalingana Local Municipal Ward Committees through the municipal policy in line with the provisions of Section 59 of the Municipal Systems Act. Any Powers delegated in terms of the adopted policy are as follows:

- To serve as an official specialized participatory structure in the municipality;
- To create formal unbiased communication channels as well as cooperative partnerships between the community and the council. This may be achieved as follows:
 - Advise and make recommendations to the ward councilor on matters and policy affecting the ward;
 - Assist the ward Councillor in identifying challenges and needs of residents;
 - Disseminate information in the ward concerning municipal affairs such as the budget, integrated development planning, performance management system (PMS), service delivery options and municipal properties;
- Receive queries and complaints from residents concerning municipal service delivery, communicate it to council and provide feedback to the community on council's response;

- Ensure constructive and harmonious interaction between the municipality and community through the use and co-ordination of ward residents meetings and other community development forums; and Interact with other forums and organizations on matters affecting the ward.

To serve as a mobilizing agent for community action within the ward. This may be achieved as follows:

- Attending to all matters that affect and benefit the community;
- Acting in the best interest of the community;
- Ensure the active participation of the community in:
- Service payment campaigns;
- The integrated development planning process;
- The municipality's budgetary process;
- Decisions about the provision of municipal services; and
- Decisions about by-laws.
- Decisions relating to implementation of Municipal Property Rates Act (MPRA)
- Delimitate and chair zonal meetings.

Composition of Ward Committees:

- A ward committee consists of the Councillor representing that ward in the council who is also the chairperson of the committee, and not more than ten other persons.
- In the process of election of Ward Committee we also take into account the need for women to be equitably represented in a ward committee and for a diversity of interests in the ward to be represented.
- Gender equity was also pursued by ensuring that there is an even spread of men and women on a ward committee.

Table 2.4.3 Ward Committee Public Meetings

[illegible]

PARTICIPATION OF AMAKHOSI IN COUNCIL MEETINGS AND TRADITIONAL COUNCILS

Amakhosi do participate in Council Meetings in line with Section 81 of Municipal Structures Act. The Traditional Councils work as a link between the community and Ward Councillors and matters of service delivery and needs of the people. They also assist in providing information with regard to land rights and possible available areas for future development.

SECTOR DEPARTMENTS

The Sector Departments have the following responsibilities:

- Assist in the IDP formulation and review process,
- Provide budget information and sector plans,
- Provide data and information,
- Ensure programme and project alignment between the municipality and province,
- Ensure budgetary alignment between provincial programmes and projects and the municipality's IDP.

WARD COUNCILLORS

Ward Councillors are an important link between the municipality and the constituents. They are the first to know of any community needs or service delivery gaps. The Councillors will be responsible for forwarding this information to the municipal officials. They are also responsible for organizing community meetings and ensuring maximum participation of residents in the IDP review process.

COMMUNICATION PLAN/STRATEGY

- Newsletter - will be used to communicate the projects, programmes and development.
- Suggestion boxes in all the municipal facilities
- Local and National Newspaper - This medium will be used to communicate various messages that concerns the municipality especially service delivery.
- Local and National Radio
- Ward Community Meetings - This institution will be used effectively to promote maximum community participation in municipal affairs.
- Public meetings (Izimbizo) - These meetings will be staged to provide a platform for the municipality to communicate the level of projects and programmes undertaken by council and further solicit input from communities and their (communities) buy-in thereof.
- Annual Report - The annual report will be distributed to the stakeholders and community organizations that we have on our database and will be distributed to the community at large. This will also maximize the culture of community participation and access to information.
- Website - Through this tool various stakeholders such as business community, foreign investors, NGO's and community at large will have more access to information regarding the municipality and its area.
- IDP Structures are also used for public participation and implementation of Umhlabyalingana Communication Strategy

COMMUNICATION PLAN FOR PUBLIC PARTICIPATION

The IDP Structures meet as per the Council Approved IDP Process Plan Schedule.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

2.6.0 CORPORATE GOVERNANCE

COUNCIL

During 2015/2016 financial year, Umhlabuyalingana Municipality comprised of 34 Councillors. The Councillors are allocated to different portfolios where they serve in accordance with internal departments and functions. The Council has quarterly meetings as legislated which reflects 100% functionality.

EXCO

Executive Committee meets on monthly basis and consider reports from respective portfolio committees prior to these reports and items being presented to Council.

PORTFOLIO COMMITTEES (REPRESENTATIVES AND FUNCTIONALITIES)

Portfolio Committees exercise political oversight on respective departments within the municipality where departmentally the members have monthly meetings where issues are tabled, discussed and recommendations are made to EXCO and to Council for approval. The portfolio committees have been arranged as follows:

1. Corporate Portfolio

2. Finance Portfolio
3. Planning, LED and Infrastructure Development Portfolio
4. Community Portfolio

MPAC

Municipal Public Accounts Committee (MPAC) established in terms of Section 79 of the Structures Act, convenes on quarterly basis as prescribed to consider matter related to exercising oversight on financial and governance matters, as promulgated in Council adopted terms of reference.

AUDIT/PERFORMANCE COMMITTEE

Audit and Performance Committee appointed to assist Council in strengthening its role, the committee meets on quarterly basis and as at and when required to deal with matters at hand. The Committee has Chairperson for Audit Committee and a Chairperson for Performance which covers all regulated matters to be considered by the committee.

2.6 RISK MANAGEMENT COMMITTEE AND MEMBERS

The municipality has established a Risk and Compliance Unit and is fully capacitated as Manager Risk and Compliance has been appointed. The risk management activities are currently performed by the Risk and Compliance Manager. The Risk assessment was conducted for 2015/16 financial year by Provincial Treasury and a Risk Register has been developed and this activity will be implemented during 2016/17 financial year. The Municipality has recently reviewed Risk Management Policy and Strategy and will be taken to Council for approval. The Risk Register is monitored quarterly by Manager Risk and Compliance as well as Internal Auditors. The Risk Committee has been appointed and in terms of its Terms of reference the Committee is supposed to sit quarterly.

2.7 ANTI-CORRUPTION AND FRAUD

The municipality has a council approved Anti-Corruption and Fraud Policy. The policy was workshopped to the Councillors and municipal officials. The policy is also available in the municipal website.

2.8 SUPPLY CHAIN MAGAGEMENT

The municipality has established fully functional Bid Committees and are as follows:

- Bid Specification
- Bid Evaluation; and
- Bid Adjudication

The Bid Committee have a standing schedule of meetings and they meet according to their schedule.

Umhlabuyalingana Municipality have a central SCM Unit which is under the management of the CFO. The unit have 4 officials, 3 of these officials have done training on the prescribed level of competency requirements but still waiting for their competency certificates

2.9 BY-LAWS

The municipality has drafted two LED related By-Laws which have been adopted by council. The said by-laws will follow the official gazetting process during the 2016/17 financial year.

UMHLABUYALINGANA INFORMAL TRADERS BY-LAW

After the informal economy policy formulation, the informal traders' by-laws was produced. The main purpose is to utilize the subject by-laws for technical enforcement. It clearly outlines terms and conditions that each informal trader within the jurisdiction of Umhlabuyalingana should adhere to. This by law completely complies with the Business Act 71 of 1991.

The council has confidently consulted with the interested and affected individuals regarding the contents of the draft by law. The notice was printed and advertised to the public newspaper (Ilanga, dated 04-06 February 2016). Furthermore, copies were placed to all three trading or economic zones of Umhlabuyalingana (Manguzi; Skhemelele; and Mbazwana), informing the public that the business licence by-law is available for inspection at a specified location.

UMHLABUYALINGANA LIQUOR AND BUSINESS LICENSING BY-LAWS

Through the Liquor and Business Licensing by-laws, the Umhlabuyalingana municipality mandates every kind of formal business to occupy a business licence in terms of the Business Act 71 of 1991, section 6A (Powers of the local authority). The business license is specifically required for businesses that need to comply with health and safety regulations. The businesses will need to meet the set criteria of requirements, especially, zoning; health; and safety. As such this by law deals with any other matters governing both formal and liquor trading within the concerned areas, including but not limited to-

- main implicated formal trading areas and ideal trading times;
- the manner in which socio-economic development of the liquor traders within Umhlabuyalingana area will be facilitated;
- how neighbouring business; social; and environmental structures around the trading area will be protected; and
- How the implicated businesses will be expected to operate within the municipal compliance plans.

Table 2.9.1 By- Laws introduced during 2015/16

By-laws introduced during 2015/16					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Umhlabuyalingana Business Licensing by-laws	Yes	Yes	04/02/2016	No	N/A
Umhlabuyalingana Informal Traders by-laws	Yes	Yes	04/02/2016	No	N/A
Property rate by-laws					
Waste By-laws		Yes		Yes	
*Note: See MSA section 13					

This by law completely complies with the Business Act 71 of 1991. The council has confidently consulted with the interested and affected individuals regarding the contents of the draft by law. The notice was printed and advertised to the public newspaper (Ilanga, dated 04-06 February 2016). Furthermore, copies were placed to all three trading or economic zones of Umhlabuyalingana (Manguzi; Skhemelele; and Mbazwana), informing the public that the business licence by-law is available for inspection at a specified location.

2.10 WEBSITE

The municipal website is in place and operational.

Table 2.10.1 Municipality Website

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's/ Entity's Website	Yes/No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year – 1)	Yes
The annual Report (Year 0) published/ to be published	Yes
All current performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes
All service delivery agreements (Year 0)	Yes (Community/Technical Agreements)
All long-term borrowing contracts (Year 0)	N/A
All supply chain management contracts above a prescribed value (give value) for Year 0	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Yes
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	

Public private partnership agreements referred to in section 120 made in Year 0	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes
*Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their Community and stakeholders abreast of service delivery arrangements and municipal developments.	

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Table 2.11 Public Satisfaction on Municipal Services

Satisfaction Surveys Undertaken during: Year – 1 and Year 0				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
(a) Municipality	Complaints/ Compliments Register	2015/16	All municipal wards	Satisfaction
(b) Municipal Service Delivery	IDP Public Participations and Ward Committee Meetings	2015/16	All municipal wards	Satisfaction
(c) Mayor	IDP Public Participations/ Complaints/ Compliments Register	2015/16	All municipal wards	Satisfaction
Satisfaction with:				
(a) Refuse Collection	None	None	None	None
(b) Road Maintenance	IDP Public Participations/ Complaints/ Compliments Register	2015/16	All municipal wards	Satisfaction
(c) Electricity Supply	IDP Public Participations/ Complaints/ Compliments Register	2015/16	All municipal wards	Better
(d) Water Supply	IDP Public Participations/ Complaints/ Compliments Register	2015/16	All municipal wards	Better
(e) Information supplied by municipality to the public	IDP Public Participations/ Complaints/ Compliments Register	2015/16	All municipal wards	Satisfaction
(f) Opportunities for consultation on municipal affairs	IDP Public Participations	2015/16	All municipal wards	Satisfaction
*The percentage indicates the proportion of those surveyed that believed that relevant Performance was at least satisfactory				

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The MPAC is a committee of the municipal council, appointed in accordance with section 79 of the Structures Act. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. This also includes oversight over municipal entity. This committee is functional but still needs to improve on its functionality as its meetings do not sit as per approved municipal calendar

The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the Accounting Officer of a municipality or municipal entity.

The primary functions of the Municipal Public Accounts Committees are as follows:

- To consider and evaluate the content of the Annual Report and to make recommendations to Council when adopting an oversight report on the Annual Report;
- In order to assist with the conclusion of matters that may not be finalized, information relating to past recommendations made on the Annual Report, must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and Annual Reports;
- To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- To promote good governance, transparency and accountability on the use of municipal resources;
- To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and
- To perform any other functions assigned to it through a resolution of Council within its area of responsibility.
- The MPAC reports to Council, at least quarterly, on the activities of the Committee which includes a report detailing its activities of the preceding and current financial years, the number of meetings held, the membership of the committee and key resolutions taken in the annual report.

MEMBERS OF THE MPAC	GENDER	AFFILIATION
1. Cllr D.M Mhlongo (Chairperson)	Male	ANC
2. Cllr J.S Mkhabela	Male	ANC
3. Cllr K.O Tembe	Male	ANC
4. Cllr G.N Gumede	Male	IFP
5. Cllr N.R Mthembu	Female	IFP
6. Cllr F.G Mlambo	Female	ANC
7. Cllr N.L Mlambo	Male	ANC
8. Cllr T.A Fakude	Male	IFP
9. Cllr T.F Zikhali	Female	NFP

INTERNAL AUDIT

Section 165 of the MFMA No 56 of 2003, states that each municipality must have an internal audit unit .The internal audit unit must:

(a) Prepare a risk-based audit plan and an internal audit program for each financial year;
(b) Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:

- Internal audit
- Internal controls
- Accounting procedures and practices
- Risk and risk management
- Performance management and
- Loss control
- Compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation; and
- (c) Perform such other duties as may be assigned to it by the accounting officer.

The municipality appointed Ntshidi & Associates as Internal Auditors during 2013/2014 financial years and the next three years. Each financial year a risk based internal audit plan is prepared and approved by the Audit Committee. The Internal Audit Activity reports to the Performance and Audit Committee on the implementation of the risk based internal audit plan and matters relating to, internal audit, internal controls, accounting procedures and practises, risk and risk management, performance management, loss control and compliance with the relevant legislations.

PERFORMANCE AND AUDIT COMMITTEE

Section 166 (1) of the MFMA No. 56 of 2003 require each municipality and each entity to have an audit committee.

The Municipality considered appropriate in terms of economy, efficiency and effectiveness to consolidate the functions of the aforementioned committees and establish a Performance and Audit Committee (PAC). The Umhlabuyalingana Municipality's PAC consists of three independent members with appropriate experience in the field of Auditing, Local Government Finance, and Administration. Legal and Performance Management System. In terms of its approved Terms of Reference, Charter, the Performance and Audit Committee is required to meet at least four times a year.

The PAC is an independent advisory committee appointed by Council in February 2014 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.

MEMBERS OF THE PERFORMANCE AND AUDIT COMMITTEE	
1.	Mr B Mabika
2.	Ms PP Sithole
3.	Ms ZP Khanyile

ANNEXURE-A-UMHLABUYALINGANA MUNICIPALITY COUNCILLORS: 2015/2016

ANNEXURE-B-ATTENDANCE AT COUNCIL MEETINGS: 2015/2016

ANNEXURE-C-EXECUTIVE COMMITTEE MEETINGS: 2015/2016

ANNEXURE-D-PORTFOLIO COMMITTEE MEETINGS: 2015/2016

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

PART 1

INTRODUCTION: BASIC SERVICES

In accordance with the Local Government: PMS Regulations 2001 and 2006, the municipality is obliged to perform the organizational and individual (Municipal Manager and the Managers directly reporting to the Municipal Manager) Performance Management System to evaluate the performance of the municipality and its administration for a predetermined period. It is in this context that this report has been prepared to appraise the stakeholders about progress made to date in relation to the set targets as well as challenges experienced and the remedial action that has been put in place as corrective measures in cases where the set targets have not been achieved accordingly. This framework reflects the linkage between the IDP, budget, SDBIPs and service providers' performance.

The National Key Performance Areas are as follows:

- Basic Service and Infrastructure
- Local Economic and Social Development
- Financial Viability and Financial Management
- Municipal Transformation and Institutional Development
- Good Governance and Public Participation
- Cross Cutting Interventions

COMPONENT A: BASIC SERVICES

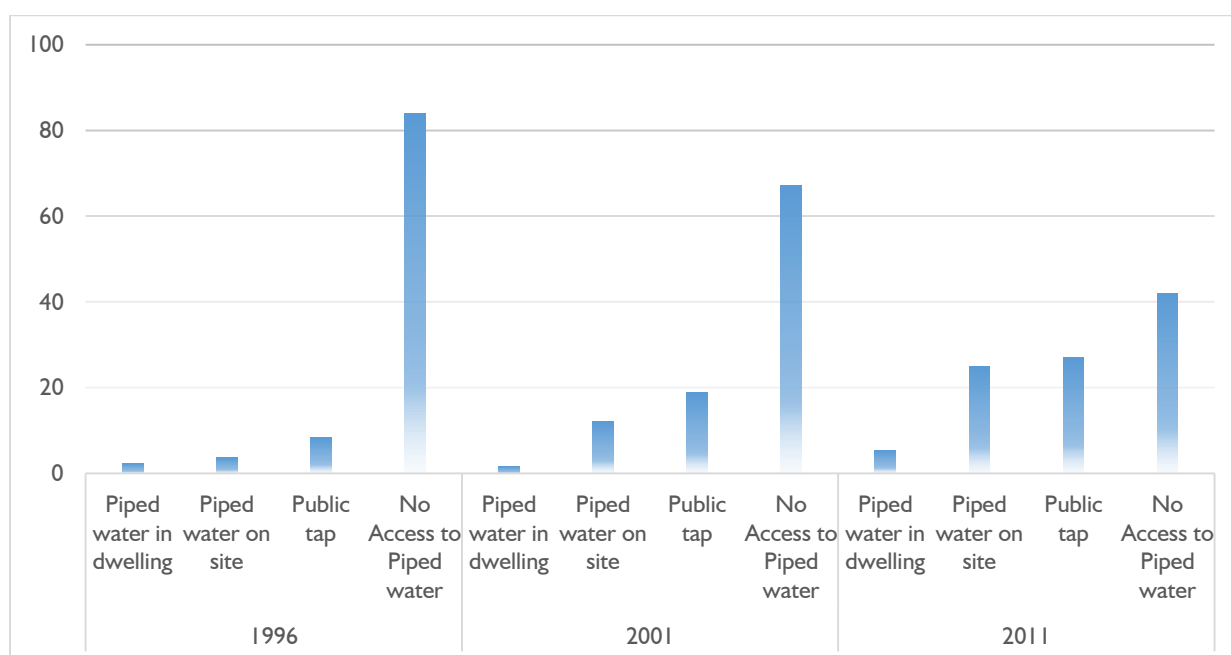
This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.1. WATER PROVISION

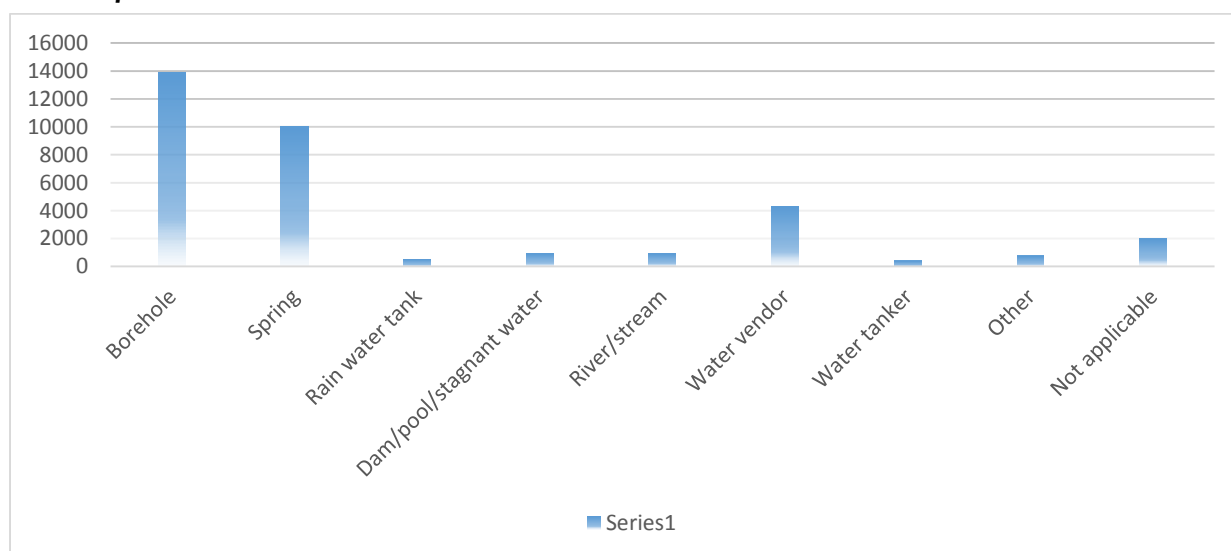
The table below illustrates the main supply of water to households. There has been an increase in the number of households that have access to piped water, the majority of households still rely on natural resources for their water supply. Only 10% of households have access to piped water inside their dwellings.

Distribution of households by access to piped (tap) water and municipality 1996, 2001 and 2011

Municipality	Piped (tap) water inside dwelling/yard			Piped (tap) water on a communal stand			No access to piped (tap) water		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
KZN271: Umhlabuyalingana	1 149	3 394	10 107	1 633	4 974	9 278	16 382	17 955	14 472



Source of water: 2011 census

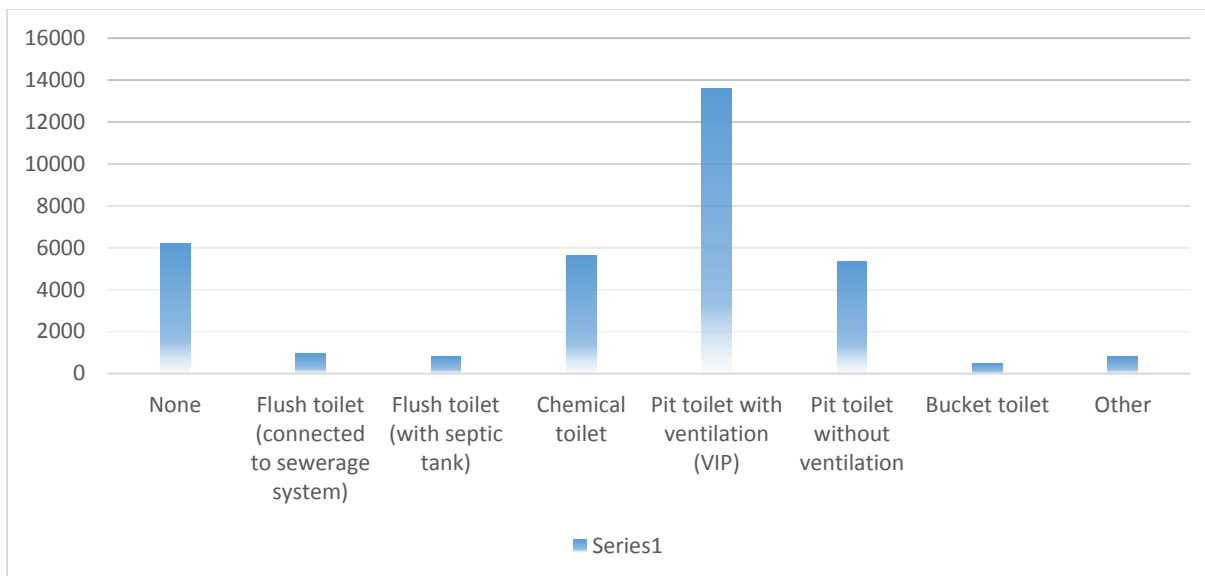


3.2 WASTE WATER (SANITATION) PROVISION

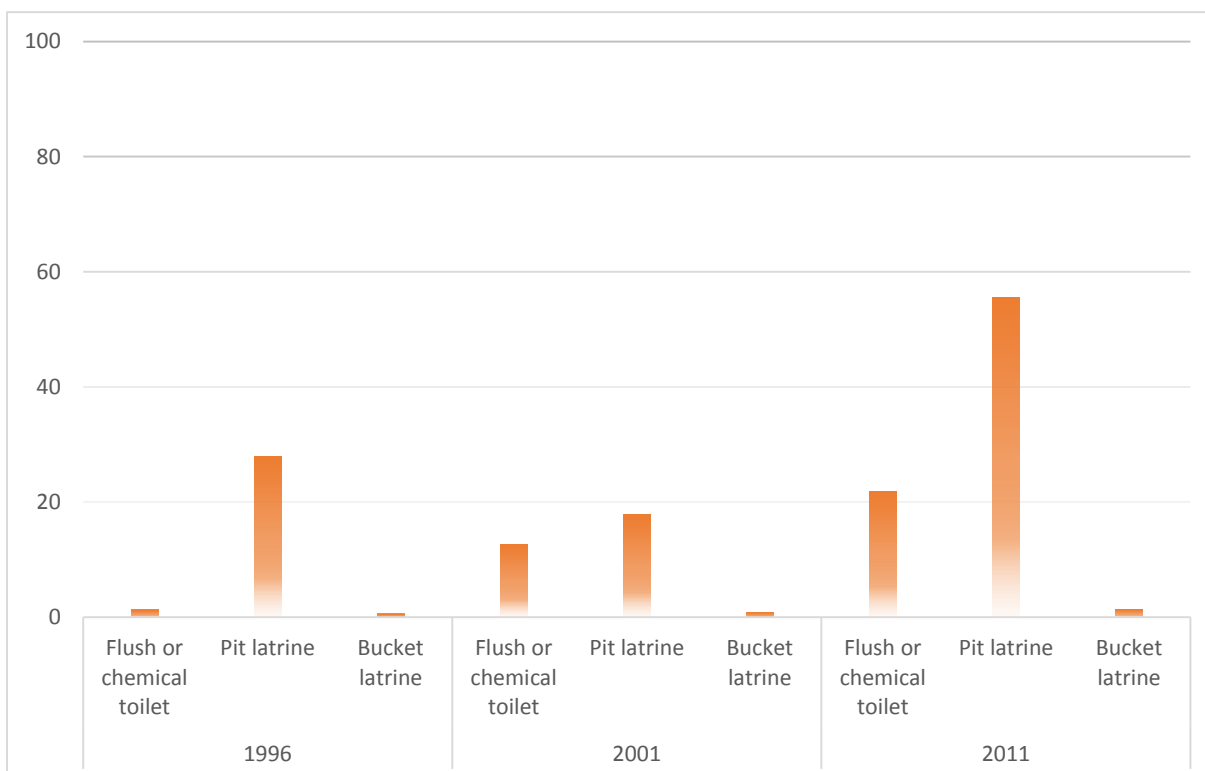
The table below illustrates the type of sanitation facility utilized by households. There are very few households which have access to the flush toilet sewer (including flush septic tank). A positive trend between 2001 and 2007 has been the decrease in the number of individuals who do not have access to any form of sanitation facility.

Distribution of households by type of toilet facility and municipality- 1996, 2001 and 2011

Municipality	Flush or chemical toilet			Pit latrine			Bucket latrine			None		
	1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
KZN271: Umhlabuyalingana	214	3 159	7 400	5 461	4 615	18 933	122	218	476	13 542	18 333	6 226



Toilet facilities: Source Stats South Africa: Census 2011



ELECTRICITY

Electricity is a function of ESKOM and not the Umhlabuyalingana Municipality. There is a lack of capacity of existing infrastructure in terms of bulk and reticulated electricity. However this is a national issue and ESKOM is putting infrastructure in place to boost capacity and there has been progress in extending basic services through the infrastructure programme with approximately 200 000 households being connected to the national electricity grid in 2012. Electrification projects in the Municipality for the 2016/16 financial year are shown in the following table.

Capital Expenditure Year 0: Electricity Services					
Capital Projects	Year 2015/2016				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Ward 8 electrification (250 connections)	R2 700 000.00	R2 800 000.00	R4 875 097.21	R624 902.80	R5 500 000
Mboza Phase Electrification (327 connections)	R7 200 000.00	R0.00	R5 117 166.90	R2 082 833.11	R7 200 000.00
Sbhongweni Ntshongwe electrification (250 connections)	R5 500 000.00	R0.00	R4 682 147.20	R817 852.80	R5 500 000.00

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Umhlabuyalingana is a rural local municipality; it is part of the family of five municipalities under uMkhanyakude District Municipality. In terms of the National Environmental Management: Waste Act 59 of 2008, Umhlabuyalingana is doing its best to collect solid waste from 51 businesses and 31 households on a weekly basis. These businesses and households are situated in and around the three towns of Umhlabuyalingana namely, Manguzi town, Mbazwana town and Skhemelele town.

The area of Umhlabuyalingana is also very sandy, which hampers the will and capacity to collect waste in all areas that the municipality is expected to serve. In all three towns 2,5m² waste skips and 240 litre waste bins have been placed. In so far as the Waste transport infrastructure, the municipality has two waste trucks and one tractor with a trailer which are used for the collection of refuse in the three towns. The collection of refuse is now carried out daily during working days. The municipality has employed 113 general workers who are doing refuse collection in the three towns.

It also has 113 EPWP workers who are working at the three dump sites. The municipality has three dump sites, one of the three is registered, i.e. Manguzi Dump site, whilst the other two are under the process of registration. The licensing of the two dumpsites namely Mbazwana and Skhemelele is done by the National Department of Environmental Affairs through an appointed company called AECOM. The Municipality also an Integrated Waste Management Plan which have been developed, adopted and approved by Council. Presently the municipality is in the process of implementing the IWMP.

Employees: Solid Waste Management Services					
Job Level	Year 2013/2014	Year 2015/2016			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
<i>Supervisor</i>	<i>3 supervisors</i>	<i>3</i>	<i>3</i>	<i>0</i>	<i>n/a</i>
<i>General Workers</i>	<i>113 general workers</i>	<i>113</i>	<i>113</i>	<i>0</i>	<i>n/a</i>

3.5 HOUSING

Umhlabuyalingana is one of the five local municipalities located in the uMkhanyakude District Municipality (DC27) and is approximately 3 693km². It has Mozambique along its northern boundary, the Indian Ocean to the east and the local municipalities of Jozini to the west and The Big Five False Bay and KZDMA27 to the south. The urban areas include towns such as Mbazwana, Sodwana Bay and KwaNgwanase (Manguzi). Ingonyama Trust land, which includes members of the Tembe, Mashabane, Mabaso and Zikhali traditional councils, dominates the area of jurisdiction of the municipal area.

The municipality has no proclaimed township, with the municipal jurisdiction being made up of 17 wards with little or no economic base. Most members of these communities are dependent on subsistence agriculture or income from migrant workers. The municipality has evenly scattered spatial patterns.

CURRENT HOUSING PROJECTS					
PROJECT NAME	PROJECT NUMBER	UNITS	IMPLEMENTING AGENT	DEVELOPER	STATUS
Mashabane Rural Housing	K11060005/2	3986	Terraplan Associates KZN	Umhlabuyalingana Municipality	Construction Phase 2
Kwa-Mbila Rural Housing	K12100003	3000	Fezeka Business Services	Umhlabuyalingana Municipality	Construction Phase 1
Kwangwanase Rural Housing Phase 2	K13080004	2000	UMpheme Development Agency	Umhlabuyalingana Municipality	Planning complete (waiting for construction approval by MEC)
KwaNgwanase (North)	Not yet applicable	2000	Ezonsundu	Umhlabuyalingana Municipality	Pre-feasibility
KwaNgwanase (West)	Not yet applicable	2000	Ubuqotho	Umhlabuyalingana Municipality	Pre-feasibility
KwaNgwanase (South)	Not yet applicable	2000	Moteko	Umhlabuyalingana Municipality	Pre-feasibility
OSS/Disaster Housing	K16060011/1	170	Legna Creative Enterprises	Umhlabuyalingana Municipality	Households Co-ordinates collection

POPULATION GROWTH TRENDS AND CHALLENGES

According to the Stats SA, Census 2011 the population is 156 736 people, with an average household size of 5 people per household. As a gateway to Africa and as any border municipality, it has been noticed that there is a growing number of immigrants streaming into the area. The alarming fact is that it is not apparent if all these immigrants have entered the country legally or not and as such the numbers cannot be quantified.

In addition, the area also has a tendency of accommodating the working class from other areas which also adds to the local population. Often these people reside in rented cottages and are always keen for more decent housing options.

The challenges connected to this ranges from facts such as socio-economic status of this area is way below average to the HIV/AIDS epidemic, which also has a huge impact on the growth of the population. New settlements are emerging and seem to be bias as they host certain ethic groups, which is a huge segregation era threat.

INFORMAL SETTLEMENTS

It is more often than not argued that this municipality has a challenge with informal settlements. By natural default, the area of Umhlabuyalingana determines itself to be rural in character and as such 99% of the area is classified as rural. This is evident throughout the municipal area when one looks at the housing typology and the dispersed rural settlements with poor road infrastructure that interlinks them.

Dwelling units made up of traditional material are still prevalent in the area however, the municipality does not consider these to be “informal settlements” and for the simple reason that these communities often have some form of land tenure rights to settle where they are. Basically, the issue of affording decent housing is the cause and some erect such houses by choice.

IDENTIFICATION OF LAND FOR FUTURE HOUSING DEVELOPMENT

The Local Municipality of Umhlabuyalingana’s area of jurisdiction spreads for approximately 3 621km² in land magnitude. In terms of land tenure, it is estimated that 60% of the municipal area falls under Ingonyama Trust ownership with four tribal councils who are the custodians of the land, with the remaining 40% consisting of commercial farms and conservation areas.

Furthermore, what is often over-looked is the fact that most decent and modern houses are often erected without following due processes, i.e. acquiring an approval of a building plan from the municipality in terms of the National Building Regulations and Building Standards Act 103 of 1977 as amended. This also boils down to the fact that in such areas the culture of ensuring as to which areas are best suitable for locating housing was never practiced and brings along challenges in terms of installing infrastructure in some of these areas.

Generally speaking and on the basis of the above, in the context of Umhlabuyalingana it will be socially incorrect to consider the municipality as having a challenge with informal settlements but will be technically correct to make such a statement.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

With regards to the indigent support, the municipality developed the Indigent Support Policy, which caters amongst other services, the burial service. Needy families are assisted with coffins, transportation of the deceased and groceries, depending on the need of the respective family. The Councillors would offer tents for the church service during the funeral.

The municipality has developed an indigent policy which seeks to provide financial relief to the citizens of the communities who are unable to afford basic services. An indigent register has been developed as a result and is updated on an annual basis to re-assess the existing beneficiaries’ affordability and extend to those that are needy.

The municipality has a Poverty Alleviation Fund through which it assists learners who are needy to be able to register in tertiary institutions, as a result hundreds of young people from Umhlabuyalingana have had access to tertiary education and many have graduated through this initiative. Ward Councillors have played a big role in the identification of learners in their communities.

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7 ROADS

The Umhlabuyalingana Municipality is situated in the north eastern part of KwaZulu-Natal. The municipality has an area of 3 621km² and a population of 156 736 people, with an average household size of 5 people per household, according to the Statistics South Africa 2011 Census.

The municipality is one of five municipalities that constitute the uMkhanyakude District Municipality. The Municipality has a rural character with 99% of the municipality classified as rural, and consists of 17 wards. Nearly 60% of the municipal area falls under traditional authority ownership, with the remaining 40% consisting of commercial farms and conservation areas.

The Umhlabuyalingana Municipality has a total of 346km of roads, and with exception of the road from Mbazwana to Manguzi (R22), the road network is poor to very poor condition, and is in dire need of upgrade. Most roads are sandy and difficult to drive on with a 4x2 vehicle.

The municipality largely depends on grants for the implementation of Capital projects and due to financial constraints this municipality has a huge backlog demand on its local roads. But, during the financial year 2013/2014, this municipality was able to address this by constructing a number of gravel roads that are believed to create economic benefit for the people of Umhlabuyalingana.

These include, Qongwana 1,2km road, Mbubeni 4km road, Mlambula 5km road and Zangomeni Mngomezulu 5km road.

Gravel road infrastructure over a three year period

Gravel Road Infrastructure				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
<i>Year 2013/2014</i>	<i>19.5km</i>	<i>19.5km</i>	<i>0km</i>	<i>19.5km</i>
<i>Year 2014/2015</i>	<i>45.5km</i>	<i>17.5km</i>	<i>0km</i>	<i>45.5km</i>
<i>Year 2015/2016</i>	<i>98.6km</i>	<i>18.6km</i>	<i>0km</i>	<i>98.6km</i>

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

EXISTING AND FUTURE TRANSPORT INFRASTRUCTURE

At a regional level, Umhlabuyalingana has a well-established road connectivity comprising national and provincial which link different areas within the municipality. The routes that currently play this role include R22, P522, P447 and P444. These routes connect the main settlement areas and emerging towns which include Mbazwana, Manguzi, Somkhele and Phelandaba. R22 in particular link the area with Hluhluwe town, N2 and a number of towns towards the south of Umhlabuyalingana while it also connects the area with Mozambique towards the north. The upgrading of R22 and its declaration as an LSDI Route during the early 2000s has drastically improves accessibility and connectivity at a regional scale and serves as an opportunity for corridor based development.

However the same cannot be said about the three other significant connector routes. P522 link the area town of Jozini. Although it is a tar road, this route had deteriorated to a very bad state with potholes that stretches for many kilometers. It appears as if the more focus has been placed on temporally patching the potholes without addressing the root cause of the road situation i.e. to re-tar and reseal the entire route since it has exceeded its lifespan. P447 and P444 are the provincial routes that link different settlements (especially in Mashabane) with the town of Mbazwana. These are currently the gravel 'sandy' roads which need serious attention. This also bears in mind the fact that the light vehicles are unable to easily use these routes during the heavy rainfall seasons.

At a local level, the road network tends to be very problematic. According to the Department of Transport's assessment of municipal road network report completed in 2007, the Umhlabuyalingana municipality has a total of 346 km of roads. This figure was determined by estimating the road lengths using a figure of 382 inhabitants per kilometer of paved and gravel road, and assuming that 8% of all roads can be classified as tracks. By applying the above assumptions, it is estimated that the Umhlabuyalingana municipality has 152 km of paved roads, 169km gravel roads and 26km of tracks. With exception of the road from Mbazwana to Manguzi, the road network is poor to very poor condition, and in dire need of upgrade. This is due to a number of existing roads being informal and in need of upgrading. These mainly include the local access roads that provide direct access to settlements. The majority of these roads exist as tracks.

ROADS

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Gravel Road Infrastructure				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2013/2014	19.5km	19.5km	0km	19.5km

Year 2014/2015	45.5km	17.5km	0km	45.5km
Year 2015/2016	98.6km	18.6km	0km	98.6km

TRANSPORTATION ANALYSIS

According to UMkhanyakude District IDP (2008/09), there are 33 taxi facilities in the form of formal and informal taxi ranks and routes Umhlabuyalingana. The “bakkies” which are considered to be illegal passenger transport vehicles still they provide a service that could be considered as parallel. They actually operate on the routes where taxis do not want to move onto due to the weak quality of the roads. There are no bus termini facilities that are provided within the area. The table below gives an indication of accessibility of public transport within the municipality.

Main Route	Main Route Description	No. of passengers per peak	No. of active seats used	No. of trips	Average occupancy per vehicle
KZN-R0032F-U	Jozini to Sikhemelele	224	100.00	15	14.9
KZN-R0036F-U	Manguzi to Ezangomeni	570	95.96	38	15.0
KZN-R0061F-U	Mbazwane to Mseleni	285	100.00	19	15.0
KZN-R0066F-U	Mbazwane to Sodwana Bay	267	100.75	20	13.4
KZN-R0056F-U	Mbazwane to Manzibomvu	170	116.47	17	11.6

It is clear that most of the routes inside and linking the municipality to other major centers within the district are operating at capacity, and that consideration to expand route capacity should receive high priority. Transport whether motorized or non-motorized faces many challenges within the Municipal area. These can be summarized as follows:

POOR CONDITIONS OF ROADS

- Inadequate pedestrian signs and markings and off-loading areas especially within the few urban areas;
- An absence of traffic lights, especially at major intersections;
- Unavailability of adequate public transport facilities especially for the disabled;
- Lack of pedestrian and non-motorized transport facilities.
-

The areas that should be considered for intervention should include improving pedestrian signs, markings and off-loading areas especially in the urban areas. The traffic calming measures within areas of high accidents should also be explored and wherever possible the provision of traffic lights especially at major intersections should be provided.

POOR ROAD LINKAGES

An efficient and effective road network enables people and goods to traverse to and from all areas within the Municipal area. It opens up development opportunities which could lead to economic growth and associated job creation.

Poor critical road linkages, which includes the non-existence of critical linkages and existing roads that are in poor to inaccessible condition, have been identified within the Umhlabuyalingana LM:

Poorly maintained existing gravel road between Madonela and Sikhemelele. Significant denser settlement occurs all along this road, which runs in close proximity and parallel to the Pongola River and its rich flood plains. Intensive agriculture, mainly subsistence, occurs along the river and the road. In heavy rains, this road is nearly impassable. What is also important to note is that this settlement corridor joins up with the P522 provincial main road between Ingwavuma and Manguzi. At this juncture, the urban characterized settlement of Sikhemelele has developed over time. Sikhemelele settlement, as well as the Mbosa to Sikhemelele Corridor, is the most densely settled area within the Umhlabuyalingana LM;

The existing road linkages between Madonela and Tshongwe are poor and do not support a direct primary route from Tshongwe through the agricultural development corridor leading to Sikhemelele. This is considered very important link, since it will provide an alternative south-north route, from Hluhluwe, within the Umhlabuyalingana Municipality. This route is deemed more economical for the conveyance of fresh goods and value-added products from the identified agricultural corridor to the major markets of Richards Bay and Durban

The east-west road linkages are primarily located in the north (P522 Main Road linking Ingwavuma with Manguzi) and in the south (P444 and P447 linking Mbazwana with Mkhuze) of the Umhlabuyalingana Municipal Area. The east-west road linkages in the central western part of the Municipal area exist only as a local road (essentially a track). In order to contribute towards a road network that is both effective and efficient – particularly in light of the recommended upgrade of the Madonela – Sikhemelele road – it is recommended that the road between Hlazane to Manaba to Mseleni be upgraded, functioning as an additional east-west centrally located link;

In order to expose the unique environment along the Municipality's east coast, which is administered by Isimangaliso Trust, to a broader audience which will result in further tourism –related development, the road from Mbazwana, pass Lake Sibaya on its eastern shore, through Manzengwenya, to Manguzi need be upgraded and made freely accessible to the public.

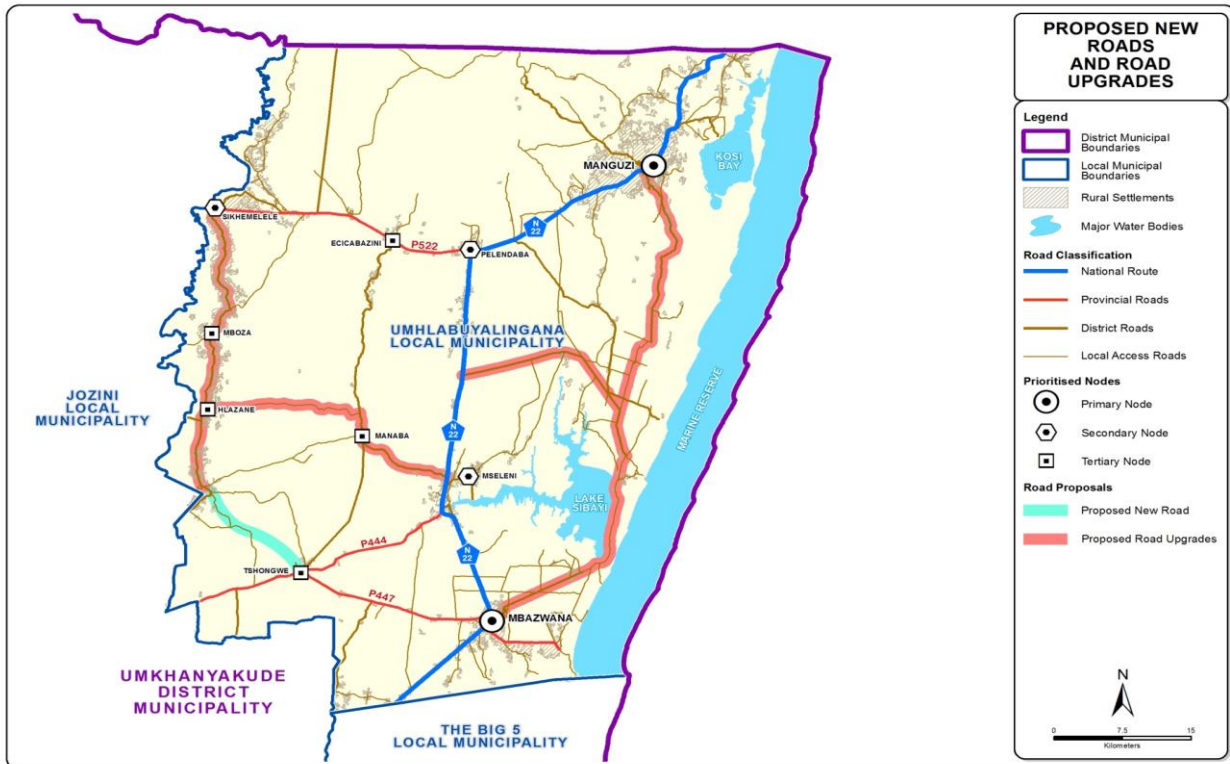
Upgrade the road from the State Forest Road north of Jikijela Node inland to Manzengwenya. This will provide an improved west-east link to the coastal areas.

A WELL-DEVELOPED ROAD NETWORK, IMPROVING ACCESSIBILITY:

- Upgrade the existing gravel road between Madonela and Sikhemelele to a blacktop road

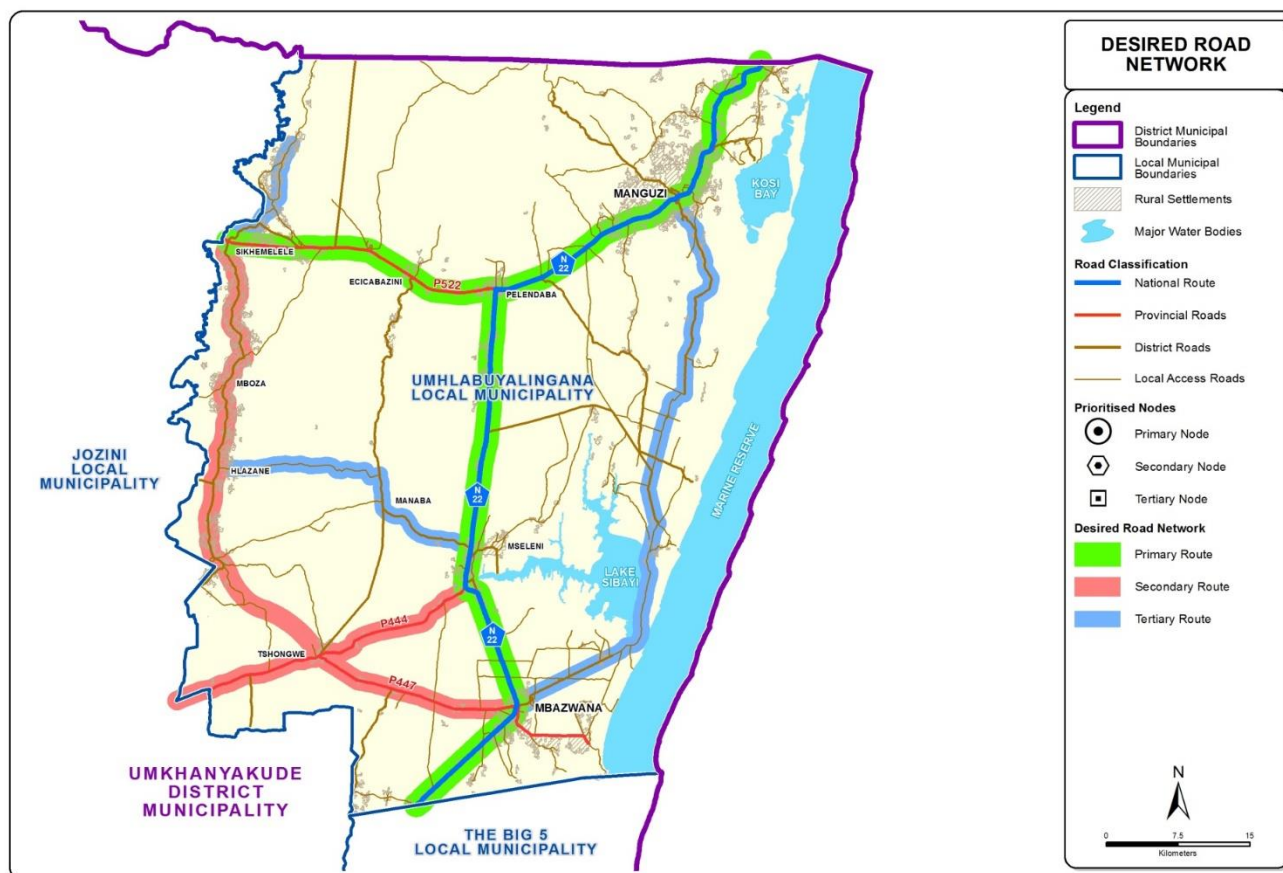
- Develop a blacktop road between Tshongwe and Madonela
- Upgrade the road between Hlazane and Manaba
- Upgrade the road between Manaba and Mseleni
- Upgrade of the road from Mbazwana, pass Lake Sibaya on its eastern shore, through Manzengwenya, to Manguzi
- Upgrade the road from the State Forest Road north of Jikijela Node inland to Manzengwenya

Map 1: Proposed New Roads and Road Upgrades (Umhlabuyalingana SDF)



Map 2: Desired Road Network (Umhlabuyalingana SDF)

RAIL



Umhlabuyalingana does not have an established public and goods rail transport system. The railway line runs parallel N2 within Umkhanyakude District. It cuts across Mtubatuba, The Big Five False Bay, Hlabisa and some parts of Jozini to Swaziland but it passes outside of Umhlabuyalingana administrative boundary. In any case it also appears as though this transport service was discontinued some time ago.

AIR TRANSPORT

Umhlabuyalingana does not have an established and operational air transport system. The small landing strip (airstrip) exists within both Mbazwana and Sodwana Bay. However the condition of these facilities is currently unknown.

INSTITUTIONAL RESPONSIBILITY FOR TRANSPORT INFRASTRUCTURE

The institutional responsibility for transport infrastructure is categorized as national, provincial and local on maps

OPERATIONS AND MAINTANANCE

The municipality will participate in the Review of the Road Maintenance Plans of Sanral, DoT and DM in order to ensure a well maintained road network, improved accessibility and full alignment with the SDF.

The municipality has a Council approved Operations and Maintenance Plan as most of the gravel roads within Umhlabuyalingana Municipal Area are in poor condition and in-accessible on occasions, especially after heavy rains. This impacts on the free movements of goods and people on the one hand and results in increased operating costs to the road users. Further, road safety conditions are adversely affected.

3.9 WASTE WATER (STORMWATER DRAINAGE)

The lack of waste management is clearly evident in the extensive visible litter along the majority of all roads and denser settlements.

There are no registered landfill sites or transfer stations towards which waste can be disposed of. Waste collection is only in place in isolated areas and such waste is then disposed of at illegal locations. This could lead increased health and environmental risks. Further, visible waste in towns and nodes could lead to investment opportunities being lost. It also affects the tourism market adversely.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 PLANNING

INTRODUCTION TO PLANNING

Municipal wide draft Spatial Development Framework (SDF) and a LUMS for Mbazwana and Manguzi have currently been adopted by Council. Enforcement of both these land use management tools is to be enforced and a municipal wide scheme to be planned for in order to meet the prerequisites of the KZN Planning and Development Act. The municipality is to provide the framework to guide the overall spatial distribution of current and desirable (future) land uses within the municipality.

Application for land use management

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year 2013	Year 2014	Year -2014	Year 2015	Year 2015	Year 2016
Planning application received	0	0	0	0	2	2
Determination made in year of receipt	0	0	0	0	0	0
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year	0	0	0	0	0	0

Capital Expenditure Year 2015/2016: Planning Services					
Capital Projects	Year 2015/2016				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
<i>Total All</i>					
<i>Spatial Development Framework</i>	R200 000	-			
<i>Skhemelele Precinct Plan</i>	R200 000	R100 000			
<i>Mbazwana Precinct Plan</i>	R200 000	R100 000			
<i>Phumobala Precinct Plan</i>	R200 000	R100 000			

INTEGRATED DEVELOPMENT PLANNING IN UMHLABAYALINGANA

Chapter 5 and Section 25 of Local Government Municipal Systems Act (32 of 2000), requires that the municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality, and that the plan be reviewed annually. Accordingly, Umhlabayalingana Municipality has initiated a process towards the preparation of a credible Integrated and Development Plan (IDP) as a five year strategic plan to guide service delivery and investment (both private and public sector) within the area.

Umhlabayalingana Municipality IDP will serve as a strategic guide during the term of office of the current councilors to the end of its term. It is based on the issues articulated by the stakeholders and is aligned with the national and provincial development imperatives such as the National Development Plan and the Provincial Growth the Development Strategy (PGDS). Its objectives are as follows:

- To guide decision making in respect of service delivery and public sector investment.
- To inform budgets and service delivery programs of various government departments and service agencies.
- To coordinate the activities of various service delivery agencies within Umhlabayalingana Municipality area of jurisdiction.
- To engage communities and other key interested and affected parties in municipal affairs, particularly continuous integrated development process.
- To position the municipality to make a meaningful contribution towards meeting the district and provincial development targets and priorities.

PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY

The Provincial Spatial Economic Development Strategy (PSEDS) recognises that social and economic development is never 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 been aggravated by apartheid 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. The sectors of the provincial economy identified as the drivers of growth of the province to address unemployment and poverty are the following sectors:

- Agriculture – including agri-industry
- Industry including heavy and light industry and manufacturing
- Tourism including domestic and foreign tourism
- Service sector including financial, social, transport, retail and government

The PSEDS builds on the concept of developing a comprehensive network of centres throughout the province which would support the delivery of services. In identifying the hierarchy of places existing service centres are strengthened and new or emerging service centres are developed.

STRATEGIC ALIGNMENT WITH GOVERNMENT PRIORITIES

Umhlabuyalingana Municipality strategic focus is influenced by the Millennium Development Goals, National Development Plan, PGDS, DGDP, Umhlabuyalingana Municipal Development Goals and municipal vision.



SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA), 2013

The purpose of the Act is to provide for a framework for spatial planning and land use management in the republic; to specify the relationship between the spatial planning and the land use management system and other kinds of planning; to provide for inclusive developmental, equitable and efficient spatial planning at the different spheres of government; to provide a framework of monitoring, co-ordination and review of spatial planning and land use management system.

To provide a framework for policies, principles, norms and standards for spatial planning and land use management; To address past spatial and regulatory imbalances; To promote greater consistencies and imbalances in the uniformity application procedures and decision making by authorities responsible for land use decisions and development applications. To provide for the establishment, functions and operations of municipal planning tribunals, to provide for the facilitation and enforcement of land use and development measures and to provide for matters connected therewith the area.

SPLUMA PRINCIPLES

The following principles are relevant to Umhlabuyalingana Municipality as contained in the SPLUMA (Spatial Planning and Land Use Management Act):

(a) The principle of **spatial justice**, whereby –

- past spatial and other development imbalances must be redressed through improved access to and use of land;
- spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterized by widespread poverty and deprivation;
- spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons;
- land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;
- land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and
- a Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the ground that the value of land or property is affected by the outcome of the application.

(b) The principle of **spatial sustainability** whereby spatial planning and land use management systems must –

- Promote land development that is within the fiscal, institutional and administrative means of the Republic;
- Ensure that special consideration is given to the protection of prime and unique agricultural land;
- Uphold consistency of land use measures in accordance with environmental management instruments;
- Promote and stimulate the effective and equitable functioning of land markets;
- Consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;
- Promote land development in locations that are sustainable and limit urban sprawl; and
- Result in communities that are viable.

(c) The principle of **efficiency**, whereby –

- Land development optimises the use of existing resources and infrastructure;
- Decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and
- Development application procedures are efficient and streamlined and timeframes are adhered to by all parties.

(d) The principle of spatial resilience, whereby flexibility in spatial plans, policies and land use management systems are accommodated to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

(e) The principle of **good administration**, whereby –

- All spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;
- All government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of spatial development frameworks;
- The requirements of any law relating to land development and land use are met timeously;
- The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and
- Policies, legislation, and procedures must be clearly set in order to inform and empower members of the public.

INTER-GOVERNMENTAL RELATIONS

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

The municipality is part of the District Manager's Forum "a key forum for strategic alignment, coordination and integration" that serves as an inter-governmental structure where the Sector Departmental Managers in the district meet with their municipal counterparts. The relationship between the municipality and sector departments is improving. There are also inter-municipal structures (i.e. District Planning Forum; Municipal Managers' Forum) that discuss and resolve issues on cutting across all municipalities.

There are, however, grey areas on how the hierarchical inter-municipal and inter-governmental structures should cross feed into each other's programmes and be measured in terms of performance. For example, the municipality cannot hold any sector department accountable for the non-implementation of projects which are submitted for inclusion in the IDP document.

TOWN PLANNING SERVICES

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	Year-1	Year 0	Year-1	Year 0	Year-1	Year 0
Planning application received	0	0	0	0	4	3
Determination made in year of receipt	N/A	N/A	N/A	N/A	N/A	N/A
Determination made in following year	N/A	N/A	N/A	N/A	N/A	N/A
Application withdrawn	N/A	N/A	N/A	N/A	N/A	N/A
Applications outstanding at year end	N/A	N/A	N/A	N/A	4	2

BUILDING REGULATIONS AND ENFORCEMENT

Building Regulation and Enforcement						
Detail						
	Year-1	Year 0	Year-1	Year 0	Year-1	Year 0
Building Plans Received	3	2	2	2	12	18
Building Plans Approved	1	2	2	2	11	10
Building Plans Not Approved	2	0	0	0	1	8
Notices/Enforcement	7	7	7	7	30	30
Applications outstanding at year end	5	4	5	6	19	24

TOP 3 SERVICE DELIVERY PRIORITIES AND IMPACT

Three Priorities					
Service					
	Year-1	Year 2	Year-3	Year 4	Year-5
SDF	yes	yes	no	no	yes
Landuse Scheme	No	No	No	No	Yes
Implementation of SPLUMA	No	No	No	No	Yes
Planning Bylaws	No	No	No	No	Yes
Impact thereof:					

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

LOCAL ECONOMIC AND SOCIAL DEVELOPMENT ANALYSIS

Local Economic Development (LED) is one of the key tasks that Umhlabuyalingana Municipality engages on through a variety of packages. It remains factual that success of this initiative is mostly contingent to alliance level obtained from different stakeholders.

The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

OBJECTIVES OF LED

The short term goal of the municipality is to provide financial, skills and capacity to local businesses to help them create stability for their own businesses, and a long term objective is to provide sustainability for all small economic drivers in order to expand and create more job opportunities.

Economic Activity by Sector			
Sector	Year 2013/2014	Year 2014/2015	Year 2015/2016
Agriculture	<ul style="list-style-type: none"> • Mshudu groundnut • Sicabazini indigenous nursery • Yellow-flashed sweet potato farming project 	<ul style="list-style-type: none"> • Sicabazini indigenous nursery • Vimbukhalo commercial garden • Co-operatives training 	<ul style="list-style-type: none"> • Vimbukhalo commercial garden • Mvelabusha commercial garden project • Hlokoohloko commercial garden project • Lulwane commercial garden project
Tourism	<ul style="list-style-type: none"> • Manzamnyama community tourism campsite • Dapha community tourism campsite • Community tourism organization 	<ul style="list-style-type: none"> • Community tourism organization • Art gallery • Recreation park 	<ul style="list-style-type: none"> • Manzamnyama community tourism campsite • Dapha community tourism campsite
SMME Capacity	<ul style="list-style-type: none"> • Development of the Umhlabuyalin 	<ul style="list-style-type: none"> • SMME's, Cooperatives, and Informal Traders 	<ul style="list-style-type: none"> • Umhlabuyalingana Business Chamber

Building	gana Business Chamber <ul style="list-style-type: none"> • SMME Trainings • Umhlabuyalin gana LED Indaba • Co-operatives database • Business licensing by-laws 	incubation	
Informal traders capacity building	<ul style="list-style-type: none"> • Informal economy policy & Informal traders by-laws 	<ul style="list-style-type: none"> • Informal traders bylaws public participation 	<ul style="list-style-type: none"> • Informal traders bylaws public participation

Job creation through Extended Public Works Programme (EPWP) projects, including CWP, over a three year period

Job creation through EPWP and CWP projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Year 2013/2014	<ul style="list-style-type: none"> • Tourism buddies • Waste management (landfill sites) • Working for river • CWP 	1737
Year 2014/2015	<ul style="list-style-type: none"> • Tourism buddies • Environmental management (landfill sites) • Working for river • UMfolozi intensive skills training • Housing intensive skills development • CWP 	2185
Year 2015/2016	<ul style="list-style-type: none"> • Waste Management (landfill sites workers) • Town beautification (general works) • Beach monitoring • CWP 	2229

CONCLUSION:

The overall performance of the municipal Local Economic Development unit has reflected an acceptable level of the municipal competency. This is informed by the growth in number of job opportunities created each year and implementation of responsive programmes towards economic development. Progressively, the municipality is working on a sustainable monitoring plan for each implemented programme or project that is within its powers. Furthermore, the council is establishing other new economically responsive platforms to engage on in order to advance its competency level.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Umhlabuyalingana Municipality has 1 main library and a satellite library. The following services are provided at these libraries. (Manguzi and Mseleni library)

The following services are provided at these libraries.

Libraries, Other Policy Objectives Taken From IDP				
Service Objectives	Outline Service Targets	Year 2014/2015		Year 2015/2016
		Target	Actual	
Service Objective				
Internet access for the community	This is the one of the top services due to the rural nature of the area. The community needs access to the internet for a number of reasons	720	3 407	720
Promotions	Outreach programmes that travel out to schools because some schools are situated very far from the library.	4	4	8
Computer classes	Free services to the community to receive basic background in computer skills and it also makes a good impact on the community.	360	441	360

Library Employees

Employees: Libraries					
Job Title	Number of Employees	Number of Posts	Number of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Librarian	1	1	1	0	
Library Assistant (Manguzi = 1, Mseleni = 2)	3		3	1	
Cyber Cadet	1	1	1	0	
Assistant librarian	1	1	1	0	

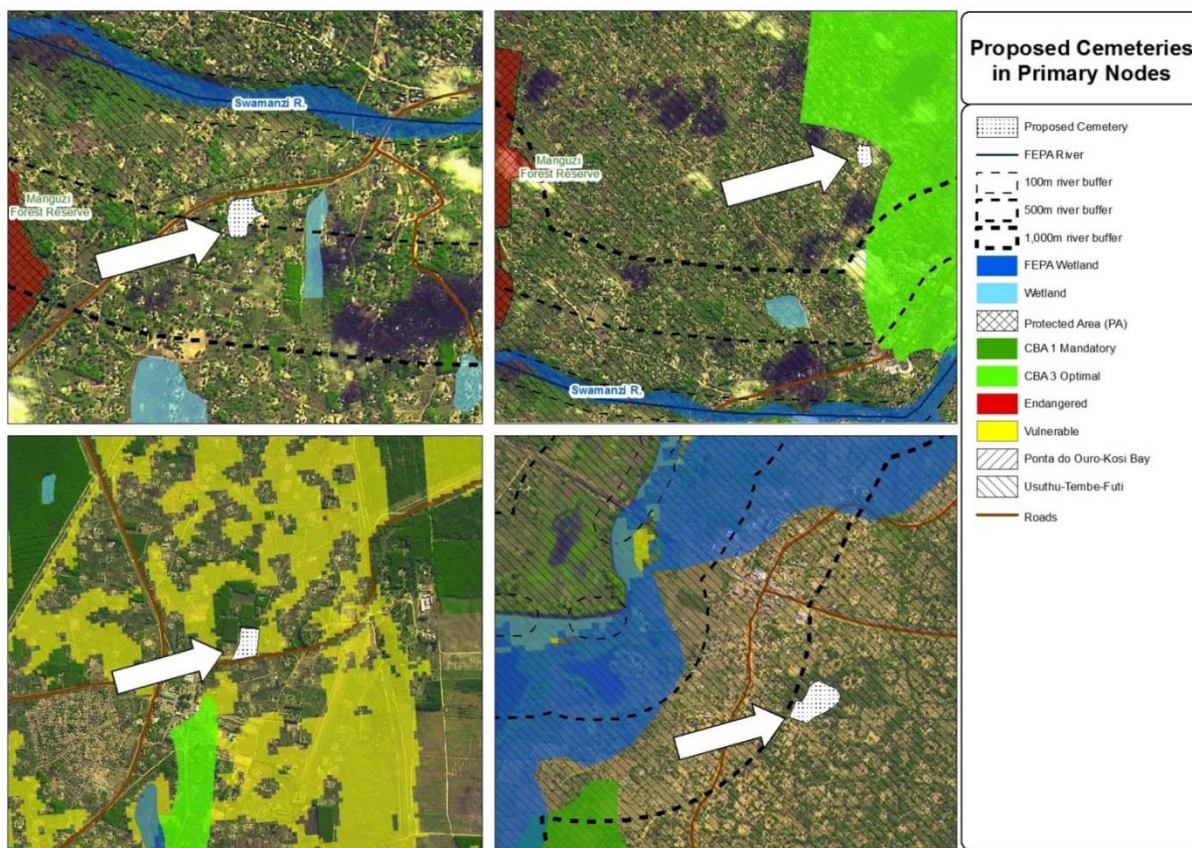
SPORT AND RECREATION

The municipality has built a number of sports fields such Zamazama, Manaba, Mseleni, and Mbazwana Stadium, while some are still under construction. The municipality has established the Local Sports Council which works in different wards to help the municipality in the development of sports. The municipality has supported the SAFA domestic males soccer leagues in three wards, namely Wards 2, 3 and 15.

The municipality has also participated successfully in the SALGA Games which provides the youth of Umhlabuyalingana with an opportunity to showcase their sporting talent.

3.13 CEMETORIES AND CREMATORIUMS

There are no formal registered cemeteries within the Municipal area. Currently there is significant densification of settlements occurring in a number of places with the Municipal area. This is particularly evident at Manguzi, Mbazwana, and between Mboza and Sikhemelele. The traditional manner of burial of deceased loved ones at the homesteads is becoming increasingly problematic due to limited space. This practice increases the health risks, as this may result in contamination of the groundwater.



3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

- Formation of **Local Aids Council** to deal with issues such as HIV/AIDS, Teenage pregnant, and TB.
- Establishment of **Women's Forum** to deal with all women related issues under Umhlabyalingana Municipality
- Establishment of **Youth Council** to deal with all youth related issues under Umhlabyalingana Municipality, e.g. career guidance exhibition.
- Establishment of **Disability Forum** to look into all issues pertaining to people living with disabilities.
- Establishment of a **Sports Committee**, participate in Mayoral cup, SALGA Games, to encourage youth to stay away from drugs.
- **Sports Programs** in wards 2 and 3 where the leagues are being funded through the poverty alleviation fund by the respective Councillors.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

3.15 POLLUTION CONTROL

Pollution control is a function of the Department of Agriculture and Environmental Services.

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

A significant proportion of the Umhlabyalingana Municipal Area falls within formerly protected areas (approximately 28%). This includes Tembe National Elephant Park, Manguzi Forest Reserve, and Sileza Nature Reserve, as well as, portions of the Ndumo Game Reserve and Isimangaliso Wetland Park. These are under threat from land invasions, poaching, and illegal harvesting of natural products (e.g. medicinal plants). These activities threaten the biodiversity.

A number of areas are in the process of being declared protected areas in terms of the National Environmental Management: Protected Areas Act (2003) as this affords them a greater level of protection against development, land invasions, poaching, and illegal harvesting of natural products. The declaration of protected areas is however not a simple process as there are a number of conditions which need to be met.

The exploitation of these areas results in the degradation, which reduces the ability of these natural areas to provide ecosystem services. There are a number of factors which contribute to the degradation of the natural environment, such as overgrazing, overharvesting, inappropriate burning, inappropriate development, and pollution. In general, the underlying driver of these factors is the exploitation of the natural environment in the short-term without considering the long-term implications.

The objective is for the Municipality to partner with the Department of Agriculture and Environmental Affairs in the following;

1. implement environmental education programme in schools.
2. identify and educate communities that are over-exploiting local natural resources.

3. identify and take appropriate action against individuals / companies that maliciously pollute or degrade the natural environment.

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

3.17 CLINICS

Clinics are well distributed throughout the Municipality, located mainly along national, provincial and district roads. 36 clinics (including mobile-clinics) were identified, servicing approximately 4,547 people per clinic (this ratio excludes mobile-clinics). Predominant illnesses treated by the clinics in the Umhlabuyalingana Municipality are abdominal pain, TB, HIV/AIDS, general injuries, sicknesses and infections.

3.18 AMBULANCE SERVICES

The Municipality needs to provide more information on this component however there are two hospitals located in the eastern half of the municipal area with moderate accessibility.

3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

Licensing and control of the above undertakings is a function area of exclusive Provincial competence.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.20 POLICE

The mission of the Traffic Services is to render an effective and high-quality service through a process of consultation and transparency in all facets of the traffic servicing and in rendering a service to the community of Umhlabuyalingana and its visitors by ensuring a free flow of traffic and creating a safe environment.

TRAFFIC LICENCING AND LAW- ENFORCEMENT

During the year 2014/2015 a large number of offences were dealt with.
The main purpose of this section is not only to prosecute but also to educate offenders and community.

The activities under were as follows:

1. Apprehending offenders talking to cell phones while driving,
2. Stop Street violations,

3. Failure to wear seat belts,
4. Excessive speeding taxis,
5. Red light and yellow lines offenders,
6. All the aforementioned contributing to a high accident rate,
7. Illegal number plates,
8. And driving under the influence of alcohol.

Corrective measures were taken inter-alia include the commissioning speed violation cameras, selective law enforcement on safety belt, cell phones, number plates and the public transport. This included regular road blocks in conjunction with the South African Police Services (SAPS).

The introduction of roving law enforcement to attend to moving violations and to have desired effect. Traffic Safety Awareness with the Disaster Management unit and various institutions to address irresponsible driver behaviour and pedestrian safety.

This municipality has also established a Traffic Control Unit within the Community Service Department with well-trained experienced personnel. This unit has plans in place for a day to day traffic management operation programme to ensure safety and security and to minimise road accidents within the Umhlabuyalingana municipal community area.

Municipal Police Service Data		
Details		Year 2015/2016
1.	Number of road traffic accidents during the year	54
2.	Number of by-law infringements attended	Nil
3.	Number of police officers in the field on an average day	6
4.	Number of police officers on duty on an average day	7

Employees: Police Officers 2015/2016					
Police	Number of Employees No.	Number of Posts	Number of Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Chief Police Officer	1	1	1	nil	nil
Other Police Officers	7	7	7	nil	Nil
<i>Suoerintendent</i>	2	2	2	nil	Nil

3.21 FIRE

Functionally, the Disaster Risk Management unit is divided into four areas namely, Operations, Support Services, Fire Safety, and Disaster Risk Management

Within these functional areas, the following activities take place or are conducted:

Operations: The unit operate a 24 hour service which respond and deal with all fire, Rescue and Disaster incidents in the Municipal Area within the predetermined time. The unit does not have a Fire Station currently but operate from the municipal buildings.

Service delivery priorities focus on the following:

Fire Safety: The division focus on Fire Safety and building inspections in Business and Government institutions.

Compliance: The unit has to ensure compliance with the National Building regulation, building standards Act and related bylaws and Issuing Fire Safety Compliance letters.

Disaster Risk Management: The service delivery priority is aimed at the annual review of the Municipal Disaster Management plan which was reviewed and submitted for final approval and implementation.

The municipality renders relief services to Disaster victims by handing out relief material, eg. Food parcels, lightning conductors, blankets, temporally shelters.

Fire Service engages in public and life safety education through awareness campaigns.

In line with the Disaster Management Act (Act No. 57 of 2002) Umhlabuyalingana Municipality is trying its best to ensure that disaster management is part of it priorities thus it has established the Disaster Management Unit with well-trained personnel and has established the Disaster Forum to ensure a holistic approach toward the implementation of all disaster management programmes.

Municipal Fire Service Data		
Details		Year 2015/2016
1.	Total fires attended in the year	
2.	Total of other incidents attended in the year	
3.	Average turnout time	

Employees: Fire Services and Disaster Management					
Fire Fighters	Number of Employees	Number of Posts	Number of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Chief Fire Officer	Nil	Nil	Nil	Nil	Nil
Other Fire Officers	8	11	8	3	27%
Disaster Risk Management	1	1	1	Nil	Nil

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

A Disaster Management Plan is in place and approved by the Council. Other functions are not performed by Umhlabuyalingana Municipality.

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

3.23 SPORT AND RECREATION

The municipality has built a number of sports fields such Zamazama, Manaba, Mseleni, and Mbazwana Stadium, while some are still under construction. The municipality has established the Local Sports Council which works in different wards to help the municipality in the development of sports. The municipality has supported the SAFA domestic males soccer leagues in three wards, namely Wards 2, 3 and 15.

The municipality has also participated successfully in the SALGA Games which provides the youth of Umhlabuyalingana with an opportunity to showcase their sporting talent.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

3.24 EXECUTIVE AND COUNCIL

The Executive Committee meet monthly to consider reports from the various portfolio committees. There are 34 Councillors that serve the Wards in the Umhlabuyalingana Municipality and are allocated to internal portfolios and functions.

3.25 FINANCIAL SERVICES

The Financial Services Department is responsible for the Budget and Treasury Office, Revenue Management, Expenditure Management, Asset Management and Supply Chain Management. The Department is also responsible for the Valuation Roll. The Municipality's debt recovery rate decreased by 12% when compared to the previous year rate. The activities of this section are detailed under Financial Performance (Chapter 5).

Debt Recovery							
R'000							
Details of the types of account raised and recovered	2014/2015		2015/2016			2016/2017	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected

					were collected %		
Property rates	29 543	42%	17 792	4 972	28%	21 434	8 574
Electricity - B	-	-					
Electricity - C	-	-					
Water - B	-	-					
Water - C	-	-					
Sanitation	-	-					
Refuse	80	43%	202	177	87%	1 922	769
Other	80	97%	252	304	121%	243	97

3.26 HUMAN RESOURCE SERVICES

Human Resources as a component deals mainly with recruitment and selection, which includes staffing, human resources development, health and safety, maintaining health and sound employer-employee relations, human resources administration and benefits management. The Human Resources Strategy in place drives programmes and projects to deploy capable municipal staff to achieve service delivery objectives.

The Strategy is aligned to organisational objectives, through IDP and organisational scorecard on how to address human resources challenges and to strengthen human resources role and visibility within the organisation. The Municipality has a 5 year Employment Equity Plan and a Workplace Skills Plan drafted for 2016/2017 focusing on organisational development and change management. Furthermore the municipality has taken initiative in 2015/2016 to cascade Individual Performance System to all staff members and as part of Personal Development Plan (PDP); employees identify their skills gap, which in turn assist in identifying training needs. An annual skills audit is conducted to identify the skills gap and ensure training to bridge the skills gaps Municipal officials have gained skills capacity through this process.

All critical positions during the 5 year term were filled in order to ensure successful implementation of the municipality's vision. The following positions constituted the Umhlabuyalingana senior management structure.

- Municipal Manager
- Director Technical Services
- Director Corporate Services
- Chief Financial Officer
- Director Community Services
- Technical Manager
- Manager: Town Planning

- IDP/PMS Manager
- Finance Manager
- Internal Audit Manager

HUMAN RESOURCES SERVICES POLICY OBJECTIVES

Table: Objectives and targets of Human Resources Services

Service Objectives	Service Targets	Year 1		Year 2		Year 3	
		Target	Actual	Target	Actual	Target	Actual
To create and retain sufficient capacity for an effective administration	Fill-in the priority vacant posts as per the approved organogram	5	5	2	2	2	2
Develop Workplace Skills Plan for efficient administration	Development of the Work Skills Plan	Roll-out training programmes	Roll-out training programmes	Roll-out training programmes	Roll-out training programmes	Roll-out training programmes	Roll-out training programmes
To keep records and create institutional memory	Improve registry system	Develop File Plan	1	Improve registry system	Develop a system to store and manage documents prepared by and on behalf of the municipality	Develop a knowledge management system	

VACANCY RATE

Table: Posts at Umhlabuyalingana Municipality

Designations	Total Approved Posts	Total Vacant Posts
Municipal Manager	1	0
Chief Financial Officer	1	0
Other Section 56 Managers	3	2
Managers	8	1
Traffic Officers	3	0
Firefighters	3	0
Officers	8	0
Clerical	16	2
Other	21	1
Total	64	6

TURNOVER RATE

Table: Rate of termination by staff

Year	Total Appointments as at Beginning of Year	Terminations During Financial Year	Percentage
Financial year 2013/2014	79	9	11

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Umhlabuyalingana Municipality has been using outsourced ICT Services but during the 2013/2014 financial year, appointed IT personnel in order to ensure the IT service management practice and culture is stable and available, including but not limited to, Helpdesk Management, Change Management, Service Level Management, etc. for effective implementation and management of IT governance. This includes the implementation of IT policies and supporting processes, management and transparent reporting on IT related risks.

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The revenue enhancement strategy is included in the SDBIP for Finance to be reviewed in the current financial year which will be implemented in the 2016/2017 financial years. The measures have been made by management to encourage the rate payers to pay their property bills for the municipality, meetings have been held and discounts were issued by council to try and enhance collection. The municipality has realized improvements in the revenue collections after the engagements made above.

The successful implementation of the council's risk management Strategy and effective operation of risk management processes is undertaken by the Performance and Audit Committee. The Risk assessment was conducted for 2015/16 financial year by Provincial Treasury and a Risk Register has been developed and this activity will be implemented during 2016/17 financial year. The Municipality has recently reviewed Risk Management Policy and Strategy and will be taken to Council for approval.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. This section is not applicable in Umhlabuyalingana Municipality.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

ANNEXURE A: ANNUAL PERFORMANCE REPORT

2015/16 FINANCE ANNUAL PERFORMANCE REPORT

2015/16 LOCAL ECONOMIC DEVELOPMENT (LED) ANNUAL PERFORMANCE REPORT

2015/16 CORPORATE SERVICES ANNUAL PERFORMANCE REPORT

2015/16 TECHNICAL SERVICES ANNUAL PERFORMANCE REPORT

2015/16 COMMUNITY SERVICES ANNUAL PERFORMANCE REPORT

2015/16 ORGANISATIONAL SCORECARD ANNUAL PERFORMANCE REPORT

ANNEXURE B: SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2016/17 FINANCE SDBIP

2016/17 LOCAL ECONOMIC DEVELOPMENT (LED) SDBIP

2016/17 CORPORATE SERVICES SDBIP

2016/17 TECHNICAL SERVICES SDBIP

2016/17 COMMUNITY SERVICES SDBIP

2016/17 ORGANISATIONAL SCORECARD SDBIP

CHAPTER 4

ORGANIZATIONAL DEVELOPMENT PERFORMANCE REPORT

PART 2

PERFORMANCE REPORT PART II

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The Organisational structure is reviewed annually and has been set out into six (6) effective departments to achieve the Municipality's objectives. There are a number of vacancies requiring personnel within the Planning, Community Services, Corporate Services, Management and Technical Services departments. Departments struggle with filling critical positions and budget constraints that are being overcome by reviewing the organogram and budget.

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 4.1.1

Description	Employees				
	Year - 1	Year 0			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	-	-	-	-	-
Waste Water (Sanitation)	-	-	-	-	-
Electricity	-	-	-	-	-
Waste Management	18	18	18	1	-
Housing	-	-	-	-	-
Waste Water (Storm water Drainage)	-	-	-	-	--
Roads	8	9	9	-	
Transport	1	2	2	1	
Planning	3	3	3	3	
Local Economic Development	1	1	1	-	-
Planning (Strategic & Regulatory)	-	1	1	1	
Local Economic Development	-	-	-	-	-
Community & Social Services	21	21	21	-	-
Environmental Protection	-	-	-	-	-
Health	-	-	-	-	-
Security & Safety	10	0	0		
Sport & Recreation	-	-	-	-	-
Corporate Policy Offices and Other	11	11	11	2	-
Totals					
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.					

VACANCY RATE

The posts for the 2015/2016 financial year were according to the approved organogram for the municipality. The actual positions filled are indicated in Table 4.1.2 by functional level.

Table 4.1.2 Number of filled posts per functional level

Vacancy Rate: Year 0			
Designation	Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	3	0	0
Other S57 Managers (Finance Posts)	1	0	0
Police Officers	7	0	0
Fire fighters	6	2	-
Senior management Levels 13-15 (excluding Finance Posts)	10	4	-
Senior management Levels 13-15 (Finance Posts)	3	-	-
Highly skilled supervision: Levels 9-12 (excluding Finance Posts)	14	14	-
Highly skilled supervision: Levels 9-12 (Finance Posts)	18	1	-
Total			
<i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>			

TURNOVER RATE

Strategies are in place to improve work performance and reduce turnover. Municipal staff turnover is reflected in Table 4.1.3

Table 4.1.3 Turnover Rate

Turn-over Rate			
Details	Total Appointment as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate
Year -2015/2016	21	4	100%
<i>*Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year.</i>			

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Umhlabuyalingana Municipality has developed the following workforce management policies within the 2015/2016 financial year.

4.2 POLICIES

Table 4.2.1 HR Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Overtime & Standby Policy	100%	100%	18/05/2016
2	Occupational Health & Safety Policy	100%	100%	28/08/2015
3	Subsistence & Travelling Policy	100%	100%	18/05/2016
4	Work and Attendance Policy Termination Policy	100%	100%	18/05/2016
5	Retention Strategy	100%	100%	18/05/2016
6	IT Strategy	100%	100%	31/05/2016
7	Employment Practice Policy	100%	100%	31/03/2015
8	Delegation of Powers Framework & Delegations Register	100%	100%	31/03/2015
9	Disciplinary Procedure Policy	100%	100%	06/10/2015
10	Performance Management Policy & Practice	100%	100%	31/03/2015
11	Management of Poor Performance Policy	100%	100%	18/12/2015
12	Records Management Policy	100%	100%	30/06/2016
13	Business Licensing Policy	100%	100%	18/12/2015
14	Informal Economy Policy	100%	100%	18/12/2015
15	Home Owners Policy	100%	100%	06/10/2016
16	Chronic Policy	100%	100%	31/03/2015
17	Remuneration & Benefits Policy	100%	100%	31/03/2015
18	IT Governance Framework	100%	-	31/03/2016
19	Telephone Usage Policy	100%	-	31/03/2016
20	Framework Management Policy	100%	-	31/03/2016
21	IT Change Management Policy	100%	-	31/05/2016
22	Patch Management Policy	100%	-	31/03/2016
23	User Account Management Procedure	100%	-	31/03/2016
24	Back-up & Restore Policy	100%	-	31/03/2016
25	IT Risk Management Policy	100%	-	31/05/2016
26	IT Security Policy	100%	-	31/05/2016
27	Asset Disposal Policy	100%	-	31/05/2016
28	Asset Management Policy	100%	-	31/05/2016
29	Asset Maintenance Policy	100%	-	31/05/2016
30	Budget Policy	100%	-	31/05/2016
31	Credit Control and Debt Collection Policy	100%	-	31/05/2016
32	Indigent Policy	100%	-	31/05/2016
33	Investment and Cash Management Policy	100%	-	31/05/2016
34	Pauper Burial Policy	100%	-	31/05/2016
35	Petty Cash Policy	100%	-	31/05/2016
36	Rate Policy	100%	-	31/05/2016
37	Supply Chain Management Policy	100%	-	31/05/2016
38	Tariffs Policy	100%	-	31/05/2016

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 4.3.1 Injuries, Sickness and Suspensions

Type of Injury	Injury Leave Taken	Employees using Injury Leave	Proportion employees using Sick Leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	N/A	N/A	N/A	N/A	N/A
Temporary total disablement	N/A	N/A	N/A	N/A	N/A
Permanent disablement	N/A	N/A	N/A	N/A	N/A
Fatal	N/A	N/A	N/A	N/A	N/A
Total					

Table 4.3.2 Number of days and Cost of Sick Leave

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	Average sick leave per employee	Estimated Cost
	Days	%	No.	No.	Days	R'000
Lower skilled (Levels 1-2)	0	-	-			
Skilled (Levels 3-5)	49	-	125			
Highly skilled production (Levels 6-8)	39		19			
Highly skilled supervision (Levels 9-12)	95		39			
Senior management (Levels 13-15)	110	1	36			
MM and S57	10	-	5		1	
Total						
*Number of employees in post at the beginning of the year						
*Average is calculated by taking in column 2 divided by total employees in column 5						

Table 4.3.5 Number and Period of Suspensions

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
N/A	N/A	N/A	N/A	N/A

Table 4.3.6 Disciplinary Action Taken on Cases of Financial Misconduct

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary Action Taken	Date Finalized
N/A	N/A	N/A	N/A

4.4 PERFORMANCE REWARDS

Table 4.4.1 Performance Rewards by Gender

Performance Rewards by Gender					
Designations	Beneficiary Profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R'000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	-	-	-	-
	Male	-	-	-	-
Skilled (Levels 3-5)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled production (Levels 6-8)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled supervision (Levels 9-12)	Female	-	-	-	-
	Male	-	-	-	-
Senior management (Levels 13-15)	Female	-	-	-	-
	Male	-	-	-	-
MM and S57	Female	1	1	R61618 .14	
	Male	4	4	R30 8159.18	
Total					
Has the statutory municipal calculator been used as part of the evaluation process?					
Note: MSA 2000 S51(d) requires that...'performance plans, on which rewards are based should be aligned with the IDP'...(IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).					

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

In accordance with the Government: Municipal Finance Management Act, Act 53 of 2003 and National Treasury: Competency Regulations, Umhlabuyalingana Municipality's financial competency development is as detailed in Table 4.7. The Municipality has built capacity in the management and finance departments, improving competency and performance in the functional areas.

Table 4.5.1 Progress report on financial competency development at Umhlabuyalingana Municipality

Skills Matrix														
Management Level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skilled programmes and other short courses			Other forms of training			Total		
		No.	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target
MM and s57	Female	1												
	Male	4												
Councillors, senior officials and managers	Female	5												
	Male	29												
Technicians and associate professionals	Female	6												
	Male	8												
Professionals	Female	5												
	Male	5												
Sub Total	Female													
	Male													
Total														
*Registered with professional Associate body e.g. CA (SA)														

Table 4.5.2 Qualification profile for leadership, governance and managers for 2015/2016 financial year

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated total of A and B	Consolidated competency assessments completed for A and B (Regulation 14(4)(a),(b) and (d))	Consolidated total number of officials whose performance agreements comply Regulation 16 (Regulation 14(4)(f))	Consolidated total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials		11				
Accounting officer		1				
Chief financial officer		1				
Senior managers		2				
Any other financial officials		7				
Supply Chain Management Officials		5				
Heads of Supply chain management units		1				
Supply chain management senior managers		-				
Total						

*This is a statutory report under the National Treasury: Local Government, MFMA Competency Regulations (June 2007)

Table 4.5.3 Skills and Development Expenditure

Skills Development Expenditure										
R'000										
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skilled programmes and other short courses		Other forms of training		Total	
	No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	
MM and s57	Female	1								
	Male	4								
Legislators, senior officials and managers	Female	5								
	Male	29								
Professionals	Female	8								
	Male	3								
Technicians and associate professionals	Female	5								
	Male	4								
Clerks	Male	2								
	Female	7								
Service and sales workers	Male	2								
	Female	4								

Plant and machine operators and assemblers	Female	-								
	Male	-								
Elementary occupations	Male	-								
Subtotal	Female	-								
	Male	-								
Total										
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	*R

4.6 EMPLOYEE EXPENDITURE

Table 4.6.1 Employee Expenditure

Skills Development Expenditure										R'000
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skilled programmes and other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and s57	Female	1								
	Male	4								
Legislators, senior officials and managers	Female	5								
	Male	29								
Professionals	Female									
	Male									
Technicians and associate professionals	Female									
	Male									
Clerks	Female									
Service and sales workers	Male									
Plant and machine operators and assemblers	Female									
Elementary occupations	Male									
Subtotal	Female									
	Male									
Total										
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	*R

1. *Financial Management Trainings*

- *Budget : R320 000.00*

2. *Expenditure:*

- *Expenditure*

3. *Staff and Councillor Training*

- *Budget: R143 000.00*

- *Expenditure: R142 000.00*

4. *Training:*

- *Budget: R167 200.00*

- *Expenditure: R165 234.54*

Training Report from July 2015 to June 2016:

NO	BENEFICIARIES	NAME OF EMPLOYEE	JOB TITLE	NAME OF COURSE
1	Municipal Officials	Mr. N.M. Zungu	Financial Management Intern	VIP-Payroll: Basic
2	Municipal Officials	Miss. T.F. Ngubane	Payroll Clerk	VIP-Payroll: Basic
3	Municipal Officials	Mr. S.S. Gina	Budget Officer	VIP-Payroll: Basic
4	Municipal Officials	Mr. N.M. Zungu	Financial Management Intern	VIP-Payroll: Advance
5	Municipal Officials	Miss. T.F. Ngubane	Payroll Clerk	VIP-Payroll: Advance
6.	Municipal Officials	Mr. S.S. Gina	Budget Officer	VIP-Payroll: Advance
7.	Municipal Officials	Mr. Z.W. Mnyandu	Registry Officer	Registry Management Course
8.	Municipal Officials	Mr. N.D. Ntuli	Registry Clerk	Records Management Course
9.	Municipal Officials	Mr. Z.W. Mnyandu	Registry Officer	Records Management Course
10.	Municipal Officials	Mr. K.H. Zulu	Manage: Public Safety	Events Safety Management
11.	Municipal Officials	Mr. S.S. Thwala	Superintendent: Disaster Management	Events Safety Management
12	Municipal Officials	Mr. V.B. Mbonambi		Strategic in Fleet Management

NO	BENEFICIARIES	NAME OF EMPLOYEE	JOB TITLE	NAME OF COURSE
1	Municipal Officials	Mr. Z.W. Mnyandu	Registry Officer	Electronic Training
2	Municipal Officials	Miss. N.P. Jali	Secretary to Director Corporate Services	Electronic Training
3	Municipal Officials	Mr. N.D. Ntuli	Registry Clerk	Electronic Training
4	Municipal Officials	Mr. T. Mthembu	Secretary to Speaker	Electronic Training
5	Municipal Officials	Miss. C.F. Mdluli	Data Capturer	Electronic Training
6.	Municipal Officials	Miss. N.P. Qwabe	Secretary to Director Community Services	Electronic Training
7.	Municipal Officials	Miss. S.N. Gumede	Secretary to Mayor	Electronic Training
8.	Municipal Officials	Mr. T. Mokoatle	IT Officer	Electronic Training
9.	Municipal Officials	Mrs. M.E. Masuku	Human Resources Assistant	Electronic Training
10.	Municipal Officials	Miss. N.P. Phetha	Secretary to Chief Financial Officer	Electronic Training
11.	Municipal Officials	Mr. B. Thwala	Data Capturer	Electronic Training

NO	BENEFICIARIES	NAME OF EMPLOYEE	JOB TITLE	NAME OF COURSE
1	Municipal Official	Mr. T.S. Mkhabela	Human Resources Manager	Project Management
2	Municipal Official	Miss. N.P. Jali	Secretary to Director Corporate Services	Project Management
3	Municipal Official	Mr. K.H. Zulu	Manager: Protection Services	Project Management
4	Municipal Official	Mr. M.S. Mnguni	Director: Community Services	Project Management
5	Municipal Official	Miss. S.F. Ndlazi	Librarian	Project Management
6	Municipal Official	Mrs. N. Mngayi	Tourism/ LED Manager	Project Management
7	Municipal Official	Mr. L.M. Motha	Secretary to Mayor	Project Management
8	Municipal Official	Mr. S.S. Gina	IT Officer	Project Management
9	Municipal Official	Mrs. N.P. Mkhabela	Assistant	Project Management
10.	Municipal Official	Mr. K.H. Zulu	Manager: Public Safety	Project Management

NO	Municipal Official	NAME OF EMPLOYEE	JOB TITLE	NAME OF COURSE
1.	Municipal Official	Miss. NVF Msane	Director: Corporate Services	MSCOA
2.	Municipal Official	Mr. T.S. Mkhabela	Human Resources Manager	MSCOA
3.	Municipal Official	Miss. S.F. Ndlazi	Librarian	MSCOA
4.	Municipal Official	Mrs. N.F. Mngomezulu	Community Liaison Officer	MSCOA
5.	Municipal Official	Mr. S.T. Shange	Community Services Manager	MSCOA
6.	Municipal Official	Mr. K.H. Zulu	Manager: Protection Services	MSCOA
7.	Municipal Official	Mrs. N.P. Mkhabela	Financial Manager	MSCOA
8.	Municipal Official	Mrs. B. Mlambo	Secretary to Municipal Manager	MSCOA
9.	Municipal Official	Miss. Z. Macingwana	Town Planner	MSCOA
10.	Municipal Official	Mr. M.N. Mthembu	Supply Chain Manager	MSCOA
11.	Municipal Official	Mr. T.P. Masinga	Supply Chain Officer	MSCOA
12.	Municipal Official	Miss. N.L. Myeni	Technical Officer	MSCOA
13.	Municipal Official	Mr. S.R. Dlamini	Asset Management Officer	MSCOA
14.	Municipal Official	Mr. N.P.E. Myeni	Chief Financial Officer	MSCOA
15.	Municipal Official	Mrs. G.D. Nsibande	Creditors Officer	MSCOA
16.	Municipal Official	Mr. S.N. Bhengu	Revenue Officer	MSCOA

17.	Municipal Official	Mr. M.S. Qwabe	Director: Community Services	MSCOA
18.	Municipal Official	Mrs. S.N. Mnqayi	Tourism/ LED Manager	MSCOA
19.	Municipal Official	Mr. I.T. Mokoatle	IT Officer	MSCOA

NO	NAME	COUNCILLOR	NAME OF TRAINING
			Councillor Development Programme
1.	1. Cllr. N.S. Mthembu	Speaker	Councillor Development Programme
2.	2. Cllr. N.S. Mthethwa	Exco Member	Councillor Development Programme
3.	3. Cllr. S.N. Tembe	Ordinary Councillor	Councillor Development Programme
4.	4. Cllr. N.R. Mthethwa	Ordinary Councillor	Councillor Development Programme
5.	5. Cllr. S.K. Qwabe	Ordinary Councillor	Councillor Devevelopment Programme
6.	6. Cllr. T.A. Zikhali	Exco Member	Councillor Development Programme
7.	7. Cllr. T.F. Zikhali	Ordinary Councillor	Councillor Development Programme
8.	8. Cllr. S.P. Mthethwa	Ordinary Councillor	Councillor Development Programme
9.	9. Cllr. M.Z. Mhlongo	Ordinary Councillor	Councillor Development Programme
10.	10. Cllr. G.N. Gumede	Ordinary Councillor	Councillor Development Programme
11.	11. Cllr. J.B. Gwala	Ordinary Councillor	Councillor Development Programme
12.	12. Cllr. E.G. Mhlongo	Ordinary Councillor	Councillor Development Programme
13.	13. Cllr. D.M. Mhlongo	Ordinary Councillor	Councillor Development Programme
14.	14. Cllr. B.T. Tembe	Ordinary Councillor	Councillor Development Programme
15.	15. Cllr. F.G. Mlambo	Ordinary Councillor	Councillor Development Programme
16.	16. Cllr. G.A. Mathenjwa	Ordinary Councillor	Councillor Development Programme
17.	17. Cllr. N.C. Mdletshe	Ordinary Councillor	Councillor Development Programme
18.	18. Cllr. M.J. Ntsele	Ordinary Councillor	Councillor Development Programme
19.	19. Cllr. C.B. Mahlangu	Ordinary Councillor	Councillor Development Programment
20.	20. Cllr. Q.I. Nhlozi	Ordinary Councillor	Councillor Development Programme
21.	21. Cllr. B.E. Biyela	Ordinary Councillor	Councillor Development Programme
22.	22. Cllr. L.T. Nsele	Ordinary Councillor	Councillor Development Programme
23.	23. Cllr. T.M. Gumede	Ordinary Councillor	Councillor Development Programme
24.	24. Cllr. B. H. Ngubane	Ordinary Councillor	Councillor Development Programme

NO	BENEFICIARIES	NAME OF EMPLOYEE	JOB TITLE	NAME OF COURSE
1	Municipal Official	Miss. N.E. Mpungose	Licensing Clerk	Examiner for Driving Licenses: Grade L
2	Municipal Official	Mr. B.S. Mthembu	Fire Fighter	Peace Officer

Table 4.6.2 Number of Employees Whose Salaries were Increased Due to their Positions being upgraded

Number of Employees Whose Salaries were Increased Due to their Positions being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	N/A
	Male	N/A
Skilled (Levels 3-5)	Female	N/A
	Male	N/A
Highly skilled production (Levels 6-8)	Female	N/A
	Male	N/A
Highly skilled supervision (Levels 9-12)	Female	N/A
	Male	N/A
Senior management (Levels 13-15)	Female	N/A
	Male	N/A
MM and S57	Female	N/A
	Male	N/A
Total		
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the number at the right hand side of the column		

Table 4.6.3 Employees whose Salary levels exceed

Employees whose Salary levels exceed the grade determined by Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	N/A	N/A	N/A	N/A

Table 4.6.4 Employees appointed to posts not approved

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
N/A	N/A	N/A	N/A	N/A

DISCLOSURES OF FINANCIAL INTERESTS

Refer to disclosures made by officials and councillors concerning their financial interests as required by PM Regulations 805 of 2006 are set out in Appendix

CHAPTER 5

FINANCIAL PERFORMANCE

- **STATEMENT OF FINANCIAL PERFORMANCE**
 - **SPENDING AGAINST CAPITAL BUDGET**
 - **OTHER FINANCIAL MATTERS**
 - **DRAFT AFS 2015/16**

INTRODUCTION

Financial performance of Umhlabuyalingana Municipality is analysed using the following 3 main components in this chapter (5)

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

The municipality has collected total revenue of R214 561 354 and had operating expenses of R202 777 436 and Capital Expenditure of R70 825 163

Consultancy fees amounts to R3 262 822 which includes Legal services and Financial Consultancy fees (Refer to T 5.1.1)

Table 5.1.1 STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Approved budget	Adjustment	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Actual Income As % Of Final Budget	Variance between Original Budget and Adjustment Budget	Reference
Statement of Financial Performance								
Revenue								
Revenue from exchange transactions								
Service charges	81,302	120,666	201,968	201,968	0.40	0%	60%	
Interest received	690,714	- 87,172	603,542	747,244	143,702.42	24%	-14%	45.2
Licenses and permits	3,959,720	-	3,959,720	3,833,550	(126,170.00)	-3%	0%	45.3
Rental income	306,834	-	306,834	252,125	(54,709.26)	- 18%	0%	45.3
Other income	82,351	229,939	312,290	394,115	81,824.57	26%	74%	45.4
Interest received - investment	4,910,594	694,781	5,605,375	6,958,873	1,353,498.26	24%	12%	45.5

Total revenue from exchange transactions	10,031,515	958,214	10,989,729	12,387,875	1,398,146			-
Revenue from non-exchange transactions								
Taxation revenue								
Property rates	20,018,950	-2,821,112	17,197,838	17,882,508	684,669.73	4%	-16%	45.6
Government grants	175,555,000	10,181,569	185,736,569	182,286,021	(3,450,547.63)	-2%	5%	45.7
Transfer revenue								
Public contributions and donations	-	-	-	-	-			45.8
Fines	400,000	400,000	800,000	2,004,950	1,204,950	151%	50%	45.9
Total revenue from non-exchange transactions	195,973,950	7,760,457	203,734,407	202,173,479	(1,560,927.90)			-
<u>Total revenue</u>	206,005,465	8,718,671	214,724,136	214,561,354	(162,781.51)			-
<u>Expenditure</u>								
Personnel	-38,793,155	-1,629,137	-40,422,292	-36,685,812	3,736,480	-9%	4%	45.1
Remuneration of councilors	-9,954,775	-17,220	-9,971,995	-9,501,581	470,414	-5%	0%	45.1
Depreciation and amortization	-12,000,000	-6,059,250	-18,059,250	-17,946,130	113,120	-1%	34%	45.1
Impairment loss	-	-480,000	-480,000	-1,597,196	-1,117,196	233%	100%	45.1
Finance costs	-105,600	-	-105,600	-20,317	85,283	-81%	0%	45.1
Debt impairment	-4,000,000	-	-4,000,000	-10,047,669	-6,047,669	151%	0%	45.1&45.14
Repairs and maintenance	-24,225,828	-8,000,000	-32,225,828	-26,345,024	5,880,804	-18%	25%	45.2
General Expenses	-59,693,144	-26,238,804	-85,931,948	-100,633,706	-14,701,758	17%	31%	Note 21

Total expenditure	- 148,772,502	- 42,424,411	- 191,196,913	- 202,777,436	- 11,580,523			-
Operating surplus	57,232,963	- 33,705,740	23,527,223	11,783,919	- 11,743,304			-
Loss on disposal of assets	-	-	-	-	-			45.2
Cash loss	-	-	-	-	-			
	-	-	-	-	-			-
Surplus before taxation	57,232,963	- 33,705,740	23,527,223	11,783,919	- 11,743,304			-
Surplus for the year excluding capital expenditure	57,232,963	- 33,705,740	23,527,223	11,783,919	- 11,743,304			-
capital expenditure	84,954,364	10,000,000	94,954,364	70,825,163	- 24,129,201	- 25%	11%	
Comparison of Budget and Actual amounts	142,187,327	- 23,705,740	118,481,587	82,609,082	- 35,872,505			-

Table 5.1.2 FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES

Financial Performance of Operational Services						
Description	2015	2015/2016			2015/2016 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Operating costs						

GRANT PERFORMANCE						
Description	2015	2015/2016			2015/2016 Variance	
	Actual	Budget	Adjustment Budget	Actual	Original Budget %	Adjustment Budget %
Operating Transfers and Grants						
National Government:						
	91,928,825	125,162,000	125,162,000	125,162,000		
Equitable Share					100%	100%
	87,707,000	121,138,000	121,138,000	121,138,000		
Finance Management Grant					100%	100%
	1,800,000	1,800,000	1,800,000	1,800,000		
EPWP Grant					100%	100%
	1,355,000	1,294,000	1,294,000	1,294,000		
Municipal Systems Improvement Grant					100%	100%
	1,066,825	930,000	930,000	930,000		
Provincial Government						
	3,619,802	1,747,569	1,747,569	1,844,911		
Library Grant					100%	100%
	1,617,544	1,747,569	1,747,569	1,747,169		
Sports Grant					0%	0%
	2,002,258	-	-	97,742		
Community Participation Grant					0%	0%
	-	-	-	2,000		
District Municipality						
	-	-	-	-	-	-
Other grant providers						
	-	-	-	-	-	-
Total Operating Transfers and Grants	95,548,627	126,909,569	126,909,569	127,006,911	100%	100%

Repairs and Maintenance Expenditure: 2015/2016				
	Original Budget	Adjustment Budget	Actual	Budget Variance
Repairs and Maintenance Expenditure	24,225,828	32,225,828	26,373,362	82%

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure is 75% of the Capital budget. 62% is grant funded and 38% is funded by internal funds. Capital grants are from MIG grant, INEG Grant as well as Electrification Grant from COGTA. All capital projects are new project which are from these categories Roads, Community Centres and Sports fields and are funded by MIG Grant. Electrification projects are both funded by INEG grant and COGTA Electrification Grant

Table 5.6.1 CAPITAL EXPENDITURE - FUNDING SOURCES

Capital Expenditure - Funding Sources: 2014/2015 to 2015/2016							
Details		2015	2015/2016				
		Actual	Original Budget	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	-	-	-	-	-	0%
	Public contributions and donations	-	-	-	-	-	0%
	Grants and subsidies	37,167,691	48,827,000	58,827,000	55,277,111	20%	13%
	Other	132,974,914	36,127,364	36,127,364	24,624,475	0%	31%
Total		170,142,605.00	84,954,364.00	94,954,364.00	79,901,586.00	20%	44%
Percentage of finance							
	External loans	0%	0%	0%	0%	0%	0%
	Public contributions and donations	0%	0%	0%	0%	0%	0%
	Grants and subsidies	22%	57%	62%	69%	100%	30%
	Other	78%	43%	38%	31%	0%	70%
Capital expenditure							
	Water and sanitation	-	-	-	-	0%	0%
	Electricity	2,675,433.00	15,000,000	25,000,000	22,885,745	67%	53%
	Housing	-	-	-	-	0%	0%
	Roads and storm water	32,490,000.00	24,626,000	26,626,000	26,323,464	8%	7%

	Other	15,647,277.00	14,728,364	15,003,114	7,894,808	2%	46%
Total		50,812,710.00	54,354,364.00	66,629,114.00	57,104,016.70	77%	106%
Percentage of expenditure							
	Water and sanitation	0%	0%	0%	0%	0%	0%
	Electricity	5%	28%	38%	40%	87%	50%
	Housing	0%	0%	0%	0%	0%	0%
	Roads and storm water	64%	45%	40%	46%	11%	7%
	Other	31%	27%	23%	14%	2%	44%

Table 5.9.1 CAHFLOW OUTCOMES

Cash Flow Outcomes				
	2015	Current: 2015/2016		
Description	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
	152,603,501	206,125,406	214,822,571	132,050,324
Ratepayers and other	12,601,644	20,018,950	17,197,838	5,453,965
Government- operating	93,546,369	126,728,000	126,909,569	68,550,792
Government- capital	37,167,691	48,827,000	58,924,742	48,924,742
Interest	4,973,842	5,601,310	6,209,610	6,958,873
Other receipts	4,313,955	4,950,146	5,580,812	2,161,952
Payments				
	(94,938,749)	(150,447,712)	(186,484,593)	(116,748,368)
Employee costs	(38,358,836)	(48,747,930)	(50,394,287)	(46,984,615)
Finance charges	(844,244)	(120,880)	(120,880)	(824,511)
Suppliers	(55,735,669)	(101,578,902)	(135,969,426)	(68,939,242)
NET CASH FROM (USED) OPERATING ACTIVITIES	57,664,752	55,677,694	28,337,978	15,301,956
Receipts	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (Increase) other non-current receivables	-	-	-	-
Decrease (Increase) in non-current investments	-	-	-	-

Payments	(50,976,402)	(84,954,364)	(94,954,364)	(30,920,205)
Capital assets	(50,976,402)	(84,954,364)	(94,954,364)	(30,920,205)
NET CASH FROM (USED) INVESTING ACTIVITIES	(50,976,402)	(84,954,364)	(94,954,364)	(30,920,205)
Receipts	-	-	-	-
Short term loans				
Borrowings long term/refinancing				
Increase (decrease) in consumer deposits				
Payments	(99,755)	(232,320)	(232,320)	(19,073)
Repayment of borrowings	(99,755)	(232,320)	(232,320)	(19,073)
NET CASH FROM (USED) FINANCING ACTIVITIES	(99,755)	(232,320)	(232,320)	(19,073)
NET INCREASE / (DECREASE) IN CASH HELD	6,588,595	(29,508,990)	(66,848,706)	(15,637,322)
Cash / cash equivalents at the year begin:	71,049,659	77,638,254	77,638,254	77,638,254
Cash / cash equivalents at the year-end:	77,638,254	48,129,264	10,789,548	62,000,932

Table 5.10.4 MUNICIPAL AND ENTITY INVESTMENTS

Municipal and Entity Investments			
	2013/2014	2014/2015	2015/2016
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	65,532,678.00	69,293,629.00	53,786,325.00
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	65,532,678.00	69,293,629.00	53,786,325.00
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			

Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Entities sub-total	0	0	0
Consolidated total	65,532,678.00	69,293,629.00	53,786,325.00

COMPONENT C: OTHER FINANCIAL MATTERS

CASH FLOW MANAGEMENT AND INVESTMENTS

It is important for the municipality to manage its cash flows and ensure that they maintain their liquidity status so they can be able to meet their short term obligations.

Cash flows of the municipality looks great although they decreased by 20% when comparing cash and cash equivalents for 2016 against cash and cash equivalents for 2016 financial year.

The municipality does not have borrowings it only have short term investments. Short term investments are made to different banks in different types of investment accounts like fixed deposits and money market accounts

SUPPLY CHAIN MANAGEMENT

Umhlabuyalingana Municipality have a central SCM Unit which is under the management of the CFO. The unit have 4 officials, 3 of these officials have done training on the prescribed level of competency requirements but still waiting for their competency certificates

All the SCM Committees have been established and they are functioning properly in the implementation of the SCM processes.

CHAPTER 5

- **FINANCIAL PERFORMANCE**
- **DRAFT AFS 2015/16 IS ATTACHED AS AN ANNEXURE**

CHAPTER 6

- AG AUDIT FINDINGS
- AG ACTION PLAN

APPENDICES