

5.4 DEVELOPMENT SERVICES

5.4.1 Sub Function: Economic Development

OVERVIEW:

Investment Attraction
 Business Retention and Expansion
 Black Economic Empowerment and Entrepreneurial Development
 SMME Development and support
 Informal Trade Management
 Airport Management
 Municipal Market Management
 Forestry Services Management
 Tourism promotion and development
 Monitoring the city's economy, creating an economic data base



Acting DMM: Developmental Services
Skhumbuzo Mpanza

DESCRIPTION OF THE ACTIVITY:

The function of economic planning / development within the municipality is administered as follows and includes:

1. An Investment Attraction Retention & Expansion unit with two sub-units, viz. Investment Attraction and Municipal Enterprises (Airport, Market, Forestry)
2. Black Economic Empowerment & Entrepreneurial Development unit (including SMME Development and Informal Trade Management)

The municipality has a mandate to:

Promote sustainable economic development and job creation.

The strategic objectives of this function are the:

- Promotion and Attraction of inward Investment
- Promotion of the retention and Expansion of local businesses
- Promotion of Black Economic Empowerment
- Establishment of a socio-Economic data base
- Promotion of key sectors within the economy of the city
- The facilitation of a co-ordinated approach to tourism

The key issues for 2008/09 are:

1. Completion of Phase 2 of the Freedom Square Project
2. Increase in turnover and profitability of the Municipal Market
3. Formulating and implementing an Informal Trade Management plan
4. Promoting development projects in the Edendale valley



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1. Number and cost to employer of all economic development personnel	NUMBER	R (000s)
- Professional (Directors / Managers)	4	R2 206 451
- Non-professional (Clerical / Administrative)	11	R1 369 892
- Temporary	5	R461 298
- Contract	0	0
Total	15	R3 576 343

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Local Economic Development	IDP Goal/ Objective: Establish a dedicated sub-unit for the management and regulation of street trading		
	Variance between Planned & Actual Performance (if any): Not Achieved		
	Reason for Variance: Establishment of the Informal Trade Unit is to coincide with the restructuring of Entire municipality		
	Improvements for Next Year: It is anticipated that the unit will be established early during 2009		
Local Economic Development	IDP Goal/Objective: Development of an Informal Trade Policy with specific programmes and projects.	R 418,000	
	Variance between Planned & Actual Performance:		
	Reason for Variance: Bulk of the Funding was reallocated to the airport.		
	Improvements for Next Year: Appointment of consultants to develop policy		
Local Economic Development	IDP Goal/Objective: To address the inequalities in the city's economy by increasing Broad Based Black ownership, control and management of businesses/enterprises by developing policy and medium term strategy with specific programmes and projects.	R 750,000	
	Variance between Planned & Actual Performance (if any):		
	Reason for Variance: Bulk of the Funding was reallocated to the airport		
	Improvements for Next Year: Consultants will be appointed and a B-BBEE policy will be developed with a set of programmes and projects.		
Local Economic Development	IDP Goal/Objective: To provide support for the establishment and development of SMME's.	Bee vote	
	Variance between Planned & Actual Performance (if any):		
	Reason for Variance: Bulk of the Funding was reallocated to the airport.		
	Improvements for Next Year: The SMME Outreach Programme will be continue in 2009. It is also envisaged that more funds will be required to ensure that the initiative is a success.		



Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Local Economic Development	IDP Goal/Objective: repair roof at Market	163104	164000
	Actual Performance Achieved 2008/2009:		
	Variance between Planned & Actual Performance (if any):		
	Reason for Variance:		
	Improvements for Next Year:		
Local Economic Development	IDP Goal/Objective: maintain Airport infrastructure at Category 6 level.	2465115	2717400
	Actual Performance Achieved 2008/2009:		
	Variance between Planned & Actual Performance (if any): R252 285		
	Reason for Variance: Extensions to fire station ran over 2 financial years		
	Improvements for Next Year:		
	Actual Performance Achieved 2007/2008:		
	Variance between Planned & Actual Performance (if any):		
	Reason for Variance:		
	Improvements for Next Year:		



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5.4.2 Sub Function: Housing

OVERVIEW:

Includes all activities associated with provision of housing.

DESCRIPTION OF THE ACTIVITY:

The function of provision of housing within the municipality is administered as follows and includes:

- 1) **PLANNING AND PACKAGING OF PROJECTS PHASE:** Identification of beneficiaries; land identification; Council's support for project; applications to DoHS (Department of Human Settlements) for Conditional Approval; Social Compacts; Feasibility Application; Proposal Calls; as follows:
 - a) Identification of Beneficiaries - members of public apply for inclusion on the waiting list; community members living in an in-situ project area are ring fenced as potential beneficiaries; informal settlements located on unsuitable land for development identified for relocation to a housing project. The Beneficiary list discussed with PSC's and requires approval of Council. Beneficiary lists forwarded to DoHS for approval on National Data Base.
Strategic Objective - to provide access to adequate and safe housing for low income families (ie less than R3500 pm) and the "gap market" (i.e. between R3500 and R7500 p.m) i.t.o. Constitution and Housing Act.
Key Issues - Council to approve projects and beneficiaries lists.
 - b) Land Identification: Identification of land for housing from land audit and confirm location in terms of the Spatial Development framework and restructuring Zones; prioritize and report to Council for Approval and inclusion in the IDP (requirements by DoHS).
Strategic Objective - to develop suitably located land which is viable and sustainable to develop, in line with the policy of an integrated City which brings communities closer to job creation opportunities.
Key Issues - Council to prioritize sites from land audit.
 - c) Council's Support: Council must resolve:-
- to be the developer; to accept the outer figure of the project; beneficiary identification; level of services and funding for their design and construction.
Strategic Objective - Council commits to the project.
Key Issues - To address disputes with regard to beneficiary allocations and services levels, and to secure necessary funding for the services.
 - d) Conditional Approval Application: Initial application to DoHS for funding to appoint service providers to undertake environmental scoping report, geotechnical analysis and social survey and approve reports. Package documents with bulk services analysis to DoHS for Conditional Approval.
Strategic Objective - DoHS to include proposed project on DoHS data base for future funding.
Key Issues - Conditional Approval Application process is lengthy.
 - e) Social Compacts: Consultation with the community to support the proposed project and agree on the type of project to be developed. SC to be signed by community reps. Document requirement by the DoHS.
Strategic Objective - To ensure that the community "buys into" the project.
Key Issues - To sign SCs for projects.



f) **Feasibility Applications:** Compiling all relevant documentation required by the DoHS related to a specific project for the DoHS to approve funding for the project. DoHS approve funding and submit Tripartite Agreement (TA) to municipality to be signed by the Council and the IA (Implementing Agent). TA discussed with the legal section and reported to Council for authority to sign.
Strategic Objective - To secure subsidy funding for the project in order for project to be implemented.
Key Issues - Sourcing documentation.

g) **Proposal Calls:** Compilation of relevant documentation necessary to invite tenders from implementing agents and service providers to implement a low income housing project. Adjudication process followed and IA appointed.
Strategic Objective - To appoint an IA to implement the project.
Key Issues - Sourcing documentation and Council resolutions required for the Proposal Call.

2) **IMPLEMENTATION PHASE:** Managing implementing agent and co-ordinating activities of service providers.

a) **Manage Implementation:** Co-ordination of the processes for approval by Council in consultation with Ward Councillor and community representatives, and implementation of:

- Layout planning
- Identification and location of beneficiaries
- Building plans
- Services constructed
- Houses constructed
- Resolving constraints causing delays
- Invoices/claims
- Quality control and resolving snags
- Budget monitoring

Strategic Objective - To ensure the delivery of an appropriate level of services to a site in an approved layout which is sustainable and transferable to an approved beneficiary, on which a house has been built in terms of the DoHS norms and standards and acceptable quality.

Key Issues - Ensuring delivery within the approved budget and programme, and resolving technical and social constraints which impact on the delivery process.

3) **CLOSE OUT PHASE:** Confirmation of taking over of services by the municipality; allocation of sites and issuing title deeds.

- a) Monitoring acceptances, 1 year maintenance, and taking over of services.
- b) Monitoring the allocation, occupation and transfer process of sites.
- c) Ongoing interaction with community structures to address missing beneficiaries.

Strategic Objective - To ensure the correct beneficiary occupies and takes title to the site they have been allocated.

Key Issues - Delays caused by illegal occupation of sites.

4) **MANAGEMENT OF RENTAL STOCK:** Management and maintenance of Council Housing Rental Stock; sale and transfer to tenants of certain units.

Strategic Objective - To ensure the provision of appropriate rental housing to people on the waiting list.

Key Issues - Non-payment of rent; maintenance of buildings; implementation of the Enhanced Extended Discount Benefit Scheme (EEDBS) transfers.



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- 5) **DEVELOPMENT FACILITATION ACT APPLICATIONS (DFAs) FOR RESIDENTIAL DEVELOPMENTS:** Private sector applications - evaluate proposals; draft services agreement and co-ordinate comments from sub-units' report to Council for authority to sign agreement; attend Tribunal hearings.

Strategic Objectives - To enable private sector to provide housing for the middle and upper income groups.

Key Issues - Capacity of bulk services to meet the needs of the developer; negotiate contribution from developers; meet deadlines set by the DFA.

- 6) **STRATEGIC HOUSING PLAN INCORPORATING THE HOUSING SECTOR PLAN:** Prepare an ongoing review of the SHP.

Strategic Objective - Meet requirements of the IDP and DoHS.

Key Issues - Keeping up to date with Council and DoHS policies; outstanding matter to be addressed.

- 7) **HOUSING CONSUMER EDUCATION PROGRAMMES:** Facilitate the introduction of this programme into the municipality; train Council officials; train community members.

Strategic Objectives - To capacitate communities with regard to their responsibilities as new home owners.

Objectives - Dedicated resources required to implement this programme; communities to have ongoing involvement with programme.

- 8) **HOUSING DATA BASE:** Set up and manage relevant information required for a data base of housing needs as defined by the DoHS; data required by surveying informally settled community areas.

Strategic Objectives - To provide the Council and the DoHS with a regular update on the demand for housing.

Key Issues - Data base needs to be revised and then kept up to date.

- 9) **LAND RELEASE PRIORITIZATION:** Council land to be identified for housing development for all incomes, including Bank Charter Housing and Community Residential Units; declaring Residential Zones in terms of the SDF and the GEDI (Greater Edendale Development Initiative) programmes; ongoing interaction with the Council's sub-units responsible for managing the SDF and GEDI programmes; Council to approve the programme; prepare proposal calls.

Strategic Objectives - To prioritize a roll-out of land to be developed by the private sector and agents of Council.

Key Issues - Approval by Council of a list of sites to be advertised.

- 10) **INNER CITY RESIDENTIAL STRATEGY:** Co-ordinate the activities required for the conversion of buildings for residential accommodation.

Strategic Objectives - Part of the CBD Revitalization programme and ties in with Social Housing Policy.

Key Issues - Approval of Provisional Restructuring Zones.

- 11) **INFORMAL SETTLEMENT RELOCATIONS AND EMERGENCY HOUSING:** Identification of options for the relocation of families living in vulnerable situations; linked to housing project programme, Emergency Housing Programme and Community Residential Unit programme.

Strategic Objectives - To relocate into suitable accommodation, families who are located on land required for other purposes, do not qualify for a housing subsidy, or affected by a disaster.

Key Issues - Solutions being developed to implement this initiative.



12) HOUSING STATISTICS AND INFORMATION: Deal with ongoing enquiries for statistics and information related to housing delivery by other Business Units; research information.

Strategic Objectives - To meet the operational requirements of Council.

Key Issues - Up to date data base now in place, but information required is sometimes additional to the data in the data base.

ANALYSIS OF THE FUNCTION:

	NUMBER	R (000s)
1. Number and cost of all personnel associated with provision of municipal housing:		
• Professional (Directors / Managers)	2	
• Professional (Architects/Consultants)	1	
• Field (Supervisors/Foremen)	8	
• Office (Clerical/Administration)	14	
• Non-professional (blue collar, outside workforce)	11	
• Temporary	0	
• Contract	1	
Total		7056

	NUMBER	R (000s)
2. Number and total value of housing projects planned and current:		
• Current (financial year after year reported on)	13	80000
• Planned (future years)	12	10000

	NUMBER	R (000s)
3. Total type, number and value of housing provided:		
Low Income Housing	2550	76600
Social Housing	0	0
Total number and total value of housing provided during financial year	2550	76600

	NUMBER	R (000s)
4. Total number and value of rent received from municipal owned rental units	367	653

	NUMBER	R (000s)
5. Estimated backlog in number of (and costs to build) housing:		
Low Income Housing	11310	622050
Social Housing	2000	480000
CRU -Affordable Rental	3000	720000
Bank Charter Housing - Affordable to middle income	3000	900000
Service Stands	2000	100000
Total number should appear in IDP, and cost in future budgeted capital housing programmes	31310	2200000



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6. Type of habitat breakdown:	NUMBER
• number of people living in a house or brick structure	81746
• number of people living in a traditional dwelling	26775
• number of people living in a flat in a block of flats	13960
• number of people living in a town/cluster/semi-detached group dwelling	3030
• number of people living in an informal dwelling or shack	3870
• number of people living in a room/flatlet	4650

7. Type and number of grants and subsidies received:	R (000s)
KZN Department of Housing	<total> 76600

8. Total operating cost of housing function (excl. Sales)	R (000s)
	52

PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Target	Actual	Variance
Basic & Sustainable Service Delivery	IDP Goal/Objective: Construct at least 2500 low income houses per annum.	2500	2550	+50
	Reason for Variance: Escalation funding was received and house construction continued as planned for the whole year.			
	Improvements for Next Year: Continue as before - Aim to improve systems for lost beneficiaries			
Socio-Economic Development and Growth	IDP Goal/Objective: Create 350 jobs in housing projects	350	700	+350
	Variance between Planned & Actual Performance (if any): Local labour was employed on projects total of 70082 man days. Taking an average of about 5 months per job (i.e. 100 man days) this translates to about 700 jobs. Variance is 350 jobs over target.			
	Reason for Variance: Implementing Agents have trained community members and now using them on building projects, as well as security officers, site clerks and Community Liaison Officers.			
	Improvements for Next Year: Continue the good work.			



Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Target	Actual	Variance
Municipal Financial Viability & Management	IDP Goal/Objective: Reduce <u>debt</u> on rentals collected from tenants in Council Housing Rental Stock by 30%.	R(000s)	R(000s)	R(000s)
	Variance between Planned & Actual Performance (if any): Rentals collected have reduced year-on-year. All attempts to reduce debt on rentals collected have failed.	2352	3625	1273
	Reason for Variance: 1) Tenants not happy with 15% rent increase per annum to reach market related rentals as required by National Legislation and therefore, stopped paying rent. Not yet resolved, but some progress achieved with legal process. 2) Protection for defaulting tenants from the PIE Act and Rental Housing Tribunal have prevented officials from taking action against tenants. 3) The recession over the last 12 to 18 Months.			
	Improvements for Next Year: Renew attempts to get legal solution to the problem.			
Good Governance & Public Participation	IDP Goal/Objective: Full participation of community projects through Project Steering Committees (PSC's).			
	Variance between Planned & Actual Performance (if any): Nil	6	6	-
	Reason for Variance: N/A			
	Improvements for Next Year: To continue establishing PSC's for all new projects.			



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40sqm houses that are currently being built in Willowfountain EE (Phase 2)



Opening of the Signal Hill Development



5.4.3 Sub Function: DEVELOPMENT PLANNING

OVERVIEW:

This Unit is responsible for development planning and forward (strategic) planning of a spatial nature.

DEVELOPMENT PLANNING

The following tables illustrates number of development applications received on 2008/2009

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance			
	Applications Outstanding	Category	Number of new Applications Received 2008/2009	Applications being processed as at 30 June 2009
Social and Economic Development and growth	01-Jul-08			
	Nil	Residential New	5	2
	Nil	Residential additions	3	nil
	4	Commercial	27	5
	2	Industrial	13	3
	2	Other	44, (this include places of worship, place of instruction, office establishment, establishment of sports club, relaxation of site spaces and so forth)	11
		Building Plans	1399	171
	Total		1447	192
	Improvements for next year : Investigations commenced with MetGov.			

PERFORMANCE HIGHLIGHTS

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Target	Actual
Sound Governance	Training		
	There are currently six town planners in this Business Unit, all of whom are graduates from tertiary institutions. Staff are encouraged to enhance their knowledge to keep abreast of new trends and developments, through further education.		
	Reason for variance: Budgetary constraints		
	Improvements for next year: Budgetary provision		
Sound Finance	Grants received		
	No grants were received on this Financial Year.		



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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance		
Sound Governance	Unauthorized uses		
	Reported	1449	
	Inspected	513	
	Section 77 Notices issued	301	
	Application to regularise	150	
	Seized operations	52	
	Note: There has been a marked increase in the number of complaints regarding unauthorized uses.		
	Interns/ Temps		
Sound Governance	Two interns were again recruited for the in-service training programme this year. The programme is designed to expose Trainees with professional qualifications to acquire hands-on knowledge in the actual workplace by liaising with all role players. They are mentored by the Town Planners in the Unit. We also have employed three Town Planners on a temporary basis.		
	Challenges		
Sound Governance	The challenge facing this Unit, is the ability to attract qualified and experienced Town Planners. Other Institutions and the Private Sector is paying more than this Organisation.		
	Improvements for next year: Budgetary provision / skills allowances / grading/ recruitment of additional staff.		
Social and Economic Development & Growth	Urban Development Zones		
	Background to the UDZs and the Tax Incentive		
	The UDZ tax incentive is directed at the stimulation of the regeneration of declining urban areas, in targeted inner city areas across South Africa, and the encouragement of economic development. At the end of 2003, a tax incentive in respect of the erection, extension, addition or improvement of buildings demarcated within Urban Dev. Zones in respect of South Africa, including Pietermaritzburg, was signed into law. The Pietermaritzburg UDZ was gazetted on 0 June 2005.		
	Achievements		
	Total number of applications from 01/07/2008 to 30/06/2009 = 4 (four).		
	Total estimated amount spent by the applicants on development from 01/07/2008 to 30/06/2009 = R 3 500 000-00 (three million, five hundred thousand rands). These new developments resulted in an increase of income to the City.		
	The total estimated number of jobs created = 150 (one hundred and fifty).		
Social and Economic Development & Growth	Entities that raised queries with regard to the tax incentive were approximately 5 (five).		



Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance		
Community Participation and Social Economic Development & Growth	Forward Planning		
	The Msunduzi Municipal Spatial Development Framework (SDF) : 20078/2009		
Community Participation and Social Economic Development & Growth	Progress on the Spatial Development Framework		
	An abbreviated version of the Draft Spatial Development Framework report in English and Zulu was placed in numerous venues, like municipal offices, libraries and community halls, around the city. It was accompanied by a map of the municipal area which illustrated the development proposals described in the report. The availability of information and opportunity for members of public to acquaint themselves with and comment on the draft SDF was reinforced by a public meeting. The public was invited to attend a presentation of the draft SDF when the project consultants were available to deal with questions and comments. After the period of public consultation all comments were assembled, their implications for change to the SDF was assessed and implemented where considered appropriate. The final report tabulates all comments and responses. A number of adjustments were also made in the light of information from a project preparing an Environmental Management Framework for the municipality. The final SDF report and map will be submitted to the Executive Committee during August 2009 for approval and adoption into the municipal IDP.		95% Complete
		Projected Budget	
Community Participation and Social Economic Development & Growth	Proposals for the new financial year:		
	<ul style="list-style-type: none"> • Land Use Scheme. Draft Terms of Reference have been prepared for proposals from service providers to prepare a municipal-wide Land Use Scheme. It is anticipated that the project will have been allocated to the preferred consultancy by December 2009 and will be concluded shortly after the end of the 2009/2010 financial year. 		<ul style="list-style-type: none"> • R200 000 (R100 000 from DLGTA)
	<ul style="list-style-type: none"> • SDF Review 2010/2011. Draft Terms of reference are also being prepared for proposals to undertake the next SDF review. The focus will be on closing gaps left by the most recent review, pursuing local area alignment between national, provincial, district and local government and on monitoring and evaluating implementation of the framework. 		<ul style="list-style-type: none"> • R250 000
Community Participation and Social Economic Development & Growth	<ul style="list-style-type: none"> • Physical Development Framework. Several areas of the municipality have been identified in the SDF review for more detailed plans, referred to as Physical Development Framework (also known as Local Area Plans). The availability or accessibility of resources will determine how many of those areas can be dealt with during the coming financial year. A small amount of grant funding, which will supplement the municipal budget, has been provided by the province but one or possibly two areas may need to be prioritised to be able to use the limited resources available. 		<ul style="list-style-type: none"> • R250 000
	Avg per Month	2609456.083	



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5.4.4 Sub Function: REAL ESTATE & VALUATION

Description of the Activity:

- The function of Real Estate includes the sale and letting of Council owned property in terms of Councils disposal policy.
- The function of valuations is to establish and maintain the Municipal Valuation Roll for rating as well as establishing the market value of properties to be sold or let.
- The strategic objectives of these functions are to secure rates income from all properties in the valuation roll and to promote development within the Msunduzi Municipal Area in line with the spatial development framework and integrated development plan.

Analysis of the Function:

Number of leases being administered	603
Income received from rentals	R 7 886 051
The following sales are in progress up to	30/6/2009
New England Road Hotel site	R 1 000 000
Hollingswood housing development	15% of net sales
Liberty Mall Phase 3	R 8 550 000
Eden Vision Hospital	R 5 700 000
Masons Mill Shopping Centre	R 7 980 000
Qokololo Shopping Centre	R 9 120 000
Hindu Society Ghat	R 2 109 000
Total number of properties in Val Roll	91,456
Total value of properties in Val Roll	R 48 196 000 000
Number of properties not previously rated	482
Number of objections lodged	8831

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Municipal Financial Viability & Management	IDP Goal/Objective: Compilation of Valuation Roll	100%	100%
	Variance between Planned & Actual Performance (if any): Nil		
	Reason for Variance: N/A		
	Improvements for Next Year: N/A		
Municipal Financial Viability & Management	IDP Goal/Objective: Maintenance of Valuation Roll	100%	100%
	Variance between Planned & Actual Performance (if any): Nil		
	Reason for Variance: N/A		
	Improvements for Next Year: N/A		



5.5 COMMUNITY SERVICES

5.5.1 Sub Function: Public Safety: Traffic & Security

OVERVIEW:

To alleviate Traffic congestion and to protect the council properties.

DESCRIPTION OF THE ACTIVITY:

1. To reduce the risk of accidents;
2. To provide for the free flow of Traffic;
3. To provide services to our Msunduzi communities;
4. To provide Road Traffic Education Programmes;
5. To implement pro active road safety strategies;
6. Programmes to reduce road Traffic collisions;
7. To maintain and control our budget efficiently;
8. To protect the council property; and,
9. To control and monitor the informal traders and the informal settlement from using unauthorised land for their use.



**DM: Community Services
Zwe Hulane**

ANALYSIS OF THE FUNCTION:

	Number	R (000s)
1. ARRESTS		
Driving under the influence of alcohol	210	
Warrant of arrest executed	2551	
2. IMPOUNDED VEHICLES		
Obstruction, Abandoned, Unlicensed vehicles, False reg plates, False clearance cert, unroadworthy and suspended vehicles	1147	
3. ESCORTS		
Funerals, Abnormal loads and minister's escorts	962	
4. ACCIDENTS		
Number of injuries, badly damage, Injuries, Deaths and Patrol vehicles involved in collision	558	
5. HEAVY MOTOR VEHICLES/PROSECUTION		
Ohrtmann road, Echo road, Willow snacks and Kenilworth	115	
6. COMPLAINTS		
Parking, roadworks, speed, broken down vehicles, road signs, traffic signals, fun runs, N3 closure, marches, obstructions and stray cattles	1258	
7. FINANCIAL STATEMENT		
Traffic fines, sundries, towing away services, and impounding fees		11 215 173
8. WARRANT OF ARRESTS INCOME		
Warrant of arrest for 12 months		2 151 260
9. TAXI PERMIT		
Taxi permit for 12 months		199 248
10. Number of all personnel associated with Public Safety:		



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	Number	R (000s)
Manager	1	
Principal Administrative Officer	1	
Senior Traffic Superintendent	1	
Senior Security Superintendent	1	
Traffic Superintendent	4	
Security Superintendent	3	
Field (Inspectors Traffic)	9	
Filed (Inspectors Security)	11	
Traffic Officers	61	
Security Officers	132	
Office(clerical/Administration)	22	
Visible police officers on the street	yes	
Volunteer	no	
Temporary	2	
Summons Servers	4	
Contract Reserve Traffic Wardens	110	
11. Call outs attended		
Emergency call outs	69	
Standard call outs	426	
12. Average response time		
Emergency call outs	10 minutes	
Standard call outs	20 minutes	
13. Operating budget		
Operating cost of police and traffic function		R78 000 000



5.5.2 Sub Function: Area Based Management

OVERVIEW:

Includes all activities associated with the provision area base management service to the community.

DESCRIPTION OF THE ACTIVITY:

The area base management responsibilities of the municipality are administered as follows and include:

These services extend to include the 5 managerial areas of the Msunduzi Municipality which resides within the jurisdiction of Msunduzi Municipality's Vulindlela, Imbali, Edendale, Northern, Central and Eastern Areas.

The strategic objectives of this function are to:

- Increasing community participation.
- Improving service delivery
- Forming a link between communities and local government.
- Poverty alleviation

ANALYSIS OF THE FUNCTION:

1. Number and cost to employer of all ABM personnel:	Number	R (000s)
• Management	6	2602861.8
• Professional / technical/Facilitators	11	1988781.48
• Office (Clerical/Administration)	4	389655.72
• Temporary	8	242088
TOTAL	29	5223387

2. Number of self help projects facilitated and assisted:	21	
3. Total number of households assisted relating to Disaster Management:	74 families	

PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Achievements
Good Governance & Public Participation	Initiative: Attend to service delivery queries from communities.	Ongoing in all wards. Facilitated 51 queries attended by different SBUs
	Improvements for Next Year: Improved ABM recognition by SBUs	
Municipal Financial Viability & Management	Initiative/s: Relocation of 58 families; Botanic Gardens Revitalization Project; Municipal Gel distribution; House for disabled person; Facilitated the existence of Sinenhlanhla Sivananda Disabled Group and Building; Siyazenzela Project (Poverty Alleviation Project) with Department of KZN Transport, KZN Public Works and Municipality	7 people are permanently employed. Ward 33



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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Achievements
Good Governance & Public Participation	Initiative: Fundraising for Masakhane Creche in Thembalihle.	R250 000 was received from donors
Good Governance & Public Participation	Initiative/s: IDP & Budget Izimbizo; Valuation roll; Formation of Ward Committees	
Good Governance & Public Participation	Initiative/s: Formation of Development Structures for councillors and officials; Establishment of the Multi-Purpose Centre for France; Facilitate some Network infrastructure to Vulindlela satellite offices.	Imbali and Edendale, functioning structures.

Masakhane Creche



5.5.3 Sub Function: Fire & Rescue Service

OVERVIEW:

Provide a fire, rescue and humanitarian aid service

DESCRIPTION OF THE ACTIVITY:

The function of provision of a fire & rescue service within the municipality is administered as follows and includes:

1. Firefighting, rescue & humanitarian aid (24/7 service from 3x fire stations, viz. Central, Oriibi & Airport)
2. Crisis Communications Centre (24/7 emergency call-centre)
3. Fire prevention & protection
4. Fire training academy & public education

These services extend to include the uMgungundlovu District Municipality Fire Service's emergency communications and control, but do not take account of the firefighting & rescue service which resides within the jurisdiction of the fire stations in the District.

The municipality has a mandate: to receive all emergency calls, dispatch resources and record data of incidents for the District.

The strategic objectives of this function are to:

- a) prevent the outbreak or spread of a fire;
- b) fighting or extinguishing a fire;
- c) the protection of life or property against a fire or other threatening danger;
- d) the rescue of life or property from a fire or other danger;
- e) the performance of any other function connected with any of the matters referred to in paragraphs;

The key issues for 2008/2009 are:

1. Appointment of additional 36 firefighter staff
2. Replacement of obsolete vehicles and equipment
3. Compliance with relevant SANS fire standards and ACAA legislation

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ANALYSIS OF FUNCTION:

1. Number and cost to employer of all personnel associated with policing and traffic control:	Number	R (000s)
Professional (senior management); Chief Fire Officer	1	
Principal Administrative Officer	1	
Operations Manager (Deputy Chief Fire Officer)	1	
Senior Divisional Officer	4	
Divisional Officer	4	
Station Officer	23	
Firefighter	64	
Office(clerical/Administration)	7	
General worker	4	
Volunteer	no	
Temporary	2	
Total cost for all staff	123	R 17,957,802

2. Total annual number of call-outs attended:	Number	R (000s)
Fire rescue call-outs	1427	

3. Average response time to call-outs:		
Emergency call outs	8 minutes	
Number and total operating cost of fire engines servicing population:	33	R 696,000
- Aged less than 10 years	6	R 126,000
- Aged 10 years or greater	27	R 569,000
Note: this figure should be taken from the plant replacement schedule		
Total operating cost of Fire & Rescue function function		R 30,569,797



Performance Highlights:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance
Basic & Sustainable Service Delivery	IDP Goal/Objective: To decentralize fire stations.
	Variance between Planned & Actual Performance (if any): decentralisation of fire stations could not be achieved due to lack of capital & operating budget.
	Improvements for Next Year: Should our Business Unit be provided with sufficient funds, the 2008/2009 objectives will be realized.
Basic & Sustainable Service Delivery	IDP Goal/Objective: To fill critical vacant firefighter posts
	Variance between Planned & Actual Performance (if any): process to fill posts started but delayed due to HR issues.
	Improvement for the next year: should the process be successful then the posts will be filled.
Basic & Sustainable Service Delivery	IDP Goal/Objective: public awareness basic life safety program
	Variance between Planned & Actual Performance (if any): program in place but insufficient operational budget for implimentation of all strategies
	Improvement for the next year: Improvement could be achieved provided that the budget is provided



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5.5.4 Sub Function: Parks, Sport and Recreation

OVERVIEW:

This sub unit is divided into four functions, namely: Horticulture, Conservation & Environment, Sport & Recreation and Support Services.

DESCRIPTION OF THE ACTIVITY:

The function and management responsibilities of Parks, Sport & Recreation are as follows:

- (i) HORTICULTURE: Maintenance and development of parks, open spaces, play lots, cemeteries, road islands, city entrances in the city. Planting and maintenance of street trees. Initiate garden projects. Urban Agriculture (ploughing).
- (ii) SPORT & RECREATION: Maintenance, development and management of all municipal sports facilities including swimming pools. Management provision and hire of halls. Hosting and attracting major events (events coordination). Sports development.
- (iii) CONSERVATION & ENVIRONMENT: Management, maintenance and development of conservation areas. Burning and control of fire breaks.
- (iv) SUPPORT SERVICES: Management of Cemeteries and Crematoria. Provide an administrative support service (human resources, finance, secretarial, Information control and assets control).

The services of Horticulture, Sport and Recreation, Conservation and Environment and Cemeteries and Crematoria is provided within the jurisdiction of the Msunduzi Municipality.

The strategic objectives of this function are to:

- Promote sustainable social development
- Basic services
- Environment

The key issues for 2008/2009 are:

- Provision of regional parks and upgrading of sports facilities;
- Lack of parks and passive recreation areas in disadvantaged areas;
- Lack of burial space (new cemetery);
- Crematoria are old resulting in down time and high maintenance cost;
- Lack of proper facilities to hold major events in the city (Indoor Sports Complex.); Poverty eradication- creating labour intensive works programmes (grass cutting, agriculture and farming projects).

ANALYSIS OF FUNCTION:

1.Number and cost to employer of all Parks, Sport and Recreation staff	Number	R (000s)
• Professional (Managers)	5	2 158 250
• Field (Supervisors/Groundsman etc)	46	8 598 141
• Office (Clerical/Administration)	16	3 095 797
• Non-professional (brush cutter operators, tractor drivers etc)	322	32 174 593
• Temporary	4	553 866
• Contract	30	1 649 079
TOTAL	423	48 239 726



2. Total operating cost of Parks, Sport and Recreation (2008/2009)	76 187 410
3.Total number of users (hall facilities)	1 000 000
4.Total number of users (pool facilities)	120 000
5.Total number of users (sporting facilities)	4 000 000

Performance Highlights:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance
BASIC SERVICES	IDP Goal/Objective: New cemetery to accommodate burials for 50 years
	Actual Performance Achieved 2008/2009: Development of Hollingwood cemetery (50000 Burials) approx: 10 years burial space. Work in progress
	Variance between Planned & Actual Performance: Need to acquire land for future burial space for 50 years
	Reason for Variance: Land Issue Sobantu Residents .Insufficient land
ECONOMIC & SOCIAL DEVELOPMENT	IDP Goal/Objective: 25000 Seater soccer stadium
	Actual Performance Achieved 2008/2009: Upgraded Harry Gwala Stadium, work in progress
	Variance between Planned & Actual Performance: Incomplete, Roof on South side stand and new stands on East and West sides with roof.
	Reason for Variance: Insufficient funds
ECONOMIC & SOCIAL DEVELOPMENT	IDP Goal/Objective: All sports facilities and halls maintained to an acceptable standard
	Actual Performance Achieved 2008/2009: One sport facility and hall in Vulindlela has been refurbished
	Variance between Planned & Actual Performance: Unable to complete all the repairs in the sports facilities as planned; Ntembeni
	Reason for Variance: Insufficient funds
BASIC SERVICES	IDP Goal/Objective: 'State of the art' crematoriums
	Actual Performance Achieved 2008/2009: Refurbishment of Cremator no2 completed.
	Variance between Planned & Actual Performance: Cremator no1 still needs to be refurbished or replaced
	Reason for Variance: Insufficient funds
	Improvements for Next Year: Replace Cremator no1 or refurbish once funds are available



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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance
ECONOMIC & SOCIAL DEVELOPMENT	IDP Goal/Objective: Poverty eradication/Integrated maintenance programme
	Actual Performance Achieved 2008/2009: Created opportunities for employment. Temporary grass cutting programme
	Variance between Planned & Actual Performance: Integrated maintenance programme not achieved
	Reason for Variance: Insufficient funds to employ more temps to clean gutters and pick up litter and grass cutting
	Improvements for Next Year: Increase capacity temporary grass cutting programme

Harry Gwala Stadium under construction



5.5.5 Sub Function: Health & Social Services (Clinics)

OVERVIEW:

Twenty two Msunduzi Municipal Clinics provide holistic and comprehensive Primary Health Care to all Msunduzi Municipal residents.

DESCRIPTION OF THE ACTIVITY:

Comprehensive Primary Health Care which includes:

- Minor Ailments
- Chronic Services
- Family Planning
- Ante-natal Care
- Post Natal Care
- Access to ARVs and VCT
- TB
- Child Health
- Psychiatric care at certain clinics

The strategic objectives of this function are to:

To maintain quality health care within the Msunduzi Municipality.

The key issues for 2008/2009 are:

Increase access to Anti retroviral and increase the cure rate & decrease defaulter rate in TB patients.

ANALYSIS OF THE FUNCTION:

1. Number and cost to employer of all health personnel:	Number	R (000s)
• Professional (Doctors/Pharmacist)	2	R1 008 211
• Professional (Managers & Deputies)	3	R1 005 725
• Professional (Nurses & EN's)	69	R14 948 798
• Non-professional (Clerical / Administrative)	31	R3 500 723
• Para-professional (ENA's)	2	R301 744
• Temporary	10	R1 241 985
• Contract	0	0
2. Number, cost of public, private clinics servicing population:	Number	R (000s)
• Public Clinics (Run by municipality)	22	R25 830 403
• Private Clinics (owned by private, fees based)	None	N/A
3. Total annual patient head count for service provided by the municipality:	Number	
• 65 years and over	566 890	
• between 40 and 64 years		
• between 15 and 39 years		
• 14 years and under		
4. Total operating cost of health (clinic) function:	R26 586 236	



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PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Variance
BASIC SERVICES	<p>IDP Goal/Objective: Improve access to ARVs by having a ARV initiation site at Central City Clinic</p> <p>Actual Performance Achieved 2007/2008: 2 clinics are presently ARVs collection sites</p> <p>Variance between Planned & Actual Performance (if any):</p> <p>Improvements for Next Year: Initiation ARV site at Central City Clinic and collection of ARVs at Willowfountain Clinic and Masons Clinic</p>
BASIC SERVICES	<p>IDP Goal/Objective: To improve the cure rate and reduce defaulter rate of those on TB treatment</p> <p>Actual Performance Achieved 2007/2008: Cure rate remained low and Defaulter rate high during 2007</p> <p>Variance between Planned & Actual Performance (if any): TB Cure rate should be 85% but for 2007 was 49.2%. The defaulter rate should be 0% but was 17.1% for 2007.</p> <p>Reason for Variance: Ineffectual approach to current TB Crisis</p> <p>Improvements for Next Year: Employment of additional staff dedicated to TB</p>
BASIC SERVICES	<p>IDP Goal/Objective: To increase the number of people testing for HIV.</p> <p>Actual Performance Achieved 2007/2008: Approximately 116200 people of all ages tested for HIV in 2008 at our Msunduzi Municipal Clinics</p> <p>Variance between Planned & Actual Performance (if any):</p> <p>Improvements for Next Year: An increase in the number of people testing for HIV</p>
BASIC SERVICES	<p>IDP Goal/Objective: Create a continuum of care for all clients from birth to the aged.</p> <p>Actual Performance Achieved 2007/2008: Clients are offered a comprehensive package of Primary health care which encompasses all aspects of health needs</p> <p>Variance between Planned & Actual Performance (if any):</p> <p>Improvements for Next Year: Improve the quality of care to all.</p>
BASIC SERVICES	<p>IDP Goal/Objective: To improve accessibility to health care</p> <p>Actual Performance Achieved 2007/2008: Central City Clinic has extended thier hours of opening and now opens at 0630 Hours.</p> <p>Variance between Planned & Actual Performance (if any):</p> <p>Improvements for Next Year: Open Zwartkop Road Clinic five days a week. Presently residents in Prestbury have a clinic for 4 hours a week</p>



5.6 INFRASTRUCTURE SERVICES

5.6.1 Sub Function: Bulk Water Management, Water Supply and Reticulation, Water Drainage

OVERVIEW:

The Water Services Delivery Unit is, in the main, responsible for the bulk water purchase, distribution, monitoring and control of water, as the Water Services Authority. The Unit is also responsible for the provision of sanitation services and operating a small sewage treatment works.

DESCRIPTION OF THE ACTIVITY:

The water purchase and distribution functions of the municipality are administered as follows and include:

1. Management of the Water Services Authority (WSA) function; design, construction and maintenance of new reticulation mains, reservoirs and pump-stations.
2. The Bulk water function is administered through a Bulk Water Services Agreement with Umgeni Water for the provision of bulk treated water
3. In-house design, construction and maintenance of water distribution assets. Due to capacity constraints and the increased capital budget, the Sub-Unit does less than 20% of the design and construction in-house, and the rest is outsourced to competent service providers. In line with ASGISA desired outcomes, the Sub-Unit subcontracts most of its work to emerging contractors and engages local community for the provision of labour.

The services extend to include: the whole of the Msunduzi area including Vulindlela (excluding Maintenance and Operating costs until the "handover" of this area from Umgeni Water to the Msunduzi Municipality is complete).

THE STRATEGIC OBJECTIVES OF THIS FUNCTION ARE TO:

- To improve operational effectiveness;
- Improve cost recovery for Water;
- Ensure that water quality for all consumers meets and surpasses the minimum quality standards in SABS 240;
- Supply all households with a basic water supply and the poor with free basic supply in accordance with DWAF Strategic Guidelines;
- Reduce water losses;
- maintain the existing infrastructure;
- Ensure the provision of the water service is sustainable.

THE KEY ISSUES FOR 2008/09

- To effectively manage the Council's Free Basic Water Policy;
- To implement the asset management plan within the financial constraints
- To reduce water losses to a realistically acceptable level;
- To extend and upgrade the water supply reticulation;
- To provide opportunity for customers to step up the water ladder i.e. higher level of service.



DMM: Infrastructure, Services and Facilities
Philemon Mashoko



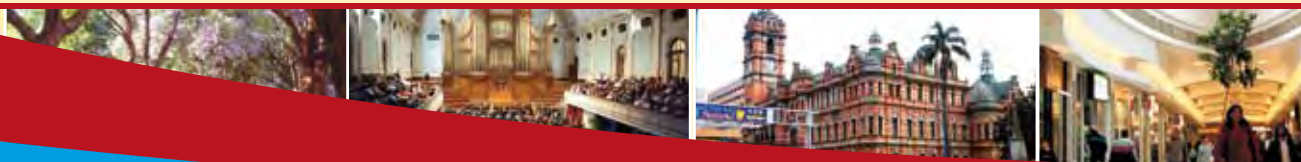
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ANALYSIS OF THE FUNCTION:

1. Number and cost to employer of all personnel associated with the water distribution function:		R (000s)
• Professional (Directors / Managers)	1	367
• Professional (Engineers/Consultants)	3	662
• Field (Supervisors/Foremen)	3	535
• Office (Clerical/Administration)	57	7,671
• Non-professional (blue collar, outside workforce)	6	731
• Temporary	117	7,679
• Contract		
TOTAL	187	17,645
2. Percentage of total water usage per month	VOLUME	%
Jul	4 460 372	8.05
Aug	4 261 774	7.69
Sep	4 681 991	8.45
Oct	3 889 089	7.02
Nov	4 389 346	7.92
Dec	4 818 133	8.69
Jan	4 655 983	8.40
Feb	4 772 794	8.61
Mar	4 510 408	8.14
Apr	4 857 205	8.76
May	4 943 579	8.92
Jun	5 185 570	9.36
Note: this will therefore highlight percentage of total water stock used per month	55 426 244	100.00
3. Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer	VOLUME	R (000s)
Msunduzi Municipality	55 426 244	172,564
4. Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		
domestic	10 033 096	89,596
rebate 24.08		
rebate 7.93		
flats/simplexes	1 990 799	16,763
out of borough	104	0.001
commercial	8 136 686	76,403
commercial non rebateable	15 716	182
builders	139 149	1,613
churches	162 470	1,493
clubs	199 356	2,311
dept	500 587	4,390
standpipes	611 863	



	VOLUME	R (000s)
standpipes(reversals)		
low cost housing	12 294 513	
low cost housing (reversal)		
domestic indigent	4 862 587	
rebate indigent		
domestic rebate indigent auto	369 132	
indigent		
rebate 6kl		
Total volume and receipts for bulk water sales in kilolitres and rand	39 316 058	192,751.001
5. Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		
Total year-to-date water losses in kilolitres and rand		
	10 413 860	32,423
6. Number of households with water service, and type of service:	TOTAL	
• Piped water inside dwelling	79 439	
• Piped water on community stand: distance < 200m from dwelling	11 195	
• Piped water on community stand: distance > 200m from dwelling	17 593	
• Spring	412	
1. Number of new connections:		
	356	
2. Number of disconnections and reconnections:		
	9 234	
3. Number of water projects planned and current:	TOTAL	R(000s)
• Current (financial year after year reported on)	16	21,000
• Planned (future years)	23	
4. Anticipated expansion of water service:	NUMBER	
• Piped water inside dwelling	550	
• Piped water on community stand: distance < 200m from dwelling	1 500	
• Piped water on community stand: distance > 200m from dwelling	1 500	
Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
5. Estimated backlog in number of water connections:		
• Piped water inside dwelling	28 788	
• Piped water on community stand: distance < 200m from dwelling	9 695	
• Piped water on community stand: distance > 200m from dwelling	16 093	
6. Free Basic Service Provision:		
• Quantity (number of households affected)	38 567	
• Quantum (value to each household)	4 602	
FBW is provided to any resident whose consumption is less than 6kl and is not registered as an indigent. If a consumer is not registered as an indigent, and consumers more than 6kl of water per month, no FBW is provided to that consumer. However, a registered indigent consumer enjoys a preferential rate for any consumption above 6kl.		



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7. Type and number of grants and subsidies received:		R (000s)
EQUITABLE SHARE	1	116 026
8. Total operating cost of water distribution function		268 527

PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target	Variance
BASIC SERVICES	IDP Goal/Objective: Water loss Reduction	19	12	+ 31%
	Actual Performance Achieved 2008/2009: +31%			
	Variance between Planned & Actual Performance (if any): 7%			
	Reason for Variance: Improvement is due to Asset renewal & Pressure reduction.			
	Improvements for Next Year: Water demand management project			
BASIC SERVICES	IDP Goal/Objective: Provide basic water supply	5	10	-5
	Actual Performance Achieved 2008/2009: 10			
	Variance between Planned & Actual Performance (if any): 5			
	Reason for Variance: Project delays			
	Improvements for Next Year: Project will be implemented using internal capacity and labour for the community as part EPWP.			
BASIC SERVICES	IDP Goal/Objective: Asset Renewal and Water loss reduction	5 504m	4 000m	+ 1 504
	Actual Performance Achieved 2008/2009: N/A			
	Variance between Planned & Actual Performance (if any): N/A			
	Reason for Variance: N/A			
	Improvements for Next Year: N/A			
BASIC SERVICES	IDP Goal/Objective: Complete WSDP and report to council	Under review		
	Actual Performance Achieved 2008/2009:			
	Variance between Planned & Actual Performance (if any):			
	Reason for Variance:			
	Improvements for Next Year: WSDP to adopt new DWA format			
BASIC SERVICES	IDP Goal/Objective: Replace and install new consumer meters.		1 000	
	Actual Performance Achieved 2007/2008:			
	Variance between Planned & Actual Performance (if any):			
	Reason for Variance:			
	Improvements for Next Year:			



5.6.2 Sub-Function: Roads & Transportation

OVERVIEW:

The Construction & Reconstruction Sub-Unit is responsible for the design and construction of the roads network, drainage and stormwater systems within the Msunduzi's area of jurisdiction. The Provincial Department of Transport and the uMgungundlovu District are responsible for the construction and maintenance of Provincial roads and District roads respectively.

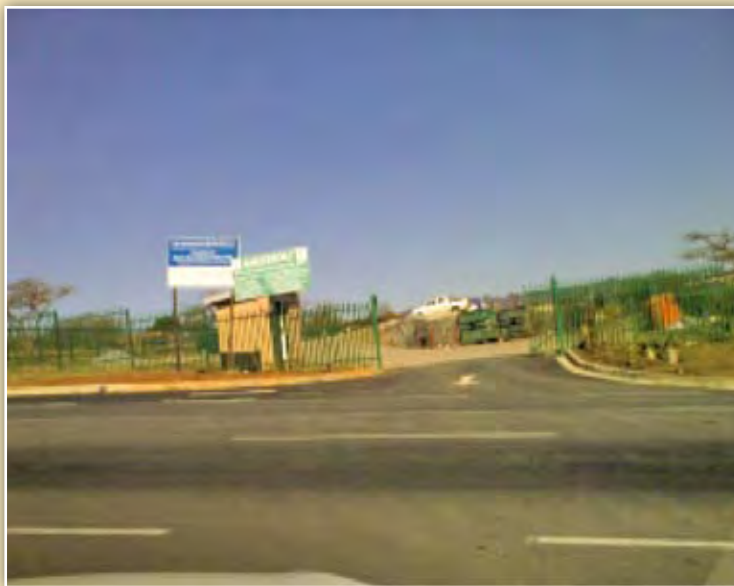
The Municipality adopted three minimum level standards of roads, ie. gravel roads, gravesealed / black base roads and asphalt surfaced roads. An analysis that was conducted has indicated that the backlogs in road maintenance are directly proportional to the standard level of the road with huge backlogs in Edendale and Vulindlela which are served by graded and gravel roads. The Municipality has consciously therefore adopted a strategic position that seeks to further reduce road maintenance backlog by upgrading the minimum level of service for any new roads from gravel to surfaced roads. In 2007/08 the new level of service adopted for the roads and approved by Council were as follows:

- Graded main arterial roads for informal settlements;
- Concrete lined drains and surfaced roads with adequate drainage provision for semi-urban and rural housing developments;
- Concrete lined drains and surfaced roads with adequate drainage for urban development.

There are still huge backlogs for construction of new roads and upgrading of gravel roads in Greater Edendale and Vulindlela. The Municipality's priority on roads rehabilitation and construction is dealing with backlogs in the previously disadvantaged areas and providing relatively reasonable funding for the maintenance of existing roads.

The previously disadvantaged areas of Greater Edendale and Vulindlela continue to lag behind in the construction of surfaced roads. The Municipality has recently completed the upgrading of fourteen roads in Vulindlela and Edendale at a total cost of R145, 95 m.

RITCHIE ROAD ACCESS TO REFUSE SITE



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MARTINS WAY-BEFORE UPGRADING



MACHIBISA/DAMBUZA ROADS (HARRY GWALA RD) - DURING UPGRADING



APPLICATION OF BLACK BASE IN POYINANDI ROAD – DURING UPGRADING



DESCRIPTION OF THE ACTIVITY:

The road maintenance programme for all areas within the jurisdiction boundary of Msunduzi Municipality, except Vulindlela, which is the responsibility of the KZN Department of Transport (KZN DoT), include the following activities:

1. Planned Maintenance [Operating Budget]:

- [a] Pothole Repairs & Crack Sealing - 6 construction units [7 employees per unit]
- [b] Verge Infrastructure Maintenance - 7 construction units [7 employees per unit]
- [c] Stream Overgrowth Clearing - There are 2 dedicated construction units [5 employees per unit]. These units react to situations where potential flood risk exist.
- [d] Catchpit Clearing - 6 construction units [7 employees per unit]
- [e] Railways - 1 construction unit [7 employees]. An annual contract is engaged to undertake specialized work like distressing of rails, replacing of sleepers & fasteners, removal of skid marks, repairing and greasing of joints and turn-outs and screening of ballast.
- [f] Road Weed Control Spraying - 2 units [3 employees per unit]. This function continues to be a grey area of function as it is perceived to be a Parks and Recreation expertise.
- [g] Gravel Road Maintenance - 3 construction units. Four local emerging contractors were engaged to assist in order expediting the maintenance of gravel roads in the Vulindlela area. They undertook gravelling of approximately 17,0 km of gravel road by shaping and placing a 100 mm of G5 type of material and compact the layer in place to a total cost of approximately R1,6 mill. A number of local jobs were also created during this process. This proved to be very successful that this Sub-Unit decided to formulate a annual supply contract for the purpose of maintenance of gravel roads. This will be a tool used to target and engage these emerging contractors for future work.

The road maintenance is undertaken internally by construction units created for this purpose. However, continued shortage of staff and high loss of staff through retirement and death, makes it difficult to maintain stable construction units which meet the Occupational Health and Safety requirements.



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The two units are engaged mainly in the central city and react where streams are affecting public amenities such as schools shopping centres, etc. In the previous financial year, community members were engaged to undertake this function in Edendale. However, this was discontinued in in this financial year because of some logistical challenges that were encountered. As a result, due to huge backlogs in road and stormwater maintenance, more reactive work has been carried out as opposed to the planned maintenance work.

The Municipality employed 140 temporal workers for fifteen working days to undertake cleaning of stormwater catchpits, channels and outlet structures. Over and above this, a total of 96 contractors were engaged under Zibambele (self-help) project. These workers were recruited from communities where this work was carried out. Also, a tractor unit was hired to assist in clearing of blocked stormwater pipes in the Greater Edendale, Central and Northern areas.

2. Pavement Management System [PMS] [Resurfacing] Capital

Specialist consultants were engaged to undertake a condition assessment of the whole road network of Msunduzi and develop an Asset Management Plan (AMP). The AMP was completed in 2008 and now serves as a guide for future road construction and maintenance.

Resurfacing of roads is a function that is outsourced to specialist contractors through annual supplies contracts. In 2008/9, the programme for resurfacing of roads, i.e. in the CBD area (e.g. a section of Langalibalele Road), in Northern area and in the Greater Edendale, was successfully completed to a total amount of approximately R5,2 mil. However, this amount is not near enough the required meaningful budget of R15,0 mil per annum, estimated to eradicate the backlog of asset renewal programme as per the abovementioned Asset Management Plan. It must be noted that without the abovementioned required annual budget, roads are going to continue to deteriorate rapidly.

The PMS covers all Pietermaritzburg suburbs, CBD and Greater Edendale. For Greater Edendale only roads that belong to the Municipality are part of the PMS programme. The Department of Transport [DoT] is responsible for all provincial and district roads that traverse the area.

3. Upgrading of Gravel Roads, Stormwater, Bridges & Rail Lines under the Capital Budget

The Municipality embarked on a gravel road upgrading [including bridges] programme especially in the previously under-developed areas of Greater Edendale and Vulindlela. Due to huge backlogs, communities are requested to prioritize upgrading of roads in their areas through their Councillors and Mayor's Izimbizo. The priorities are thereafter included in the IDP and then planning and design is done by the Roads Sub-Unit.

The Infrastructure Services and Facilities Business Unit adopted model of planning, design and tendering in the first year, and implementation in the subsequent years. This has worked in past financial years, although it has not yet been perfected.

In 2008/9 financial year, approximately twenty project were completed in that period by Construction and Reconstruction Sub-Unit. These projects included, inter alia, upgrading of seventeen gravel roads in Greater Edendale and Vulindlela areas; construction of kerbing, storm-water drainage channels and paving of sidewalks; and implementation of thirty five (35) approved traffic calming measures - see a comprehensive list of completed projects below. Construction of roads is undertaken by external contractors through Council approved procurement process with some outsourced and internal supervision.



4. Roads to serve New Developments [Capital]

To encourage and facilitate development, the Municipality has adopted a “user pays” principle which allows investors to go ahead with their developments provided they have adequate funding for infrastructure services. This means that investors pay for their investment initiatives and the Sub-Unit continues to facilitate and/or create an enabling environment for such initiatives to succeed. If the road being developed is a public road serving many other community services, the Municipality would contribute financially and/or by making available land for development.

Be that as it may, the Sub-Unit is embarking on road capacity expansion and new major road developments. A transportation plan has been developed to provide indicative road extension, expansion and new road requirement priorities. The Spatial Development Framework which is being developed is critical for providing an indicative future developmental scenario.

5. Planning Function

The planning activities include developing transportation plans, public transport plans, road safety plans, road infrastructure investment plans, design for road infrastructure and conducting feasibility studies for various options. The Sub-Unit makes it mandatory for all projects to comply with the provisions of the Environmental Management Act by conducting Environmental Impact Assessments when required to do so. These abovementioned five key activities extend to the “so-called” old Pietermaritzburg, Greater Edendale and Vulindlela. In terms of roads, Vulindlela also resides within the jurisdiction of provincial government which also plans and constructs roads. The Municipality liaises with the KZN Department of Transport [KZNDot] in addressing problems in Vulindlela in an integrated way.

The strategic objectives of this function are to:

The strategic objectives of this function is to ensure that the existing road networks within the Municipality’s area of jurisdiction are maintained at useable levels whilst simultaneously upgrading sub standard infrastructure and constructing new links to support new development.

The key activities for 2008/09 are:

- [a] Complete design of thirteen gravel road upgrades in Edendale, namely Shayamoya Road, Martins Way, Short Retreat and 9 Dambuza/Machibisa Roads;
- [b] Upgrading of roads to Level of Service 1 - constructed road layer works and asphalt surfacing in terms acceptable pavement design e.g. Cartalog Design Method, etc.
- [c] Upgrading of gravel road to Level of Service 2 - black base surfacing on various number of roads, namely Poyinandi Road in Snathingji, Mazambane Road in Caluza T/ship, Dambula Road in Harewood, and Waterworks Road in Smero.
- [d] Continue with programme of obtaining a solution to inadequate funding for roads;
- [e] Finalize the design of Chota Motala Road/N3 Interchange upgrading in conjunction with SANRAL;
- [f] Finalize Road Asset Management Plan; and
- [g] Improve road safety through implementation of interventions such as traffic calming measures, improve on signage, etc.

The key issues for the 2008/9 financial year were to complete thirteen designs, complete some twenty projects which included upgrading of various gravel roads, as follows:

- i) The completion of the designs, procurement procedures, and commencement with the construction of the following roads: Nine (9) Dambuza/Machibisa Roads, Shayamoya Road in eNhlazatshe, Martins Way in eSmero, Short Retreat Road in Emkondeni, Ritchie Road access to a Refuse site.



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ii) Completion of construction for the following projects:

1. Georgetown Township internal Roads - 2,0 km to a total amount of R6 663 671.
2. D1123 - 3,8 km in Vulindlela to a total amount of R8 647 383.
3. D1123 - 3,5 km in Vulindlela to a total amount of R5 815 892.
4. D1133 - 3,6 km in Vulindlela to a total amount of R8 456 989.
5. Unit TT internal roads - 3,0 km to a total amount of R9 804 072.
6. Bulwer Road - 2,0 km to a total amount of R6 154 804.
7. Unit RR internal roads - 3,2 km to a total amount of R8 958 925.
8. D1127 - 4,2 km in Vulindlela to a total amount of R30 198 936.
9. D2151 - 3,0 km in Vulindlela to a total amount of R13 673 539.
10. D1125 - 4,0 km in Vulindlela to a total amount of R12 283 553.
11. D1131 - 3,5 km in Vulindlela to a total amount of R18 910 678.
12. D1137 - 1,1 km in Vulindlela to a total amount of R4 888 096.
13. Unit P Internal Roads - 10,4 km to a total amount R8 600 000.
14. Upgrade Morcom Road to a black base surfacing - 0,7 km in Vulindlela to a total amount of R895 605.

iii) Upgrade the following roads:

1. Upgrade of 0,6 km gravel roads to double seal surfacing in Machibisa, to an amount of R405 015,
2. Upgrade 0,9 km of Unit T (T14, T15 & T16) to a total amount of R1 110 806
3. Upgrade of Gravel Roads Edendale, Moscow (Roads :B22, B26, and B27) Phase 2 - Construction of roads to black top surface to an amount of R 641 700.

iv) Other projects

1. Gravelling of Various Roads in Vulindlela approx. 17 km to a total amount of R1 600 000
2. New footpaths - Golf Road, Enoch Sontanga, Gorgia, Neptune/Suray, Olympia, Madurai, Ramatha, Grix, Chetty/Nolliah, Dheli, & Springvale Roads - total 2,75 km; and kerbing and channels in Steb-hisi Road, Mpumelelo Road 1 and Mpumelelo Road 2 to total 2,64 km to a total amount of R1 743 040.
3. Desilting of Sedimentation Basin to an amount of R5 420 000.

Analysis of the Function:

1. Number and cost to employer of all personnel associated with road maintenance and construction:	Number	R (000s)
Professional (Directors / Managers)	3	R1,176
Professional (Engineers / Consultants)	6	R1,836
Technicians (Chief, Principal, Senior & Tech)	13	R2,607
Field (Supervisors, Foremen & Supervisor)	67	R8,917
Office (Clerical / Administration)	16	R1,968
Non-Professional (Blue Collar, Outside Workforce)	217	R14,270
Temporary (140 SWD cleaning for 16 working days)	140	R179
Contract (96 Zibambele contract employees)	96	R496
Total	322	R31,449



2. Total number, kilometres and total value of road projects planned and current:	KM's	R (000s)
New bitumenised (Upgraded to asphalt surface)	49,5	R119,400
Graveseal / Black base	2,5	R2,500

3. Total kilometres and maintenance cost associated with existing roads provided	KM's	Total Budget 2007/8
Surfaced Roads [Planned Maintenance Operating]	1 238 km	R10,87 m
Gravel Roads [Planned Maintenance Operating]	425 km	R4,84 m

4. Average desirable frequency and cost of re-surfacing roads [PMS]	Total Budget per Annum
Surfaced [once every 10 years Capital Programme]	R15 m
Gravel [4 times/year Operating Programme incl. Vulindlela Area] Although Vulindlela roads are under the jurisdiction of the KZNDOT, the Municipality remains undated with requests from Councillors and other members of public for the maintenance of the roads in that area which this Sub-Units is undertaking at adhoc. There are no funds allocated for this purpose which means that already limited resources dedicated for Msunduzi roads are further curtailed in order to respond to some of these requests.	R10 m

5. Estimated upgrading backlogs showing kilometres/number and capital cost.	KM's	R (000s)
• Tar	44	R67,500
• Gravel	912	R1,740 000

6. Total operating cost of road construction and maintenance function	R43,84
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PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During 2006/07, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Sustainable Service Delivery	IDP Goal / Objectives: To provide an acceptable Planned Maintenance Programme for Roads & Stormwater		Completion of Planned Mtce Schedules
	Potholes Repairs & Crack Sealing	10%	
	Verge Infrastructure Maintenance (Mostly reactive maintenance)	8%	
	Stream Overgrowth Clearing (This function has be curtailed only reactive)	70%	
	Catchpit Clearing	40%	
	Railways	90%	
	Road Weed Control Spraying (Grey function area. Perception is that this function must be moved to Parks Section)	100%	
	Gravel Road Road Maintenance	100%	
	Reason for Variance: The Planned Maintenance in most areas do not meet the targets due to under funding at budget time and excessive reactive work. Continued staff losses and not replaced is adding to underperformance most certain areas. Gravel road maintenance improved in 2008/9 because local emerging contractors were engaged to to undertake this maintenance in Vulindlela area. However additional funding made available to clear overgrowth causing blockages, equated to a length of approx. 12 km of waterecaorse cleaning. Furthermore, the inlets & outlets, 88 bridges and culverts were also de-silted and cleared of overgrowth. A total number of 1000 catchpits & outlets and approx. 300m of channels were cleared in various Wards by 140 temporal employees for a period of 15 working days, in Greater Edendale.		
Improvements for Next Year: Plans to improve this situation relate to increased funding, outsourcing of some of the work, employ additional staff to improve service delivery and improved operational techniques.			
Sustainable Service Delivery	IDP Goal / Objective: To reduce the backlog in road upgrading by 100 km per annum.	49,5km	100km
	Reason for Variance: Project cycle of design and implement in one year is unrealistic. 2007/8 saw the introduction of a multi-year project cycle for planning, design and construction (i.e. two years). This financial year was dedicated to the completion of designs, procurement of contractors and commencement of construction in the last half of the financial which roll-over to 2008/9 financial year.		
	Improvements for Next Year: Adopt a 2 year project cycle, ie. designs in the first year, and construction in years 2 and 3 (i.e. for big and complecated projects), and seek further funding, eg. MIG.		



Key Performance Area	Performance During 2006/07, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Sustainable Service Delivery	<p>IDP Goal / Objective: Completion of the designs and commencement with construction of the thirteen gravel road upgrades projects and completion of further fifteen projects which had already completed designs, as follows: Design, internally, of 9 Machibisa/Dambuza Roads, Shayamoya Road, Martins Way, Ritchie access Road, & Short Retreat. Completion of D1123, D1132, D1133, D2151, D1127, D1137, D1131, D1125, Unit T [Phase 1], Moscow Road-Phase 2, Unit RR, Georgetown, Unit T (phase 2), Unit P and Bulwer roads.</p>	28	8
	<p>Reason for Variance: Out of a target of 8 roads to be upgraded, 28 projects were undertaken. The projects were slightly behind due in terms of completion. The adoption of the multi-year project cycle is improving service delivery in the Business Unit.</p>		
	<p>Improvements for Next Year: Continue with more road designs through utilisation of any funding that might be available.</p>		
	<p>Improvement for Next Year: Apply for MIG funding for all planned and designed road projects.</p>		
Sustainable Service Delivery	<p>IDP Goal / Objective: Construct 25 traffic calming measures in various wards</p>	35	25
	<p>Reason for Variance: Above target</p>		
	<p>Improvement for Next Year: Incorporate traffic calming measures for all new roads in the road construction contract. However, 35 calming measure were constructed in 2008/9.</p>		
Sustainable Service Delivery	<p>Access to basic services: Roadmarking and signage reinstatement is carried out each year, but inevitably it is not possible to adhere to the planned programme due to reactive work requested by Councillors and the public.</p>	± 70% of target	(as per annual programme)
Community Participation	<p>Customer and People Focus: Traffic calming sites are chosen in consultation with the public and Councillors. However, limited funding restricts amount that can be implemented. 45 calming measures were approved in 2008/9 FY</p>	45	24
Social & Economic Development & Growth	<p>Create job opportunities: Approximately 140 temporal workers were employed to undertake maintenance of stormwater kerb-inlet and channels. This Sub-Unit is planning to increase this number in future. In addition to this number, 96 Zibambele contract employees were engaged in 2008/9 FY. A total of 20 jobs were created under outsourced maintenance contracts. Jobs created by Capital Investment Projects are not included in herewith.</p>	256	-



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5.6.3 Sub-Function: ELECTRICITY DISTRIBUTION

OVERVIEW:

Msunduzi Electricity Unit is, in the main, responsible for the bulk electricity purchase, distribution, monitoring and control of electricity in the license area of supply.

DESCRIPTION OF THE ACTIVITY:

The electricity purchase and distribution functions of the municipality are administered as follows and include:

1. Management of the Electricity function including the design, construction and maintenance of new reticulation, electricity networks, substations, and streetlights.
2. The Bulk Electricity function is administered through a Bulk Electricity Purchase Agreement with Eskom for the provision of bulk electricity.
3. In-house design, construction and maintenance of electricity distribution assets. In line with ASGISA desired outcomes, the Sub-Unit subcontracts most of its work to emerging contractors and engages local community for the provision of labour.

THE STRATEGIC OBJECTIVES OF THIS FUNCTION ARE TO:

- To ensure accessibility and sustainability to basic levels of service by all residents in Pietermaritzburg in a fair and equitable manner.
- To ensure adequate maintenance of the infrastructure services provided by the Municipality.
- To facilitate economic development by providing appropriate, timely and adequate infrastructure services to all investors and residents within Pietermaritzburg.
- To ensure customer satisfaction through the provision of efficient and effective infrastructure services.

THE KEY ISSUES FOR 2007/2008 ARE:

- Electrification of formalised settlements and identified informal settlements;
- Refurbishment of Pine street Substation with New Switchgear and Transformers;
- Purchasing of new Transformers for Northdale substation;
- To reduce Electricity non Technical losses to a realistically acceptable level

THE KEY ISSUES FOR 2007/2008 ARE:

- Electrification of formalised settlements and identified informal settlements;
- Refurbishment of Pine street Substation with New Switchgear and Transformers;
- Purchasing of new Transformers for Northdale substation;
- To reduce Electricity non Technical losses to a realistically acceptable level



ANALYSIS OF THE FUNCTION:

1. Number and cost to employer of all personnel associated with the electricity distribution function:	NUMBER	R (000s)
• Professional (Directors / Managers)	2	845
• Professional (Engineers/Consultants)	1	257
• - Field (Supervisors/Foremen)	70	10,025
• Office (Clerical/Administration)	31	3,938
• Non-professional (blue collar, outside workforce)	132	7,963
• Technicians (all levels)	21	4,047
• Contract	0	0
2. Total quantity and cost of bulk electricity purchases in kilowatt hours and rand.	KwH	R (000s)
- Residential, Commercial, Industrial	1 679 141 913	420 119 222
3. Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:	KwH	R (000s)
• Household	434 354 734	187 536 030
• Mining, Industrial, Commercial	1 073 399 557	439 970 473
TOTAL	1 507 754 291	627 506 503
4. Total year-to-date electricity losses in kilowatt hours and rand	KwH	R (000s)
	171 387 622	
5. Number of households with electricity access, type, and cost of service:		
Detail	Total	Cost
• Electrified areas	74500	
• Municipal	16367	
• Eskom	65978	
• Non electrified - Gel	5000	1682707
6. Number and cost of new connections:	NUMBER	R (000s)
	1000	6,500
7. Number and total value of electrification projects planned and current:	NUMBER	R (000s)
• Current (financial year after year reported on)	2 500	13,300
• Planned (future years)	2 500	15,000
8. Anticipated expansion of electricity service:	NUMBER	R (000s)
	200	0,600



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9. Estimated backlog in number (and cost to provide) electricity connection:	NUMBER	R (000s)
	3 500	25,000
12. Number and total operating cost of streetlights servicing population:	NUMBER	R (000s)
	20836	3 409 977
13. Total number of kilowatt hours consumed by all street lighting for year	NUMBER	R (000s)
	10753112	R1 368 203

PERFORMANCE HIGHLIGHTS:

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance		
BASIC SERVICES	IDP Goal/Objective:		
	Actual Performance Achieved 2007/2008:		
	Variance between Planned & Actual Performance (if any):		
	Reason for Variance:		
	Improvements for Next Year:		
	Ward	Project	No. of connections
	20	smero	134
	15	fedsam	213
	20	harewood	150
	14	willowfountain	222
	5	emvundlweni	226
	3	mthoqotho	73
	4	kwashange	65
	16	KwaPata	139
	18	Unit BB	156
	11	snathing	248
	22	unit 3 (qokololo)	130
	20	caluza	79



5.6.3 SUB-FUNCTION: FLEET MANAGEMENT

OVERVIEW

Management and Maintenance of Council's Fleet of vehicles and heavy plant.

DESCRIPTION OF THE ACTIVITY

The Management and Maintenance responsibilities of City Fleet are administered as follows and include:

- 1) Fleet Administration;
- 2) Fleet Maintenance; and,
- 3) Fleet Control.

THE STRATEGIC OBJECTIVES OF THE FUNCTION ARE TO:

- 1) Assess the Fleet for optimum replacement;
- 2) Purchase correct replacement vehicles;
- 3) Economical Maintenance and repair of vehicles;
- 4) Sound Management and Control of vehicles; and,
- 5) Disposal of vehicles.

The key issues for 2008/2009 are:

- 1) Zero budget for vehicle replacements;
- 2) Average age of Fleet increased, thus maintenance costs have increased;
- 3) Lack of operational control of drivers is resulting in abuse and accelerated wear and tear of Council vehicles; and,
- 4) Vacancies hindering service delivery.

ANALYSIS OF THE FUNCTION

1. Number and cost to employer of all personnel associated with Fleet Management:	NUMBER	R (000s)
- Professional (Directors / Managers)	4	1459
- Professional (Engineers/Consultants)	0	0
- Field (Supervisors/Foremen)	4	968
- Office (Clerical/Administration)	13	1734
- Non-professional (blue collar, outside workforce)	106	14098
- Temporary	13	1248
- Contract	0	0

2. Total number and cost of active vehicle tracking units fitted :	NUMBER	R (000s)
- Active vehicle tracking units (number)	41	246

3. Estimated backlog in fitment of active tracking units:	NUMBER	R (000s)
- Active vehicle tracking units (number)	583	3 500



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4. Estimated backlog in replacement of vehicles:	NUMBER	R (000s)
- Critical Vehicles to be replaced in 2008/9	286	79 748

PERFORMANCE HIGHLIGHTS

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance
Municipal Institutional Development & Transformation	IDP Goal/Objective: Implementation of CAMIS
	Actual Performance Achieved 2008/2009: Computerised Management Information system has been installed at all satellite workshops, enabling up to date asset register and costs of each vehicle.
	Variance between Planned & Actual Performance (if any): On-going training is required to protect data integrity.
	Reason for Variance: Staff vacancies and acting.
	Improvements for Next Year: Vacancies to be filled & training.
Institutional Transformation	IDP Goal/Objective: Fleet Management Implementation Plan
	Actual Performance Achieved 2008/2009: Contact for a Section 78 assessment awarded.
	Variance between Planned & Actual Performance (if any): Not completed
	Reason for Variance: Budgetary constraints and Union intervention.
	Improvements for Next Year: Funds are available in 2009/10.



CHAPTER SIX: REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT

MIG PROGRAMME ANNUAL REPORT : 2008/09

Overall, the MIG programme spent R175,838,131 (99,09%) of its 2008/09 budget.

This included R73,879,970 (99.38%) of its MIG budget plus R101,958,161 (98.88%) of Council funding that was allocated to MIG projects.

1. At the beginning of the financial year, National Treasury expressed its intention to reallocate funds from 'non-spending' municipalities in November 2008 so the Msunduzi Municipality MIG programme was set up to spend its entire MIG allocation by the end of September 2008 and use the reallocated funds to replace a major portion of the Council funds allocated to MIG projects. This reallocation didn't happen. It was promised again in February 2009 by which time the Msunduzi Municipality was ready to receive and spend (before the end of the MIG financial year) ±R70,000,000. This also never happened. The failure to reallocate these funds was a major disappointment for the Msunduzi Municipality.
2. Once again, because of Eskom's policy of insisting on payment up front for projects it undertakes on behalf of the municipality in its area of supply, it proved impossible to get the Edendale and Vulindlela Street Lighting projects off the ground.
3. The roads programme was essentially completed by the end of the financial year so although it turned out to be very expensive for the municipality, the delivery of 14 surfaced roads projects was of great benefit to previously deprived communities.
4. The delivery of R56,063,497 worth of VIPs in Vulindlela represented significant progress towards eliminating basic sanitation backlogs in that area. This backlog should be completely eliminated during the 2010/11 financial year.

COUNCIL EXPENDITURE ON MIG PROJECTS : 2008/09

PROJECT	BUDGET	EXPENDITURE	VARIANCE
Rehabilitation of District Road 2151 (L1831)	3,499,092	3,499,090	-2
Unit RR	2,681,208	2,681,207	-1
Rehabilitation of District Road 1125 PH 2	6,883,890	6,883,890	0
Unit T	3,492,288	3,492,288	0
Georgetown	1,880,681	1,880,681	0
Machibisa Dambuza	4,800,000	4,653,664	-146,336
Bulwer - Azalea	228,263	228,262	-1
Rehabilitation of District Road D1127	14,402,521	14,340,242	-62,279
Rehabilitation of District Road D1131	11,390,322	11,240,750	-149,572
Rehabilitation of District Road D1137	352,583	350,113	-2,470
Shenston Roads & Water	1,974,850	1,974,849	-1
Taylor's Halt	319,594	319,593	-1
	-	0	0
Cnl Rehabilitation of Road D1123	2,385,225	2,110,572	-274,653
Cnl Rehabilitation of Road D1133	455,681	455,681	0
Cnl Rehabilitation of Road D1132	-	0	0



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COUNCIL EXPENDITURE ON MIG PROJECTS : 2008/09			
PROJECT	BUDGET	EXPENDITURE	VARIANCE
Cnl Unit P	4,793,170	4,792,245	-925
Cnl Sanitation Infrastructure Feasibility Study	21,000	21,000	0
Cnl Elimination of Conservancy Tanks	1,817,336	1,817,336	0
Cnl Rehabilitation of sewer infrastructure	1,203,397	1,050,570	-152,827
Cnl Vulindlela VIP Construction - Phase 2	35,504,095	35,441,968	-62,127
Cnl Edendale Proper New Mains & Reticulation	-	-	0
Cnl Edendale Proper New Mains & Reticulation	155,534	144,926	-10,608
Cnl Midblock Water & Sewer Eradictation	2,435,450	2,434,786	-664
Cnl Basic water Supply Edendale	1,041,116	778,561	-262,555
Cnl Sewer Unit H	400,000	391,404	-8,596
Cnl Sanitation Sewer Azalea	1,000,000	974,483	-25,517
Cnl Elimination of Water Tankers	0	0	0
			0
TOTALS	103,117,296	101,958,161	-1,159,135

MIG EXPENDITURE : 2008/09			
PROJECT	BUDGET	EXPENDITURE (MIG)	VARIANCE
Rehabilitation of Road D1123	3,000,000	3,000,000	0
Upgrade of Vukindela Road D1123 - 3.5km	19,050	19,050	0
Rehabilitation of Road D1133	2,940,254	2,940,254	0
Rehabilitation of Road D1132	1,403,468	1,396,217	(7,251)
Unit P	7,970,628	7,970,628	0
Sanitation Infrastructure Feasibility Study	0	-	0
Elimination of Conservancy Tanks	3,052,433	2,874,148	(178,285)
Rehabilitation of sewer infrastructure	960,000	957,254	(2,746)
Rehabilitation of sewer infrastructure	9,300	9,300	0
Vulindlela VIP Construction - Phase 2	20,609,735	20,609,735	0
Vulindlela VIP Construction - Phase 2	11,794	11,794	0
Edendale Proper New Mains & Reticulation	0	-	0
Edendale Proper New Mains & Reticulation	1,176,709	1,169,497	(7,212)
Edendale Proper New Mains & Reticulation	25,822	25,822	0
Midblock Water & Sewer Eradictation	2,293,393	2,263,235	(30,158)
Midblock Service Erad (Sob,Imbali,Ashdown)	2450	2,450	0
Basic water Supply Edendale	300,000	300,000	0
Basic water Supply Edendale	6,350	6,350	0
Taylors Halt MPCC	287,680	287,680	0
Mig Rehabilitation of Road D2151(L1831)	5,433,614	5,433,614	0



MIG EXPENDITURE : 2008/09			
PROJECT	BUDGET	EXPENDITURE (MIG)	VARIANCE
Mig Unit RR	3,150,290	3,150,290	0
Mig Rehabilitation of Road 1125 PH 2	1,677,054	1,468,009	(209,045)
Mig Unit T	2,682,269	2,682,269	0
Mig Georgetown	2,469,232	2,468,977	(255)
Mig Machibisa Dambuza	-	-	0
Mig Bulwer - Azalea	3,037,789	3,037,788	(1)
Mig Rehabilitation of District Road D1127	7,375,059	7,375,059	0
Mig Rehabilitation of District Road D1131	1,213,792	1,213,792	0
Mig Rehabilitation of District Road D1131	48,902	48,902	0
Mig Rehabilitation of District Road D1137	1,298,635	1,298,634	(1)
Mig Rehabilitation of District Road D1137	2,469	2,469	0
Mig Shenstone Ambleton Rds & Water	1,818,337	1,818,336	(1)
Mig Edn Street Lighting Ph3	0	-	0
Mig Vulindela Street Lighting Ph3	0	-	0
Mig Moses Mabhida MPCC	22,683	-	(22,683)
Mig KwamGwagwa Roads 1 & 2	11,277	9,879	(1,398)
Mig KwamGwagwa Roads 3	32,929	28,538	(4,391)
TOTALS	74,343,397	73,879,970	(463,427)



SAFE CITY ANNUAL REPORT FOR YEAR 2008/2009

PURPOSE OF REPORT

Quoting from MFMA Circular No.11, MFMA No 56 Of 2003, the following:

“Every municipality and municipal entity must prepare an annual report for each financial year in accordance with the Municipal Finance Management Act (MFMA) and, during the MFMA transitional period, the Division of Revenue Act and the Municipal System Act 2000.

“The purpose of the annual report is:

- To provide a report of the activities of the municipality or entity;
- To provide a report on performance in service delivery and budget implementation; and
- To promote accountability to the local community

CHAPTER 1: INTRODUCTION AND OVERVIEW

SAFE CITY CHAIRPERSON'S REPORT

Another successful year of containing crime in the Pietermaritzburg Central District; another year of co-operation with SAPS and the NPA and financial support from the PMB/Msunduzi Municipality as well as from Business, through Business Fighting Crime. As the grandfather and originator of the project, Des Winship, my predecessor and first Chairman said last year, and the years before that “the results reflect the contribution of Safe City's successful operation”. This really is a wonderful story and a tribute to his vision.

Our 70 cameras around the City and the monitoring control room manned 24/7 by the staff of IVision (our contracted partners) as well as SAPS is truly impressive. It is something of which the City and all of us should be proud and contribute to making us the City of Choice.

Business Fighting Crime, Pietermaritzburg is administered by the Pietermaritzburg Chamber of Business; both are not-for-profit registered organizations whose Boards of Directors are appointed to provide an honorary service to the community. Both organizations support the Safe City operation in many ways, both financial and advisory; Safe City Board members likewise act in an honorary capacity and have given many hours of service in the cause of reducing the incidence of crime in Pietermaritzburg.

We are, as the Chairman said last year, trying to maintain the latest technology, however this is proving more complex as our operating budget has again been restricted to the budget we were given more than two years ago. It is all very well to grant welcome capital expenditure requests for future development in Edendale or the Harry Gwala stadium (in prospect) or the Freedom Square taxi rank (which have been installed) but the screen coverage and manning of those screens cannot be overlooked. Restricting our monthly “grants” is now beginning to threaten our operating efficiency.

However, we are all extremely proud of our viewing successes – of our contribution towards the identification and arrest of suspects; and with our partnership between SAPS and the NPA of an improving conviction rate. We have impressed SAPS nationally with our coverage of major Trials and the City management with our coverage of the Municipal strike which led to the apprehension of some strikers. Our mobile camera has proved extremely useful in some previously “uncovered” areas and for marketing our operation at the Royal Show – so much so that we need to consider further mobile cameras for future high profile events or destinations where SAPS may be experiencing sudden spikes in criminal activities.



We are the first designated Municipal Entity of the Msunduzi Municipality, yet since our designation and our contract with the Municipality was signed we remain extremely concerned about the lack of representation of City Councillors or Senior officials on our Board. Although Mr Kenny Chetty, the Head of Municipal Security was nominated and welcomed to our Board we believe the nomination of at least one Councillor and a senior official from Treasury would improve communications and understanding between Council, the Municipality and our operations.

Another work-in-progress involves once a month meetings between SAPS and the NPA where the progress of our "Screen footage" from the camera room and the corresponding dockets from SAPS come together in Court "K" in the Magistrates Court, Business Fighting Crime supplied screens for the Prosecutor and Magistrate (as well as lawyers for the accused) to view footage of suspected criminal incidents; many successful prosecutions have occurred as a result. Our thanks to the Prosecutor and her Supervisor in Court K, as well as the SAPS representatives who have co-operated in this partnership to secure convictions. Our involvement with the NPA has also included participation in training of Prosecutors and encouraging a better understanding of how to utilise the camera footage.

My thanks to all my colleagues on our Board for their support and contributions but especially to my predecessor Des Winship "Oom Des", whose calm and practical background knowledge and advice has been invaluable as well as my compatriot Chairman of Business Fighting Crime, Dem Kambouris, whose support of this initiative and attention to detail has made my job so much easier.

Thank you also to Nutan Bhikha the CEO of Safe City, Lucas Holtzhausen, Jason Herbert and the staff of IVision, as well as the Project Manager, Pieter van Rensburg and the camera maintenance operator, Provicom and their local maintenance staff member Riaan Holtzhausen who have worked so effectively to keep the "Eye of the Elephant" alert and effective at all times.

Finally I would like to thank all our sponsors and contributors who continue to make this operation a success; besides the Municipality whose support is so essential, I would like to acknowledge Hulamin, our lawyers Venn Nemeth and Hart, Auditors Deloitte and Touche, the Witness newspaper and all our other sponsors.

OVERVIEW OF ENTITY

MISSION AND VISION OF SAFE CITY

To prevent and detect crime in camera surveillance areas under the jurisdiction of the Msunduzi Municipality so as to encourage a crime free environment for the benefit of the Municipality's communities and to attract investors, promote development, job creation, tourism and to enhance the "City of Choice" status.

CAMERAS AS CRIME PREVENTION

Safe City is a Section 21 Company / Municipal Entity. Its main function is crime prevention. Presently it has 59 cameras in the Pietermaritzburg central business district and a movable camera that can be set up where crime is prevalent or during a mass gathering. Initially this was a Business Against Crime project covering 5 years from 2002, working in partnership with Msunduzi Municipality, SAPS, NPA and Chamber through BFC. In October 2009 ten more cameras were installed in the Freedom Taxi Rank by the Economic Development Department of Msunduzi Municipality. These cameras are also manned by our control centre, therefore totalling 70 cameras. These cameras are within the following areas:

- Alan Paton Drive (Durban Road) in Scottsville
- Northdale / Raisethorpe
- Edendale Hospital
- CBD bordered by Victoria and Prince Alfred streets and from East to West Streets



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COMMUNITY PARTICIPATION REPORTING CRIME VIA SMS

Two years ago, Safe City launched a Crime Reporting SMS number. Since the operation and SAPS presence in control centre is 24/7 and we wanted the communities participation in the combat of crime by reporting suspicious behaviour, drug dealings, loitering around ATM and banks, display of firearms, etc to the control centre where the Captain will respond and despatch a SAPS vehicle to the relevant area.

PERSONAL SAFETY WITH C-SAFE

This year at the Royal Show Safe City launched a personal safety panic alert cell phone system called C Safe accessible from a cell phone which enables a person to send out a silent message letting loved ones, Safe City and their security company know when he/she is in trouble and needs help. We have since then partnered with private security companies to assist Safe City with the response to this panic alert system.

CONTROL ROOM OPERATION: ISO ACCREDITATION

The control room operation is based on the Criminal Investigation Act and therefore all our policies and procedures adhere to this act. We have acquired an ISO International Accreditation of 9001:2008. This means that our operation is subjected to SABS evaluations during the year. Our operators also undergo performance appraisals a few times a year.

PARTNERSHIP WITH SAPS IN STRATEGIC OPERATIONS

In our daily operations we work with the SAPS to co-ordinate and help in their strategic operations in the city regarding taverns and their illegal operations, theft of motor vehicles, business burglaries, etc. Recently with the Mall attacks in Gauteng, we have met with all centre and security managers of CBD malls and have asked them to do a risk analysis and put a strategy in place if an attack should occur in their mall. Similarly we work with Cash Transit Companies during their operation in the CBD.

PARTNERSHIP WITH NPA FOR CONVICTIONS IN COURT

All the arrests captured on camera are recorded and this footage goes to court as evidence. This helps the prosecutor make a conviction and helps the magistrate in the decision of bail granting and what kind of sentence to be given according to the severity of the crime viewed from footage. At the beginning of this year it became necessary for Safe City to organise training workshops between SAPS, NPA, Legal Aid and Safe City operators to so that greater convictions are made in court. Prof. Mike Cowling facilitated two such workshops this year. Of the 103 criminal matters sent to court the following success was achieved:

- 40% guilty conviction
- 51% withdrawn by primarily complainants
- 3% Warrants of arrest issued
- 6% Pending.

EXPANSION INTO GREATER EDENDALE AREA

The Safe City project is now a centre of excellence and a model to be duplicated in other areas of the City of Choice. The Safe City operation is currently expanding into Edendale with the first capital budget of R 3,5 Million to install the infrastructure for this installation. This is a 4 year plan involving the installation of 15 cameras.



CHAPTER 2: PERFORMANCE HIGHLIGHTS

CONTROL CENTRE KEY PERFORMANCE INDICATORS

The success of the Safe City Project is dependant on many factors but the performance of the Control Centre on a 24hours / 7days surveillance operation is a vital component. The operation, which is ISO 9001 :2008 certified and SABS approved comprises the following features:

The crime statistics for Pietermaritzburg are submitted to the control room every morning by the SAPS which are then compared with our statistics and thereafter plotted on street maps. The purpose of plotting crime is to enable operators to be more crime prevention orientated. Every suspicious incident noted on camera is regarded as an "Incident detected". The police officer (present in the control room 24/7) will determine whether a SAPS vehicle needs to be despatched to the scene of the incident. The yearly target for SAPS dispatches is 90% of Incidents Detected. A record is maintained of vehicle despatches as compared with Incidents detected. An arrest is made when the suspect is apprehended. what does this mean?

Frequently the progress of a crime is fully observed and followed via the camera network. We have a recording capacity of 21 days after which footage is automatically over- written.

Table 1 shows the annual statistics of the Control Centre from July 2008 to June 2009. In the summary below we have highlighted the relevant Key Performance Indicators. Every year annual targets are set for the control centre using the achievements of the previous reporting periods camera by camera. This percentage is increased annually to ensure continuous improvement. Individual targets are thereafter set for operators on which they are appraised on quarterly basis. The summary of annual performance against KPI is as follows:

SUMMARY OF KEY PERFORMANCE INDICATORS

DESCRIPTION	TOTAL FOR YR	TARGET FOR YR	DIFFERENCE
1) No of "Incidents Detected"	2969	2370	599 (+25%)
2) SAPS despatch required	1588	2015	-427 (-21%)
3) Response by SAPS Unit	1515	2015	-500 (-25%)
4) Arrests Effectuated	188	324	-154 (-45%)
5) SAPS Response Time	5.3	3.25	-3.8 (-38%)
6) Camera down time in %	2.3	1	-1.3 (-130%)
7) Possible arrests (no case opened) – Graph A below	413	N-A	N/A

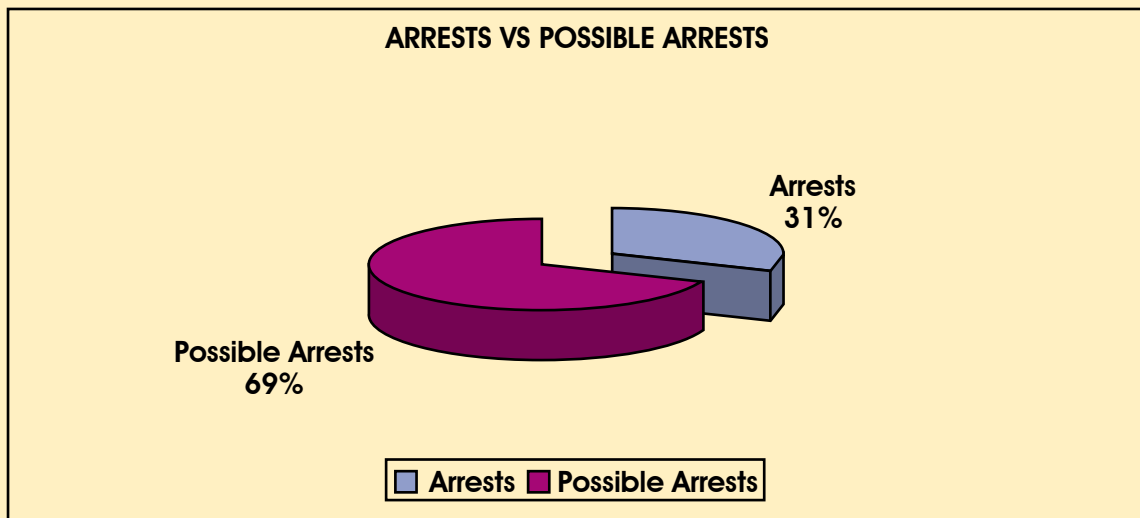
Of the incidents detected (1), we have found that we have exceeded our target by 599 incidents. This is due to the vigilance of our operators in the detection of suspicious behaviour. Although the target for despatches/ responses by SAPS have not been achieved SAPS dispatches (2) and (3) are also higher than they would otherwise have been. The control room also has direct communication with traffic, ambulance as well as the electricity and water departments so incidents of traffic violation, accidents or damage to Municipal property can be reported as well.

Arrests Effectuated (4) have declined by 154 mostly due to the fact that complainants are not interested in opening cases once their property has been recovered or in instances where crimes have occurred in the vicinity of a tavern complainants are in most cases under the influence of liquor and thus unable to proceed with a criminal proceedings. We also highlight 413 incidents where criminal cases could have been opened, but because of the factors mentioned the SAPS had to release the suspect/s. If we add these cases we would have exceeded our target for arrests by 259. This is again attributable to the vigilance of the operators.



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GRAPH A: POSSIBLE ARRESTS: NO CASES OPENED



Although our response time target (5) is 3.25 minutes, we only averaged 5.3 minutes. The average achieved however is across all crime categories A – C. The Police benchmark for Category A “serious crimes in progress” require a response time of 5 min, B crimes are serious crimes no longer in progress, with a response time of 15 min and C crimes are less serious crimes with a required response time of 25 minutes. The latter may not warrant a priority response by SAPS as compared with categories A and B. We are therefore achieving an excellent average but will continue to strive for better.

The camera downtime (6) is slightly over target largely due to delays in sourcing spares. During this financial year we received no capital budget, hence we could not refurbish the 15 cameras in Phase 1 which have now been operating for 6 years 24/7. This will be addressed in the new financial year as a capital budget has now been granted.

STATISTICS SHOWING DECREASE IN CRIME IN CBD

The following statistics reflect the percentage decrease in crime from 2002 (when Safe City commenced operations) to 2008. In view of the fact that crime was increasing by at least 10% year on year prior to 2002, these are a reflection of the success of the camera network.

Calendar Year: % DECREASE (-)

Type of Crime	2003	2004	2005	2006	2007	2008
Assault Common	-3.9	-25.5	-27.4	-11.7	-29.4	-49
Indecent Assault	-0.1	-10.6	-25.4	-30.1	-60.6	-60.4
Attempted Murder	-29.3	-27.6	-32.7	-18.9	-18.9	-31
House Robberies	-9.6	-35.8	-36.3	-22.7	-33.5	-39.2
Robbery In Transit	-35.7	-34	-43	-13.4	-48	-36.8
Robbery Common	-33.3	3.7	-22.2	-29.6	-55.5	-55.5
Total Contact Crimes	-3.7	-17.1	-23.3	27.3	-37.3	-39.2
Total Property Crimes	-20.8	-34.8	-41.8	-34.6	-46.1	-50.5



CHAPTER 3: HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

CONTROL ROOM OPERATION AND REPAIRS AND MAINTENANCE CONTRACTS

Safe City has outsourced both these functions. Tenders were put out at the beginning of the project and these functions have been performed by the same companies throughout the whole period in order that we could benefit from the experience and expertise of the successful contractors. Safe City however, is in the process of re structuring and taking on these operations in house effective March 2010.

Control Room Operation: Outsourced

The control room operation is 24/7 and is manned by the following staff on 3 shifts. All of them are registered with PSIRA (Private Security Industry Regulatory Authority). They contribute towards pension, but no medical aid is offered to the staff. The staff are graded D, C, B, and A according to the nature of the work which they perform. Although the staff should be paid according to PSIRA rates, presently they earn about 30% more than PSIRA rates.

The control room staff undergo training as to how to detect suspicious behaviour from individuals who are about to commit a crime.

The following categories of staff are in the control centre:

- General Manager: PSIRA GRADE A - who is present for 4 hours a day in the control centre
- Operational Manager: PSIRA GRADE B
- Operator Supervisors (3): PSIRA GRADE C
- Operators (18): PSIRA GRADE D
- Standby Operators (8): PSIRA GRADE D

Because the control room operation has acquired an ISO 9001: 2008 Accreditation, it is SABS evaluated a few time a year. Our operators are also given monthly targets and are subject to performance appraisals a few times a year.

Repairs and Maintenance: Outsourced

There are 2 technicians that are on site everyday to do all the repairs and maintenance for the 70 cameras. These staff are also PSIRA registered.

Expenditure on Contracts

Our monthly payments for the Control room staff consultancy are in accordance with the Government Gazette and we pay annual increments accordingly.

We pay a monthly maintenance fee of R 250 per camera (60 in total) in terms of our maintenance contract.

Expenditure on spares increased substantially this financial year in order to achieve minimum downtime.

ADMINISTRATION SALARIES

There have been 2 staff on Safe City payroll (the payroll preparation is also outsourced). Since the secretary resigned in April 2009, her position has not been filled due to the restrictions on the Safe City budget. Part of the CEO's package covers travel allowance and any pensionable benefit. The CEO has taken out her own private pension.



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CHAPTER 4: AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

SAFE CITY BUDGET AND OVER EXPENDTURE

Safe City was again allocated an operating budget of R 3 000,000 for the year (identical with the allocation for 2007). There was no capital budget.

Enclosed are extracts of the Audited Financial Statements, pages 7 (Statement of Financial Position as at 30 June 2009), 16 (Statement of Financial Performance for the year ended 30 June 2009) and 8 (Cash Flow Statement for the year ended 30 June 2009) Audited by Deloitte and Touche.

Over Expenditure on Repairs and Maintenance Account

The over expenditure on repairs and maintenance which amounted to R 554,088 (exclusive of vat) on Page 16 of the audited financial statement should be highlighted. In addition the Cash Flow Statement on Page 8 reflects a deficit of R 308,184. This is mainly due to spares required and repairs done to cameras because no capital refurbishment was provided. These 15 cameras have now been operating 24/7 from Jan 2003 when the first phase commenced. They now need to be refurbished urgently. Spares have to be imported from overseas and due to the exchange rate, the expenditure was greater than anticipated. All of these additional costs have been covered through our reserves which originally were intended to cover the committed costs attributable to the notice periods we agreed with our sub-contractors.

Savings on Admin Salaries Account

There has been a savings for 2 months on the secretary's salary for this financial year totalling R13 600.

CONCLUSION

Safe City is a centre of excellence as a CCTV surveillance system operation that has acquired an ISO International Accreditation 9001: 2008 with regard to the Criminal Procedure Act. It is in the process of now expanding into the greater Edendale area. We are in partnership with the Pietermaritzburg Central Police Station as we work together with SAPS in crime intelligence and strategic operations in the city. Our statistics show that we have brought crime down in the Pietermaritzburg central business district, making it a safer City of Choice.

REPORT SUBMITTED BY: CEO: Safe City (PMB) – Ms Nutan Bhikha



CITY OF CHOICE



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