CITY OF CHOICE

PIETERMARITZBURG
MSUNDUZI

INTEGRATED DEVELOPMENT PLAN DRAFT FOR 2018 - 2019

Well-run City | Live | Move | Work | Play

DEPUTY MAYOR
CLLR T ZUMA

MAYOR
CLLR T NJILO

SPEAKER
CLLR JJ NGUBO

VISION

"A safe, vibrant city in which to live, learn, raise a family, work, play and do business"

MISSION

"To ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community"

MAYOR
CLLR THEMBA NJILO

FOREWORD BY HIS WORSHIP THE MAYOR, CLLR THEMBA NJILO

The Honourable President of the republic announced that this is the centenary of Nelson Mandela and that the country shouldn't just honour the past but also build the future on the same values of Nelson Mandela. He stated that we are continuing the long walk he began, to build a society in which all may be free, in which all may be equal before the law and in which all may share in the wealth of our land and have a better life. The President stated that decisions have to be made to close our fiscal gap, stabilise our debt and restore our state-owned enterprises to health.

This is particularly relevant to Msunduzi as The 2016/17 financial year was a challenging one for the municipality. The municipality had to implement a new financial system (SAP) in the mist of legislative changes from the National Treasury with the introduction of MSCOA. This compounded the numerous challenges that are experienced by council such as the ever increasing debtors book, Ineffective credit control (to maximize collection), Poor expenditure management controls, Poor maintenance of municipal property and infrastructure, Misaligned organizational structure, Ineffective performance management (at all levels), High vacancy rate, Poor spending on capital grants & capital project management, Inefficient communication, Fraud and corruption, Ineffective internal controls & poor risk management.

Msunduzi, as a City, sits at a critical point of change. As the second largest metropolitan complex in the province, it's ever-present possibility of reaching Metropolitan Status and a shift toward City Development. The geographic location of Msunduzi municipality allows it the opportunity of becoming well connected in the global economy due to the access it has to the N3 highway leading to major harbours and airports. The surrounding municipalities and towns access various connectivity and growth opportunities through Msunduzi, across various sectors such as Tourism and Agriculture. As such it is essential for physical connectivity to be further improved to stimulate these economic linkages.

As a Municipality, we are noting with concern the outcome of the AG's report. The Municipality is still financial viable and is still in a position to meet all its financial obligations and service delivery imperatives as approved in the Integrated Development Plan. Msunduzi Municipality is the Capital city of Kwazulu-Natal and we owe to lead by example. We feel we have let our ratepayers down and as such, we can no longer continue with this blatant incompetence of our staff. The leadership of the municipality is taking full responsibility of the outcome and as a team; we will be addressing issues raised by the AG to restore the confidence of our ratepayers.

The Municipality has developed a Turn-around Strategy that will address the audit outcomes. As the Mayor, I will make certain that all systems, controls, and procedures are overhauled to ensure that the Municipality is operating optimally. To this end, the following measures have been developed for urgent implementation:

- **Internal Controls**

The Municipality has appointed an audit firm to assist in the implementation of the turnaround strategy and action plan.

- **Governance**

All governance structures, including the Internal Audit Unit, MPAC, and Full Council will be capacitated to ensure the development, monitoring of risk based analysis that will address the deficiencies in the system of internal controls, and we will be providing training to staff to capacitate them where it is necessary.

- **Filling of key and critical positions.**

There will be a major focus on the filling of key and critical positions.

- **Oversight**

Training our Councillors on issues of finances so that they can play an active oversight role.

- **Leadership**

Consequence management will be applied where necessary. The Leadership will be cracking the whip and showing no mercy in ensuring compliance.

We are appealing with the workforce and the community of Msunduzi Municipality to remain calm. The Municipality is still in capable hands to deliver on its mandate, and let us continue to work together in achieving our vision of a Safe and vibrant city, in which to live, learn, raise a family, work play and do business.

CITY MANAGER
MR SIZWE HADEBE

FOREWORD BY THE MUNICIPAL MANAGER: 2018/19 IDP

Having followed a very rigorous programme of consultation, both internally and externally, the 2018/2019 IDP review is one which the community, politicians and staff of the Municipality can take ownership of and work together in ensuring that the vision, objectives, strategies and plans are implemented to the best of our ability as we move forward to ensure that indeed the Msunduzi Municipality is the City of Choice – Second to None! Our city exists within a global context and is not immune to the social, economic and political pressures that are being experienced at a global, national and provincial level. The Honourable President of the Republic of South Africa in his State of the Nation address highlighted some of these challenges he stated "The state we are in as a nation is that while poverty declined significantly following the democratic breakthrough of 1994, we have seen reverses in recent years. Poverty levels rose in 2015, unemployment has gone up and inequality has persisted. For several years our economy has not grown at the pace needed to create enough jobs or lift our people out of poverty."

As a city we also grappling with these issues and we are implementing numerous projects and programmes in order to tackle these urban challenges. As a city our aim is to be a Safe, Vibrant City in which to live, learn, raise a family, work, play and do business. We are currently focusing our efforts in the City Centre to really stop and reverse the rapid urban decay that we are currently experiencing. A dedicated unit has been established to take care of the enforcement of by-laws, up keeping of street furniture, painting, up keeping of pavements and reporting illegal dumping in the City centre. There is already an ongoing process to engage business, civil society around the city centre with regards to the urban regeneration plan.

The City is and will continue to invest in integrated sustainable human settlements around the city centre through projects like the Jika Joe Mixed use development. The City is indeed taking further steps to reverse the legacy of apartheid spatial planning that still is so profoundly visible in our City. At a regional level the city is significate economic contributor people coming to the city from all the surrounding towns looking for a better life, being the capital of the province there is a significant number of people that work in the city. This of course presents a number of challenges as we have to service a very high number of people during business hours. Projects such as the Integrated Rapid Public Transport Network and the Edendale town centre will assist the city in dealing better with urbanisation pressures. The city has already began talks with the business sector in terms of how it can efficiently assist in expanding Industrial Development around the Mkhondeni area and also establishing an Agri-processing precinct, techno-hub around the Airport all this with the aim of creating much needed jobs within the City.

Of course for all our plans to Materialise we need to strengthen our governance systems and although our focus is to grow the city and create jobs for our people we will ensure that governance within the City Council is improved. Our turn-around strategy is based on four pillars;

1. Finance and Governance,
2. Service Delivery Model and Performance Management.
3. Organizational Reconfiguration and Capacity Building
4. Combating Fraud, Corruption and Misconduct

1. Finance and Governance,

- Conduct risk assessment
  - Strengthen internal controls
  - Strengthen records management
  - Review financial & administration delegations

- Budget adjustment
- Implementation of cost containment plan
- Review & implement revenue enhancement plan
- Alignment & implementation of audit plan
- Investment management
- Capex spending
- Cost reflective tariffs
- Expanding revenue sources by establishing new income streams

2. Service Delivery Model and Performance Management.

- Establish an organizational structure review plan that will assist in alignment of the organizational structure to deliver on obligations
- Regionalize services, e.g. establish & properly resource Sizakala Centres in all zones to enable easy and closer interaction, access and consumption of municipal services by community members
- Investigate or explore the possibility of decentralizing support functions
- Centralize and build capacity of the call centre to support the entire organization
- Revive and cascade performance management to lower levels
- Hold mangers accountable and responsible for performance of their business units
- Improve monitoring and evaluation capacity to assist in detecting challenges early
- Establish a plan to address service delivery failures such as lack of collection of solid waste in all areas

3. Organizational Reconfiguration and Capacity Building

- Instill a culture of good working ethics within the organization
- Internalise and institutionalize Batho Pele Principles and ensure they form cornerstone of service delivery
- Review Financial and Administration Delegations
- Review business processes & systems
  - Review all business process with the intention to eliminate duplication of functions.
  - Combine business units or departments where there is duplication of functions to save time and share resources.
  - Investigate productivity levels of current staff members, work being undertaken by two people may be easily undertaken by one person.
- Review policies and standard operating procedures
- Implement capacity building programmes to improve capacity and competency of municipal officials
- Capacitate supervisory staff with adequate skills to manage human and financial resources
- Build adequate and competent capacity within the municipality to implement capital projects
- Minimize use of consultants by building internal capacity, e.g. establish drawing offices for the developing engineering designs of services
- Attract skilled personnel especially professionally registered people such as Chartered Accountants and Built Environment Specialists
- Fast track the recruitment and selection processes
- Prioritize filling of vacant positions utilizing the allocative efficiency principles such enhancement of revenue, debt collection and service delivery.
- Overtime
- Encourage staff to take time off in lieu of overtime worked.
- All planned overtime for each business unit for the month must be submitted to Strategic Management Committee for consideration and must be properly quantified.
- Unplanned overtime must be reported to Strategic Management Committee monthly with reasons for working overtime.
- Emergency overtime to be considered by General Managers and closely scrutinized by Senior Managers.

4. Combating Fraud, Corruption and Misconduct

a) Review and implement the Fraud and Corruption Strategy
b) Establish a reporting process for all fraud and corruption cases under investigation
c) Revive Fraud and Corruption hotline
d) Segregate functions between forensic investigations, risk management and internal audit
e) Introduce vetting of staff holding critical positions and deal with sensitive information
f) Conduct lifestyle audit for all critical staff holding strategic and influential positions
g) Revive audit of all payments and year end payments
h) Expedite resolution and conclusion of fraud and corruption cases to act as a deterrent to other employees

10 POINT PLAN – PROJECT SIYAJIK'IZINTO

1) Audit action plan
2) Budget adjustment & management
3) Cost containment measures
4) Revenue management & enhancement
o Debtor management
o Meter replacement programme
5) Investment management
6) Alternate revenue sources
7) Capex spending
8) Management of entities
9) Call centre & records management
10) Filling of vacant positions

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List of Abbreviations:

COGTA	-	Department of Cooperative Governance and Traditional Affairs
IDP	-	Integrated Development Plan
SDBIP	-	Service delivery and Budget implementation Plan
IPMS	-	Individual Performance Management System
PMS	-	Performance Management System
DFA	-	Development Facilitation Act
NSDP	-	National Spatial Development Perspective
SPLUMA	-	Spatial Planning and Land Use Management Act (16 of 2013)
KZN PGDS	-	KwaZulu Natal Provincial Growth and Development Strategy
NDP	-	National Development Plan
PICC	-	Presidential Infrastructure Coordinating Committee
SIP	-	Strategic Integrated Project
MTREF	-	Medium Term Revenue and Expenditure Framework
SWOT	-	Strengths, Weaknesses, Opportunities and Threats
KZN	-	KwaZulu-Natal
MIF	-	Municipal Infrastructure Investment Framework
WSP	-	Work Place Skills Plan
IWP	-	Integrated Waste Management Plan
CITC	-	Comprehensive Integrated Transport Plan
RAMP	-	Road Asset Management Plan
IRPTN	-	Integrated Rapid Public Transport Network
LTFP	-	Long Term Financial Plan
SDF	-	Spacial Development Framework
CBP	-	Community Based Planning
ELRA	-	Edendale Private Land Owners and Rate Payers Association
LED	-	Local Economic Development
MISA	-	Municipal Infrastructure Support Agency
BTB	-	Back to Basics
IUDF	-	Integrated Urban Development Framework
SDG	-	Sustainable Development Goals

SECTION A-CHAPTER 1: EXECUTIVE SUMMARY

1.1 INTRODUCTION

Msunduzi, as a City, sits at a critical point of change. As the second largest metropolitan complex in the province, it's ever-present possibility of reaching Metropolitan Status and a shift toward City Development. The geographic location of Msunduzi municipality allows it the opportunity of becoming well connected in the global economy due to the access it has to the N3 highway leading to major harbours and airports. The surrounding municipalities and towns access various connectivity and growth opportunities through Msunduzi, across various sectors such as Tourism and Agriculture. As such it is essential for physical connectivity to be further improved to stimulate these economic linkages.

Msunduzi is located within the UMgungundlovu district it is boarded by Mkhabathini municipality on the northern boundary, Mkhambathini on the eastern boundary, Richmond municipality on the southern boundary and Impendle and Umgeni o the western boundaries. Msunduzi is the economic power house of the district and has a huge potential for agri-processing since the district is dominated by agriculture. The location along provincial and national routes also supports this proposal. The N3 also form part of Strategic Integrated Projects (SIPs) namely SIP2 (Durban Free State-Gauteng logistics Industrial Corridor. Portraying Pietermaritzburg as a strategic location in terms of infrastructure nationally amongst other major cities. The City of Pietermaritzburg forms part of Multi-Sectoral Nodes as identified by the PSEDS contributing to the province's economy as a major employer amongst eThekwini and Richards Bay. The area of Msunduzi possess high rates of migration as it comprises of pull factors such as employment opportunities, with many people migrating into the city at high rates from a daily basis at district context searching for better opportunities.

1.2 THE MUNICIPALITY AT A GLANCE

The following table summarises key municipal statistics.

TABLE 1: MUNICIPAL KEY STATISTICS 2017

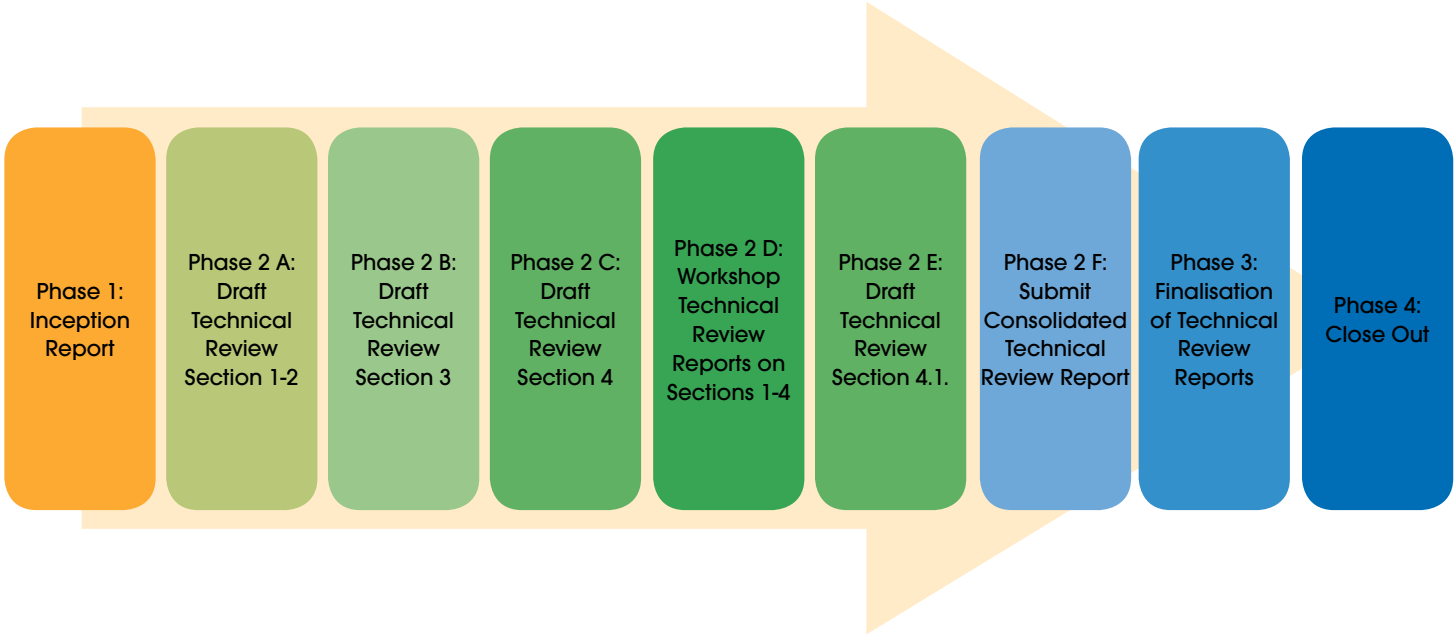
Category		2001	2011	Avg. Growth	2016
Demographic Profile	Population	552 801	618 536	1,1%	682 000
	Household	135 311	164 625	2,0%	181 584
	Average Household Size	4,1	3,8	-0,8%	4
	Household Density (hh/km2)	213	260	2,0%	286
Education Level	No Schooling	5,3%	2,7%	-5,1%	3,8%
	Primary School	10,6%	7,2%	-2,7%	11,3%
	Some Secondary	17,5%	16,6%	1,0%	31,2%
	Grade 12	12,1%	17,0%	5,0%	39.0%
	Higher	4,5%	6,4%	5,1%	14,7%
Age Profile	Youth	29,2%	26,6%	0,2%	25,4%
	Working Age	66,0%	68,4%	1,7%	69,5%
	Elderly	4,8%	5,0%	2,0%	5,1%
Employment Profile	Employed	51,8%	60,6%	2,7%	65,8%
	Unemployed	48,2%	39,4%	-3,8%	34,2%
Household Income Profile	No Income	21,1%	15,8%	-0,9%	12,1%
	Low Income	53,8%	44,2%	-0,8%	37,6%
	Low / Middle Income	19,2%	22,8%	3,8%	22,1%
	Middle / High Income	5,2%	14,7%	15,5%	23,7%
	High Income	0,7%	2,5%	13,5%	4,5%

Census (2001 & 2011), Community Survey (2016) and Urban-Econ (2017)

1.2.1 SPATIAL PLANNING

The Msunduzi Municipality has embraced the concept of a Hierarchy of Plans, which is illustrated below. A consolidated Spatial Development Framework (SDF) was developed in 2015 and adopted by Council. However a multi-disciplinary project team was appointed by the Msunduzi Municipality to review the current 2015 SDF pursuant to an evaluation of same carried out by the Kwa-Zulu Natal (KZN) Co-operative Governance and Traditional Affairs (COGTA). Such an evaluation, based on the pre-determined assessment criteria, revealed the areas where the current SDF required improvement and updating, in accordance with the recommendations provided by COGTA. In light of the Municipality intending to undertake a new SDF process, early in 2018.

The project approach/methodology responsible for bringing the SDF Review to fruition was established in conjunction with the Msunduzi Municipality and COGTA. The approach was based on adopted processes from COGTA and Rural Development SDF Guidelines whilst bearing in mind the inherent gaps within the current SDF. The approach may be diagrammatically represented as follows:



1.2.2 THE ENVIRONMENT

Pietermaritzburg is situated in the basin of the uMsunduzi River and its tributaries. An escarpment rises approximately 400m above the city to the West and North West. Altitude within the Municipality ranges from 495 to 1795 metres above sea level, and the Municipality generally slopes from west to east. The mountains around the city bowl create a distinction between the urban and rural parts of the Municipality. While this has provided opportunities to manage the urban/rural interface, it has limited the city's expansion potential, resulting in the formation of a number of small urban hubs outside the city.

Msunduzi has an extremely rich cultural, architectural, historical, and archaeological resource base, that collectively makes up the heritage resources of the area. A Cultural Heritage Specialist Study identified and mapped a total of 646 heritage resource points, and 32 heritage resource zones, within the Msunduzi Municipal area. These consisted of architectural resources, archaeological resources, as well as historical and cultural resources.

Maintaining a 'green' built environment is important for both the image of the city and the social and environmental health of residents. There is a need to focus on planting programmes in the CBD to replace storm-damaged and old/ dangerous trees with indigenous alternatives that are hardy and drought tolerant.

There is a need to focus strategies on climate change, paying particular attention to mitigation factors as well as looking at adaptation strategies. This will reduce communities' susceptibility to climate change.

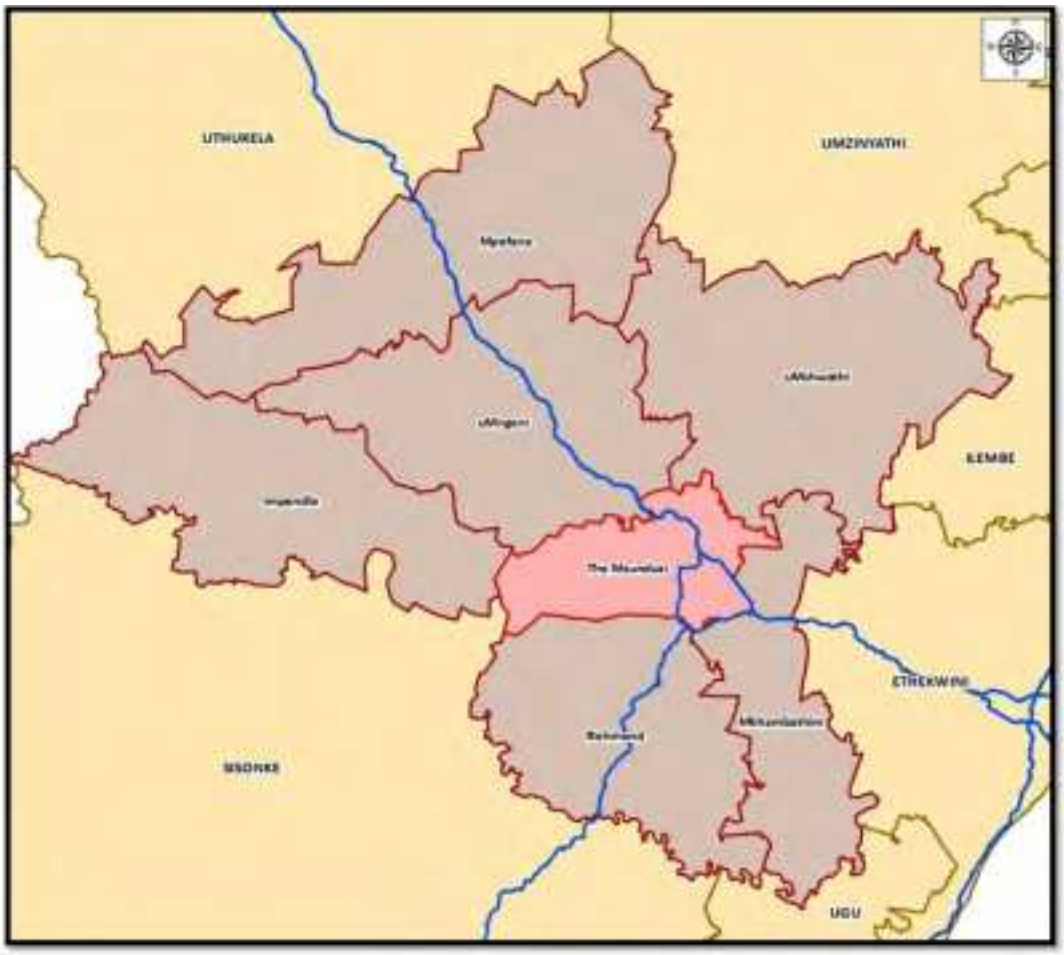
1.2.3 POPULATION

A review of the anticipated growth rates for the next 5 years, 2017 – 2021 is provided below. The basis of these projections is derived from the historical growth rates experienced in the municipality between the 2001 and 2011 Census, which is estimated to be approximately 1.1%. This is higher than both provincial and district average which have been below 1%. In calculating the growth rate, each wards rate of growth was calculated and applied over the period too and the summation of this is reflected in Table 8. An indication of the medium and high growth rate is also reflected below, but these scenarios are unlikely to be reached in the short term, given that the current growth rate continues to hold around 1%.

	ANTICIPATED GROWTH RATE 1.1%	MEDIUM GROWTH RATE 2.2%	HIGH GROWTH RATE 3.3%
2017	671,994	704,807	751,565
2018	679,582	720,313	776,367
2019	687,256	736,160	793,447
2020	695,017	752,355	810,903
2021	702,865	768,907	828,743

Urban-Econ Calculations 2017,derived on Census 2001 and 2011 baseline data.

MAP E.S.1: Locality Map



1.2.3.1 SPATIAL DISTRIBUTION OF POPULATION

This population growth is anticipated to be distributed throughout The Msunduzi, consideration of the rate of change of individual wards has been used to identify the changes across the four ABM areas of the Municipality . Greater Edendale and Imbali, while already very densely settled, will continue to attract new settlement as a result of the low barriers to entry for lower income households. Similarly, Vulindlela, is anticipated to experience higher growth as location preference for inward migration.

1.2.4 THE ECONOMY

The economic state of Msunduzi Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, uMgungundlovu District Municipality, KwaZulu-Natal Province and South Africa.

The Msunduzi Local Municipality does not function in isolation from uMgungundlovu, KwaZulu-Natal Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

GROSS DOMESTIC PRODUCT BY REGION (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

GROSS DOMESTIC PRODUCT (GDP) - MSUNDUZI, UMGUNGUNDLOVU, KWAZULU-NATAL AND NATIONAL TOTAL, 2006-2016 (R BILLIONS, CURRENT PRICES)

	Msunduzi	uMgungundlovu	KwaZulu Natal	National Total	Msunduzi as % of district municipality	Msunduzi as % of province	Msunduzi as % of national
2006	20.8	29.5	300.4	1,839.4	70.3%	6.9%	1.13%
2007	23.5	33.8	344.2	2,109.5	69.4%	6.8%	1.11%
2008	26.6	38.9	392.7	2,369.1	68.3%	6.8%	1.12%
2009	28.1	41.2	408.7	2,507.7	68.1%	6.9%	1.12%
2010	30.1	44.4	433.8	2,748.0	67.7%	6.9%	1.09%
2011	33.3	49.3	480.1	3,023.7	67.6%	6.9%	1.10%
2012	36.5	53.7	520.4	3,253.9	67.9%	7.0%	1.12%
2013	40.3	59.2	563.9	3,539.8	68.0%	7.1%	1.14%
2014	44.6	65.5	611.0	3,807.7	68.0%	7.3%	1.17%
2015	48.0	71.3	649.1	4,049.8	67.3%	7.4%	1.19%
2016	51.7	77.1	694.4	4,337.0	67.1%	7.4%	1.19%

Source: IHS Markit Regional eXplorer version 1070

With a GDP of R 51.7 billion in 2016 (up from R 20.8 billion in 2006), the Msunduzi Local Municipality contributed 67.08% to the uMgungundlovu District Municipality GDP of R 77.1 billion in 2016 increasing in the share of the uMgungundlovu from 70.25% in 2006. The Msunduzi Local Municipality contributes 7.45% to the GDP of KwaZulu-Natal Province and 1.19% the GDP of South Africa which had a total GDP of R 4.34 trillion in 2016 (as measured in nominal or current prices).It's contribution to the national economy stayed similar in importance from 2006 when it contributed 1.13% to South Africa.

GROSS DOMESTIC PRODUCT (GDP) - MSUNDUZI, UMGUNGUNDLOVU, KWAZULU-NATAL AND NATIONAL TOTAL, 2006-2016 (ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES)

	Msunduzi	uMgungundlovu	KwaZulu-Natal	National Total
2006	3.8%	5.1%	5.4%	5.3%
2007	5.4%	5.9%	6.1%	5.4%
2008	3.9%	5.4%	3.8%	3.2%
2009	-0.6%	-0.1%	-1.4%	-1.5%
2010	3.6%	4.6%	3.6%	3.0%
2011	3.3%	3.9%	3.7%	3.3%
2012	3.5%	3.6%	2.6%	2.2%
2013	4.6%	4.6%	2.5%	2.5%
2014	5.2%	5.3%	2.3%	1.7%
2015	1.9%	2.7%	0.8%	1.3%
2016	1.4%	1.2%	0.4%	0.3%
Average Annual growth				
2006 2016+	3.20%	3.70%	2.43%	2.12%

Source: IHS Markit Regional eXplorer version 1070

In 2016, the Msunduzi Local Municipality achieved an annual growth rate of 1.36% which is a significantly higher GDP growth than the KwaZulu-Natal Province's 0.44%, but is higher than that of South Africa, where the 2016 GDP growth rate was 0.28%. Similar to the short-term growth rate of 2016, the longer-term average growth rate for Msunduzi (3.20%) is also significantly higher than that of South Africa (2.12%). The economic growth in Msunduzi peaked in 2007 at 5.39%.

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

Definition: Total employment consists of two parts: employment in the formal sector, and employment in the informal sector

TABLE 1. TOTAL EMPLOYMENT - MSUNDUZI, UMGUNGUNDLOVU, KWAZULU-NATAL AND NATIONAL TOTAL, 2006-2016 (NUMBERS)

	Msunduzi	uMgungundlovu	KwaZulu-Natal	National Total
2006	167,000	259,000	2,290,000	13,000,000
2007	176,000	272,000	2,410,000	13,500,000
2008	187,000	287,000	2,530,000	14,100,000
2009	187,000	286,000	2,490,000	14,000,000
2010	181,000	276,000	2,400,000	13,600,000
2011	180,000	275,000	2,390,000	13,800,000
2012	184,000	279,000	2,420,000	14,000,000
2013	191,000	289,000	2,480,000	14,500,000
2014	203,000	306,000	2,560,000	15,100,000
2015	214,000	324,000	2,610,000	15,500,000
2016	215,000	327,000	2,620,000	15,700,000
Average Annual growth				
2006 2016	2.61%	2.38%	1.33%	1.87%

Source: IHS Markit Regional eXplorer version 1070

In 2016, Msunduzi employed 216 000 people which is 65.88% of the total employment in uMgungundlovu District Municipality (327 000), 8.23% of total employment in KwaZulu-Natal Province (2.62 million), and 1.38% of the total employment of 15.7 million in South Africa. Employment within Msunduzi increased annually at an average rate of 2.61% from 2006 to 2016. The Msunduzi Local Municipality average annual employment growth rate of 2.61% exceeds the average annual labour force growth rate of 1.47% resulting in unemployment decreasing from 30.70% in 2006 to 22.27% in 2016 in the local municipality.

TABLE 2. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MSUNDUZI AND THE REST OF UMGUNGUNDLOVU, 2016 (NUMBERS)

	Msunduzi	uMshwathi	uMngeni	Mpofana	Impendle	Mkham-bathini	Richmond	Total uMgun-gundlovu
Agriculture	7,860	6,420	4,080	2,410	458	1,610	3,340	26,175
Mining	341	227	45	42	11	13	10	688
Manufacturing	25,000	3,530	3,940	2,290	372	1,460	1,720	38,323
Electricity	1,110	84	130	33	8	44	58	1,464
Construction	15,100	2,290	2,920	1,410	433	1,050	2,310	25,504
Trade	45,100	4,460	7,100	1,980	626	2,340	2,880	64,482
Transport	10,800	1,270	1,480	764	161	683	854	16,050
Finance	26,800	1,750	3,730	618	419	1,280	1,310	35,935
Community services	62,500	4,300	9,140	2,150	1,050	2,630	3,000	84,743
Households	20,800	3,340	4,130	1,680	348	1,340	2,040	33,707
Total	**215,000**	**27,700**	**36,700**	**13,400**	**3,890**	**12,500**	**17,500**	**327,072**

Source: IHS Markit Regional eXplorer version 1070

Msunduzi Local Municipality employs a total number of 216 000 people within its local municipality. Msunduzi Local Municipality also employs the highest number of people within uMgungundlovu District Municipality. The local municipality that employs the lowest number of people relative to the other regions within uMgungundlovu District Municipality is Impendle local municipality with a total number of 3 890 employed people.

The number of formally employed people in Msunduzi Local Municipality counted 179 000 in 2016, which is about 82.97% of total employment, while the number of people employed in the informal sector counted 36 700 or 17.03% of the total employment. Informal employment in Msunduzi increased from 22 600 in 2006 to an estimated 36 700 in 2016.

UNEMPLOYMENT

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

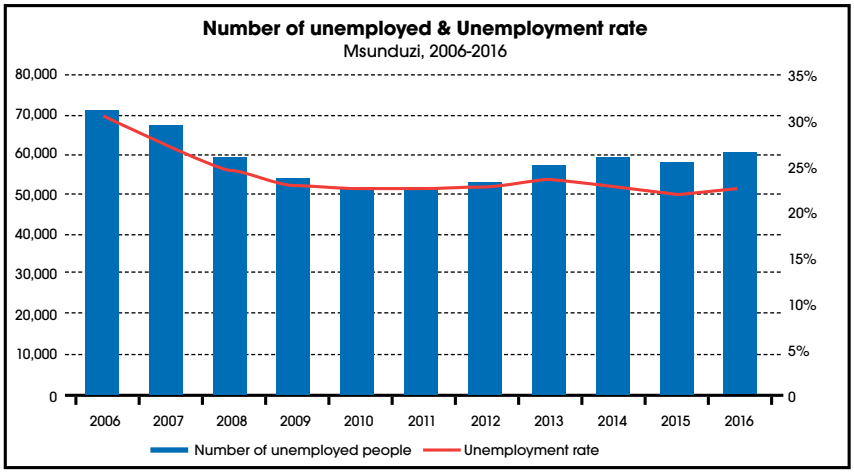
"Without work", i.e. not in paid employment or self-employment;

"Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and

"Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

In 2016, the unemployment rate in Msunduzi Local Municipality (based on the official definition of unemployment) was 22.27%, which is a decrease of -8.43 percentage points. The unemployment rate in Msunduzi Local Municipality is higher than that of uMgungundlovu. Comparing to the KwaZulu-Natal Province it can be seen that the unemployment rate for Msunduzi Local Municipality was lower than that of KwaZulu-Natal which was 22.61%. The unemployment rate for South Africa was 26.15% in 2016, which is a increase of -0.381 percentage points from 25.77% in 2006.

CHART 1. UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - MSUNDUZI LOCAL MUNICIPALITY, 2006-2016 (NUMBER PERCENTAGE)



Source: IHS Markit Regional eXplorer version 1070

When comparing unemployment rates among regions within uMgungundlovu District Municipality, Impendle local municipality has indicated the highest unemployment rate of 35.8%, which has decreased from 43.8% in 2006. It can be seen that the uMngeni local municipality had the lowest unemployment rate of 14.8% in 2016, this decreased from 20.8% in 2006.

Comparative Advantage and Economic Drivers in the Municipality;

- **Locational Advantages:** Locational Advantages: the centrality of the Municipality and the fact that the Municipality is bisected by the N3 corridor, which is the primary logistical corridor linking Gauteng with Durban Harbour;
- **Natural/ Geographic Advantages:** Highly fertile land;
- **Human Capital Advantages:** Good schools and tertiary institutions; and
- **Institutional Advantages:** Msunduzi enjoys 'Capital City' status.

1.2.5 INFRASTRUCTURE

The Community Survey (2016) indicates that houses receiving piped water inside their dwelling have increased to 75 853 in 2016.

Households with flush toilets connected to sewerage, however, have increased from 57% in 2011 to 60.6% in 2016. Census (2011) further indicates that only 2,4% (or 3409 881) households do not have access to any form of sanitation, and that 22.8% of households have pit latrines (both ventilated and unventilated). Peri-urban, which has decreased since 2011. A WSDP (Water Services Development Plan) has been adopted by the Municipality to address these challenges.

Households with electricity for cooking have also increased from 73.9% in 2011 to 82.7% in 2016. Refuse removal remains one of the important aspects of municipalities in dealing with dirty environments across communities. According to CS (2016) information, weekly refuse removal has declined from 62,1% in 2011 to 61,1% in 2016, however this could be associated with a growth in the number of households. In terms of CS (2016) information, weekly refuse removal has declined from 59.5% in 2001 to 53.2% in 2011, but this could be associated with a growth in the number of households.

In terms of indigent support, the following table summarises support residents can qualify for:

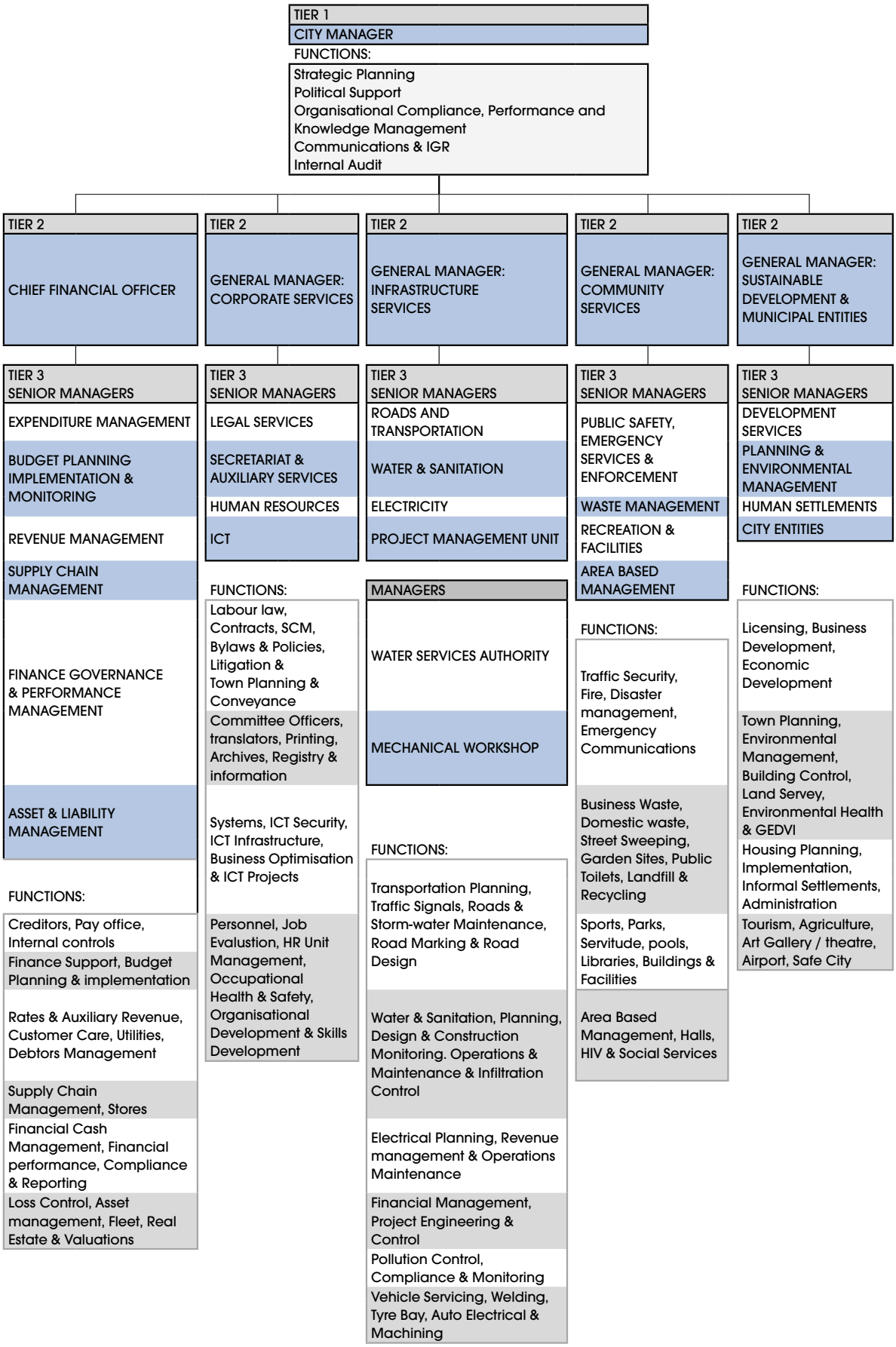
TABLE 2: INDIGENT SUPPORT IN THE MSUNDUZI MUNICIPALITY

CATEGORY	DESCRIPTION
Property Rates	Indigents qualify, like all domestic consumers, for a reduction in the market value of the property as approved from time to time by Council, and as reflected in the applicable tariff register. A rebate of 100% is granted on all residential property from a value of R15 001.00 to R100 000.00. If a property is worth more than R100 000.00 and residents approach Council for relief, a means test is applied.
Electricity	Indigents qualify for 70 kWh free electricity, as determined from time to time by Council and as reflected in the applicable Tariff Register.
Electricity MCB	Indigents qualify for free amperage as determined by Council from time to time and as reflected in the applicable Tariff Register, with a 20 Amp circuit breaker.
Water	Indigents qualify for 7kl of water per month, an amount determined from time to time by Council and as reflected in the applicable Tariff Register.
Refuse	Indigents qualify for free refuse removal as determined by Council from time to time, and as reflected in the applicable Tariff Register.
Sewerage	Indigent households qualify for 4.2 kl of free sewerage discharge as determined by Council from time to time and as reflected in the applicable Tariff Register.

1.3 THE NEW INSTITUTIONAL STRUCTURE

The following diagram summarises the new approved functional organogram of the Municipality:

FIGURE ES.4: Organogram of Top Management



1.4 THE IDP REVIEW PROCESS FOR THE DEVELOPMENT OF THE 2017/22 IDP

1.4.1 MEC ASSESSMENT OUTCOMES

The Msunduzi 2017/18 IDP was assessed by the MEC's panel in 2017. The Msunduzi Municipality IDP document received a rating of 63,17 percent in terms of the cooperative governance and traditional affairs rating for the 2017/2018 IDP review. There were significant challenges with regards to communication between the provincial government department and the municipality. The department had little to no consultation with the municipality in terms of requirements and capacity in terms of accurately responding to MEC comments. The assessment and information of some of the Key Performance Area were not properly conducted. The comments below are extracted from the MEC letter and have a progress to date with regards to updating these issues

TABLE 3: MEC ASSESSMENT OF THE 2016/17 MSUNDUZI IDP

No.	National KPA	MEC INPUT	PROGRESS TO DATE
1	**Municipal Transformation and Institutional Development**	• Municipality was urged to reflect goals of the Employment Equity Plan. • Inset a summary of the workplace skills plan and indicate the of the Human Resources Strategy • Develop and implement the ICT policy framework	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review.
2	**Local Economic Development**	• Include an informal economy policy and investment retention policy. • Incorporate a Municipal Safety Plan and comprehensive analysis of vulnerable groups.	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review.
3	**Basic Service Delivery**	• Link the WSDP with the Department of Water and Sanitation's website • Attach the annexure of WSDP • Update on the implementation of the IWMP • Update on the Comprehensive Integrated Transport Plan (CITP). • Review the Housing Sector Plan to ensure alignment with the KZN Master Spatial Plan (MSP).	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review.
4	**Financial Viability and Management**	• Municipality to provide the investment register and attach the indigent policy. • Information on debt management to be improved • Indicate information on supply chain management specifically irregular expenditure, deviations and the provision for the disabled to participate in tender processes.	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review
5	**Good Governance and Public Participation**	• Include the membership of the various Bid committees. • Include a comprehensive list of the adopted and promulgated by laws in your next IDP • Comprehensively incorporate Batho-pele processes in the IDP review	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review
6	**Cross Cutting**	• Include a long term spatial vision, development strategy and capital investment framework as well as a five year Capital Expenditure Framework.	Comments submitted to the relevant department and info to be included in the 2018/19 IDP review.

1.4.2 THE PROCESS PLAN

The Msunduzi Municipality prepared and adopted a Process Plan in terms of Section 28 (1) of the Municipal Systems Act (2000) which aligns the IDP, Performance Management System (PMS), and the budget preparation process. The process plan ensures alignment between the preparation processes for the budget, the IDP, and the Performance Management System (PMS). One of the main achievements of this reviewed IDP document is the greater alignment between the budget, the IDP, and the PMS.

1.4.3 PUBLIC PARTICIPATION

Various forms of public engagements have been held in this financial year to ensure public involvement in the development of the IDP. This process has further been bolstered by the District Municipality as well as the NGOs and private sector, notably the built environment support group that facilitated area based plans around the different wards. In terms of the Municipal Systems Act the plan is further advertised for public comment before the final submission in June this year.

1.4.4 SERVICE PROVIDER CONSULTATION

The Municipality has engagements with Sector Departments during the IDP Review, these meetings are planned to continue until the completion of the fourth generation IDP in June just before the submission of the IDP to the MEC for COGTA. Three IDP Representatives Forum have been held by the Msunduzi Local Municipality.

1.5 THE IDP STRATEGIC APPROACH

This review of the IDP sees a fundamental shift from the previous information- laden and cumbersomely formatted IDPs, to a more user-friendly and strategic document. The approach utilised is similar to that which has been used in developing the KwaZulu-Natal PGDS and PGDP, which is very strategic in nature. Detailed information is, however, available to users of this IDP, and key documents have been included as a series of accompanying Annexures.

The IDP strategies have been aligned to the following National, Provincial, and District Level initiatives:

(1) SUSTAINABLE DEVELOPMENT GOALS
(2) NATIONAL DEVELOPMENT PLAN (VISION 2030)
(3) INTEGRATED URBAN DEVELOPMENT FRAMEWORK
(4) GOVERNMENT OUTCOMES
(5) NATIONAL PRIORITIES (STATE OF THE NATION ADDRESS 2017)
(6) BACK TO BASICS
(7) PROVINCIAL PRIORITIES (STATE OF THE PROVINCE ADDRESS 2017)
(8) PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY
(9) PROVINCIAL GROWTH AND DEVELOPMENT PLAN
(10) DISTRICT GROWTH AND DEVELOPMENT PLAN

1.5.1 IDP KEY ISSUES

The following highlights the main KPAs:

- Basic Service Delivery
- Local Economic Development (Social Development Are To Be Included Here As A Sub-Heading As Per Cogta Guidelines)
- Municipal Transformation And Institutional Development
- Good Governance
- Financial Viability And Management
- Cross Cutting Interventions (Including Spatial And Environment As Per Cogta Guidelines)

1.5.2 TURN AROUND STRATEGY-COST CONTAINMENT

SUMMARY OF ORGANIZATIONAL CHALLENGES

For the 2016/17 financial year the municipality received an Adverse audit opinion (Disclaimer) there is currently compromised financial health of the municipality, Ever increasing debtors book, Ineffective credit control (to maximize collection), Poor expenditure management controls

Poor management of budget, Inaccurate and late billing, Poor asset management and control

Poor management and collection on housing rental stock, Poor maintenance of municipal property and infrastructure, Poor planning, Poor document management systems, Late submission of reports

Misaligned of internal audit plan, Misaligned organizational structure, Ineffective performance management (at all levels), High vacancy rate, Poor spending on capital grants & capital project management, Lack of properly qualified staff at key positions, Poor call centre and report back mechanisms, Inefficient communication, Fraud and corruption, Ineffective internal controls & poor risk management, Ineffective consequence management, In cases where consequence management has commenced, staff suspensions take too long to be finalized.

Aged and ageing infrastructure, Increasing electricity and water losses Inefficient oversight Poor leadership and management controls Poor work ethics amongst staff Lack of supervision Poor management of overtime Poor fleet management, Poor implementation and enforcement of bylaws and policies, Lack of regional and town planning, Filthy city, Lack of law enforcement and traffic control, Long lead times for processing and business licenses & opportunities

To counter all the challenges listed above the city is implementing a streamlined Turn-around strategy that will strength governance and ensure that we further are on the wright path. The strategy is based on the four pillars listed below supported by a 10 point action plan.

1. Finance and Governance,
2. Service Delivery Model and Performance Management.
3. Organizational Reconfiguration and Capacity Building
4. Combating Fraud, Corruption and Misconduct

1. Finance and Governance,

- Conduct risk assessment
  - Strengthen internal controls
  - Strengthen records management
  - Review financial & administration delegations
- Budget adjustment
- Implementation of cost containment plan
- Review & implement revenue enhancement plan
- Alignment & implementation of audit plan
- Investment management
- Capex spending
- Cost reflective tariffs
- Expanding revenue sources by establishing new income streams

2. Service delivery model and performance management.

- Establish an organizational structure review plan that will assist in alignment of the organizational structure to deliver on obligations
- Regionalize services, e.g. establish & properly resource Sizakala Centres in all zones to enable easy and closer interaction, access and consumption of municipal services by community members
- Investigate or explore the possibility of decentralizing support functions
- Centralize and build capacity of the call centre to support the entire organization
- Revive and cascade performance management to lower levels
- Hold mangers accountable and responsible for performance of their business units
- Improve monitoring and evaluation capacity to assist in detecting challenges early
- Establish a plan to address service delivery failures such as lack of collection of solid waste in all areas

3. Organizational Reconfiguration and Capacity Building

- Instill a culture of good working ethics within the organization
- Internalise and institutionalize Batho Pele Principles and ensure they form cornerstone of service delivery
- Review Financial and Administration Delegations

- Review business processes & systems
  - Review all business process with the intention to eliminate duplication of functions.
  - Combine business units or departments where there is duplication of functions to save time and share resources.
  - Investigate productivity levels of current staff members, work being undertaken by two people may be easily undertaken by one person.
- Review policies and standard operating procedures
- Implement capacity building programmes to improve capacity and competency of municipal officials
- Capacitate supervisory staff with adequate skills to manage human and financial resources
- Build adequate and competent capacity within the municipality to implement capital projects
- Minimize use of consultants by building internal capacity, e.g. establish drawing offices for the developing engineering designs of services
- Attract skilled personnel especially professionally registered people such as Chartered Accountants and Built Environment Specialists
- Fast track the recruitment and selection processes
- Prioritize filling of vacant positions utilizing the allocative efficiency principles such enhancement of revenue, debt collection and service delivery.
- Overtime
- Encourage staff to take time off in lieu of overtime worked.
- All planned overtime for each business unit for the month must be submitted to Strategic Management Committee for consideration and must be properly quantified.
- Unplanned overtime must be reported to Strategic Management Committee monthly with reasons for working overtime.
- Emergency overtime to be considered by General Managers and closely scrutinized by Senior Managers.

4. Combating Fraud, Corruption and Misconduct

a) Review and implement the Fraud and Corruption Strategy
b) Establish a reporting process for all fraud and corruption cases under investigation
c) Revive Fraud and Corruption hotline
d) Segregate functions between forensic investigations, risk management and internal audit
e) Introduce vetting of staff holding critical positions and deal with sensitive information
f) Conduct lifestyle audit for all critical staff holding strategic and influential positions
g) Revive audit of all payments and year end payments
h) Expedite resolution and conclusion of fraud and corruption cases to act as a deterrent to other employees

10 POINT PLAN – PROJECT SIYAJIK'IZINTO

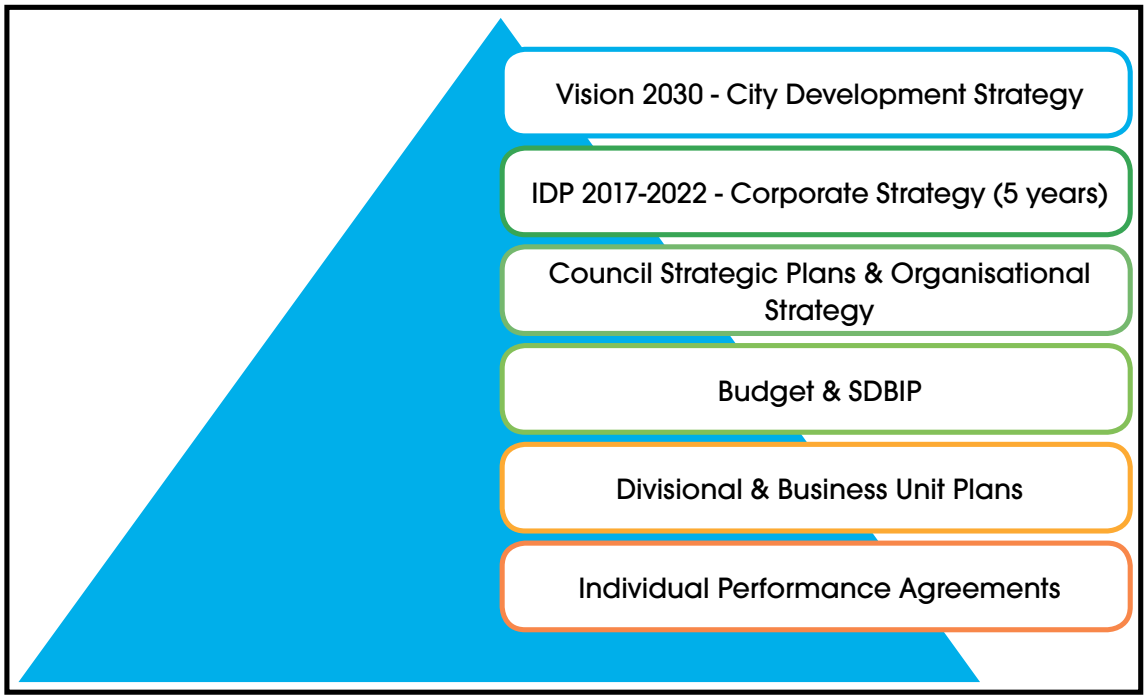
1) Audit action plan
2) Budget adjustment & management
3) Cost containment measures
4) Revenue management & enhancement
o Debtor management
o Meter replacement programme
5) Investment management
6) Alternate revenue sources
7) Capex spending
8) Management of entities
9) Call centre & records management
10) Filling of vacant positions

1.6 DEVELOPING A STRATEGY TOWARDS DEVELOPMENT

1.6.1 INTRODUCTION

The following diagram provides a summary of how the different plans in the Municipality align and inform each other. The over-arching and direction-giving document that informs all operations and expenditure by the Municipality is the City Development Strategy Vision 2030. This is briefly summarised below.

FIGURE ES.5: Corporate Strategy for the Msunduzi Municipality



1.6.2 VISION 2030: CITY DEVELOPMENT STRATEGY

VISION

"A safe, vibrant city in which to live, learn, raise a family, work, play and do business".

MISSION

"To ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community".

The Vision of the City of Choice, Second to None, is to develop a city where the entire citizenry can:

- Well-run City — Own a financially viable and well governed city
- Live — Live in peacefully
- Move — Move about freely and in a cost-effective manner
- Work — Work to earn a living, thereby reducing unemployment, poverty, and inequality
- Play — Play to lead a healthy lifestyle, thus increasing life expectancy

The Msunduzi Municipality shall deliver on six strategic city-wide outcomes to achieve this vision as follows:

To ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community

- A well-serviced city;
- An accessible, connected city;
- A clean, green city;
- A friendly, safe city; and
- An economically prosperous city.
- A financially viable and well-governed city.

In order to realise the Vision, the Municipality has prioritised thirteen objectives, clustered under each of these six broadly defined outcomes.

TABLE 4: SUMMARY OF STRATEGIC PRIORITY AREAS

STRATEGIC PRIORITY 1: WELL SERVICED CITY		
GOAL	**VALUE STATEMENT**	**2030 TARGET**
By 2030, Msunduzi is a city serviced with quality water and sanitation reticulation, uninterrupted, adequate energy supply, and regular waste removal - for ALL neighbourhoods, communities, and centres of business.	1.1 City-wide infrastructure and service delivery provides a reliable, high quality supply of water, sanitation, energy, and waste services - to all.	1.1.1 100% of all households have a municipal water connection to the yard level. 1.1.2 70% of all households have water-borne sanitation. 1.1.3 30% of all households have the basic minimum of Ventilated Improved Pit-latrines VIPs. 1.1.4 To Reduce Non-Revenue Water and Real Water Losses to 20% and 15% respectively. 1.1.5 To reduce the amount of water service interruptions from 1684 per annum (2011/2012) by 80% to 336 bursts per annum and respond to 100% of service interruptions within 8 hours. 1.1.6 To reduce sanitation service interruptions from 2499(2011-2012) per annum by 80% to 500 per annum and respond to 100% of sanitation blockages within 8 hours.
	1.2 City-wide energy infrastructure and service delivery provides a reliable, high quality supply of energy. Energy supply meets the anticipated increased demand for electricity specifically, including peak periods.	1.2. Disruption to energy supply is minimised to 6 hours in 100% of incidents. 1.2.2 Electricity supply keeps pace with expected growth of 4% per annum. 1.2.3 100% of households have basic electricity supply.
	1.3 Energy prices are affordable for residents.	1.3.1 100% of municipal households are fitted with solar water heating geysers.
	1.4 Use of renewable sources of energy is widespread.	1.4.1 100% of street lights and 100% of traffic signals in the CBD are powered by renewable energy.
	1.5 Energy production, capacity, storage, management, and distribution rapidly adapts to changing patterns of demand.	1.5.1 Demand management provides a 10% reduction in peak demand.
	1.6 City-wide infrastructure and service delivery provides reduced electricity losses.	1.6 Reduces electricity losses to below 5% of bulk supply purchases.
	1.7 Municipal-wide waste collection and disposal services to domestic households are available to all Msunduzi residents.	1.7.1 100% of households are rendered a waste collection and disposal service once a week.

STRATEGIC PRIORITY 1: WELL SERVICED CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city serviced with quality water and sanitation reticulation, uninterrupted, adequate energy supply, and regular waste removal - for ALL neighbourhoods, communities, and centres of business.	1.8 Appropriate waste collection and disposal services are provided to support business and industry. Commercial activity derives production inputs from recovered waste material.	1.8.1 100% of businesses are rendered a waste collection and disposal service at least twice a week.
	1.9 Implementation of Advanced Waste Management Systems that reflect community values around waste minimisation.	1.9.1 50% recovery rate of recyclable materials through source separation at households and public sector offices, and treatment of organic waste.
	1.10 Implementation of annual infrastructure upgrade of the waste disposal site.	1.10.1 Construct waste containment berms, access roads, rehabilitation of perimeter roads, fencing of perimeter of site, construct wet-weather facility, install stone drainage layers on site, clay-cap side slopes of berms.
	1.11 Recovery, re-use and recycling of waste is maximised. The volume of waste disposed to landfill is minimised. Life spans of landfill sites are extended.	1.11.1 25% of household and business waste is sorted on-site.
STRATEGIC PRIORITY 2: AN ACCESSIBLE AND CONNECTED CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city with sufficient and well-maintained road, rail, and other physical infrastructure serving all residents, whether they use public or private transport modes. It has layers of diverse transport networks interconnecting at centres and internal urban hubs. Human settlement initiatives reduce housing backlogs and eliminate spatial separation by racial categories. Telecommunications and information technology is universally accessible and reliable. Social infrastructure, focussed on educational, health and recreational facilities meets all communities' needs.	2.1 A diversity of private (cars, bikes, walking) and public (trains, buses, taxis) transport options, using a range of adequate physical infrastructure (roads, rail, and bikeways/walkways) is readily available to all residents.	2.1.1 Road and rail infrastructure backlogs are reduced such that 90% of communities have access to road and rail services. 2.1.2 100% compliant with Roads infrastructure management plan. 2.1.3 90% of Msunduzi residents can get to work within 45 minutes. 2.1.4 Reliable Public transport services are available 24 hours per day, with accessibility every 15 minutes to key activity nodes. 2.1.5 90% of travel in morning peak periods comprise walking, cycling or energy efficient public transport.

STRATEGIC PRIORITY 2: AN ACCESSIBLE AND CONNECTED CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city with sufficient and well-maintained road, rail, and other physical infrastructure serving all residents, whether they use public or private transport modes. It has layers of diverse transport networks interconnecting at centres and internal urban hubs. Human settlement initiatives reduce housing backlogs and eliminate spatial separation by racial categories.	2.2 Housing backlogs are significantly reduced, with human settlement patterns reflecting inclusive demographics.	2.2.1 100% eradication of informal settlements. 2.2.2 Rural Residential housing infrastructure backlogs are reduced such that less than 10% of households remain without access to formal housing. 2.2.3 Zero tolerance for exclusions based on racial, ethnic, religious or other demographic characteristics, is reflected in 100% of new settlement patterns. 2.2.4 20% of each new mixed-use development consists of rental stock. 2.2.5 30% densification of urban space. 2.2.6 Council Rental Stock maintained on a regular and consistent basis to eliminate unsafe structures and to prevent deterioration of Council's assets. 2.2.7 Old Rental Stock to be reduced by transferring certain units to qualifying tenants. 2.2.8 Allocations of new houses in subsidised housing projects to be 100% compliant with DOHS policies by installation of Housing Needs Register and capture of names.
Telecommunications and information technology is universally accessible and reliable. Social infrastructure, focussed on educational, health and recreational facilities meets all communities' needs.	2.3 People connect virtually through high-speed information and communication technology. Reliable telecommunications networks provide access to learning and information opportunities in homes, schools, and workplaces. Business and industry embrace high-speed broadband networks to become more productive and innovative. Energy efficiency is promoted by telecommuting.	2.3.1 90% of households have access to telecommunications and high-speed broadband more cheaply and cost effectively. 2.3.2 100% of indigent households have free access to telecommunications and high-speed broadband. 2.3.3 100% of businesses, government departments, and schools have easy access to business-grade and bi–directional high-speed broadband. 2.3.4 Telecommuting reduces conventional energy usage by 20%.
	2.4 Social infrastructure supports healthy lifestyles, learning opportunities, and community unity and social cohesion. Health infrastructure is readily available and meets community needs. Major recreational infrastructure (e.g. sports stadia, cultural facilities, etc.) contribute to the city's economy by allowing for world-class events and tourism. Social infrastructure is delivered with regard to minimising impacts on the environment.	2.4.1 90% of communities have adequate social infrastructure within a 30 minute walk or ride. 2.4.2 100% of business centres are supported with appropriate community recreational and meeting facilities including health and educational facilities. 2.4.3 100% of social infrastructure delivery complies with national standards regarding minimal environmental impact.

STRATEGIC PRIORITY 3: A CLEAN, GREEN CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city protecting our natural environment, our native plants and animal habitats, limiting pollution, greening the city, and using our natural resources, such as water, wisely. The clean, green city harnesses our renewable energy supply, public open space creation project, and urban renewal and greening programme to these ends. Msunduzi conserves its natural assets while still meeting the demand for more housing, more roads and more services to accommodate our increasing population.	3.1 Msunduzi has widespread use for renewable energy supplies, including but not limited to: solar, wind, and hydro power. The city continually increases investment in delivering more sustainable energy technologies. Businesses use energy efficiently prioritising low carbon emission sources. Alternative energy sources are mainstreamed in new human settlement development for all communities and energy efficiency required in building plans.	3.1.1 30% of Msunduzi's electricity demand is met by renewable sources. 3.1.2 20% of liquid energy is derived from bio-fuel. 3.1.3 50% of new commercial or industrial development incorporates some form of renewable energy technology usage in its design and construction. 3.1.4 80% of new human settlement development incorporates some form of renewable energy technology usage in its design and construction. 3.1.5 100% of building plans approved have due consideration for energy efficiency.
	3.2 Communities benefit from a linked public open space network, providing for a range of sporting, cultural, and recreational uses.	3.2.1 100% of residents are within a 15 minute walking distance to facilities within the city's public, open, and green space network.
	3.3 Urban renewal and greening is recognised by communities and the business fraternity as contributing to environmental and ecological sustainability, as well as supporting future residential, commercial, and industrial development.	3.3.1 100% residential, commercial, and industrial precincts incorporate green spaces. 3.3.2 100% of roads in former black townships and major arterial roads in rural areas are tarred. 3.3.3 100% compliance with trading bylaws within the CBD. 3.3.4 100% compliance with environmental bylaws within the city environs.

STRATEGIC PRIORITY 4: A FRIENDLY, SAFE CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city with strong, welcoming, caring, and diverse communities, living in a variety of friendly, safe neighbourhoods.	4.1 The separate development of the past will be forgotten, as the city proactively promotes and practically engineers social cohesion across all its objectives, geographic spread, racial groupings, class identities, religious formations, and political affiliations.	4.1.1 Civic engagement increases so that 100% of residents, regardless of racial, class, religious, or political categories, can enjoy an active role in decisions that affect their city. 4.1.2 To ensure the effective management of land uses within the Msunduzi Municipality.
	4.2 People will enjoy working together and helping each other in local neighbourhoods and in the broader community. Msunduzi's friendly outdoor life is enlivened by an interesting range of local and regional celebrations.	
	4.3 Civil society organisations and community participation are critical elements of Msunduzi's safety and security strategies. Community policing forums are active in community safety centres established across the city.	4.3.1 80% of community police forums are accessible and accommodated in safety centres within a 30 minute walk or ride for all residents. 4.3.2 The entire Msunduzi Municipal area is monitored through CCTV camera system. 4.3.3 100% of the city-wide area is monitored by law enforcement officials (traffic wardens, traffic officers, security officers, city police, peace officers, and inspectors).
STRATEGIC PRIORITY 5: AN ECONOMICALLY PROSPEROUS CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, Msunduzi is a city with a flourishing business environment, with people exercising their entrepreneurship across the full spectrum of commercial, public, scientific, educational, and charitable enterprises.	5.1 The city absorbs young people into a job creation social compact between the council, private businesses, and the non-profit sector – with the support of institutions of learning.	5.1.1 Unemployment in the city is reduced to 15%.
	5.2 By 2030, Msunduzi will have a strong, diversified, and resilient economy, using its competitive advantages to deliver prosperity, high employment, and quality jobs for all the city's residents.	5.2.1 The Municipality has competitive business incentive packages to attract new businesses and drive expansion. 5.2.2 The Municipality attracts annual investment in excess of R 1 billion per annum, reducing unemployment by 5% per annum. 5.2.3 Municipality has 100% of skills required for the local economy. 5.2.4 Reduce the percentage of economically inactive youth to 5%.

STRATEGIC PRIORITY 6: A FINANCIALLY VIABLE AND WELL-GOVERNED CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
By 2030, the Msunduzi Municipality is a financially sound and well governed institution, delivering on its legislative mandates and offering residents of the Municipality value for their rates payments.	6.1 By 2030, Msunduzi will be financially sound through managing its finances efficiently, through effective and realistic budgeting to ensure synergy between the capital and operating budget, as well as through revenue enhancement.	6.1.1 Efficient Budget and Treasury. 6.1.2 Optimal Expenditure Management. 6.1.3 Improved Revenue Management. 6.1.4 Effective Supply Chain Management. 6.1.5 Optimal Financial Service. 6.1.6 Efficient collection of revenue through Municipal Property Rates.
	6.2 By 2030, Msunduzi will have a civil society that actively participates in, and contributes to, sound decision making, ensuring greater accountability of Councillors and Officials.	6.2.1 100% effective administration complying with its legal mandates. 6.2.2 Effective fleet management to ensure resource availability for service delivery. 6.2.3 To maximize the disaster resilience of Msunduzi through coordination of all pre-disaster risk reduction – as well as post disaster response activities within a framework of sustainable development.

TABLE 5: IDP KEY CHALLENGES AND CORRESPONDING STRATEGIC PROIRITIES

KPA	KEY CHALLENGES	STRATEGIES PRIORITIES
• Financial Viability And Management • Good Governance	Revenue protection and enhancement.	6. A Financially Viable and Well-Governed City
• Basic Service Delivery	Addressing service delivery challenges in terms of water, sanitation, and electricity.	1. A Well-Serviced City
	Integrated waste management and renewable energy.	1. A Well-Serviced City 3. A Clean, Green City
• Cross Cutting Interventions	Seamless movement of people, goods, and services in and around the city.	2. An Accessible and Connected City
	City connectivity.	2. An Accessible and Connected City
• Municipal Transformation And Institutional Development	Institutional and individual performance management framework.	6. A Financially Viable and Well-Governed City
	Institutional skills development and professionalization of the organisation.	6. A Financially Viable and Well-Governed City
	Improved capacity to spend on capital expenditure;	6. A Financially Viable and Well-Governed City
	Filling of strategic critical vacant posts.	6. A Financially Viable and Well-Governed City
• Local Economic Development	Economic growth leading to the creation of decent jobs.	5. An Economically Prosperous City

1.6.3 SPATIAL AND GEOGRAPHIC CONSIDERATIONS

The Msunduzi Municipality is developing a suite of plans to address Spatial Planning. A SDF was prepared in 2015 and a number of Area Based Management (ABM) areas identified. The Municipality embarked upon the preparation of two ABM plans during the 2013/14 financial year. The Municipality will do the remainder in future. The Municipality has adopted a Long Term Plan, which will provide the municipality with a long term spatial vision and framework. Progress is also being made with the roll-out of wall-to-wall schemes in terms of the Spatial Planning and Land Use Management Act (SPLUMA)

1.6.4 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

The SDBIP has been operational for several years. Previously through its implementation, the Auditor General noted the following concerns:

- The alignment between budget, the IDP, and the SDBIP has been problematic;
- Key performance indicators are not Specific, Measurable, Attainable, Realistic, and Time- based (SMART);
- The reported actual performance does not always match the targets set; and
- Inadequate evidence submitted by officials to justify reported performance.

Taking cognisance of the above, the Office of the Municipal Manager has embarked upon a project to ensure that the content of the SDBIP is 'SMART', and that better alignment exists between the IDP, Budget, and SDBIP. Major strides have been made towards improvement in this regard in 2014. With the approval of the Performance Management System (PMS) and the Individual Performance Management System (IPMS) policies, Council has embarked upon the process of cascading performance agreements from the Municipal Manager to the Process Manager level. With the signing of the performance agreement, it becomes mandatory to keep a Portfolio of Evidence, so as to enhance performance reporting at all levels.

1.6.5 MONITORING OF THE IDP THROUGH THE PERFORMANCE MANAGEMENT SYSTEM (PMS)

The Msunduzi Municipality has an approved Organizational Performance Management System (OPMS) Framework and Individual Performance Management System (IPMS) policy, which serve as the guideline documents for the implementation of the Performance Management System (PMS) within the Municipality. The implementation of performance management is guided by various legislative prescripts and requirements. The OPMS Framework is inclusive of the following interrelated processes:

(i) Planning;
(ii) Implementation;
(iii) Monitoring;
(iv) Evaluation.

The Msunduzi Municipality's PMS is the primary mechanism to monitor, review, and improve the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. In addition, the Municipality's PMS facilitates increased accountability, learning, improvement, as well as providing early warning signals to facilitate decision-making.

The PMS monitors actual performance against set targets and contractual obligations. Effective service delivery relies upon the IDP, efficient utilization of all resources and the PMS being closely integrated across all functions at an organizational and individual level. The most valuable reason for measuring performance is that what gets measured gets done.

Once performance planning and the IDP have been completed and departmental SDBIP' s are in place, they need to be implemented by executing the work in accordance with these plans. As the work is executed, it needs to be continuously monitored and periodically measured and reported on. Reporting requires that the Municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements, and analysis, and present this information in a simple and accessible format, relevant and useful to the specific target group, whilst meeting the legal prescripts for reporting.

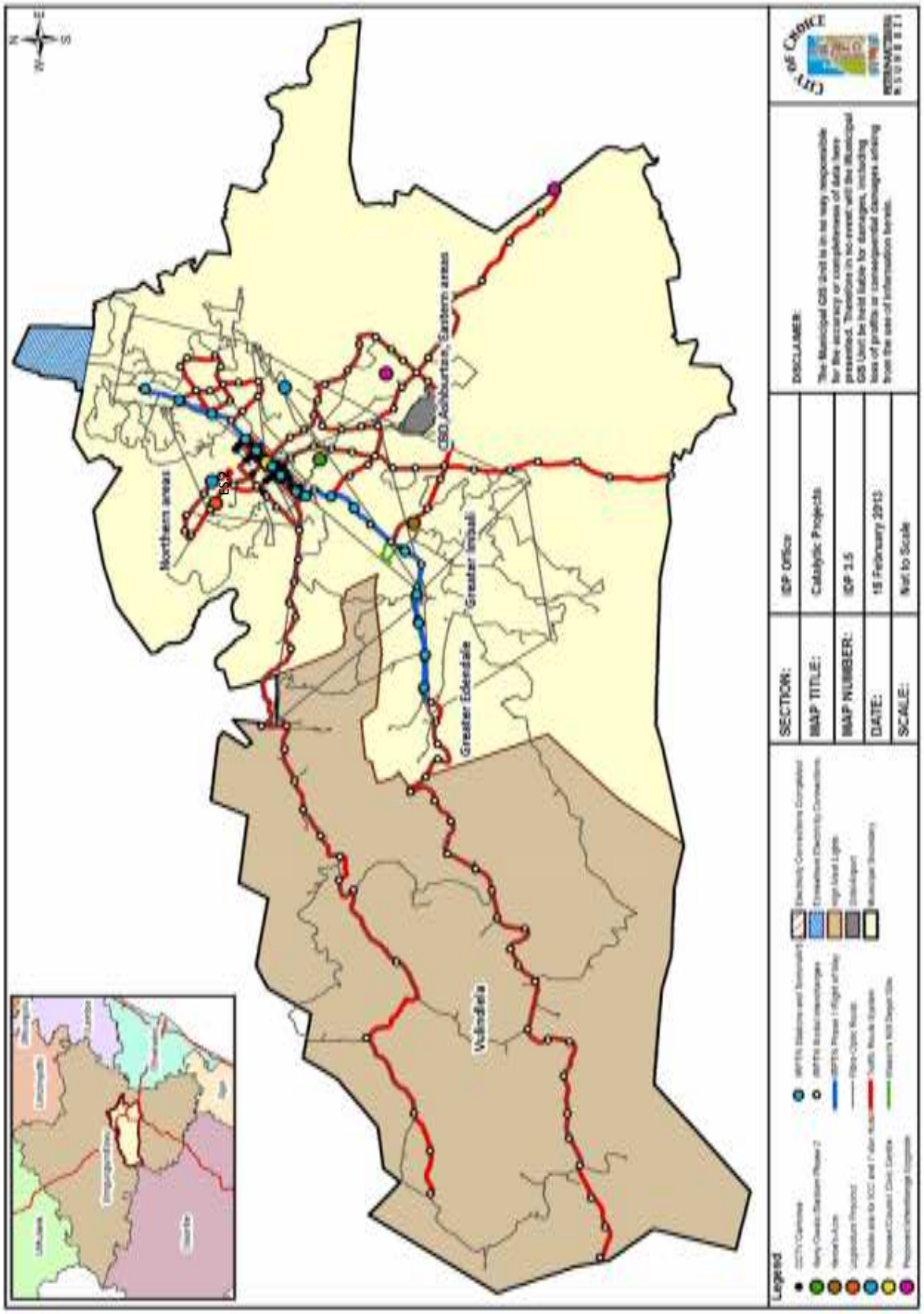
1.7 IMPLEMENTATION OF THE IDP

1.7.1 CATALYTIC PROJECTS

A catalyst is described as something that 'precipitates an event' or something that causes change. The Municipality has identified a number of projects that seek to stimulate change and development in the municipal area. The following catalytic projects are aimed at revitalising the economy and the growth trajectory of the Msunduzi Municipality. It must, however, be noted that some of these projects are being implemented by delivery agents other than the Municipality. In this regards, the Municipality will be playing a facilitation and enabling role.

TABLE 6: MSUNDUZI CATALYTIC PROJECTS

PROJECT	DESCRIPTION	EST. BUDGET
Legislative Precinct Development	This is a medium to long-term initiative which will see the development of a new legislative precinct that will better cater for the needs of the legislature and facilitate good governance.	R2 Billion
Pietermaritzburg Airport Upgrade	This is a short- term project that will see the extension of the existing runway, together with the terminal buildings. This will allow for larger aeroplanes to make use of the airport, thereby attracting additional operators and increasing the amount of feet through the airport.	R0.5 Billion
Harry Gwala Stadium Upgrade Phase 2	This is a medium to long-term project which will see the development of further stands at the stadium. Associated with this project, in the short to medium term, is the further development and upgrading of the Alexander Park Sports Precinct with additional parking.	R0.5 Billion
International Convention Centre and 5 star Hotel	This is a medium to long-term project that will see the development of an international calibre conference centre- which will allow the city to host international-standard conferences. In the short to medium-term, a 5 star hotel associated with this will be developed.	Private Investment
Council Civic Centre	This is a medium- term project and will see the further development of the Council Civic Centre to cater for additional needs and demands.	R1.2 Billion
Integrated Rapid Public Transport System	This project is a short to medium-term project which will see the roll-out of reliable and efficient public transport between key points in the city, thereby reducing resident's commuting times.	R3.2 Billion
Fibre Optic Cable Network	This is a short to medium-term project that will see the development of a leading-edge technology fibre optic telecommunications network leading to increased connectivity and usage, decreased costs, and stimulating growth and development.	R0.5 Billion
Electrical Infrastructure Upgrade	This is a short to medium-term project that will see the rehabilitation and upgrading of the Municipality's electrical infrastructure.	R0.9 Billion
City- wide CCTV System	Camera surveillance of areas within the Msunduzi Municipality so as to encourage a crime-free environment.	R0.5 Billion
Hero's Acre	This project was mentioned by the KZN Premier in the 2013 State of the Province address, and will be a museum commemorating the Heroes of the Struggle. It will include a wall commemorating the "Seven Days War" on the site where the remains of Moses Mabhida and Jonny Makhathini are buried. The proposed development will cover a developed area of at least 102,000 m^2.	R1 Billion
Freeway Node Development	This is a medium-term project that involves the upgrade of key freeway interchanges within the Municipality so as to ensure more efficient movement of traffic, as well as unlocking strategically located adjacent land for the development of commercial, residential, and associated activities.	R1 Bill
Non- Revenue Water Reduction Project	This is a medium to long-term project that will simultaneously increase revenue and reduce water losses. The reduction of water losses will ultimately reduce the demand on our source (dams), which will have a catalytic benefit to the catchment.	R0.5 Bill


Northern areas
ES2
CBD, Ashburton, Eastern areas
Greater Impoli
Greater Edendale
Vulindlela
Legend
SECTION:
IDP Office
MAP TITLE:
Catalytic Projects
MAP NUMBER:
IDP 2.5
DATE:
15 February 2013
SCALE:
Not to Scale
DISCLAIMER:
The Municipal GIS Unit is in no way responsible for the accuracy or completeness of data here presented. Therefore in no event will the Municipal GIS Unit be held liable for damages, including loss of profits or consequential damages arising from the use of information herein.
City of Choice

MAP **ES.2**

1.7.2 MUNICIPAL INFRASTRUCTURE INVESTMENT FRAMEWORK (MIF)

The following table summarises the municipal capital expenditure.

TABLE 7: CAPITAL PROJECTS FOR 2018/19

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
234,593	2014MIGFK225234593	Roads	23	I/504125.011		MIG - REHABILITATION OF ROADS IN ASHDOWN		1,432,592	1,504,222
225,875	2014MIGFK225225875	Roads	23	I/504125.035		MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2016/17) - 10km	4,264,373	8,200,000	4,000,000
223,708	2014MIGFK225223708	Roads	15	I/504125.012		MIG - REHABILITATION OF ROADS IN IMBALI UNIT 18	1,300,000	1,365,000	1,433,250
219,392	2014MIGFK225	Roads	20	I/504125.020		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS	1,300,000	1,365,000	1,433,250
216,726	2014MIGFK225216726	Roads	12	I/504125.013		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 12	1,300,000	1,365,000	1,433,250
232,137	2014MIGFK225232137	Roads	14	I/504125.037		MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS		3,000,000	
209,052	2014MIGFK225209052	Roads	16	I/504125.018		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16	1,000,000		

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
198,779	2014MIGFK225198779	Roads	12	I/504125.017		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD	4,000,000	4,200,000	
155,640	2014MIGFK225155640	Roads	18	I/504125.016		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design		800,000	
210,514	2014MIGFK225210514	Roads	17	I/504125.025		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)	900,000	945,000	992,250
223,671	2014MIGFK225223671	Roads	21	I/504125.014		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade - Ward 21		1,500,000	
219,868	2014MIGFK225219868	Roads	2	I/504125.026		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase3	4,000,000	9,043,413	
223,197	2014MIGFK225223197	Roads	11	I/504125.024		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds	2,000,000	2,100,000	2,205,000
223,358	2014MIGFK225223358	Roads	3	I/504125.028		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS	2,000,000	2,100,000	6,000,000

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
225,983	2014MIGFK225225983	Roads	20	I/504125.022		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA	2,400,000	2,520,000	6,000,000
223,638	2014MIGFK225223638	Roads	1	I/504125.027		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS	2,000,000	2,100,000	6,000,000
225,881	2014MIGFK225225881	Roads	4	I/504125.029		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS	2,000,000	2,100,000	2,205,000
		Roads	5			MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 5 ROADS	2,000,000	5,940,578	8,784,850
223,246	2014MIGFK225223246	Roads	6	I/504125.030		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS	2,000,000	2,100,000	2,205,000
223,371	2014MIGFK225223371	Roads	7	I/504125.031		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS	2,000,000	2,100,000	2,205,000
223,403	2014MIGFK225223403	Roads	8	I/504125.032		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc	2,000,000	2,100,000	2,205,000
223,464	2014MIGFK225223464	Roads	9	I/504125.033		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS	2,000,000	2,100,000	2,205,000

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
	2018MIGFK225285137	Roads	39			MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 39 ROADS	2,000,000	2,000,000	5,000,000
223,960	2014MIGFK225223960	Roads	12	I/504129.003		MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini	1,300,000	1,365,000	1,433,250
215,972	2014MIGFK225215972	Roads	33 ,35	I/504129.004		MIG - WOODHOUSE PEDESTRIAN BRIDGE	4,340,000	4,557,000	
230,771	2014MIGFK225230771	Roads	2	I/504129.002		MIG - MABANE BRIDGE PROJECT		5,000,000	2,094,750
220,145	2014MIGFK225220145	Roads	6, 7, 8, 39	I/504131.008		MIG - BUS STOP SHELTERS	1,200,000	1,260,000	1,323,000
		Roads	13	I/504131.005		MIG - NON MOTORISED TRANSPORT	2,000,000	2,100,000	2,205,000
210,403	2014MIGFK225210403	Water	10 to 37	I/504202.003		MIG - REHABILITATION OF SANITATION INFRASTRUCTURE	6,264,779	6,578,018	6,906,919
183,732	2014MIGFK225183732	Water	16	I/504202.006		MIG - SEWER PIPES UNIT H	12,800,000	10,810,000	11,450,500
230,655	2014MIGFK225230655	Water	10	I/504202.005		MIG - SEWER PIPES AZALEA - PHASE 2	12,500,000	9,500,250	11,125,263
145,366	2014MIGFK225145366	Water	12, 20, 21	I/504202.009		MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)	5,000,000	5,250,000	5,512,500
112,126	2014MIGFK225112126	Water	15, 19, 23, 35	I/504202.010		MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)	4,400,000	4,620,000	4,851,000

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
186,140	2014MIGFK225186140	Water	10.18	I/504202.007		MIG - SHENSTONE AMBLETON SANITATION SYSTEM	5,900,000	6,195,000	6,504,750
205,015	2014MIGFK225205015	Water	1 to 39	I/504787.008		MIG -REDUCTION OF NON REVENUE WATER	12,400,000	12,070,000	12,773,500
145,366	2014MIGFK225145366	Water	12, 20, 21	I/504787.005		MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER)	900,000	945,000	1,004,750
112,126	2014MIGFK225112126	Water	15, 19, 23, 35	I/504787.007		MIG - SERVICE MID-BLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)	4,400,000	4,620,000	6,000,000
196,632	2014MIGFK225196632	Water	29	I/504787.003		MIG - COPESVILLE RESERVOIR	11,813,408	10,600,000	4,000,000
220,227	2014MIGFK225220227	Electricity	3, 4, 5, 6, 7, 8, 9	I/504713.008		MIG - HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE	5,400,000	5,670,000	6,709,750
202,939	2014MIGFK225202939	Comm Services	35	I/404185.001		MIG - LANDFILL UPGRADE	2,000,000	2,166,403	4,000,000
		Comm Services	15			MIG - WARD 15 COMMUNITY HALL	8,000,000		
215,782	2014MIGFK225215782	Comm Services	38	I/403243.005		MIG - WARD 38 COMMUNITY HALL	1,900,000	1,995,000	2,094,750
176,820	2014MIGFK225176820	Comm Services	6	I/403243.002		MIG - KWAQANDA COMMUNITY HALL		3,000,000	5,500,000
248,001	2014MIGFK225248001	Comm Services	18	I/403243.006		MIG - Ward 18 COMMUNITY HALL	3,700,000		
232,919	2014MIGFK225232919	Comm Services	17	I/403243.004		MIG - UNIT BB COMMUNITY HALL	9,000,000		

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
		Comm Services	7			MIG - Ward 7 COMMUNITY HALL			9,000,000
		Comm Services	29			MIG - Ward 29 COMMUNITY HALL	300,000		5,110,250
		Comm Services	24			MIG - Ward 24 COMMUNITY HALL	2,000,000	4,000,000	
233,691	2014MIGFK225233691	Comm Services	8	I/404390.002		MIG - Ward 8 COMMUNITY HALL			9,000,000
215,373	2014MIGFK225215373	Comm Services	3	I/404431.004		MIG - SWEETWATERS DUAL PURPOSE SPORT CENTRE	4,000,000	4,200,000	
231,942	2014MIGFK225231942	Human Settlement	33	I/604560.002		MIG - JIKA JOE CRU	9,665,800	10,000,000	11,762,958
							171,648,360	176,978,254	186,173,961
129,190	2014MIGFK225129190	Sanitation	10, 12, 13, 15, 16, 17, 19, 21 and 37	O/504202.HAH.HO6	4110050000	MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY OPERATING	1,200,000	1,197,000	837,900
	2014MIGFK225	Sanitation	1 to 9	P/504202.001		MIG - BASIC SANITATION VIP TOILETS OPERATING	12,000,000	10,710,106	13,536,999
226,780	2014MIGFK2252	Sanitation	1 to 39			MIG - MASTER PLANNING SANITATION OPERATING	315,000	315,000	330,750
226,780	2014MIGFK2252	Water	1 to 39	P/504787.006		MIG - MASTER PLANNING WATER OPERATING	420,000	315,000	330,750
						MIG- PMU	7,732,640	7,900,640	7,900,640

MIG IMPLEMETATATION PLAN :DCOG FORMAT									
Municipality: Msunduzi LM									
MIS Form ID	Nat./ Prov Project Registration Number (as on the registration letter)	Project	Ward	WBS NUMBERS	GL NO	Project Title	MIG BUDGET 2018/2019	MIG BUDGET 2019/2020	MIG BUDGET 2020/2021
				A/504527.HZ4..A11	0006000000	MIG NEW MACHINERY & EQUIPMENT		100,000	25,000
							193,316,000	**197,516,000**	**209,136,000**

1.7.3 BUDGET ALLOCATIONS FOR THE 2018/19 FINANCIAL YEAR

The table below summarises the Msunduzi Municipal Budget.

TABLE 8: MSUNDUZI BUDGET 2018/19

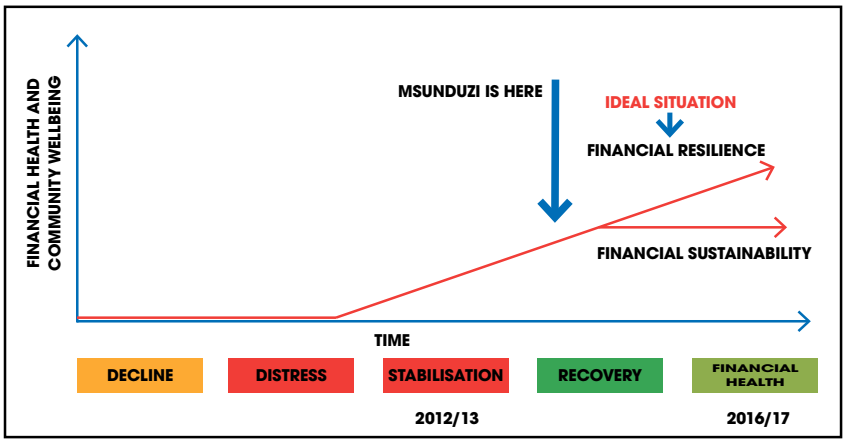
KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funded by:											
National Government		198,921	299,283	270,402	428,074	424,639	424,639	424,639	447,745	386,718	380,695
Provincial Government		47,262	57,176	28,696	19,899	34,735	34,735	34,735	8,867	5,467	5,467
District Municipality		–									
Other transfers and grants		–		4,386							
Transfers recognised - capital	4	246,183	356,459	303,484	447,973	459,374	459,374	459,374	456,612	392,185	386,162
Public contributions & donations	5	–									
Borrowing	6	–	100,000	62,181	158,268	158,268	158,268	158,268	38,800		
Internally generated funds		117,723	72,177	110,621	120,000	254,084	254,084	254,084	131,582	131,087	147,432
Total Capital Funding	**7**	363,906	528,636	476,286	726,241	871,726	871,726	871,726	626,994	523,272	533,593

1.8 KEY MUNICIPAL REPORTS

1.8.1 LONG-TERM FINANCIAL PLAN

The following diagram summarises the Long-Term Financial Plan for the Municipality. As can be seen, the Msunduzi Municipality is in the period of financial stabilisation and moving towards recovery.

FIGURE ES.6: Summary of the Long-term Financial Plan



1.8.2 ANNUAL REPORT

Every municipality and municipal entity must prepare an annual report for each financial year, in accordance with the Municipal Finance Management Act (MFMA). The purpose of the annual report is:

- To provide a record 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.

In the past, annual reports have often been used solely to promote the positive image of municipalities, with little focus on comparing actual with promised performance. The MFMA now requires the Municipality to report on all aspects of performance, providing a true, honest, and accurate account of the goals set by Council and the success or otherwise in achieving these goals. The annual report is a key performance report to the community and other stakeholders, and, once approved by the Council, must be placed on the municipal website, with copies sent to various authorities and made available to the wider community. The Msunduzi Municipality has prepared an Annual Report which complies with the MFMA requirements.

1.8.3 AUDITOR GENERAL'S REPORT

The report of the Auditor-General dated 19 December 2017 on the Audit of the Accounts of the Council for the financial year ended 30 June 2017, has been received. .

In terms of Section 21 (1) and (2) of the Public Audit Act, 2004 (Act No. 25 of 2004):

(1) The Auditor-General must submit an audit report in accordance with any legislation applicable to the auditee which is the subject of the audit.

(2) If there is no such legislation as contemplated in subsection (1) the Auditor-General must submit the audit report to the relevant legislature within the reasonable time. The Accounting Officer must ensure that the requirements of Section 126 (1) and (2) of the Municipal Finance Management Act, (Act 65 of 2003) are complied with. Section 121 prescribes that the Annual Report of a municipality must include among others the Auditor-General's Audit Report in terms of Section 126

(3) on the financial statements and particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraph (b) and (c) of Section 121. Comments and action on matters raised in the report are set out below with the numbering corresponding to the report of Auditor-General.

GENERAL RESPONSE

Report on the audit of the consolidated and separate financial statements

Disclaimer of opinion

1. The office of the Auditor General was engaged to audit the consolidated and separate financial statements of Msunduzi Municipality and its municipal entity, which comprises of the appropriation statement, the consolidated and separate statement of financial position as at 30 June 2017.

   It also comprised of the consolidated and separate statement of financial performance, statement of changes in net assets, consolidated and separate cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

2. The office of the Auditor General did not express an opinion on the consolidated and separate financial statements of the municipality and its municipal entity. Because of the significance of the matters described in the basis for disclaimer of opinion section of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.

   The Auditor-General has not expressed an opinion with the following basis for a disclaimer:

3. **Land and buildings - Restatement of corresponding amounts**

   The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for land and buildings included in property, plant and equipment in the consolidated and separate financial statements. As described in note 13 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, They were unable to determine whether any adjustment was necessary to the land and buildings stated at R1,47 billion in the consolidated and separate financial statements.

4. **Property. plant and equipment - Other assets**

   The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that management, had properly accounted for other assets included in property, plant and equipment, as they could not be verified. The office of the Auditor General was unable to confirm these assets by alternative means. Consequently, they were unable to determine whether any further adjustment relating to other assets stated at R408,74 million as disclosed in note 13 to the consolidated and separate financial statements were necessary.

5. **Investment property – Restatement of corresponding amounts**

   The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for Investment property in the consolidated and separate financial statements. As described in note 12 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, they were unable to determine whether any adjustment was necessary to the investment property stated at R720,22 million (2016: R591 ,24 million) in the consolidated and separate financial statements.

6. Revenue from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from exchange transactions by alternative means. Consequently, they were unable to determine whether any adjustments to revenue from exchange transactions stated at R2,73 billion disclosed in notes 28 -31 and 33 -35 to the consolidated and separate financial statements were necessary.

7. Revenue from non-exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from non exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from nonexchange transactions by alternative means. Consequently, They were unable to determine whether any adjustments to revenue from non-exchange transactions stated at R795,88 million disclosed in note 36 to the consolidated and separate financial statements were necessary.

8. Consumer debtors

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence as consumer debtors recorded in the consolidated and separate financial statements did not reconcile to the debtors age analysis. They were unable to confirm consumer debtors stated at R2,08 billion in note 4 to the consolidated and separate financial statements by alternative means as it was impracticable to do so. Additionally, there was a resultant impact on the related revenue and impairment that could not be determined.

9. Receivables from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that receivables from exchange transactions was properly accounted for due to the status of accounting records for prepayments disclosed. The office of the Auditor General was unable to confirm these prepayments by alternative means. Consequently, they were unable to determine whether any adjustments to receivables from exchange transactions stated at R51,37 million (2016: R111 ,89 million) disclosed in note 7 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related impairment in note 52 that could not be determined.

10. Expenditure - Bad debts written off

Management had written off consumer debts without the appropriate council resolution as required by section 64(2a) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). Furthermore, bad debts written off were not adequately supported. I was unable to confirm the bad debts written off by alternative means. Consequently, I was unable to determine whether any adjustments relating to bad debts written off stated at R332,29 million in note 40 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related consumer debtors which could not be determined.

11. Commitments

Management did not properly account for commitments as required by SA Standards of GRAP 17 Property, plant and equipment due to inadequate systems and processes to account for this disclosure. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, commitments stated at R286,94 million in note 60 to the consolidated and separate financial statements was misstated by an unknown amount.

12. Inventory

Management did not disclose the change in the inventory accounting policy in terms of South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) 3, Accounting policies, estimates and errors. The nature and the amount of the correction at the beginning of the earliest previous period were not disclosed as supporting information was not provided. Additionally, adjustments were made to inventory which could not be supported. I could not confirm these adjustments nor the impact of the change of accounting policy by alternative means. Consequently, I was unable to determine whether any adjustments to inventory stated at R66, 14 million disclosed in note 5 to the consolidated and separate financial statements were necessary.

History of the Audit Outcome

Financial Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Outcome	Qualified	Unqualified	Unqualified	Clean Audit	Qualified	Disclaimer

SECTION B-CHAPTER 2: PLANNING AND DEVELOPMENT PRINCIPLES & GOVERNMENT POLICIES AND IMPERATIVES

2.1 INTRODUCTION

This section identifies key Planning and Development Principles that guide the IDP and planning decision-making in the Municipality. Also included in this section is a summary of the applicable government priorities and policies guiding organs of state and the Msunduzi Municipality.

2.2 PLANNING AND DEVELOPMENT PRINCIPLES FOR THE MSUNDUZI IDP

The following principles underpin the Msunduzi IDP:

- Compact urban form is desirable (DFA Principle);
- The discouragement of urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst also promoting densification. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centre (DFA principle);
- The direction of new development towards logical infill areas (DFA Principle);
- Development/investment should be focussed on localities of economic growth and/or economic potential (NSDP);
- Planning and subsequent development must strive to provide the highest level of accessibility to resources, services, and opportunities (KZN PGDS);
- Basic services (water, sanitation, access, and energy) must be provided to all households (NSDP);
- Balance between urban and rural land development in support of each other (DFA Principle);
- Prime and unique agricultural land, the environment, and other protected lands must be protected and land must be safely utilised (SPLUMA);
- If there is a need for low- income housing, it must be provided in close proximity to areas of opportunity (Breaking New Ground- Department of Human Settlement);
- The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car, and enables people, as far as possible, to meet their needs locally. Furthermore, this principle is underpinned by an assessment of each area's unique competencies towards its own self- reliance and need to consider the environment, human skills, infrastructure, and capital available to a specific area, and how it could contribute to increase its self-sufficiency (KZN PGDS).

2.3 POLICY FRAMEWORK

2.3.1 THE MUNICIPAL SYSTEMS ACT (32 OF 2000)

The Municipal Systems Act (MSA) is the key piece of legislation guiding the preparation of IDPs. Section 26 of the act compels all municipalities to prepare IDPs as their primary and overriding management tool. Section 26 also lists key components that an IDP must reflect, which are summarised as follows:

- The Council's Vision for the long-term development of the Municipality;
- An assessment of the existing level of development within the Municipality, including the identification of communities without access to basic municipal services;
- Council's development priorities and objectives, inclusive of its local economic development aims ,as well as the internal transformation needs;
- Council's development strategies, which must be aligned with any national or provincial plans and planning requirements binding on the Municipality in terms of legislation;
- A municipal Spatial Development Framework (SDF), which must include the provision of basic guidelines for the Land Use Management System (LUMS) of the Municipality; and
- Key Performance Indicators and targets determined through an organisational performance system, based on the priorities identified in the IDP.

This IDP Review document has been prepared in accordance with the requirements of the MSA as well as with the Municipal Planning and Performance Management Regulations (R796 of 2001).

2.3.2 THE SUSTAINABLE DEVELOPMENT GOALS

At the United Nations Sustainable Development Summit on 25th September 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. The Sustainable Development Goals therefore, build on the Millennium Development Goals (MDGs); eight anti-poverty targets that the world committed to achieving by 2015.

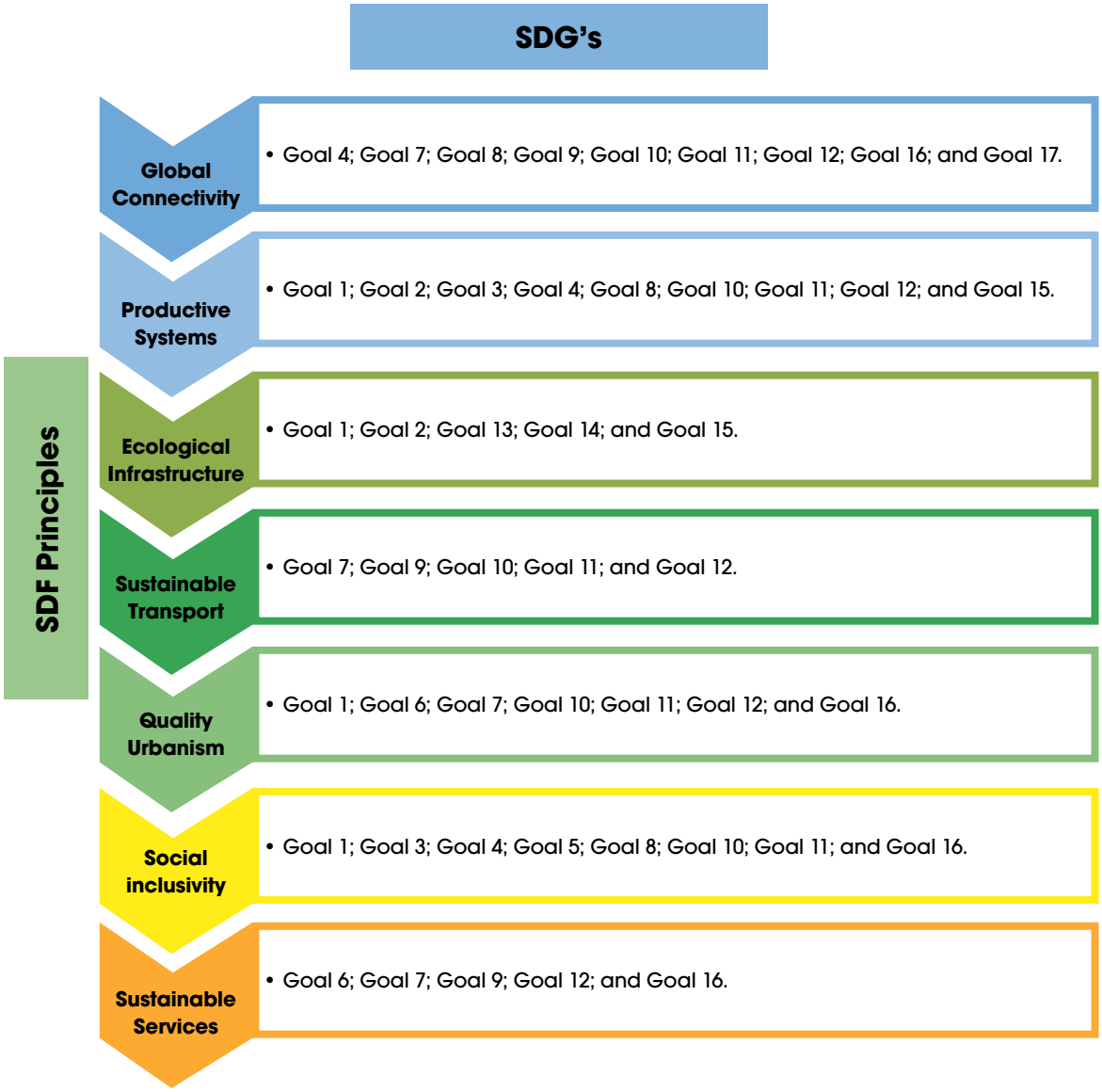
The MDGs, adopted in 2000, aimed at an array of issues that included slashing poverty, hunger, disease, gender inequality, and access to water and sanitation. Enormous progress has been made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the indignity of poverty has not been ended for all.

The new SDGs, and the broader sustainability agenda, go much further than the MDGs, addressing the root causes of poverty and the universal need for development that works for all people. The Sustainable Development Goals are summarised as follows:

- Goal I. End poverty in all its forms everywhere.
- Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- Goal 3. Ensure healthy lives and promote well-being for all at all ages.
- Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Goal 5 Achieve gender equality and empower all women and girls.
- Goal 6. Ensure availability and sustainable management of water and sanitation for all.
- Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all.
- Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- Goal 10. Reduce inequality within and among countries.
- Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable.
- Goal 12. Ensure sustainable consumption and production patterns.
- Goal 13. Take urgent action to combat climate change and its impacts.
- Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

The Sustainable Development Goals will therefore complete the aims of the Millennium Development Goals, and ensure that no one is left behind.

Figure 3: Alignment between SDF Principles and SDG's



2.3.3 THE NATIONAL DEVELOPMENT PLAN (VISION 2030)

The National Development Plan (NDP) was prepared by the National Planning Commission (NPC). The NDP aims to eliminate poverty and reduce inequality by 2030. It indicates that South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. In the NPC's Diagnostic Report (2011), the NPC identified 9 primary challenges facing the country (which are also prevalent in the Msunduzi Municipality), namely:

- Too few people work;
- The quality of school education for black people is poor;
- Infrastructure is poorly located, inadequate, and under- maintained;
- Spatial divides hobble inclusive development;
- The economy is unsustainably resource intensive;
- The public health system cannot meet demand or sustain quality;
- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

In addressing these concerns, the NDP sets out six interlinked priorities, namely:

- Uniting all South Africans around a common programme to achieve prosperity and equity;
- Promoting active citizenry to strengthen development, democracy, and accountability;
- Bringing about faster economic growth, higher investment, and greater labour absorption;
- Focussing on key capabilities of people and the state;
- Building a capable and developmental state; and
- Encouraging strong leadership throughout society to work together to solve problems.

The NDP is a plan for all South Africans, which provides a framework to guide key choices and actions of both civil society and the state. Amongst other things, the NDP depends on municipal IDPs to unpack and operationalize these priorities, something which this IDP strives to do through its objectives and strategies. The figure below summarises the approach to change outlined in the NDP.

FIGURE 1: Approach to Change outlined in the National Development Plan

National Development Plan: Vision 2030

Within the IDP, cognisance has been taken of the key action areas identified in the plan, with particular focus on the areas on the following page:

TABLE 9: NATIONAL DEVELOPMENT PLAN OBJECTIVES AND ACTIONS WITH RELEVANCE TO MSUNDUZI

OBJECTIVE	ACTIONS
Economy and Employment	• Reducing the costs of living for poor households and costs of doing business through micro economic reforms; • Develop proposals for an acceptable minimum standard of living and proposals on how to achieve this over time. • Remove the most pressing constraints on growth, investment, and job creation, including energy generation and distribution, urban planning, etc. • Broaden the extended public works programme to cover over 2 million full-time equivalent jobs by 2020.

OBJECTIVE	ACTIONS
Economic Infrastructure	• Ring- fence the electricity distribution businesses of the 12 largest municipalities (which account for 80% of supply), resolve maintenance and refurbishment backlogs, and develop a financing plan, alongside investment in human capital. • Revise national electrification plan and ensure 90% grid access by 2030 (with balance met through off-grid technologies). • A comprehensive management strategy, including an investment programme for water resource development, bulk water supply, and waste water management for major centres by 2012, with reviews every five years. • Create regional water and wastewater utilities, and expand mandates of existing water boards (between 2012 and 2017). • Consolidate and selectively expand transport and logistical infrastructure, with one key focus area being improved public transport infrastructure and systems including the renewal of the commuter rail fleet, supported by enhanced links with road-based services. • Establish a national, regional and municipal fibre optic network to provide the backbone for broadband access; driven by private investment, complemented by public funds required to meet social objectives.
Environmental Sustainability and Resilience	• Put in place a regulatory framework for land use, to ensure the conservation and restoration of protected areas. • Carbon price, building standards, vehicle emission standards, and municipal regulations to achieve scale in stimulating renewable energy, waste recycling, and in retrofitting buildings. • Carbon-pricing mechanisms, supported by a wider suite of mitigation policy instruments to drive energy efficiency. • All new buildings to meet the energy-efficiency criteria set out in South African National Standard 204. • Chanel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaption strategies and support services for small- scale and rural farmers.
Inclusive Rural Economy	• Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of the mining industry commitments to social investment, and tourism investments. • Create tenure security for communal farmers, especially women, investigate different forms of financing and vesting private property rights in land reform beneficiaries that does not hamper beneficiaries with a high debt burden.
South Africa in the region and world	• Implement a focussed regional integration strategy with emphasis on road, rail, and port infrastructure in the region.
Transforming Human Settlements	• Reform of the current planning system for improved coordination. • Develop a strategy for densification of cities and resource allocation to promote better located housing and settlement. • Substantial investment to ensure safe, reliable, and affordable public transport. • Introduce spatial development framework and norms, including improving balance between location of jobs and people. • Provide incentives for citizen activity for local planning and development of spatial compacts. • Introduce mechanisms that would make land markets work more effective for the poor and support rural and urban livelihoods.
Improving Education, Training and Innovation	• Strengthen coordination between departments, as well as the private and non- profit sectors. Focus should be on routine day-to-day coordination between units of departments that do similar work. • The interests of all stakeholders should be aligned in support the common goal of achieving good educational outcomes that are responsive to community needs and economic development.

OBJECTIVE	ACTIONS
Healthcare for all	• Promote health diets and physical activity. • Prevent and control epidemic burdens through deterring treating HIV/Aids, new epidemics and alcohol abuse; improve the allocation of resources and the availability of health personnel in the public sector; and improve the quality of care, operational efficiency, health worker morale and leadership and innovation.
Social Protection	• Together with social partners, determine a social floor that can progressively be realised through rising employment, higher earnings and social grants and other aspects of the social wage. • Pilot mechanisms and incentives to assist the unemployed to access the labour market. • Expand existing public employment initiatives to create opportunities for the unemployed.
Building Safer Communities	• Safety audits in all communities focussing on crime and safety conditions of the most vulnerable in the community. • Increase community participation in crime prevention and safety initiatives. • Mobilise youth for inner city safety to secure safe places and spaces for young people.
Building a Capable and Developmental State	• Use differentiation to ensure a better fit between the capacity and responsibilities of provinces and municipalities. Take a more proactive approach to resolving coordination problems and a more long-term approach to building capacity. • Develop regional utilities to deliver some local government services on an agency basis, where municipalities or districts lack capacity. • Adopt a less hierarchical approach to coordination so that routine issues can be dealt with on a day- to- day basis between mid-level officials. Use the cluster system to focus on strategic cross- cutting issues and the Presidency to bring different parties together when coordination breaks down.
Fighting Corruption	• The capacity of corruption-fighting agencies should be enhanced and public education should be part of the mandate of the anti-corruption agency. • An accountability framework should be developed linking the liability of individual public servants to their responsibilities in proportion to their seniority. • Restraint-of-trade agreements for senior civil servants and politicians at all levels of government. • All corrupt officials should be made individually liable for all losses incurred as a result of their corrupt actions.
Nation Building and Social Cohesion	• Sustained campaigns against racism, sexism, homophobia and xenophobia. • Improving public services and spaces as well as building integrated housing and sports facilities in communities to ensure sharing of common spaces across race and class. • Incentivising the production and distribution of all art forms that facilitate healing, nation building and dialogue. • Promote citizen participation in forums such as Integrated Development Plans, Ward Committees, School Governing Boards and Community Policing Forums. • Work towards a social compact for growth, employment and equity.

Table 9 indicates the NDP objectives with relevance to the Msunduzi Municipality. The strategic framework of the IDP addresses these objectives.

2.3.4 NATIONAL INFRASTRUCTURE PLAN

The National Infrastructure Plan is based on a spatial analysis of the country and identifies 18 Strategic Integrated Projects (SIPs) therein. The SIPs cover a range of projects earmarked to expand the economic and social infrastructure platform of the country throughout its nine provinces (Presidential Infrastructure Coordinating Report (2012: 6-10).

Inherently, the outcomes of the plan need to be aligned with human settlement planning, and with skills development, as key cross-cutting areas across all municipalities and key government sectors within South Africa (SA) (ibid).

Therefore, it is noteworthy that a number of SIPs may impact on the future spatial and specifically spatial economic development of the uMungundlovu District Municipality (DM) and the Msunduzi Municipality. These have specific relevance to spatial planning within a regional and municipal scale as highlighted therein the infrastructure plan. According to the Presidential Infrastructure Coordinating Report (2012: 17-25), the applicable SIPs may be summarised as follows:

(a) SIP 2 : Durban – Free State – Gauteng Logistics and Industrial Corridor

Intendeds to strengthen the logistics and transport corridor between SA's main industrial hubs whilst improving access to Durban's export and import facilities, raising efficiency along the corridor and integrating the Free State Industrial Strategies activities into the corridor. It further intends to integrate the currently disconnected industrial and logistics activities along with marginalised rural production centres surrounding the corridor that are currently isolated from the main logistics systems.

(b) SIP 7 : Integrated Urban Space and Public Transport Programme

Intends to co-ordinate planning and implementation of public transport, human settlement, economic and social infrastructure and location decisions into sustainable urban settlements connected by densified transport corridors.

(c) SIP 11 : Agri-logistics and Rural Infrastructure

Is embarked to improve investment in agricultural and rural infrastructure that supports expansion of production and employment, small-scale farming and rural development, including facilities for storage (silos, fresh-produce facilities, packing houses); transport links to main networks (rural roads, branch train-line, ports), fencing of farms, irrigation schemes to poor areas, improved research and development on rural issues (including expansion of agricultural colleges), processing facilities (abattoirs, dairy infrastructure), aquaculture incubation schemes and rural tourism infrastructure.

(d) SIP 15 : Expanding access to communication technology

Intends to provide 100% broadband coverage to all households by 2020 through establishing core Points of Presence (POPs) in district municipalities, extend new Infraco fibre networks across provinces linking districts, establish POP's and fibre connectivity at local level, and further penetrate the network into deep rural areas. While the private sector will invest in ICT infrastructure for urban and corporate networks, government will co-invest for township and rural access as well as for e-government, school and health connectivity. The school rollout focus initially on the 125 Dinaledii (science and math focussed) schools and 1 525 district schools. Part of digital access to all South Africans includes TV migration nationally from analogue to digital broadcasting.

(e) SIP 18 : Water and Sanitation

This SIP focuses on developing a 10 year plan to address the estimated backlog of adequate water supply to 1.4 million households and basic sanitation to 2.1 million households whilst also layering favourable conditions for economic growth through the provision of water and sanitation infrastructure. Projects will include a focus on a new infrastructure, rehabilitation, upgrading and the improvement of water infrastructure management. Ultimately, the potential impact of SIPs must be considered in future spatial planning as they are unlikely to attract substantial investment from government in the medium to long term and will have special spatial development implications.

1. SIPS Implication for the SDF

The most applicable SIP to the Msunduzi Municipality is SIP 2, 7, 15 and 18. These SIPS are applicable to the Msunduzi Municipality for the following reasons:

- SIP 2 - assists in identifying that the Msunduzi Municipality presents further specialised development opportunities along the N3 corridor which is a resultant of its locational advantage between the Durban Port, Cato Ridge and N3 corridor that is responsible for linking the Gauteng Province to the Durban Port. In this regard, it useful to point out that the Msunduzi Municipality has duly aligned itself to such a development opportunity through advocating the case for the upgrade of the Msunduzi Airport, establishing a Msunduzi Technology Hub and strengthening accessibility to such facilities through proposed interchange points along the N3.
- SIP 7 - The Municipality has also in coordination with the Department of Transport established an IRPTN movement system therein which is geared towards facilitating easier mobility and servicing areas that comprise of greater thresholds such as the CBD, Edendale and Imbali areas.
- SIP 15 - The Municipality has identified areas of key ICT intervention particularly within areas of previous neglect such as Edendale thus assisting in bridging the urban divide within its jurisdiction.
- SIP 18 – The Municipality has established a set of infrastructural management plans in regards to water and sanitation particularly in Vulindlela, Pietermaritzburg, SEDis, Edendale and the broader Msunduzi Municipality which effectively communicate various key strategies and infrastructural projects therein to assist with layering down the key conditions for economic growth within these areas and ultimately reinforcing their role as economic growth areas, i.e sustainable urban centres.

Therefore, the Msunduzi SDF needs to be spatially cognisant and representative of these initiatives whilst demonstrating alignment to the overall SIPS.

2.3.5 GOVERNMENT OUTCOMES 1 – 14

The Government's outcome-based approach arose out of a realisation by government that change was not happening as rapidly and effectively as required. It noted that progress was being made in many areas, and that greater access to services was being provided to many communities. However, government was not achieving the outcomes to ensure a "better life for all" and many communities were rightly impatient with the quality, relevance, and adequacy of government service delivery.

Out of this backdrop the outcomes approach was developed ensuring that government is focussed on achieving the expected real improvements in the lives of South Africans. The approach clarifies what is expected to be achieved, how it will be done, and where it will take place. It insists that the different spheres of government improve the lives of citizens rather than just carrying out their functions. The twelve outcomes are summarised below:

1. Improved quality of basic education;
2. A long and healthy life for all South Africans;
3. All people in South Africa are and feel safe;
4. Decent employment through inclusive economic growth;
5. A skilled and capable workforce to support an inclusive growth path;
6. An efficient, competitive, and responsive economic infrastructure network;
7. Vibrant, equitable, and sustainable rural communities, with food security for all;
8. Sustainable human settlements and improved quality of household life;
9. A responsive, accountable, effective, and efficient local government system;
10. Environmental assets and natural resources that are well protected and continually enhanced;
11. Creation of a better South Africa, and contributing to a better and safer Africa and World; and
12. An efficient, effective, and development oriented public service and an empowered, fair, and inclusive citizenship
13. A comprehensive, responsive and sustainable social protection system.
14. A diverse, socially cohesive society with a common national identity

These outcomes provide strategic focus and do not cover the whole of government's work and activities. The IDP document addresses each of these outcomes and municipal strategies have been designed accordingly.

2.3.6 NATIONAL PRIORITIES (STATE OF THE NATIONS ADDRESS 2018)

The Honourable President of the republic announced that this is the centenary of Nelson Mandela and that the country shouldn't just honour the past but also build the future on the same values of Nelson Mandela. We are continuing the long walk he began, to build a society in which all may be free, in which all may be equal before the law and in which all may share in the wealth of our land and have a better life. This year, we also celebrate the centenary of another giant of our struggle, Albertina Nontsikelelo Sisulu. Through her remarkable life and outstanding contribution, she defined what it means to be a freedom fighter, a leader and a diligent and disciplined servant of the people.

We are a nation at one.

We are one people, committed to work together to find jobs for our youth; to build factories and roads, houses and clinics; to prepare our children for a world of change and progress; to build cities and towns where families may be safe, productive and content.

The state we are in as a nation is that while poverty declined significantly following the democratic breakthrough of 1994, we have seen reverses in recent years. Poverty levels rose in 2015, unemployment has gone up and inequality has persisted. For several years our economy has not grown at the pace needed to create enough jobs or lift our people out of poverty.

Since the start of the current Parliament, our public employment programmes have created more than 3.2 million work opportunities. In the context of widespread unemployment, they continue to provide much needed income, work experience and training. We have taken measures to reduce the cost of living, especially for the poor. Government's free basic services programme currently supports more than 3.5 million indigent households.

Business confidence among South African companies has improved and foreign investors are looking anew at opportunities in our country. Some financial institutions have identified South Africa as one of the hot emerging markets for 2018. Our task, as South Africans, is to seize this moment of hope and renewal, and to work together to ensure that it makes a meaningful difference in the lives of our people.

This year, we will be initiating measures to set the country on a new path of growth, employment and transformation. We will do this by getting social partners in our country to collaborate in building a social compact on which we will create drivers of economic recovery. We have to build further on the collaboration with business and labour to restore confidence and prevent an investment downgrade. Tough decisions have to be made to close our fiscal gap, stabilise our debt and restore our state-owned enterprises to health. At the centre of our national agenda in 2018 is the creation of jobs, especially for the youth. We are going to embark on a number of measures to address the unemployment challenge.

One of the initiatives will be to convene a Jobs Summit within the next few months to align the efforts of every sector and every stakeholder behind the imperative of job creation.The summit will look at what we need to do to ensure our economy grows and becomes more productive, that companies invest on a far greater scale, that workers are better equipped, and that our economic infrastructure is expanded. We will expect this summit to come up with practical solutions and initiatives that will be implemented immediately.

To this end, we will organise an Investment Conference in the next three months, targeting both domestic and international investors, to market the compelling investment opportunities to be found in our country.We are going to address the decline over many years of our manufacturing capacity, which has deeply affected employment and exports.

We will seek to re-industrialise on a scale and at a pace that draws millions of job seekers into the economy. We are going to promote greater investment in key manufacturing sectors through the strategic use of incentives and other measures. To further stimulate manufacturing, we will forge ahead with the localisation programme, through which products like textile, clothing, furniture, rail rolling stock and water meters are designated for local procurement. The process of industrialisation must be underpinned by transformation.

Through measures like preferential procurement and the black industrialists programme, we are developing a new generation of black and women producers that are able to build enterprises of significant scale and capability. Radical economic transformation requires that we fundamentally improve the position of black women and communities in the economy, ensuring that they are owners, managers, producers and financiers. Our most grave and most pressing challenge is youth unemployment. (msunduzi figure)

Working in partnership with business, organised labour and community representatives, we are creating opportunities for young people to be exposed to the world of work through internships, apprenticeships, mentorship and entrepreneurship. Next month, we will launch the Youth Employment Service initiative, which will place unemployed youth in paid internships in companies across the economy. Together with our partners in business, we have agreed to create a million such internships in the next three years. I will therefore be establishing a Youth Working Group that is representative of all young South Africans to ensure that our policies and programmes advance their interests.

We will focus on improvements in our budget and monitoring systems, improve the integration of projects and build a broad compact on infrastructure with business and organised labour.

Ultimately, the growth of our economy will be sustained by small businesses, as is the case in many countries. It is our shared responsibility to grow this vital sector of the economy. Government will honour its undertaking to set aside at least 30 percent of public procurement to SMMEs, cooperatives and township and rural enterprises. We will continue to invest in small business incubation. Government is finalising a small business and innovation fund targeted at start-ups. We will reduce the regulatory barriers for small businesses. We are also working to expand economic opportunities for people with disabilities.

Among other things, the Small Enterprise Finance Agency – SEFA – has launched a scheme to develop and fund entrepreneurs with disabilities called the Amavulandlela Funding Scheme. Agriculture presents one of the greatest opportunities to significantly grow our economy and create jobs. This year, we will take decisive action to realise the enormous economic potential of agriculture. We will accelerate our land redistribution programme not only to redress a grave historical injustice, but also to bring more producers into the agricultural sector and to make more land available for cultivation.

Guided by the resolutions of the 54th National Conference of the governing party, this approach will include the expropriation of land without compensation. We are determined that expropriation without compensation should be implemented in a way that increases agricultural production, improves food security and ensure that the land is returned to those from whom it was taken under colonialism and apartheid.

Tourism is another area which provides our country with incredible opportunities to, quite literally, shine. Tourism currently sustains 700,000 direct jobs and is performing better than most other growth sectors. There is no reason why it can't double in size. This year, we will enhance support for destination marketing in key tourism markets and take further measures to reduce regulatory barriers and develop emerging tourism businesses.

We will soon establish a Digital Industrial Revolution Commission, which will include the private sector and civil society, to ensure that our country is in a position to seize the opportunities and manage the challenges of rapid advances in information and communication technology.

South Africa will this year take over the chair of the BRICS group of countries, and will give priority to the promotion of value-added trade and intra-BRICS investment into productive sectors.

On the 1st of May this year, we will introduce the first national minimum wage in South Africa. This historic achievement – a realisation of one of the demands of the Freedom Charter – is expected to increase the earnings of more than six million working South Africans and improve the living conditions of households across the country.

To ensure greater coherence and consistency in the implementation of economic policy – and to ensure that we are better equipped to respond to changing economic circumstances – I will be appointing a Presidential Economic Advisory Council.

It will draw on the expertise and capabilities that reside in labour, business, civil society and academia. The country remains gripped by one of the most devastating droughts in a century, which has severely impacted our economy, social services and agricultural production.

The drought situation in the Western Cape, Eastern Cape and Northern Cape has been elevated to a national state of disaster.

On 16 December last year, former President Jacob Zuma announced that government would be phasing in fully subsidised free higher education and training for poor and working class South Africans over a five-year period. Starting this year, free higher education and training will be available to first year students from households with a gross combined annual income of up to R350,000. In addition to promoting social justice, an investment of this scale in higher education is expected to contribute to greater economic growth, reduce poverty, reduce inequality, enhance earnings and increase the competitiveness of our economy.

Government will continue to invest in expanding access to quality basic education and improving the outcomes of our public schools. The Funza Lushaka Bursary programme plans to award 39,500 bursaries for Initial Teacher Education over the next three years.

We will also need to confront lifestyles diseases such as high blood pressure, diabetes, cancers and cardiovascular diseases. In the next three months we will launch a huge cancer campaign similar to the HIV counselling and testing campaign. In improving the quality of life of all South Africans, we must intensify our efforts to tackle crime and build safer communities.

During the course of this year, the Community Policing Strategy will be implemented, with the aim of gaining the trust of the community and to secure their full involvement in the fight against crime. The introduction of a Youth Crime Prevention Strategy will empower and support young people to be self-sufficient and become involved in crime fighting initiatives.

In recognising the critical role that NGOs and community-based organisation play in tackling poverty, inequality and related social problems, we will convene a Social Sector Summit during the course of this year.

Among other things, this Summit should seek to improve the interface between the state and civil society and address the challenges that NGOs and CBOs face.

We want our public servants to adhere to the principle of Batho Pele, of putting our people first. We are determined that everyone in public service should undertake their responsibilities with efficiency, diligence and integrity.

I will also find time to meet with provincial and local government leaders to ensure that the state, in its entirety, responds to the pressing needs of our people.

Our country has entered a period of change.

While change can produce uncertainty, even anxiety, it also offers great opportunities for renewal and revitalisation, and for progress. Together we are going to make history.

We have done it before and we will do it again – bonded by our common love for our country, resolute in our determination to overcome the challenges that lie ahead and convinced that by working together we will build the fair and just and decent society to which Nelson Mandela dedicated his life.

As I conclude, allow me to recall the words of the late great Bra Hugh Masekela.

In his song, 'Thuma Mina', he anticipated a day of renewal, of new beginnings.

2.3.7 THE BACK TO BASICS APPROACH

The Msunduzi municipality is not one of the 21 Municipalities identified as giving below the minimum standard of service however the municipality is reporting on a monthly basis's on Back to Basics. The municipality has been reporting since the inception of the programmes and it has programmes and projects aligned to the five pillars of Back to Basics. The five pillars as stated on the back to basics policy;

No.	Back to basics pillar	Municipal Response
1	Putting people first and engaging with communities	Monthly monitoring and hosting of ward committee meeting and community meetings
2	Delivering Basic Services	The implementation of the operational and maintenance plans of the different service department roads, electricity, water and sanitation and community services
3	Good Governance	Council structures are in place and monthly meetings to play the oversight role.
4	Sound Financial Management	Weekly expenditure control meeting held the accounting officer. Long terms financial plan in place and being implemented
5.	Building Capabilities	The municipality has a Workplace skills plan in place and it is implemented accordingly. The municipality is also part of SA cities network which is a platform for engaging and knowledge sharing.

The municipality has further integrated these into the municipal strategic frame, municipal Scorecard and into the SDBIP. The workplans of the relevant senior managers will reflect indicators and targets that respond to the Back to basic approach.

2.3.8 THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT

The Spatial Planning and Land Use Management Act, 2013 was assented to by the President of the Republic of South Africa on 5 August 2013. It came into operation on the 1st of July 2015.

SPLUMA is a framework act for all spatial planning and land use management legislation in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making in this field. The other objects include addressing historical spatial imbalances and the integration of the principles of sustainable development into land use and planning regulatory tools and legislative instruments.

SPLUMA has become the official overarching legislation for development planning in the country and has repealed the following legislations previously used for various development planning purposes:

- Removal of Restrictions Act, 1967 (Act No. 84 of 1967)
- Physical Planning Act, 1967 (Act No. 88 of 1967)
- Less Formal Township Establishment Act, 1991 (Act No. 133 of 1991)
- Physical Planning Act, 1991 (Act No. 125 of 1991)
- Development Facilitation Act, 1995 (Act No. 67 of 1995)

Some of the key aspects that SPLUMA deals with are:

- Development Principles and Norms and Standards
- Intergovernmental Support
- Spatial development Frameworks
- Land Use Management
- Land Development Management

Section 35 (2) Of SPLUMA states; "A municipality must, in order to determine land use development applications within its municipal area, establish a Municipal Planning Tribunal. A Municipal Planning Tribunal (MPT) is the decision making body for Land Development. In terms of the Draft Regulations in terms of SPLUMA, All category 1 applications must be referred to the Tribunal:

(a) The establishment of a township or the extension of the boundaries of a township;
(b) The amendment of an existing scheme or land use scheme by the rezoning of land;
(c) The removal, amendment or suspension of a restrictive or obsolete condition, servitude or reservation registered against the title of the land;
(d) The amendment or cancellation in whole or in part of a general plan of a township;
(e) The subdivision and consolidation of any land other than a subdivision and consolidation which is provided for as a Category 2 application;
(f) Permanent closure of any public place;
(g) Any consent or approval required in terms of a condition of title, a condition of establishment of a township or condition of an existing scheme or land use scheme.

In compliance with the Spatial Land Use Management Act the Msunduzi Municipality has appointed an Authorized Officer, which assess and approves category 2 applications that include Special Consents and Home Activity applications. Below ia a list of members that serve on the Msunduzi Planning Tribunal which meets twice a month to consider applications across the city.

Members

1. R. Ngcobo (Chairperson- DMM; Economic Development)
2. M. Hlubi (Independent Attorney)
3. L. Gaxela (Independent Town Planner)
4. F. Naude (Independent Land Surveyor
5. M. Povall (Independent Town Planner)
6. S. Zulu (Manager: Land Survey)
7. R. Bartholomew (Manager: Conservation and Environment)
8. M. Khumalo (Town Planner)
9. S. Mkhize (Manager: Building Survey)

Mesdames

10. N. Mkhize (Attorney)
11. L. Mngenela (Manager: Transportation Planning)
12. N. Hlophe (Development Management)

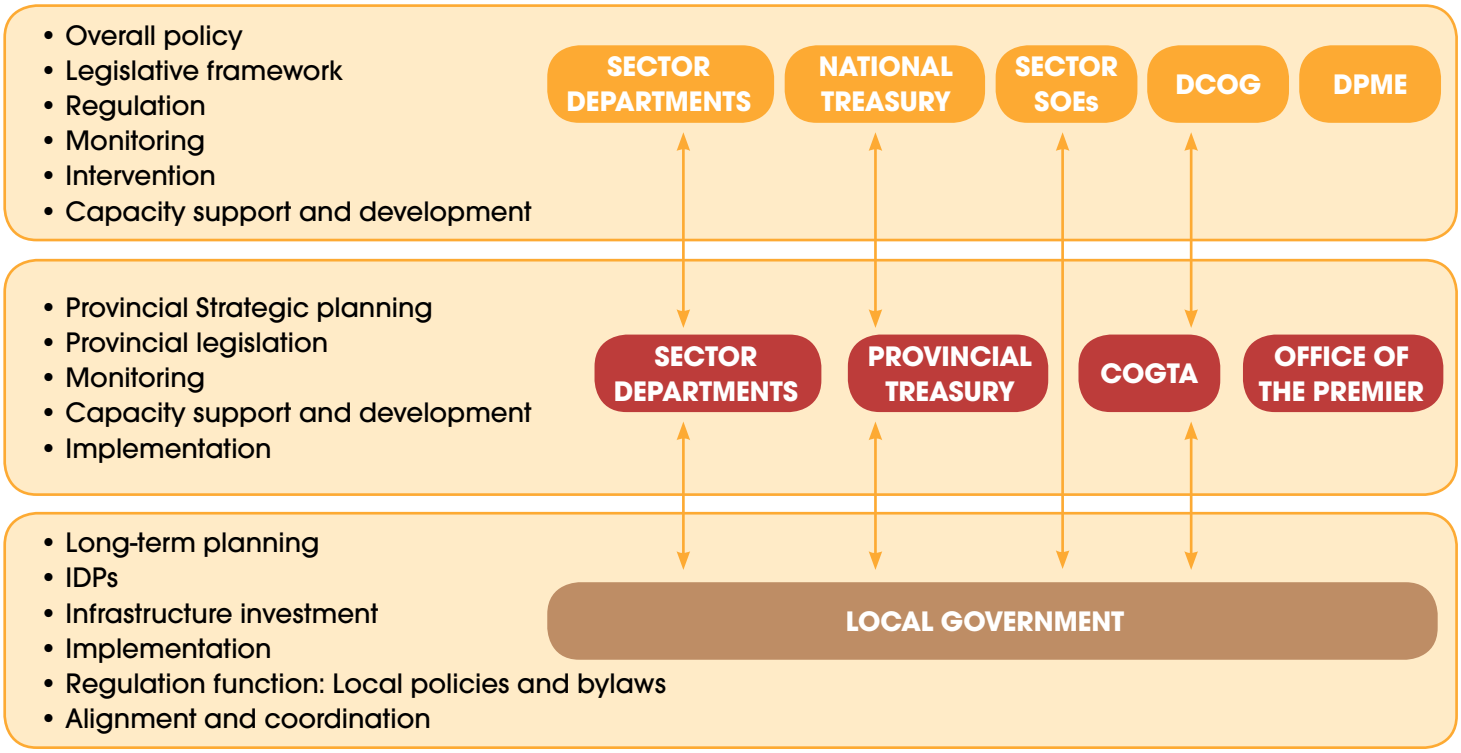
2.3.9 INTEGRATED URBAN DEVELOPMENT FRAMEWORK

The overall outcome of the IUDF is spatial transformation. This marks a New Deal for South African cities and towns, by steering urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns. Informed by this outcome and the NDP's vision for urban South Africa, the IUDF aims to guide the development of inclusive, resilient and liveable urban settlements, while directly addressing the unique conditions and challenges facing South Africa's cities and towns. To achieve this transformative vision, four overall strategic goals are identified:

- Spatial integration: To forge new spatial forms in settlement, transport, social and economic areas.
- Inclusion and access: To ensure people have access to social and economic services, opportunities and choices.
- Growth: To harness urban dynamism for inclusive, sustainable economic growth and development.
- Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

Although the three spheres of government will need to perform distinct but interrelated functions, the success of each lever depends on the collaboration and alignment of interventions. Figure 2 sumarises the key roles and responsibilities of each sphere of government in implementing the policy levers. It represents the relationships and interdependencies among the various spheres, not a hierarchy. Crucially, it recognises local government's important implementing and integrating role, which other spheres have not always recognised.

Figure 2: Lever implementation: roles and reponsibilities



The short-term priority is build on and strengthen existing plans and programmes, such as the SIPs, municipal built environment performance plans, urban networks, transformation plans for the fast-growing mining towns and others. However, these programmes need to be further analysed to assess the degree to which they assist in creating compact and connected cities and towns.

REF	OBJECTIVE	KEY ACTIONS	KEY INSTITUTIONS	TIMEFRAME (2016 - 2019)		
				Y1	Y2	Y3
1.	Catalyse development spinoffs emanating from the strategic capital investments (projects).	Develop and implement consolidated local area plans for each of the catalytic projects, including the SIPs	Affected municipalities (supported by provinces and responsible sector department) Economic Development Department (EDD)	•	•	•
2.		Strengthen alignment between various SIPs, especially those in urban spaces and their related infrastructure.	EDD (lead) SIP coordinators COGTA Municipalities	•	•	
3.		Align capital investments and plans in respect of priority economic zones (identified as per the IDZs, IPAP, etc.) Provinces to work with municipalities to ensure aligment of national, provincial and local investments.	Municipalities (lead) COGTA Provinces Private sector EDD DTI	•	•	•
4.	Promoted coherent and sustainable development	Development institutional model(s)/mechanisms to facilitate regional development.	COGTA (lead) DPME Offices of the Premier Municipalities		•	•

REF	OBJECTIVE	KEY ACTIONS	KEY INSTITUTIONS	TIMEFRAME (2016 - 2019)		
				Y1	Y2	Y3
5.		Improve/develop long-term development plans and infrastructure plans for the intermediate cities and fast-growing mining towns and regions.	Municipalities (lead) Procinces COGTA	•	•	•

IUDF Priority: Create liveable and safe human settlements

Increasingly, people are reacting not only to the lack of decent housing, but also to the lack of improvement in the quality of lives, despite the massive built environment investments being made.

REF	OBJECTIVE	KEY ACTIONS	KEY INSTITUTIONS	TIMEFRAME (2016 - 2019)		
				Y1	Y2	Y3
1.	Create safe and liveable urban spaces	Develop and implement norms and standards for municipal (solid waste management, electricity, road maintenance and response to serve delivery interruptions) health and safety services and public spaces in all residential developments.	Municipalities (lead) Department of Human Settlements (DHS) Department of Water Affairs (DWA) Department of Education (DOE) Department of Health (DOH) Department of Transport (DOT) Department of Arts and Culture(DAC) Department of Sports and Recreation (DSR) Civilian Secretariat for Police (CSP)	•	•	
2.		Strengthen capacity to enforce planning, health, safety and other land-use regulations and bylaws.	Municipalities	•	•	•
3.	Improve access of the urban poor to areas of economic and social opportunities.	Develop and implement inner-city revitalisation programmes, including a special fund to support inner-city regeneration and urban renewal in the prioritised urban area.	Municipalities (lead) COGTA National Treasury DHS	•	•	•

The vision in the NDP chapter on the capable and development state is, by 2030, to have a development state that is accountable, focused on citizen's priorities, and capable of delivering high-quality services consistently and sustainably through cooperative governance and participatory democracy. In line with this vision, the 2014-2019 MTSF focuses on ensuring sustainable and reliable access to basic services, improving leadership, managing intergovernmental systems and strengthening capacity for deliberative public participation through improved consultation, communication and feedback mechanisms. The IUDF policy lever on empowered, active communities provides several priorities that empower and enable communities to participate in urban life and help transform the quality of urban life. The following key actions are identified for implementation in the short-term.

IUDF Priority: Strengthen platforms for public participation and communication with all stakeholders

REF	OBJECTIVE	KEY ACTIONS	KEY INSTITUTIONS	TIMEFRAME (2016 - 2019)		
				Y1	Y2	Y3
23.	Build public trust and improve accountability.	Conduct customer satisfaction surveys.	Municipalities	•	•	•
24.		Develop and implement public engagement and communication strategies to augment the ward committee system, including improving the use of technology to communicate with communities, residents and other stakeholders.	Municipalities (lead) Government Communication and Information System (GCIS) State Information Technology Agency (SITA) COGTA	•	•	
25.		Develop customer complaint mechanisms.	Municipalities	•		
26.		Involve communities in neighborhood planning, implementation and monitoring of projects.	Municipalities	•		
27.		Strengthen partnerships with other non-governmental institutions through the National Urban Forum and other mechanisms.	Municipalities DHS COGTA	•	•	•

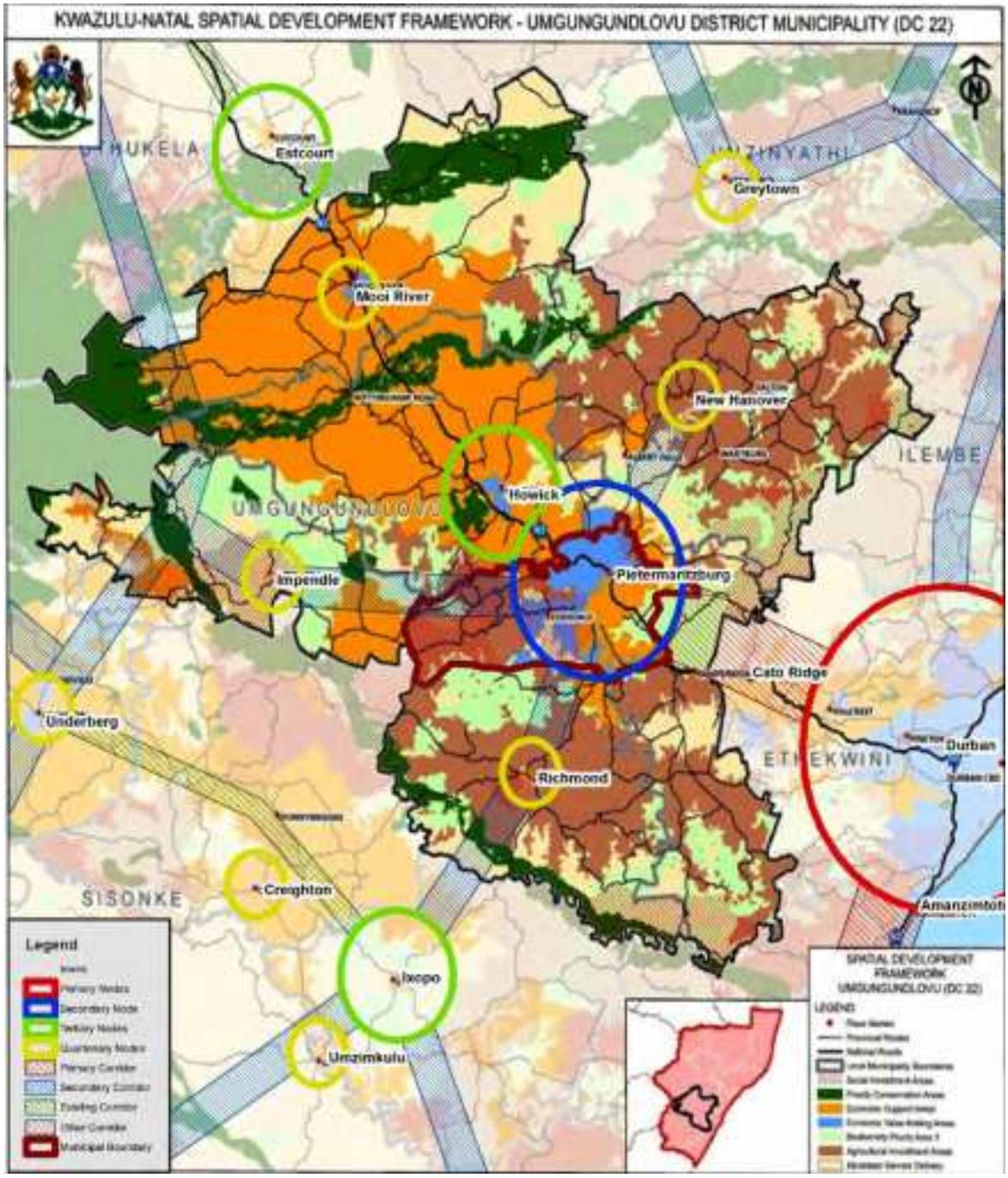
2.3.10 PROVINCIAL PRIORITIES (STATE OF THE PROVINCE ADDRESS 2018)

The state of the province address (SOPA) which took place on the 28 February 2018 was delivered by T.W Mchunu, the premier of KwaZulu-Natal province. The 2018 SOPA noted that the celebration of 100 years of former democratically elected President, Nelson Mandela and hence declared 2018 the year of renewal, unity and jobs The Premier made reference to recent political processes both nationally and provincially such as the departure of former president Jacob Zuma and the appointment of the new president Cyril Ramaphosa and the effect on the stability of the province. In line with the theme for 2018 the Msunduzi Municipality will be working towards a renewal of municipal infrastructure and services. The municipalities will also holding a variety of events in city which will foster peace and unity across beyond race and economic diversity. The Mayor will be hosting international delegates in response to the call to foster international relations within the city. Mr Mnhunu touched on the fact that the youth unemployment rate is currently sits at 38.6%, while the economic trajectory remains at 1%. The province as a short term strategy has resolved to focus on agriculture, manufacturing and tourism to rapidly grow the economy and levels of employment.

The province continues to work towards the maintenance of the provincial growth and development plan to make sure that it remains aligned with the National Development Plan and the 14 outcomes of the medium term strategic framework. The Premier highlighted the benefit on provincial tourism as a result of the province hosting the World Economic Forum on Africa in May 2017. Moreover the several projects taking place in the municipality to try and eradicate unemployment, such as the techno-hub which is also mentioned in the SOPA and there are other employment programs such as the EPWP. With regards to education the municipality has programs such as the schools development program and early childhood development plan which contributes to the education of children and prevents them from staying in the streets. These are the focus areas for provincial spending and those with an impact on the Msunduzi municipality:

- Human resource development: the Msunduzi Municipality aims at creating a learning city and city of learning, through developing an environment conducive to studying and resides around tertiary institutions.
- On assisting the SMME's reach their full potential, cooperate business and other business in the city, the municipality is in partnership with the NYDA in holding workshops for business owners to assist grow their business.
- Human and community development: eradication of poverty and inequality is one of the aims of government and the delivering of welfare services. The municipality targets community development trough programs such as operation sukuma sakhe, which focuses on integrated and effective service delivery that prioritize the most impoverished wards.
- The municipality has a dedicated a valuation department, which determines value of land offered for human settlement, however the scarcity of land is one of the major impediments to human settlement development
- Development of strategic infrastructure: the municipality is currently under the construction of the IRPTN plan. A main a rail line from Gauteng to Durban will run through the municipality, although still in its conceptual stages. The TOR for the revision of the 2005v bulk water master plan currently being revised.
- Ensuring environmental sustainability: the Msunduzi municipality in partnership with the national department and other relevant departments, developed, and in July 2010 approved, the environmental policy and strategic levels plans
- The municipality has been struggling financially mainly because some residents fail to pay for their services which led to the municipality receiving a disclaimer from the auditor general.
- The municipality has a spatial development framework in place

MAP 1: The PGDS translated to the Msunduzi Municipality



Umgungundlovu Spatial Development Framework

2.3.11 THE PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The PGDS identifies the Msunduzi Municipality as a major urban centre which makes significant contribution to the overall economy of the KZN Province. It further identifies the Msunduzi Municipality as a "Level 2" priority / intervention areas which is characterised by significant urbanisation rates and poverty for its associated inhabitants (PGDP 2013: 21). Furthermore, the PGDP (2013: 100-153) identifies the following noteworthy projects for the Municipality:

- Roll-out of information, communication and technology incubator programme.
- The Vulindlela Housing Project which is intended to be an extensive housing project within the Municipality.

Programme and funding for operations and maintenance which are earmarked to ensure that an appropriate planned maintenance programme is in place and is funded adequately so that the economic life of the electricity infrastructure in KwaZulu-Natal is optimised. The Approach to Distribution Asset Management (ADAM) Turnaround Programme is a comprehensive, multi-year initiative targeted at addressing maintenance, refurbishment and strengthening shortcomings in key electricity distribution infrastructure throughout South Africa. In KZN, Msunduzi is currently ADAM pilot and a review of implementation needs to happen to assess the effectiveness of the programme and the possibility to extend this into other Local Municipalities

PGDS Goal	Msunduzi CDS strategy to action the Goal
Goal 1 (Inclusive Economic Growth)	• Growing the regional economy: The provincial legislator and executive and their needs must be integrated, also partnering with the private sector investing in economic opportunities that create employment growth.
Goal 2 (Human Resource development)	• Building a capable and developmental municipality: Increasing institutional capacity and promote transformation hence building a capable and developmental municipality (Pg 30, IDP) • Creating a learning city and a city of learning: The city must promote education and use its tertiary institutions to help it become a learning institution. There is a need to design strategic plans that inform development around the university precinct of Scottsville. Thus enabling a conducive environment to study and reside, also harmonizing the mixture of existing and future anticipated land uses.
Goal 3 Human and Community Development	• Back to Basics: This strategy requires a cross-organisational approach such as reorganising the way service delivery happens and introducing innovations which are key elements of this priority area. (Pg 107-116, IDP)
Goal 4 Strategic Infrastructure	• Improving infrastructure efficiency: There is a need for a realistic review of infrastructure within the city. To address this key issue the Municipality has identified key catalytic projects to improve infrastructure which include the Free Node Development and electrical infrastructure upgrade.
Goal 5 (Environmental Sustainability)	• Spatial effectiveness: Msunduzi needs to plan for growth within the city which includes looking at how an increased population will be accommodated and serviced. Densities and public transport corridors must be incrementally increased with continuous improvements in non-motorised and other mobility option as well as equitable access to social facilities.
Goals 6 (Governance and policy development)	• Building a capable and developmental municipality: Increasing institutional capacity and promote transformation hence building a capable and developmental municipality (Pg 30, IDP) • Serving as a provincial capital: The Municipality is ideally located as a capital city of KwaZulu-Natal with access to a variety of government head offices and high level human resources. It is important to expand on these opportunities and also gain access to skills necessary to reinforce its status.
Goal 7 (Spatial Equity)	• Spatial effectiveness: Msunduzi needs to plan for growth within the city which includes looking at how an increased population will be accommodated and serviced. Densities and public transport corridors must be incrementally increased with continuous improvements in non-motorised and other mobility option as well as equitable access to social facilities.

2.3.12 UMGUNGUNDLOVU DISTRICT DEVELOPMENT PLAN

The District Growth and Development Plan have been formulated within the context of the KwaZulu Natal Provincial Growth and Development Plan. The District Growth and Development Plan gives intent to the strategic goals of the Provincial Growth and Development Plan and provide a long term development strategy for the District.

The underlying principles of the District Growth and Development Plan include

- A productive District; which enhance business competitiveness, promote investment, improve business environment and initiate local economic development
- An inclusive District: which describes actions focused on social issues and integration of communities, poverty reduction and equitable service delivery.
- A sustainable District: that systematic relationship between ecological, social, economic and institutional issues

The District Growth and Development Plan is set out within a strategic framework which provides focus for maximum impact in the District. Furthermore its purpose is to focus and coordinate the activities of all stakeholders in order to attain the vision as articulated in the National Development Plan, the Provincial Growth and Development Plan at a local level to the District and Msunduzi Municipality. At a District Level the District Growth and Development Plan aims to enhance a vibrant economic region, integrated, quality service delivery, improved quality of life and equity.

To achieve this District Development Plan comprises of strategic goals namely:

- Goal 1: Economic Growth and Development
- Goal 2: Human Resource Development
- Goal 3: Human and Community Development
- Goal 4: Strategic Infrastructure
- Goal 5: Environmental Sustainability
- Goal 6: Governance and Policy
- Goal 7: Spatial Equity

The Msunduzi Municipality is aligned to the framework and strategic goals of the Umngungundlovu District Development, more so through striving towards its adopted vision which are “A safe, vibrant city, in which to live, learn, raise a family, work and do business. Furthermore the Municipality has adopted a City Development Strategy (2015) which forms part of the Integrated Development Plan (2017/18 - 2021/22). The strategy articulated key intervention areas such as Building a capable and developmental Municipality, Back to Basics, improving the provincial capital status and growing a regional economy.

2.3.13 THE MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

This Medium Term Strategic Framework (MTSF) is Government’s strategic plan for the 2014-2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights Government’s support for a competitive economy, creation of decent work opportunities and encouragement of investment. This is the first MTSF to follow the adoption of the NDP in September 2012.

The aim of the MTSF is to ensure policy coherence, alignment and coordination across government plans as well as alignment with budgeting processes. Performance agreements between the President and each Minister will reflect the relevant actions, indicators and targets set out in this MTSF.

The MTSF elaborates the use of key development instruments such as the New Growth Path, which sets the trajectory of economic development, the National Infrastructure Plan, which guides the rollout of infrastructure to improve people’s lives and enable economic growth, and the Industrial Policy Action Plan, which focuses on promoting investment and competitiveness in leading sectors and industries.

SECTION C-CHAPTER 3: SITUATIONAL ANALYSIS

3.1 INTRODUCTION

This section of the IDP summarises key development informants that shape the Msunduzi Municipality and its people, and that inform the development of the municipal Vision and Strategies.

C1-SPATIAL, ENVIRONMENTAL AND DISASTER MANAGEMENT PGDS GOAL: SPATIAL EQUITY

3.2 SPATIAL PLANNING

3.2.1 INTRODUCTION

Section 26(e) of the Municipal Systems Act (32 of 2000) requires all municipalities to prepare Spatial Development Frameworks (SDF) to guide and inform development planning and public and private sector investment. SDFs enable Council, communities, industries, service providers, and government agencies to plan, budget, and develop with confidence and certainty. A copy of the full SDF is included as an Annexure to this document.

The SDF is neither a comprehensive plan, nor a development master plan. It is a flexible framework that serves as the basis on which detailed area and even site specific master plans may be prepared. It is conceptual in nature and seeks to contextualise the national and provincial development imperatives, while also presenting a spatial overtone of the development strategies outlined in the IDP. Any changes to the framework will need to be reflected in future revisions, which should occur on a regular basis in order to achieve the Municipality's Vision.

The primary aim of the Msunduzi SDF is to:-

- Serve as a strategic, indicative, and flexible forward planning tool, to guide public and private sector decisions on land development and investment;
- Present a set of policies and principles, and an approach to the management of spatial development within the municipal area, to guide decision-makers in dealing with land development applications;
- Provide a clear and logical framework for spatial development, by providing an indication of where the Municipality would support certain forms of development;
- Provide a clear spatial logic that facilitates private sector decisions on investment in the built environment;
- Promote social, economic and environmental sustainability of the area; and
- Provide a framework for dealing with key issues, such as natural resource management, land reform, subdivision of rural land, and the conservation of prime and unique agricultural land, etc.

3.2.2 CURRENT SPATIAL CONTEXT

The Status Quo Report revealed key findings about the Msunduzi Municipality, necessary in terms of knowing the point of departure from which we are planning.

The geographic location of Msunduzi municipality allows it the opportunity of becoming well connected in the global economy due to the access it has to the N3 highway leading to major harbours and airports. The surrounding municipalities and towns access various connectivity and growth opportunities through Msunduzi, across various sectors such as Tourism and Agriculture. As such it is essential for physical connectivity to be further improved to stimulate these economic linkages.

Non-physical connectivity has become just as important as physical connectivity in the 21st century as the internet is now seen not just as a business tool but also as a means of accessing a world of education and opportunity. A broadband demand survey in the province revealed the need for high speed internet in educational institutions, hospitals and clinics as well as in the local government sector. The SDF takes it one step further and proposes that at it should reach all transport stations and, over time, the individual household level.

History has significantly shaped the city, evidenced by the apartheid city model which is still manifest even 23 years after achieving democracy, which is an unacceptable situation. Linked to this is the clear disparity of wealth, employment opportunities, plot sizes, levels of neighbourhood planning and access to basic services (especially sanitation) which needs to be corrected in the West, East, South-West of the CBD main (Edendale, Vulindlela, Imbali, Northdale, Shenstone and Ambleton etc).

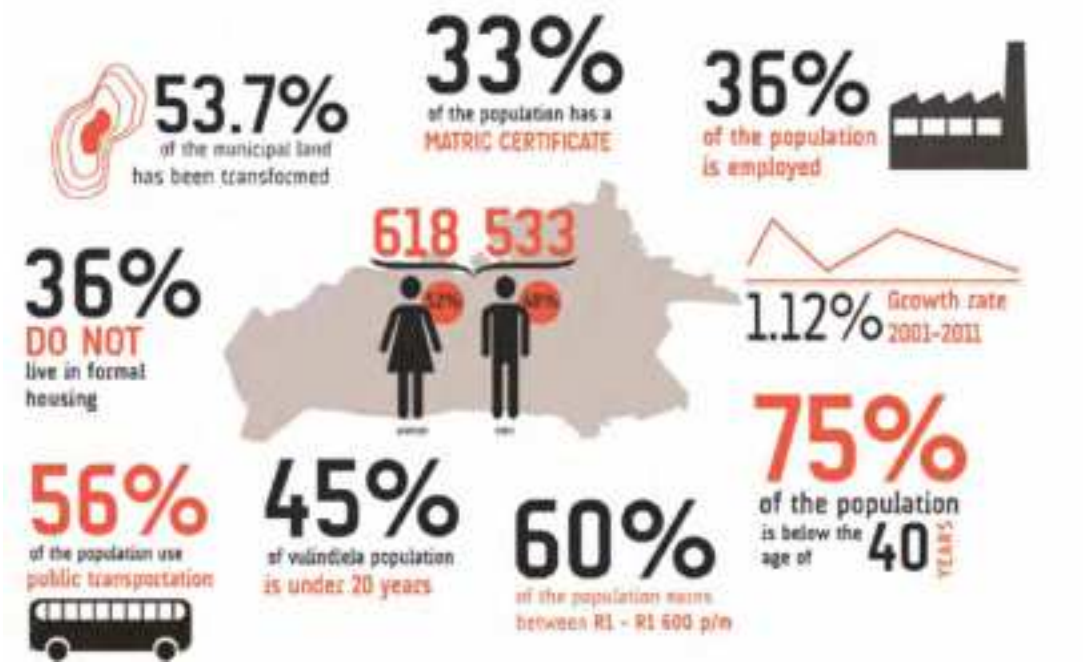
These areas reflect both a high concentration of informal settlements and traditional settlements. While there are some areas in the municipality were recreational spaces, public services and amenities have been provided, the quality, maintenance and accessibility to the communities they are intended to serve in these areas is questionable and it thus a major target of the implementation plan arising out of the SDF. Because development has been so visibly concentrated in the previously white areas (e.g. (Northern region, CBD, Ashburton & Eastern region)), the Greater Edendale/ Imbali area has recently been earmarked for an Urban Network Strategy project.

The trend for the Vulindlela area however indicates that it is becoming more of a forgotten space in terms of development from both a public and private investment point of view. The SDF therefore proposes step-wise ways of integrating Vulindlela with municipal spatial and socio-economic structure such as increasing accessibility through enhanced transport corridors, new sustainable urban centres in key areas and generally improved service provision.

The natural environment of Msunduzi is becoming better-understood with, for example, the completion of the Environmental Management Framework in 2010, but it is significantly under-protected when it comes to formally retaining key biodiversity features. The SDF attempts to map all of the pertinent environmental features as the 'ecological infrastructure' of the Municipality, which is essentially to be treated as a distinct line in the sand – being either uninhabitable (e.g. if in a flood zone) or subject to further study.

The dominant presence of educational institutions within the municipality is noteworthy. Much like social facilities, the status quo analysis has revealed that services are not evenly distributed/ supplied across the municipality. Once again the more formal and urban areas of the municipality are better serviced and generally more connected than the more informal, rural and peri-urban areas.

The diversity of the landscape and housing typologies lends itself to more tailored, sustainable service provision in future. New technological improvements to water, electricity, waste management and sanitation provision are on the horizon and pose significant opportunities for future uptake due to their ever-approaching price parity and convenience factors. These opportunities are explored per Area Based Management (ABM) area due to the general homogeneity of these areas.



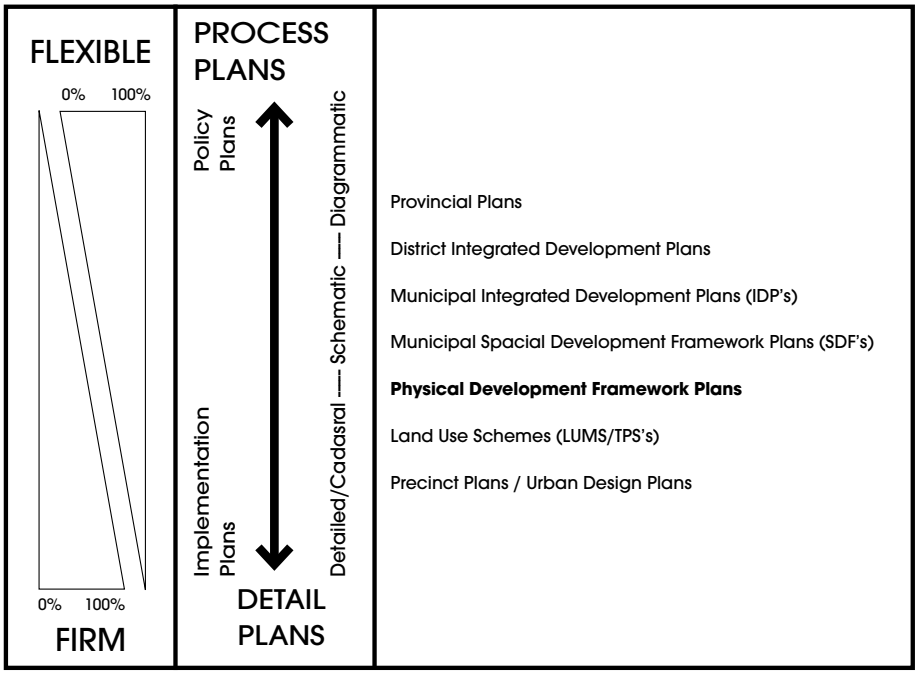
Stats SA Census 2011

The key demographic findings which have informed the spatial strategies are as seen in Figure 4:

3.2.3 THE HIERARCHY OF PLANS

The Msunduzi Municipality has embraced the concept of a Hierarchy of Plans as illustrated in Figure 5.

Figure 5: Msunduzi Hierarchy of Plans



Spatial Development Framework 2015

In 2010, Council adopted the preparation of a series of Area Based Management Plans (ABM) for Vulindlela, Greater Edendale and Imbali, the Northern Areas, and the CBD, Ashburton, and the Eastern Areas.

3.2.2.1 VULINDLELA

Vulindlela is situated to the west of Pietermaritzburg, northwest of the Greater Edendale area. The majority of the land belongs to the Ingonyama Trust (Traditional Authority areas). The area is predominantly rural and underdeveloped. The Vulindlela area covers a vast area (approximately 28 000 ha in extent). The study area is made up of 10 wards. The leadership in these areas consists of ward councillors, as well as Amakhosi for Mafunze TA, Inadi TA, Mpumuza TA, Nxamalala TA, Ximba TA and Ncwadi TA.

3.2.2.2 GREATER EDENDALE AND IMBALI

Topography and river corridors play a major part in structuring growth and development within the ABM. The area has major valleys and steep topography, particularly those areas closer to the Vulendela ABM. These serve as structuring elements and constrain development in certain parts.

The majority of the population in the Greater Edendale and Imbali areas are located to the east and south east of Edendale Road. Older areas on either side of Edendale Road comprise a mix of both formal and informal settlement patterns, mostly located on older cadastral layouts. Settlements to the south and east are a mixture of traditional and formal settlements. The residential areas in the central and eastern portions of the site are dominated by more recent formal settlement patterns. Undeveloped land, with great potential for development, lies to the east of the ABM and adjacent to the Ashburton ABM.

3.2.2.3 THE NORTHERN AREAS

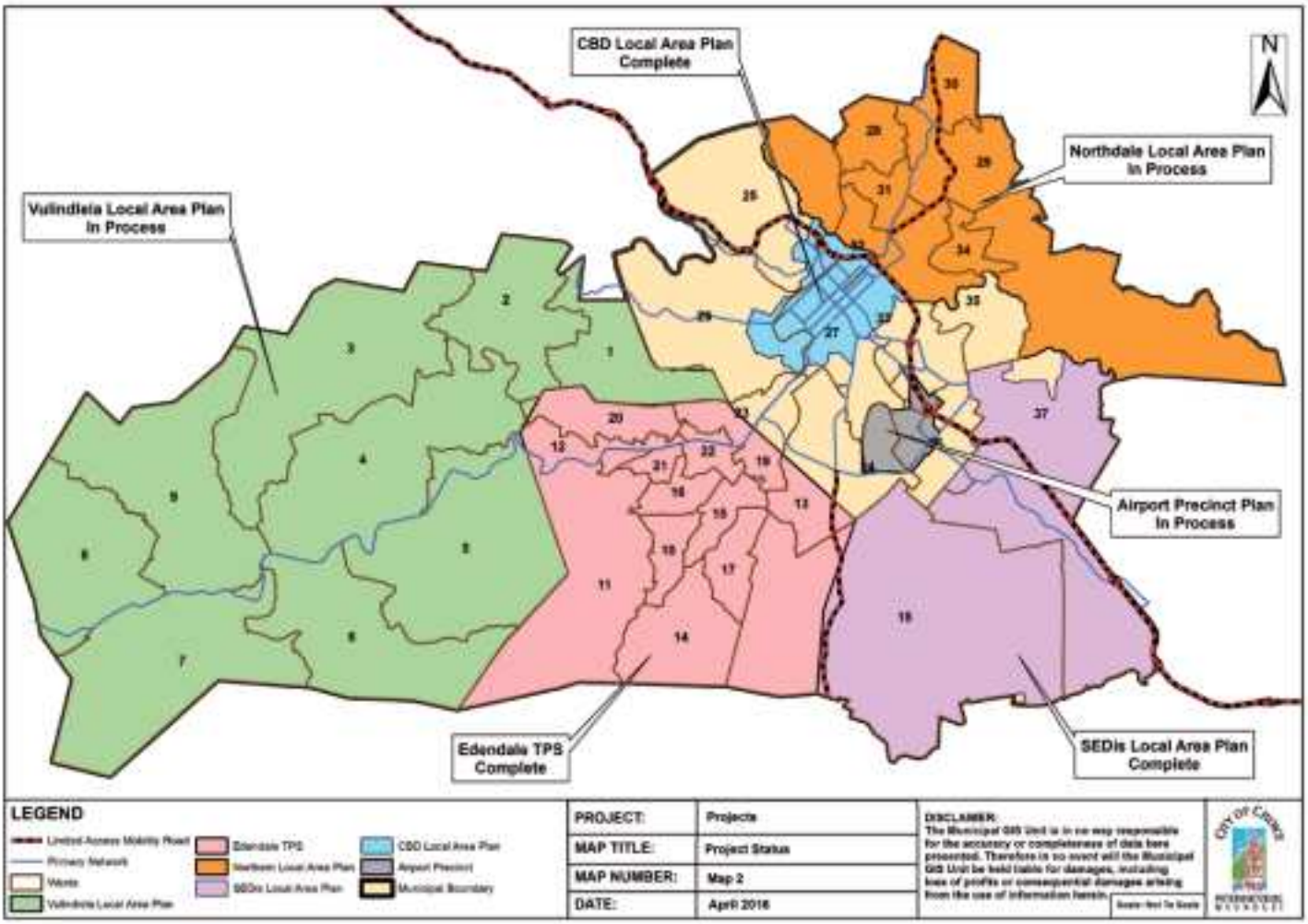
The Northern ABM consists of portions of the CBD, Clarendon, Montrose, Chase Valley, Woodlands, Northdale, Raisethorpe, and Bishopstowe. The N3 corridor traverses the ABM, but it is largely a movement corridor between the dominant urban cores of Johannesburg and Durban. Due to the limited access nature of this road, opportunity points exist at key intersections or off-ramps along its route.

3.2.2.4 CBD, ASHBURTON, AND THE EASTERN AREAS

The CBD also functions as the primary market place for the Municipality, a place of concentration of power (financial, economic, and political), an investment location, a rates revenue generator, and provides an opportunity for social interaction and integration. It also serves as the gateway city to the surrounding tourist destinations, it in itself being a tourist destination. The confirmation of the Capital City Status, and subsequent relocation of the various Provincial Departments, has contributed to the growth and stability of the area. Its declaration as the Provincial Legislative Capital has had a strong influence on the "City of Choice's" unprecedented economic and development growth.

This ABM is the major employer of the city's working population, with the majority of people being employed in government departments, mainly in the central areas, while others are employed in the city's industries in Mkhondeni, Pelham, Willowton, and on the periphery of Northdale, spilling over to Mountain Rise. The city's major education institutions are also within this ABM, and include the University of KwaZulu-Natal and Durban University of Technology in Scottsville, and UNISA and FET College/s in the central area.

Map 2: Area-based Management Plans and Ward Boundaries



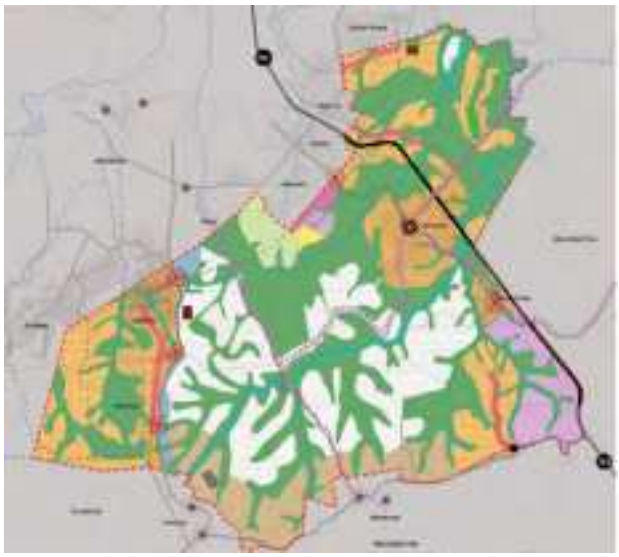
3.2.2.5 DETAILED PLANNING INITIATIVES

As part of ensuring that development is suitable crafted to fit challenges being experienced around the City, the City has embarked on the preparation of detailed plans for designated spatial areas. Currently, local area plans have been developed for the Central Area and CBD Extension Node (CACEN) and the South Eastern District (SEDis). It is envisaged that these detailed plans will guide public and private development through the identification of priority areas and interventions; make decisions regarding investment in services infrastructure and associated phasing; and give clarity and direction to developers and land owners in the area with respect to the type and intensity of development.

1. **Central Area and CBD Extension Node:** The Central Area and CBD Extension Node is an Inner City Development and Regeneration Strategy which reinforces and consolidates its character and role as the economic and administrative hub of both the City and Region, including its function as an urban centre ie. a place of exchange (a market place); a place of concentration of power (financial, economic and political); an investment location; a rates revenue generator; and a place for housing, social interaction and integration.

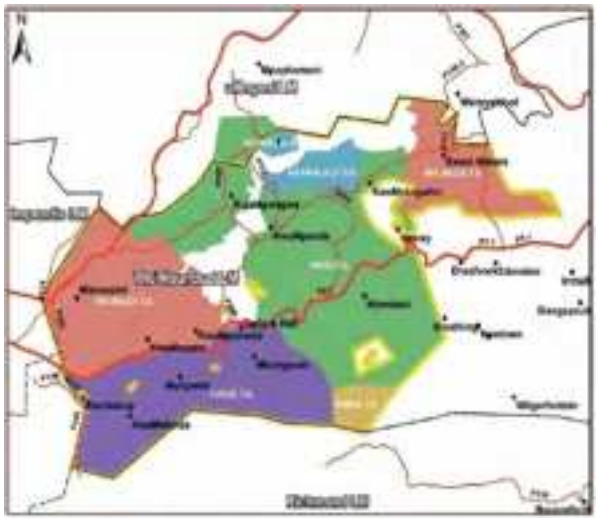
Spatial Development Framework 2015

2. **South Eastern District:** The Msunduzi SDF identifies the SEDis area as a significant location in terms of the residential, industrial and mixed use growth and expansion of Msunduzi. It also identifies the importance of conserving critical environmental resources in the area. The area also has significant potential to contribute to the urban growth, restructuring, resilience and sustainability of Msunduzi through the strengthening of radial and concentric linkages, the utilisation of more innovative development approaches, the integration of land use and transport, climate change resilience, food security as well as catchment management to protect downstream environmental assets.



Spatial Development Framework 2015

3. **Vulindlela Local Area Plan:** The municipality is currently receiving support from the Department of Rural Development and Land Reform to develop a Local Area Plan for Vulindlela The character of Vulindlela is complex. It consists of rural, peri-urban and fairly dense typologies as described hereunder. Vulindlela is considerably less developed and less economically active than the other management areas in Msunduzi. The land use of the area comprises a pattern of scattered settlement, grazing land, cultivated lands (both large individually managed and farmed areas and smaller irrigated community gardens), pockets of indigenous forest and some major timber plantations. Due to increasing population pressure areas some previous areas of grazing and arable land have been converted into residential land.

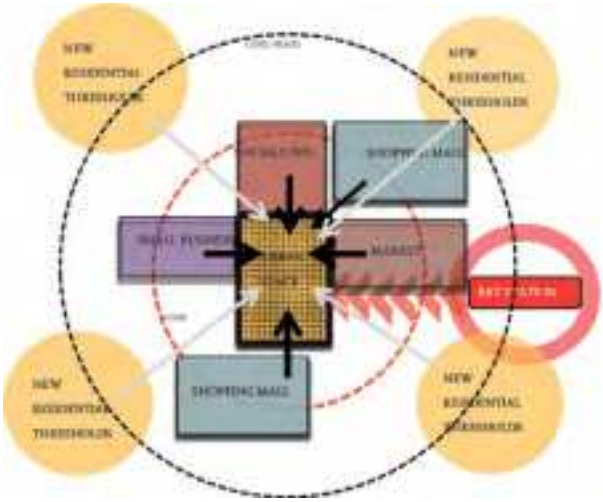


Spatial Development Framework 2015

4. **Airport Precinct and Management Plan:** As part of enhancing the role of Pietermaritzburg within the context of the N3 logistics corridor, (i.e. SIP2 project), the preparation of the Airport Precinct and Management Plan has been commissioned in May 2015. The Airport Precinct is identified as a key nodal area on the N3 corridor. Also taking into consideration the Durban-Gauteng Development Corridor (i.e. SIP2) and its importance to freight and passenger movement. The Airport Precinct is considered as a key focal point required to successfully support the functioning of the N3 Development Corridor.

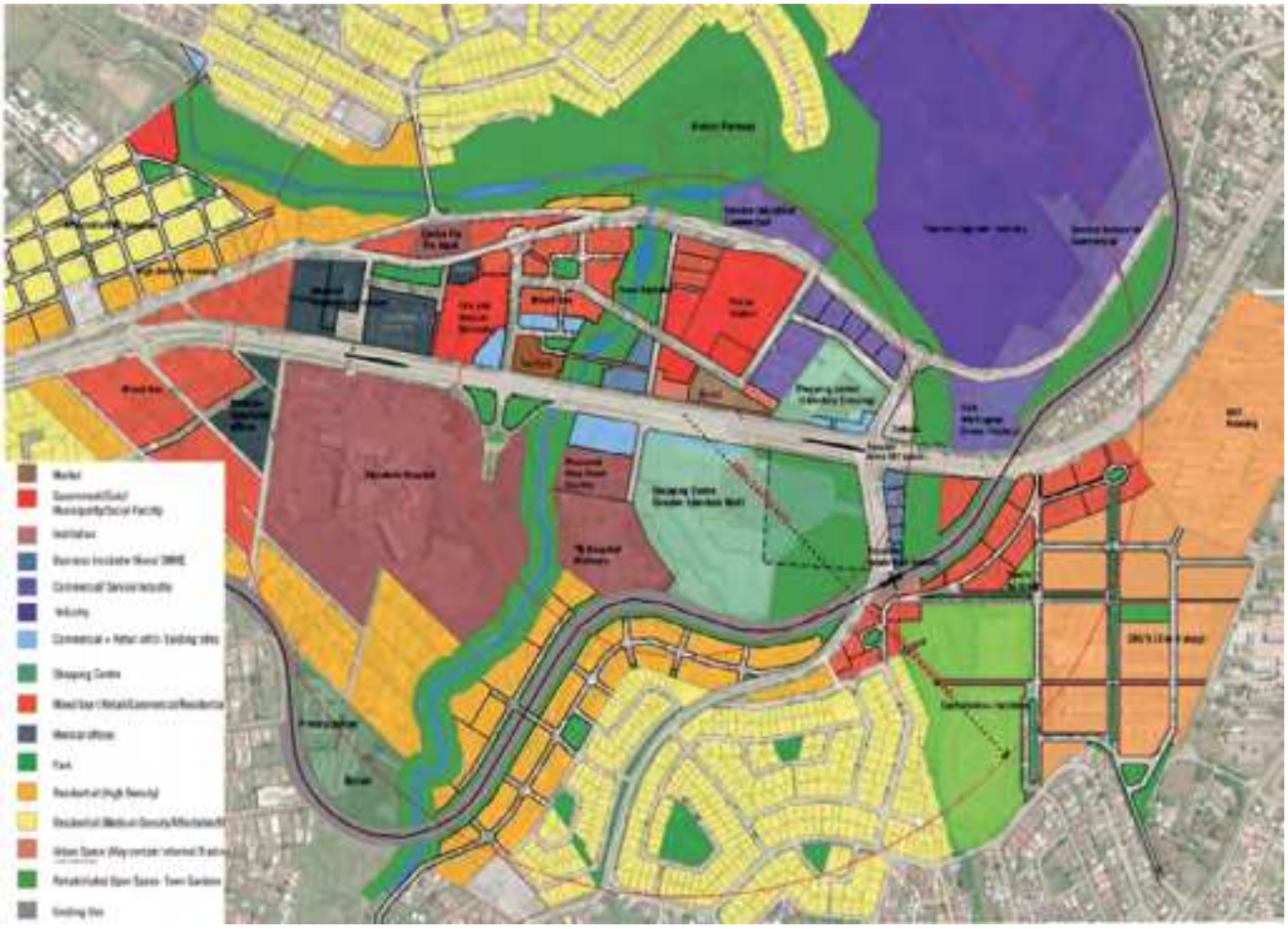
Spatial Development Framework 2015

5. **Edendale Town Centre:** The Neighbourhood Development Partnership (NDP) has identified the Greater Edendale area for a Township Regeneration strategy with the aim of ensuring that the development of an Urban Hub within the Greater Edendale area will assist with the transformation and regeneration of the area and that the spin-offs of this would contribute to the improvement of the surrounding areas. The merits of identifying Edendale are evident based on the area's historical and current development challenges. Much of the apartheid spatial context and patterns still exist today with the marginalised community in Edendale and Vulindela far from economic, social and recreational opportunities.



Spatial Development Framework 2015

The primary objective of this study is to develop a precinct plan for the Urban Hub in which discreet projects are identified and project plans are prepared to unlock funding for detailed design and implementation in the next phase. The Strategic Review revealed that the Greater Edendale area has great potential to overcome the deficiencies inherited from Apartheid and become a thriving area. One of the driving forces behind this optimistic stand-point was the IRPTN project, which is expected to be implemented in the next few years. It is expected that the project will drastically transform the Municipality bringing a range of transportation, land use and increased densification opportunities and becoming a major structuring element in the Greater Edendale area.



Spatial Development Framework 2015

The Strategic Review also reflected that the majority of the initiatives taking place in the municipality are concentrated within the Imbali precinct. The report highlighted that the bulk of future growth and investment would most likely occur within this Precinct both in the short and medium term. It was established that the area proposed for the development of an Urban Hub must encompass the Hospital, Shopping Malls and Future Educational precinct in Edendale. The review also established that it is essential to ensure that development of the Hub is in a manner that allows for greater synergy between the existing and proposed land uses. Considering the above, it is motivated that the most likely location of the Hub would be within the Imbali Precinct.

After a vigorous criteria evaluation of three proposed Hub locations, the Imbali area was chosen for the establishment of an Urban Hub. This area is in the vicinity of the existing shopping centers within Edendale and was chosen due to it being highly accessible and currently serves as a landmark and destination oriented zone. The recent acquisition of land by the municipality has elevated this area over the other locations as a potential zone for future investment and development. There are opportunities for expansion through future bridge and pedestrian connections e.g., to the Hospital and surrounding areas. The majority of the uses that make up the frame of a town Centre have already been established or are in the process of being developed. The character of the Urban Hub within the Greater Edendale/ Imbali area must be centered on the notion of defining an 'African Urbanism', where the planning of the Hub facilitates the development of a space that is true to the identity of the user's context in which it is set. As such planning merely facilitates the development of an environment that will allow this natural growth to take place. However there are fundamental drivers that are considered important in establishing the character of the proposed Hub. It is important that the hub is not seen as a traditional CBD but built around the concept of an Informal economy that will set the platform for other land uses that will grow organically and are responsive to different circumstances. In so doing the design intends to acknowledge the following principles:

- The hubs dependence on public transportation,
- That the majority of users are pedestrians,
- The way in which economic activity needs to engage with the public realm
- The dual identity of the Centre as both a place of economic activity but also a place of social gathering.

In designing the Hub, the BRT becomes the catalyst in the area bringing in additional foot traffic in the area at regular intervals. The aim is to direct this movement into a common area namely an 'Urban Space' which becomes the Centre where all uses and people start to gravitate towards. The urban space becomes the area that promotes new land uses but more importantly integrates existing land uses.

The implementation of the Hub is geared toward realisation of one of the following strategies within a short, medium and long term projection;

- Strategy 1: Planning approval and Implementation Set up;
- Strategy 2: Establishing the HUB- Support and grow the informal economy and government precinct (Phase 1): R 97,798,800 (estimated figure);
- Strategy 3: Promote the building of a diversified service industrial/ manufacturing sector;
- Strategy 4: Develop mixed-use retail/ office and residential opportunity;
- Strategy 5: Enhance the quality of life of the Hub by rehabilitating existing open spaces;
- Strategy 6: Address infrastructure capacity;

Spatial Development Framework 2015

It is suggested that Phase 1 of the Urban Hub be established first. The selection of this area as the lead project/ phase is a deliberate decision in anticipation that the successful development of this area will trigger investment and development of the rest of the Hub area. The Market and SMME incubator sites show the importance of the informal economy and the efforts being put in place to grow this economy within the Hub. The Government building relates to the already existing police station and will stand a symbol of the role the Public sector. The Urban Square emphasises the notion of the Hub being a place of public gathering, were people interact. The landscaped streets will help the Hub become a place of celebrated spaces with quality streets. The realization of this project makes it imperative that the acquisition of these parcels of land is secured as soon as possible in order to allow for the development of this phase to commence.

It is without doubt that the proposed design of the Greater Edendale/ Imbali Urban Hub is consistent with the prime objective of the NDPG of stimulating and accelerating investment in poor, underserved areas. There is already significant private investment in the area and thus public investment will merely serve as a catalyst to draw more investment and employment opportunities for the people within the Greater Edendale/ Vulindlela Areas.

3.2.2.6 THE SPATIAL DEVELOPMENT FRAMEWORK

In terms of Chapter Five of the Municipal Systems Act (No. 32 of 2000), in 2014 the Msunduzi Municipality embarked on the review of its 2009 Spatial Development Framework (SDF). Based on a thorough understanding of the study area following the status quo phase, the comprehensive SDF map 2014/2015 was compiled in a systematic manner. The SDF is based on seven key developmental pillars identified as forming a backbone of sustainability for the future city. The seven pillars upon which the Msunduzi SDF is built are as follows:-

1. Global Connectivity: Improved local, regional and national physical connectivity of the municipality via road, rail, NMT and air transport, as well as bridging the digital divide with a strategy for enhanced ICT connectivity;
2. Productive Systems: Developing a strategy for land release along the N3 corridor, reviving the CBD and other secondary and tertiary centres of economic activity, introducing new economic centres in previously neglected areas (particularly those previously considered 'rural'), and making the most of productive agricultural land.

3. Ecological Infrastructure: Enhancing the open space network in the city for improved natural service provision and ecological functionality, through the protection of formal and informal nature reserves, open spaces, enhancing linkages across catchments and increasing setback lines in key areas such as those adjacent to watercourses.
4. Sustainable Transport: Spatially identifies and promotes an equitable movement structure across the city, through an enhanced public transport backbone (e.g. the IRPTN and possible future NMT routes) and by reviewing the functionality of the rail network.
5. Quality Urbanism: Creating functional, well-serviced neighbourhoods, building a polycentric city structure with secondary major centres (such as in Edendale), identifying areas for future smaller sustainable urban centres, promoting densification and public place making in the aforementioned areas and along public transport trunk routes.
6. Social inclusivity: Identifying areas for new housing opportunities, areas where informal housing needs to be addressed and/or upgraded on-site, and areas requiring the equitable distribution of public amenities.
7. Sustainable Services: Enhancing existing infrastructure based on findings per ABM, identifying areas for future infrastructure installations and mechanisms for achieving infrastructure-related efficiency through economies of scale (at densified urban centres and along key transport routes, using resource-efficient technologies where appropriate).

The above interventions were conceptualised based on the following key philosophies:

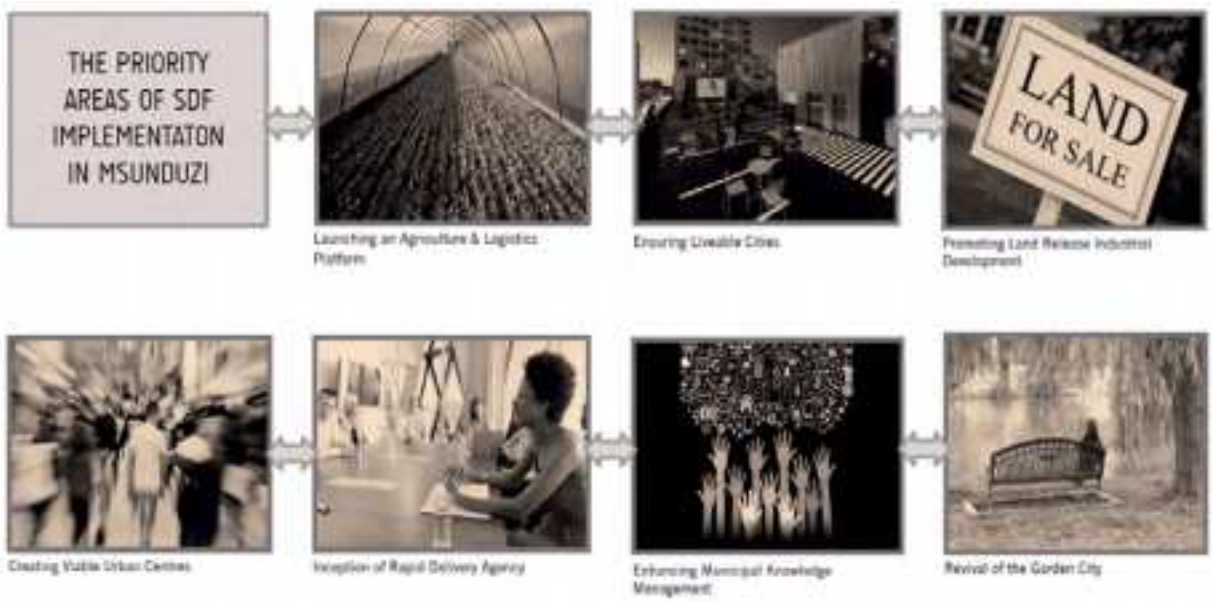
- Transformation;
- Equity/ Equality;
- Restructuring;
- Recycling / Upcycling;
- Reinventing; and
- Public Place Making.

Further to this, the SDF is based on a growth model developed as part of this study, which identified future population as well as economic space required for the future. This enables the SDF to have a sound basis informed by sustainable anticipated growth.

The economic and population growth models identified a need to ensure a minimum 2500ha of industrial land, 600ha of commercial land and 9550ha of residential land , These land allocations were adequately tied into the forecasted 2050 plan.

3.2.2.6.1 SDF IMPLEMENTATION

The implementation plan of the SDF has resulted in 50 projects being proposed with the following catalytic programmes being introduced as 'top prize' programmes for change:



These seven programmes are linked directly to the seven developmental pillars forming the basis of the SDF. Their effects, when implemented are cross-cutting and would result in an integrated and sustainable space economy in the municipality.

3.2.2.6.2 PROJECT IDENTIFICATION AND CAPITAL INVESTMENT

Following the priority areas of the SDF Implementation, various projects are currently on-going to facilitate development in the municipality. Some of these include the Land Audit and Land Acquisition Programme which are aimed as stock-taking of municipal land viable for different development potentials as well as the deliberate acquisition of land in locations where capital investment can occur. The Greater Edendale area is currently the prime focus of land acquisition to facilitate mixed-use development as part of changing the apartheid landscape. The Integrated Rapid Public Transport Network (IRPTN) is also a flagship project which seeks to achieve the strategic vision of being "a well accessible and connected city". The IRPTN will see the roll out of a reliable and efficient public transport system. However one of the elements that is essential to ensuring that the system is viable is adequate residential densities along the route.

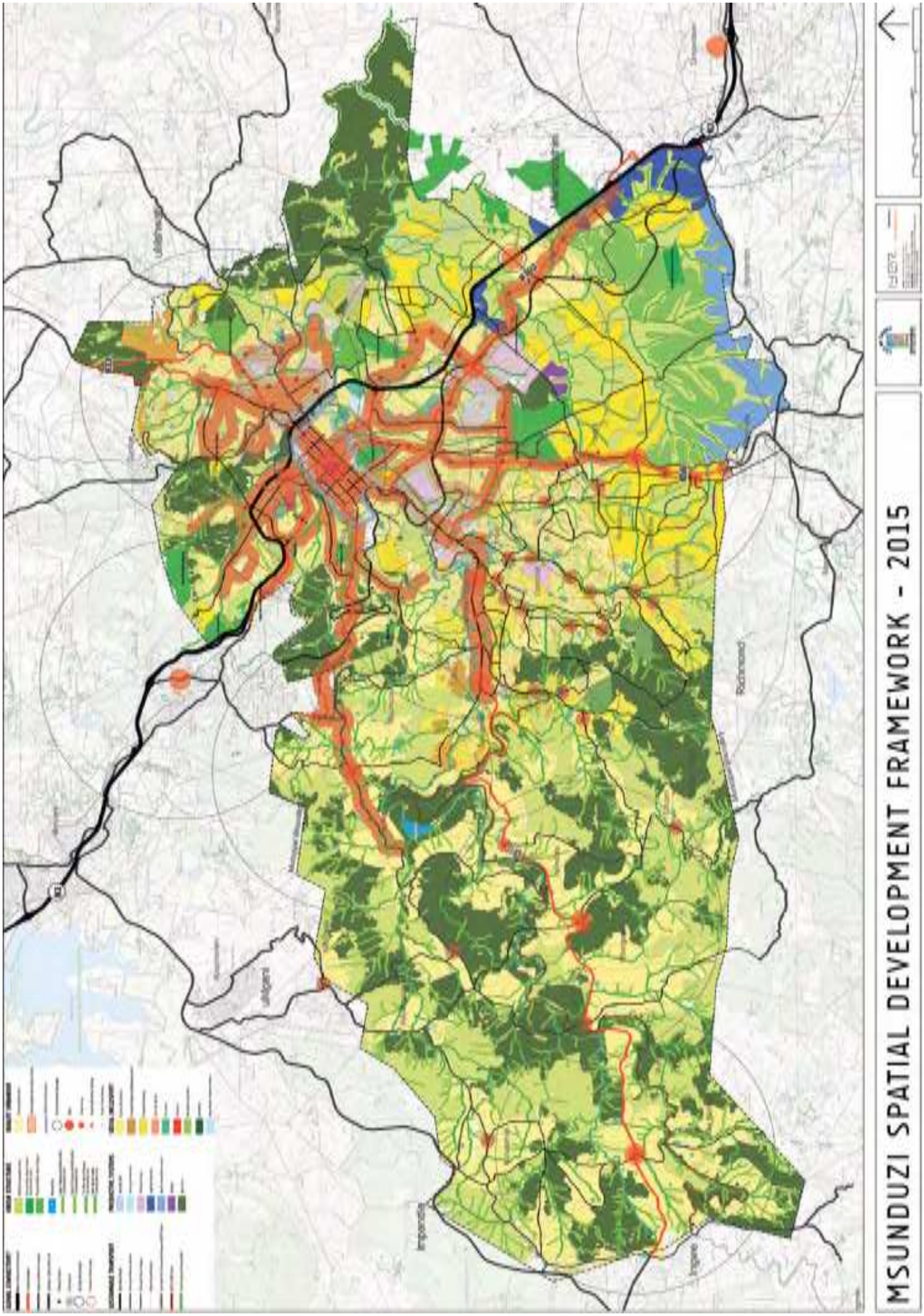
The SDF implementation contains approximately 50 projects outlined in terms of their objectives, timeframes, budgets, implementing departments, the plans were mapped on a discreet project-by-project basis (where possible), serving as a capital investment framework, and checked in terms of their alignment with key planning tools (i.e. IDP).

A phasing plan was built in accordance with the various projects - as they relate to certain land use categories. This resulted in a land use guideline which can be cross-referenced against the distinct SDF map legend items as well as the more generic/broad land use categories.

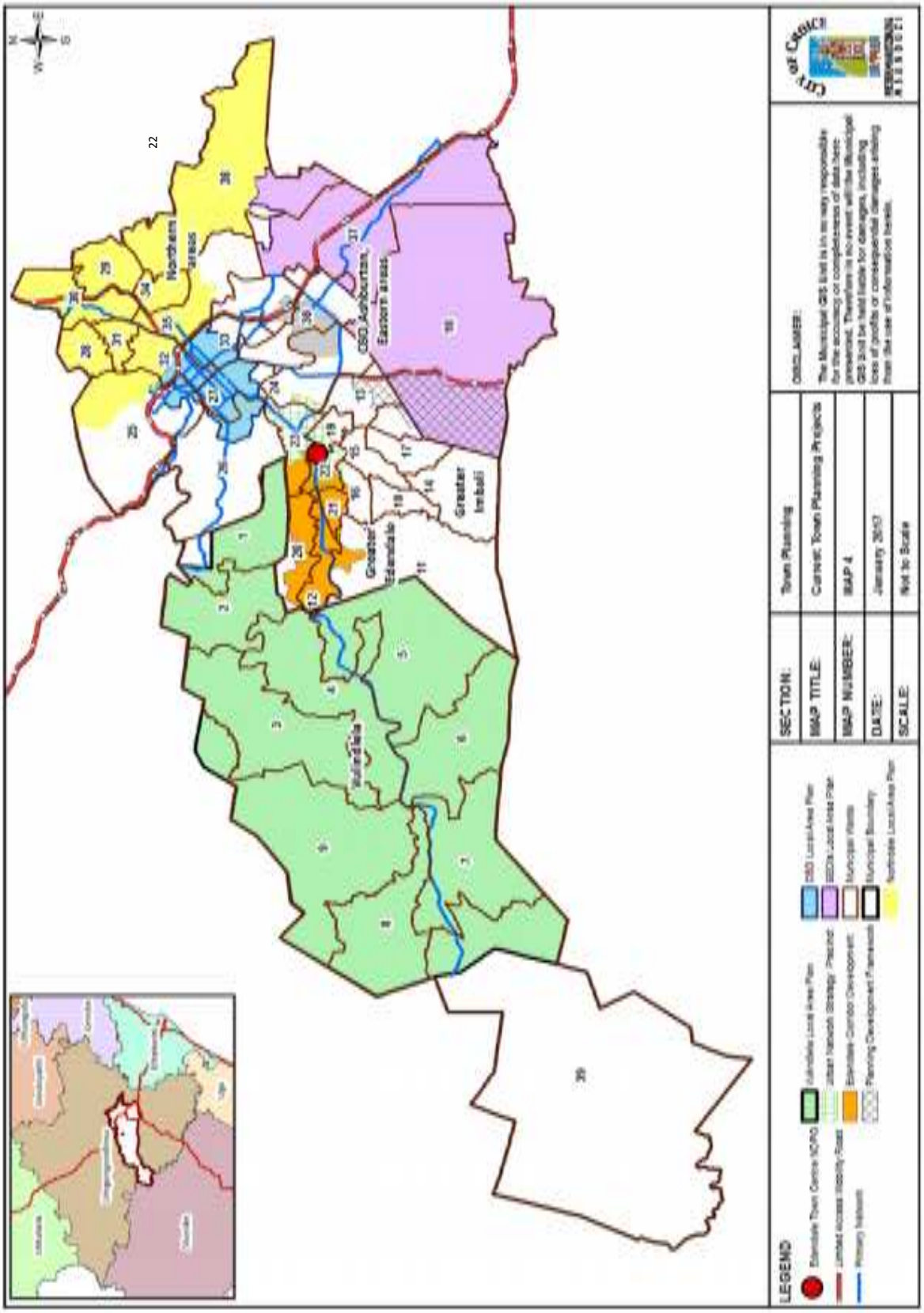
The process of monitoring and evaluation reveals the importance of departmental alignment and long term financial planning and forecasting to achieve desired outcomes in the most efficient manner for the city. In this regard, some of the strategic proposals that the city has to consider strongly is the establishment of:

- A Rapid Delivery Unit to assist with key aspects such as appropriate funding mechanisms, streamlined project management and overall efficacy;
- An internal Municipal Development Alignment Forum for officials to discuss issues of alignment and conflict.

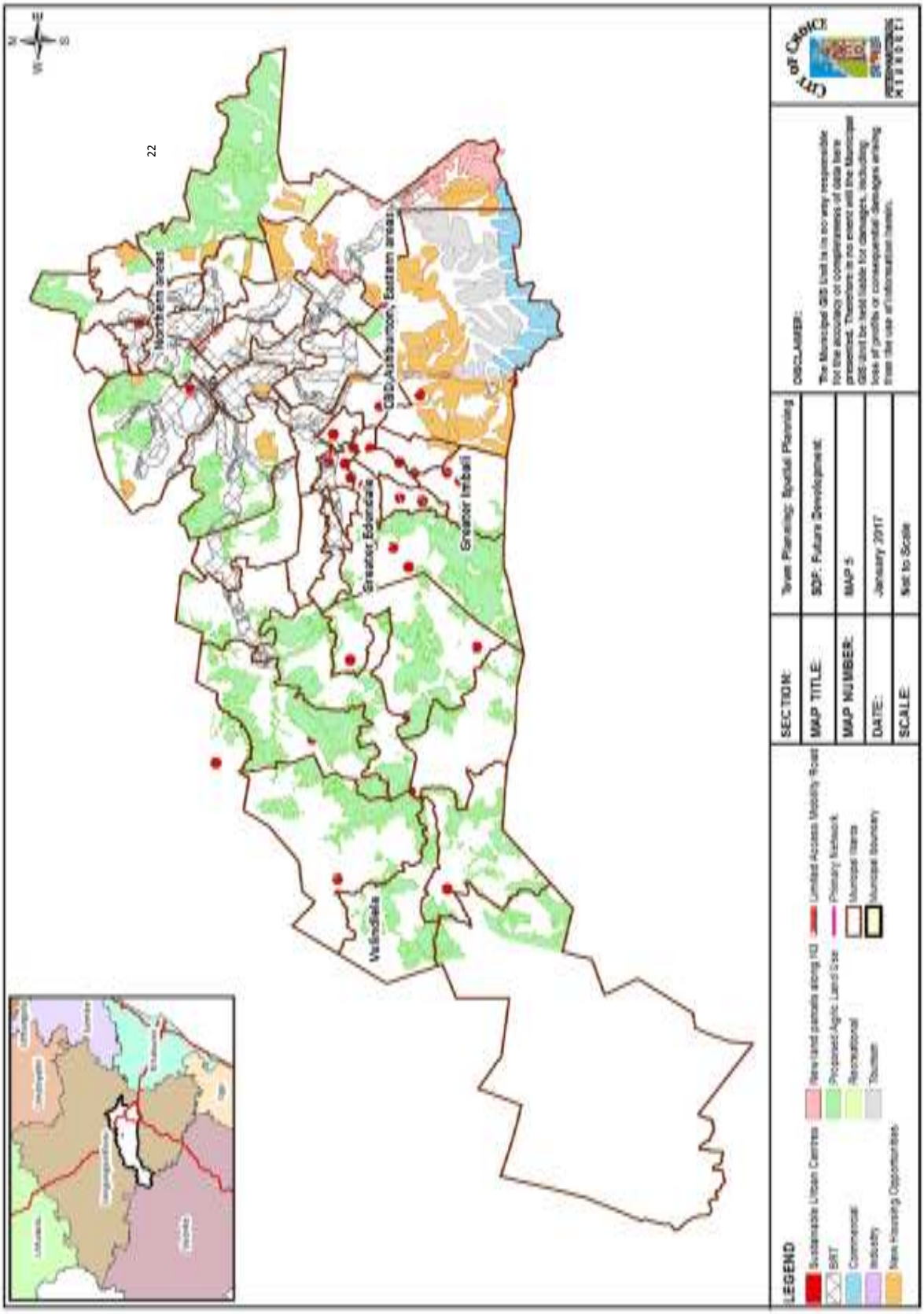
The Msunduzi Municipality has the tools in hand to begin seeing the vision of the SDF through for a sustainable, thriving city. This roadmap which has been created, points to the vision of the "City of Choice and being Second to None".



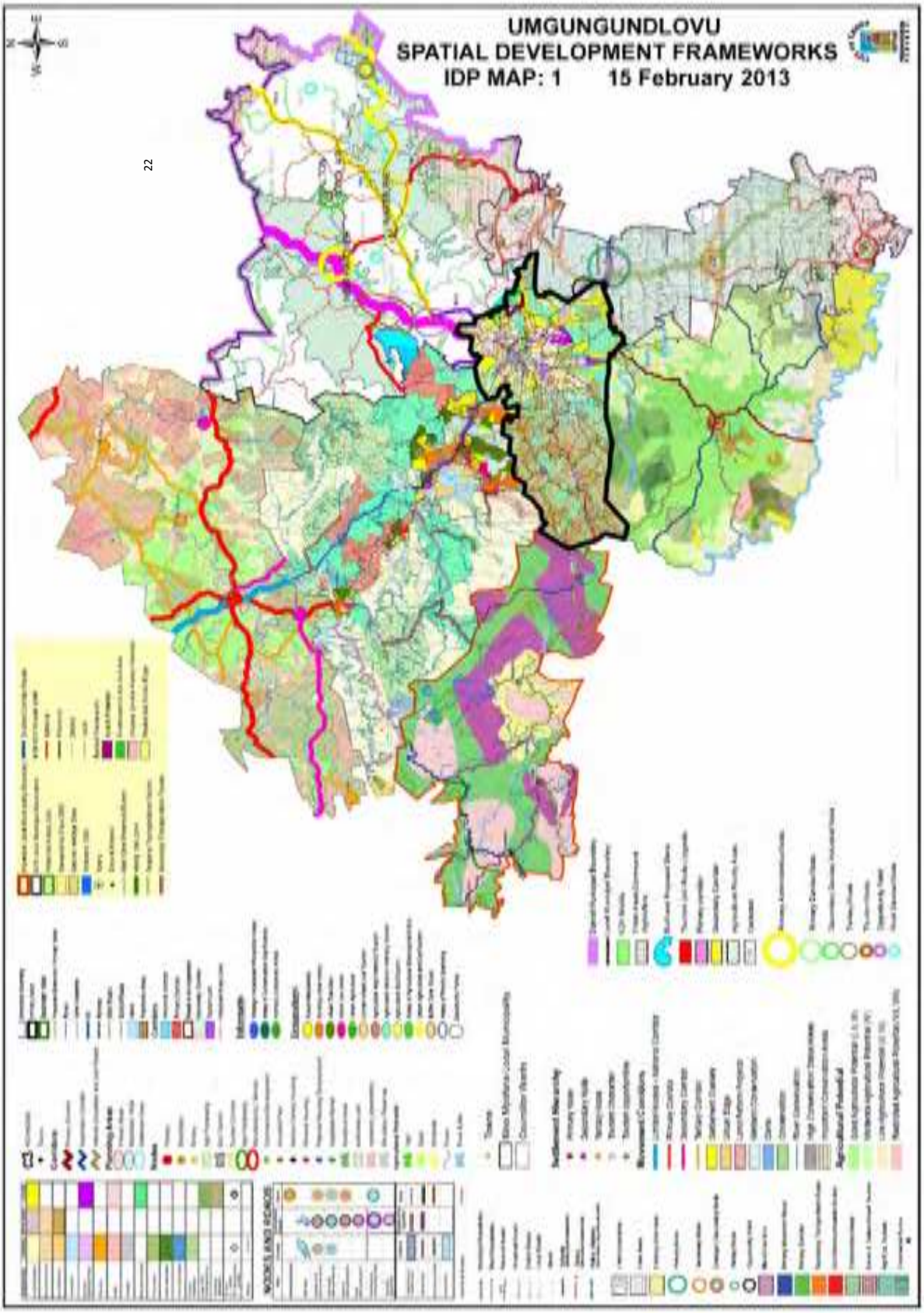
MAP 3: Spatial Development Framework



MAP 4: Current Town Planning Projects

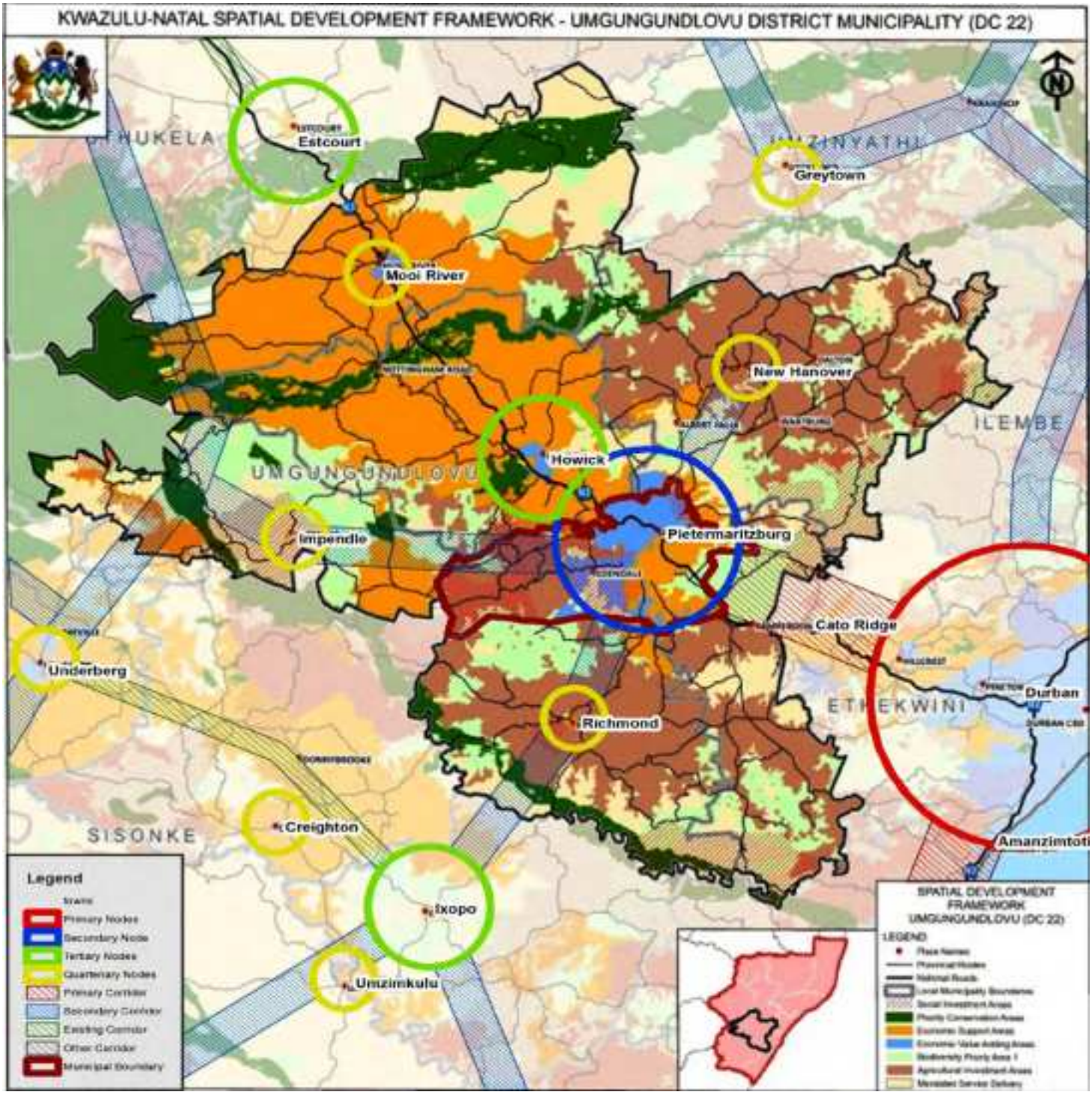


MAP 5: SDF Future Development



MAP 6: Spatial Development Framework

MAP 7: KZN Spatial Development Framework UMDM



3.2.2.6.3 REGIONAL CONTEXT

Through the SDF and ABM plan preparation process, attention has been paid to the alignment of the Msunduzi SDF to that of the surrounding local municipalities, as well as to the SDF of the uMgungundlovu DM. The two maps above summarise the Msunduzi Municipality's SDF in terms of the surrounding SDFs in the uMgungundlovu District Municipality, as well as the Msunduzi Municipality in terms of the Provincial Growth and Development Strategy. The following is noted:

- The PGDS identifies the Msunduzi Municipality as a secondary node in the province, secondary to the eThekwini node.
- The PGDS identifies the N3 corridor as a Primary Corridor, with the roads linking the Municipality to the New Hanover, Richmond, and Impendle nodes as secondary corridors.
- The uMgungundlovu SDF identifies the Msunduzi Municipality as the Primary Node.

3.2.2.6.4 NODES AND CORRIDORS

The Msunduzi SDF is based on a concept of a hierarchy of nodes, connected by a system of corridors. This is summarised in the tables below:

(i) NODES

TABLE 10: DEVELOPMENT NODES WITHIN THE MSUNDUZI MUNICIPALITY

MSUNDUZI NODES	
Description	Guiding concepts for the identification and functioning of nodes: • Optimise the use of existing bulk infrastructure and social facilities; • Discourage Urban Sprawl; • Ensure compact and efficient urban areas; • Protect agricultural land with high production potential; • Provide guidance to both public and private sector investors; • Promote economic, social, and environmental sustainability; and • Accommodate reasonable future demand for development. The SDF distinguishes various nodes in terms of whether they are: • Existing and to be maintained at that level; • Existing at a lower level, and to be extended and consolidated into a higher level node; • New nodes to be introduced and phased in over time and as thresholds occur, but shown at the level which is ultimately intended.
Name	**Description**
The CBD Node	This is the heart of the City, and consists of the core and the frame surrounding it. The core contains the full range of uses associated with a CBD, while the frame accommodates transitionary uses at a lesser density. The so-called CBD extension node, which includes the recently developed Motor World, the Bird Sanctuary Site, the Midlands Mall, and the RAS is incorporated into the CBD Node.
Regional Multi- Use Nodes	This level of node includes a retail component between 75 000 m2 and 120 000 m2, and serves a regional function. In addition to retail, it can include a wide range of compatible uses. There is one existing Regional Multi-Use Node (Liberty Mall and the surrounding area). There is a new proposed Multi-Use Node that will be introduced at Shenstone, in the Edendale area.
Community Multi-Use Nodes	These serve a community function, and would have a retail component ranging from 25 000 m2 - 40 000 m2. These nodes also accommodate a wide range of compatible uses, and the SDF distinguishes between existing community nodes to be maintained at existing levels, those with the potential for expansion, and future nodes. Essentially, a new Multi-Use Community Node will be developed on the Edendale Road.

Name	Description
Neighbourhood Multi-Use Nodes	These operate at a neighbourhood level, and have retail components of between 5 000 m2 and 12 000 m2. These types of nodes occur in two forms, viz as mono use nodes that are pure retailing, and those that are multi-use. Again, the SDF identifies existing nodes that are to be maintained or expanded, and future nodes.
Focussed Multi-use Nodes	This node includes light industrial, warehousing, "big-box" retailing, and other uses not normally found in the other nodes, and is located at Camps Drift.
Administrative Node	This node is on the edge of the CBD Node and includes Greys Hospital, Carter High School, and the Town Hill Hospital Grounds, to which the Provincial Parliament is likely to relocate.
Rural Service Centres	Rural Service Centres (RSC's) are identified focal points from which a conglomeration of services would occur to serve the generally poor rural communities. These are main distribution centres, or higher order points (nodes) where services are concentrated. The RSC's are based on the Rural Service System model which seeks to spatially distribute economic activities (including effective service delivery) at an identified concentration point (node) along movement networks. The concentration of economic activities is based on mutual benefit i.e. shared infrastructure, shared market, and one activity producing an input for another activity. The range of services at a concentration point is determined by the threshold which it serves, and, therefore, the larger the threshold, the greater the range of activities. Most of these nodal points are located in the Vulindela area.
Large Scale Mixed-Use Nodes (Corridor Opportunity Areas)	Large scale mixed-use nodes are identified along the N3. These offer opportunities for integrated and coordinated mixed use developments, which include activities such as industry, offices, and commercial land uses. In terms of Provincial policy, development is to be encouraged along the Provincial Priority Corridor (N3) at appropriate locations. In the case of Msunduzi, this would be around the intersections where development potential still exists, i.e. the Lynfield Park/Lion Park and Richmond/Umlaas Road intersections. Local Area Development Plans would be required.

(ii) CORRIDORS

TABLE 11: DEVELOPMENT CORRIDORS WITHIN THE MSUNDUZI MUNICIPALITY

MSUNDUZI CORRIDORS	
Description	The main objectives of development corridors are to achieve integration, improve access, and provide investment opportunities whilst correcting imbalances created by the Apartheid planning system. It is suggested that through the use of development corridors, previously segregated areas can be connected, and opportunities created for economic development in previously disadvantaged communities, as well as the identification of alternative development axes.
Name	**Description**
Provincial Priority Corridor/Limited Access Mobility Road	This is the N3 which has been identified as a priority development corridor by the Provincial Cabinet. Its prime function is to serve as a long-distance movement corridor, and although the agglomeration benefits of the corridor should be optimised, this should not interfere with its primary function. Consequently, development will be located at or near some intersections.
Activity Spines	Generally referred to as development corridors, these occur along major arterials leading into or from the CBD Node. A mix of complementary land uses including retail, office, entertainment, and residential; about half a street block in width fronting onto the arterials are to be encouraged, but only in specific areas.

Name	Description
Arterial Roads and Bypasses	These existing, improved, and proposed roads are aimed at improving accessibility, alleviating congestion in and around the core, and opening up areas previously excluded from the local economy. In the case of future roads, the alignment shown is merely diagrammatic. The proposed road "matrix" comprises both major and minor arterial connections. A number of such roads is proposed in the Edendale, Imbali , Ashburton areas in order to improve connectivity to all parts of the city, especially new employment areas.

3.2.2.7 BROAD LAND USES

A broad land use analysis was prepared as part of the SDF (2009) preparation process. This will be updated as more up to date information comes through from the review process. It must be noted that the percentages used to indicate land use trends, and to inform overall spatial planning at an SDF level, are an approximation. A more detailed land use audit is required at the Scheme level, which will follow the preparation of the SDF.

TABLE 12: LAND USES PER AREA BASED MANAGEMENT AREA

GENERAL LAND USE PERCENTAGES	The Grasslands takes about 31.7 of the land in the Municipality, followed by land used for settlement purposes at 29.1%, which includes formal settlements (14.8%), traditional settlements (14.1%), and informal settlements (0.5%). It is important to distinguish between the different types of settlements, as these would give an idea of the level of services available, and those that are required.
ABM	**DESCRIPTION**
CBD, ASHBURTON AND EASTERN AREAS ABM	Whilst the dominating land use is thornveld and grasslands, this area is predominantly used for residential purposes. The area is also home to some of the major employers in the city, namely government sector in the central area, and industries in Mkhondeni, Willowton, and Pelham. This area is therefore the largest rates contributor of the city. It is important to mention that this area plays a significant role in terms of transport infrastructure available in the city. This area accommodates the larger part of the N3, a primary movement corridor (also part of the Provincial Development Corridors) dissecting the city and the Edendale – Northdale development corridor; it is also home to the city's only airport and railway station. A concentration of education facilities is found in this area, the largest of them being the University of KwaZulu-Natal. The north-eastern part (Bellvue/New England) and south-eastern part (Ukulinga/Ashburton) has pockets of cultivated land.
NORTHERN AREAS ABM	This area is mostly used for residential purposes, and the natures of the settlements are both formal and informal, especially in the areas of Claridge and Copesville. Forestry/Plantations are the dominant land uses, especially to the west of the area with natural bush in between. The majority of commercial activities in the city are within this area, with pockets of industrial uses in places. There are also pockets of Active/Passive Open Spaces (the largest being Queen Elizabeth Park), and Cultivated Land (Copesville/Claridge). It is important to note that the largest health institutions in the city namely Grey's Hospital and Townhill Mental Institution, are within this area. The area is also part of the Edendale – Northdale development corridor and the N3.
GREATER EDENDALE AREA ABM	A large part of this area is used for residential purposes, even though it is largely under-serviced. The natures of the settlements are formal, informal, and traditional, even though there is no tribal authority in this area. Even though there are industrial activities in the area, the majority of people are unemployed and are relatively poor. This area has been identified as one city's areas of priority spending, with initiatives already underway to support this, namely the Greater Edendale Development Initiative (GEDI) and the Edendale – Northdale Development Corridor. This area was also home to the Ndumiso Teacher's College, now home to Durban University of Technology (Imbali Campus) and Umgungundlovu FET, the Edendale Hospital, and the railway depot.

ABM	DESCRIPTION
VULINDLELA ABM	This area is under traditional authorities, and is predominantly rural with largely traditional settlements. There are, however, pockets of informal settlements. This area is the largest of the ABMs, and houses the majority of the city's population, yet it is highly underdeveloped and under-serviced. The majority of people are unemployed and dependant on government grants, while some live off the land through subsistence farming. There are also pockets of Active/Passive Open Spaces, Forestry/Plantation, Grasslands, and Natural Bush. The education facilities are scattered around area, and the lack of health facilities is clear.

3.2.2.8 LAND USE CONTROLS

The Municipality is working towards the roll-out of a wall-to-wall scheme for the entire municipal area. The Municipality currently has schemes covering the following areas:

TABLE 13: EXISTING SCHEME COVERAGE

SCHEME NAME	COVERAGE (ha)
Pietermaritzburg	15,196.35
Ashburton	3,108.88
Plessislaer	214.44

As per the SPLUMA, the Municipality has moved towards creating a wall to wall Scheme by completing four projects which are follows:

1. The extension of the PMB TPS to include the Greater Edendale area
2. The extension of the PMB TPS to include the Sobantu area;
3. The Local Area Plan for the South Eastern District (SED);
4. The Local Area Plan for the Central Area and CBD Extension Node, including an Inner City Regeneration Strategy.
5. The Vulindlela Local Area Plan; and
6. The Municipality is preparing Terms of Reference for the Northern Areas Local Area Plan

3.2.4 COMMUNITY BASED PLANS

The project prioritization table is a key component for the Msunduzi Municipality as part of the (IDP) integrated development plan and budgeting process in order to be able to budget for both capital and operational projects. While scoring the community needs in the (CBD) and Eastern zone it was noticed that areas that are located in the (CBD) score higher than sub-wards that are not situated in the (CBD), due to the fact that projects needing to occur in areas that are in the (CBD) for example upper town, will result in the implementation of (IDP) identified catalytic projects. Additionally, areas in the (CBD) occur within (SDF) identified node or corridor, consequently they end up being rated high.

It was found that in Vulindlela, many of their needs scored low with water and electricity being an exceptions. This is because according to the Project prioritization model, no wards in Vulindlela are related to any IDP- identified catalytic projects in Msunduzi; because it does not occur within any SDF identified node or corridor. Water and electricity have been identified in sector specific plans and so have scored higher than other needs listed in the IDP. After assessing the capital projects for 2017/2018 it was evident that projects regarding office supplies such as Furniture and Computers score low as it does not result in the implementation of IDP- identified catalytic projects. Whiles the other projects that are in the Vulindlela Zone score low due to it not having any nodes and corridors and other needs that they need are not in the sector plans.

GOVERNMENT INTERVENTION

The Government interventions are as follow:-

DEPARTMENT	INTERVENTION
Msunduzi Municipality	Sanitation project (VIP toilets)
Dept. of Transport (DOT)	Upgrading of main road
Msunduzi Municipality	Renovations of Community halls, local constructors employs local people from impoverished households
Dept.of Human Settlement (DHS/VDA)	Construction of RDP houses
Co-operative Governance and Traditional Affairs (COGTA)	COGTA has employed youth from the ward to do Community work projects (CWP)
Msunduzi Municipality	Provides tractors for cultivation of land for garden projects, this programme is currently ongoing
Dept. of Health (DOH)	Has employed a number of youth in the ward from low income households as Community Care Givers (CCGs).
Msunduzi Municipality	Water cuts are still happening in the ward, the municipality ensures in providing mobile water tankers
Dept. of Social Development (DSD)	Continues assisting with Social Grants in the ward
Msunduzi Municipality (HIV/ AIDs Unit)	The Local Municipality has also provides Counseling Course to the youth with matric qualification and have passion to work with HIV/ AIDs infected and affected people, this is an ongoing programme.

NEEDS

There is a great need for employment, to have proper houses and upgrade of access roads. Poverty alleviation program, Health care, Dumping facilities, SAPS visibility, Agricultural assistance and disable care.

TABLE 14: SWOT

KEY ISSUES RELATING TO SPATIAL PLANNING:

- The need to develop the full suite of plans for the Municipality. Msunduzi has prepared an SDF, and is now embarking upon the preparation of Area Based Plans for the South Eastern Districts (SED) and Central Business District (CBD) areas, which are two of the pressure spots in the Municipality. There is a need to prepare similar plans for all ABMs in the Municipality.
- Meeting land use needs and identification of economic development potentials through the development of new residential areas, the development of new economic opportunity areas and nodal points, and restructuring of the CBD.
- New and infill development to be focussed so as to create a coherent system, mainly in the south-east quadrant of the Municipality;
- Integration of low income residential areas into the city with a focus on Shenstone and Ashburton;
- Encouraging new economic opportunities in identified growth areas and adjacent to major roads;
- Better integration within the city through the creation of east-west and north-south road linkages between major parts of the city;
- Urban densification in the periphery of the city, and adjacent to major nodes;
- A need to restructure the city through:
    - Creating a polycentric city, with new nodes and new economic opportunity areas;
    - Mixed- use activity spines between focus points;
    - Redressing imbalances with improved infrastructure and new economic opportunities; and
    - The development of a road system matrix.
- Creating a quality urban environment through reinforcing the public transport system, and creating a mix of housing types in different areas.
- Improving the sustainability of the city through the protection of environmentally sensitive areas, protecting areas of high agricultural potential, in situ upgrading of informal settlements, and upgrading residential areas with appropriate infrastructure.

STRENGTHS	WEAKNESSES
• An SDF and the preparation of 4 ABM plans, and the development of a further 2 currently underway. • City Development strategy in place and supported • Some SDF Prgrammes and Projects are already underway	• Not all Key spatial plans have been developed. • limited but growing sector department buy-in for implementation
OPPORTUNITIES	**THREATS**
• Working with the new IRPTN to link the city for efficiency. • Community based plans. • Urban renewal programme already in place.	• The poor are located some distance from their places of employment or from job opportunities. • Enforcement needs to ensure implementation of the SDF and scheme.

3.3 THE ENVIRONMENT

3.3.1 ENVIRONMENTAL MANAGEMENT FRAMEWORK

The Msunduzi Municipality, in partnership with the National Department of Environmental Affairs (DEA) and the KwaZulu-Natal Department of Agriculture, Environmental Affairs and Rural Development (DAEA&RD) developed, and in July 2010 approved, the environmental policy and strategic level plans listed below:

- An Environmental Status Quo Analysis (State of Environment) consisting of:
    - Flood Line Assessment
    - Geotechnical Assessment
    - Surface Water Resources
    - Wetland Mapping
    - Agricultural Resources
    - Biodiversity Assessment
    - Air Quality Assessment
    - Service Capacity Assessment
    - Socio-economic Analysis and Planning Policy Review
    - Cultural Heritage Assessment
    - Institutional Framework Assessment
- A Strategic Environmental Assessment (SEA)
- An Environmental Management Framework (EMF)
- A Strategic Environmental Management Plan (SEMP)
- An Environmental Services Plan (ESP)

The Msunduzi SEA takes the form of a sustainability framework which provides a set of criteria against which the Municipality can assess any policy, program, or plan, and is aimed at informing development planning and promoting and supporting sustainable development.
The EMF provides the following tools:

- Areas deemed suitable or unsuitable for development;
- Key environmental information to assist decision making on development applications;
- Environmentally sensitive areas requiring protection to ensure ecosystem service delivery; and
- Environmental goals and mechanisms to achieve the above

The SEMP provides an operational framework for the Msunduzi Integrated Environmental Management Policy by identifying specific Action Plans which will be operationalised through the IDP. The SEMP also provides a monitoring and evaluation strategy that will enable Msunduzi to measure progress towards meeting the environmental objectives identified in the SEA.

The Draft ESP identifies areas to be set aside for the maintenance of ecosystem goods and services, so as to maximise the ecological viability of ecosystems within Msunduzi and ensure the persistence of biodiversity. Methodology to evaluate Social Criteria are included.

The following table summarises the key environmental policies and plans that the Municipality has developed, or is currently in the process of developing:

TABLE 15: MSUNDUZI ENVIRONMENTAL MANAGEMENT UNIT: POLICIES AND PLANS

Plan / Policy	Status	Time Frame	Comments
Environmental Status Quo	Complete - Approved July 2010	1st review due July 2016	Contains twelve specialist studies
Strategic Environmental Assessment (SEA)	Complete	Reviewed and updated in the 2016/2017 financial year	
Environmental Management Framework (EMF)	Gazetted in the KwaZulu-Natal Provincial gazette no. 1486 (Provincial Notice no. 125 of 2015) as of the 3rd of September 2015".	EMF to be reviewed and updated in the 2016/2017 financial year.	Biodiversity based conservation plan
Environmental Management framework	Complete - Approved July 2010	1st review due July 2016	GIS environmental spatial layers linked to spatial decision support tool (SDST)
Sustainability Framework	Complete - Approved July 2010		Tool for the sustainability appraisal of all Municipal plans, policies and projects
Strategic Environmental Management Plan (SEMP	Complete	Reviewed and updated in the 2016/2017 financial year	Contains 26 priority specific Action Plans
Ecosystem Services Plan (Action plan E4 of SEMP)	"Seven focus areas prioritised".	Focus area 1 to be completed by 30 October 2016. Entire ESP to be refined and adopted by 2030	
Conservation Land Use Ownership Models	1st Draft in Preparation	18 Months	
Ecosystems Services information Booklet	2nd Draft in progress	18 Months	
Climate Change Policy	Complete, approved by full council in March 2015	First Draft 12 Months	
Municipal Climate Change Adaptation Strategies	1st Draft Complete	Council approval by December 2016	Contains goals and action plans relating to climate change risk in the municipality
Integrated Environmental Management Policy (IEMP)	was adopted by Council in 2007 and is currently undergoing review.	First review due July 2016.	
Environmental Management Bylaws	3rd draft in progress	Final draft due July 2016.	
Generic Environmental Management Programme (EMPr)	Final draft being reviewed and revised internally	Final Report approved in 3 months	
Edendale Environmental Services Plan and Implementation Plan	currently underway	Final due July 2016	
Baynespruit Rehabilitation Project as part of the Umgeni Ecological Infrastructure Partnership (UEIP)	Full Council Approval February 2014.	Ongoing up to 10 year projected time frame	Will require an EIA, Water Use License, EMP and wetland specialist studies.

3.3.2 THE NATURAL ENVIRONMENT

"The Msunduzi Municipality, together with a broad range of stake holders, recently signed a Memorandum of Understanding (MOU) to implement the restoration and management of natural resources (Ecological Infrastructure) within the Greater uMngeni River Catchment. The overall objective of the project, known as the Umgeni Ecological Infrastructure Partnership (UEIP), is to improve the quality and quantity of water generated by the Msunduzi and Umgeni rivers through rehabilitation of wetlands, floodplains and streams and to improve land-use practices. Each of the three Water Services Authorities, uMgungundlovu District Municipality, eThekwini Metropolitan Municipality and the Msunduzi Local Municipality, in accordance with the MOU has identified pilot projects within their areas of jurisdiction. The Msunduzi Municipality has identified the rehabilitation and restoration of the Baynespruit - which is approximately nine kilometres in length with its headwaters in the residential area of Northdale and joining the Msunduzi River east of the residential suburb of Sobantu. This relatively small tributary does unfortunately contribute significantly to the poor quality of water within the catchment because of very high pollution loads including industrial effluent, solid waste as well as sewerage contamination due to damaged and poorly utilised sewerage and storm water infrastructure – as its key pilot project. This Project builds on the Msunduzi Municipality's existing Environmental Management Framework (EMF), Environmental Management Framework – Status Quo Report, Strategic Environmental Management Plan (SEMP) and Final Draft Strategic Environmental Assessment (SEA). The SEMP identifies various Action Plans to address the state of the rivers reporting as well as rehabilitation thereof to which this project will address by developing proposals, plans and mitigation strategies."

3.3.2.1 TOPOGRAPHY, GEOLOGY AND SOIL CAPABILITIES

Pietermaritzburg is situated in the basin of the uMsunduzi River and its tributaries. An escarpment rises approximately 400m above the city to the West and North-West. Altitude within the Municipality ranges from 495 to 1795 metres above sea level, and the Municipality generally slopes from west to east. The mountains around the city bowl create a distinction between the urban and rural parts of the Municipality. While this has provided opportunities to manage the urban/rural interface, it has limited the city's expansion potential, resulting in the formation of a number of small urban hubs outside the city.

The predominant lithologies present in the Msunduzi municipal area are comprised of sedimentary rocks of the Ecca Group and Dwyka Formation, which form part of the lower Karoo Supergroup. The aforementioned sediments are extensively intruded by Jurassic post-Karoo dolerite sheets, dykes, and sills that intermittently outcrop across the entire municipal area. Each major lithological sequence exhibits a distinct set of geotechnical conditions. When combined with general slope characteristics of the area, these conditions can be expected to vary greatly within a region of similar underlying geology. The diversity of the geotechnical conditions in the Msunduzi Municipality brought about by the geology and geomorphology, combined with the hilly areas surrounding the Pietermaritzburg Central Business District (CBD), result in a very complex interplay between slope gradient and potentially unstable transported sediments and soils.

Soils within the Municipality vary greatly with the topography, and rainfall patterns and geology have resulted in the high agricultural potential of the area. Large portions of highly productive agricultural land have, however, been developed for other uses, such as housing. The remaining areas of highly productive agricultural land occur mainly on communally-owned land in the Vulindlela area, and poor agricultural practices in this area are affecting the productivity of the land. Map 27 shows the distribution of the bioresource groups (BRG's), as identified by the Department of Agriculture. The BRG's provide further detail of the spatial distribution of both soil types and land capability.

Moist Highland Sourveld, indicated as a dusty pink in map 27, occurs only in a small portion of the Municipality, along the western border near Elandskop. Soils in this portion of the Municipality are relatively deep, highly leached, and strongly acidic. Fertility is low, but physical properties are favourable, which result in a short growing season. Soils and aspect in this area both have a marked effect on the species composition and the productivity of the grassland. Much of the Vulindlela area of the Municipality is characterised as Moist Midlands Mistbelt. The potential of the soils of this BRG are high, in spite of the fact that they are leached and the inherent nutrient status is very low, with problems of phosphorus fixation and aluminium toxicity. The high potential of the arable areas of this BRG has meant that little value has been placed on the veld, and veld management practices have been poor, including excessive burning, particularly during the season of active grass growth, followed by continuous selective overgrazing. These practices have largely destroyed the palatable grass species, and

resulted in grassland of low pastoral value. Moist Coast Hinterland Ngongoni Veld, indicated in dark red, occurs in the northern parts of the Municipality, including Sweetwaters, Raisethorpe, Copesville, and Bishopstowe. Soils of the area are acidic and leached, and injudicious burning, coupled with selective overgrazing, have resulted in a very poor quality veld cover. The Dry Coast Hinterland Ngongoni Veld bioresource group occurs in over 20 % of the Municipality, and reaches from north to south down the middle of the Municipality. This bioresource group has limited potential due to low rainfall. A past history of early burning, and in fact burning at any time of the year, coupled with selective overgrazing as the grass emerges, has resulted in a particularly poor quality veld cover. The Coast Hinterland Thornveld covers mainly the area in which the city occurs. The bioresource group is known for its floristic richness, but drastic deterioration in the quality of the veld has resulted from the common practice of burning throughout the year to promote a flush of fresh growth followed by selective overgrazing. Where both soil and water are suitable, the potential exists for the production of sugar cane, maize, and vegetables within this area. The Valley Bushveld bioresource group occurs in a small area in the far eastern parts of the Municipality. The low and erratic rainfall of this BRG generally precludes any type of farming other than livestock production that is based on the veld, except for select areas of arable land adjacent to a reliable source of water from a river. As sweetveld, grazing can support beef animals throughout the year. Goats can effectively utilise the available grazing in summer, but need to graze during much of the winter, when trees lose their leaves. Wildlife should play an important role in the economy of the Valley Bushveld.

3.3.2.2 RIVER AND WETLANDS

Msunduzi Municipality is almost entirely one catchment area. This has benefits in terms of catchment management, but also means that any impact within the catchment will affect the entire Municipality. The majority of the water produced in the Msunduzi catchment goes towards servicing/supplementing Durban's water requirements, while Msunduzi sources the majority of its water from the Umgeni catchment. The uMsunduzi River (and its various tributaries) is an important feature of the municipal landscape, and significant proportions of the Msunduzi Municipality have catchments that are currently in either a fair, poor, or seriously modified ecological state. Catchments within the Municipality that are transformed have reached their full supply capacity. Water quality varies between catchments, but the impact of the city is evident in the decrease in water quality that occurs as it passes through the urbanised portions of the Municipality. Rivers within Msunduzi are the source of a number of goods and services, and these include:

- Water supply for industry, domestic use, agriculture, and livestock watering;
- Dilution and removal of pollutants from agricultural, domestic, and industrial sources;
- Reducing sediment inputs to coastal zone;
- Decomposing organic matter;
- Storing and regenerating essential elements;
- Provision of building materials in the form of clay bricks;
- Grazing fodder during dry seasons;
- Recreational and subsistence fishing;
- Providing aesthetic pleasures;
- Storm water management and control;
- Sites for recreational swimming;
- Recreational sport, such as canoeing, and income generated in the area from events e.g. Dusi Canoe Marathon;
- Open spaces within the city, such as Alexandra Park;
- Environment for contemplation and spiritual renewal; and
- River-based educational activities.

The extent of wetlands has declined significantly, particularly in developed areas. Wetlands have been transformed, and most of the remaining wetland areas are in a degraded state due to inappropriate land use and inadequate catchment management. There is a lack of ground level information regarding the functionality of most of the wetland habitats within Msunduzi, and as part of the Status Quo Phase of the EMF, a wetland specialist study was undertaken that mapped a total of 1049 wetlands, covering an area of approximately 1001 Ha. Most wetlands within the Municipality are small, with an average wetland size of approximately 1 Ha. While the condition of wetlands was not specifically evaluated as part of the wetland specialist study, observations made during ground verification suggest that most of the wetlands that remain are in a degraded state. The network of wetland habitats do, however, form part of the system that generates the goods and services as listed above. Wetlands also provide unique goods and services such as storm water attenuation.

Water quality monitoring in streams and rivers within the municipal area is largely undertaken by Umgeni Water. Monitoring results confirm poor to very poor levels of water quality, with this important resource classified as unsuitable of human consumption without treatment, and largely unsuitable for recreational use. Residents who depend upon or make use of water harvested from these highly polluted riparian areas for drinking, cooking, and irrigation purposes may be exposed to severe health risks. Pollution and degradation of water courses also has a significant negative impact on indigenous biodiversity, including aquatic organisms, riverine vegetation, animals, birds, and insects.

Poor or unavailable solid waste removal services within certain areas also results in significant levels of pollution, as residents often treat riparian areas as convenient for the disposal of refuse.

Rapidly expanding development, and an increase in densities, is resulting in increased storm water run-off. This, coupled with the destruction, degradation, and reduction of wetlands and inappropriate use of flood plains, has significantly increased the risk of flooding, damage to infrastructure, and potential loss of life. Preliminary results on the potential effect of Climate Change predict that annual rainfall within this region is likely to remain fairly constant, with fewer storm events of a significantly higher intensity and severity. Higher flood peaks (flash floods) can therefore be anticipated, increasing the risk for communities living in flood prone areas such as Sobantu, Imbali, Allandale, Rosedale, Oakpark, Townbush Valley, and Prestbury. Measures to protect and rehabilitate wetlands, streams, and flood plains, as well as measures to manage and reduce storm water run-off, are necessary to limit potential impacts.

Water quality monitoring in streams and rivers flowing through the municipal area is carried out by Umgeni Water, but also by the Municipal Environmental Health Section. Almost without exception, this monitoring indicates poor levels of water quality, with important resources being classified as being unsuitable for human consumption without treatment, and, to a large extent, unsuitable for recreational use. Many residents depend directly on water harvested from these highly polluted streams and rivers for drinking, cooking, and irrigation, which have direct, and on occasion, severe health implications. Pollution and degradation of water courses also has a significant negative impact on indigenous biodiversity, including aquatic organisms, riverine vegetation, animals, birds, and insects.

3.3.2.3 CLIMATE AND AIR QUALITY

The climate and local weather in Msunduzi are strongly influenced by topography; the higher lying areas in the north and west of the Municipality are cooler and receive more rainfall. Average annual temperature varies between 16.3oC and 17.9oC. Msunduzi falls within a summer rainfall area, characterized by dry winters and wet summers, with thunderstorms being very common in summer. Average rainfall within the Municipality varies between 748mm and 1017mm per annum.

Msunduzi is located in a hollow formed by the valleys of the uMsunduzi River and its tributaries. On clear winter nights, katabatic flow occurs, resulting in the movement of air from upslope areas down to the city bowl, much like water. This fills the valley floor with cold, dense air, creating an inversion that does not allow pollutants to escape. This air movement also brings pollutants from the entire Municipality into the valley, where it remains trapped by the inversion layer. The majority of industrial development within Msunduzi has been established within this inversion layer, as this land is both flat and in close proximity to both road and rail transport routes. As a result, the city suffers short-term peaks in pollution, despite relatively few heavy industries. Reported trends in air quality are as follows:

- There has been a decreasing trend in smoke generation over the last 30 years.
- Sporadic ambient monitoring of sulphur dioxide concentrations indicates decreases at two of the six sites while all the other monitoring sites show an increase.
- An Increase of pollution within the Northdale-Willowton basin (Baynespruit Valley) has been noted.
- High ambient benzene concentrations that exceed health standards were recorded. Benzene emissions are usually associated with vehicular emissions.
- The presence of sulphurous compounds (sulphur dioxide and/or hydrogen sulphide) has been suggested as the cause of most of the public's odour complaints.

Within Msunduzi, there are four main sources of air pollution:

- An increase in vehicle volumes and traffic congestions in peak hours, particularly in the CBD and many of the arterial routes;
- A large majority of industries operating old and dated technologies that have higher emissions than modern alternatives;
- Formal and informal settlements that use coal and firewood for heating and cooking; and
- Burning of sugar cane and brush wood.

3.3.2.4 BIODIVERSITY

The topography, geology, and other land characteristics in Msunduzi give rise to diverse habitats and species richness. High levels of transformation have, however, resulted in a significant loss of natural habitat and hence a range of species. A biodiversity specialist study (conducted as part of the Status Quo Phase of the EMF) identified 20186 ha (or 31.7% of the municipal area) as having conservation importance. However, only 853.5 ha (or 1.35% of the Municipality) is formally protected.

A total of 56 animal species, 20 plant species, and 8 vegetation types are regarded as being of particular biodiversity significance within Msunduzi. A high number of rare or threatened species are present, with at least 50 endemic species occurring. For example, at least 28 species of frogs have previously been recorded within the municipal region, although it is not certain that all of these still exist here. Most are red data species.

Natural ecosystems deliver a range of free goods and services which have a direct and significant impact on the quality of life of residents, and on the development of a sustainable city. These goods and services include: recreation, genetic resources, raw materials, food production, refugia, biological control, pollination, waste treatment, nutrient cycling, soil formation, erosion control, water supply, water regulation, disturbance regulation, climate regulation, and cultural opportunities. Indiscriminate and/or poorly planned and sited development, illegal dumping, unsustainable utilisation of natural resources, and the uncontrolled encroachment of alien invasive plant and animal species all have a significant negative effect on the ability of natural systems to deliver these goods and services.

The Draft Ecosystem Services Plan identified a land footprint of 22 000 hectares, portion of which is currently undergoing refinement and ground truthing. Five key areas are currently being assessed, as below, with the sixth area (Greater Edendale) to come on stream with the appointment of a Consultant. This appointment process is underway.

Key Area	Status	Time Frame
Key area 1: Bisley Valley Nature Reserve and the Upper and Lower Mpushini Valley – Total extent of area is 5 900ha	Underway.	To be completed by 30 October 2016
Key area 2: Ferncliffe Nature Reserve, Clarendon and Worlds' View – Total extent of area is 2 600ha.	Completed	
Key area 3: Albany Park, Sweetwaters – Total extent of area is 450ha	Completed	
Key area 4: Hesketh Conservation Area and Sobantu – Total extent of area is 1 480ha Status: property and biodiversity data collected	Completed by 2030	
Key area 5: Bishopestowe – Total extent of area is 1 853ha	Project boundaries determined	To be completed by 2030
Key area 6: Greater Edendale area – 10 000ha	Underway.	To be completed July 2016
Key area 7: Umlaas road/Thornville area – total extent of area is 4 100ha	Project boundaries determined	To be completed by 2018

This is an on-going, large and detailed process with the six areas identified above being Phase 1. A public consultation process early in 2015 will follow the completion of Phase 1 during which Phase 2 will commence.

3.3.3 THE URBAN ENVIRONMENT

(i) CULTURAL HERITAGE

Msunduzi has an extremely rich cultural, architectural, historical, and archaeological resource base that collectively makes up the heritage resources of the area. A Cultural Heritage Specialist Study identified and mapped a total of 646 heritage resource points, and 32 heritage resource zones, within the Msunduzi Municipal area. These consisted of architectural resources, archaeological resources, as well as historical and cultural resources.

Results of the mapping revealed that the majority of heritage resources located within the Msunduzi Municipal area consist of architectural resources, in the form of built structures (mostly buildings). These are concentrated within the Pietermaritzburg CBD and its surrounding suburbs, as well as in the Georgetown area of Edendale. A significant number of historical and cultural resources are also present within the Msunduzi Municipality. These consist of places of worship such as churches, mosques and temples, cemeteries, as well as open spaces, areas of political significance, and areas of past economic significance, to mention but a few. A general decline in the condition and quality of the area's identified heritage resources is noted.

As part of the Heritage Resource Study, a number of archaeological sites were also identified in the Msunduzi Municipality. However, as no systematic archaeological survey of the municipal area has been undertaken to date, the extent of the Municipality's archaeological resource base is largely unknown.

A significant lack of formally recognised historical and cultural sites of traditional African, Coloured, and Indian cultures within the Msunduzi Municipal area is notable, and is a serious gap in the available data.

(ii) URBAN GREENING AND TREES

Maintaining a 'green' built environment is important for both the image of the city, and the social and environmental health of residents. There is a need to focus on planting programmes in the CBD to replace storm-damaged and old/dangerous trees with indigenous alternatives that are hardy and drought tolerant.

(iii) SOLID WASTE POLLUTION

Widespread illegal dumping of domestic and industrial waste, as well as indiscriminate littering, is widespread in the city. Not only does this have a negative impact on the natural environment (including streams, open spaces, vacant lots, buildings, roads, and streets), but it also has a negative social impact, as well as direct health implications on residents. The costs of clearing illegally dumped waste is significantly higher than managing this waste at source, and in approved landfill and garden refuse sites.

3.3.4 COMMUNITY INVOLVEMENT

The Msunduzi Municipality has created opportunities for civil society to participate in its affairs through the IDP process and the LA21 Forum. There are a number of civil society groups and NGO's that are actively involved with issues of water, biodiversity conservation, air quality, and climate change. The DWA Catchment Management Forum also promotes society's participation in environmental decision making. Civil society plays an active role in biodiversity conservation through at least nine conservancies and trusts. There is, however, no mechanism or structure to promote collective participation in biodiversity governance in the Municipality. Business and industry, through the Pietermaritzburg Chamber of Commerce, has created the Air Quality and Environment Forum, to promote participation in air quality and environmental governance. There are various projects and activities that promote sustainable land management and agriculture in Msunduzi.

- **ENVIRONMENTAL HEALTH**

In terms of Environmental Health and Social Services in the Municipality, Environmental Health (defined as Municipal Health Services by the National Health Act, 2003 (Act No. 61 of 2003)) entails the following:

- Water quality monitoring
- Food control
- Waste management
- Health surveillance of premises
- Surveillance and prevention of communicable diseases, excluding immunisations
- Vector control
- Environmental pollution control
- Disposal of the dead; and
- Chemical safety;

It excludes port health, malaria control, and control of hazardous substances. The Municipality fulfils these functions in terms of the Act.

3.3.5 CLIMATE CHANGE

3.3.5.1 INTRODUCTION

The Msunduzi IEMP and the Msunduzi SEMP informs part of the climate change policy as they were developed to assist / guide the municipality towards achieving sustainable development. Both documents include numerous key aspects, action plans, strategies and approaches which have been identified for long term implementation, to promote and encourage sustainability and ensure the conservation / preservation of natural resources. The Climate Change Policy is aimed at ensuring Municipal Business Units are compelled to take environmental impacts of their activities / plans into consideration and ensure that there are suitable strategies in places which enable cooperative and coordinated environmental management throughout Municipal structures and activities.

The Climate change policy builds on the Msunduzi Municipality's existing Environmental Management Framework (EMF), Environmental Management Framework – Status Quo Report, Strategic Environmental Management Plan7 (SEMP) and Final Draft Strategic Environmental Assessment (SEA); however, the primary aim is to provide a well-defined direction for responding to climate change risks and challenges. The main goal of this policy is to ensure that Msunduzi's Carbon footprint is reduced and the city is able to adapt to climate change related impacts and ensure there are options available when decisions need to be made regarding adaptation and mitigation. The relevance, effectiveness and implementation of this policy will be managed through on-going monitoring, evaluation and review to ensure it reflects the most recent developments in climate change science and technology, and delivers on the Municipality's statutory responsibilities.

The Climate Change Policy seeks to unpack core issues and identifies adaptation and mitigation measures (which are discussed in greater detail in the Climate Change Adaption And Mitigation Strategy) in greater detail, to be implemented (i.e. each adaptation and mitigation option would be case / site specific) which would contribute to the reduction of climate change related impacts on each of the sectors mentioned above.

3.3.5.2 ADAPTATION

Climate Change adaptation involves managing the unavoidable and developing strategies, which are practical and implementable, in order to reduce the impacts of extreme weather events. Even if emissions are stabilized relatively soon, climate change and its effects will last many years, and adaptation will be necessary (Farber, 2007). Climate change adaptation is especially important in developing countries since those countries are predicted to bear the brunt of the effects of climate change (Daniel, 2008). The types of adaptation measures adopted will depend on the impact of climate change on particular regions and economic sectors, on predicting and quantifying the type and scope of potential impacts, and on increasing the capacity to adapt to these.

South Africa's primary approach to adapting to the impact of climate change is to strengthen the nation's resilience. This involves enhancing the integrity of ecosystems, improving natural and potable water quality, improving

health care, reducing greenhouse gas emissions, improving waste management, strengthening infrastructure, preserving agriculture & food security, creating climate change awareness and improving governance. This strategy requires ensuring that national, provincial and local government embrace climate change adaptation by identifying and putting into effect appropriate strategies. Adaptation strategies include adequate support for the vulnerable; equitable disbursement of financial assistance; significant investment in new adaptive technologies and techniques in the water, biodiversity, waste, agricultural, energy, health, and infrastructure sectors; early warning systems for adverse weather & pest and disease occurrence; disaster relief preparedness; and significant investment in conserving, rehabilitating and restoring natural ecosystems to improve resilience.

The Msunduzi Climate Change Adaptation & Mitigation Strategy (currently being drafted) includes adaptation measures in the form of action plans relating to 9 different goals. These goals each identify with a key theme, namely: Biodiversity, water, health, energy, waste management, infrastructure, agriculture & food security, climate change awareness & research and governance.This will ensure that Msunduzi improves its resilience against the effects of climate change. The adaptation strategies focus on ensuring that Msunduzi and its communities are able to identify and implement strategies and plans which are implementable and realistic when faced with threats associated with direct and indirect impacts of a changing climate.

3.3.5.3 MITIGATION

Climate Change mitigation focuses on reducing the amount of GHG's that are emitted into the atmosphere. This action will help to avoid future impacts of climate change beyond that which is already projected, and involves implementing strategies, which would reduce and limit the current GHG percentages. An example of such strategies would be the monitoring of harmful gases emitted throughout the city, with investigations being conducted with regards to the strategies which can be implemented in order to reduce these emissions.

The mitigation strategies contained in the Climate Change Adaptation & Mitigation Strategy are aimed at reducing the severity of, or avoiding irreversible climate change impacts altogether, by ensuring that certain strategies are implemented and / or are evaluated. Examples of such strategies are greening programmes and renewable energy use.

3.3.6 ENVIRONMENTAL MANAGEMENT STAFF COMPLEMENT

The organisational structure for the Environmental Management Unit has 13 posts as follows:

Manager Environment:	1 post
Scientist Open Space Planning:	1 post
Scientist Planning and Policy:	3 posts
Technician Training and Education:	1 post
Scientist Impact Assessment:	5 posts
Scientist Climate Change:	1 post
Administration Officer/GIS:	1 post

Although the 2013 structure has not been implemented there is a legislative requirement for the Municipality to address and manage environmental compliance and planning issues and as such the following staff are currently employed:

Manager Environment:	1 permanent staff member acting in that position pending placement
Scientists:	4 scientists on short term Contracts (not permanently employed)
Scientist:	1 scientist on Work Back Bursary
Administration Officer:	1 Contact employee (Short term Contract, nor permanently employed)
Environmental Intern:	1 Intern for 2016

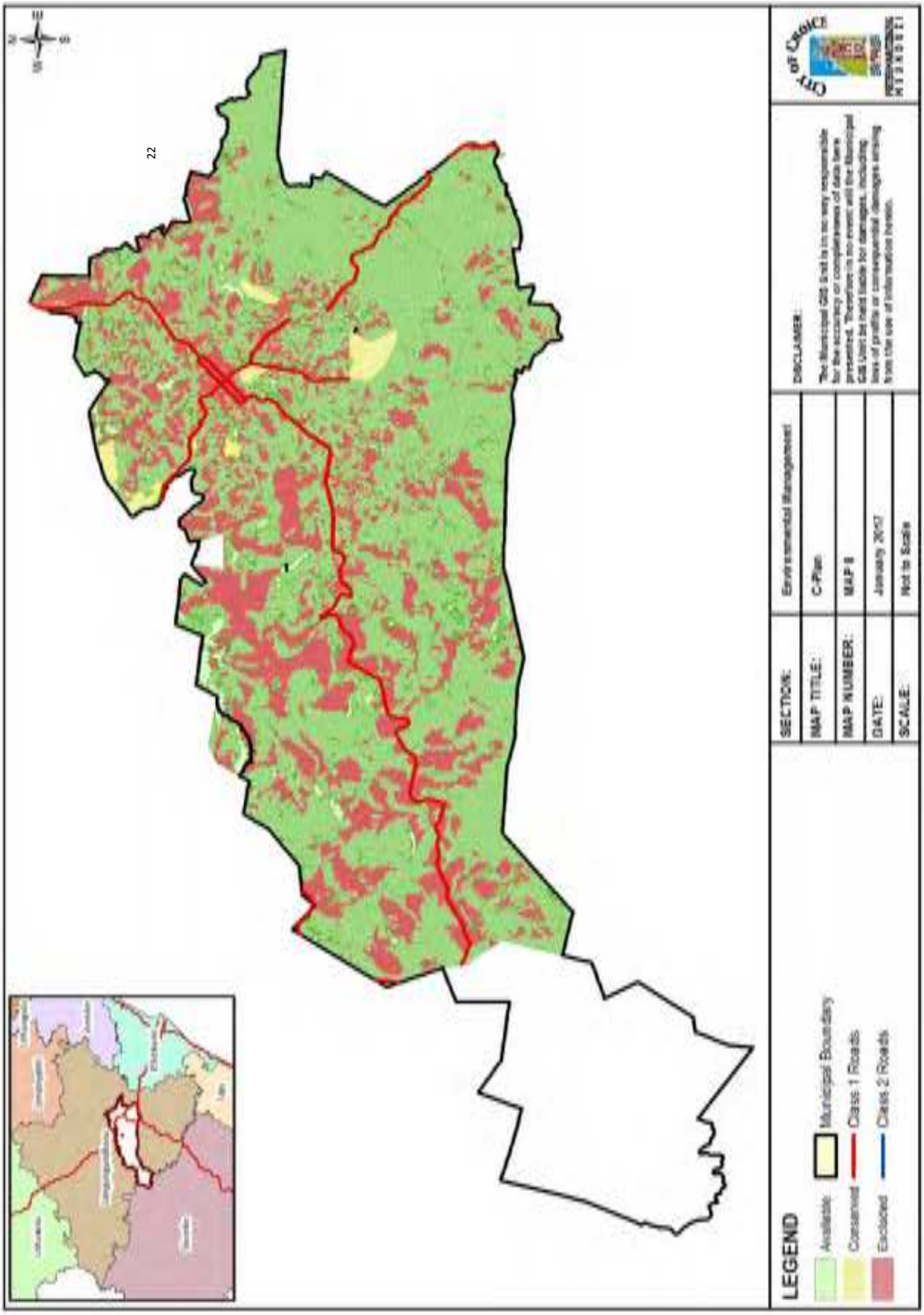
TABLE 16: SWOT

KEY ISSUES RELATING TO THE NATURAL ENVIRONMENT INCLUDE:

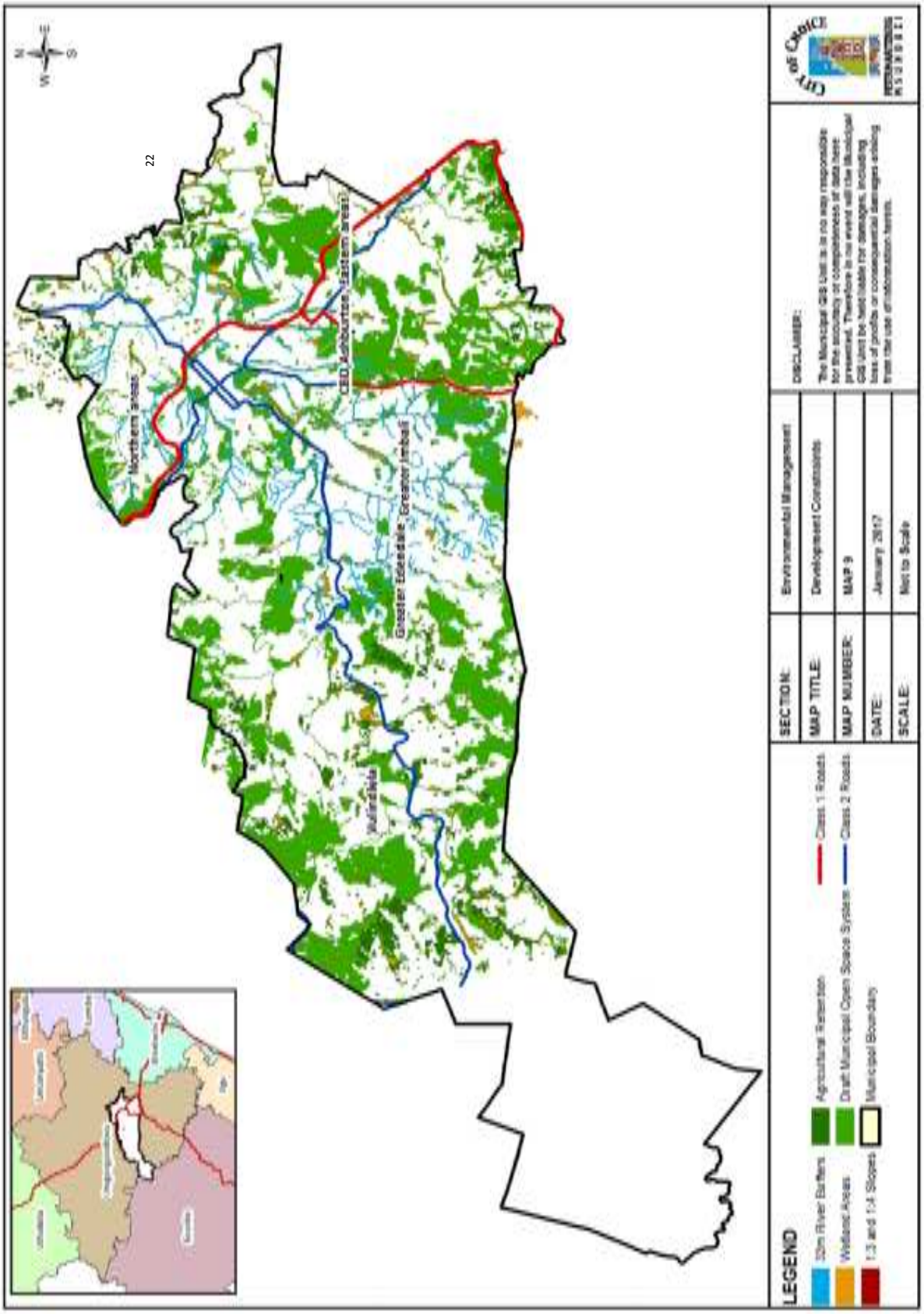
- Clearing of alien-invasive plants as they impact on biodiversity, agricultural land productivity, and water quality and supply. It is also a legal requirement, as the Municipality is a land owner, and is thus required to eradicate all Category 1 invasive species.
- Loss and degradation of key wetlands due to urban sprawl, overgrazing, poor sewerage and waste water management.
- Litter and illegal dumping in and around urban areas.
- Pollution of natural water courses.
- Flood risk heightened due to climate change impacts and degradation of natural environment.
- Seasonally high air pollution levels caused by inversion layer, as well as through industry and agriculture emissions.
- Pollution caused by vehicular emissions at peak periods resulting in high levels of carcinogens.
- Compliance with international and national carbon reduction targets.
- The need to mainstream climate change into municipal functions, and for the Municipality to proactively adapt to the changes brought about by climate change.
- A need for urban greening and indigenous planting programmes in the CBD, and in new commercial, industrial, and residential developments.
- The need to rehabilitate degraded land caused by inappropriate land uses.
- Loss of strategically located agricultural land to urban sprawl.
- The need to identify communities that are at risk of environmental impacts.
- High levels of noise, impacting on the social environment.
- Limited institutional capacity within the Municipality to deliver on the legal mandate and priority action plans emanating from the Strategic Environmental Management Plan.
- A need for greater public participation in environmental matters through the reinstatement of the LA21 Forum.
- A need for greater public access to environmental policies and plans through media like the internet.
- A need for training of Councillors, officials, and the public on principles of sustainable development.

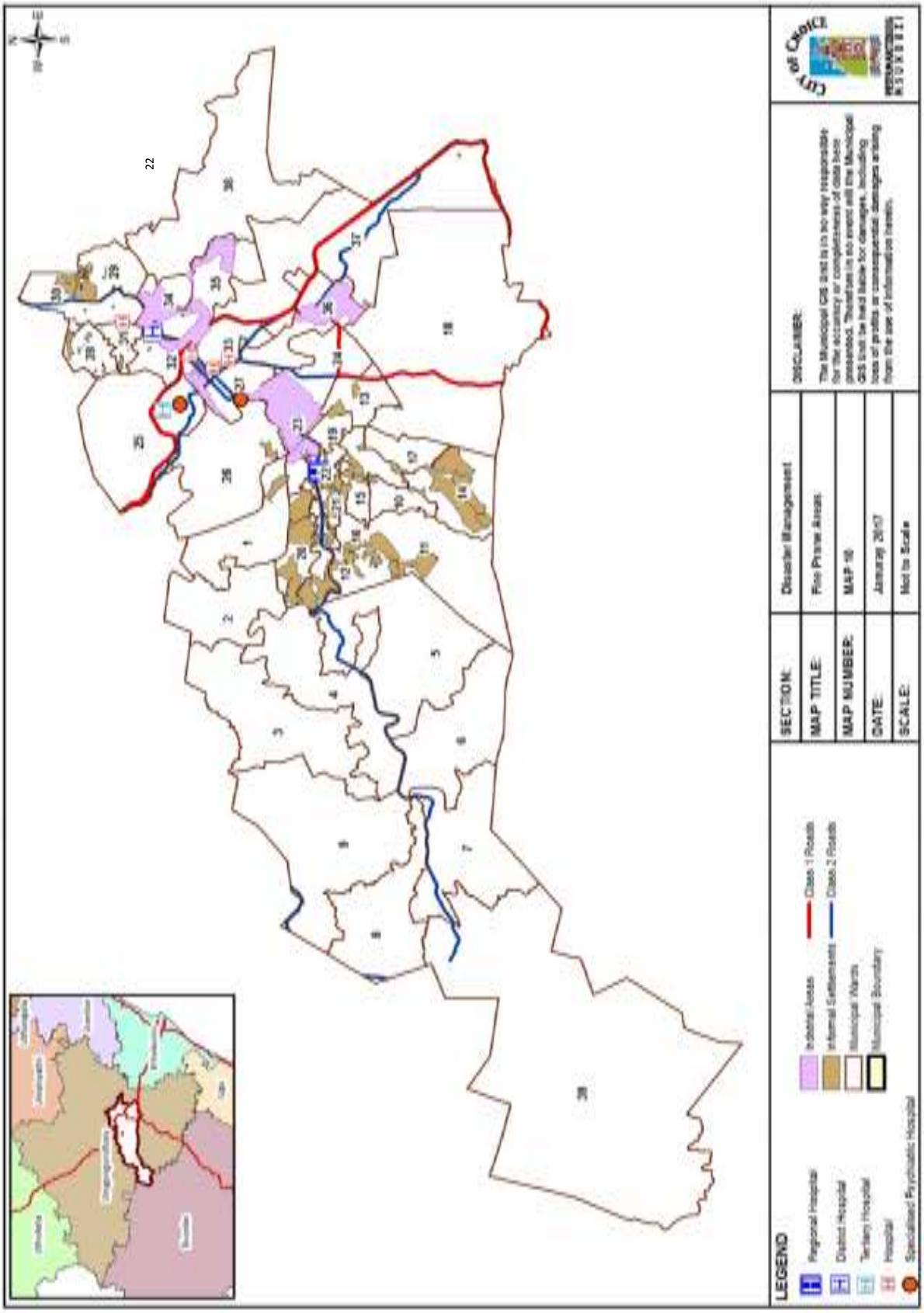
STRENGTHS	WEAKNESSES
• Functional GIS spatial analysis system • Qualified staff registered with professional bodies • Good co-operative governance with other spheres of government	• Lack of vehicles • Lack of human resources – Environmental Management Unit currently consists of 1 permanent and 6 contract staff
OPPORTUNITIES	**THREATS**
• The SEMP has a number of actions plan already outlined for implementation • Environmental Education and Training • Rehabilitation of ecological infrastructure	• Development in sensitive areas such as riparian areas • Lack of budget • Land invasion

MAP 8: Evenviromental Management: C-Plan



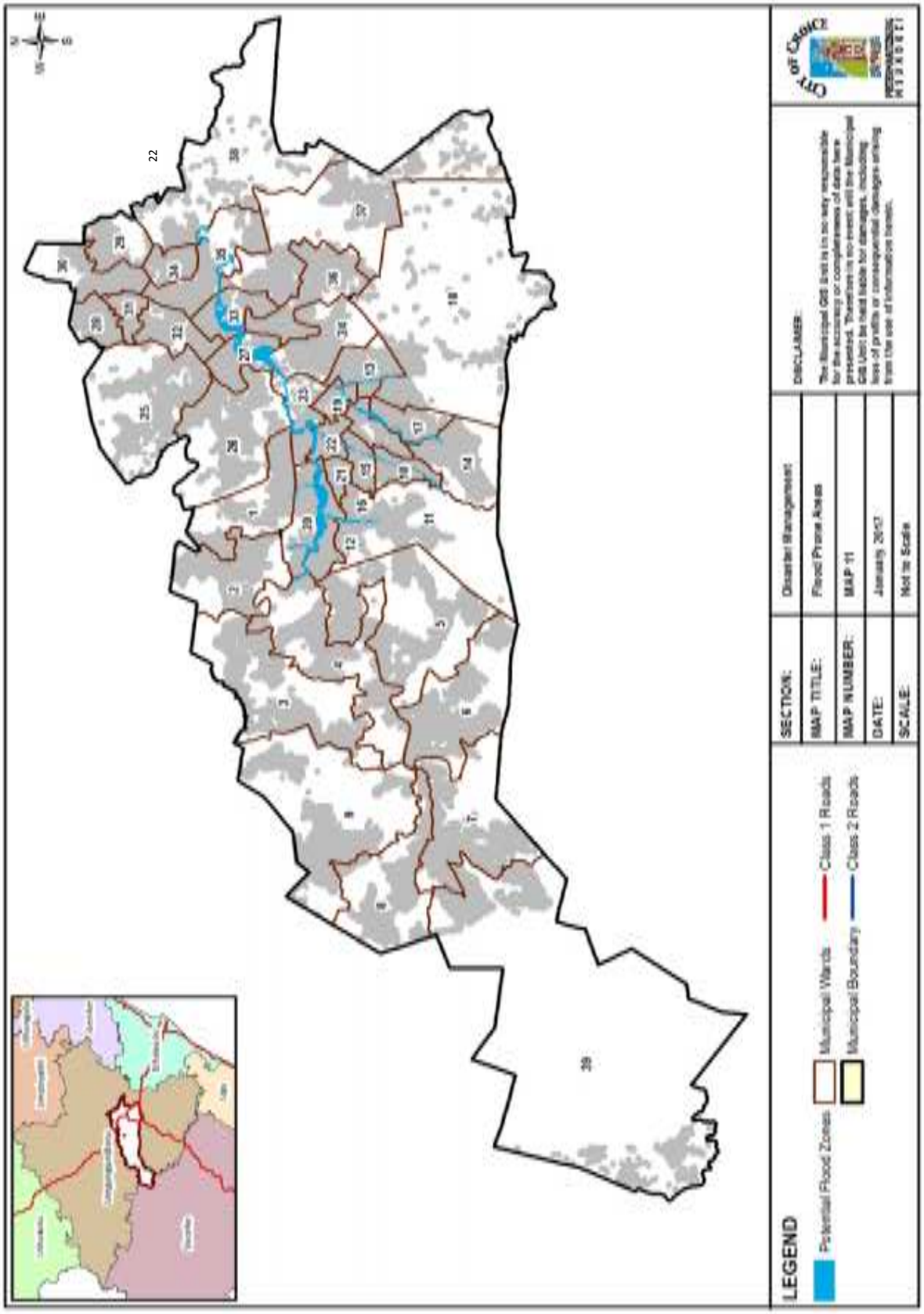
MAP 9: Evenviromental Management: Development Constraints





MAP 10: Disaster Management: Fire Proof Areas

MAP 11: Disaster Management: Flood Prone Areas



3.4 DISASTER MANAGEMENT

3.4.1 INTRODUCTION

The Disaster Management Act (57 of 2002) clearly outlines initiatives that must be undertaken to make sure that organs of state comply with the Act and policy framework on disaster management. The Msunduzi Municipality is prone to different types of disasters, both natural and human made. Natural disasters range from snow, wind, fires to floods and tornados. It is therefore important to understand that natural disasters cannot be prevented, but that the least the Municipality can do is to develop strategies to mitigate the effectiveness of such natural disasters. Closer relationships with other departments are needed to mitigate the effect of natural disasters In addition, it is important to note that human disasters can be prevented by making sure that continuous sharing of information takes place with the community at all times.

The uMgungundlovu District Municipality has prepared a draft Disaster Management Plan, which the Msunduzi Municipality has been part of. The Municipality has developed an in-house review of the Consolidated Disaster Management Framework and Disaster Management Plan.

3.4.2 MUNICIPAL INSTITUTIONAL CAPACITY

(i) DISASTER MANAGEMENT

Disaster Management, as a discipline, is changing from being reactive to being proactive. To achieve this, it is necessary to determine the risks that communities are faced with, so as to provide a safe environment, and to provide relief assistance for the affected. During the 2016/17 financial year, risk analysis workshops were conducted and the raw data processed. The Disaster Management plan was approved during March 2015 by the full council. Disaster management Officials conducted awareness campaigns to alert the community to the dangers of floods, fires and strong winds.

Relief supplies and assistance were given to those affected by storms, fires, and other disasters. Relief is in the form of temporary accommodation, food rations, and waterproofing, and it's noted that the number of incidents has decreased.

- During the annual financial year 2015/2016, 200 incidents responded to affected 12506 community members, cost emergency relief R1467592.00 Community and school Awareness campaigns conducted reached 6000 community members in Msunduzi area.
- During the 2016/17 financial year 173 incidents that affected 2414 people were responded to. Total emergency relief supplies cost amounted to R1, 264,114.

KEY ISSUES RELATING TO DISASTER MANAGEMENT INCLUDE

- The need to refurbish the emergency services communications centre;
- The need to budget for improving radio communications for all units within Public Safety and extending radio communications to all wards within Msunduzi.
- The need to allocate budget to replace Emergency PABX system.
- The need to improve the reporting of all emergencies (ie. fire, traffic, security, disaster);
- Dispatch of emergency resources to emergency incidents must be in compliance with national standards relating to emergency response;
- There is a need for disaster response plans for prioritised high risks; and (Fire training school has already got a recognized facility)

(ii) FIRE SERVICES

In terms of the Fire Brigade Services Act 99 of 1987, the fire brigade service is intended to be employed for:

(a) preventing 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) subject to the provisions of the Health Act, 1977 (Act No. 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or
(f) the performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).

During the 2015/2016 financial year, a total of 1898 fires were attended to, and 615 other related incidents were attended to. During the 2016/2017 financial year, 1270 fires were attended to and 335 other related incidents were attended to. Average response times in urban areas have increased from 15 minutes to during 2015/2016 to 16 minutes in 2016/2017 financial year. In rural areas, the average response time for both financial years was 35 minutes.

KEY ISSUES RELATING TO FIRE FIGHTING:

- Erection two fire stations, and appointment of the necessary human and machinery resources, one each in Northdale and Vulindlela areas, to comply with and improve emergency response times in terms of SANS 10090: 2003;
- The replacement of old and/or obsolete critical fire fighting vehicles and related equipment;
- Implementation of airport firefighting and rescue requirements for the Cat 6 airport licencing compliance
- Increased staffing, filling of vacant funded and unfunded posts, to ensure compliance to SANS 10090: 2003 community fire safety standards;
- All-weather parking facilities for fire fighting vehicles at Central Fire Station; and
- Public education on basic fire prevention and life safety, with particular focus on residents of informal settlements.

(iii) TRAFFIC SERVICES

The Department helps ensure a safe environment, and improves quality of life through effective traffic policing combined with efficient use of security officers. Traffic services include:

- Control and regulate all forms of traffic, promote education and training in road and traffic safety;
- Attend scenes of motor vehicle collisions and assist with traffic control, removal of injured persons, and removal of vehicles so that traffic may flow freely again; and
- Eliminate points of congestion, obstruction, hindrance, interference, or danger to vehicles and pedestrians.

Other areas of service provision currently requiring attention include by-law enforcement and crime prevention.

The Municipality is currently undertaking a study to ascertain the number of traffic personnel require to fulfil their legal mandate.

There were 682 accidents during the 2012/13 financial year, which increased to 739 during the 2013/14 financial year.

KEY ISSUES RELATING TO TRAFFIC SERVICES INCLUDE:

Shortage of employed personnel;
Reliability of the traffic services fleet; and
Human resource issues relating to change management, training, staff morale, and disciple.

(iv) SECURITY SERVICES

The Security Services Section's responsibilities include:

- Protection of municipal assets;
- Access control to municipal buildings;
- Protection of municipal forests and nature reserves;
- Serving of municipal notices (ie. Illegal occupations, illegal dumping);

- Escorting municipal officials on disconnections (ie. water and electricity); and
- Enforcing by-laws with regard to illegal trading.

The Municipality is also part of the Safe City Pietermaritzburg initiative. Key objectives of this initiative are to provide camera surveillance of certain areas within the Msunduzi Municipality, so as to encourage a crime-free environment for the benefit of Msunduzi communities, and to attract investors and promote development, tourism, and job creation. Partners in the initiative include:

TABLE 17: SAFE CITY PIETERMARITZBURG ROLEPLAYERS

ROLE PLAYER	RESPONSIBILITY
The Msunduzi Municipality	• The Municipality has provided Operational and Capital Budget since 2002; and • The Municipality provides response teams for traffic and by-law infringements.
The SA Police Services	• Provides significant Business Skills input at no cost to initiative; • Provides funding for the Royal Agricultural Show public engagements as well as equipment needs; and • Provides funding for SMS Safe City Project (DIAL 083676 SAFE).
The National Prosecuting Authority	• Provides 24/7 presence in control room; • Provide rapid response to crime incidents detected on screen; • Provide guidance to operators in respect of Criminal Procedures Act requirements; and • Provide daily crime stats for operational purposes.
Business Fighting Crime	• Provide dedicated court for all CCTV related cases; • Provide specialised prosecutor for CCTV cases; and • Provide monthly feedback and overview of previous month's criminal cases.

KEY ISSUES RELATING TO SECURITY SERVICES INCLUDE:

- Human Resource issues relating to current levels of skills and training needs.
- Staff suitability for accreditation as Peace Officers;
- Reliability of the municipal fleet;
- Key challenges relating to Safe City include:
    - Obtain capital funding to extend the existing system into new areas of the Municipality, and to assist the Msunduzi Municipality in the enforcement of Traffic and other general laws;
    - Maintain automatic number plate recognition operations in conjunction with the Traffic Department, despite a severe manpower shortage in the Department;
    - Increase the number of by-law arrests for infringements detected by camera, which requires a dedicated Municipal Security Response team;
    - Keeping camera down-time below 1%, despite financial constraints;
    - Maintain close cooperation with all Safe City Partners;
    - Maintain a high level of control room vigilance;
    - Investigate possibilities to increase Safe City's income revenue; and
    - Upgrade existing cameras and Control Room technology in order to maintain and grow the required performance levels.

3.4.3 RISK ASSESSMENT

The following classification of hazards has been developed for the Municipality. These will be finalized in the Disaster Management Plan.

TABLE 18: DISASTER RISK PRIORITY

Disaster risk priority	Risk type
1	Fires (shack) informal dwellings
2	Fires (veld)
3	Flooding
4	Severe weather conditions
5	Hazardous materials (storage, transportation, and usage) fire department does the compliance . DISASTER need to identify the M.RH.R.
6	Lightning incidents
7	Special events (as an on-going processes)
8	Mission Critical Systems Failure (MCSF) E.C.C.
9	Transportation accidents fire
10	Building collapse fire

3.4.4 RISK REDUCTION AND PREVENTION

Prevention and mitigation strategies identified in the District Disaster Management Plan include:

- The development of an early warning system for natural disasters such as floods, hailstorms, and droughts;
- Prevent forest fires by having fire breaks;
- LED Programmes;
- Upgrade and maintenance of infrastructure;
- Develop protocols for specific risks;
- Road and sidewalk maintenance;
- Upgrade and maintenance of landfill sites;
- Public awareness campaigns;
- Replacement of old vehicles and machinery;
- Establish rehabilitation centres;
- Develop poverty alleviation strategies;
- Develop job creation programmes (ie. Cleaning campaigns); and
- Implementation of regular patrols.

Several of these issues are addressed through the IDP's strategic framework.

TABLE 19: SWOT

KEY ISSUES RELATING TO THE DISASTER MANAGEMENT INCLUDE: • The need for the development of an emergency services communications centre; • The need for one emergency number for reporting on all emergencies (ie. fire, traffic, security, disaster); • Despatch of emergency resources to emergency incidents must be in compliance with national standards relating to emergency response; • There is a need for disaster response plans for prioritised high risks; and	
STRENGTHS • The in-house review of the Consolidated Disaster Management Framework and Disaster Management Plan.	**WEAKNESSES** • FUNDING . • Obtain capital funding to extend the existing system into new areas.
OPPORTUNITIES • The development of an in-house Disaster Management Plan. • The establishment of two new fire stations to bring response times down and extend services to previously un-serviced areas.	**THREATS** • Human Resource issues relating to current levels of skills and training needs. • Staff suitability for accreditation as Peace Officers.

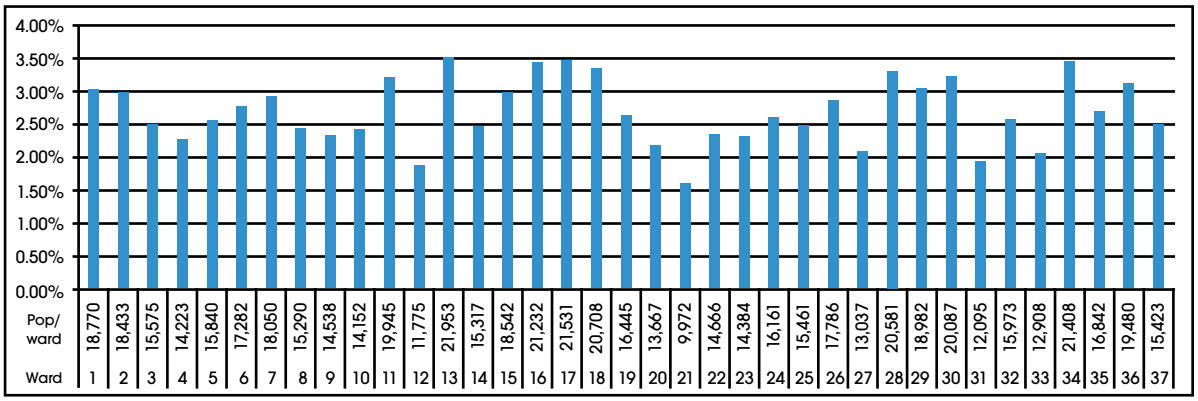
C2-DEMOGRAPHIC CHARACTERISTICS

3.5 POPULATION

The recent Census (2011) indicates that the population for the uMsunduzi Municipality has risen from a total of 552 837 people in 2001, to 618 536 people in 2011, which represents an average annual growth rate of 1.12 percent per annum. The Census also indicates that the number of households has risen from 130 292 in 2001, to 163 993 in 2011, although the average household size has decreased from 4.0 people per household in 2001, to 3.6 in 2011.

The table below indicates the population per ward in the Municipality. The wards with the highest populations include wards 13, 16, 17, 18, 28, 30, and 34, each with more than 20,000 people per ward.

Figure 5a: Population per municipal ward as a percentage of the total population (StatsSA, 2011)



Stats SA Census 2011

The census 2011 figures indicated that Msunduzi has more females (54.55%) than males (45,45%T) a trend that has continued in 2016 as the StatsSA Community Survey (2016), figures also indicate that there are more females (51.30%) than males (48.30%) in the Municipality. Although the trend has remained the same the number of males has increased by 3 %. The percentage of male headed households has increased from 57% in 2011 to 61,9% in 2016.

The census 2011 figures showed that the Majority (68,4%) of the Population fall within the economically active age charts (15 to 64 years). This was also the case in 2016 Msunduzi Municipality's actual Economically Active Population was approximately 273 000 which is 40,02% of its total population and roughly 65,48% of the total Economic Active Population of the uMgungundlovu District Municipality. (HSMarket2016)

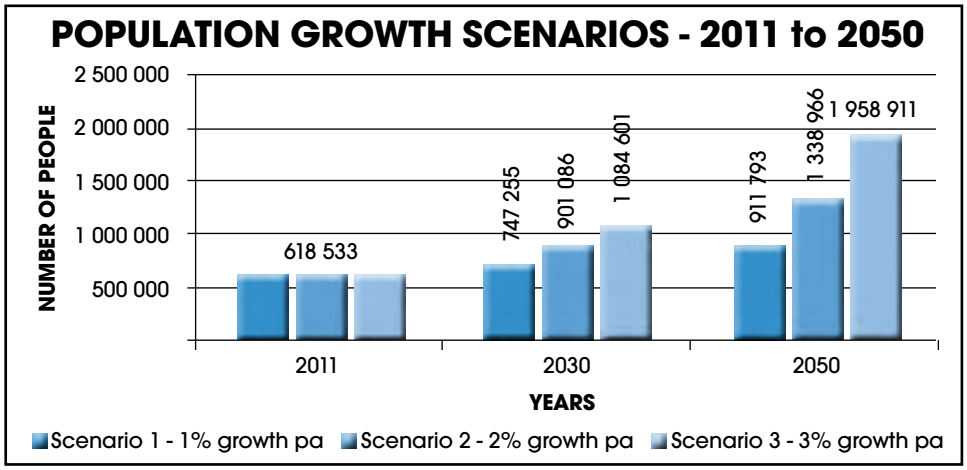
Within the Msunduzi Municipality, the number of people without any schooling decreased from 2001 to 2011 to 2016 at an average rate of -2,4% while the number of people within the matric only category increased from 94 100 to 143 000. The number of people with matric and certificate/diploma increased with average annual rate of 3, 78% with the number of matric and bachelor's degree increasing as well. (HSMarket2016)

In terms of child-headed households, the table below summarises the prevalence over the previous three Censuses, mas compared to the uMgungundlovu District Municipality average. As can be seen, the highest prevalence of child headed households occurred in 1996, when 0,9% of households in the Municipality were child-headed. The 2001 figures indicate a decline in child-headed households to 0,3%.

3.5.1 POPULATION GROWTH RATE

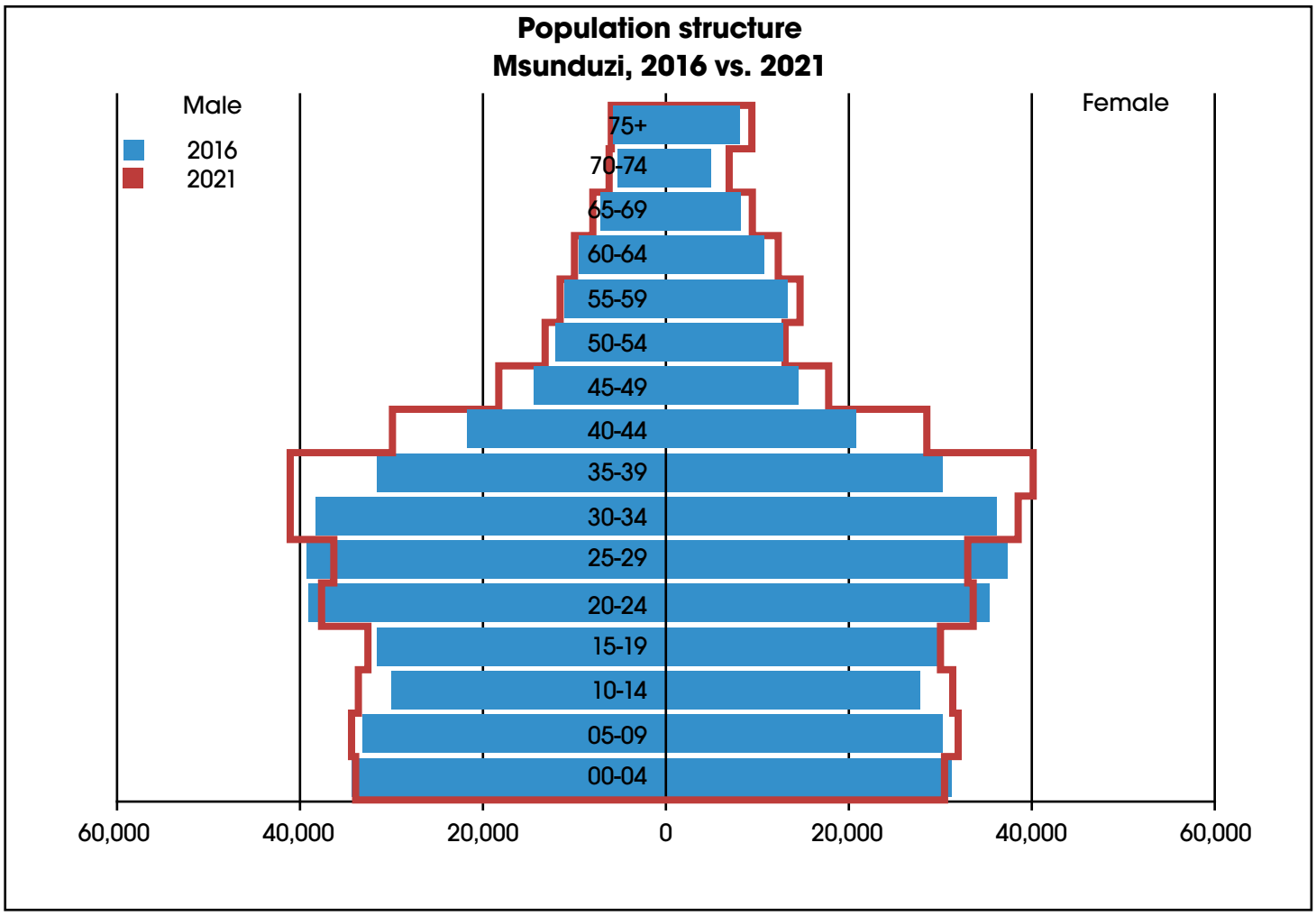
In terms of the anticipated growth scenario the population and economic growth rates will be in excess of that achieved over the past 10 years. The population growth rate is anticipated to be 1,7%, whereas the economy will grow at a rate of 3,2%. This scenario assumes that the HIV/AIDS pandemic has been curbed and that the negative impact thereof on population growth has been reduced.

Figure 5b population growth scenarios



Spatial Development Framework 2015

Figure 5c



Source: IHS Markit Regional eXplorer version 1070)

As depicted on the pyramid above the Municipality has a high number of young people between 20 and 34 (31.4%). In 2016, the female population for the 20 to 34 years age group amounts to 15.6% of the total female population while the male population group for the same age amounts to 15.7% of the total male population. As depicted on the pyramid above the Municipality has a high number of young people. About 70% of the population is below the age of 34 years. This is one of the reasons why the City Development Strategy aims to create a city of learning. The Municipality has numerous programmes to assist the youth and works closes with the department of education which ploughs Hugh amounts of money into the city's education sector. The Municipality has invested immensely in youth development with programmes to up skill the youth so they can assist with the development of challenges. The Municipality has a programme to train 180 youth in plumbing and thereafter they can assist with the water leaks around the Municipality. The Municipality also gives points to local businesses when procuring for services this again aims to ensure that business around the city benefits and employs local people.

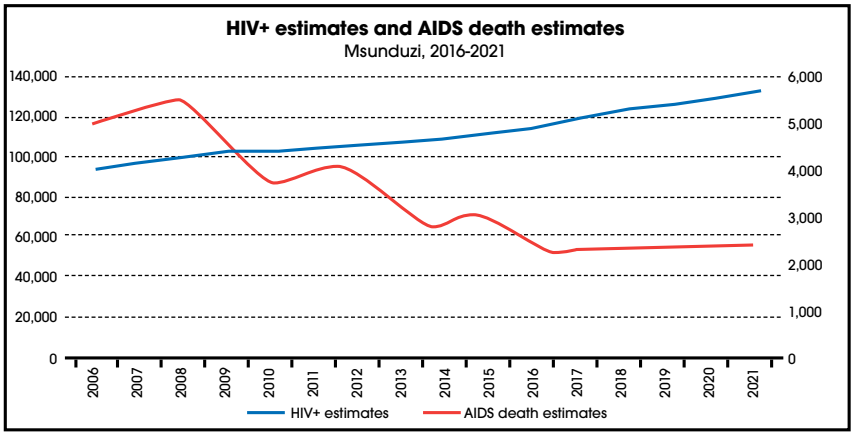
TABLE 20: PREVALENCE OF CHILD HEADED HOUSEHOLDS

	No. of Households headed by Children (0-17 years)			% of Households headed by Children (0-17 years)		
	1996	2001	2011	1996	2001	2011
uMgungundlovu	2 215	1 398	1 755	1,2	0,6	0,6
uMsunduzi	1 067	674	920	0,9	0,3	0,6

Department of Health, 2011 Annual Report

In 2010, the uMgungundlovu DM had the highest prevalence of HIV/Aids in the province, as well as in the country, according to the annual Department of Health ante-natal survey undertaken at state hospitals. These figures are summarised below, and indicate an upward trend in infections. The Municipality is attempting to establish ward-level Aids Committees and involving Ward Councillors in this regards.

FIGURE 6: CHART 6.AIDS PROFILE AND FORECAST - MSUNDUZI LOCAL MUNICIPALITY, 2006-2021



Source: IHS Markit Reginal eXplorer version 1070

Msunduzi developed an HIV/Aids Strategic Plan (2012 – 2016) which is included as an Annexure to the IDP. This plan includes the establishment of a local Aids Council.

The successful implementation of the HIV/Aids Strategic Plan (2012 - 2016) will depend on a number of imperatives, which include the provision of leadership at all levels; greater involvement of communities and their structures; behavioural and attitude change among the community members; greater involvement of people living with HIV and AIDS; the sustainability and adequate resourcing of initiatives that are aimed at reduction of the spread and impact of HIV, AIDS, STIs, and TB.

There are a number of existing and potential long-terms risks associated with the current prevalence rate, that if not sufficiently addressed, will cause existing impacts to become more firmly established, whilst new ones will take root in communities. Both existing and potential impacts have the potential to reverse many of the developmental gains made in the district since 1994. The economic costs of HIV and AIDS, the stigma surrounding the disease that leads to discrimination and withdrawal, and the inability to access social services, combine to expand socio-economic inequalities in society. HIV and AIDS is not only killing people, it further divides communities and society in general, and the pandemic has caused a great deal of suffering in communities. The most visible impact of this has been an increase in the number of people who are getting sick, and those who are dying due to sicknesses related to the pandemic. According to USAID (2003) in a study conducted in Sub-Saharan Africa, the HIV and AIDS pandemic affects the performance of health systems through:

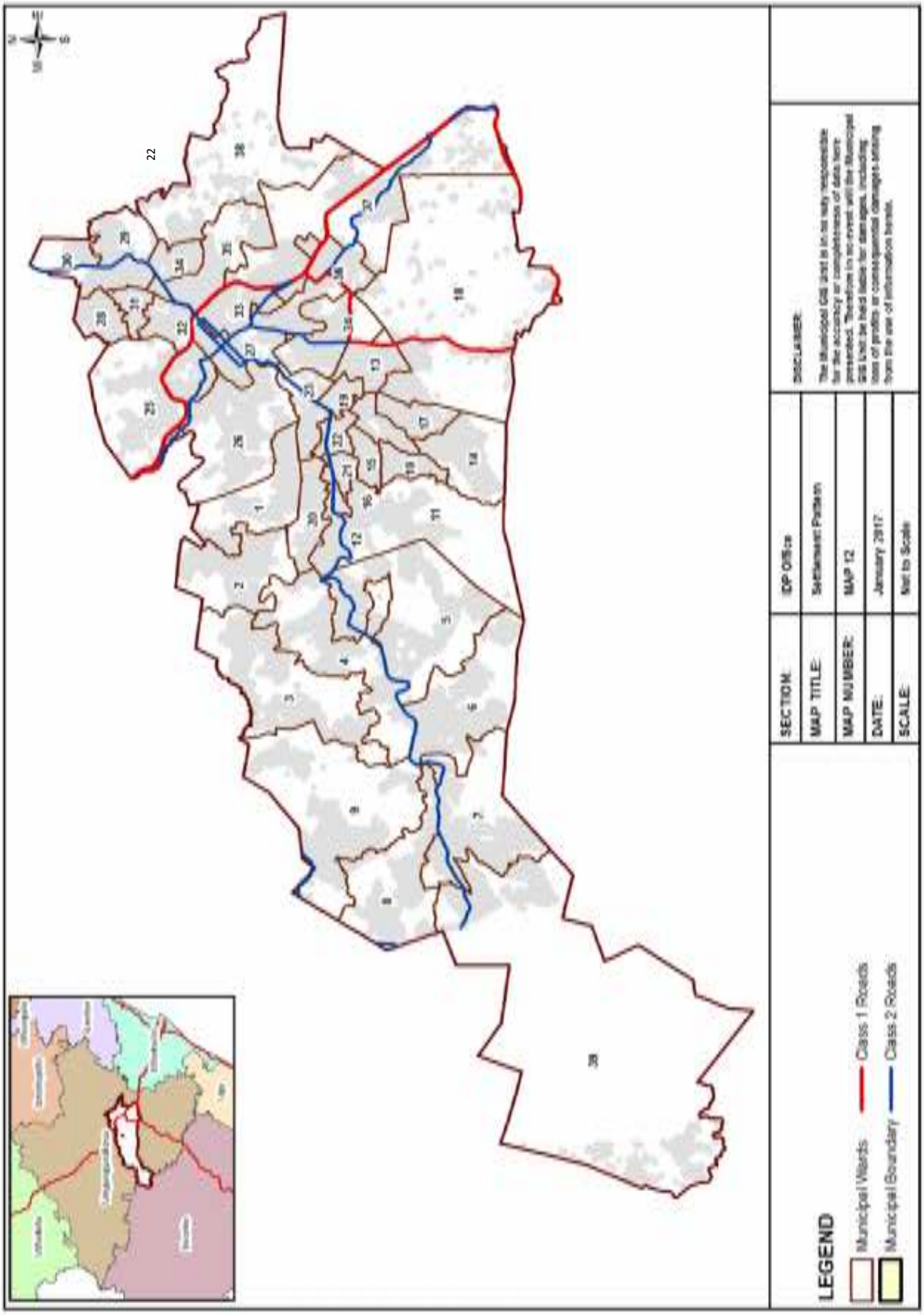
- More demand for hospital beds
- More demand for treatment
- Longer hospital stays
- Increased need for community services
- Increased costs of services
- Medical personnel being infected and affected

Similarly, in the education sector, sickness and death of teachers, and learners who have been orphaned or have a parent that is sick, contribute to poorer results. The private sector is also affected through higher costs associated with absenteeism of sick workers, training of new staff to replace workers who have died, and the loss of productivity.

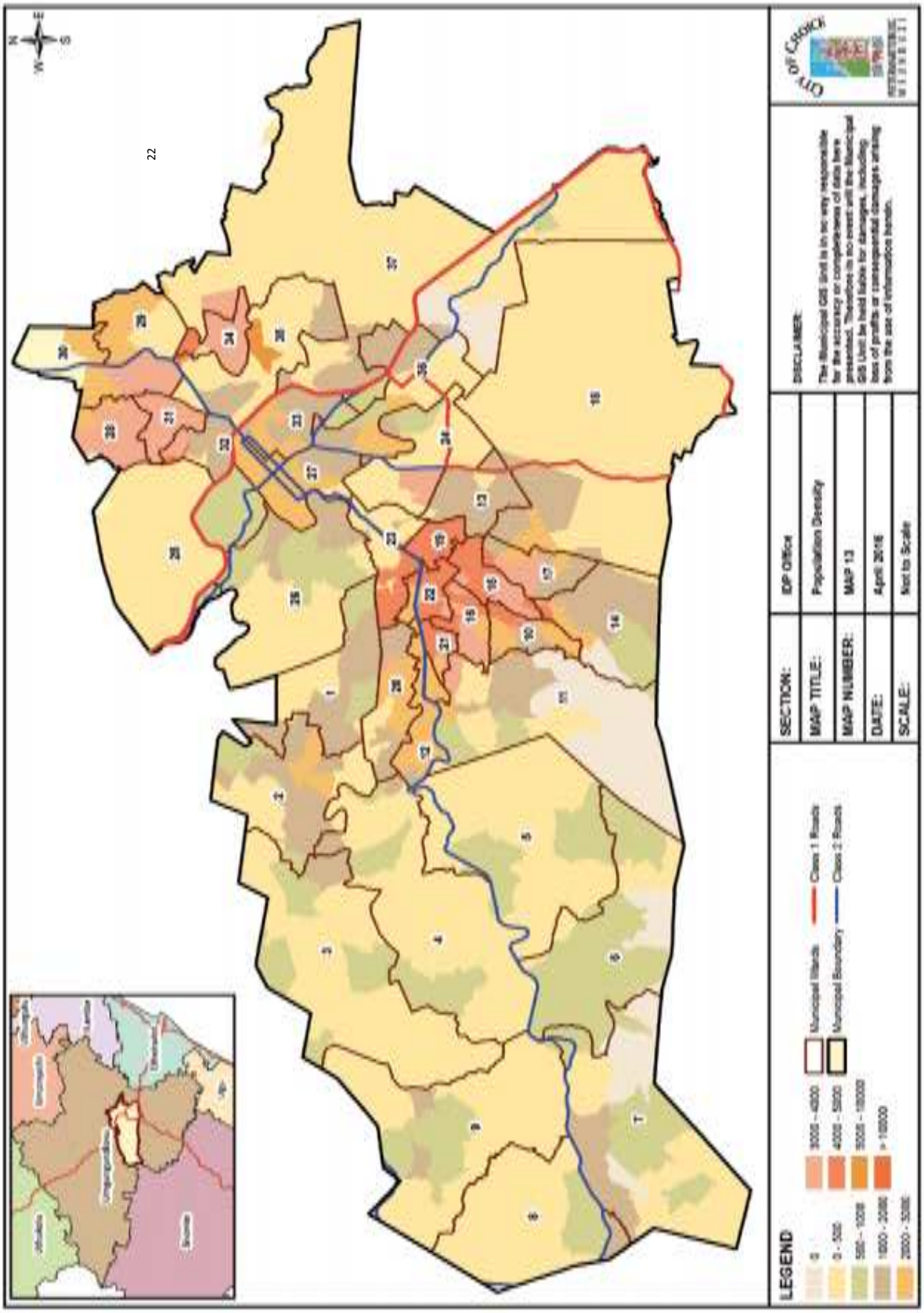
In order to determine Mortality and Morbidity rates for the Municipality, the Department of Health's Annual Report (2011- 2012) has been utilised, which unfortunately aggregates the information to a District level. This aside, the top four causes of years of life lost in the uMgungundlovu DM are TB (22.4%), Lower Respiratory Infection (LRI) (10.1%), Diarrhoeal Disease (9.2%), and HIV/Aids (8.6%). In terms of maternal mortality rates, the District average is 193.5 maternal deaths per 1 000 births, which is classified as "much poorer than expected".

TABLE 21: SWOT

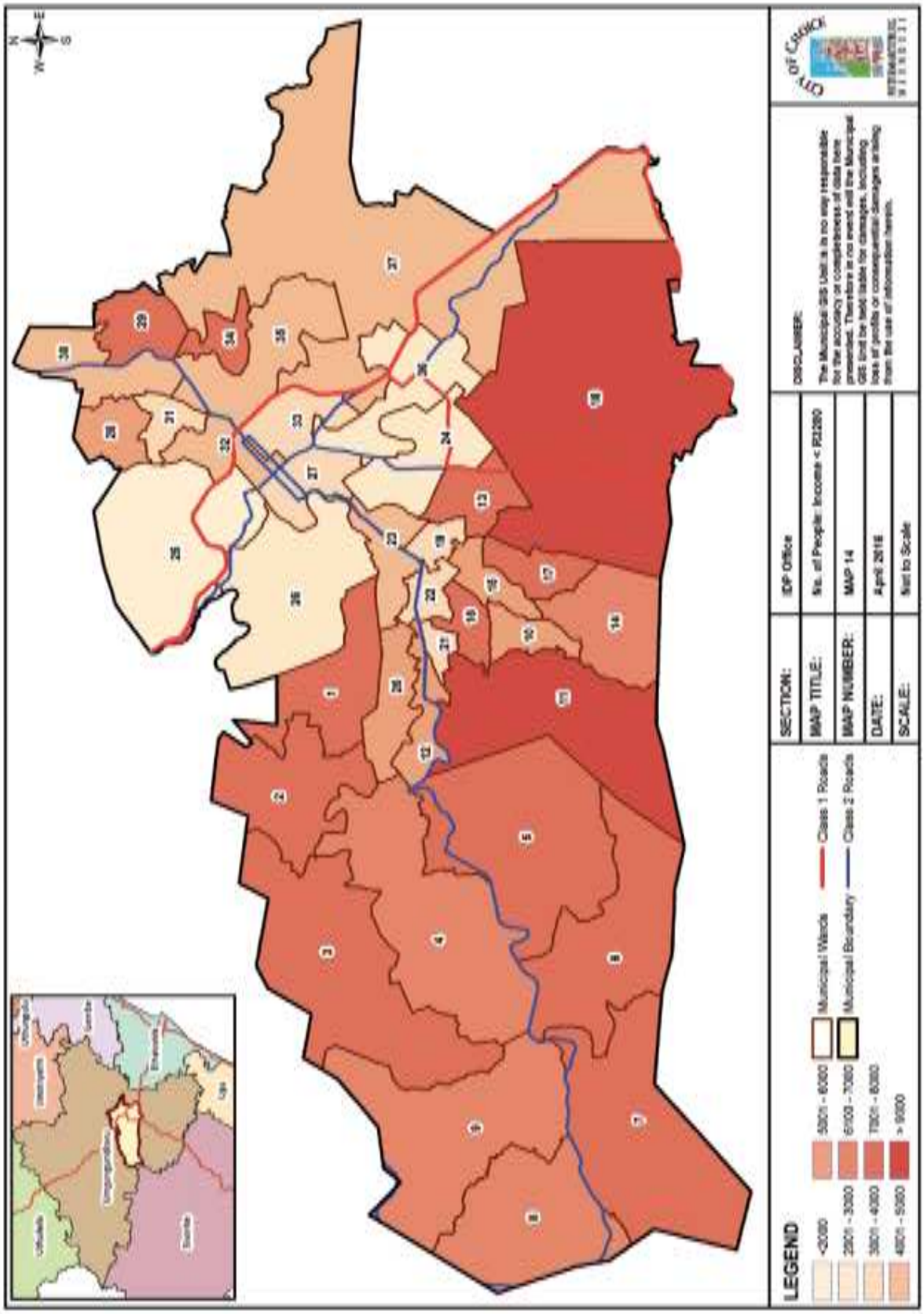
KEY ISSUES RELATING TO POPULATION	
• A growing population with a growing number of households, but with a decreasing average household size. • A population that is predominantly within the economically active age groups, and one where people within the working age groups are less dependent on those who are employed. • A population that is improving in levels of skills development and literacy shown by the improving levels of schooling and post schooling qualifications. • A population with the highest level of HIV/Aids infection in the province. • A population with a relatively high level of child headed households.	
STRENGTHS	**WEAKNESSES**
• A stabilising population growth rate. • Decreasing number of child-headed households • The majority of the population in the economically active age cohorts	• High number of economically vulnerable households • Places of residence some distance from work opportunities. • High levels of unemployment.
OPPORTUNITIES	**THREATS**
• The majority of the population in the economically active age cohorts • Good levels of education amongst adults • Improving levels of literacy and tertiary training.	• High but stabilizing levels of HIV/AIDS • Increasing in migration



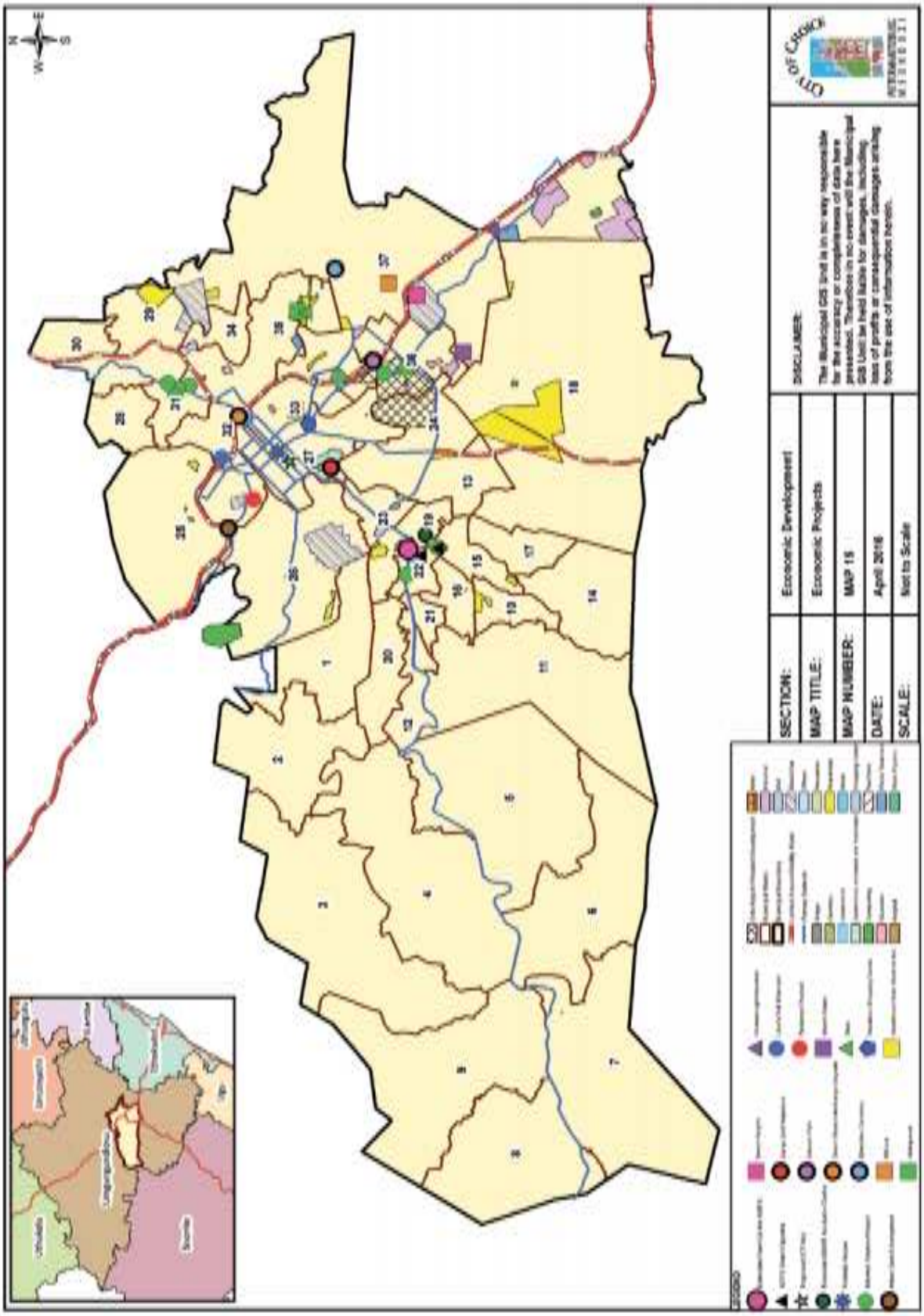
MAP 12: IDP Office: Settlement Pattern



MAP 13: IDP Office: Population Density



MAP 14: IDP Office: No. of People Income < R3200



MAP 15: Economic Development: Development Projects

C3-PGDS GOAL: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

3.6 MUNICIPAL TRANSFORMATION

Serious financial challenges within the Msunduzi Municipality necessitated an intervention in terms of section 139 of the MFMA. The financial crises came to be because of poor controls, rampant corruption amongst senior staff, and failure to prepare the mid-year Adjustments Budget and the 2010/11 Budget by deadline. By mid-March 2010, when the Provincial Intervention Team (PIT) was appointed, the budget deficit for budget 2009/10 was estimated at R162 million.

The administration period saw the suspension, and in some instances the resignation, of section 57 managers, as well as the Municipal Manager and the CFO. The Provincial Intervention Team drafted four Turn Around Strategies, consisting of a Financial Strategy, an Infrastructure Development Strategy, a Community Services Strategy, and a Good Governance Strategy. These strategies were developed to stabilise the affairs of the Msunduzi Municipality. The 2011/12 financial year saw the lifting of the intervention and the appointment of the Municipal Manager, the Chief Financial Officer, and the Deputy Municipal Manager: Infrastructure Services. The posts of Deputy Municipal Manager, Development Services, and Community Services have been advertised.

A Policy Development Specialist was seconded to the Municipality form COGTA to assist with the development and review of 26 Organisational Development Policies. The Policies are currently being workshopped at the portfolio committee, as part of the consultative process preceding approval. During the latter part of 2011/2012, an OD specialist was further seconded to the Municipality from COGTA, to review the current organisational structure and align capacity to improve service delivery. The 3 tier structure was developed, and has been tabled for Council approval. Consultation with the Business Units occurred in June of 2012, extending the review and beyond level 3.

3.7 ORGANISATIONAL DEVELOPMENT

Approval of key operational matters within the Municipality follows the following approval process, namely Strategic Management Committee (SMC), Portfolio Committees, EXCO, and Council.

3.7.1 POWERS AND FUNCTIONS

The powers and functions of the Msunduzi Municipality are summarised as follows:

TABLE 22: POWERS AND FUNCTIONS OF THE MSUNDUZI MUNICIPALITY

LEGISLATIVE MANDATE	DESCRIPTION
Constitution of SA: Chapter 7:	Local Government, especially sections 151, 152 and 153. Also Schedule 4, Part B and Schedule 5 Part B. 152. The objectives set out in the Constitution for local governments are to: • Provide democratic and accountable government; • Ensure the provision of sustainable services to local communities; • Promote social and economic development; • Provide a safe and healthy environment; • Encourage involvement of community organisations in local governance. Schedule 4B identifies the following functions for the Municipality: • Air pollution • Building regulations • Child care facilities • Electricity reticulation • Firefighting services • Local tourism • Municipal airports • Municipal planning • Municipal public transport • Municipal public works (internal) • Stormwater management • Trading regulations • Water and sanitation services Schedule 5B identifies the following functions for the Municipality: • Billboards and display advertisements • Cemeteries, funeral parlours, crematoria • Cleansing • Control of public nuisances • Licensing of dogs • Licensing & control of food undertakings • Local amenities • Local sports facilities • Markets • Municipal parks and recreation • Municipal roads • Noise pollution • Public places • Refuse removal; solid waste disposal • Street trading • Street lighting • Traffic and parking • Municipal Pound The Msunduzi local government is responsible for the complete authority over functions listed in the table above. Delegation of this authority is in respect of Municipal Pound, Airport, and Tourism.
Municipal Structures Act:	The Msunduzi Municipality is a Category B Municipality in terms of Section 7, with a collective executive system and a ward participatory system Section 9(b).
The White Paper on Developmental Local Government:	The White Paper on Developmental Local Government lists three key outcomes: • Provision of basic household infrastructure and services; • Creation of liveable, integrated cities, towns, and rural areas; • Promotion of local economic development.

There are two wings to Msunduzi local government's responsibilities. The first is concerned with large-scale functions, such as the planning and promotion of integrated development planning, land, and economic and environmental development. The second is concerned with the provision of specific services, such as housing, water, and electricity.

- **Planning and Promotion of Integrated Development**

  - **Planning and promotion of the Integrated Development Plan (IDP)**

  The IDP is a single strategic plan that guides all decisions and programmes related to managing and developing the Municipality. This includes municipal as well as private sector and provincial programmes and plans.

  - **Planning and promotion of land development**

  The Municipal Systems Act requires that each municipal IDP includes guidelines for land management and development. This means the Municipality must provide a system for making decisions regarding land development, development applications, land use, and land use change.

  - **Planning and promotion of economic development**

  The Msunduzi local government is responsible for providing an environment that encourages economic growth by focusing on basic community needs, as well as promoting social and economic development. In other words, its role is to provide an enabling environment, rather than being responsible for economic growth and job creation.

  - **Planning and promotion of environmental development**

  This function includes the regulation of air and noise pollution, as well as services such as storm water management, water and sanitation, and recreational facilities. The Msunduzi Municipality is required by the National Environmental Management Act to incorporate environmental strategies handed down by the province, and to produce an integrated waste management plan.

- **Service delivery**

  - **Housing Services**

  The Municipality does take on aspects of this function, which includes finding land and beneficiaries for low-cost housing, developing housing projects, infrastructure, and renting and owning houses.

  - **Water Services**

  The Msunduzi Municipality is responsible for water supply from bulk supplier to the Local Community, inclusive of the management and maintenance of water and wastewater reticulation systems. Attention has been given to providing free basic water and sanitation services to the poor.

  - **Electricity Distribution Services**

  This relates to the provison of electricity services to certain areas of the municipality. ESKOM is responsible for the coverage of limited areas.

  - **Roads and Transport Services**

  The Msunduzi Local Municipality is responsible for providing and maintaining local streets, as stated in Schedule 5B of the Constitution. The provincial government also funds municipalities to carry out provincial road repairs. Although a transport plan is a key part of the IDP for the Municipality, creating an adequate plan may be difficult due to a lack of resources.

  - **Solid Waste Services**

  The Municipality is responsible for cleansing, refuse removal, dumps, and solid waste disposal. Although not specified, this function does involve minimising waste and recycling.

- **Community Development Services**

The community services provided by Msunduzi local Municipality include community halls, sport and recreational facilities, public toilets, libraries, the Art Gallery, public swimming pools, cemeteries, and crematoria.

- **Emergency Services**

Fire-fighting remains a function of the Municipality, and the local governments is required to prepare disaster recovery plans.

- **Public Safety Services**

The functions of municipal Public Safety Services are road traffic policing, policing of municipal by-laws, and the prevention of crime.

- **Public Works**

Though municipal public works is listed as a function, it can be seen more as an internal support service, geared towards construction and maintenance of public infrastructure and facilities.

3.7.2 ORGANISATIONAL STRUCTURE/ ORGANOGRAM

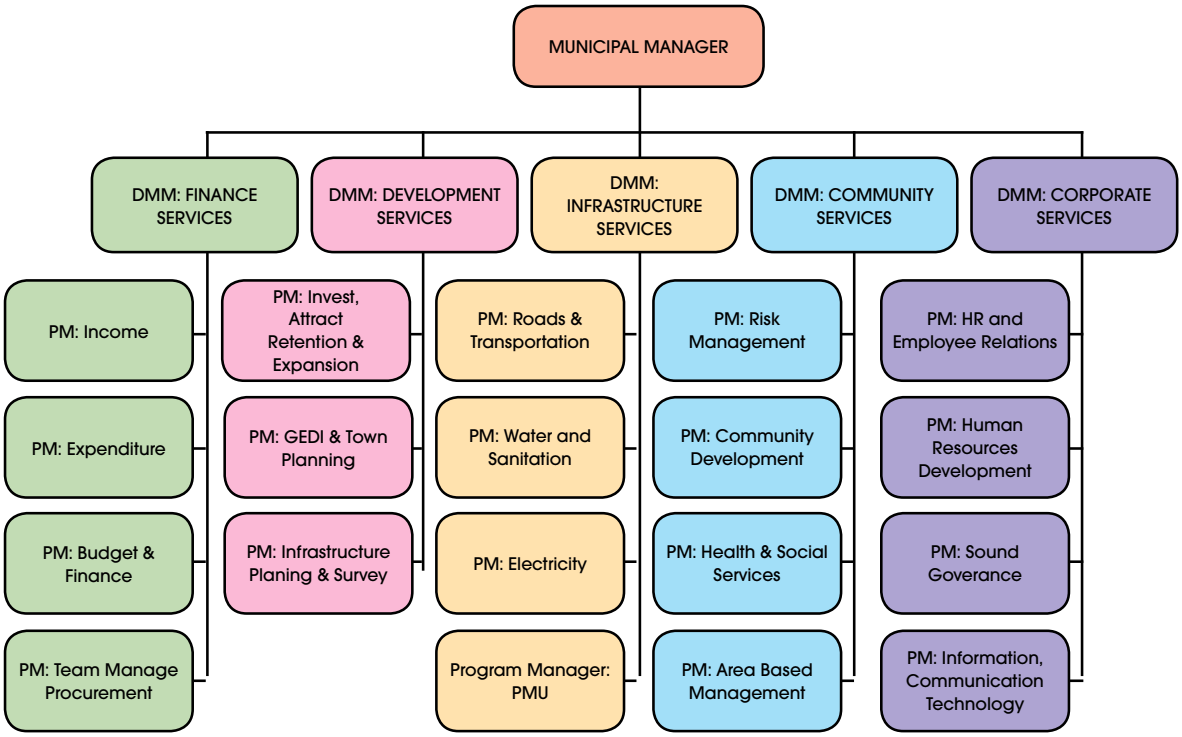
There are five Business Units in the Municipality, which mirror the committee portfolios and report to the Municipal Manager. These Business Units, each headed by a Deputy Municipal Manager, ensure that services are delivered to the people of the Msunduzi Municipality, and are structured as follows:

- Infrastructure Services;
- Community Services;
- Economic Development;
- Financial Services; and
- Corporate Services

The Municipal Manager and his team of executive managers hold weekly meetings to discuss key strategic service deliverables, and to offer guidance on achieving IDP goals. The administrative component is aligned with the five National Key Performance Areas: Financial Viability and Management, Local Economic Development, Basic Service Delivery and Infrastructure Development, Good Governance and Public Participation, Institutional Development and Transformation, and Environmental Planning and Social Services.

CURRENT TOP ADMINISTRATIVE STRUCTURE

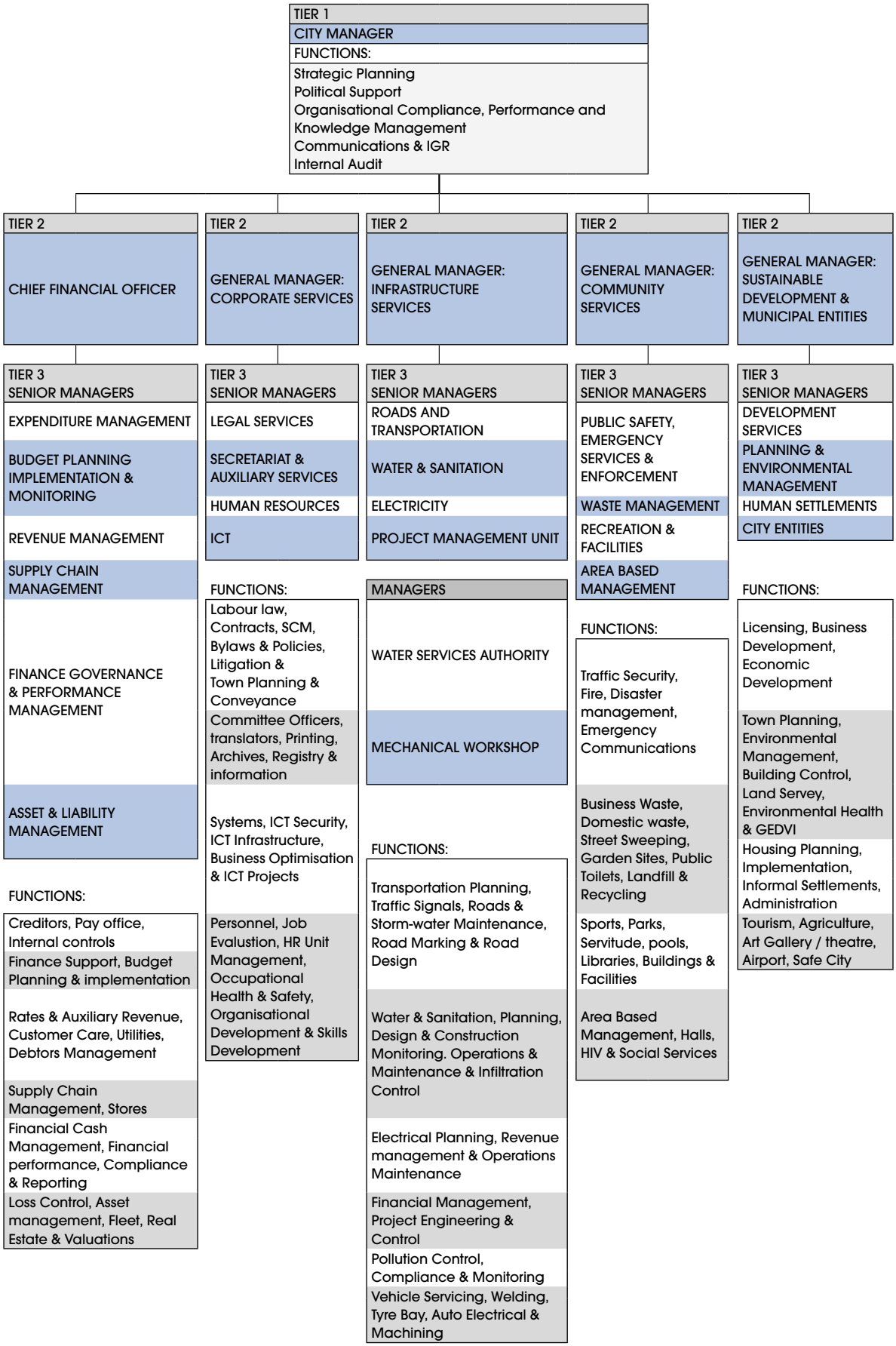
FIGURE 7: Top Administrative Structure of the Msunduzi Municipality



NEW APPROVED FUNCTIONAL ORGANOGRAM

The following diagram summarises the new approved functional organogram of the Municipality:

FIGURE 8: Organogram of Top Management



3.7.3 MUNICIPAL INSTITUTIONAL CAPACITY AND STATUS OF CRITICAL POSTS

(a) MUNICIPAL MANAGER AND SECTION 56 POSTS

The municipal manager and five section 56 posts are now filled. There was one vacancy, deputy municipal manager: infrastructure services, due to the resignation of the Incumbent. The process manager electricity was acting in this position and has been appointed.

- Municipal Manager - Filled
- Chief Financial Officer - Filled
- General Manager Infrastructure – Filled
- General Manager: Community Services - Filled
- General Manager: Sustainable Development - Vacant
- General Manager: Corporate Services –Filled

(b) FILLING OF VACANT POSTS

The unacceptably high vacancy rate in the organisation is a matter of grave concern. For instance, a vacancy rate of 48% or 2318 vacant posts were reported in February 2016. Delays with the filling of the vacancies have impacted negatively on service delivery, and the filling of critical posts is now a priority within the organisation. 30 vacancies were advertised in the month of March 2017. The selection and recruitment of staff is guided by an existing employment process and will be further directed with the approval of a drafted Selection and Recruitment Policy.

TABLE 23: VACANT POST ADVERTISED

BUSINESS UNIT	POSTS ADVERTISED
Infrastructure Services	11
Community Services	14
Corporate Services	8
Finance	12
Corporate Business Unit	5
Development Services	18
Total Posts Advertised	68

The filling of critical vacancies is to be addressed alongside the implementation of workable staff-retention strategies. The management of staff vacancies within the municipality must be proactive in identifying possible incentives for retaining scarce skills and ensuring that roles and responsibilities are clearly defined within job descriptions.

The municipal Strategic Management Committee (SMC) annually considers priority vacant posts for filling. This is aligned with the budgeting process so that funds are committed for the new officials.

3.7.4 HUMAN RESOURCE DEVELOPMENT

(a) EMPLOYMENT EQUITY

In the past, the staff components of the Municipality did not fully reflect the demographics of the municipal area, and the approved Equity Plan had to be activated to address the imbalances created by Apartheid employment policies. To date, the Municipality has complied with the required provisions of the Employment Equity Act.

TABLE 24: EMPLOYMENT EQUITY WITHIN THE MSUNDUZI MUNICIPALITY

OCCUPATIONAL CATEGORY	FEMALE				MALE				TOTAL				TOTAL
	A	C	I	W	A	C	I	W	A	C	I	W	
11 - LEGISLATORS	23	2	2	2	30	2	6	6	53	4	8	8	73
12 - MANAGERS	4	0	0	0	4	1	1	1	8	1	1	1	11
2 - PROFESSIONALS	59	3	31	28	58	2	27	14	117	5	58	42	222
3 - TECHNICIANS AND TRADE WORKERS	53	9	8	0	155	17	67	75	208	26	75	75	384
4 - COMMUNITY AND PERSONAL SERVICE WORKERS	92	23	21	9	206	7	61	14	298	30	82	23	433
5 - CLERICAL AND ADMINISTRATIVE WORKERS	216	46	83	29	103	15	53	27	319	61	136	56	572
6 - SALES WORKERS	7	2	5	1	2	1	3	0	9	3	8	1	21
7 - MACHINE OPERATORS AND DRIVERS	10	0	0	0	40	1	6	4	50	1	6	4	61
8 - ELEMENTARY WORKERS	242	3	8	0	480	8	39	1	722	11	47	1	781
TOTALS	**706**	**88**	**158**	**69**	**1078**	**54**	**263**	**142**	**1784**	**142**	**421**	**211**	**2558**

(b) WORKFORCE CAPACITY DEVELOPMENT

Section 68 (1) of the Municipal Service Act (2000) required municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way.

The Municipality, through the Human Resources Development Unit under the Corporate Services Department, is the custodian or champion for skills development on behalf of the Municipality. Various training interventions are conducted through different levels in the organisation. There are training programmes that are intended to equip the employee in order to improve the quality and standard of service delivery. The Workplace Skills Plan is developed along the LGSETA guideline. The Municipality collects in full almost all of what is due to it in training rebates , on an annual basis. Whilst the Human Resources Development Unit is tasked to improve the competency of our employees, the unit is also responsible for working in partnership with various departments, training providers, and communities to improve the level of skills, knowledge, and behaviour of our employees and citizens, enabling them to be active participants in the economic development and growth of the city.

TABLE 25: TOTAL NUMBER OF EMPLOYEES WHO RECEIVED TRAINING

OCCUPATIONAL CATEGORY	FEMALE				MALE				TOTAL				TOTAL	% OF TOTAL EMPLOYEES
	A	C	I	W	A	C	I	W	A	C	I	W		
11 - LEGISLATORS									0	0	0	0	0	0.00%
12 - MANAGERS	6		2	1	6	1	4	3	12	1	6	4	23	209.09%
2 - PROFESSIONALS	37		21		35	3	14	1	72	3	35	1	111	50.00%
3 - TECHNICIANS AND TRADE WORKERS	2				4	1	1		6	1	1	0	8	2.08%
4 - COMMUNITY AND PERSONAL SERVICE WORKERS	66		9		110		15		176	0	24	0	200	46.19%
5 - CLERICAL AND ADMINISTRATIVE WORKERS	56	11	22	4	17	6	5		73	17	27	4	121	21.15%
6 - SALES WORKERS									0	0	0	0	0	0.00%
7 - MACHINE OPERATORS AND DRIVERS	33				43		11		76	0	11	0	87	142.62%
8 - ELEMENTARY WORKERS	31				154		2		185	0	2	0	187	23.94%
TOTALS	**231**	**11**	**54**	**5**	**369**	**11**	**52**	**4**	**600**	**22**	**106**	**9**	**737**	**28.81%**

The Municipality has several well-developed capacity development programmes and systems in place, namely:

- Annual Workplace Skills Plan
- Learnership and Apprentices Schemes
- Study Assistance
- Internship
- Adult Basic Education Programmes
- Management Training Programmes
- Councillor Training Programmes
- Community Training

The annual workplace skills plan was adopted on the 30th of June 2016 and the latest review was in 2016.

(c) HUMAN RESOURCE STRATEGY

The human resource strategy was initiated in 2013 with assistance from COGTA. The strategy has now been finalised and is currently being implemented.

(d) RETENTION AND ATTRACTION STRATEGY

The Municipality has developed and adopted a policy on Staff Retention and Attraction, to address the scarce skills phenomenon. It is the belief of the Municipality that through recruitment, the application of the staff Retention and Attraction Policy will contribute towards assisting the Municipality to meet its objectives as expounded in the IDP.

Besides remuneration linked to a market rate of a particular post, the Municipality also has scarce skills development strategies. Employees and non-employees are contracted to learnerships for scarce skills training, and bursaries are granted in key disciplines (such as architecture, town planning, quantity surveying, engineering, land surveying, professional valuers, etc.). Coaching and mentoring, job satisfaction surveys, and career path planning, are all part of the Policy.

3.7.5 WORKPLACE SKILLS PLAN (WSP)

The WSP is an annual plan developed by the Msunduzi Municipality that describes the training and development strategy of the prganization, and assists the organisation to meet its overall objectives and targets. The WSP of the Municipality must relate to the key municipal Integrated Development Plan objectives, and to the priority training areas identified in the sector skills plan.

The process of compiling the Work Place Skills Plan started in March 2016, when all Strategic Business Unit Managers were approached and are requested to complete Personal Development Plans (PDP's) for their subordinates. The training needs that are identified in these PDP's are used to compile the Work Place Skills Plan for 2016/2017.

Organisations that have more than 50 employees must consult on the process of developing the Workplace Skills Plan in a Training and Development Committee. Where a workplace is unionised, trade union and management structures must be represented on this Committee, as their signature is required to verify that consultation on the development of the workplace skills plan has taken place. It is essential to obtain buy-in in the process, initially at Council Level, and then throughout the Organisation. The Human Resources Development Sub-Committee, which is a sub-committee of the Local Labour Forum, plays a crucial role in this respect. The Skills Development Unit will present the Skills Development Unit will present the Workplace Skills Plan 2017/2018 and the Annual Training Report 2015/2016 to the Municipal Manager, The Chairperson of the Corporate Services Portfolio Committee, and Union Leadership for signing before 30 June 2016, as the reports must reach the Local Government SETA by the 30th of June, 2016.

3.7.6 PROCESS FOR PREPARING THE WSP:

The plan to address skills needs is developed from information gathered and input received from departments and committees (Training and EE Committees), taking into account the LGSETA requirements. The Skills Development Facilitator:

- Studies and adheres to the LGSETA requirements and guidelines on the format and content of the WSP and the process for approval and submission;
- Develops draft criteria for the approval of the WSP, in consultation with municipal management (e.g. alignment with EE, consultation, and approval processes);
- Collates the input (prioritised training needs as identified by the audit conducted in the different departments into the Municipality's WSP and completes the documentation for the WSP as required by the LGSETA;
- Submits the draft WSP to management and stakeholders for comment and recommendations, revises the draft WSP on the basis of the comments and recommendations received;
- Prepares the final WSP and submits to Council for approval, and to all stakeholders for their signatures; and
- Submits the completed WSP to the provincial LGSETA by 30 June.

TABLE 26: SWOT

KEY ISSUES RELATING TO MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT: • The development of a cohesive organisational structure; • Changing the organization's culture to a performance driven culture; • Attracting and retaining critical and technical skills; • A serious infrastructure backlog (information, communication technology infrastructure, and information systems applications); • Uncoordinated and disintegrated systems development; • Outdated processes and systems; and • The development of a more customer focused organisation (Incorporation of Batho Pele principles).	
STRENGTHS • Reviewing of the organogram. • The development of a more customer focused organisation (Incorporation of Batho Pele principles).	**WEAKNESSES** • Outdated processes and systems.
OPPORTUNITIES • The development of a cohesive organisational structure. • Changing organisational culture to be performance driven. • SAP System to integrate processes	**THREATS** • Low morale in staff. • Shortages of key skills. • Fraud and corruption. • Uncoordinated and disintegrated systems development.

C4-SERVICE DELIVERY AND INFRASTRUCTURE ANALYSIS

3.8 INTRODUCTION

The following table summarises the sector plans developed by the Municipality, together with the date of adoption where available.

TABLE 27: MUNICIPAL SECTOR PLANS

SECTOR PLAN	STATUS	COMMENTS
Water Services Development Plan	The ToR for the revision of WSDP is currently in the process of being revised. This is to align with new Census 2011 information.	The WSDP was adopted by council in December 2016.
Bulk Water Master Plan	The ToR for the revision of 2005 Bulk Water Master plan is currently being revised. This will now include the greater Vulindlela area and Ashburton, which were not previously covered.	A consultant has been appointed. It is anticipated that this process will be completed by December 2016
Bulk Sanitation Master Plan	The ToR for the revision of 2007 Bulk Sanitation Master Plan is currently been developed. This will now include all the proposed housing developments with recommendations for a possible secondary Waste Water Treatment Works.	It is anticipated that this process will be completed by December 2016.
Non- Revenue Water Reduction Master Plan	Approved 2010	This is now being implemented
IWMP	Approved	Adopted March 2015
Environmental Status Quo Report	Approved	Includes 12 specialist studies
Environmental Management framework (EMF)	Approved	GIS environmental layers linked to spatial decision support tool (SDST)
Strategic Environmental Assessment (SEA)	Approved	Includes sustainability framework
Strategic Environmental Management Plan (SEMP)	Approved	Includes 26 Action Plans
Ecosystem Services Plan/C Plan	1st Draft approved, 2nd Draft in progress	Currently refining data on 5 focus areas
Climate Change Policy and adaptation strategies	1st Draft in progress	
Comprehensive Integrated Transport Plan (CITP) (2012)	Approved by Council	Legislative Requirement. To be updated every 5 years i.e. in 2017. It incorporates / consolidates a range of smaller plans
Major Roads Plan	No proof it was approved by Council	Needs update
Transportation Plan	No proof it was approved by Council	Needs update
Road Safety Plan (2007)	No proof it was approved by Council	Needs update
Non-Motorized Network Plan 2009	Not approved by Council	Under review , being integrated with IRTPLAN
Roads Asset Management Plan (RAMP) (2006)	Approved	Approved during 2015/2016 financial year
Integrated Rapid Public Transport Network (IRPTN) Plan	Approved by Council	Network under design for implementation
Public Transport Network Plan (2002)	No proof it was approved by Council	Superseded by IRPTN
Building Asset Management Plan	Not Approved	Budgeted for 2016/2017 financial year

3.9 WATER

3.9.1 LEVELS OF SERVICE

Census (2011) indicates that houses receiving piped water inside their dwelling have increased from 38.3% of households in 2001, to 47.9% of households in 2011. The Census further indicates that only 3.9% of households have no access to piped (tap) water, and only a further 3.9% of households are between 200 – 1 000m from piped (tap) water.

3.9.2 WATER SERVICES DEVELOPMENT PLAN

The City is required by law to develop a Water Services Development Plan as part of the water sector chapter of the Integrated Development Plan. The current Water Services Development Plan needs to be updated and developed further in the light of new data (Census 2012 information) and the City's new strategic priorities. The Infrastructure Services unit will be managing the process.

In terms of the Water Services Act, Act 108 of 1997, clause 12 (1), every water services authority must prepare and submit both a draft water services development plan and a summary of that plan.

The draft water services development plan to the notice of consumers and invite public comment. The Msunduzi Municipality appointed a consultant team to undertake the revision of the WSDP.

A similar approach is currently adopted for the revision of both the Bulk Water and Sanitation Master plans. We anticipate both these master plans to revised and concluded by July 2016.

3.9.3 Water Services Authority

The MEC for Local Government, Traditional Affairs, and Housing designated the Msunduzi Municipality a Water Service Water Authority through a Government Gazette dated 13 June 2003. This notice authorized the Msunduzi Municipality to perform the functions and exercise the powers referred to in Section 84(1) (b) of the Municipal Structures Act (117 of 1998), which provides for the provision of potable water supply and sanitation systems. In terms of Section 11 of the Water Services Act (108 of 1997), every Water Services Authority has a duty to ensure adequate and sustainable access to water and sanitation for all consumers within the area of jurisdiction.

The Msunduzi Municipality has signed and entered into a Bulk Services Agreement with Umgeni Water, which came into effect from December 2012. This is a 10 year agreement that regulates the supply and sale of bulk water from Umgeni Water to Msunduzi Municipality. The following is a brief summary of the relevant obligations, as contained in the agreement:

Msunduzi to provide Umgeni Water with projected water demand based on expected growth over the contract period;

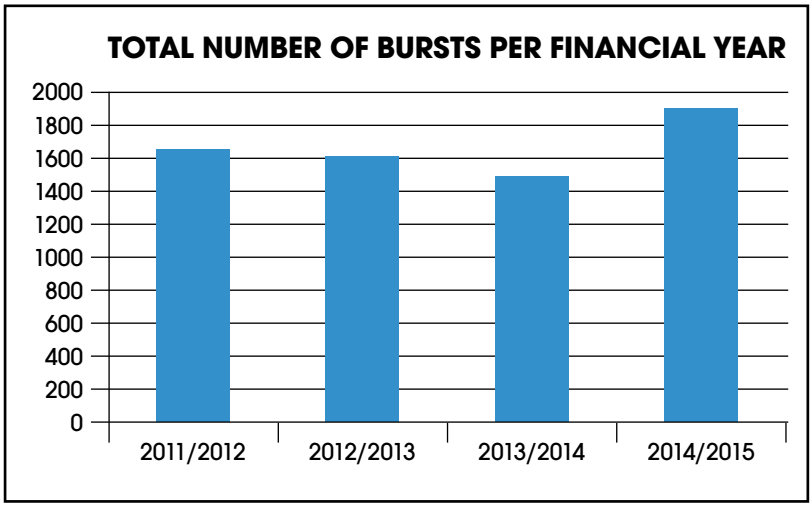
- Umgeni Water is responsible for meeting the hourly, daily, and monthly peak flow demands;
- Meter at Strategic points in order to regulate and measure the sale of bulk water;
- Pay bulk water supply service charges as follows:-
    - Volume based charges in respect of water consumed;
    - Installation charges of new customer connections;
    - Capital contribution charges where a new water supply requires capital expenditure; and
    - Monitor and measure the performance of Umgeni Water against the said agreement.
- Ensure that the quality of water meets all the requirements of SANS 241.

(i) OPERATIONAL MANAGEMENT

The Department of Water Affairs initiated a drinking and waste water quality regulation programme during 2005, with the specific objective of ensuring the improvement of tap water (potable) and waste water quality, by means of compliance monitoring. The Msunduzi Municipality was awarded Blue Drop Status for 2015. This indicates that according to the South African National Standards, the drinking water quality has a 97% microbiological compliance, and a minimum of 85% chemical compliance. The municipality has a water and sanitation operational plan that guides daily operations.

Generally, asbestos cement (AC) pipelines account for over 66% of the 920 km of the municipal water reticulation network. These pipes have a lifespan of 30 years, and many of these pipes have reached the end of their lifespan, something that is evident in the number of water service interruptions that are occurring. The number of bursts has been increasing, with a current average of 5 bursts per day, which highlights the precarious nature of the existing infrastructure. This is depicted in the graph below.

FIGURE 9: Burst Main Trends per financial year



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As per the in 2013, President's State of the Nation address, municipalities are obliged to halve water losses by 2014. This directive was prepared by the Department of Water Affairs, which has subsequently prepared the National Water Conservation/Water Demand Management Strategy/Initiative. This initiative targets continuous and sustained water supply, reduction in water losses, enhancement of Revenue collection, and ultimately reduction in non-revenue water through water conservation strategies via a 5 year plan with MIG funding of R 214,464,626.00, as approved in July 2011.

As part of the Non-Revenue Water Master Plan, a total of 16 core Non-Revenue water initiatives were identified and programmed, for which realistic goals and targets were set. The 16 core interventions were made up of 8 real loss and 8 billing control interventions, which are summarised below:

TABLE 28: CORE NON- REVENUE WATER REDUCTION STRATEGIES

REAL LOSS IMPROVEMENTS	• Pressure reduction (rezoning) • Pressure reduction (implementation) • PRV (pressure reducing valves) optimization • Leak detection • Leak repair • Reservoir inspection and repair • Existing pipe replacement • Creation of district metered areas

BILLING IMPROVEMENTS	• Top consumer investigation • Meter reading accuracy • Non-domestic meter replacement • Domestic meter replacement • Custody transfer points • Damaged/inaccessible meters • Standpipe/low cost housing metering • New connection growth

3.10 SANITATION

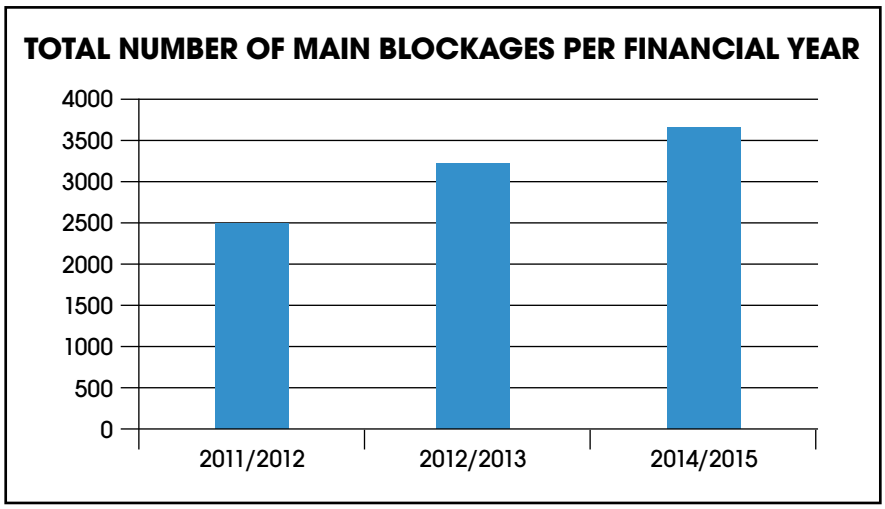
3.10.1 LEVELS OF SERVICE

Households with flush toilets connected to sewerage, however, have declined from 52.3% in 2001 to 51.6% (84 675 households) in 2011. Census (2011) further indicates that only 2% or 3 316 households do not have access to any form of sanitation, and that 34.1% of households have pit latrines, both ventilated and unventilated. Peri-urban and rural communities have the lowest levels of flush toilets, with the highest levels of pit latrines. The review of the WSDP is essential to address this problem.

3.10.2 OPERATIONAL MANAGEMENT

The municipal sewer system is also aging, and broken pipes and dislodged joins frequently cause sewer blockages, which then impact on river systems and therefore the general health of the population. The graph below summarises the mainline blockages over the past six financial years, and shows increasing frequency of these occurrences.

FIGURE 10: Total Number of Mainline Blockages per Financial Year



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By analysing and trending our current financial year statistics, and in comparing with previous financial years, the relative trend line clearly indicates the increasing frequency of these occurrences. It should be noted that these are only the main reactive faults - the general extent of all fault types have increased.

As outlined above, the volatile nature of our water and sewer infrastructure has increased the operating cost with regard to maintenance and overtime. This is further compounded by increases in labour, fuel, and materials.

3.11 ELECTRICITY

3.11.1 LEVELS OF SERVICE

Households with electricity for lighting have also improved from 85.8% in 2001 to 91.9% in 2011, which is well above the provincial average of 77.9% of households. 463 households indicated that they did not have access to electricity for lighting.

Households without electricity services may be due to:

- Households that have not applied for electricity, either because they cannot afford the service or they were missed out when marketing was done in the area.
- Households may be on infill sites, where households have only recently been developed. Eskom and Council will provide services in these areas if it is practical to do so and funding is available.
- The development may not have been planned in accordance with town planning norms and according to current Council policy, no electricity will be provided if it obviates future service delivery.

Due to financial constraints and ageing infrastructure, the Municipality has brought on board the Independent Development Trust (IDT) to do a condition assessment and source funding to rectify problems, which is being undertaken in this financial year.

The Municipality is also piloting solar powered street lighting and traffic lights in the CBD

3.11.2 LICENCE AGREEMENT

Eskom is licenced to supply electricity in the Greater Edendale and Vulindlela areas, while the Municipality provides electricity in other areas.

The Municipality is required to comply with NRS 047 and 048, which deal with the provision of electrical distribution in residential areas in terms of its licence agreement.

3.11.3 OPERATIONAL MANAGEMENT

The electrical department is stabilising with regard to outages. There is, however, a lot of work that requires more attention relating to infrastructure and its upgrades, and plans are in place in this regard, including a 132 KV Upgrade Plan, a Street Lighting Plan, and a Substation Maintenance Plan. The Municipality's current maintenance programme focusses on the replacement of defective street lights and the refurbishment of mini-substations and pole transformers.

The Municipality is currently implementing the Hilton/Sweetwaters 33 KV line upgrade project, which will stabilise power in these areas. The Municipality is also currently busy with the provision of high mast lighting in Greater Edendale and Vulindlela.

The electrical assets in the Municipality are aging, and there are more than 10 transformers that are more than 38 years old, which need replacement and refurbishment. The Municipality has embarked on a 10 year transformer replacement programme. Vandalism, tampering, and theft of electricity assets are on the increase. More protection and fraud prevention strategies are needed to safe-guard electrical assets.

There is also a critical shortage of skilled management and technical expertise in the department.

3.12 SOLID WASTE

There are two components to solid waste in the Municipality, namely Solid Waste Removal and Solid Waste Disposal.

3.12.1 SOLID WASTE REMOVAL

In terms of the Census (2011) information, weekly refuse removal has declined from 59.5% in 2001 to 53.2% in 2011, but this could be associated with a growth in the number of households. Of the approximately 94 000 households in the 'borough' of Pietermaritzburg, approximately 84 000 are receiving weekly refuse removal.

The Solid Waste Removal section in the Municipality is responsible for the following areas:

- Waste Collection;
- Management of Garden Sites (Prestbury, Link Road, Grange, Richie Road, Sobantu, South Road, Woodlands, and Eastwood);
- Street Sweeping;
- Maintenance of Public Convenience (toilets); and
- Eradication of Illegal Dumping.

3.12.2 SOLID WASTE DISPOSAL

The New England Road Landfill Site is a licensed facility that is managed by the Municipality, and is the largest disposal facility in the KZN Midlands. The Site spans an area of 44 hectares, of which 29 hectares is currently being filled. The Site is managed in terms of its permit requirements, and in terms of relevant environmental legislation. The Landfill is classified as a general, large, leachate bearing site, and does not accept any hazardous waste. The Site is equipped with two weighbridges and a billing system, and users of the site are billed for the disposal of waste as per Council's tariff of charges. Waste disposed of is captured on the waste information system per category and type of waste. It is a regional facility that accepts waste from some of the local municipalities under the jurisdiction of the uMgungundlovu District. Quarterly monitoring for gas emissions, groundwater and surface water contamination, and leachate disposal is conducted to ensure that the surrounding environment, water courses, and groundwater are not being contaminated.

The site currently has a lifespan of seven years, and feasibility studies into implementing advanced waste management systems aimed at reducing waste to landfill are being considered to extend the lifespan. Some of these initiatives involve recycling at source, implementation of a waste recycling collection system, the construction of a Materials Recovery Facility, and the construction an organic waste composting facility to treat organic waste.

3.13 TELECOMMUNICATIONS

3.13.1 BACKLOGS

Census (2011) indicates that the number of households with landline telephones has dropped from 45 471 in 2001 to 35 779 in 2011. Households with cell phones, on the other hand, have almost trebled from 43 593 in 2001 to 146 407 in 2011. 62 701 households also indicated that they now have access to the internet (Census, 2011).

The telecommunication industry has changed significantly over the past 20 years with the emergence of cellular networks and the semi-privatisation of Telkom, and it is noted that the Municipality is now well coved by both cellular networks and landlines. Telkom responds to landline applications and provides users with lines and the necessary hardware. Cellular networks, on the other hand, frequently assess demand on cellular networks and masts and install the necessary hardware based on demand. A problem with the current service delivery model is that telecommunications operators are profit-driven businesses and have the following tendencies:

- Technology and network rollout is prioritised for high income areas;
- Project investment needs a short-term return to shareholders; and
- Servicing under-developed areas has low priority, and is a branding exercise at best.

Due to the high scrap metal prices for copper, residents and businesses in the Municipality experience intermittent levels of services as a result of the theft of cables. This is of concern as it directly impacts on the functionality of businesses.

3.13.2 LEGISLATIVE FRAMEWORK

The installation of Cellular Telecommunications Infrastructure is regulated by the Electronic Communications Act No 36 of 2005, the Constitution Act 108 of 1996, the National Environmental Management Act No 197 of 1998, National Building Regulations, the KwaZulu-Natal Planning and Development Act 6 of 2008, and any other relevant legislation, bylaws, and Council Policy.

3.13.3 MSUNDUZI POLICY

The Msunduzi Municipality has prepared a policy for the development of Cellular Telecommunications infrastructure. The aim of this policy is to establish a uniform and comprehensive set of standards and assessment criteria to assist in the control, development, and installation of cellular telecommunications infrastructure in the area of jurisdiction of the Msunduzi Municipality. This policy is intended to protect the social and physical environment from potential negative impacts, while at the same time not restricting the development of essential cellular telecommunications infrastructure.

This policy is intended for the use by Council, members of the public, and cellular telecommunications infrastructure providers seeking approval for the erection or modification of cellular telecommunication infrastructure. At present, this policy focuses on the Cellular Telecommunication industry, but it is intended to revise the policy to include all parties, i.e. commercial, public and state, current and future, in accordance with the Telecommunications Act of 1996.

3.13.4 FUTURE PROJECTS

The Municipality focusses attention on the access to the internet through its 2030 Vision and develops targets in this regards. The Municipality has also identified increased broadband accessibility as one of its catalytic projects. Increased access to ICT services can uplift communities through:

- Educational benefits of the Internet for schools and libraries;
- Access to bigger markets for entrepreneurs and job seekers;
- Emergency communications at lower cost;
- Easier access to government's e-services; and
- Generally cheaper cost of communications.

3.14 TRANSPORTATION

The 2001 Census indicated that the daily modal split in the Msunduzi Municipality was 62% by public transport and 38% by private vehicles. In analysing this information at a ward level, it was found that public transport is dominant in the western and southern regions of the Municipality, with higher levels of private vehicle usage in the central and north- eastern regions. Cordon counts by the uMgungundlovu District Municipality (UDM) 2007 indicate that the percentage of public transport person trips by minibus taxi had increased from 85% in 2005 to 88% in 2007, with trips per bus reducing from 15% to 12%. It must also be noted that there are no rail services that form part of the daily commuter public transport system.

The high dependency on public transport and the high level of pedestrian activity places a focus on the need for high standard public transport services throughout the Municipality, with attention on non-motorised transport (NMT) integrated with the public transport system.

The Roads and Transportation Sub-unit is responsible for the planning, design, construction, and maintenance of roads, public transport facilities, bridges, footbridges, and storm water and drainage systems. It operates in consultation with the Department of Transport, and the uMgungundlovu DM, who are authorities with similar responsibilities for different levels of facilities. The sub-unit is reasonably staffed, although it lacks qualified and experienced Engineers and Technologists.

3.14.1 ROADS

The backlog of roads that need upgrading, road safety measures (traffic lights, calming measure, signage enhancement, etc), road infrastructure rehabilitation, and maintenance continues to be a major challenge for the Municipality in the current financial year. There are still huge backlogs for construction of new roads and upgrading of gravel roads in the Greater Edendale, Vulindlela, and the North Eastern parts of Msunduzi (i.e. Thembalihle, Tamboville, Copesville, etc). These areas continue to grow, since there are new low-cost housing programme being provided with sub-standard road services (i.e. gravel and hyson cell concrete roads).

In the 2009/10 financial year the construction of the N3/Chota Motala Road Interchange commenced, which was finalised in the 2012/13 financial year. This project seeks to ease the traffic congestion experienced by southbound peak-hour traffic from the Northern Areas into and out of the CBD.

Inadequate funding for bulk services is increasingly becoming a retarding factor for development. The user-pays principle is applied for new developments to fast-track provision of bulk services. Due to internal budgetary constraints, the Municipality continues to use externally sourced funds (i.e. COGTA, DoT, MIG, etc.) for funding its programmes and projects. Priority is currently given to the problematic Electricity and Water infrastructure due to losses and outages experienced by these services. However, asset renewal (i.e. road rehabilitation, major defects patching, surface overlays, etc) remains unattended to, due to financial constraints. Potholes have increased in number on the city's roads over the last few years because of fatigue to road infrastructure.

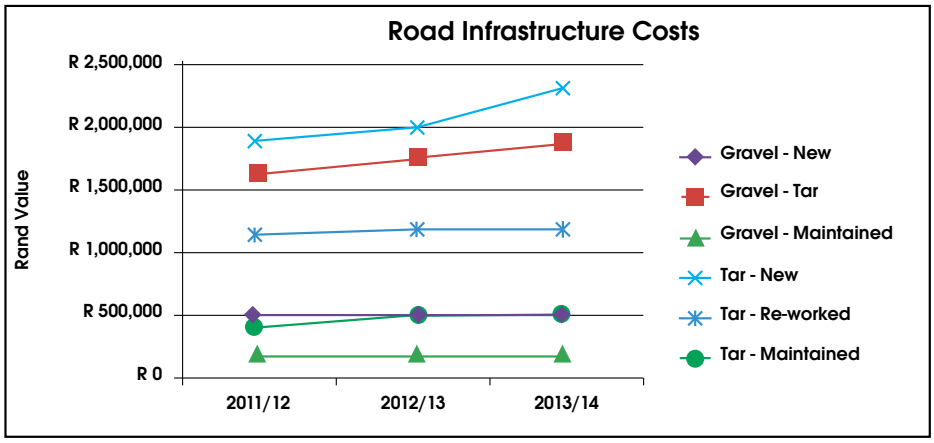
TABLE 29: GRAVEL ROADS INFRASTRUCTURE (KILOMETRES)

	TOTAL GRAVEL ROADS	NEW GRAVEL ROADS	GRAVEL ROADS UPGRADED TO TAR	GRAVEL ROADS UPGRADED/ MAINTAINED
2012/2013	890,4	0	29,0	124
2013/2014	865,7	0	24,7	89
2014/2015	850,2	0	15,5	42

TABLE 30: TAR ROAD INFRASTRUCTURE (KILOMETRES)

	TOTAL TAR ROADS	NEW TAR ROADS	EXISTING TAR ROADS RE- TARRED	EXISTING TAR ROADS RE- SHEETED	TAR ROADS MAINTAINED
2012/2013	1330,8	29	1,4	0	55
2013/2014	1355,5	24,7	6,12	0	5,6
2014/2015	1840.5	15.5	4.88	0	8

FIGURE 11: Road Infrastructure Costs



MIG is funding 60% of the road upgrading projects in Vulindlela and Edendale. The Municipality funds around 80% of all major road extensions and expansions, with the remaining 20% coming from grant funding from the Provincial and National Departments of Transport. The backlog for the upgrading of gravel roads is so huge that substantial amounts of additional funding is required.

3.14.2 RAIL

The main line from Gauteng to Durban runs through the Municipality. A further important rail link runs west from the city to the Eastern Cape.

Although still in the conceptual stage, a high speed rail line linking Gauteng and Durban will bisect the Municipality. No concrete proposals exist as to its alignment.

3.14.3 AIRPORTS

The primary airport in the city is the Pietermaritzburg Airport, the management of which is outsourced to Indiza Airport Management Company. The airport has been upgraded, a project that was finalized during the 2014/2015 Financial Year.

3.14.4 INTEGRATED RAPID PUBLIC TRANSPORT SYSTEM

The Msunduzi Municipality was selected as one of the cities to receive national support and funding for the restructuring of their public transport system in terms of an Integrated Rapid Public Transport Network (IRPTN). The Msunduzi IRTN planning and preliminary design commenced in August 2011, and is almost complete due to the grant received from the National Department of Transport.

An IRPTN is about the integration of various forms of public transport to realise a more efficient and reliable transport network. In general terms, it is an integrated system of high demand public transport corridors, referred to as trunk routes, fed by a comprehensive system of feeder routes. As a system, this provides effective coverage and frequent service for all users of the network. The objectives and goals of the Msunduzi IRTPN are as follows:

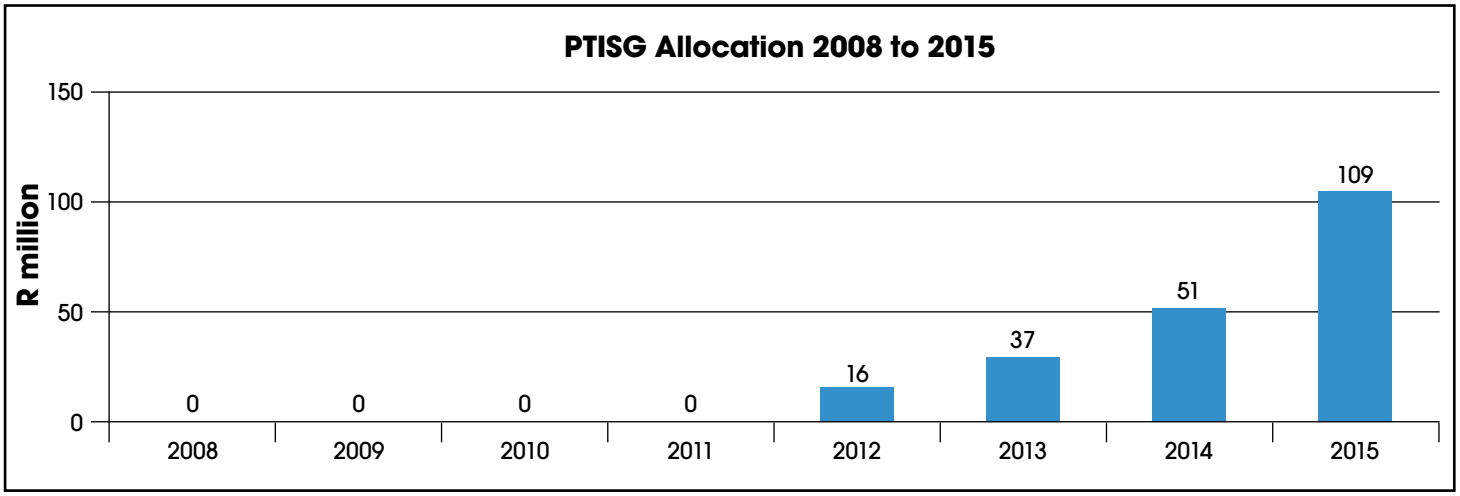
- Create a Transformed City with a high level of mobility for accessibility to employment, education, hospitals, etc.
- Modernised/ Vibrant Transport System with a high quality priority network, a modern reliable fleet, architecturally pleasing infrastructure, and convenience, safety and efficiency.
- Increased Environmental Responsibility.
- Economic spin-offs such as job creation, investment, and business opportunities.
- Visual awareness of the City's commitment to the poor and marginalised.
- Increased in-house technical skills and capacity.
- State-of-the-art transport modelling tools.

The first phase of the network considers the following types of routes:

- Trunk - the core route with the highest demand using a segregated right of way. One such route has been identified for the initial phase running from Edendale in the west through to Raisethorpe in the east, a distance of some 17km.
- Complementary - other strategic bus routes branded as "Quality Bus" routes.
- Feeder - these routes serve more isolated areas, and where the road network may comprise gravel roads.

These services link with trunk and complementary routes, and services would typically be provided by 14- seater minibuses.

TOTAL AMOUNT RECEIVED TILL END OF JUNE 2015	TOTAL AMOUNT SPENT TILL END OF JUNE 2015
R 251.3 million	R 213.3 million



Although the project has stalled negotiation with the taxi industry are ongoing and it is now progressing well with construction during to start during the 2015/16 financial year. A marketing campaign was run by the IRPTH office whereby the public was encouraged to come up with a name for the IRPTN bus service. Below is the future expenditure in terms of the operations of the IRPTEN office.

Name of Municipality: Msunduzi Local Municipality		2016/17	2017/18	2018/19	Total
Area	**Expenditure item**	**PTI Grant**	**PTI Grant**	**PTI Grant**	
Planning costs		R5 000 000	R7 000 000	R10 000 000	R22 000 000
Equipment costs		R0	R15 000 000	R90 000 000	R105 000 000
Infrastructure Costs	Roadway Civil Works	R122 031 000	R100 023 000	R80 033 000	R302 087 000
	Top Structures for stations/stops	R0	R20 000 000	R10 000 000	R30 000 000
	Depots	R50 000 000	R45 000 000	R0	R95 000 000
	Control Centre	R0	R0	R10 000 000	R10 000 000
	Land Property Acquisitions	R10 000 000	R3 000 000	R0	R13 000 000
Transitional Costs	Industry Compensation	R0	R0	R0	R0
	Other (specify)	R10 000 000	R5 000 000		R15 000 000
Sub-total PTI Grant		R197 031 000	R195 023 000	R200 033 000	R592 087 000
	Expenditure item	**PT NO Grant**	**PT NO Grant**	**PT NO Grant**	**Total**
Operating costs	Vehicle Operations	R0	R0	R3 000 000	R3 000 000
	Station Services	R0	R0	R0	R0
	Fare Systems Management	R0	R0	R0	R0
	ITS Management	R0	R0	R0	R0
	Oversight Entity	R0	R2 000 000	R2 000 000	R4 000 000
	System Marketing	R5 000 000	R2 000 000	R3 000 000	R8 000 000
	Other: (specify) Traning	R0	R1 000 000	R4 000 000	R5 000 000
Sub-total PT NO Grant		R3 000 000	R5 000 000	R12 000 000	R20 000 000
Total		R200 031 000	R200 023 000	R212 033 000	R612 087 000

3.14.5 NON-MOTORISED TRANSPORT

The Non-motorised Transport Plan for the Msunduzi Municipality (2009) identifies a number of pedestrian problems, as follows:

- A lack of sidewalks in residential areas;
- Intersections where informal trading is taking place;
- A lack of sidewalk maintenance;
- Speed of vehicles approaching pedestrian crossings; and
- Trading activities blocking sidewalks.

Problem areas have been identified as follows:

- On several busy roads in the city centre, including Victoria Road, Church Street, Boshoff Street, Pietermaritz Street, Hoosen Haffejee Street, Langalibalele Street and Jabu Ndlovu Street.
- Around Primary Schools in all areas.
- At the Greytown Road Interchange.
- On the route from the CBD to the Liberty Midlands Mall.
- At major hospitals (Edendale, Greys, and Northdale), as well as local clinics.

Problematic roads identified for cyclists include:

- Victoria Road;
- Alexandra Road;
- CB Downs Road and the link to Ashburton (R103);
- All major roads where the speed and volume of motorised traffic is high; and
- All roads in industrial areas, because of space sharing with trucks.

3.15 INDIGENT SUPPORT

Support to indigents in terms of municipal services is summarised as follows:

TABLE 31: INDIGENT SUPPORT

CATEGORY	DESCRIPTION
Property Rates	Indigents qualify, like all domestic consumers, for a reduction in the market value of the property as approved from time to time by Council, and as reflected in the applicable tariff register. A rebate of 100% is granted on all residential property from a value of R15 001.00 to R100 000.00. If a property is worth more than R100 000.00 and residents approach Council for relief, a means test is applied.
Electricity	Indigents qualify for 60 kWh free electricity, as determined from time to time by Council and as reflected in the applicable Tariff Register.
Electricity MCB	Indigents qualify for free amperage as determined by Council from time to time and as reflected in the applicable Tariff Register, with a 20 Amp circuit breaker.
Water	Indigents qualify for 7kl of water per month, an amount determined from time to time by Council and as reflected in the applicable Tariff Register.
Refuse	Indigents qualify for free refuse removal as determined by Council from time to time, and as reflected in the applicable Tariff Register.
Sewerage	Indigent households qualify for 4.2 kl of free sewerage discharge as determined by Council from time to time and as reflected in the applicable Tariff Register.

TABLE 32: SWOT

KEY ISSUES RELATING TO INFRASTRUCTURE DELIVERY	
• Backlogs on repairs, maintenance, and refurbishment of infrastructure. • High demand for engineering services in the informal and peri-urban areas and areas that did not previously form part of the borough of Pietermaritzburg. • The need to protect revenue from theft and tampering by residential and business users. • The need to reduce revenue losses caused by technical losses, illegal connections, tampering, unbilled metered consumers and unmetered authorised consumers. • As the service provision footprints increase, there is a need for larger operations and maintenance budgets. • The difficulty of attracting and retaining qualified and competent technical staff with the shortage of technical staff continuing to affect service delivery. • The theft and vandalism of infrastructure. • An ageing fleet of vehicles with frequent breakdowns resulting in stoppages in service delivery.	
STRENGTHS	**WEAKNESSES**
• Investment in stabilising water and electricity provision in the Municipality. • Relatively high levels of service provision with relatively low backlogs against RDP standards.	• Staff and skills shortages in key positions. • An ageing fleet of vehicles. • Varying levels of service provision.
OPPORTUNITIES	**THREATS**
• The existence of a number of sector plans. • An increased drive to recycle waste. • The IRPTN roll-out in the Municipality. • Expansions to the airport, resulting in larger planes being able to use runways. • Proximity to the N3 corridor. • Potential high- speed rail link through the Municipality, linking Gauteng to Durban.	• The need to reduce revenue losses due to technical losses, illegal connections, tampering, and unbilled usage. • There is a need for larger operational and maintenance budgets to service the ever increasing service delivery footprint. • Theft/ vandalism of infrastructure.

3.16 HUMAN SETTLEMENTS

3.16.1 STRATEGIC ISSUES FOR CONSIDERATION (SDF)

The implications of the medium road scenario to be considered in future spatial development planning in the Msunduzi Municipality are:

The population of Msunduzi could potentially increase considerably over the next four years. This suggests, in simple terms, that the current space available for residential development in the Msunduzi Municipality must increase substantially and that higher density housing development must be a key strategy going forward.

The expansion of residential areas must therefore be planned for, and in each urban area the spatial implications of expansion and densification must be considered.in terms of the adopted SDF (2015) it is anticipated that the majority of this expansion will take place in the N3 Corridor (the South Eastern District specifically), which is the area where the most substantial areas of land for development where future economic development will potentially be concentrated.

It is anticipated that by 2021 the population of Msunduzi Municipality will be approximately 680 389 calculated at a rate of 2 per cent per annum. In order to accommodate the population growth it is proposed that the human settlements be provided at a recommended 25 dwelling units per hectare along strategic corridors in the form of 2-3 storey walk ups building typologies in order to maximize available land.

Based on this the SDF (2015) proposes the establishment of new housing opportunities in new areas within the Municipality. The exploration of new housing opportunities is key to the development of the city as it will help accommodate the projected city population growth for the coming years.

The SDF (2015) proposes new housing in the following key areas: Ambleton, Foxhill, Ashburton, Hayfields and Willowton. The provision of housing in these areas will support the south-eastern expansion of the Greater Edendale area and enable future residents better access to employment in the industrial areas located within the Mkhondeni area and along the N3.

Planning for more appropriate integrated housing opportunities will successfully address the 2021 projected housing demand through the development of a range of housing typologies targeted at the full spectrum of income levels, lifestyles and stages of life.

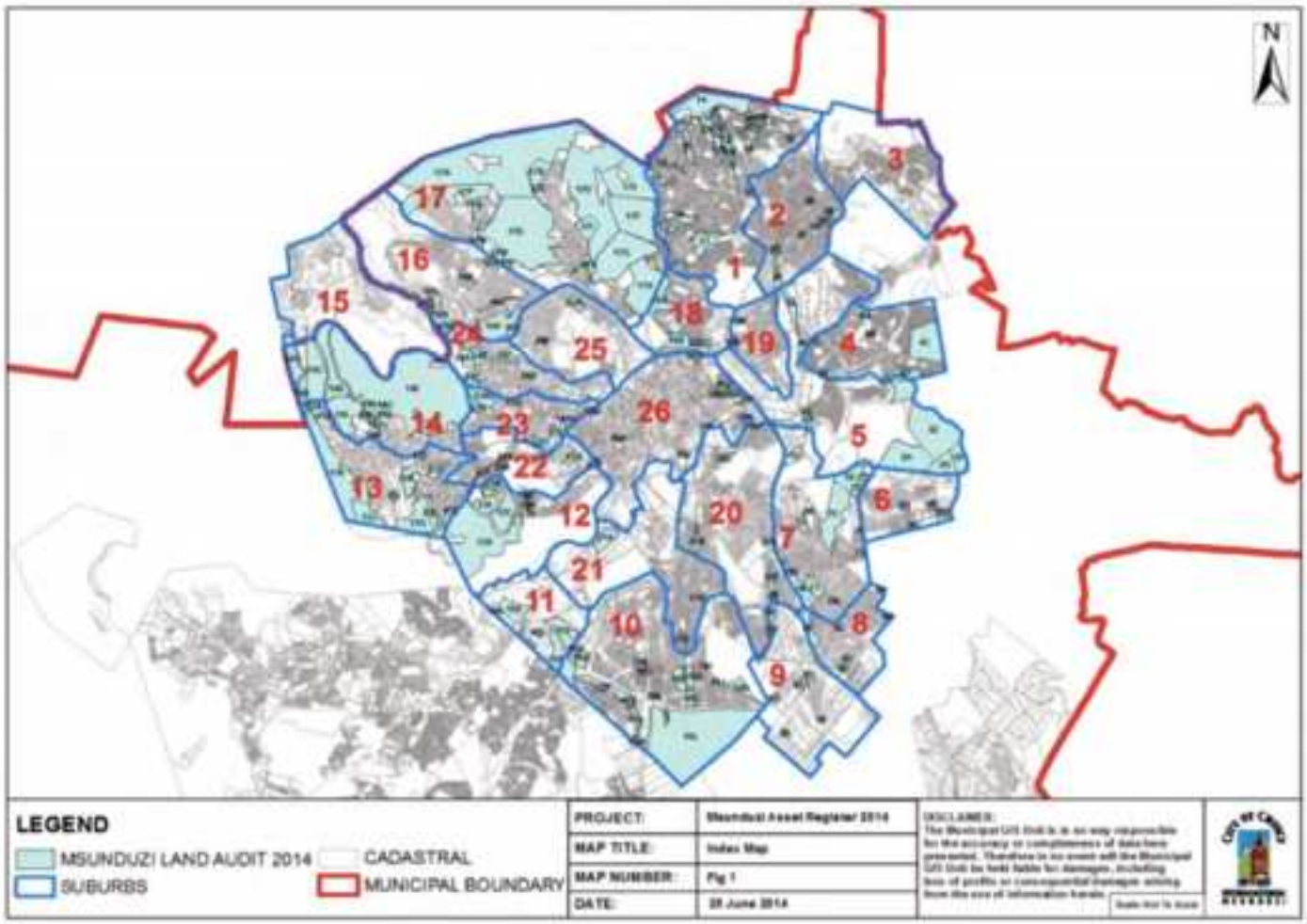
Msunduzi UM SDF (2015)

Identification and Location of Land Suitable for Human Settlements Development (Housing Sector Plan)

The identification, location and acquisition of land suitable for human settlements are the ultimate determinant of the pace at which housing delivery is secured.

Msunduzi Municipality has a dedicated Valuation Department which, among other functions, determines land values on land offered for human settlements. While the municipality actively and proactively looks for land suitable for human settlements developments, the scarcity of the land and rate at which it is offered are among the major impediments to human settlements development.

The Land Audit project of 2014 identified 256 hectares of land within the jurisdiction of the municipality that was deemed to be suitable for general development. This initiative together with the acquisition of land within the GEVDI ABM are key strategies that assist in unlocking potential land for human settlements all in aid of accommodating the projected population by the year 2021.



3.16.2 ESTIMATED BACKLOGS

The municipal has prepared the Municipal Housing sector plan and the slums clearance plan during the 2013/14 financial year, this plan is now being implemented.

3.16.3 INFORMAL SETTLEMENTS

Msunduzi Municipality commissioned Kayamandi Development Services (Pty) Ltd during the 2013/2014 financial year to develop an Informal Settlement Upgrading Strategy under the National Upgrading Support Programme (NUSP), an initiative of the Department of Human Settlement, and the report was released in February 2014.

The NUSP report enumerated and documented all informal settlements within the jurisdiction of Msunduzi Local Municipality, profiled and classified them based on severity of informality and perceived urgency of intervention. In summary, the NUSP report broadly categorised informal settlements within the municipality as follows:

Informal settlement category	Description	Number of Settlements
A	Full basic services in place, pending full upgrade	2
B1	Only interim services are in place	41
B2	Only emergency services are in place	41
C	No services in place, candidate for immediate relocation	28
TOTAL		70

TABLE 33: EXTENT OF INFORMAL SETTLEMENTS IN THE MUNICIPALITY (MSUNDUZI HOUSING PLAN, 2011)

PROPOSED HOUSING PROJECT	WARD
Snathing Phase 1	11
Edendale T2 unit 18 Extension	15
Edendale Unit EE Phase 3	17
Bhobhonono/Masomini	20
Smero	20
Woodlands	32
Willowfontein Terminus	14
Phupha Phase 1	14
Buntine Place	23
MArryvale	34
Nhlalakahle	31
Nkululeko	28
Masson	29
Yellowood Place	32
Baverstock Road	27
Oribi Village	24
Woodpecker Road Extension	28
Regina Road	1 and 28
Shortts Retreat	37
East Street Hostel	32

From the above summary, it is evident that more than 97% of all informal settlements in Msunduzi are in urgent need of upgrading intervention, and the NUSP Msunduzi Informal Settlements Upgrading Strategy details the requisite budgetary implications of the informal settlements upgrading exercise, broken down per category of informality, over a 5 year period (2014 -2019)as follows:

Category	Upgrading Budget (2014 – 2019)
B2/C	40,829,623
B1	406,218,222
A(+B2)	130,492,058
A	82,662,997
TOTAL	926,805,514

3.16.4 EXISTING HOUSING PROJECTS

The distribution of projects within the Municipality indicates that:

- 60% of projects are located in Edendale/Imbali ABM
- 22.5% of projects are located in the Central Areas ABM
- 17.5% of projects are located in the Northern ABM

The majority of housing projects in Msunduzi are individual and project linked subsidy projects. Housing projects in urban areas are as follows:

- A total of 40 housing projects are being administered by the Municipality at present.
- A total of 30 056 housing subsidies for these projects have been applied for.
- To date 25 657 houses have been built and 4 399 houses still have to be built.

In terms of the type/category assigned to each project, the following project list is provided:

TABLE 34: PROJECTS IN THE MSUNDUZI MUNICIPALITY

PROJECT TYPE/CATEGORY	AMOUNT OF SUBSIDIES	HOUSES BUILT TO DATE
25 in-situ upgrade	19 212	13 122
4 Greenfield developments	1 994	302
1 institutional		6 beds (closed out)
6 slum clearance	7 178	5 067
1 special needs	Proposed 40 beds	
1 urban consolidation	1044	975
2 in-situ/green-fields	1 288	1 218
1 urban individual	432	432
Total	**31 148**	**25 657**

(Source: Msunduzi Housing Delivery Unit, 2010)

3.16.5 PLANNED HOUSING PROJECTS

Future housing projects have been identified by the Housing Delivery Unit of the Municipality, and are in various stages of planning. The projects are spread throughout the municipal area and can be summarised as follows:

TABLE 35: SUMMARY OF PLANNED PROJECTS

PLANNED PROJECTS	PLANNED NUMBER OF SITES
Edendale (southern areas)	8 419
Northern areas	4 100
Vulindlela	25 000
Sub-total	37 519
Rental housing	3 085 planned units

(Source: Msunduzi Housing delivery unit and Msunduzi Housing Association)

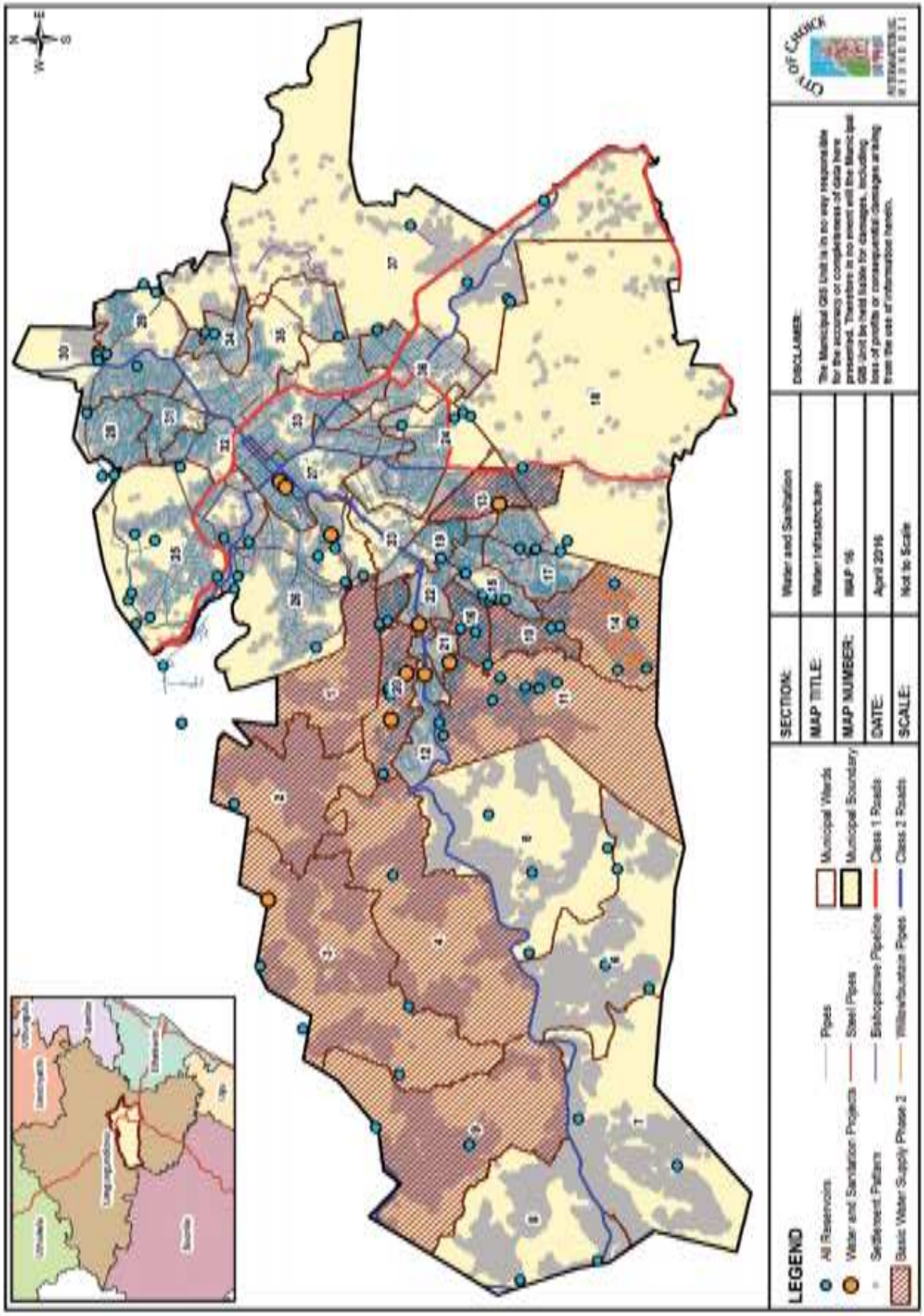
TABLE 36: SWOT

KEY ISSUES RELATING TO HOUSING:

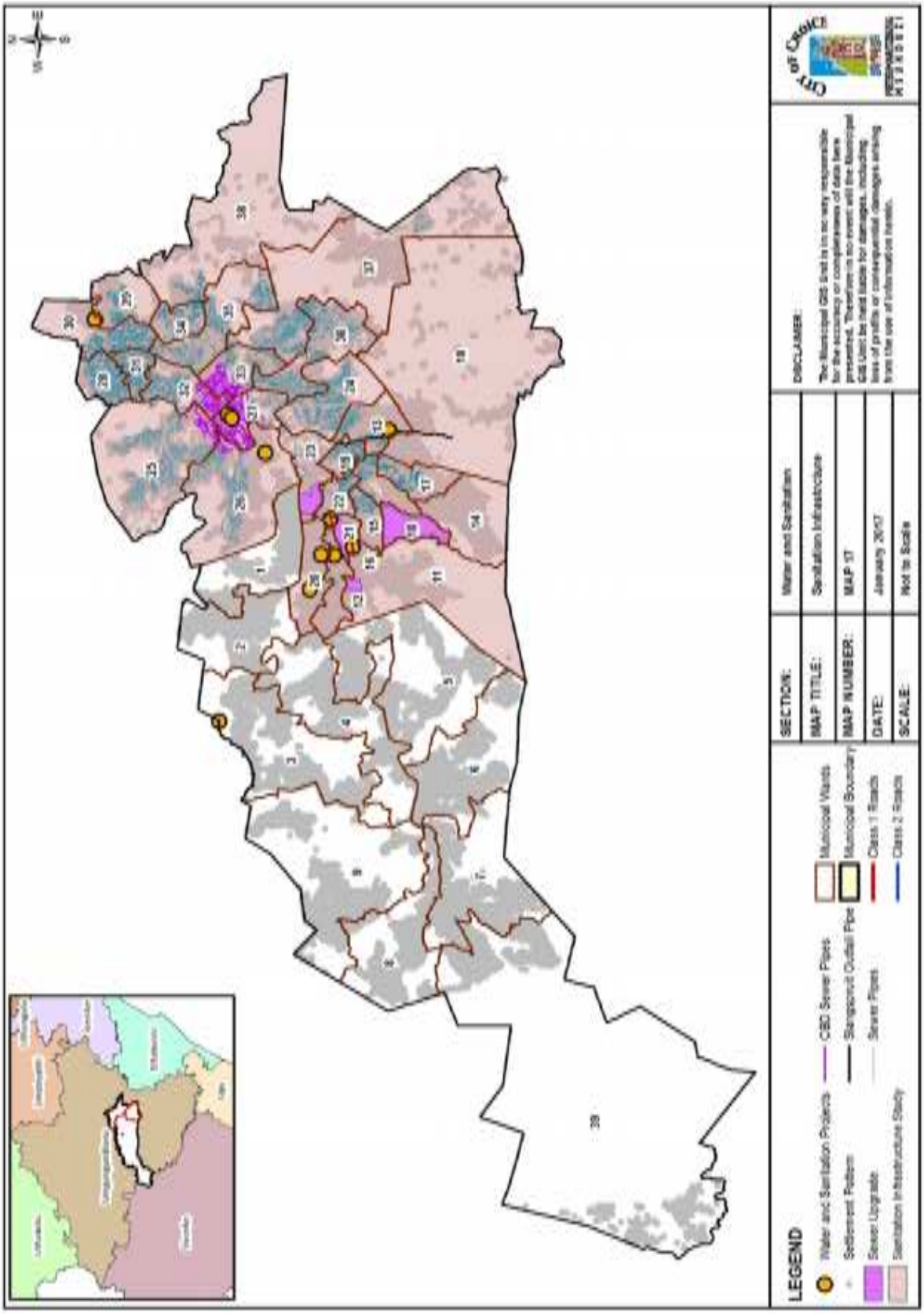
- Housing Delivery:
  - Accreditation level 1 for housing delivery from the Department of Human Settlement (DOHS);
  - Funding and assistance for upgrading of informal settlements from DOHS (National Upgrading Support Programme);
  - Prioritised for Social Housing and identified as one of 13 municipalities with Provisional Restructuring Zones;
  - Land invasion creates queue jumping;
  - Release of suitably located land for housing being delayed by the state. Many parcels have been identified but the state is delaying release
  - Land/ legal problems are affecting transfers both of land for housing and completed houses; and
  - Suitable organisational structure and staffing in the Municipality not approved to deliver on housing fully.

- Rental Stock:
  - Ageing infrastructure (rental flats);
  - Insufficient funding for repairs and maintenance which relates to poor rental payments;
  - Possibility of transferring certain rental units under Enhanced Extended Discount Benefit Scheme (EEDBS) policy (National Department of Human Settlement Policy); and
  - Delays by DOHS in investigation of rental stock for the EEDBS transfers.

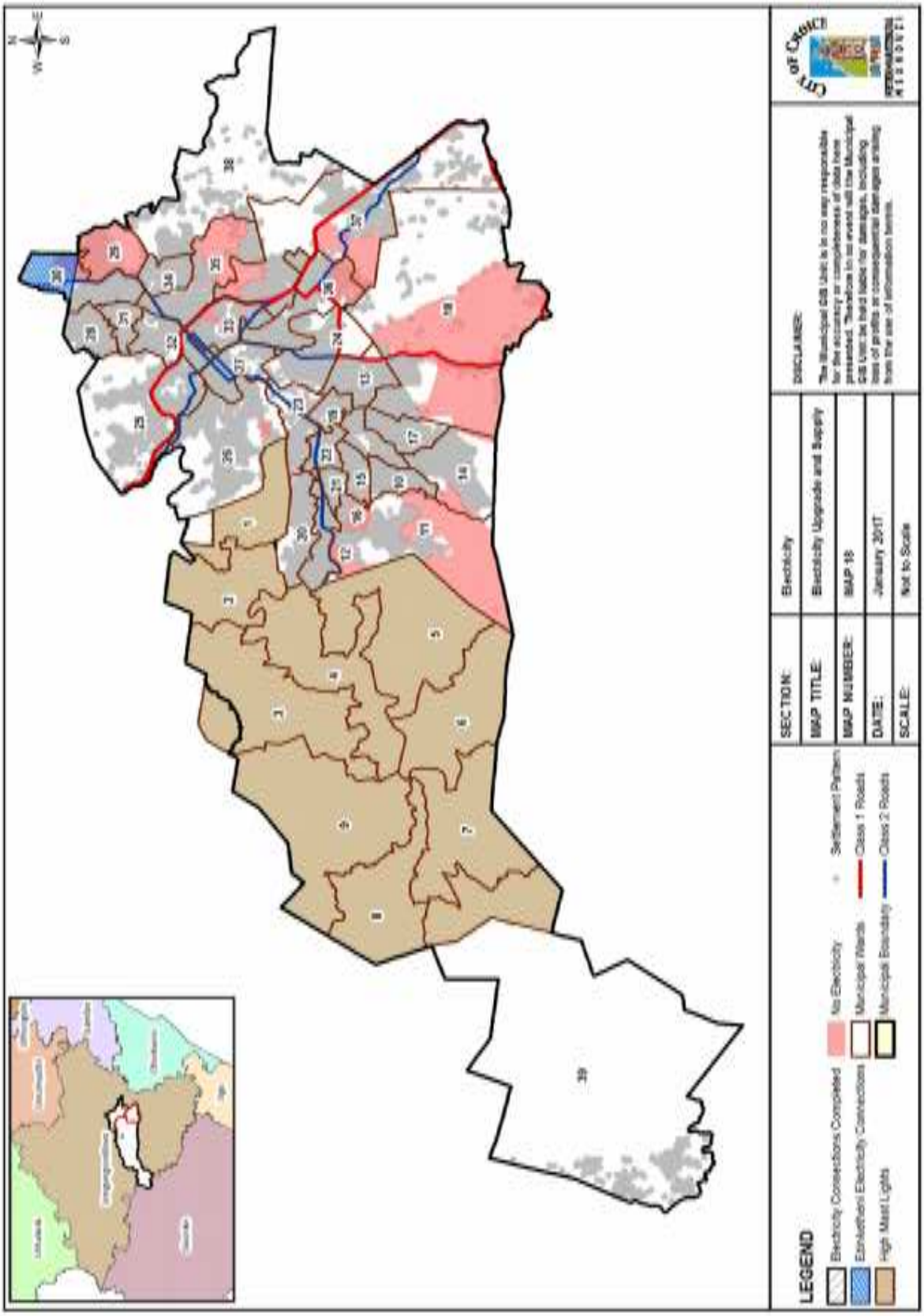
STRENGTHS	WEAKNESSES
• Accreditation level 1 with the Department of Human Settlement (DOHS). • Funding forthcoming from the DOHS.	• Ageing rental stock. • Insufficient funding for repairs and maintenance.
OPPORTUNITIES	**THREATS**
• Transfer of rental stock in terms of the Enhanced Extended Discount Benefit Scheme. • Social Housing prioritised as one of 13 municipalities. • Release of strategically located land for densification and residential infill. • Funding assistance from DOHS for the upgrading of informal settlements.	• Illegal occupation of land. • Land legal problems affecting the transfer of land and housing.



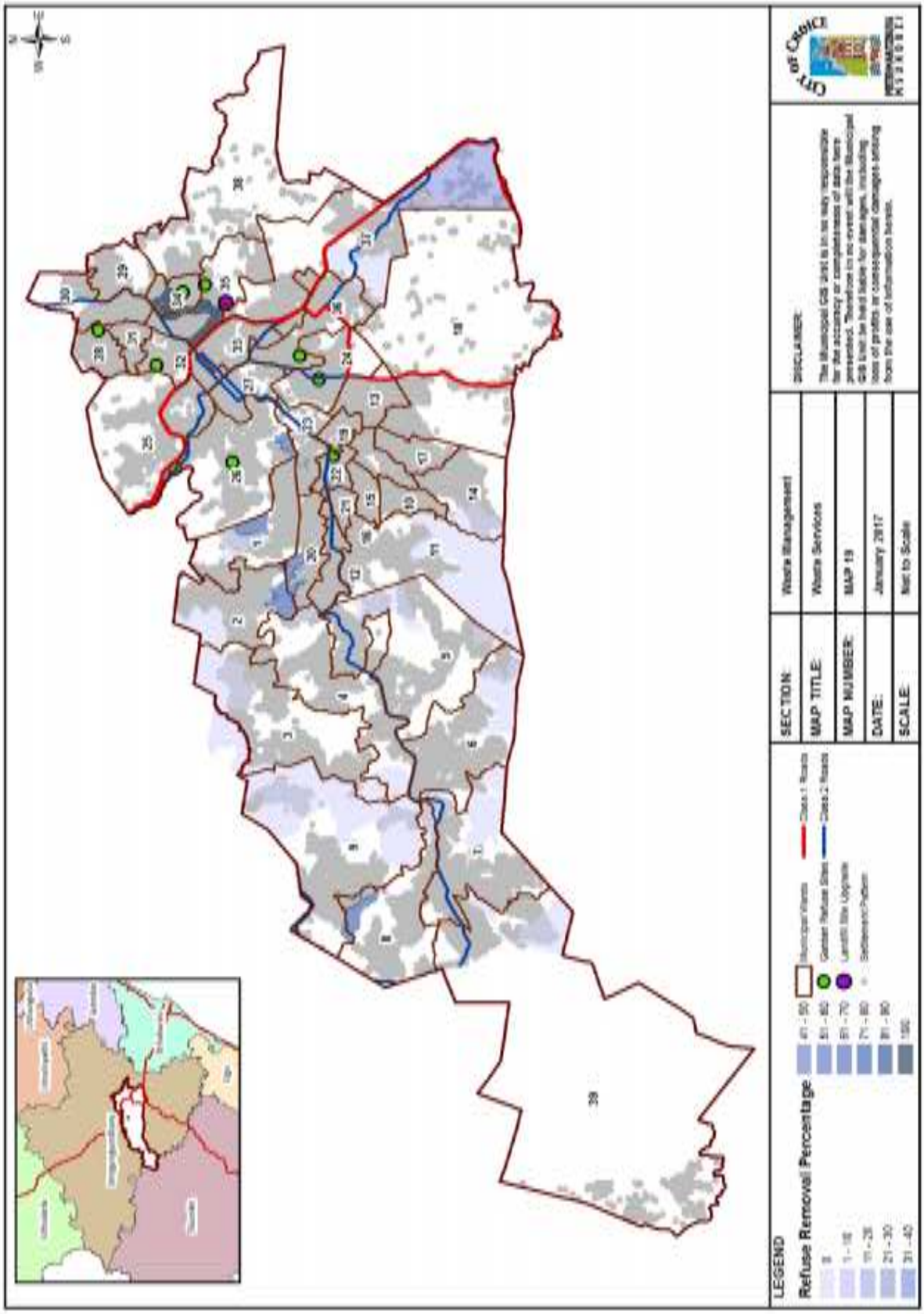
MAP 16: Water and Sanitation: Water Infrastructure



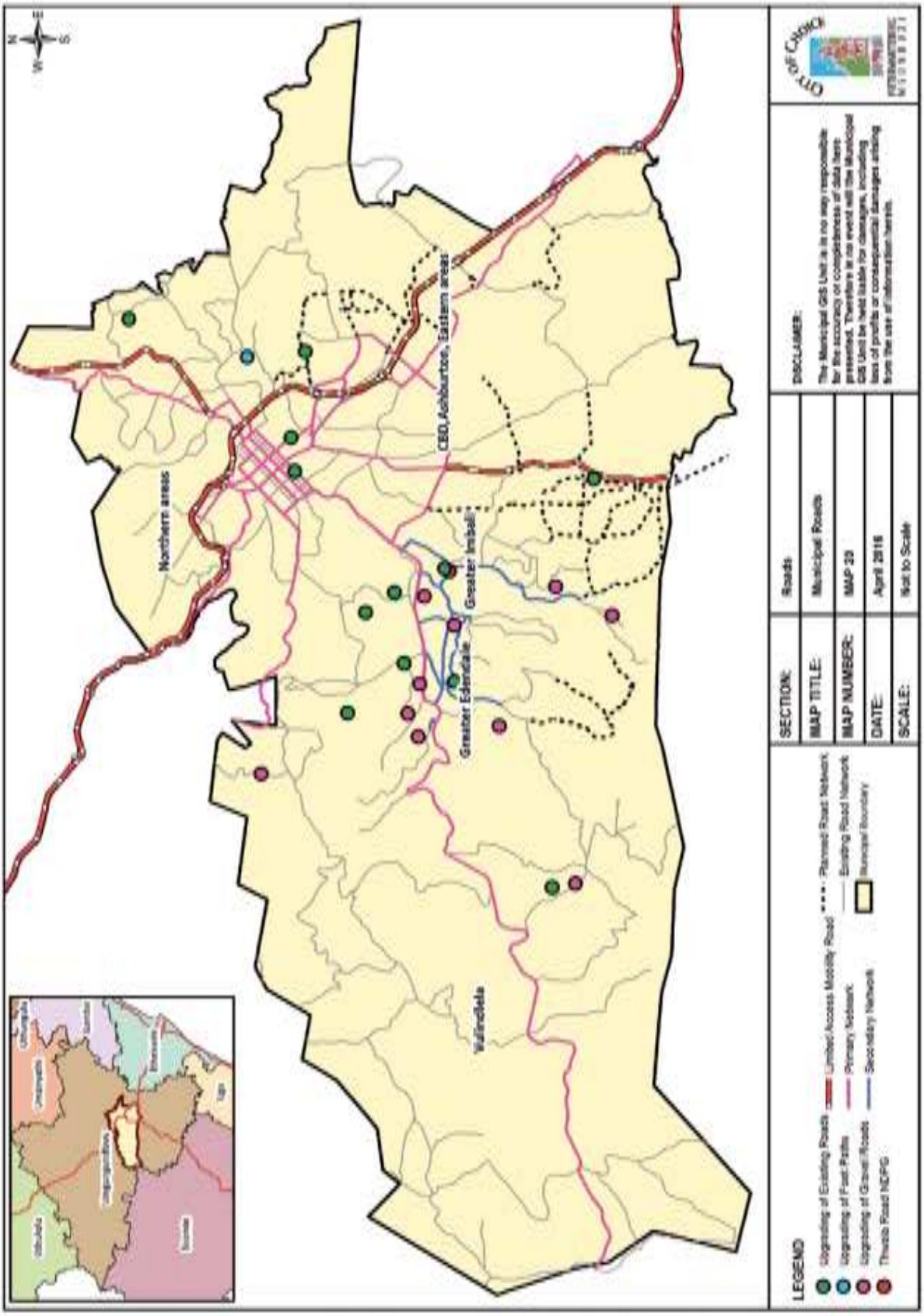
MAP 17: Water and Sanitation: Sanitation Infrastructure



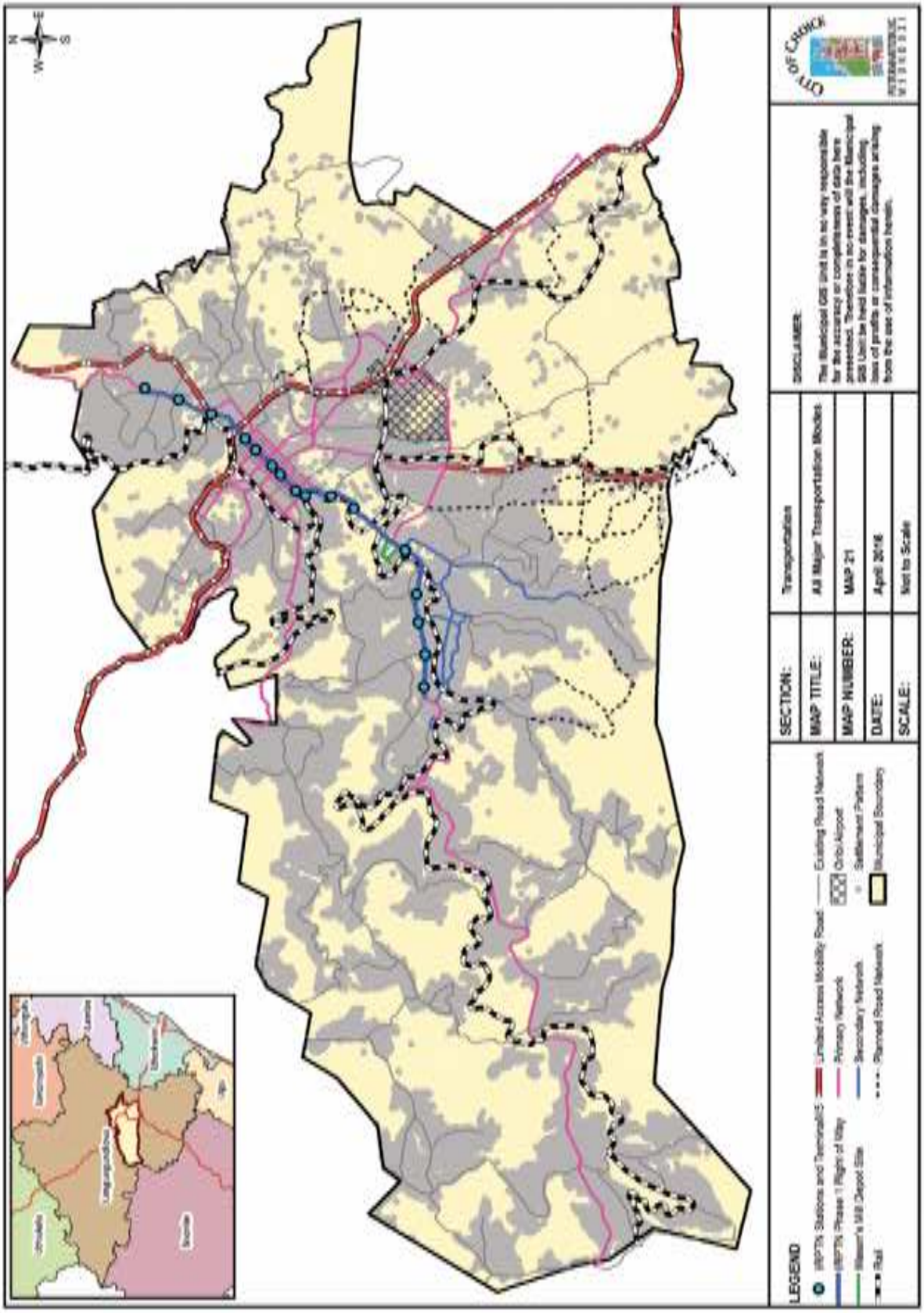
MAP 18: Electricity: Electricity Upgrade and Supply



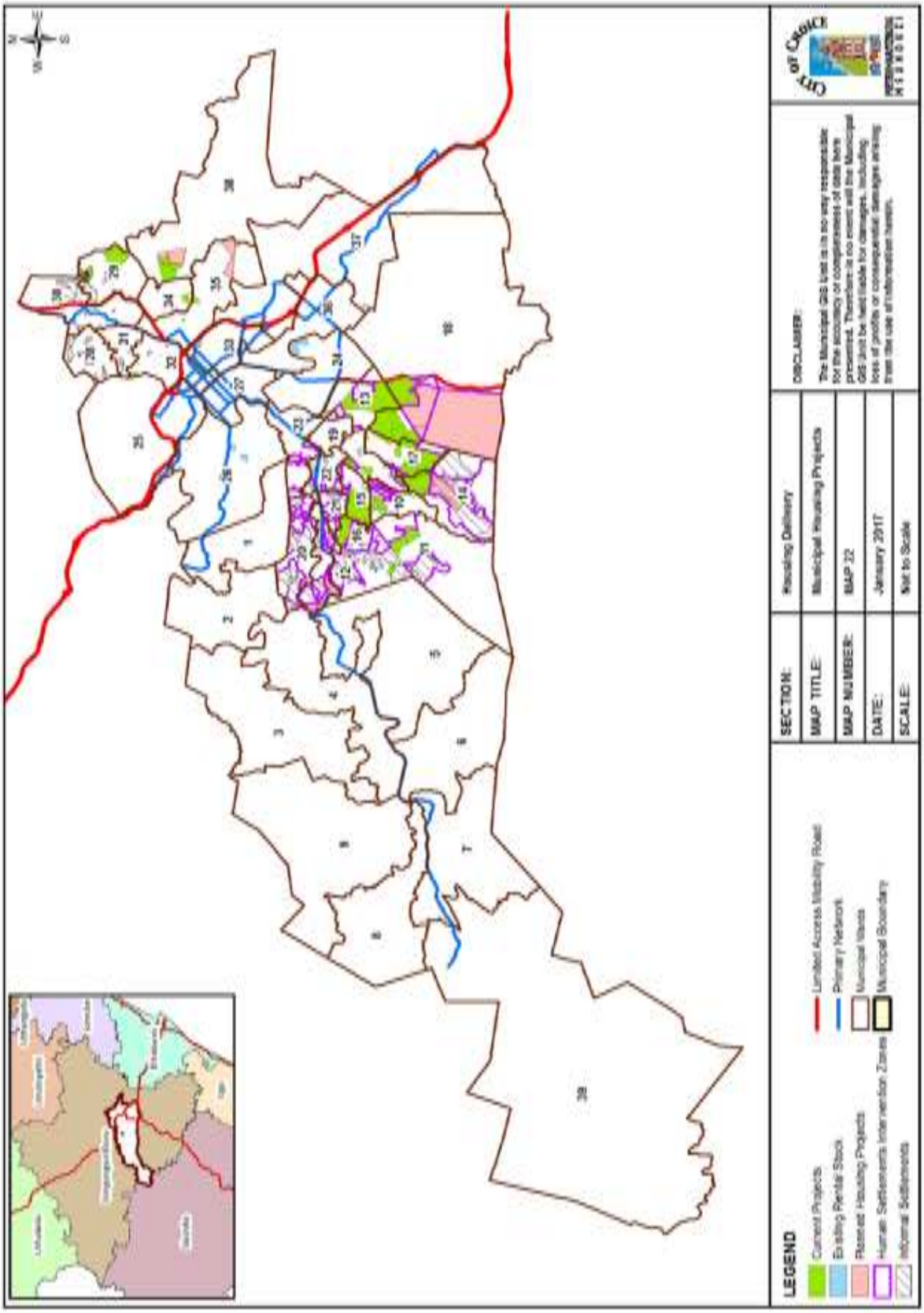
MAP 19: Waste Management: Waste Service



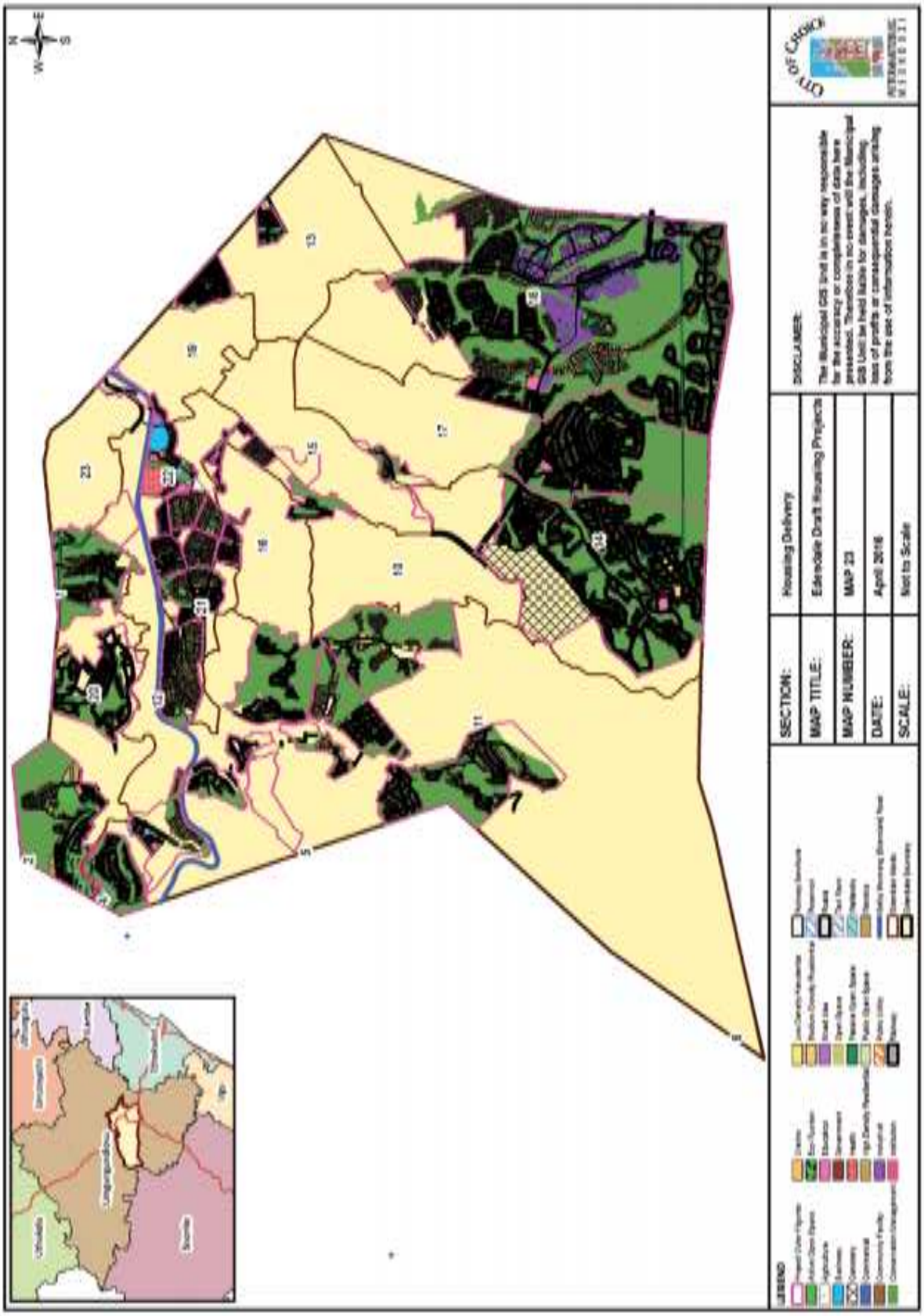
MAP 20: Roads Municipal Raods



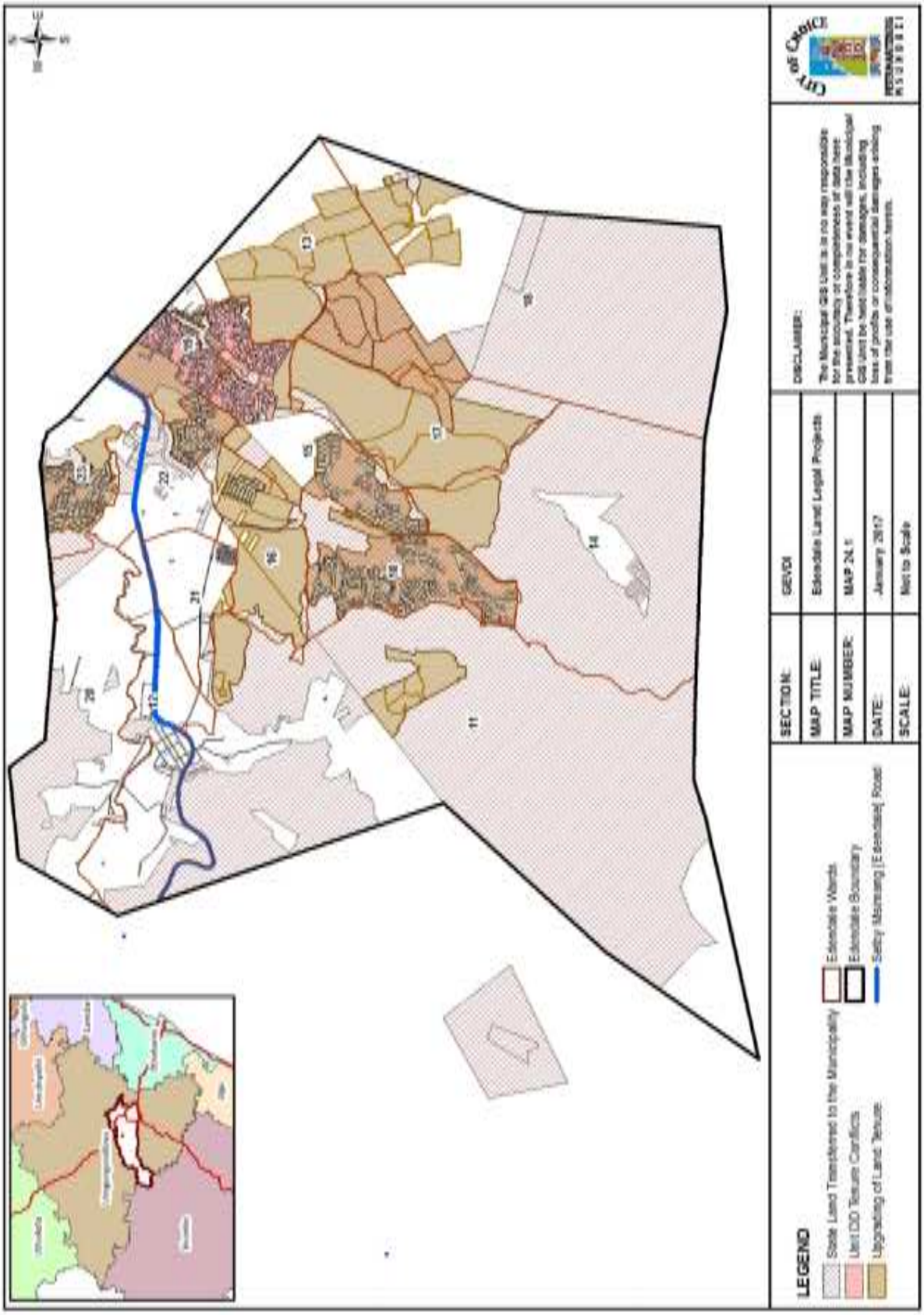
MAP 21: Transportation: All Major Transportation Modes



MAP 22: Housing Delivery: Municipal Housing Projects



MAP 23: Housing Delivery: Edendale Draft Housing Projects



MAP 24: GEDI: Edendale Land Legal Projects

3.16.6 THE EDENDALE LAND INITIATIVE AND THE GREATER EDENDALE DEVELOPMENT INITIATIVE

3.16.6.1 LEGAL BACKGROUND

Proclamation LG No 73/1995 established the Pietermaritzburg/Msunduzi Transitional Local Council (now Msunduzi Municipality). This included the area comprising the Greater Edendale Complex. From the date of this proclamation, Edendale was administered by the Municipality. However, the underlying land was in State or Private (generally 'Black') ownership. In response to the above, the Minister, in terms of section 10 of the Local Government Transition Act 209/1993, promulgated Proclamation 84/1996, which required that the transfer of immovable assets to the Municipality be effected by agreement. A general Power of Attorney (No 540/1997), issued by the Minister of Land Affairs (now RDLR) on 22 September 1997, and which was assigned to the KZN Provincial Department of Housing (now known as the KZN Provincial Department of Human Settlements, or DOHS), also provided for the transfer of State land to the Municipality.

The Municipality was tasked with the matters set out in Part B of Schedule 4 and Part B of Schedule 5 of the Constitution of the Republic of South Africa 1996, including (but not limited to) Municipal planning and development. As a result, the Greater Edendale Development Initiative (hereinafter referred to as 'GEDI') was established to embark on the development of the area known as the Greater Edendale Complex, comprising all the properties that are the subject of the legal provisions as detailed in the above paragraphs.

A Joint Provincial/Municipal Working Committee was established in terms of a written agreement dated 20 March 1998, as amended by the amending agreement dated 15 August 2000, for the express purpose of resolving the land and legal issues (historical and current) in the Greater Edendale Complex in order to pave the way for the redevelopment of Edendale for the benefit of its inhabitants. The DOHS provided grant funding for this purpose.

As will be seen below, the above mentioned committee, now known as the Department of Human Settlements/ Msunduzi Municipality Land Legal Committee (hereinafter referred to as 'the LLC') was expanded, and currently serves as a joint governmental committee, having representation from KZN DOHS, RDLR, KZN Public Works, the Municipality, the National Housing Development Agency, appointed land and legal experts, and other professionals.

3.16.6.2 MEMORANDUM OF AGREEMENT

The Municipality, via GEDI, requested financial assistance to resolve land tenure issues, and assistance to gain control and ownership of the state land and private land, which land was substantially marginalised due to informal settlement thereon, and which had and was fast developing into untenable 'slums'. Further, the LLC established that, with reference to private land, a large proportion of the owners were long deceased, and their estate had not been wound up or, as was generally the case, had not even been reported to the Master of the High Court's office. This resulted in tenure insecurity, poor land administration, and the inability of Government in general, and the Municipality in particular, to provide basic services in the Greater Edendale Complex.

The Municipality and DOHS, on 1 March 2002, entered into a Memorandum of Agreement (hereinafter referred to as 'the DOHS MOA') for the acquisition of private land in Edendale, and the transfer of land under the control of the State and within the jurisdiction of the Municipality to the Municipality.

The DOHS MOA provided grant funding to the Municipality. The implementation of the DOHS MOA falls under the jurisdiction of the LLC. This grant funding has been fully committed .

The main functions of the LLC include, inter alia:

- Project Management and Administration;
- Setting up and maintaining a current GIS for GEDI;
- Setting up, appointment, management, and payment of Professional Valuers;
- Management and funding of the Sales Administration process associated with the acquisition of Private Land;
- Appointment, management, and payment of 'negotiators'; and
- Generally, all other costs directly related to the implementation of the DOHS MOA.

The Department of Land Affairs (now Rural Development and Land Reform, or RDLR), through its Provincial Land Reform Office, is mandated by its legislative and policy framework to provide funding for land acquisition for designated groups for purposes of settlement and production. To this end, the Municipality entered into a further Memorandum of Agreement with the RDLR on 21 October 2008 (hereinafter referred to as 'the RDLR MOA'). In terms of the RDLR MOA, the RDLR has budgeted amounts of twenty million rand (R20m) for land acquisition and fifteen million rand (R15m) for the upgrading of tenure, resolution of tenure conflict and tenure insecurity, and conveyancing for the Greater Edendale Complex.

Further, and within the new strategic framework, RDLR identified the Greater Edendale Complex as a primary opportunity to give effect to the policies on tenure upgrade, land acquisition for sustainable human settlements, land acquisition for agriculture, and industrial and economic development. The Greater Edendale Complex, with its multiple land ownership and irregular settlement patterns, is materially hindering development, and accordingly the RDLR, via and in terms of the RDLR MOA, has become a major role-player in the redevelopment of Edendale.

3.16.6.3 LAND TITLE ADJUSTMENT

The RDLR have appointed three Land Titles Adjustment Commissioners in terms of the Land Title Adjustment Act, Act 111 of 1993. The above is critical, and will enable the LLC to deal with deceased estates and related land issues as provided for in the Land Title Adjustment Act, Act 111 of 1993. The above initiative will benefit in excess of 20 000 (twenty thousand) people who are currently living without secure tenure. The Land Titles Adjustment Commissioners will play a role in that:

- They will make awards of property where there are competing interests that have arisen historically; and
- They will make awards where the properties affected have already been transformed and the award will be in monetary value.

3.16.6.4 HISTORICAL COMMUNITY INVOLVEMENT

It is important to note that it was in fact the Edendale Private Land Owners and Rate Payers Association (hereinafter referred to as 'ELRA') who, in the year 2000, approached the then Provincial Department of Housing to seek assistance in dealing with their land in Edendale, which had been materially marginalised by ever-increasing settlement from informal occupiers of their land. The history of this settlement is well-known, and is not repeated here; however, it is important to note that rates arrears have been, and remain, a major issue with respect to the above, and extensive interaction between ELRA, the Municipality, LLC, and local community structures have informed the processes embarked upon to date.

3.16.6.5 PLANNING AND PROVISION OF HOUSING

The LLC embarked upon a major planning initiative for the Greater Edendale Complex. Three (3) of the eighteen (18) 'functional' areas identified for development purposes in terms of the above integrated planning initiative by the LLC have been prioritized by the Municipality. This prioritization was based on the fact that these are the areas where the problems outlined above are concentrated. Of these priority areas, one of them is the area known as Dambuza.

Legislation provides that Municipalities must take all steps within the framework of national and provincial housing legislation and policy to ensure that inhabitants have access to adequate housing and services. Municipalities must set housing delivery goals, identify and designate land for development, and create and maintain a public environment conducive to housing development which is financially and socially viable. The Municipality, via GEDI, is accordingly actively and aggressively participating in the National Housing Programme, in accordance with the rules applicable by promoting housing development projects, acting as the developer in respect of the planning and execution of housing development, and administering the National Housing Programme in its area of jurisdiction; and accordingly, 12 housing projects were identified as part of the above initiative, from which five (5) priority housing projects were identified and resolved by the Municipality to be implemented forthwith.

3.16.6.6 EXPROPRIATION

A large portion of the land that the Municipality will be acquiring is in the ownership of deceased estates. Given the background set out above, and in particular the urgency of the matters, the Municipality has resolved to proceed by way of expropriation, it being in the public's interest to do so. Section 190 of the Local Authorities Ordinance No 25/1974 provides for the expropriation of land by the Municipality if it is unable to purchase the land on reasonable terms through a negotiated process and it has obtained the express permission of the MEC to expropriate such land. The Expropriation Act, Act 63 of 1975, then governs the expropriation process to be followed. The first 63 properties identified for expropriation have followed the whole process and are in the final legal stages of expropriation before the Municipality takes possession of the properties.

It must be specifically noted that as these properties are in the hands of deceased estates, the Land Titles Adjustment Commissioners will play a meaningful role in order to ensure that the compensation payable is received speedily and expeditiously by the heirs of these estates, and where it is recognized that, in most of the deceased estate cases, these have not been reported at the Master of the High Court's Office in Pietermaritzburg.

3.16.6.7 PROPERTY IDENTIFICATION

In terms of the DOHS MOA, and further endorsed by the RDLR MOA, the Municipality has established a subcommittee of the LLC, this being the Land Acquisition Committee (hereinafter referred to as the 'LAC'). The RDLR is represented on the LAC, which is chaired by the Municipality's Manager Real Estate and Valuations, and is mandated by the DOHS MOA, the RDLR MOA, and the Municipality, to identify, resolve, and to acquire properties required for the redevelopment of the Greater Edendale Complex. The LAC is responsible to ensure that all such properties resolved to be acquired shall be valued by two independent Professional Valuers. The Municipality then pays compensation on the basis of the higher of the two approved valuations, plus a 10% solatium. In order to maintain a fair market value for each property, an escalation factor has been included in the daily update of each property

3.16.6.8 PURCHASE AND SALE

The Private Land Acquisition Programme is, of course, driven initially by consultation with the Registered Land owner/s, whereupon the recommended negotiation price is determined by valuation and then forwarded to a Negotiator drawn from a panel of Negotiators appointed by the project, who are largely Attorneys drawn from the Edendale area.

Presently, a total of 255 properties are in various stages of being purchased for the first 5 Priority Housing projects, the majority of these having been valued twice, and are now in the negotiation stages of purchase or being set aside for expropriation, for various reasons.

3.16.6.9 ADDITIONAL FUNDING

At present, the DOHS is offering to continue funding the Land Initiative for a further 3 years, and a Business Plan (of approximately R 71 million) has been submitted to them for consideration. This includes an amount of R 54 million for land purchase, and R 17 million for project administration, conveyancing, and the like.

3.16.7 RESIDENTIAL DEMAND

Determining the demand for residential property is a function of available resources, affordability parameters and both natural and induced household growth. Given that this is a high level spatial planning exercise, an approach of considering these inputs in the context of the Msunduzi SDF has been followed.

According to the Quantec Database and Urban-Econ calculations, in 2017 there are approximately 189 428 households with the Msunduzi area. This figure was extrapolated from the 2001 (130 292 households) and 2011 (164 625 households) census figure for the Msunduzi households. This reflects an annual growth rate of 2.4%. Three growth scenarios for the next 5 years (low-growth of 1.5% the current growth of 2.4% and high-growth of 3.5%) have been developed to consider the potential future demand housing unit stock in Msunduzi. It is assumed that in 2017, there is no additional demand for residential property in the Municipality as this would be met by the markets supply. The tables below display the results of the three scenario demand model calculation.

The first row of each table displays the projected number of households from 2017 – 2022. The next row displays additional number of units that are required to match the annual growth in households that was projected. The final row displays the effective number of households that will be in demand in the Msunduzi Local Municipality.

Table: Effective Demand for Residential Units (Low Growth Scenario: 1.5% annual household growth)

Low Growth Scenario (1.5% Annual Household Growth	2017	2018	2019	2020	2021	2022
Number of Households	180 009	182 709	185 449	188 231	191 054	193 920
Additional Households Units Required Per Annum	0	2 700	2 741	2 782	2 823	2 866
Effective Number of Units in Demand	0	2 700	5 441	8 222	11 046	13 912

Quantec Database: Census 2001 and 2011: Urban-Econ Calculations (2017)

Low Growth Scenario : The total number of households is projected to increase from 180 009 in 2017 to 193 920 in 2022. In the next 5 years, the estimated cumulative demand for housing, as per the demand forecast, is 13 912 houses demanded by 2022.

Table: Effective Demand for Residential Units (Current Growth Scenario : 2.4% annual household growth)

Current Growth Scenario (2.4% Annual Household Growth	2017	2018	2019	2020	2021	2022
Number of Households	189 428	193 911	198 500	203 197	208 006	212 928
Additional Households Units Required Per Annum	0	4 483	4 589	4 697	4 809	4 922
Effective Number of Units in Demand	0	4 483	9 072	13 769	18 578	23 500

Quantec Database: Census 2001 and 2011: Urban-Econ Calculations (2017)

Current Growth Scenario: The total number of households is projected to increase from 189 328 in 2017 to 212 928 in 2022. In the next 5 years, the estimated cumulative demand for housing, as per the demand forecast, is 23500 houses demanded by 2022.

Table: Effective Demand for Residential Units (High Growth Scenario : 3.5% annual household growth)

Current Growth Scenario (2.4% Annual Household Growth	2017	2018	2019	2020	2021	2022
Number of Households	189 428	193 911	198 500	203 197	208 006	212 928
Additional Households Units Required Per Annum	0	4 483	4 589	4 697	4 809	4 922
Effective Number of Units in Demand	0	4 483	9 072	13 769	18 578	23 500

High Growth Scenario (3.5% Annual Household Growth	2017	2018	2019	2020	2021	2022
Number of Households	202 367	209 449	216 780	224 367	232 220	240 348
Additional Households Units Required Per Annum	0	7 083	7 331	7 587	7 853	8 128
Effective Number of Units in Demand	0	7 083	14 414	22 001	29 854	37 981

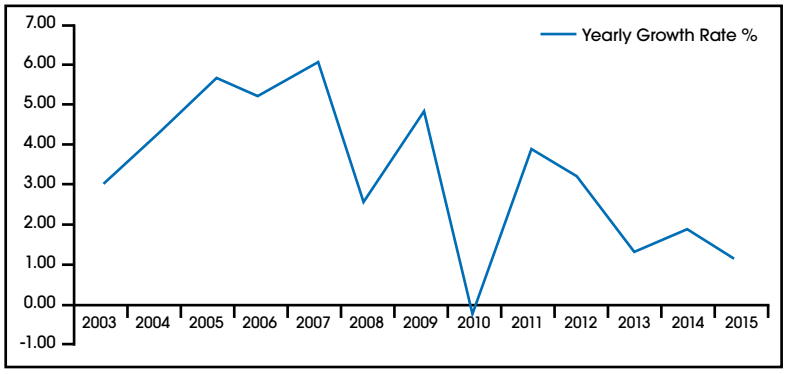
Quantec Database : Census 2001 and 2011 : Urban-Econ Calculations (2017)

High Growth Scenario: The total number of households is projected to increase from 202 367 in 2017 to 240 348 in 2022. In the next 5 years, the estimated cumulative demand for housing, as per the demand forecast is 37 981 houses demanded by 2022.

3.17 THE STATE OF THE ECONOMY

The municipality continues to be the main driving force behind the economy of the umgungundlovu District, contributing GDP-R of R39.7 billion to the district economy, which represents 69.5% of the district's economy, during 2015. Whilst the city's economic growth has been sluggish, the growth rate marginally exceeded that of the KZN province for 2015 – 1.03% compared to 0,98%. The national growth rate for the period was 1.28%. Figure 12 below indicates the GDP growth for the city from 2003 to 2015.

Figure 12: GDP from 2003 to 2015

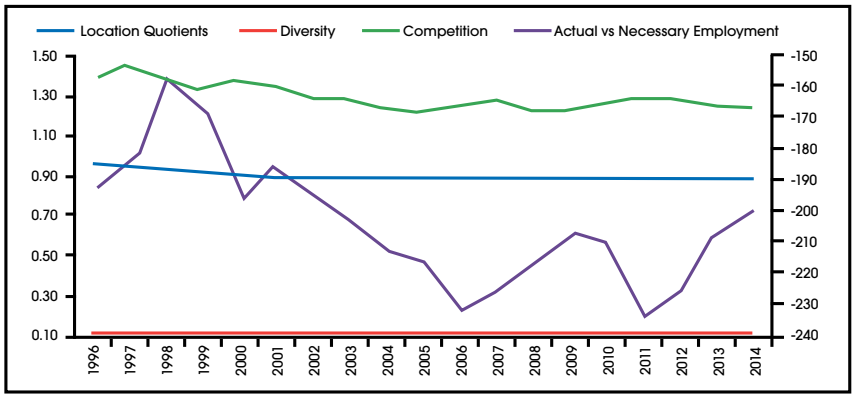


Global insight 2015

The economic outlook for 2016 and the next few years, however, remains bleak as the economy tries to withstand the effects of increasing prices, including electricity tariffs which have the potential to impact on business investment within the municipality, rising interest rates, a stagnating housing market and the eroding of disposable incomes levels. There has been a modest increase in per capita income, with GDP-R per capita in 2015 reaching R53 500 compared to R39 000 in 1996.

The figure below illustrates trends in the location quotient, diversity, competition, and actual versus necessary employment. Positive figures indicate low or decreasing risk, figures around zero show a neutral risk, and negative figures show high or increasing risk. As can be seen for the period 1996 to 2014, risk factors in the Msunduzi economy are associated with employment, whereas

FIGURE 13: Location Quotient, Diversity, Competition, and Actual vs Necessary Employment in the Msunduzi



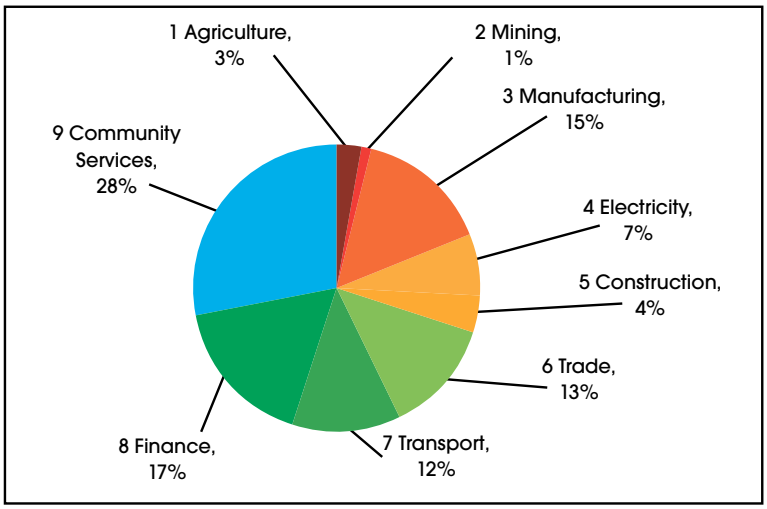
Global insight 2015

3.18 KEY ECONOMIC SECTORS

3.18.1 INTRODUCTION

The key economic drivers within the municipality in 2015 were Community Services (28%), Finance (17%), Manufacturing (15%) and Trade (13%).

FIGURE 14: GDP per sector for the Msunduzi Municipality (2015)



3.18.2 COMMUNITY SERVICES

Community services amounts for 28% of the Gross Domestic product of the Msunduzi Municipality it has remain consistent from 2011. The city is the capital of the KwaZulu Natal and therefore houses a number of provincial government departments. These are mainly located in the CBD and the Municipality has a plan to leverage on this as part of the city development strategy.

3.18.3 FINANCE

The financial sector of the Msunduzi econonmy is the second largest sector in terms of GDP and accounts for 17% down from 24% in 2011. The fact that it is second largest can be associated with a large number of commercial banks being located in the Municipality, as well as other financial institutions. The location of government departments within the Municipality, together with their financial transactions, reinforced this trend.

3.18.4 TRANSPORT

Transportation accounts for 12% of the GDP of the Municipality slightly down 13% in 2011. The municipality is located along the busy N3 corridor, as well as at the confluence of number of major provincial and district roads. The establishment of a motor sales complex adjacent to the N3 and showground's further attempt to strengthen this sector.

3.18.5 TRADE

Trade accounts for 13% of the municipal GDP up from 12% this an important element of the economy. Many higher order retail facilities are located in the Municipality and have a large catchment area servicing many at the outlying towns and communities both within and outside the Municipality.

3.18.6 MANUFACTURING

Although there has been a decline in the manufacturing output of the Municipality over the last decade manufacturing contributed 15% to the local GDP. This is an important sector and many opportunities exist for its further development and growth. The municipality has plans at advanced stages to release additional land for industrial growth. One such development is the Ibhubesi light industrial park which is a 60 ha site in Ashburton which is under construction and will have 70 sites of commercial and light industrial properties.

3.18.7 AGRICULTURE

Agriculture provides 3% of the GDP of the municipality. Although subsistence agriculture plays an important role in the Municipality, commercial agriculture is not as prevalent as in surrounding municipality. Many surrounding municipalities within the umgungungndlovu Municipality supply produce directly to the markets in the Municipality.

3.18.8 TOURISM

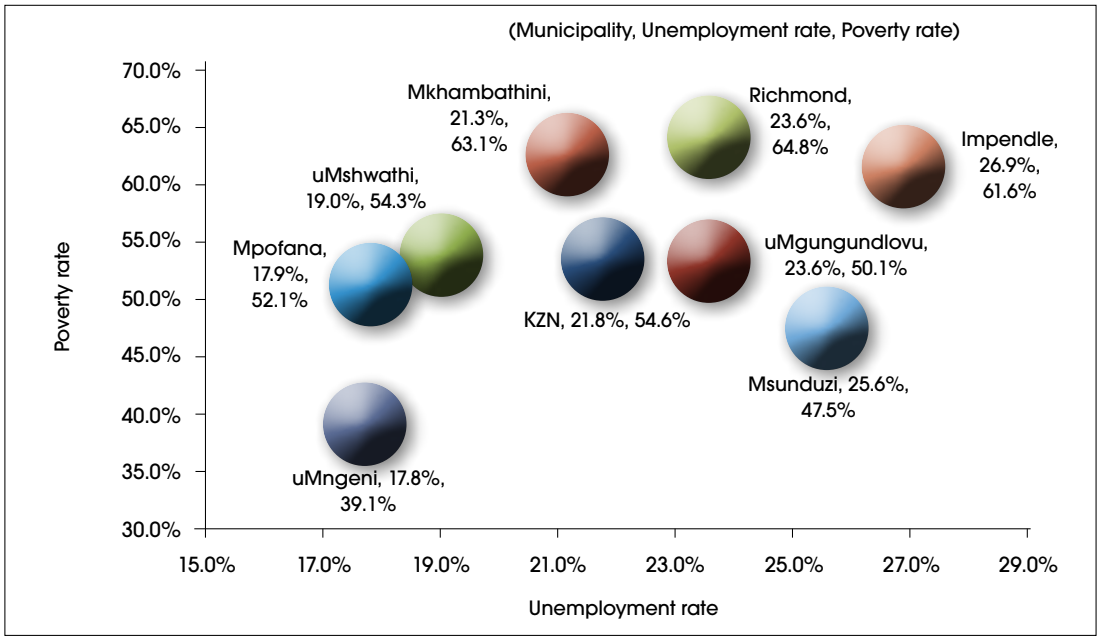
The economy of the municipality is dependent on a number of major sporting and cultural events , including the Comrades Marathon, Midmar Mile, Duzi Canoe Marathon and the Mountain Bike World Cup, to name but a few. These events lead to directed cash-injections into the economy and have positive impact on the local tourism establishments. The Municipality is also located midway between the burg and beach tourism destinations and is a convenient stop-over for many travellers .

3.19 LEVELS OF EMPLOYMENT

3.19.1 EMPLOYMENT

In its Diagnostic Overview released in 2011, the National Planning Commission (NPC) found that education and employment were two major problems affecting the South African economy – specifically a poor quality of education and low employment levels. These two aforementioned variables are interrelated in that a poor quality of education can lead to inability to find relevant employment, resulting in structural unemployment; the most prevalent type of unemployment in South Africa. Inherently, unemployment leads to loss of income by households. As household income decreases and becomes unable to meet all the needs of the household, that household is categorized as living in poverty.

FIGURE 16: Municipality, unemployment rate, poverty rate



Source: Global Insight, 2014

It is imperative that the reader considers that the unemployment rates reported above are based on the narrow or strict definition of unemployment, and therefore do not account for discouraged work seekers.

3.19.2 UNEMPLOYMENT

Census (2011) indicates that levels of unemployment have declined from the high figures of 48.2% of the economically active population in 2001, to a figure of 33% in 2011.

3.20 FORMAL BUSINESSES IN THE MSUNDUZI MUNICIPALITY

The number of registered businesses is an indicator of economic activity in a district. There are 712 businesses registered in the Msunduzi Local Municipality, which is a sizeable number. Informal businesses are often unregistered, and therefore unlikely to be included in this number. Almost half the respondents in the sample were unable to provide statistics on the number of registered businesses. For Msunduzi, having access to this data reflects well on their LED Capacity.

A business register is a valuable database for organising LED processes where the public and private sector work in partnership to improve the local economy. COGTA (2012) recommended that Msunduzi Municipality use its register of businesses to profile its potential private sector partners, and better structure and select its LED interventions to suit the nature of local business.

Respondents who participated in the COGTA (2012) study identified the following key economic sectors in the local economy: Consumer Sales and other Services (54%), Manufacturing (16%), Retail (13%), Training (8%), Hospitality and Tourism (6%) and Professional Services (2%). The prevalence of consumer sales and services, as well as retail and financial services, shows the role of the city as a service centre. There is some diversity in the economy, with manufacturing and tourism (both productive sectors) featuring well. It is surprising that the local economy is not more dependent on government services, given that Pietermaritzburg is the provincial capital.

As part of the COGTA study (2012), local business was asked on their views of doing business with the Municipality in the future. Views on the future of business were only marginally positive overall in Msunduzi, with 38% being positive and 8% very positive, while 38% were neutral about the future, and 15% had a very negative view of the future. Although the sample is too small to draw reliable conclusions, there is some evidence of a mixed and even negative view on the future of business.

Hindrances to future growth were reported most frequently as roads (at 31%), followed by service charges and electricity at 25% each, and by tax rates at 19%. It is not clear if tax rates were understood as municipal rates and taxes which are levied by the local Municipality, or income tax which is a national competence. The finding that roads, electricity, and service charges are a key hindrance to growth can assist the Municipality to focus its efforts in these areas, and improve delivery of these services and infrastructure for the requirements of local business.

3.21 SMALL, MEDIUM AND MICRO ENTERPRISES AND THE INFORMAL ECONOMY

(i) SMMEs IN THE MSUNDUZI MUNICIPALITY

It has been generally acknowledged that the rate of growth and survival of SMMEs and the number of SMMEs in an area are good indicators of growth. Many governments therefore make major efforts to assist new businesses to start up, and offer support to SMMEs to facilitate their growth.

The importance of creating an enabling infrastructure environment for Msunduzi business cannot be overstated. Electricity, telecommunications, water, and roads are the fundamentals of basic economic infrastructure. Existing local and regional economic incentives to invest or expand were regarded as poor by half of the businesses surveyed in the Msunduzi LED Strategy (2008). The provision of incentives is the most important measure municipalities could introduce to promote development. Strategic Priority 5 in the 2030 Municipal Vision talks to the creation of an Economically Prosperous City and deals with the development of this sector.

(ii) THE INFORMAL ECONOMY

Most informal businesses in Msunduzi are low-income generating operations that are typically survivalist. Retail trade (i.e. restaurant, bar, shebeen, tavern, accommodation, vehicle repair/cleaning, shoe repair, repair of personal and household goods, garage, spaza shops/tuck shops/hawker-type stands selling various goods etc.)

and community services (i.e. health, communication (telephones), cell phones, catering, gardening, domestic/ household services, funeral services, hair salon, social and personal services etc.) are the predominant sectors of informal sector activity.

The COGTA (2012) study indicated that the majority of the informal economy sector has been trading for more than 5 years (70%), while 30% had been operating 1 to 5 years. No respondents had been operating for less than 1 year. This could indicate that informal business is becoming a long-term economic reality. The small sample size prevents drawing clear conclusions.

The Msunduzi LED Strategy (2008) indicates that in 2004, retail trade accounted for 49.2% of overall informal activity in Msunduzi. This percentage increases to approximately two-thirds of informal activity, if community services are included in the calculation. Most of the informal businesses in Msunduzi are survivalist and provide support for an average of 5.68 individuals, who are almost always family members and not part- or full-time employees. Most of these businesses also earn less than R 1,000.00 per month (68%). A major cost for these businesses is the cost of transport, usually getting to and from the work site. The cost of transport can be anything from R250.00/month to R1,000.00/month. When this is related to the average earnings of R 1,000.00/month, the problem becomes obvious. The majority of traders are positive about the future, and almost all traders want to grow their respective businesses into larger formal businesses in the future - 36% of all respondents reported that they specifically want to be self-employed.

TABLE 37: INFORMAL ACTIVITIES IN MSUNDUZI

Municipality	Manufacturing	Construction	Trade	Transport	Finance	Community Services	Total Informal
KN - DC22	3 778	4 780	18,311	3 389	2 061	4 926	37 244
Richmond	268	382	1,419	177	188	207	2 640
Pietermaritzburg (Msunduzi)	2,241	3 530	13,555	2,402	1,724	3,677	27,130
Impendle	0	56	176	37	17	34	320
Lions River (uMngeni)	241	504	1 638	351	18	474	3 225
Mooi River (Mpofana)	94	129	378	162	20	212	994
New Hanover (uMshwathi)	933	178	1 147	260	95	322	2 936

Source: UKZN (2006)

In understanding why informal traders are not entering the formal economy, the COGTA (2012) survey indicated that costs of becoming part of the formal economy were the major hindering factor (86%). A further 32% quoted not knowing how to become part of the formal economy, while 2% reported it was too complicated, and 2% reported other reasons. This indicates some reticence to join the formal economy, possibly due to administrative burden and associated compliance costs which form a barrier to transition. However, a significant factor is a lack of knowledge, which suggests the need for greater information and support services for informal business considering migrating to the formal economy in this municipal area. However, a larger sample would need to be canvassed before committing resources to such a specific programme.

There is a critical need to maximise the informal sector and integrate it into the mainstream economy in the Municipality. The sector needs an upward migration programme, as well as the promotion of linkages between informal and formal businesses. In seeking to achieve this, the Msunduzi Municipality, as per the KZN Informal Economy Policy (2011), assisted with the establishment of the "Msunduzi Informal Economy Chamber" on 8 November 2011. The purpose of the chamber is to link the Municipality to the traders. Key functions of the Chamber include:

- To represent informal economy actor issues at District and Local Level;
- To build and strengthen the capacity and leadership of informal economy actors;
- To build an information base on the numbers and situation of informal economy actors;
- To disseminate information on effective organizing strategies for promoting and protecting the rights of informal economy actors;
- To prioritize the upliftment of the poorest informal economy actors;
- To prioritize the interests of low-income informal economy actors by assisting with stopping exploitation and any such conduct by high-income vendors, intermediaries and wholesalers;

- To champion the interests of all informal economy actors by ensuring that government is advised in relation to policies that directly or indirectly affect informal economy actors;
- Chamber members should gain an understanding of common problems of informal economy actors, develop new ideas for strengthening their organizing and advocacy efforts, and through their elected representatives, join in local, district and provincial campaigns to promote policies and actions that can contribute to improving the lives and opportunities of informal traders;
- To work in partnership with the private and the public sector;
- All eleven official languages can be used at meetings; and
- No unsound language and/or behaviour will be tolerable at any meeting of the Chamber.

3.20.1 MAJOR DEVELOPMENTS

Msunduzi Country Lifestyle Estate

This development is a lifestyle estate for the over-50s with simplex accommodation and an administrative/leisure complex, which will be adjacent to the Maritzburg Golf Club off New England Road. This land was purchased, and the planning completed some 8-10 years ago, but the development was not implemented due to the global economic crisis. It has now been resurrected and repackaged as a 'lifestyle' development, but now requires an updated EIA, which has commenced, and Spluma application for rezoning. Total investment value will be approximately R150 million and it is expected that construction will commence this year. Resurrected Project – at EIA stage.

Lion Park Warehousing

Lion Park Warehousing is a light industrial development comprising warehousing and office sites (for the storage and distribution of goods by road) as well as sites for factory shops and showrooms. The development property is approximately 25.2 hectares in size with the development comprising of 35 subdivisions ranging from 1336m2 to 28615m2. The development is located in Ashburton near Lynnfield Park. Making slow progress – vast number of environmental conditions to comply with.

Rita Light Industrial Park, Lynnfield Park.

The development involves the establishment of a light industrial park near Lynnfield Park. The development property is approximately 19.4 hectares, of which 17.19 hectares will be developed and comprises 17 light industrial stands, one general business zone, and open spaces. The proposed onsite sewage package plant will be situated on the lowest lying portion of the property. The wetland covers an area of approximately 2 hectares and will remain undeveloped and a 20 meter buffer has been delineated to ensure that no development will take place within this zone. Approvals have been done, except for environmental conditions as under. The time frame for complying with all these is not certain and up to the Developer.

Athlone Circle

The proposed 13,444m2 developments situated adjacent to the N3 and Peter Brown Drive comprises the following:

- 3 commercial buildings of 3 stories
- 446 tenants and visitors parking bays
- 1 retail facility
- 9 residential rooftop loft apartments

Building plans were approved with conditions by the Environmental unit on 14th of October 2014. An Environmental Management Plan was approved 16th January 2015 but not complied with. A site visit conducted on the 14th of January 2016 where it was noted that issues relating to erosion control had been implemented. Still awaited is an Indigenous Landscape Plan including rooftop gardens to be submitted during the construction phase, and a storm water management plan. Earthworks have been done but no construction as yet.

Willowwood Park

Phase 2 of this development is underway. They are now looking at phase 3 of the development, which will be a retail development on the remainder of the property which reaches up to Ohrtmann Road. The accessibility

issues are being addressed with SANRAL, PCB and the Roads Department. This development (Phase 2) is under construction.

Eden Gardens Private Hospital

Eden Gardens Private Hospital is being constructed off Archie Gumede Road. Estimated construction value is R340million and the plans were approved on 11 April 2015. The site works are complete and the site is ready to hand over to the building contractors. It is scheduled to be complete in early 2017.

Woodhouse Road Student Accommodation

The Estates Unit is preparing to advertise and dispose of this site, as well as the Scottsville Bowling Club site. The property is now zoned "General Residential" zone in terms of the Pietermaritzburg Town Planning Scheme. The use of the application site for "Residential Building" student accommodation is in accordance to the Pietermaritzburg Town Planning Scheme. The application for subdivision has also been approved and the survey will be done internally by Land Survey section. SMC resolved on 18 December 2015 that in respect of Woodhouse Road, Scottsville: Remainder of Portion 13 of Erf 17 of Pietermaritzburg, the Deputy Municipal Manager: Economic Development investigates the existing Council resolution and submit a further report on how this matter should be dealt with going forward.

Shopping Centre Taylors Halt

The lease for the land from the INgonyama Trust has been concluded, however it needs to be amended due to a slight change in site. Once that is done they will be handing the Spluma application in to the Municipality. The existence of this project has been pointed out to the drafters of the Vulindlela LAP and Town Planning. A town planner has been appointed by the developer and discussions are being held with Eskom. However this project is now running into a few problems. Further meetings are required with the Traditional Council to discuss various issues before the basic environmental assessment starts, including the relocation of people and alternative shopping centre proposals which they are apparently considering. These issues need resolution before the various studies which are required: traffic impact, environmental management plan etc commence. Moving slowly.

Camp's Drift Waterfront

Environmental Authorisation for this proposed development was granted by the Department of Economic Development, Tourism and Environmental Affairs on 04th February 2015. In terms of the Environmental Authorization a number of additional studies are required before construction can commence. These include: a Traffic Impact Study, green building design, amended environmental management plan, and a landscape plan. Final building plans must also be approved by the Municipality prior to construction commencing. A Water User Licence will be required. This has been communicated to the Developer for their attention. The developer is working on these outstanding requirements including building plans and the Water User Licence application. Extremely slow moving project.

The Environmental Management Unit has received no communication from the Applicant or their Environmental assessment Practitioner that outstanding requirements are being addressed. The Unit is attempting to obtain the necessary information from the Applicants Project Team.

Liberty Midlands Mall Phase 3

The 17,000m2 Phase 3 expansion of Liberty Mall has been stalled for almost a year due to the requirements of the National Department of Water and Sanitation (DWS) regarding their Water User License (WUL). A meeting took place between the Developers and DWS to clarify this issue at the end of January, which has now been resolved. Buildings plans have been approved on 4th March subject to conditions.
Mpushini Business Park

This was a proposed mixed-use development, comprising a logistics park and office, on a 20.5 hectare site in Ashburton, and the investment value is R1.7 billion. The site was sold to another developer who is proposing to change the condition of the development rights granted for the property. This project is still at the planning stage and moving very slowly.

Hillcove Hills

This is currently the largest proposed residential/mixed-use development in the municipality, on a site 483 hectares in extent between Bellevue and Ashburton. The proposal is for 1369 residential units of various densities, 200,000m2 office and commercial space, 10 Community Facility erven, and public and private open space. The development will be done in a number of phases, with the second phase requiring a major upgrade of bulk services, which will be to the developer's cost. The development was delayed due to SANRAL shelving its plans to build the Bellevue Interchange which would have given direct access to the new township. Moving slowly through all the planning and legal processes.

Ibhubesi Light Industrial Development

This logistics park, light industrial park development is situated on a 60 hectare site in Ashburton. The construction is now well in progress and platforms have been cut. The entrance has been laid out. There are some 70 sites in total with sizes ranging from 2000m2 up to 5 hectares, with a mix of commercial and light industrial. So far two sites are in the process of being sold, with a lot of interest in the other sites. Transfer of sites and subsequent construction of buildings and operations is dependent on the completion of the Lynnfield Park Sewerage works upgrade, which is due to be complete at the end of February. They are also awaiting power supply from Eskom. However they estimate that the first building could be up within 6 months.

3.22 LEVELS OF POVERTY

The Human Development Index (HDI) is a statistic created from data on life expectancy, education, and per-capita GDP, as an indicator of standard of living. This table indicates an increase in the percentage of people in poverty between 1996 and 2001, followed by a decrease of the percentage of people in poverty between 2001 and 2007.

TABLE 38: SOCIAL DEVELOPMENT AND PEOPLE LIVING IN POVERTY

2014	Msunduzi
Human Development Index (HDI)	0.60
Gini coefficient	0.64
Share below the food poverty line	26.0%
Share below the lower poverty line	36.6%
Share below the upper poverty line	47.5%
Functional literacy: age 15+, completed grade 7 or higher	86.2%

(Source: Global Insight, 2014)

In a recent study by the African Food Security Urban Network (AFSUN) (2012) on gender and food insecurity in Southern African Cities, it was found that a high proportion of the total household expenditure in the Msunduzi Municipality (52%) goes on food. The study notes that this is widely recognised as an indicator of poverty and food insecurity. As a result, the immediate need to buy food outweighs other long-term needs, such as investment in education, business, and housing. This leaves little leeway in household budgets when they are subjected to income or price shocks. The study also indicated that female-headed households in the Municipality spend a higher share of their income on food than do nuclear households. The study also found that an average of 60% of Msunduzi households, and 64% of female-headed households, are severely food insecure. Only 7% of households in the Municipality are food secure, as compared to the 44% in Johannesburg, 15% in Cape Town, and 18% in Windhoek.

The Gini coefficient measures the levels of inequality in a society, with the figure of '0' reflecting absolute equality, and '1' representing absolute inequality. For the Msunduzi Municipality, a figure of 0.64 was measured in 2010,

which is up from the 0,57 in 1996. This indicates that society in the Municipality is becoming more unequal in nature. It is, however, below the district figure of 0.65 and the provincial average of 0.66.

The Human Development Index (HDI) is a composite statistic of life expectancy, education, and income indices, and a score of '1' indicates a good HDI as opposed to the other extreme of '0'. The HDI for the Msunduzi Municipality improved from 0.60 in 1996 to 0.62 in 2004, showing that life is generally improving for residents of the Municipality.

3.23 BUILDING PLAN APPROVAL

In terms of Building Plan approval, for the period July 2012 to January 2013, 430 plans were approved as per the table below:

TABLE 39: BUILDING CONTROL INFORMATION - REPORT TO STATISTICS SOUTH AFRICA - NO OF UNITS

APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015																
NO.	1			3			2	4			5			6		
MONTH	Residential Dwelling Houses Passed			Other Residential- Flats, Hotels, Etc			RDP Passed	Non Residential- Private Sector			Non Residential- Public Sector			Alteration & Additions- All Buildings		
	No.	Area	Cost	No.	Area	Cost	RDP Passed	No.	Area	Cost	No.	Area	Cost	No.	Area	Cost
JULY	21	4190	R 33 735 070,00	0	0	R 0,00	2	5	16615	R 140 017 045,00	0	0	R 0,00	62	7672	R 41 376 277,00
AUGUST	10	2406	R 13 841 495,00	40	4047	R 20 235 500,00	0	0	0	R 0,00	0	0	R 0,00	30	4498	R 21 525 926,00
SEPTEMBER	9	1598	R 9 440 165,00	30	3956	R 25 714 455,00	0	1	512	R 5 124 600,00	0	0	R 0,00	30	2675	R 14 791 715,00
OCTOBER	13	3006	R 17 736 000,00	0	0	R 0,00		0	0	R 0,00	0	0	R 0,00	24	1941	R 10 155 909,00
NOVEMBER	9	1819	R 8 157 965,00	0	0	R 0,00	0	0	0	R 0,00	0	0	R 0,00	39	2929	R 10 683 805,00
DECEMBER	7	1590	R 7 496 910,00	12	1670	R 6 838 560,00	0	1	2424	R 12 122 050,00	0	0	R 0,00	41	10620	R 39 363 769,00
JANUARY	11	2018	R 8 957 145,00	15	1306	R 5 878 845,00	0	1	312	R 1 248 000,00	0	0	R 0,00	31	3521	R 15 282 500,00
FEBRUARY	13	3325	R 15 138 700,00	0	0	R 0,00	0	1	684	R 3 420 700,00	0	0	R 0,00	61	3785	R 15 247 772,00
MARCH	14	4013	R 20 519 225,00	0	0	R 0,00	0	0	0	R 0,00	0	0	R 0,00	42	14430	R 57 624 675,00
APRIL	9	1684	R 8 353 545,00	18	2139	R 9 627 300,00	0	1	13112	R 220 000 000,00	0	0	R 0,00	37	7722	R 26 411 842,00
MAY	22	3484	R 18 142 595,00	12	1863	R 10 000 000,00	0	0	0	R 0,00	0	0	R 0,00	48	6993	R 28 440 145,00
JUNE	21	3594	R 18 387 845,00	15	1209	R 5 440 500,00	0	0	0	R 0,00	0	0	R 0,00	58	6801	R 23 993 732,00
TOTAL	159	32727	R 179 906 660,00	142	16190	R 83 735 160,00	2	10	33659	R 381 932 395,00	0	0	R 0,00	503	73587	R 304 898 067,00

3.24 ECONOMIC ADVANTAGES OF THE MSUNDUZI MUNICIPALITY

The Department of Economic Development and Tourism undertook a study into the comparative advantages of the District Municipalities in KwaZulu-Natal (2012), which indicates that the uMgungundlovu District Municipality, inclusive of the Msunduzi Municipality, had the following comparative advantages:

TABLE 40: MUNICIPAL ECONOMIC ADVANTAGES

ADVANTAGE	CATEGORY	DESCRIPTION
LOCATIONAL ADVANTAGES	CENTRALITY	Msunduzi is at the cross-roads of major access routes linking Durban to Gauteng, Ixopo, Underberg with Greytown, Stanger, and as such there are multiple options for access into the Municipality and the uMgungundlovu DM.
	LOCATED ON THE GAUTENG CORRIDOR PRIMARY LOGISTICS CORRIDOR	The development of this corridor has recently received renewed prioritisation by being declared as one of the President's Strategic Integrated Plans. This will provide opportunities for Nodes along the corridor identified in the SDF and ABM Plans.
NATURAL/ GEOGRAPHIC ADVANTAGES	HIGHLY FERTILE LAND	There is a high abundance of fertile land in the DM and LM making it one of the most productive areas in the province.
INFRASTRUCTURAL ADVANTAGES	MAJOR DAMS	Although not in the Msunduzi Municipality, there are no fewer than four major dams in close proximity to the Municipality (Midmar, Nagle, Wagendrift and Albert Falls, and the Spring Grove dam which is currently under construction).
	EXCELLENT ROAD NETWORK	The Municipality is serviced by an excellent road network primarily centred on the N3 and the District (R) roads.
	RAIL LINKAGES	The Municipality is located on the main Gauteng line, as well as the line to the Eastern Cape.
HUMAN CAPITAL ADVANTAGES	GOOD SCHOOLS AND TERTIARY INSTITUTIONS	The Pietermaritzburg and Midlands area is considered to possess the best schools in the province. These schools produce highly capable Matriculants with good leadership abilities. While the tertiary institutions are perhaps not as robustly developed as they are in eThekwini, the University of KwaZulu-Natal and the Cedara Agricultural College, along with various other private tertiary institutions, provide opportunities for well-trained Matriculants to become highly skilled members of the labour force. The existence of these educational institutions gives uMgungundlovu a significant comparative advantage in terms of being able to offer companies a skilled workforce.
INSTITUTIONAL ADVANTAGES	CAPITAL CITY STATUS OF PIETERMARITZBURG	The designation of Pietermaritzburg as the province's capital is a major advantage for the district. The district benefits directly from the location of government departments in Pietermaritzburg, while indirect benefits include, private sector clustering around government departments and substantial levels of business tourism. The capital City status of Pietermaritzburg also raises the profile of the entire district.

The study also categorised the Comparative Advantage Sectors as follows:

TABLE 41: COMPARATIVE ADVANTAGE SECTORS

CLASSIFICATION	SECTOR	DESCRIPTION
EXISTING OR STABLE	PUBLIC ADMINISTRATION	Although general government would not normally be regarded as a comparative advantage sector, the public sector's role in the Municipality is not so much a welfare role as it is an institutional and business one. The designation of the Municipality as the provincial capital provides the Municipality with a comparative advantage for attracting public sector business and services, as well as associated private sector business.
UNSTABLE OR THREATENED	CLOTHING AND TEXTILES (FOOTWEAR PRODUCTION)	The employment benefits of this sector are clearly immense, and the sector has experienced relatively healthy growth over the past 10 years. Although the sector as a whole is not revealed to be a comparative advantage by the location quotient method, there may be a niche industry comparative advantage in the production of leather products and footwear. This is confirmed by the fact that the Municipality has the largest concentration of footwear companies in the province and also possesses some leather tanneries. While the sector as a whole is growing, there are significant threats to the future of the leather and footwear industry in the Municipality. In particular, cheap labour in Lesotho has recently drawn investors away from investing in the Municipality and district.
HIGH GROWTH POTENTIAL	POST AND TELECOMMUNICATIONS	This capital intensive industry has been growing at a very impressive rate for the past 10 years and probably reflects the fact that Pietermaritzburg serves as the telecommunications hub for a large hinterland.
	SALES AND REPAIR OF MOTOR VEHICLES AND FUEL	This industry is growing rapidly within the Municipality and reflects the importance of the Municipality being situated on a major transportation corridor. The comparative advantage of this sector is only likely to grow with the renewed strategic focus on the Durban – Gauteng corridor.

In terms of Economic Opportunities and Catalytic Projects, although admittedly not comprehensive, the DEDT (2012) identified the following projects within the Msunduzi Municipality, based on discussions with key stakeholders:

TABLE 42: CATALYTIC PROJECTS IDENTIFIED BY THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

STRATEGY	PROJECT	DESCRIPTION	STATUS
EXPLOIT OPPORTUNITIES ASSOCIATED WITH THE N3 CORRIDOR	Dedicated, large scale truck stops	Designated stop for trucks using the N3 Durban-Gauteng corridor	Envisioned
	Development of logistical platforms	Currently uMgungundlovu products are packaged and loaded in Durban for trips to Johannesburg; this represents as waste of fuel and increased costs; a logistical platform should be established north of PMB	Envisioned
	High Speed train between Durban and Johannesburg	High speed train, as part of the development of the Durban-Free State- Johannesburg Corridor	Planned
	Train coach manufacturing at Mason's Mill	Encourage the manufacture of coaches and rail components at Mason's Mill, and link this to Prasa's refurbishment plan	Envisioned
DEVELOPMENT OF LEATHER AND SHOE INDUSTRY	SEZ for leather and footwear companies	Vertical integration of companies in this sector to include entire production process: tanneries, trims, adhesives, and retail	Envisioned

STRATEGY	PROJECT	DESCRIPTION	STATUS
EXPLOIT CAPITAL CITY STATUS OF MSUNDUZI	CBD REVITALISATION	PMB CBD needs to reflect its importance as a provincial capital. Derelict buildings should be restored to their Victorian splendour and the city should be positioned as a preferred location for companies to operate.	Envisioned
	DEVELOPMENT OF A FIVE STAR HOTEL IN PMB	Currently there are a shortage of high-class hotels in the city; this limits business tourism growth	Envisioned
	FURTHER EXPANSION OF PMB AIRPORT	Revamp and expansion of existing airport to make it more accessible and attractive to use for both business and leisure	Planned
	ESTABLISH A MUSEUM AND HERITAGE CLUSTER	Consolidate a number of the disjointed collections into a modern and iconic world class museum	Envisioned
	DEVELOPMENT OF A LARGE- SCALE CONFERENCE CENTRE	Despite being an events capital; PMB offers very few conferencing options. The development of a conference centre at the Royal Show Grounds could offer greater opportunities for hosting more sporting events.	Envisioned
	DEVELOPMENT OF AN ECO- ESTATE IN PMB	PMB needs an up-market residential estate so as to attract top business people.	Envisioned
DEVELOPMENT OF EDUCATION NICHE MARKETS	FILM SCHOOL	The development of a world class film school.	Envisioned
	DEVELOPMENT OF A FLIGHT SCHOOL	The development of a flight school at Oribi Airport.	Envisioned
UTILISE ENGINEERING SKILLS	Encourage the location of an airline manufacturer in the Municipality	This would be beneficial to the downstream component manufacturers already located in the Municipality	Envisioned
	Establish an electronics hub	Cluster companies which supply electronic components for the motor industry	Envisioned
DEVELOP THE ICT SECTOR	Msunduzi ICT incubator	To provide an enabling environment for the emerging ICT small business to be sustainable and competitive in regional, provincial and nations markets	Exploratory

3.25 THE MSUNDUZI LED STRATEGY

LED processes in all municipalities should be guided by LED strategies, which are a legislative requirement of municipalities in terms of the Municipal Systems Act. The frequency of reviews and the mode of developing the strategy is a reflection of municipal capacity to manage development internally. As part of the review strategy the municipality is utilising analysis from the Area Based Plans together with a range of other information sources.

COGTA (2012) recommended that the Msunduzi Municipality undertake regular implementation review and adjust the strategy implementation plans accordingly, using in-house capacity. This requires building internal project management skills, where lacking.

The following support plans are in place:

- Clothing and textile plan
- Tourism master plan
- Business process outsourcing strategy
- Agri processing plan
- Forestry plan
- Informal economic strategy
- Regional economic strategy

The Neighbourhood Development Partnership Grant, (NDP) awarded an amount of R35 million as Capital Grant funding and R2.7 million for Technical Grant funding. NDP has reviewed its existing programme and concluded that, in the absence of an integrated and co-ordinated city wide urban regeneration strategy, the programme has had little impact hence the introduction of the Urban Network Strategy. The proposed new strategic direction for the NDPG is based on a spatial development approach that builds on an urban network model, which is "a transit-orientated precinct investment planning, development and management approach aimed at strategic spatial transformation".

The NDPG has now refocused the project from Township Regeneration to Urban Network Hubs and they have set aside R1.375 million the development of an Urban Network Strategy for Greater Edendale. The network hub includes Masons' Mill, Plessislaer (Ekhrosini), Edendale Hospital and the FJ Sithole Road Nodes.

- The Urban Network Strategy remains on course and is funded under the 2013/2014 DoRA allocation to the Municipality.

The Municipality has a Local development strategy in place and was adopted by council during the 2015/16 financial year. The LED strategy was prepared in house with various stakeholders being included in the development of the strategy and also stakeholders are consulted with on an on-going basis. The following structures are in place and functional;

- IDP representatives forum
- LED forum
- SMME forum
- Tourism working group
- Monthly business development workshops
- Weekly Meeting with the Pietermaritzburg Chamber of Commerce

As per figure 16.1 below the municipal Local Economic Development unit is well capacitated in order to assist business and form strategic partnerships. The Municipality has developed a number of plans to ensure that we respond to the key economic drivers identified in section 3.18. The Municipality developed a business retention and expansion strategy to ensure that the Municipality addresses the threats/challenges facing the Municipality. The complete document is attached as an annexure and proposes four(4) interventions as follows;

INTERVENTION 1: Youth Enterprise Development & Training
INTERVENTION 2: Increasing communication between the municipality & business
INTERVENTION 3: Implementation of sustainable development projects & assistance to distressed companies
INTERVENTION 4: Support & promotion of local production & manufacturing businesses

As per intervention 2 above key economic partners are identified and engaged on an ongoing basis. The activities under this intervention also propose new networks and partnership between various stakeholders.

Small businesses have a major role to play in the South African economy in terms of employment creation, income generation and output growth. They are often the vehicle by which the people with the lowest incomes gain access to economic opportunities and thereby redressing the economic challenges. Business support facilities that service SMME's have increased the sustainability of SMME's throughout the country. These facilities among others business information kiosks, services centres, clusters, one stop shops and incubators.

The Msunduzi SMME and Cooperative Strategy aims achieve the following key objectives:

- Provide a synoptic overview of the socio-economic environment
- Analyse key SMME sector challenges and opportunities
- Capture a shared SMME development vision for Msunduzi Municipality
- Identify key strategies and priority interventions
- Develop an SMME Development Implementation Plan

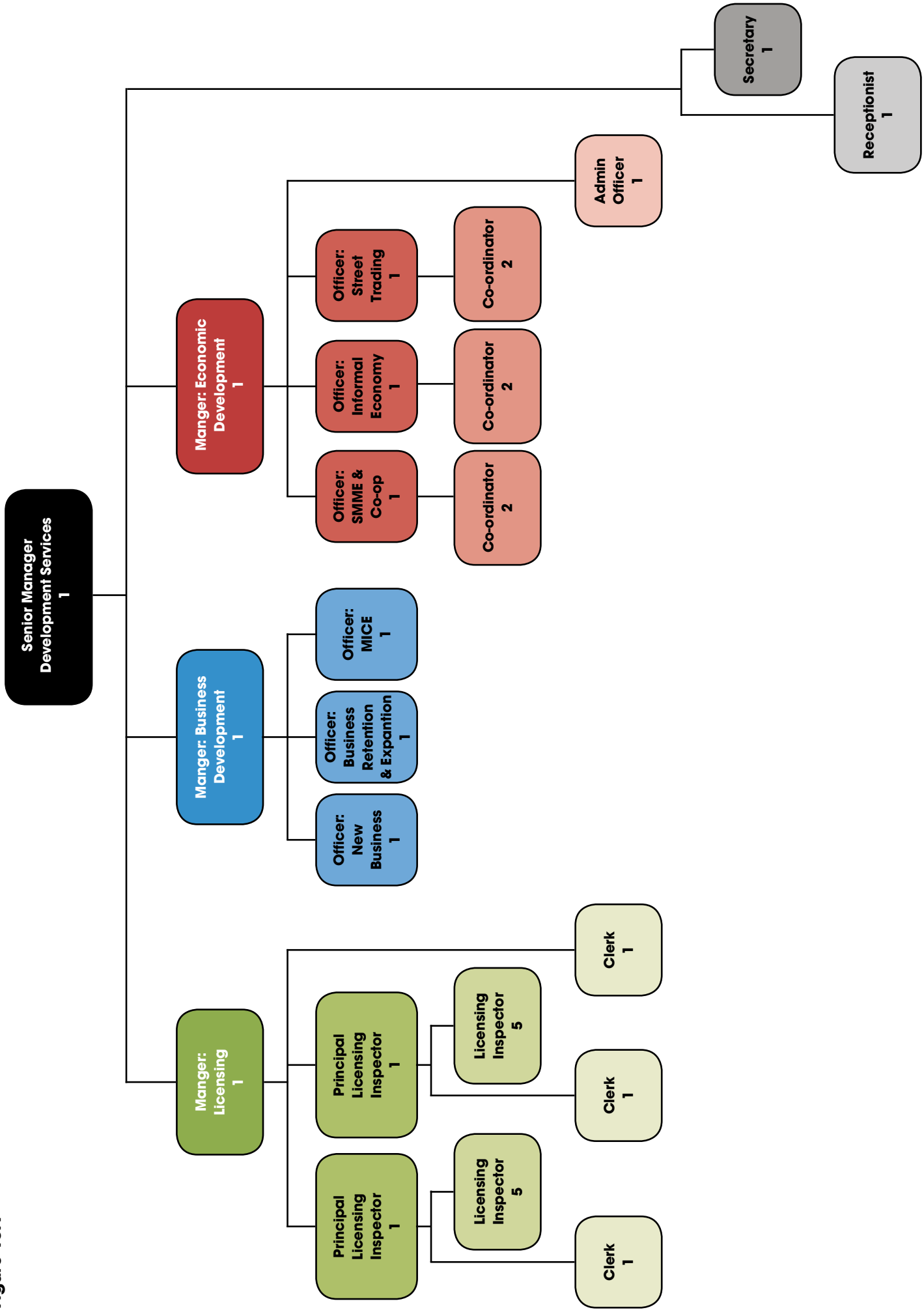

Senior Manager Development Services 1
Manger: Licensing 1
Manger: Business Development 1
Manger: Economic Development 1
Secretary 1
Receptionist 1
Admin Officer 1
Officer: Street Trading 1
Officer: Informal Economy 1
Officer: SMME & Co-op 1
Co-ordinator 2
Co-ordinator 2
Co-ordinator 2
Officer: MICE 1
Officer: Business Retention & Expantion 1
Officer: New Business 1
Principal Licensing Inspector 1
Principal Licensing Inspector 1
Licensing Inspector 5
Licensing Inspector 5
Clerk 1
Clerk 1
Clerk 1
Clerk 1

Figure 16.1

TABLE 43: SWOT

KEY ISSUES RELATING TO THE ECONOMY	

• A positive GDP and GVA for the municipal economy with an upward trend curve.
• Unemployment figures, although relatively high, are improving and showing a downward trend.
• The Municipality has a number of sectors that have a competitive and comparative advantage and require further support and assistance from the Municipality and other government sectors.
• LED Studies for the Municipality show that there are opportunities in agriculture, agri-process, wood and wood products, tourism, logistics, ICT, and manufacturing to varying degrees. This is summarized as follows:
  • **Agriculture-** adding value to local produce taken from the surrounding rural areas and municipalities.
  • **Tourism-** Increasing events and improving business tourism numbers.
  • **Logistics-** growing Msunduzi as a logistics centre for breaking bulk between inland and the coast as well as supply chain management services, especially the cold chain with links to Dube Trade Port.
  • **Manufacturing-** linked to agriculture and tourism, for example agricultural chemicals, and to automotive components, as well as wood and wood products.	

STRENGTHS	**WEAKNESSES**
• Economic growth is positive. • Unemployment is on the decline. • The number of unemployed youth is on the decline. • The economy has well- established secondary and tertiary sectors. • The percentage of unemployed youth is on the decline. • The Municipality is the provincial capital.	• Limited space available for industrial expansion. • Labour residing long distances from places of employment. • The need to review the LED strategy.
OPPORTUNITIES	**THREATS**
• Adding value to agricultural produce. • Increasing events in the Municipality. • The development of the logistical potential of the Municipality's location. • Expanding manufacturing in the areas of agricultural chemicals, automotive components, and wood products.	• The impacts of the on-going Global financial crisis. • Globalisation and competition with manufacturers with lower overhead costs.

3.26 SOCIAL INFRASTRUCTURE

3.26.1 HEALTHCARE FACILITIES

The table below summarises the healthcare facilities within the Municipality, and Map 15 indicates the facilities spatially, as well as their catchment areas.

TABLE 44: HEALTH FACILITIES WITHIN THE MSUNDUZI MUNICIPALITY

	MOBILES	SATELLITES	CLINICS	COMMUNITY HEALTH CENTRES
MSUNDUZI	6	7	31	2

Healthcare facilities previously operated by the Msunduzi Municipality have been transferred to the provincial Department of Health.

3.26.2 SCHOOLS

The Pietermaritzburg area of the Municipality is a centre of educational excellence, in both provincial and national contexts. Pietermaritzburg is home to a number of institutions of higher education, including the University of KwaZulu-Natal, technicons, FET colleges, and technical colleges. It is also home to a host of both private and government-owned institutions of primary and secondary education.

Even within the rural and peri-urban areas, schools within the Msunduzi municipal area are situated within the national standards of a primary school within 2km and a secondary school within 5km of all residential areas. A continuous challenge is the standard of school buildings, and access to schools in various areas within Edendale and Vulindlela.

3.26.3 LIBRARIES

The Bessie Head main library remains a flagship facility, having been upgraded with Carnegie Corporation of New York funding. This Library provides services to the entire country, as well as playing host to numerous overseas researchers and visitors. In addition, there are 8 branch libraries and two mobile libraries, providing services to the entire Municipality. The Bessie Head library is one of five Legal Deposit libraries in the country, and is also a major facility within the Province. The top four service delivery priorities are acquisition of book stock to improve services to the public; the provision of periodicals and newspapers to the community; to maintain and upgrade our buildings and facilities; and to maintain and upgrade our computer facilities.

TABLE 45: LIBRARY USAGE

CENTRAL (BESSIE HEAD) LIBRARY					
	ADULT LENDING	CHILDREN'S LENDING	MUSIC & AV LIBRARY	HOUSEBOUND	TRAVELLING LIBRARY
JULY 2011- JUNE 2012	172 016	134 862	25 473	40 197	56 462

3.26.4 THEATRES AND COMMUNITY HALLS

There are 45 community halls, 14 local halls, and 1 theatre in the Msunduzi Municipality ,which are hired and used by members of the community.

The major challenge experienced by Council with regard to these facilities relates to recuperating all operational costs relating to the service that is being charged for.

3.26.5 PARKS AND OPEN SPACES

The following table summarises the number of parks and open spaces in the Municipality. Maintenance of these facilities has been problematic, at times.

TABLE 46: PARKS AND OPEN SPACES

DESCRIPTION	NUMBER	AREA (m2)
PARKS	16	1,913,800
OPEN SPACES	133	4.002,000

3.26.6 CEMETERIES AND CREMATORIA

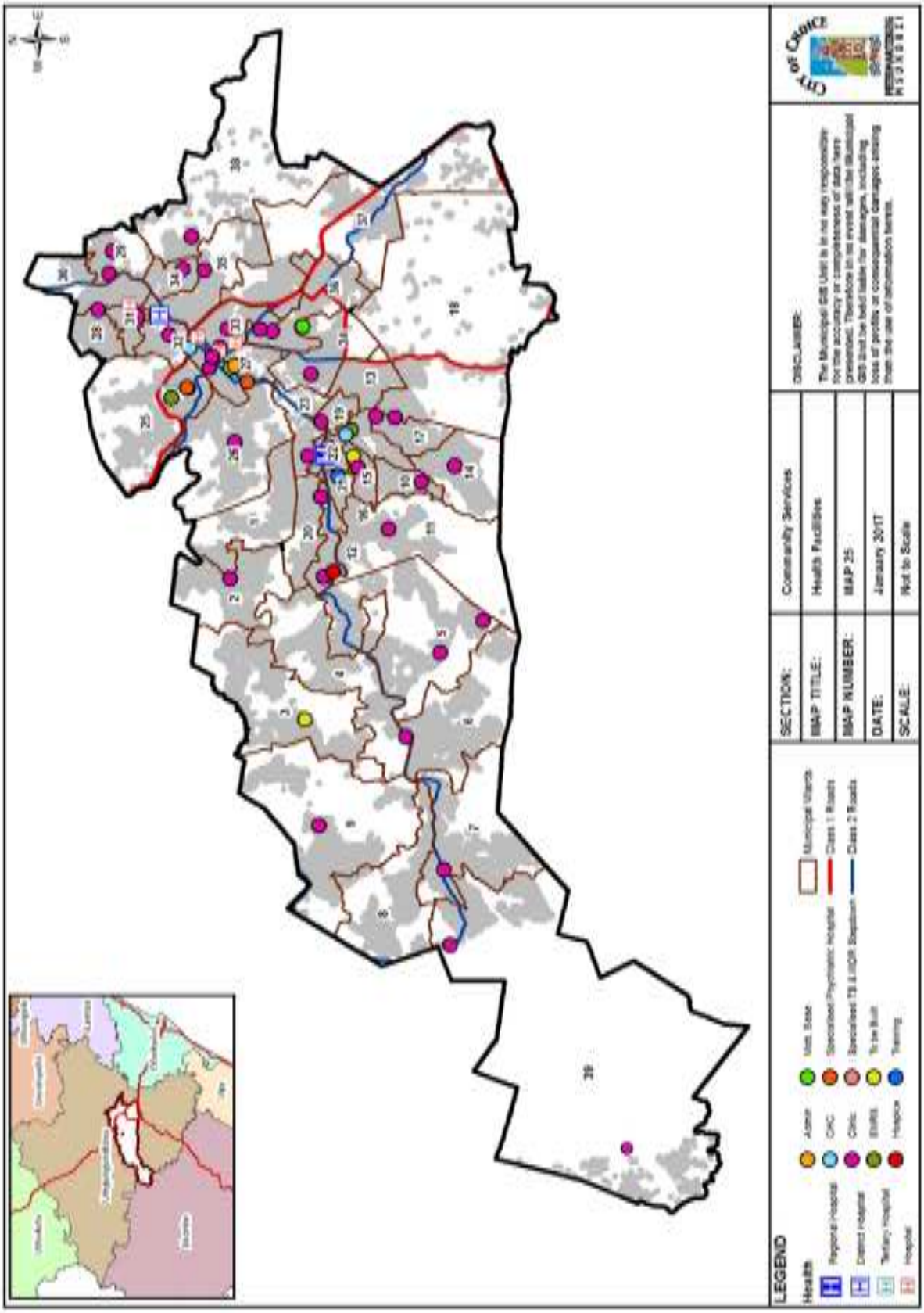
The Municipality has reviewed its strategies in the Cemetery and Crematoria Sector Plan. The Sector Plan proposes, among other things, alternative burial methods in response to the fact that the city is running out of burial areas, as is the case in other cities. Community involvement and participation is essential to ensure buy- in.

The Municipality operates three cemeteries, namely the Azalea, Snathing, and Mountain Rise Cemeteries. There are three crematoria at Mountain Rise, two of which are operational.

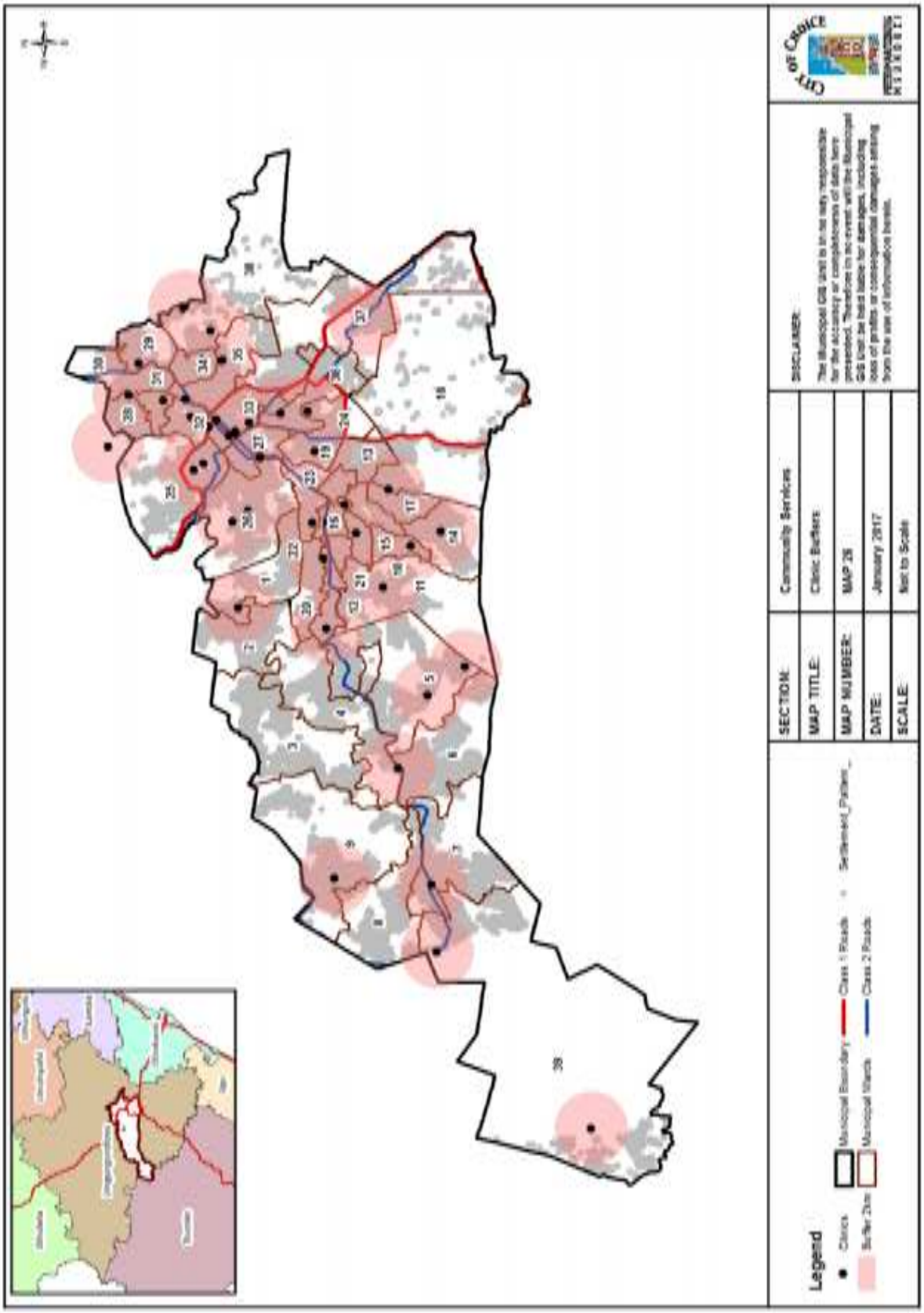
The identification of a new cemetery is vital, as the lack of burial space in the existing cemeteries will seriously impact on service delivery in the near future.

3.26.7 COMMUNITY SAFETY

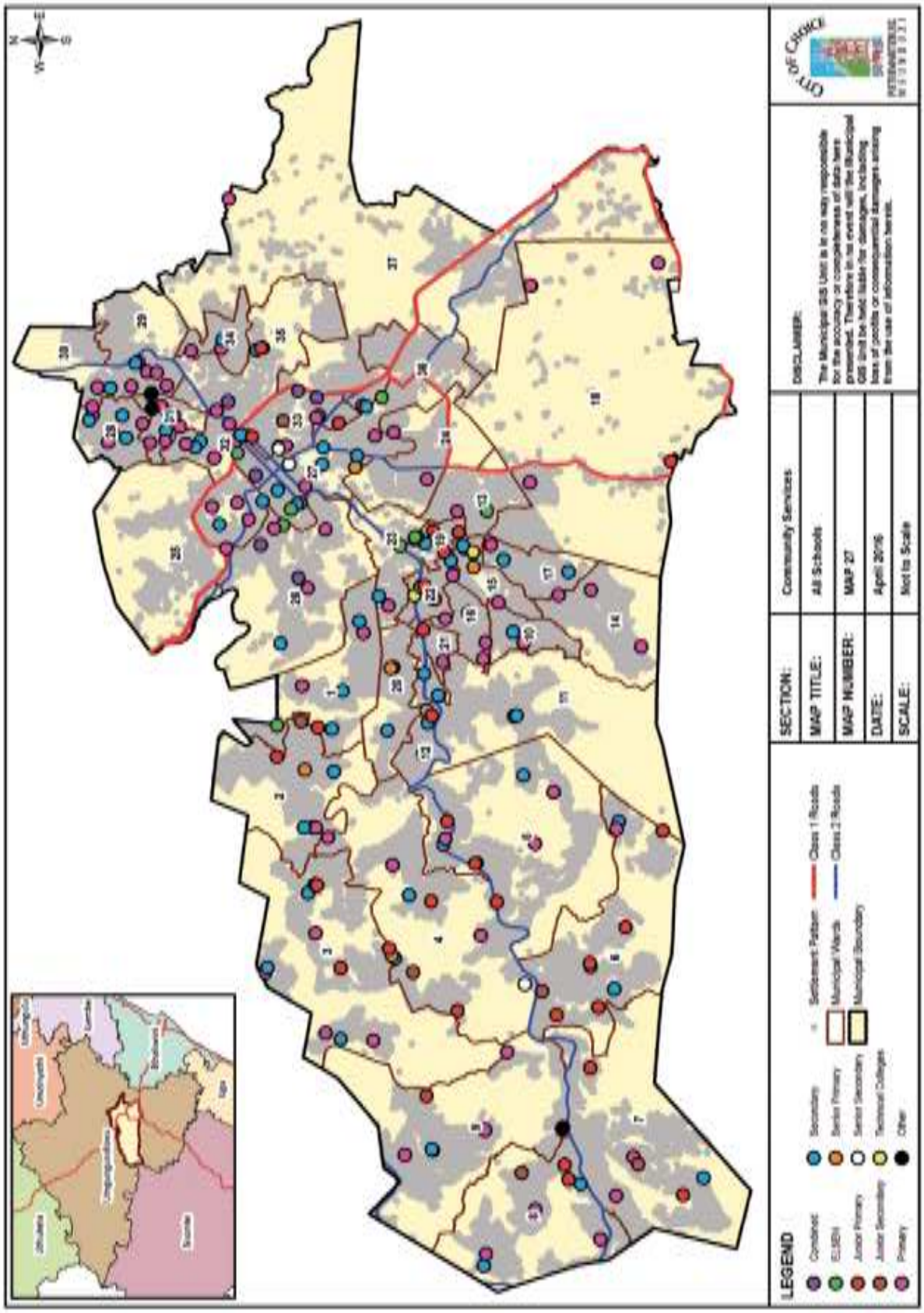
In terms of National Crime Prevention Strategy, the Provincial Department of Community Safety and Liaison is the custodian of the Community Safety Plan, with plans being formulated in each of the District Municipalities. Local municipalities, like the Msunduzi Municipality, are then responsible for providing inputs into the District Municipality's plan. The Department of Community Safety and Liaison has deployed a staff member to the uMgungundlovu District Municipality to facilitate the preparation of the plan. Due to the fact that the DM does not have a champion to drive the process, the Msunduzi Municipality is liaising directly with the provincial official to facilitate data capture in terms of the guidelines.



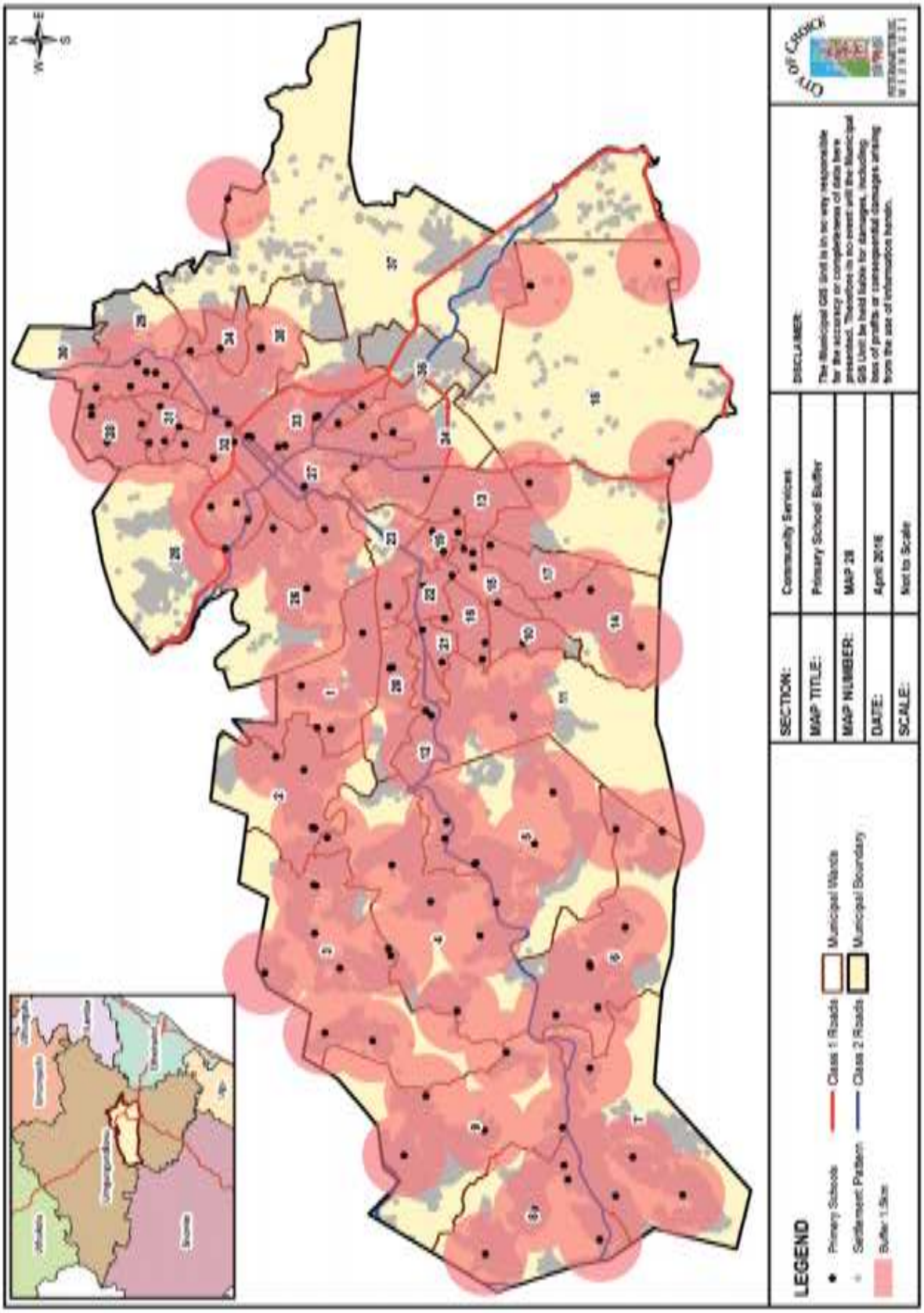
MAP 25: Community Service: Health Facilities



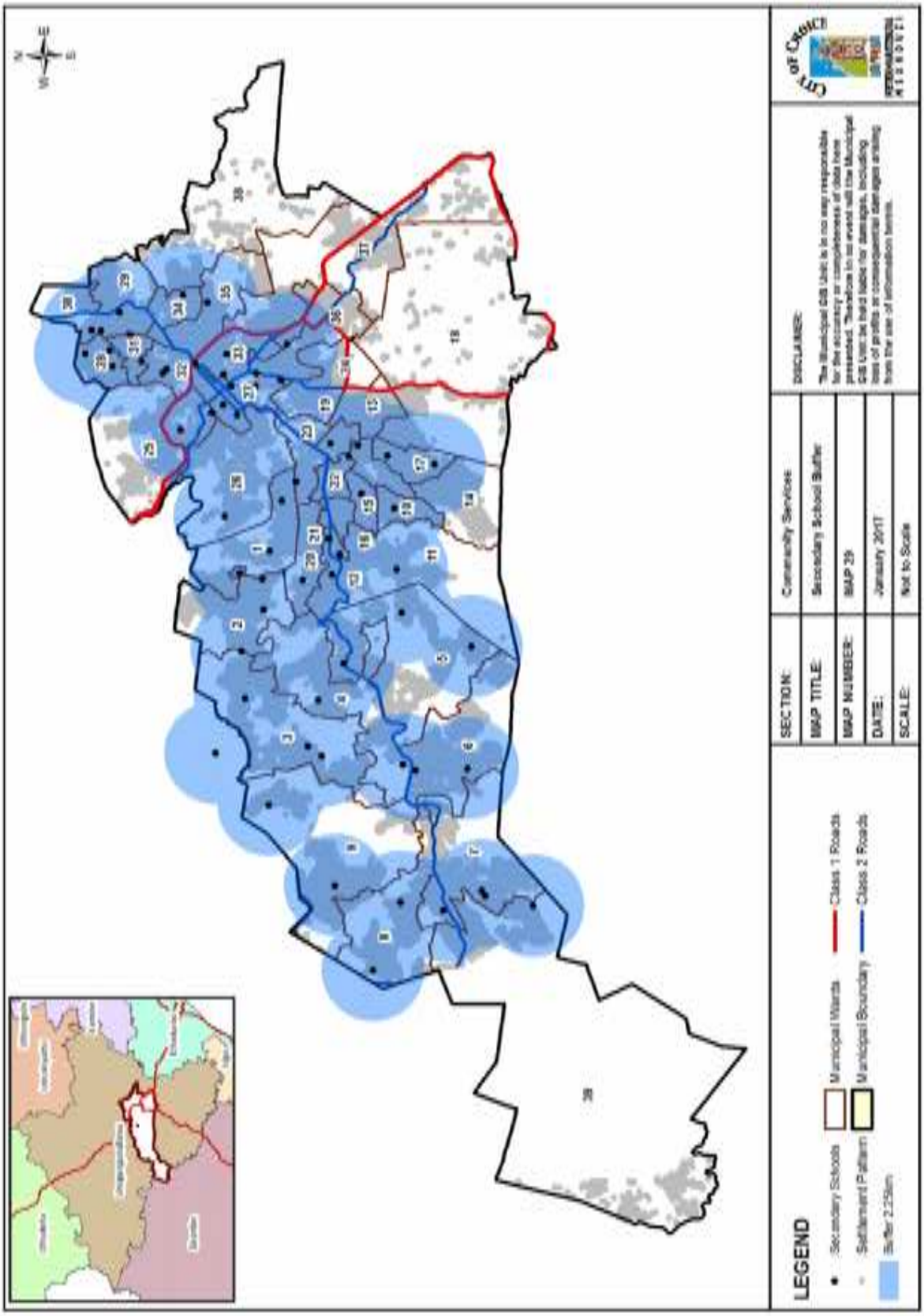
MAP 26: Community Service: Clinic Buffers



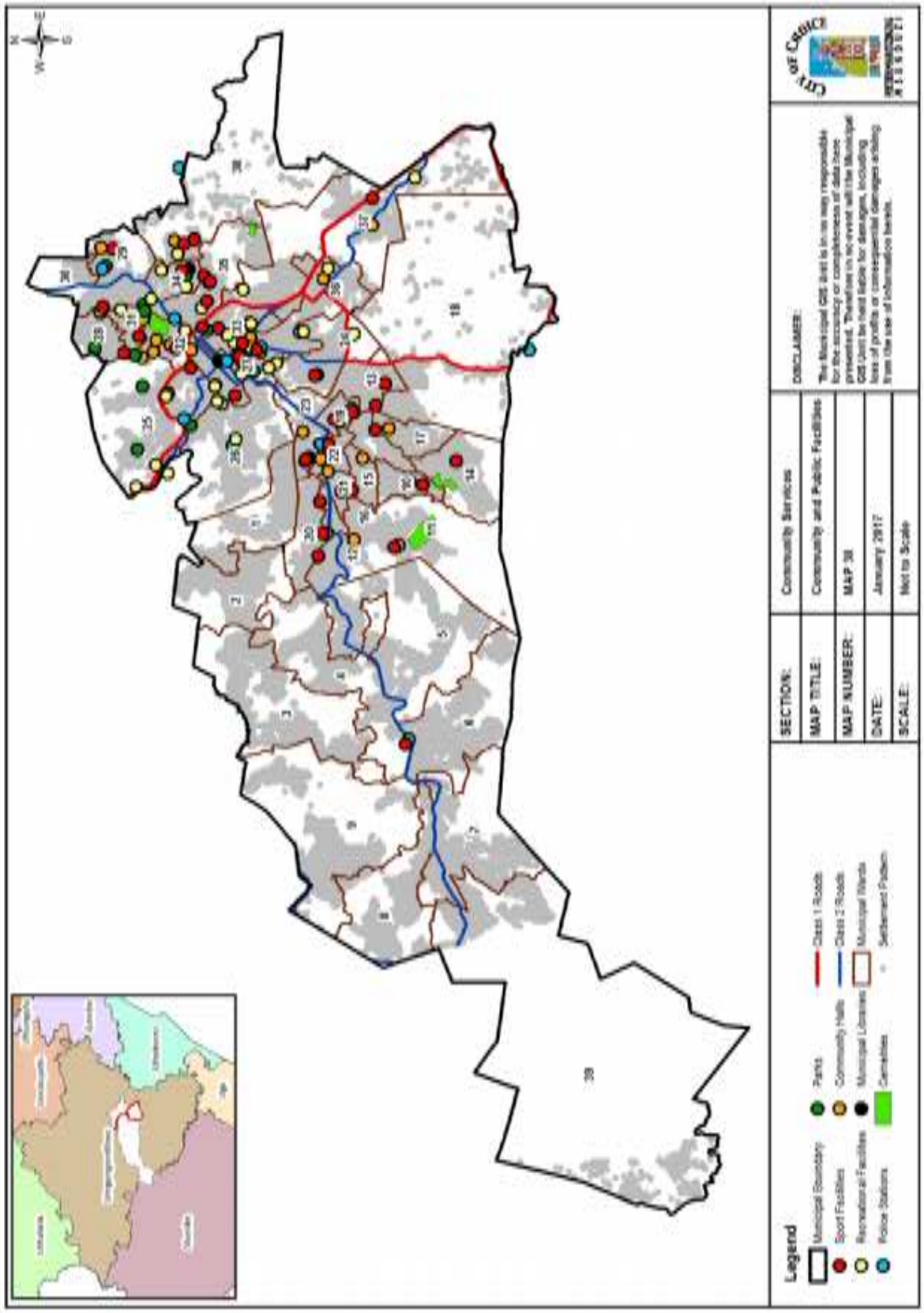
MAP 27: Community Service: All Schools



MAP 28: Community Service: Primary School Buffers



MAP 29: Community Service: Secondary School Buffers



MAP 29: Community Service: Community and Public Facilities

3.26.8 SPECIAL GROUPS

The Msunduzi Municipality is engaged in a number of programmes with special groups (women, youth, the aged, and the disabled). These are summarised below:

TABLE 47: PROGRAMMES FOR THE YOUTH, THE AGED, WOMEN, AND THE DISABLED

CATEGORY	DESCRIPTION
YOUTH	• Sports programmes: Local games are organised for the youth to compete for representation in the District games, from which a team is selected to participate in the SALGA Games which are held annually. This programme has been running since 2002. • The Junior City Council (JCC): This is a Youth Council for young people from the Msunduzi Municipality, which meets on a monthly basis. A number of programmes are associated with this, including: A back to school campaign involving visits to 5 schools - one in each zone where stakeholders are invited to address the youth according to social ills identified in schools; Child Protection Campaigns dealing with issues like child abductions; School exchange programmes between four urban and four rural schools; Taking a child to work, where learners are identified from schools and placed in different business units in the Municipality; The JCC Sports Festival involving soccer and netball events; and Leadership Training to capacitate members of JCC, together with 37 ward youth representatives. • Vocational guidance: 1 week programme at central locations in each zone, exposing the youth to career opportunities. • School Uniforms: The purchase of school uniforms for needy children in ten identified schools. • Reed Dance: Provision of busses to assist girls attending the annual reed dance at KwaNongoma. • Driver's licences: Assisting orphans and previously disadvantaged youth in acquiring driver's licences. • Youth Centre and Career Guidance Councillor: This office is funded by the Municipality and is located opposite the City Hall.
AGED	• Golden Games Sports Programme: Wednesdays have been identified as Golden Wednesdays by the MEC for Sports and Recreation, in an attempt to promote active aging. 27 such clubs are supported by the Municipality, and the intention is to roll this out in all 37 wards.
DISABLED	• Brail reading training: This project has been started in Zone 1 as a pilot project, and it is the intention to roll this programme out in other wards. • Awareness campaigns: Educating parents on integration of impaired people into society. Some 80 parents have been identified for a 1 week workshop to address this issue. • Human Rights Month (March): This campaign involves the education of disabled people on their human rights, including education on grants access.
WOMEN	• A programme for 16 Days of Activism takes places annually where the Municipality partners with Cindi (NGO).

TABLE 48: SWOT

KEY CHALLENGES FACING SOCIAL INFRASTRUCTURE:

- Although the Msunduzi Municipality has a reputation for good educational institutions, the condition of some schools in the peri-urban and rural areas in the western parts of the Municipality are poor and require urgent attention.
- The Municipality has a large number of community halls that it rents out and maintains. Income received from these facilities must be in line with expenditure, so as to recuperate all operating costs related to the service that is being charged for.
- There is a need to identify a new cemetery due to a lack of burial space in existing cemeteries.
- Reliability issues relating to the crematoria need attention.
- Aging equipment and financial constraints relating to staff have had a negative impact on the maintenance and upkeep of parks and open spaces.
- Pavement ramps need to be installed, roads need user friendly to PWD, suitable traffic lights for people with sight impairment.
- Pavements are obstructed by informal traders,
- Law enforcement for obstruction of the disability parking bays
- Parking for disability in front of the city hall to be clearly marked and be left unoccupied at all times
- New taxi rank not accessible to PWD there is a need to install alterations
- Improve access to community halls
- Municipality to conduct access audit to all the municipal buildings and sporting facilities
- Training of ward committees on disability issues related to housing (housing portfolio) Housing policy on disability must be clear Municipality to address 2% employment required for PWD
- SANTACO to train their staff on disability – (to deal with attitudes of drivers and their assistants
- Stand pipes not suitable for PWD, Water supply to be accessible to PWD
- Review toilet designs built for communities, accessible sanitation facilities to be provided to schools
- Toilets at the city hall should be opened for PWD

STRENGTHS	WEAKNESSES
• A well-established education sector in the Municipality with both nationally acclaimed public and private schools, as well as tertiary institutions. • A well-established public and private healthcare sector. • Good libraries.	• Poorly maintained public facilities, including cemeteries and open spaces. • Reliability of crematoria. • Ageing equipment. • Unreliable fleet.
OPPORTUNITIES	**THREATS**
• The upcoming bus transport system to be accessible to PWD at least a minimum of 5 buses • The potential to further enhance research and development in the institutions in the Municipality	• Maintenance of schools. • Rental for the use of facilities is insufficient to ensure their upkeep.

C6-MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

3.27 Capability to Execute Capital Projects

This section summarizes key elements from the municipal budget.

TABLE 49: CAPITAL EXPENDITURE AGAINST BUDGETED AMOUNTS

KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Municipal Vote											
Multi-year expenditure appropriation	2										
Vote 1 - City Manager		**–**	**9,110**	**6,411**	**5,250**	**5,250**	**5,250**	**5,250**	**189,012**	**93,974**	**95,532**
1.1 - Internal Audit and Compliance					–	–	–	–	–	–	–
1.2 - Office of the City Manager			9,110	6,411	5,250	5,250	5,250	5,250	189,012	93,974	95,532
1.3 - Political Support					–	–	–	–	–	–	–
1.4 - Strategic Planning					–	–	–	–	–	–	–
Vote 2 - City Finance		**–**	**742**	**4,936**	**24,928**	**26,288**	**26,288**	**26,288**	**20,500**	**23,750**	**24,220**
2.1 - Asset Management			–	2,454	–	–	–	–	–	–	–
2.2 - Budget and Treasury Management			–	–		1,200	1,200	1,200	20,500	23,750	24,220
2.3 - Expenditure Management			–	–	24,848	24,848	24,848	24,848	–	–	–
2.4 - Revenue Management			–	–	80	80	80	80	–	–	–
2.5 - Supply Chain Management			742	2,481	–	160	160	160	–	–	–
Vote 3 - Community Services and Social Equity		**8,091**	**48,595**	**34,870**	**51,700**	**51,700**	**51,700**	**51,700**	**31,800**	**43,885**	**45,129**
3.1 - Area Based Management			779						200	5,100	5,100
3.2 - Public Safety, Emergency Services and Enforcement			–		625	625	625	625	–	–	–
3.3 - Recreation and Facilities			46,988	34,332	50,575	50,575	50,575	50,575	26,800	33,745	34,737
3.4 - Waste Management		8,091	829	538	500	500	500	500	4,800	5,040	5,292
Vote 4 - Corporate Services		**2,500**	**257**	**–**	**5,985**	**25,985**	**25,985**	**25,985**	**1,300**	**2,300**	**2,500**

KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
4.1 - Human Resources Management			–	–	–	–	–	–	–	–	–
4.2 - Information Technology		2,500	–	–	5,985	25,985	25,985	25,985	1,300	2,300	2,500
4.3 - Legal Services			257	–	–	–	–	–	–	–	–
4.4 - Secretariat and Auxiliary Services			–	–	–	–	–	–	–	–	–
Vote 5 - Infrastructure Services		**179,003**	**326,083**	**326,001**	**546,074**	**634,820**	**634,820**	**634,820**	**269,934**	**277,213**	**268,131**
5.1 - Electricity		43,500	123,474	98,191	190,721	280,067	280,067	280,067	73,293	42,468	46,491
5.2 - Project Management Office			–		–	–	–	–	–	–	–
5.3 - Roads and Transportation		78,402	109,919	125,007	258,402	258,402	258,402	258,402	72,904	77,948	83,902
5.4 - Water and Sanitation		57,101	92,691	102,802	96,951	96,351	96,351	96,351	123,736	156,797	137,737
Vote 6 - Sustainable Development and City Enterprises		**–**	**55,804**	**26,852**	**63,544**	**63,544**	**63,544**	**63,544**	**49,026**	**54,320**	**73,286**
6.1 - City Entities			5,279	1,255		–	–	–	4,500	4,725	4,961
6.2 - Development Services			48,090	14,837	22,110	22,110	22,110	22,110	28,626	33,000	33,000
6.3 - Human Settlement Development			2,435	2,854	35,434	35,434	35,434	35,434	15,800	16,490	35,215
6.4 - Town Planning			–	7,907	6,000	6,000	6,000	6,000	100	105	110
Capital multi-year expenditure sub-total		**189,594**	**440,590**	**399,069**	**697,480**	**807,586**	**807,586**	**807,586**	**561,571**	**495,443**	**508,798**
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	**2**										
Vote 1 - City Manager		**3,100**	**555**	**763**	**500**	**2,000**	**2,000**	**2,000**	**6,470**		**3,089**
1.1 - Internal Audit and Compliance					250	250	250	250	70	77	45
1.2 - Office of the City Manager			97	308	250	1,750	1,750	1,750	4,560	2,905	3,011
1.3 - Political Support		3,100	457	455		–	–	–	1,730	32	33
1.4 - Strategic Planning						–	–	–	110		
Vote 2 - City Finance		**7,012**	**27,839**	**31,896**	**782**	**782**	**782**	**782**	**16,907**	**1,950**	**1,435**
2.1 - Asset Management			8,682	1,101	10	10	10	10	12,795	100	100

KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
2.2 - Budget and Treasury Management			14,912	29,510	280	280	280	280	1,769	700	700
2.3 - Expenditure Management			–	61	55	55	55	55	224	400	5
2.4 - Revenue Management		7,012	938	519	327	327	327	327	1,439	550	430
2.5 - Supply Chain Management			3,307	705	110	110	110	110	680	200	200
Vote 3 - Community Services and Social Equity		**28,910**	**21,844**	**16,180**	**19,565**	**46,065**	**46,065**	**46,065**	**26,337**	**10,200**	**8,800**
3.1 - Area Based Management			1,392	864	50	50	50	50	3,150		
3.2 - Public Safety, Emergency Services and Enforcement		15,610	2,880	4,617	4,475	4,475	4,475	4,475	15,117	5,650	5,650
3.3 - Recreation and Facilities			13,954	8,838	13,540	40,040	40,040	40,040	5,200	2,700	2,700
3.4 - Waste Management		13,300	3,617	1,860	1,500	1,500	1,500	1,500	2,870	1,850	450
Vote 4 - Corporate Services		**2,188**	**12,260**	**6,460**	**527**	**511**	**511**	**511**	**5,100**	**4,100**	**3,900**
4.1 - Human Resources Management		2,188	470	25	112	112	112	112	310	800	600
4.2 - Information Technology			8,762	5,012	120	120	120	120	1,950	2,800	3,300
4.3 - Legal Services			354	621	85	85	85	85	160		
4.4 - Secretariat and Auxiliary Services			2,674	802	210	194	194	194	2,680	500	
Vote 5 - Infrastructure Services		**112,602**	**22,878**	**17,510**	**11,590**	**10,985**	**10,985**	**10,985**	**3,500**	**1,000**	**–**
5.1 - Electricity		28,000	13,433	14,322	8,000	8,000	8,000	8,000			
5.2 - Project Management Office		12,700	–			–	–	–			
5.3 - Roads and Transportation		49,230	6,768	1,936	1,910	1,910	1,910	1,910			
5.4 - Water and Sanitation		22,672	2,677	1,252	1,680	1,075	1,075	1,075	3,500	1,000	
Vote 6 - Sustainable Development and City Enterprises		**20,500**	**2,671**	**4,409**	**3,798**	**3,798**	**3,798**	**3,798**	**7,110**	**7,565**	**7,571**
6.1 - City Entities			1,033	998					100	105	110
6.2 - Development Services			411	(14)	2,000	2,000	2,000	2,000	1,159	1,237	854
6.3 - Human Settlement Development			756	3,011					2,010	2,191	2,373
6.4 - Town Planning		20,500	471	414	1,798	1,798	1,798	1,798	3,841	4,033	4,234
Capital single-year expenditure sub-total		**174,312**	**88,046**	**77,217**	**36,761**	**64,140**	**64,140**	**64,140**	**65,423**	**27,829**	**24,795**
Total Capital Expenditure		**363,906**	**528,636**	**476,286**	**734,241**	**871,726**	**871,726**	**871,726**	**626,994**	**523,272**	**533,593**

Planning for procurement of capital projects is to be done timeously, at the start of the financial year;
Gazetted amounts for grants exist, and planning needs to take place ahead of the start of the financial year; and
Monitoring through the Strategic Management Committee is to ensure that the above takes place.

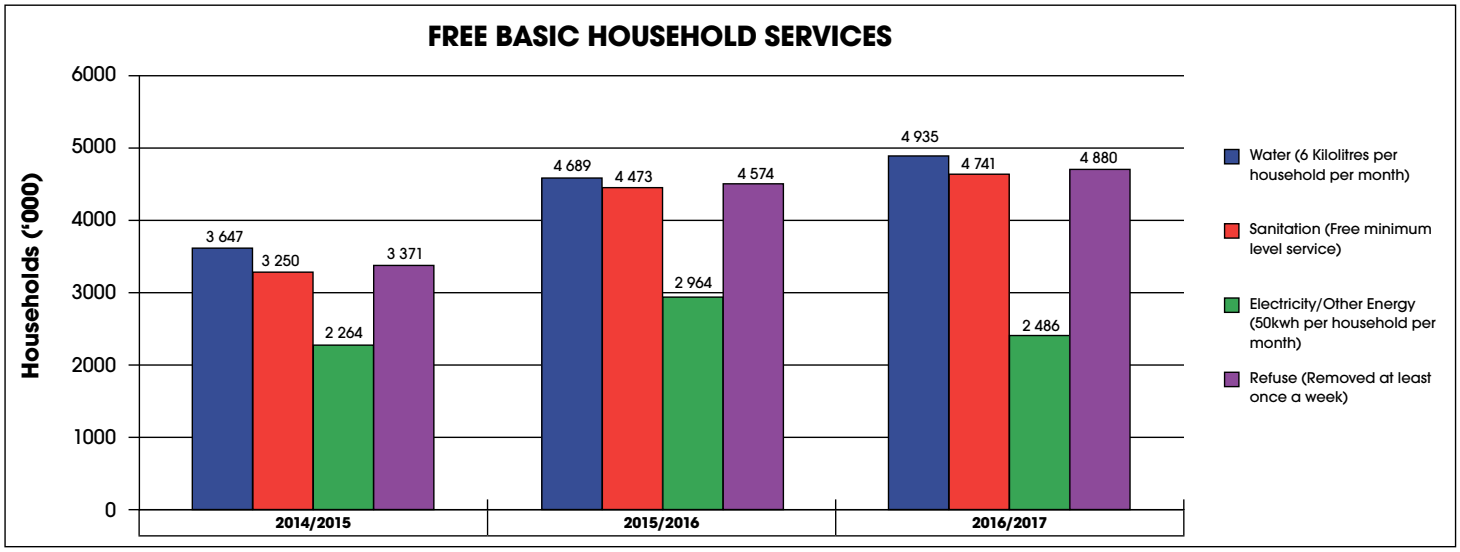
3.28 COST OF FREE BASIC SERVICES TO THE MSUNDUZI MUNICIPALITY

Council receives Equitable Share to subsidise those who cannot afford to pay for the minimum needs in life. The objective in calculating the amount to be subsidised, must be to prevent an increasing balance on the account of an indigent as it will be difficult to recover the debt in a humanly way.

According to the Municipal Systems Act 2000, Section 74(3) and 75(2) stipulates, "A tariff policy may differentiate between different categories of users/ debtors."

Criteria for Approval:

1. That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R3 740.00
2. That the prescribed application forms be completed annually.



FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
	Number of Households				
	Total	Households earning less than R3,740 per month			
		Free basic water	Free basic sanitation	Free basic electricity	Free basic refuse
2014/2015	12 532	3 647	3 250	2 264	3 371
2015/2016	16 700	4 689	4 473	2 964	4 574
2016/2017	17 042	4 935	4 741	2 486	4 880

FINANCIAL PERFORMANCE 2016/2017: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
Services Delivered	2015/2016	2016/2017			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget %
Waster	8 611 396	13 196 800	13 196 800	7 012 266	47
Waste Water (Sanitation)	4 553 556	4 892 700	4 892 700	4 894 449	0
Electricity	3 080 430	2 363 000	2 363 000	2 576 950	10
Waste Management (Solid Waste)	2 195 310	3 265 000	3 265 000	2 904 229	11
Total	**18 440 692**	**23 717 500**	**23 717 500**	**17 387 894**	**37**

The equitable share received is used to fund Free Basic Services that is extended to all our customers who have been declared indigent who are earning below R3 740.00 as determined by Council. Further to the free basic services, we are trying to remove the burden from the indigent customers by reducing their amperage on the electricity they use to 20AMPS. We have started a project to replace all indigent customers meter with smart prepaid. Indigent policy refers to: people who are lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. Spent on electricity for 2016/2017 was R 2 576 950, spent on water 2016/2017 R 7 012 266, spent on sewerage for 2016/2017 R4 894 449, spent on refuse 2016/2017 R2 904 229.

The following table summarises the Msunduzi Operating Budget

TABLE 50: FREE BASIC SERVICES SUBSIDIES FOR 2017/2018

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
Water:										
Piped water inside dwelling		52,082	51,336	51,911	51,911	51,911	51,911	51,911	51,911	51,911
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		52,082	51,336	51,911	51,911	51,911	51,911	51,911	51,911	51,911
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**52,082**	**51,336**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		48,158	48,216	48,004	48,004	48,004	48,004	48,004	48,004	48,004
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		48,158	48,216	48,004	48,004	48,004	48,004	48,004	48,004	48,004
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**48,158**	**48,216**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**
Energy:										
Electricity (at least min.service level)		44,830	43,229	42,432	42,432	42,432	42,432	42,432	42,432	42,432
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		44,830	43,229	42,432	42,432	42,432	42,432	42,432	42,432	42,432
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**44,830**	**43,229**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		57,353	57,383	56,331	56,331	56,331	56,331	56,331	56,331	56,331
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		57,353	57,383	56,331	56,331	56,331	56,331	56,331	56,331	56,331
Total number of households	5	**57,353**	**57,383**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		18,044	19,238	118,730	131,968	131,968	131,968	157,163	180,737	207,848
Sanitation (free sanitation service to indigent households)		7,662	8,122	4,558	4,827	4,827	4,827	–	–	–
Electricity/other energy (50kwh per indigent household per month)		6,741	7,145	2,195	2,363	2,363	2,363	2,407	2,453	2,499
Refuse (removed once a week for indigent households)		2,616	2,773	3,080	3,265	3,265	3,265	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**35,063**	**37,278**	**128,564**	**142,423**	**142,423**	**142,423**	**159,570**	**183,190**	**210,347**

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		367,505	5,483	199	391,617	391,617	391,617	415,114	440,021	466,422
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**367,505**	**5,483**	**199**	**391,617**	**391,617**	**391,617**	**415,114**	**440,021**	**466,422**

3.29 Revenue Enhancement and Protection Strategies

(i) MUNICIPAL PROPERTY RATES

The Municipality implemented the Local Government: Municipal Property Rates Act (MPRA) on 1 July 2008 following the original publication of the valuation roll in February 2008. Key activities since publication have been the processing of objections and queries to the roll, publishing of four supplementary rolls in the first financial year, with a target of three supplementary rolls per year thereafter.

(ii) COUNCIL DEBT REDUCTION

The objective of this programme is to reduce municipal debt by actively reviewing and implementing a council credit control and debt management policy. The implementation of this policy will include the following:

- The consolidation of all debts owing in respect of electricity, water, and rates onto one account;
- The consolidation of arrears amounts gives council more leverage to pursue recovery action against non-paying consumers;
- The stratification of the total outstanding debtors into government, commercial, residential, and vacant land;

Each category has different collection strategies:

- All debts in excess of R20 000 are handed over to a newly appointed panel of attorneys for collection;
- Judgement will be taken on all ratepayers that owe more than R20 000 via the high court, in terms of the sale in execution process;
- Council properties are being investigated and rates outstanding allocated to respective departments;
- Active attention to government debt by arranging meetings with government officials regularly and disconnecting services for non-payment if necessary; and
- Unallocated debt write-offs.

3.30 Municipal consumer debt position

The objective of this programme is to reduce municipal debt by actively reviewing and implementing a council credit control and debt management policy. The implementation of this policy will include the following:

- The consolidation of all debts owing in respect of electricity, water, and rates onto one account;
- The consolidation of arrears amounts gives council more leverage to pursue recovery action against non-paying consumers;
- The stratification of the total outstanding debtors into government, commercial, residential, and vacant land;

Council has appointed a panel of 7 attorneys & 2 debt collectors to collect outstanding arrears from debtors. The Municipal Manager has formed a Debt Recovery Task Team that meets every Tuesdays to discuss challenges with all relevant departments in terms of debt recovery. Our credit control policy is reviewed annually to close the loop holes and any gaps that were identified during the past financial year. We have also improved our indigent registration in order to better manage the accounts of low income earners such that the income threshold was increased to R3500.00 so that the majority of the poorest of the poor are catered for and those who cannot afford to settle their debts in excess of the free basic service, their meters are being changed to prepaid.

TABLE 51: CONSUMER DEBT POSITION

	2013	2014	2015
Government	134 123 488.65	148 595 859.00	145 066 596.00
Business	300 177 979.00	312 907 801.00	396 099 020.00
Residential	894 426 367.77	933 268 060.00	1 152 833 657.00
Other	158 482 109.71	159 521 729.00	168 262 823.00
	1 487 211 958.13	**1 554 295 463.00**	**1 862 264 111.00**
% increase		**5%**	**20%**

Debtors balance as at 30 June 2015.

Gross – 1 552 747 127 Impairment – (801 836 140) Net R 750 910 987

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2015							
EXTERNAL LOANS	ACCOUNT NO	LOAN NUMBER	REDEEMABLE	BALANCE AT 30/06/14	RECEIVED DURING THE PERIOD	REDEEMED WRITTEN OFF DURING THE PERIOD	BALANCE AT 30/06/15
	LONG-TERM LOANS			R	R	R	R
DBSA - 15.5%	PMB8108710930	11158	30/09/2018	7 054 752		1 186 945	5 867 807
DBSA - 15.5%	PMB8108710930	11159	31/03/2019	9 180 381		1 333 492	7 846 889
DBSA - 15.5%	PMB8108710930	11160	31/03/2019	7 824 029		1 136 476	6 687 554
DBSA - 16.5%	PMB8108710930	13446	31/03/2020	15 963 485		1 728 234	14 235 251
DBSA - 16.5%	PMB8108710930	13447	31/03/2020	6 804 608		736 678	6 067 930
DBSA - 16.5%	PMB8108710930	13448	31/03/2020	10 075 131		1 090 750	8 984 381
DBSA - 14.27%	PMB8108710930	14039/101	31/12/2014	4 897 388		4 897 388	-
DBSA - 14.27%	PMB8108710930	14039/102	31/12/2015	350 342		225 866	124 476
DBSA - 14.27%	PMB8108710930	102091	11/02/2020	3 440 475		1 813 633	1 626 842
DBSA - 14.27%	PMB8108710930	102416	28/06/2021	32 126 551		368 776	31 757 776
DBSA - 9.31%	PMB8108710930	101922	30/09/2020	15 249 766		3 278 229	11 971 537
DBSA - 8.7%	PMB8108710930	102797	30/09/2022	64 131 438		5 369 697	58 761 741
DBSA - 10.79%	PMB8108710930	103059/1	30/09/2023	50 928 210		3 297 096	47 631 115
DBSA - 6.75%	PMB8108710930	103059/2	30/09/2023	11 866 022		927 282	10 938 740
DBSA -12.02%	PMB8108710930	103594/1	31/12/2024	96 129 687		4 955 644	91 174 044
DBSA - 6.75%	PMB8108710930	103594/2	31/12/2024	29 844 353		2 034 003	27 810 350
DBSA - 12.10%	PMB8108710930	103721	31/03/2025	173 652 812		8 466 393	165 186 420
DBSA - 9.19%	PMB8108710930	61007262	31/03/2025	-	100 000 000	3 359 031	96 640 969
DBSA Total				**539 519 432**	**100 000 000**	**46 205 612**	**593 313 820**

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2015							
EXTERNAL LOANS	ACCOUNT NO	LOAN NUMBER	REDEEMABLE	BALANCE AT 30/06/14	RECEIVED DURING THE PERIOD	REDEEMED WRITTEN OFF DURING THE PERIOD	BALANCE AT 30/06/15
LONG-TERM LOANS				R	R	R	R
Total Long-term Loans				**539 519 432**	**100 000 000**	**46 205 612**	**593 313 820**
LEASE LIABILITY							
Nedbank - 10.000%	PMB 810 871 0974	Nedbank 10	31/12/2014	43 990		43 990	-
Nedbank - 10.000%	PMB 810 871 0975	Nedbank 11	24/12/2014	43 990		43 990	-
Nedbank - 10.500%	PMB 810 871 0976	Nedbank 12	31/12/2017	819 122		250 024	569 098
Ekhwelo Business Solutions - 14.36%	PMB 810 871 0935		31/01/2017	3 098 861		56 716	3 042 145
Nedbank Total				**4 005 963**	**-**	**394 720**	**3 611 243**
Total lease liability				**4 005 963**	**-**	**394 720**	**3 611 243**
TOTAL EXTERNAL LOANS				**543 525 395**	**100 000 000**	**46 600 331**	**596 925 064**

3.31 Revenue through grants and subsidies

The following table summarises the unspent conditional grants for the Msunduzi Municipality. It must be noted that some grants straddle multiple financial years, owing to the fact that municipal and provincial financial years differ.

TABLE 52: UNSPENT CONDITIONAL GRANTS

DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2015								
Account Description	Unspent balance @ 01 July 2014	Transfers	Inter project/vote transfer/trf to subsidies	Funds paid back to National Treasury	Funds paid back to grant funder	Current year interest earned	Current year receipts	Unspent balance @ 30 June 2015
GRANT COMMUNITY DEVELOPMENT WORKERS	-722.49	722.49						-
NATIONAL GRANT - MSIG	-291 976.80	1 225 976.80					-934 000.00	-
FINANCE MANAGEMENT GRANT	-	1 600 000.00					-1 600 000.00	-
UNSPENT CONDITIONAL GRANT - MIG	-11 937 970.29	163 157 418.67		11 937 970.00			-163 158 000.00	-581.62
TRANSPORTATION GRANT - N.T.	-95 643 464.79	109 480 328.34		48 318 595.00			-100 059 425.63	-37 903 967.08

DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2015

Account Description	Unspent balance @ 01 July 2014	Transfers	Inter project/vote transfer/trf to subsidies	Funds paid back to National Treasury	Funds paid back to grant funder	Current year interest earned	Current year receipts	Unspent balance @ 30 June 2015
NT - NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	-5 893 233.33	20 195 024.27		5 893 233.00			-29 500 000.00	-9 304 976.06
UNSPENT CONDITIONAL GRANT - PHB	-37 200 815.27	10 148 250.13				-357 137.46	-151 416.36	-27 561 118.96
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME - NT	-106 884 506.19	82 151 025.57		1 388 205.00			-2 000 000.00	-25 345 275.62
ELECT.DEMAND SIDE MGT GRANT - NT	-2 019 541.20			2 019 541.20				-
NT-MUNICIPAL WATER SERVICE INFRAST (MWIG)	-9.92	11 389 009.92					-11 389 000.00	-
	-259 872 240.28	**399 347 756.19**	**-**	**69 557 544.20**	**-**	**-357 137.46**	**-308 791 841.99**	**-100 115 919.34**
COGTA - URBAN RENEWAL	-	5 809 799.70					-8 000 000.00	-2 190 200.30
PG:COMMUNITY COMMUNICATION INITIATIVE	-621.08	621.08						-
LIBRARY UNSPENT CONDITIONAL GRANT - PROVINCE	-8 609 905.93	24 584 505.55	6 617 947.70			-1 014 114.63	-22 218 000.00	-639 567.31
TRANSPORTATION GRANT - PROVINCE	-2 962.75	2 962.75						-
COGTA - SANITATION BUCKET ERADICATION	-3 534.55	3 534.55						0.00
COGTA - EPW PROJECT	-1 584.55	2 783 584.55					-2 782 000.00	-
PREMIER OFF. - OPERATION DLULISUMLANDO	-1 500 000.00	500 000.00					-500 000.00	-1 500 000.00
ALEXANDRA PARK ATHLETIC TRACK	-19 074.51	19 074.51						-
PROV - DEPT OF SPORTS & REC - WADLEY STDM	-121 000.00	121 000.00						-
ELECTRICITY GRANTS - COGTA	-8 932 074.55	9 188 454.12				-361 800.08		-105 420.51

DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2015

Account Description	Unspent balance @ 01 July 2014	Transfers	Inter project/vote transfer/trf to subsidies	Funds paid back to National Treasury	Funds paid back to grant funder	Current year interest earned	Current year receipts	Unspent balance @ 30 June 2015
KZNPT - NHLALAKAHLE ELECTRIFICATION	-	4 650 012.62					-4 650 012.62	-
MARKET GRANTS - COGTA	-6 903 477.70	6 076 647.68	560 000.00			-194 600.20		-461 430.22
COGTA - MASSIFICATION	-	4 374 713.08				-97 713.08	-4 277 000.00	-
GRANT - WATER SERVICE DELIVERY PLANNING	-241.84	241.84						0.00
	-26 094 477.46	58 115 152.03	7 177 947.70	-	-	-1 668 227.99	-42 427 012.62	-4 896 618.34
UNSPENT CONDITIONAL GRANTS : LIBRARY EXTERNAL	-51 638.34	1 867.00			49 938.96	-167.62		0.00
E/DALE LAND LEGAL	-131 287.00	132 921.70				-1 634.70		0.00
E/DALE PVT LAND LEGAL	-3 222 859.02	31 164 626.16				-783 574.12	-29 970 202.19	-2 812 009.17
GRANT DEPT OF ARTS & CULTURE	-106 912.44	988 070.14				-20 959.96	-862 000.00	-1 802.26
GRANT - YOUTH ADVISORY COUNCIL	-35 420.00	35 420.00						-
COGTA - RENOVATION : PUBLICITY HOUSE	-1 417 165.94	1 977 166.00	-560 000.00			-27 780.85		-27 780.79
GRANT - SPOORNET	-382 076.54					-21 304.46		-403 381.00
	-5 347 359.28	**34 300 071.00**	**-560 000.00**	**-**	**49 938.96**	**-855 421.71**	**-30 832 202.19**	**-3 244 973.22**
	-291 314 077.02	**491 762 979.22**	**6 617 947.70**	**69 557 544.20**	**49 938.96**	**-2 880 787.16**	**-382 051 056.80**	**-108 257 510.90**

The following table summarises the grants for the current and two out-lying financial years. These figures also indicate 'in kind' allocations, where the grantor pays service providers directly.

TABLE 53: LIST OF GRANTS AND TRANSFERS

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	**Ref**	**2013/14**	**2014/15**	**2015/16**	**Current Year 2016/17**			**2017/18 Medium Term Revenue & Expenditure Framework**		
R thousand		**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2017/18**	**Budget Year +1 2018/19**	**Budget Year +2 2019/20**
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**377,234**	**475,437**	**437,999**	**458,705**	**461,581**	**461,581**	**519,750**	**551,828**	**594,131**
Local Government Equitable Share		354,313	373,541	395,786	432,307	432,307	432,307	468,430	507,022	544,646
Finance Management		1,550	1,600	1,600	1,625	1,625	1,625	1,700	1,700	1,700
Municipal Systems Improvement		245	808	482						
EPWP Incentive		1,874	2,784	4,032	6,809	6,809	6,809	8,022		
Water Services Operating Subsidy		5,391	1,762							
Public Transport Infrastracture		–	88,849	27,408				21,001	21,553	26,657
Energy Efficiency and Demand Management					8,000	–	–			
Operating costs-MIG		10,350	6,093	8,690	9,964	20,840	20,840	20,596	21,554	21,128
Neighbourhood Development Partnership Technical ass		3,512								
Provincial Government:		**70,887**	**43,754**	**28,157**	**10,786**	**10,786**	**10,786**	**22,661**	**15,136**	**15,136**
Provincial Government:		35,774	3							
Expanded Public Works Grant		1,874	–	–						
Sport and Recreation		–	60	–						
Health		6,242								
Human Settlements		12,198	19,310	11,225				8,025		
Arts and Culture- Community Library Services		–	7,450	6,618	581	581	581	14,636	15,136	15,136
Arts and Culture- Provincialisation		14,800	16,231	9,940	9,805	9,805	9,805			
Arts and Culture-Museum Subsidies		–	478	268	400	400	400			
COGTA		–	222	106						
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(insert description)										
Other grant providers:		–	413	–	–	–	–	–	–	–
Developer Contribution			413							
Total Operating Transfers and Grants	**5**	**448,122**	**519,604**	**466,156**	**469,491**	**472,367**	**472,367**	**542,411**	**566,964**	**609,267**

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Transfers and Grants										
National Government:		**198,921**	**299,283**	**270,402**	**447,515**	**424,639**	**424,639**	**447,745**	**386,718**	**380,695**
Municipal Infrastructure Grant (MIG)		155,719	157,065	182,668	180,653	169,777	169,777	180,543	190,743	204,162
Public Transport and Systems		17,695	20,634	18,140	200,031	180,031	180,031	189,012	93,974	95,532
Neighbourhood Development Partnership		707	20,195	10,231	22,110	22,110	22,110	40,000	30,000	30,000
Dept of Mineral/Electricty		5,704	9,188							
Intergrated National Electrification Porgramme		17,504	82,151	8,771	8,000	8,000	8,000		7,000	10,000
Municipal Systems Improvement		353	417	415						
Municipal Water Infrastructure Grant		1,239	9,631	50,176	36,721	36,721	36,721	38,191	65,000	41,000
Energy Efficiency and Demand Manaagement						8,000	8,000			
Provincial Government:		**47,262**	**57,176**	**28,696**	**19,899**	**34,735**	**34,735**	**8,867**	**5,467**	**5,467**
Airport Development Project		14,198	–	10,986						
Sport and Recreation		2,384	80							
KZNPA		774	5,182	1,004						
Arts and Culture-Museum Subsidies		4,057	8,865	3,635	9,510	9,634	9,634	5,467	5,467	5,467
COGTA		3,324	18,016	2,466						
Human Settlement		22,524	25,032	10,605	10,389	25,102	25,102	3,400		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(insert description)										
Other grant providers:		**–**	**–**	**4,386**	**–**	**–**	**–**	**–**	**–**	**–**
SANEDI				4,386						
Total Capital Transfers and Grants	**5**	**246,183**	**356,459**	**303,484**	**467,414**	**459,374**	**459,374**	**456,612**	**392,185**	**386,162**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**694,304**	**876,063**	**769,640**	**936,905**	**931,741**	**931,741**	**999,023**	**959,149**	**995,428**

3.32 Preservation of municipal infrastructure assets (o & m)

At the meeting of the full council held on the 9th of December 2015, it was resolved that an Asset Steering Committee be implemented and be driven a strategic level as this is informed by the strategic importance of infrastructure in terms of service delivery. The Asset Steering Committee has been appointed to undertake the following duties;

- To embed, integrate, monitor, support and report on the development and implementation of Asset Management Practices within the Municipality.
- To drive and implement sustainable asset management across council
- To increase awareness of the importance of integrated service planning and asset management across the organisation
- To ensure compliance with COGTA guidelines for infrastructure Assets Management in local Government
- To work in unison with the development Services Department to create and implement integrated opportunities for asset management and service planning.

The asset register has been updated with all movable and immovable assets, including investment property, and is in compliance with all applicable standards of GRAP. The verification, conditional assessment, and revaluation of infrastructure assets have been done and updated in the asset register in compliance with Grap 17. No impairment reports have been made to date. Movable assets are verified on an annual basis. The asset register is updated, on a monthly basis, with asset acquisitions (movable and immovable), disposals, and movements.

TABLE 54: REPAIRS AND MAINTENANCE COSTS

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE OTHER ITEMS										
Depreciation	7	453,332	481,107	554,292	506,103	506,103	506,103	536,470	568,658	602,777
Repairs and Maintenance by Asset Class	**3**	**139,060**	**193,317**	**162,844**	**171,344**	**171,344**	**171,344**	**277,871**	**292,751**	**310,519**
Roads Infrastructure		7,094	8,642	47,029	41,854	41,854	41,854	41,095	53,230	58,961
Storm water Infrastructure		–	–	–	–	–	–	10,080	3,307	3,595
Electrical Infrastructure		47,899	50,624	50,160	35,104	35,104	35,104	129,210	134,000	140,588
Water Supply Infrastructure		1,554	17,375	15,460	18,423	18,423	18,423	17,885	19,673	21,050
Sanitation Infrastructure		502	5,936	6,125	32,562	32,562	32,562	7,833	8,381	9,052
Solid Waste Infrastructure		–	3,485	8,472	7,399	7,399	7,399	–	–	–
Rail Infrastructure		–	–	–	–	–	–	1,500	1,750	2,000
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**57,050**	**86,063**	**127,246**	**135,342**	**135,342**	**135,342**	**207,603**	**220,342**	**235,246**
Community Facilities		–	9,446	17,218	13,455	13,455	13,455	19,024	19,991	21,005
Sport and Recreation Facilities		–	15,000	–	–	–	–	21,822	22,788	21,552

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Community Assets		–	24,446	17,218	13,455	13,455	13,455	40,846	42,778	42,557
Heritage Assets		**46,220**	**38,222**	**18,379**	**–**	**–**	**–**	**1,053**	**1,106**	**1,161**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		1,722	14,627	–	18,106	18,106	18,106	12,510	12,399	11,476
Housing		–	–	–	4,441	4,441	4,441	–	–	–
Other Assets		**1,722**	**14,627**	**–**	**22,547**	**22,547**	**22,547**	**12,510**	**12,399**	**11,476**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	**7,900**	**7,950**	**9,660**
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**7,900**	**7,950**	**9,660**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**5,280**	**5,414**	**7,144**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**483**	**549**	**964**
Machinery and Equipment		**22,449**	**11,658**	**–**	**–**	**–**	**–**	**953**	**1,001**	**1,051**
Transport Assets		**11,618**	**18,301**	**–**	**–**	**–**	**–**	**1,242**	**1,213**	**1,260**
Libraries		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL EXPENDITURE OTHER ITEMS		**592,392**	**674,424**	**717,135**	**677,447**	**677,447**	**677,447**	**814,340**	**861,409**	**913,296**

3.33 Current and planned borrowing

The Municipality has not taken any new external loans since 2010. The following table summarises the status of borrowing as at 30 June 2015, which totalled an amount of R 596 925 064.00

TABLE 55: STATUS OF BORROWING

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2015							
EXTERNAL LOANS	ACCOUNT NO	LOAN NUMBER	REDEEMABLE	BALANCE AT 30/06/14	RECEIVED DURING THE PERIOD	REDEEMED WRITTEN OFF DURING THE PERIOD	BALANCE AT 30/06/15
LONG-TERM LOANS				R	R	R	R
DBSA - 15.5%	PMB8108710930	11158	30/09/2018	7 054 752		1 186 945	5 867 807
DBSA - 15.5%	PMB8108710930	11159	31/03/2019	9 180 381		1 333 492	7 846 889

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2015							
EXTERNAL LOANS	ACCOUNT NO	LOAN NUMBER	REDEEMABLE	BALANCE AT 30/06/14	RECEIVED DURING THE PERIOD	REDEEMED WRITTEN OFF DURING THE PERIOD	BALANCE AT 30/06/15
LONG-TERM LOANS				R	R	R	R
DBSA - 15.5%	PMB8108710930	11160	31/03/2019	7 824 029		1 136 476	6 687 554
DBSA - 16.5%	PMB8108710930	13446	31/03/2020	15 963 485		1 728 234	14 235 251
DBSA - 16.5%	PMB8108710930	13447	31/03/2020	6 804 608		736 678	6 067 930
DBSA - 16.5%	PMB8108710930	13448	31/03/2020	10 075 131		1 090 750	8 984 381
DBSA - 14.27%	PMB8108710930	14039/101	31/12/2014	4 897 388		4 897 388	-
DBSA - 14.27%	PMB8108710930	14039/102	31/12/2015	350 342		225 866	124 476
DBSA - 14.27%	PMB8108710930	102091	11/02/2020	3 440 475		1 813 633	1 626 842
DBSA - 14.27%	PMB8108710930	102416	28/06/2021	32 126 551		368 776	31 757 776
DBSA - 9.31%	PMB8108710930	101922	30/09/2020	15 249 766		3 278 229	11 971 537
DBSA - 8.7%	PMB8108710930	102797	30/09/2022	64 131 438		5 369 697	58 761 741
DBSA - 10.79%	PMB8108710930	103059/1	30/09/2023	50 928 210		3 297 096	47 631 115
DBSA - 6.75%	PMB8108710930	103059/2	30/09/2023	11 866 022		927 282	10 938 740
DBSA -12.02%	PMB8108710930	103594/1	31/12/2024	96 129 687		4 955 644	91 174 044
DBSA - 6.75%	PMB8108710930	103594/2	31/12/2024	29 844 353		2 034 003	27 810 350
DBSA - 12.10%	PMB8108710930	103721	31/03/2025	173 652 812		8 466 393	165 186 420
DBSA - 9.19%	PMB8108710930	61007262	31/03/2025	-	100 000 000	3 359 031	96 640 969
DBSA Total				**539 519 432**	**100 000 000**	**46 205 612**	**593 313 820**
Total Long-term Loans				**539 519 432**	**100 000 000**	**46 205 612**	**593 313 820**
LEASE LIABILITY							
Nedbank - 10.000%	PMB 810 871 0974	Nedbank 10	31/12/2014	43 990		43 990	-
Nedbank - 10.000%	PMB 810 871 0975	Nedbank 11	24/12/2014	43 990		43 990	-
Nedbank - 10.500%	PMB 810 871 0976	Nedbank 12	31/12/2017	819 122		250 024	569 098
Ekhwelo Business Solutions - 14.36%	PMB 810 871 0935		31/01/2017	3 098 861		56 716	3 042 145
Nedbank Total				**4 005 963**	**-**	**394 720**	**3 611 243**
Total lease liability				**4 005 963**	**-**	**394 720**	**3 611 243**
TOTAL EXTERNAL LOANS				**543 525 395**	**100 000 000**	**46 600 331**	**596 925 064**

3.34 Municipal credit rating

The following table summarises the municipal credit rating of the Municipality from 2008 to 2012.

TABLE 56: MUNICIPAL CREDIT RATING STATUS FOR 2008 TO 2012

	2012	2011	2010	2009	2008
Short-term	A3	A3	A3	A1-	A1-
Long-term	BBB	BBB	BBB	A	A

In terms of these gradings, the following is noted:

- An A3 grade is a "satisfactory" grade, which indicates that there is satisfactory liquidity and other protection factors qualify issues as to investment grade. However, risk factors are larger and subject to greater variation.
- A BBB rating relates to the claims paying ability rating scale. A 'BBB' rating indicates adequate claims paying ability. Protection factors are adequate, although there is considerable variability in risk over time due to economic and/or underwriting conditions.

3.35 EMPLOYEE- RELATED COSTS TO TOTAL EXPENDITURE (INCLUDING COUNCILLOR ALLOWANCES)

The following table summarises the employee-related costs for the Municipality in terms of actual and budgeted expenditure.

TABLE 57: EMPLOYEE (INCLUDING COUNCILLOR ALLOWANCES) PER FINANCIAL YEAR 2012 – 2016

KZN225 Msunduzi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure By Type											
Employee related costs	2	821,108	881,616	938,283	1,035,660	1,083,226	1,083,226	1,083,226	1,140,659	1,209,107	1,281,653
Remuneration of councillors		37,100	34,657	41,763	43,033	43,033	43,033	43,033	45,185	47,444	49,816
Debt impairment	3	112,679	222,110	92,508	120,815	120,815	120,815	120,815	103,942	110,178	116,789
Depreciation & asset impairment	2	453,332	481,107	554,292	506,103	506,103	506,103	506,103	536,470	568,658	602,777
Finance charges		67,174	71,169	75,095	65,460	67,130	67,130	67,130	62,129	52,804	43,801
Bulk purchases	2	1,453,402	1,586,802	1,799,214	1,936,708	1,963,823	1,963,823	1,963,823	2,073,551	2,192,161	2,324,945
Other materials	8	139,060	193,317	151,360	180,842	49,928	49,928	49,928	85,667	90,807	96,256
Contracted services		21,066	29,698	65,468	35,108	444,777	444,777	444,777	420,405	445,629	472,367
Transfers and subsidies		4,429	11,572	5,911	148,325	148,325	148,325	148,325	8,901	9,346	9,813
Other expenditure	4, 5	489,573	620,296	521,580	380,320	315,756	315,756	315,756	292,109	294,399	312,062
Loss on disposal of PPE		12,291									
Total Expenditure		**3,611,214**	**4,132,346**	**4,245,473**	**4,452,374**	**4,742,917**	**4,742,917**	**4,742,917**	**4,769,018**	**5,020,534**	**5,310,280**

The Treasury norm for employee costs is 30%, and the Msunduzi Municipality is well within this normative figure.

3.36 SUPPLY CHAIN MANAGEMENT (SCM)

The Msunduzi Supply Chain Management (SCM) Unit is a support function for all business units within the Council, to ensure provision of efficient, transparent, fair, equitable, and cost effective procurement services, assisting them to implement their service delivery priorities. In terms of the Municipal Finance Management Act's SCM regulations, the SCM unit is established to implement the SCM policy adopted by Council. It operates under the direct supervision of the Chief Financial Officer (CFO) or an official to whom this duty has been delegated, in terms of Section 82 of the Act. Core functions include demand management, acquisition management, logistics management, disposal management, SCM risk management, and performance management.

The SCM Policy was adopted by Council on 29 September 2011, in terms of the SCM Regulations 3 (1)(a), and was implemented immediately thereafter. Further review of the SCM policy was done in December 2011, to further align the policy to the Preferential Procurement Regulations (2011) issued in terms of Section 5 of the Preferential Procurement Policy Framework Act (5 of 2000). The SCM policy was again reviewed in September 2012.

An SCM Implementation Plan is developed and implemented annually, with quarterly reports on implementation being submitted to Council.

The Municipality has the following committees established and functional, with appointments being valid for one financial year:

- Bid Specification Committee (BSC)- every Thursday at 09h00;
- Bid Evaluation Committee (BEC)- every Tuesday at 14h00; and
- Bid Adjudication Committee (BAC)- every Thursday at 14h00.

3.37 LONG-TERM FINANCIAL PLAN (LTFP)

(i) INTRODUCTION

Given the purpose of the Municipality, and the service delivery mandates and objectives as summarised in Section 2, the Municipality developed a LTFP to give effect to the above imperatives and challenges, but in a sustainable manner and without reverting/deteriorating into a state of financial constraint again.

The LTFP will be reviewed on an annual basis, and ideally all future budgets and financial planning processes must be aligned to the LTFP. In doing so, the LTFP should also be updated with at least the following information:-

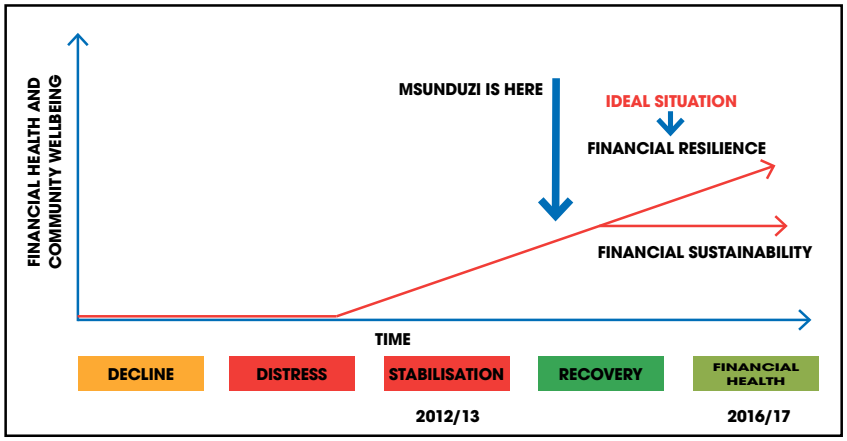
- Any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;
- Any changes in the economic and socio-economic environment, other than previously predicted, which may influence the financial status of the Municipality;
- Any changes in the revenue base or composition which may have an impact on the financial viability of the Municipality;
- Any changes in the National or Municipal priorities as previously identified; and
- Any factors which may have an impact on the ability to implement previously identified projects.

The Msunduzi LTFP takes cognisance of the following additional factors:

- **A collaborative and visionary process.** The LTFP does not just forecast the status quo into the future, but considers different possible scenarios and involves all stakeholders, elected officials, line departments, and the public to help identify financial issues, develop consensus strategies, and ensure a successful implementation.
- **A combination of technical analysis and strategizing.** Long-term forecasts and analysis are used to identify long-term imbalances, and financial strategies are developed to counteract these imbalances or inequities.

- **An anchor of financial sustainability and policy development.** The plan develops big-picture and long-term thinking among elected and appointed Officials, and also aims to ensure alignment and credibility of the IDP.
- **Long-term in nature.** The plan should cover between five and ten years, but some components take a longer view. For example, the plan may include a 20-year forecast of infrastructure needs. In this regard, the key is to match this time horizon with the financial strategies of the Municipality.
- **Aligned to the Financial Recovery Plan.** The LTFP is not intended to replace the FRP, but to rather supplement the FRP and the MTREF Budget of the Municipality.

FIGURE 17: Long-Term Financial Plan



Given the above, Msunduzi, therefore has moved from a point of financial constraint and has to ensure that it attains financial wealth, thereby improving Improving service delivery in the Community it serves

This can only be done in the medium- to long-term, and the measure of success for Msunduzi in terms of the LTFP would be for Msunduzi to ensure that the Council's long-term financial performance and position is sustainable. This will be achieved when planned long-term service delivery and infrastructure levels and standards are met:

- Without unplanned or sporadic increases in rates and tariffs; and /or
- There is no disruption or cuts to services or service delivery due to lack of infrastructure management and old or ageing infrastructure.
- From a policy perspective, the LTFP is aimed at ensuring that the Municipality has sufficient and cost-effective funding, in order to achieve its long-term objectives through the implementation of the medium-term operating and capital budgets. The purpose of this LTFP is therefore to:-
- Ensure that all long-term financial planning is based on a structured and consistent methodology in order to ensure the long-term financial sustainability of Msunduzi;
- Identify assets (including human resources) investment requirements and associated funding sources to ensure the future sustainability of Msunduzi;
- Identify revenue enhancement and cost-saving strategies in order to improve service delivery at affordable rates and tariffs; and
- Identify new revenue sources as funding for future years.

(ii) OBJECTIVES AND PRIORITIES OF THE MUNICIPALITY

The key strategic outcomes of Msunduzi that have been articulated in this IDP, considered and encapsulated in the LTFP include:

- Plan 1: Build a strong institutional and financial base and sustainability;
- Plan 2: Improve quality living environments through basic access to water, sanitation, electricity, waste management, roads, and disaster management;
- Plan 3: Provide safe, healthy, and secure environment (environmental health and public safety);
- Plan 4: Create an environment for economic growth and development, to enhance the Municipal contribution to job creation and sustainable livelihoods through a Local Economic Development Plan;

- Plan 5: Build a cohesive system of governance that translates deepening democracy into a meaningful sense of public participation; and
- Plan 6: Ensure integrated, sustainable spatial planning and development.

The above outcomes are guided by the following principles that also underpin the LTFP to ensure alignment and consistency in all planning processes:

- Ubuntu: Humanity, I am what I am because of who we are
- Hard working: Passionate and committed to one's work
- Competence: Having requisite skills, knowledge, behaviour, and appropriate attitude in executing one's work effectively and efficiently
- Integrity: To maintain and demonstrate good governance honesty

(iii) CURRENT CHALLENGES WITHIN THE MUNICIPALITY

Given the above service delivery and policy imperatives, it would be remiss not to mention the current challenges within Msunduzi, as the LTFP will also be guided by these. However, the LTFP attempts to address these challenges in a holistic and integrated manner, to ensure that service delivery is improved but more importantly, sustained over time.

- **Infrastructure and Asset Management:** Infrastructure Services are provided through Sub-Units for Building and Facilities Management; Electricity; Fleet; Landfill; Project Management Unit; Roads and Transportation; and Water and Sanitation; but there are huge backlogs and capacity constraints.
- **Information Communication and Technology:** The Information Communication and Technology (ICT) Department is responsible for, inter alia, the services of Information Communications and Technology for the entire Municipality. This includes Desktop Support, Hardware Support, Computers and Equipment Purchase, and Maintenance and Management of all Systems in the Municipality. These functions/services will need to be reviewed in light of the strategic direction of the Municipality, as the current arrangements within ICT will not enable optimal service delivery in the future, especially considering that there are 36 legacy systems operating in the Municipality that will need to be updated and integrated into an Enterprise Resource Planning (ERP) System, relevant to the needs of Msunduzi.
- **Economic Development:** The Economic Development Department is seen as the key driver for the development and refinement of the Local Economic Development, land surveys, planning, and environmental management in the Municipality, but planning in the Municipality needs to be further aligned to the National, Provincial and Local imperatives.
- **Powers and Functions:** It should be noted that a number of services are being rendered at significant deficits, and this is due to inappropriate costing of services, inefficiencies in operations, tariff structures, poor management of Staff, etc. The operating model has not been reviewed since the establishment of the Municipality, and will require review to ensure provision of core municipal services and funded mandates.
- **Distribution Losses:** According to the Audited 2010/11 Annual Financial Statements, the Municipality recorded significant electricity and water distribution losses, amounting to R82 million and R75 million in the financial years 2009/10 and 2010/11 respectively.
- **Financial Challenges:** Msunduzi has financial challenges that arise from its institutional arrangements, operations, and administration. Of significance are its declining collection ratios, reducing cash balances, and increase in gross debtors.
- **Backlogs in Service Delivery and Infrastructure:** As per the status quo above.

The Municipality quantified the backlogs for access to new infrastructure and the refurbishment of existing infrastructure, and this is set out below.

TABLE 58: NEW AND REFURBISHMENT OF INFRASTRUCTURE COSTS

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CAPITAL EXPENDITURE										
Total New Assets	**1**	**174,312**	**117,846**	**82,651**	**226,454**	**313,689**	**313,689**	**356,564**	**304,340**	**313,126**
Roads Infrastructure		4,780	607	19,584	6,269	6,269	6,269	211,062	149,389	151,858
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		131,000	20,775	18,105	108,000	153,248	153,248	32,867	32,468	36,491
Water Supply Infrastructure		6,250	5,732	300	11,178	10,578	10,578	54,491	64,165	46,073
Sanitation Infrastructure		2,000	1,829	16,135	600	–	–	40,445	42,467	44,591
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	6,000	6,200	24,410
Coastal Infrastructure		–	–	–	–	–	–	5,800	1,550	1,603
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**144,030**	**28,943**	**54,124**	**126,047**	**170,095**	**170,095**	**350,664**	**296,240**	**305,026**
Community Facilities		–	15,627	–	32,814	54,501	54,501	5,900	8,100	8,100
Sport and Recreation Facilities		–	27,965	28,528	5,700	5,700	5,700	–	–	–
Community Assets		**–**	**43,592**	**28,528**	**38,514**	**60,201**	**60,201**	**5,900**	**8,100**	**8,100**
Heritage Assets		**2,200**	**862**	**–**	**10,889**	**10,889**	**10,889**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		2,822	825	–	–	–	–	–	–	–
Housing		–	7,423	–	–	–	–	–	–	–
Other Assets		**2,822**	**8,248**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	8,762	–	24,026	24,026	24,026	–	–	–
Intangible Assets		**–**	**8,762**	**–**	**24,026**	**24,026**	**24,026**	**–**	**–**	**–**
Computer Equipment		**11,000**	**27,439**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**461**	**461**	**461**	**–**	**–**	**–**
Machinery and Equipment		**550**	**–**	**–**	**22,508**	**42,508**	**42,508**	**–**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Transport Assets		**13,710**	**–**	**–**	**4,010**	**5,510**	**5,510**	**–**	**–**	**–**
Libraries		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Renewal of Existing Assets	**2**	**189,594**	**410,791**	**393,635**	**507,787**	**558,038**	**558,038**	**171,980**	**132,313**	**136,751**
Roads Infrastructure		87,882	116,538	134,019	260,729	260,729	260,729	87,580	63,978	69,594
Storm water Infrastructure		10,500	52,713	82,956	550	550	550	–	–	–
Electrical Infrastructure		4,500	116,132	105,400	80,721	104,721	104,721	38,800	–	–
Water Supply Infrastructure		15,425	–	12,473	46,420	46,420	46,420	23,400	45,070	42,774
Sanitation Infrastructure		34,797	30,221	25,503	17,650	17,650	17,650	3,900	4,095	4,300
Solid Waste Infrastructure		8,091	8,858	755	10,000	10,000	10,000	4,800	5,040	5,292
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**161,194**	**324,463**	**361,107**	**416,069**	**440,069**	**440,069**	**158,480**	**118,183**	**121,959**
Community Facilities		2,800	7,614	10,990	13,540	39,791	39,791	10,100	10,605	11,135
Sport and Recreation Facilities		1,700	17,653	3,146	21,284	21,284	21,284	900	900	900
Community Assets		**4,500**	**25,267**	**14,136**	**34,824**	**61,075**	**61,075**	**11,000**	**11,505**	**12,035**
Heritage Assets		**12,050**	**57,227**	**15,823**	**26,784**	**26,784**	**26,784**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	2,500	2,625	2,756
Housing		9,349	2,692	2,569	25,045	25,045	25,045	–	–	–
Other Assets		**9,349**	**2,692**	**2,569**	**25,045**	**25,045**	**25,045**	**2,500**	**2,625**	**2,756**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**2,500**	**1,142**	**–**	**4,985**	**4,985**	**4,985**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**80**	**80**	**80**	**–**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets	**6**	–	–	–	–	–	–	**98,450**	**86,619**	**83,717**
Roads Infrastructure		–	–	–	–	–	–	46,440	50,935	56,314
Storm water Infrastructure		–	–	–	–	–	–	9,310	6,349	2,401
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	30,000	10,000	4,000
Sanitation Infrastructure		–	–	–	–	–	–	3,900	10,095	11,300
Solid Waste Infrastructure		–	–	–	–	–	–	4,800	5,040	5,292
Rail Infrastructure		–	–	–	–	–	–	4,000	4,200	4,410
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	**98,450**	**86,619**	**83,717**
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	**4**									
Roads Infrastructure		92,662	117,145	153,602	266,998	266,998	266,998	345,082	264,303	277,766
Storm water Infrastructure		10,500	52,713	82,956	550	550	550	9,310	6,349	2,401
Electrical Infrastructure		135,500	136,907	123,505	188,721	257,968	257,968	71,667	32,468	36,491
Water Supply Infrastructure		21,675	5,732	12,773	57,598	56,998	56,998	107,891	119,235	92,847
Sanitation Infrastructure		36,797	32,050	41,638	18,250	17,650	17,650	48,245	56,657	60,190
Solid Waste Infrastructure		8,091	8,858	755	10,000	10,000	10,000	9,600	10,080	10,584
Rail Infrastructure		–	–	–	–	–	–	10,000	10,400	28,820
Coastal Infrastructure		–	–	–	–	–	–	5,800	1,550	1,603
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**305,224**	**353,406**	**415,230**	**542,116**	**610,164**	**610,164**	**607,594**	**501,042**	**510,702**
Community Facilities		2,800	23,241	10,990	46,354	94,291	94,291	16,000	18,705	19,235
Sport and Recreation Facilities		1,700	45,618	31,674	26,984	26,984	26,984	900	900	900
Community Assets		**4,500**	**68,859**	**42,664**	**73,338**	**121,276**	**121,276**	**16,900**	**19,605**	**20,135**
Heritage Assets		**14,250**	**58,090**	**15,823**	**37,673**	**37,673**	**37,673**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		2,822	825	–	–	–	–	2,500	2,625	2,756
Housing		9,349	10,114	2,569	25,045	25,045	25,045	–	–	–
Other Assets		**12,171**	**10,939**	**2,569**	**25,045**	**25,045**	**25,045**	**2,500**	**2,625**	**2,756**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	8,762	–	24,026	24,026	24,026	–	–	–
Intangible Assets		**–**	**8,762**	**–**	**24,026**	**24,026**	**24,026**	**–**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Computer Equipment		**13,500**	**28,581**	**–**	**4,985**	**4,985**	**4,985**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**541**	**541**	**541**	**–**	**–**	**–**
Machinery and Equipment		**550**	**–**	**–**	**22,508**	**42,508**	**42,508**	**–**	**–**	**–**
Transport Assets		**13,710**	**–**	**–**	**4,010**	**5,510**	**5,510**	**–**	**–**	**–**
Libraries		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE - Asset class		**363,906**	**528,636**	**476,286**	**734,241**	**871,726**	**871,726**	**626,994**	**523,272**	**533,593**
ASSET REGISTER SUMMARY - PPE (WDV)	**5**									
Roads Infrastructure		1,182,581	2,061,831	2,550,778	2,156,530	2,220,246	2,220,246	2,536,781	2,745,485	2,965,537
Storm water Infrastructure										
Electrical Infrastructure		1,302,588	1,297,036	1,700,386	1,614,887	1,614,887	1,614,887	1,563,852	1,466,257	1,364,881
Water Supply Infrastructure		941,979	782,055	1,173,333	972,840	972,840	972,840	939,984	931,828	896,240
Sanitation Infrastructure		604,406	528,280	588,640	564,949	564,949	564,949	561,526	557,453	552,671
Solid Waste Infrastructure		490,689	515,410	579,408	155,783	155,783	155,783	152,937	149,872	146,572
Rail Infrastructure				27,837						
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		**4,522,243**	**5,184,612**	**6,620,383**	**5,464,988**	**5,528,704**	**5,528,704**	**5,755,081**	**5,850,895**	**5,925,902**
Community Facilities		365,265	393,162	390,131	517,012	517,012	517,012	524,420	539,455	553,874
Sport and Recreation Facilities										
Community Assets		**365,265**	**393,162**	**390,131**	**517,012**	**517,012**	**517,012**	**524,420**	**539,455**	**553,874**
Heritage Assets										
Revenue Generating		177,572	230,945	282,710	230,945	230,945	230,945	230,945	230,945	230,945
Non-revenue Generating										
Investment properties		**177,572**	**230,945**	**282,710**	**230,945**	**230,945**	**230,945**	**230,945**	**230,945**	**230,945**
Operational Buildings		1,017,457	1,009,017	246,995	761,742	761,742	761,742	602,937	436,055	258,141
Housing										
Other Assets		**1,017,457**	**1,009,017**	**246,995**	**761,742**	**761,742**	**761,742**	**602,937**	**436,055**	**258,141**
Biological or Cultivated Assets		**362,882**	**382,805**		**356,914**	**356,914**	**356,914**	**356,914**	**356,914**	**356,914**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Servitudes										
Licences and Rights		2,267	17,212		27,283	27,283	27,283	48,733	73,283	98,556
Intangible Assets		**2,267**	**17,212**	**–**	**27,283**	**27,283**	**27,283**	**48,733**	**73,283**	**98,556**
Computer Equipment										
Furniture and Office Equipment		**46,520**	**44,831**	**75,086**	**46,520**	**46,520**	**46,520**	**46,190**	**41,286**	**35,318**
Machinery and Equipment		**872**	**438,924**							
Transport Assets										
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,495,079**	**7,701,507**	**7,615,306**	**7,405,404**	**7,469,120**	**7,469,120**	**7,565,219**	**7,528,833**	**7,459,649**
EXPENDITURE OTHER ITEMS										
Depreciation	**7**	**453,332**	**481,107**	**554,292**	**506,103**	**506,103**	**506,103**	**536,470**	**568,658**	**602,777**
Repairs and Maintenance by Asset Class	**3**	**139,060**	**193,317**	**162,844**	**171,344**	**171,344**	**171,344**	**277,871**	**292,751**	**310,519**
Roads Infrastructure		7,094	8,642	47,029	41,854	41,854	41,854	41,095	53,230	58,961
Storm water Infrastructure		–	–	–	–	–	–	10,080	3,307	3,595
Electrical Infrastructure		47,899	50,624	50,160	35,104	35,104	35,104	129,210	134,000	140,588
Water Supply Infrastructure		1,554	17,375	15,460	18,423	18,423	18,423	17,885	19,673	21,050
Sanitation Infrastructure		502	5,936	6,125	32,562	32,562	32,562	7,833	8,381	9,052
Solid Waste Infrastructure		–	3,485	8,472	7,399	7,399	7,399	–	–	–
Rail Infrastructure		–	–	–	–	–	–	1,500	1,750	2,000
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**57,050**	**86,063**	**127,246**	**135,342**	**135,342**	**135,342**	**207,603**	**220,342**	**235,246**
Community Facilities		–	9,446	17,218	13,455	13,455	13,455	19,024	19,991	21,005
Sport and Recreation Facilities		–	15,000	–	–	–	–	21,822	22,788	21,552
Community Assets		**–**	**24,446**	**17,218**	**13,455**	**13,455**	**13,455**	**40,846**	**42,778**	**42,557**
Heritage Assets		**46,220**	**38,222**	**18,379**	**–**	**–**	**–**	**1,053**	**1,106**	**1,161**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		1,722	14,627	–	18,106	18,106	18,106	12,510	12,399	11,476
Housing		–	–	–	4,441	4,441	4,441	–	–	–
Other Assets		**1,722**	**14,627**	**–**	**22,547**	**22,547**	**22,547**	**12,510**	**12,399**	**11,476**
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	7,900	7,950	9,660
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**7,900**	**7,950**	**9,660**
Computer Equipment		–	–	–	–	–	–	**5,280**	**5,414**	**7,144**
Furniture and Office Equipment		–	–	–	–	–	–	**483**	**549**	**964**
Machinery and Equipment		**22,449**	**11,658**	**–**	**–**	**–**	**–**	**953**	**1,001**	**1,051**
Transport Assets		**11,618**	**18,301**	**–**	**–**	**–**	**–**	**1,242**	**1,213**	**1,260**
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**592,392**	**674,424**	**717,135**	**677,447**	**677,447**	**677,447**	**814,340**	**861,409**	**913,296**

In summary, the Municipality has determined that the total backlog for access to new infrastructure amounts to approximately R5.9 billion. The Municipality highlighted that approximately R436 million is required to address the backlog in an incremental manner, whilst the annual funding required to address existing refurbishments amounts to R1 billion. In total, approximately R1.5 billion will be required annually to address these challenges.

Again, the Municipality should undertake a detailed exercise to confirm the service delivery backlogs, and future IDP's and Budgets should cater for these on a prioritised basis. It should be noted that these backlogs are unlikely to be resolved in the short-term given Msunduzi's financial and institutional challenges, and this should at least be communicated to Communities or alternate funding sources should be investigated.

In going forward, the Municipality must therefore ensure that all future IDP's include a realistic financial plan (this LTFP updated on an annual basis after approval), covering a longer term period, to indicate how and when backlogs and other projects will be financed, whilst working towards achieving financial sustainability.

This LTFP attempts to make provision for funds to be available to address some of the backlog in the medium- to long-term.

(iv) KEY DRIVERS FOR THE LTFP

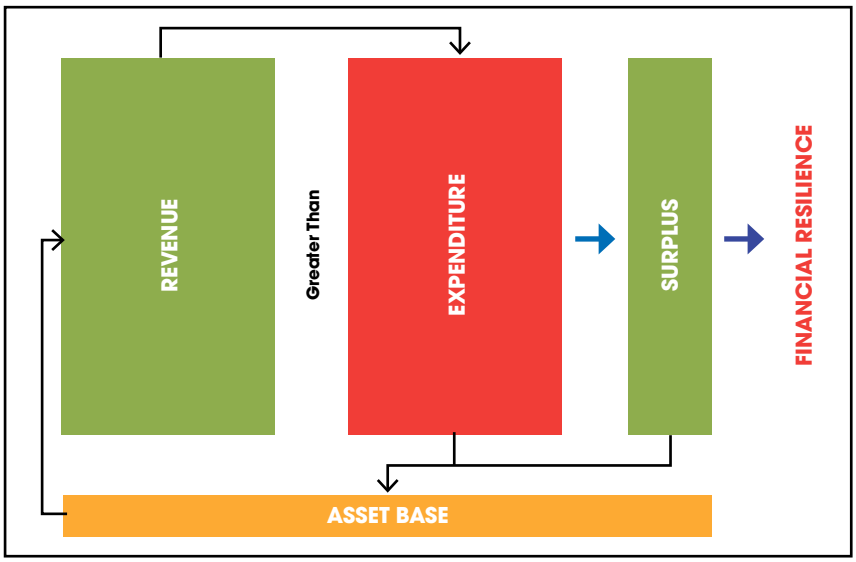
An analysis of the Municipality's balance sheet reveals a significant number of infrastructure assets, such as roads, stormwater drainage, water and sewer networks, electricity networks, buildings, etc to the value of R6.4 billion, as at 30 June 2011.

Due to the nature of these assets and the utilisation thereof, they require regular maintenance before eventually being renewed or replaced, and it is therefore important that Msunduzi implements appropriate strategies so that the cost of the asset maintenance and renewal programmes is fairly and equitably funded between current and future users. This process, known as intergenerational equity, must ensure that each generation 'pays their way' and meets the cost of the services and community assets they consume.

To ensure that Council's long-term strategies are effective, it is important to be able to measure performance against such strategies, and in the interests of intergenerational equity it is also important that current users pay for services consumed in such a manner that at least a surplus is generated to fund replacement or renewal (in the future) of currently-used assets. In addition, a surplus is critical to fund expansion of service delivery through access to new infrastructure.

The Municipality's long-term financial sustainability is, in effect, dependent upon ensuring that, on average, its expenses are less than its associated revenues, and that adequate funds are directed at maintaining, growing, and enhancing the asset base of the Municipality, in particular the revenue generating assets of the Municipality. Interdependencies are illustrated below:

FIGURE 18: Interdependencies



Therefore, and to give effect to the LTFP, the following key ratios have been specifically selected to drive the future strategies, policies, operations, and planning of the Municipality.

The Long-term Financial Plan is drafted with the following framework and outcomes in mind:

- Remain consistent with the Municipality's current IDP and Priorities;
- To increase current service levels and standards;
- To increase Municipal credit rating without compromising its sustainability, or the viability of its asset base;
- To provide for an asset replacement program over a ten year period to maintain the Municipality's infrastructure at acceptable service standards, with no large backlog of services;
- To create a surplus in the medium-term (2012/13 MTREF Budget), restructure existing loans, and in the long-term (2015/16 MTREF Budget) externally borrow monies to fund new and upgrade assets, rather than purely grant funding, noting that the Municipality will need to have sufficient cash to make payments when due;
- To increase revenue collection and revenue base;
- To optimise internal operations with a view to focus on increasing and sustaining its asset base and service delivery Departments;
- The Plan is a moving document and will be reviewed on an annual basis and updated on an on-going three-to-five year basis, and the Plan will be updated to incorporate any future Council decisions on policy, priorities, new initiatives, or strategic direction; and
- Ensure that all surplus and reserves are cash-backed.

(v) FINANCIAL STRATEGIES OVER THE LONG-TERM

The Municipality has various strategies at its disposal to effect the changes needed for viability and sustainability, but not all could be considered due to its limited cashflow and institutional capacity.

Further, and due to the long-term nature of some of the strategies identified, the focus in the short-term adopted the Pareto Principle (20% of activities that will contribute 80% to the successful implementation of the Plan), ensuring that the strategies adopted will have the greatest impact and can be done within the financial and human resources capacity and capability at Msunduzi.

It should be noted that any other strategies not immediately addressed in this Plan should still be addressed in the long-term, and should not be ignored to enable a holistic, integrated, and multi-pronged change to the financial and service delivery success of Msunduzi.

The strategies had to therefore ensure that the objective of a financial and service delivery turnaround can be achieved in the shortest possible timeframe, and that they at least addressed the following: -

- Reduction in expenditure on non-essentials and non-core activities, and optimising current spending within the Municipality and ensuring growth, job creation, and value for money;
- Increasing revenue through improved collections and billing efficiencies;
- Enhancing and sustaining the asset and revenue generating base of Msunduzi through proper asset management; and
- Ensuring proper administrative and governance arrangements in place to manage and address the key financial and service delivery challenges of the Municipality.

Given the above, and noting that several strategies have been developed and implemented during the intervention process but the impact of these have not fully materialised, the questions that needs to be asked are whether stabilisation or recovery has been reached at Msunduzi, and what impact this Plan will have on the Municipality, to place it on a revised or new trajectory.

Indeed, and relative to where the Municipality was twelve months ago, it can be concluded that a degree of stabilisation has been reached, but the nature of stabilisation and institutionalisation that has taken place is not anywhere near where it can be described as being sustainable or good enough to be at a point of irreversibility, noting that it would take at least approximately three to five years for the Municipality to fully implement and benefit from this LTFP.

This Plan is therefore critical to achieve the objective of viability and sustainability, as originally envisaged. Further, and as informed by the initial assessments, the following overarching strategies to address the challenges faced by the Municipality are therefore contained in the Plan:-

The combined impacts of these strategies are intended to address core and underlying problems, which precipitated the decline in the first instance.

Successful implementation will also require greater political oversight, and efficient and effective governance arrangements, to drive and sustain the implementation of the service delivery mandate and Community expectations of the Municipality. These strategies are also intended to respond to both basic and complex challenges facing the Municipality.

It is also emphasised that the initial decision of the Demarcation Board, pronouncing that Msunduzi become a Metropolitan Municipality, must also be managed going forward.

It is important to drive this process to conclusion and to ensure that all the conditions necessary for this status to be realised are indeed achieved.

Achieving Metropolitan Status will also unlock additional revenue streams for the Municipality, such as sharing in the distribution of the national fuel levy, and will further assist the Municipality on its path to recovery and sustainability.
The adoption by Council of the guiding principles and strategies set out in the LTFP, and its successful implementation, will ultimately be a major step towards achieving the above goal, and driving the Municipality towards is potential Metropolitan Status.

(vi) KEY CHALLENGES TO THE LTFP

The LTFP proposes significant changes, particularly with regard to service delivery functions, financial administration, budgeting, financial discipline, and governance. There will be a need for a regular review of the risks identified to ensure that as additional risks arise, timely mitigation strategies can be adopted and instituted. The following table summarises risks identified in the LTFP:

TABLE 59: KEY CHALLENGES TO THE LTFP

RISK	DESCRIPTION
Non-implementation of Plans	There are numerous plans and strategies developed over the years, which have not been implemented, and a key risk is that implementation of strategies may still not take place. In order to mitigate this risk, the alignment and implementation of this LTFP should be regularly reported to Council.
Finalisation of Structure and Appointment of Key Personnel	Msunduzi should ensure that the "operating model" of the Municipality is finalised as soon as possible, and that the new structure reflects the future business of the Municipality, and that key appointments are filled as soon as possible to ensure ownership and accountability of the LTFP at least at Leadership Level.
Poor Accounting and Record Keeping	A key risk is that the outcomes of this LTFP may not be measured accurately, because of poor accounting processes and the delay in the timeous updating of accounting records. Processes to update the accounting records regularly, and to ensure that they remain up-to-date, are required in order to mitigate this risk, and the implementation of a new/updated Financial System may also go a long way to mitigate this.
Change Management	From a change management perspective, urgent action is required to address some of the poor practices that may have occurred for many years, and there is a need to strictly enforce new policies and procedures.
Community and Stakeholders	There is a risk that there may be Community and Ratepayer resistance to certain aspects of the LTFP, such as budget cuts and the need to increase tariffs. This risk can be managed by effective, improved communication by Councillors, Officials of the Municipality, and the Community. The Municipality must communicate effectively with the Community on all aspects of the Plan, and provide regular feedback on progress, including the submission of this Plan to the Provincial Legislature.

(vii) MONITORING AND EVALUATION

Finally, Msunduzi's financial sustainability and resilience has been planned through modelling over ten years, the focus being on its financial performance, financial position, and statement of cashflows, as attached herewith.

The LTFP is based on a number of parameters and assumptions, related to Msunduzi's current position and challenges, and which have been developed to reflect a stabilised and sustainable financial position over the planned period, and also taking into account Msunduzi's drive for Metropolitan status.

This has been done to ensure that there is adequate resources and capacity to fund Operating and Capital Expenditure. The plan also seeks to address short-term challenges and to achieve long-term financial sustainability, while maintaining user charges/tariffs within acceptable levels so as not to undermine the local economy.

This LTFP will therefore have little or no value if it is not implemented and institutionalised holistically, as the various components are integrated and cannot be implemented in isolation, even though certain aspects may only be implemented in the medium- to long-term.

TABLE 60: SWOT

KEY ISSUES RELATING TO FINANCIAL VIABILITY AND MANAGEMENT: • The gradual increase of debtor's outstanding debt remains a potential risks to the Municipality's working capital, hence the possibility of service delivery delays. • The prevalent indigent status has a negative impact on municipal revenue base. • Lack of forward planning, particularly on capital budget expenditure, negatively impacts on the reduction of the service delivery backlogs.	
STRENGTHS • After a period of financial strain, decline, and distress, the Municipality is now entering a period of stabilisation and recovery. • The implementation of the Long-term Financial Plan for the Municipality.	**WEAKNESSES** • A limited rates base and high levels of demand for services. • A growing number of debtors. • Under-spending against operations and maintenance budgets.
OPPORTUNITIES • The Municipality has been assessed by Treasury and now has a 1:3 ratio, indicating that the Municipality is building up reserves and becoming more financially sound.	**THREATS** • The gradual increase of outstanding debt remains a potential risk to the Municipality's working capital, hence the possibility of service delivery delays. • The growing number of indigent households, and the financial strain this places on the municipal budget. • The lack of forward planning in terms of procurement for services in relation to the capital budget. • Under-expenditure against some conditional grants.

3.38 ROLL-OUT OF NATIONAL AND PROVINCIAL PROGRAMMES

(i) OPERATION SUKUMA SAKHE

The origin of Masisukuma Sakhe, which is the motto on the crest of the Provincial Government of KwaZulu-Natal, is taken from the book of Nehemiah, chapter 2, and verse 18, where Nehemiah yearns to rebuild a city that has been destroyed. Operation Sukuma Sakhe is then a call for the people of KwaZulu-Natal to be determined to overcome the issues that have destroyed communities (such as poverty, unemployment, crime, substance abuse, HIV & AIDS and TB).

Serious attempts were made to ensure that all developmental needs, as expressed by members of the public, including ward committees, CBOs and NGOs, as well as business and other stakeholders, were captured and analysed accordingly. Currently, the Sukuma Sakhe campaign is intended to create a platform for members of communities to convey their needs in the presence of almost all line function departments. The idea here is to list all individual needs, where possible with reference to specific departments, in order to address their needs as a collective. It was also expected that some of the community needs would have been collected through the CBP process, and that once all those wards that were piloted were completed, that they would feed in their needs through the IDP review process, and that all the needs expressed by various stakeholders would be captured and made available.

In the Msunduzi Municipality, War Rooms have been established in each of the 37 wards and are aligned to the ward councillor's office. The Chairperson of each of these War Rooms is an ordinary member of the ward. For the initiative to succeed, there is a need for good public participation. The project has been very successful, with only one ward being problematic. All government departments are represented in the monthly meetings. If it is found that a War Room cannot cope with the demands from the community, "MBO" is invoked and government descends on the area to address needs - this has already taken place in a number of wards in the municipality.

Monthly Sukuma Sakhe task team meetings take place in the Municipality, and all relevant staff at level 4 participate to address key issues identified by ward level War Rooms. A further structure that exists is the uMgungundlovu District Task Team, which consists of Government Departments and the local municipal task team chairpersons.

Sukuma Sakhe is an important initiative, and offers an ideal opportunity for ward-level communities to identify projects that can be fed into the IDP. The synergies that have been created in the Msunduzi Municipality in terms of linkages to the Area Based Management structures are also important, and have led to the success of the initiative.

(ii) BATHO PELE

The term Batho Pele means 'People First', and in this context, it means putting other people first before considering your own needs. The Batho Pele principles are summarised as follows:

TABLE 61: BATHO PELE PRINCIPLES

PRINCIPLE	DESCRIPTION
CONSULTATION	Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered
SERVICE STANDARDS	Citizens should be told what level and quality of public services they will receive, so that they are aware of what to expect.
ACCESS	All citizens should have equal access to the services to which they are entitled.
COURTESY	Citizens should be treated with courtesy and consideration.
INFORMATION	Citizens should be given full, accurate information about the public services they are entitled to receive.

PRINCIPLE	DESCRIPTION
OPENESS AND TRANSPARENCY	Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge.
REDRESS	If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation, and a speedy and effective remedy; and when the complaints are made, citizens should receive a sympathetic, positive response.
VALUE FOR MONEY	Public services should be provided economically and efficiently, in order to give citizens the best possible value for money.
ENCOURAGING INNOVATION AND REWARDING EXCELLENCE	Innovation can be new ways of providing better service, cutting costs, improving conditions, streamlining, and generally making changes which tie in with the spirit of Batho Pele. It is also about rewarding the staff who "go the extra mile" in making it all happen.
CUSTOMER IMPACT	Impact means looking at the benefits we have provided for our customers, both internal and external – its how the nine principles link together to show how we have improved our overall service delivery and customer satisfaction. It is also about making sure that all our customers are aware of and exercising their rights in terms of the Batho Pele principles.
LEADERSHIP AND STRATEGIC DIRECTION	Good leadership is one of the most critical ingredients for successful organisations. Organisations who do well in serving their customers can demonstrate that they have leaders who lead by example, who set the vision, and ensure that the strategy for achieving the vision is owned by all and properly deployed throughout the organisation. They take an active role in the organisation's success

The Batho Pele vision for the Msunduzi Municipality can be summarised as follows:

"To continually improve the lives of the people of Msunduzi within an evolving developmental context, by a transformed culture and ethos of public service, which is representative, coherent, efficient, effective, accountable, consultative, and responsive to the needs of all."

There are three broad phases to the roll-out of a Batho Pele system in an organisation, and the Msunduzi Municipality finds itself in the first phase of this process. These phases are summarised below.

TABLE 62: BATHO PELE IN THE MSUNDUZI MUNICIPALITY

PHASES	DESCRIPTION OF ACTIVITIES PER PHASE
1	The development of an awareness campaign around the key elements of Batho Pele, name tags for all staff members so that the public can identify the officials serving them, names and designation on office doors so that the public can easily find the relevant officials. The establishment of a Batho Pele forum, which was launched in February 2013 and in February 2015.
2	The workshopping of municipal employees to educate them on Batho Pele principles, as well as to educate them on the functioning of the Municipality so that they can answer queries from the community. Image and conduct of employees is also important. A municipal Service Charter is also developed in this phase, which ties to the IDP, SDBIP, and PMS system.
3	The evaluation of municipal entities in terms of the Batho Pele principles on a regular basis. Participating in the Premier's Department initiatives and evaluations.

3.39 INTERGOVERNMENTAL AND INTERNATIONAL RELATIONS STRUCTURES

(i) INTERGOVERNMENTAL STRUCTURES

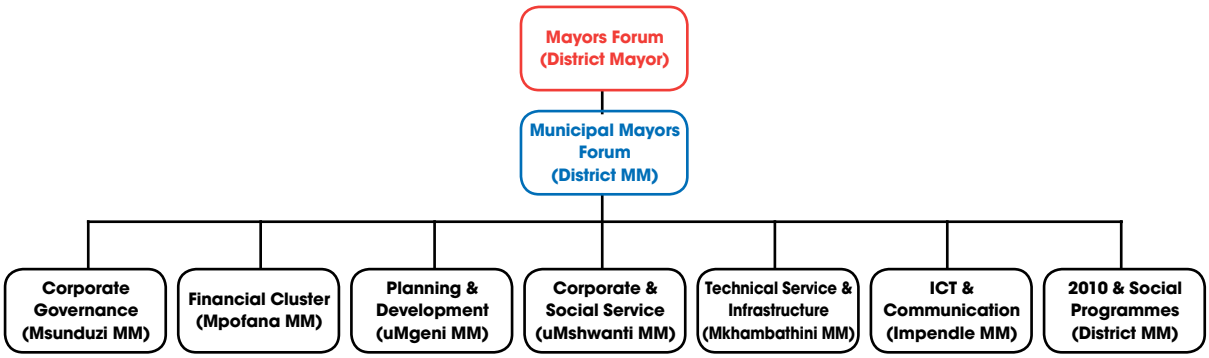
The following table summarises structures that the Msunduzi Municipality participates in:

TABLE 63: INTERGOVERNMENTAL STRUCTURES

STRUCTURE	DESCRIPTION
National	The Municipality remains a member of the South African Cities Network (SACN) and has recently participated in the "Rural Interdependencies Study" project with SACN.
Provincial	The Municipality has received support for the implementation of Organizational Performance Management from the Provincial Department of Cooperative Governance and Traditional Affairs. The Municipal Manager participates in the MUNIMEC and Technical MUNIMEC forums.
Municipal Entities	The Municipality has one municipal entity called Safe City, which is dedicated to making the City of Pietermaritzburg a better place in which to live, work, and play. The project has a number of elements, including: • The monitoring of crime through 70 CCTV cameras in the City; • An SMS programme which encourages citizens to report suspicious behaviour and activities; • c-SAFE, a panic alert system accessible from your cell phone.
District IGR	At a District level, the Municipality has participated in the District Municipal and Technical Forum which is chaired by the District Mayor, Councillor Yusuf Bhamjee. In addition, the Municipality has partnered with the District on issues related to waste management.

Many endeavours are made to make the Intergovernmental Relations a reality, and the following clusters are in existence at the district level:

FIGURE 19: District Level Intergovernmental Structures



INTERGOVERNMENTAL RELATIONS CLUSTER MODEL (IGR SYSTEM)

The finalisation of this model seeks to streamline these structures in order to improve communication internally and externally, whilst bringing on board sector departments in a more practical and realistic manner. This is to ensure that departments and other key stakeholders do not merely pay lip service to the IDP process.

The Cluster Model has led to the establishment of shared services in the District, which also leads to better utilisation of resources. Shared services are now used in the fields of Internal Audit, Performance Management, Integrated Development Planning, and Information and Communications Technology. This approach means that the uMgungundlovu family of Municipalities in the District are all benefitting from the availability of scarce resources and expertise within the District.

(ii) INTERNATIONAL STRUCTURES

It goes without saying that there is increased local and global competitiveness between cities, a phenomenon which has increased through the period of the global recession, which impacts directly on the Msunduzi Municipality's ability to attract investment. To address this, the Msunduzi Municipality has fostered 'twinning' initiatives with the cities of Hampton, Virginia Beach, and Atlanta in America; Zhengzhou and Guangzhou in China; Wuhan in Taiwan; and Lincoln in the United Kingdom.

Such initiatives have benefitted all cities involved, and lessons have been shared and learnt. The Msunduzi Municipality is also looking to foster similar relationships with cities across the African continent, thereby realising the objectives expounded by the African Union (AU), the New Partnership for African Development (NEPAD), as well as cross-border challenges facing the South African Development Community (SADC).

3.40 STRUCTURES CREATED WITHIN THE MSUNDUZI MUNICIPALITY

(i) COUNCIL

Councillors are elected by the local registered voters (ratepayers) to serve a predetermined term of office on the local council as representatives of their respective constituencies. The Msunduzi Council has a total of 73 seats, with 37 of these seats being allocated to ward councillors who are elected by the wards they represent, while 36 seats are allocated to political parties in proportion to the number of votes cast for them.

There are ten members on EXCO, and one of these is currently vacant. This will change after elections , the council will have 39 ward councillors with the total number increasing to 77.

(ii) COMMITTEES

The following table reflects the committees of Council and their respective purposes, as well as the frequency of meetings during a financial year.

TABLE 64: MUNICIPAL COMMITTEES AND FREQUENCY OF MEETINGS IN A YEAR

COMMITTEE NAME	FUNCTIONS	NUMBER OF MEETINGS
COUNCIL	• Political oversight	1 meeting per month
EXCO	• Deals with matters delegated to it by Council and legislation.	4 meetings per month
FINANCE COMMITTEE	• Financial management oversight	2 meetings per month
ECONOMIC DEVELOPMENT COMMITTEE	• All matters requiring attention arising from the provisions of the relevant legislation.	2 meetings per month

COMMITTEE NAME	FUNCTIONS	NUMBER OF MEETINGS

CORPORATE SERVICES COMMITTEE	• Council & Committee Support to Political Offices
	  • Legal Services and Legislative Compliance
	  • Corporate and Legal
	  • By Laws
	  • Delegation Management
	  • Policies, Processes and Procedures
	• Human Resource Management
	  • Performance Management
	  • Labour Relations
	  • Recruitment and Selection
	  • Occupational Health
	  • Job Evaluation
	  • Training and Development
	  • Employee Relations
	• Information Management
	  • Management Information Systems
	  • Information Centre
	  • Printing
	  • Information, Systems Technical Support
		2 meetings per month

COMMUNITY SERVICES COMMITTEE	• Regional Community Services Provision
	  • Airport
	  • Health Services and Clinics
	  • Libraries
	  • Cemeteries and Crematoria
	  • Environmental Health
	• Community Services Provision Management
	  • Parks, Conservation, and Environment
	  • Sport and Recreation
	  • Market
	  • Forestry
	  • Municipal Public Works
	  • Tatham Art Gallery
	• Public Safety and Disaster Management
	  • Traffic Services
	  • Licensing
	  • Public Safety and Security
		2 meetings per month

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	• Fire and Rescue Services • Disaster Management	2 meetings per month

COMMITTEE NAME	FUNCTIONS	NUMBER OF MEETINGS

INFRASTRUCTURE SERVICES COMMITTEE	• Municipal Infrastructure Planning, Funding, Maintenance and Development Management
	  • Municipal Infrastructure Grants
	  • Municipal Infrastructure Planning
	  • Fleet Management
	  • Mechanical Workshops
	  • Asset Management and Maintenance
	• Electricity Distribution Management
	  • Administration
	• Housing and Human Settlement Development Management
	  • Housing
	  • Town Planning
	  • Valuations and Real Estate
	  • Maintenance
	  • Planning
	  • Networks
	  • Connections
	• Water Distribution and Sanitation Management
	  • Administration
	  • Maintenance
	  • Planning
	  • Networks
	  • Connections
	  • Sanitation
	• Water Management
	  • Waste Removal
	  • Refuse Collection
	  • Landfill Site
	• Roads and Stormwater
	  • Administration
	  • Maintenance
	  • Planning
		2 meetings per month

AUDIT COMMITTEE	• An independent audit committee fulfils a vital role in governance. The audit committee plays an oversight role on systems of internal, risk management and governance.	

(iii) IDP REPRESENTATIVE FORUM

The IDP Representative Forum consists of the following role-players with the listed functions:

TABLE 65: IDP REPRESENTATIVE FORUM ROLE-PLAYERS AND FUNCTIONS

ROLE PLAYERS	• EXCO members; • Councillors; • Traditional leaders; • Ward Committee Chairpersons; • Senior Municipal Officials; • Stakeholder representatives of organised groups; • Advocates of unorganised groups; • Resource persons; • Other community representatives; • National and Provincial Departments regional representatives; • NGO's; and • Parastatal organisations.
FUNCTIONS	• Represent the interest of the Municipality's constituency in the IDP process; • Provide an organisational mechanism for discussion, negotiation, and decision making between the stakeholders inclusive of municipal government; • Ensure communication between all the stakeholder representatives, inclusive of municipal government; and • Monitor the performance of the planning and implementation process. • To institutionalise participation in integrated development planning • Membership to ensure geographical and social representation • Members to have mandate to represent the interests of their constituents in the integrated development planning process • Provide an organisational mechanism for discussion, negotiation, and decision-making between the stakeholders and municipal government • Ensure communication between all stakeholders representatives and the Msunduzi Municipality • Monitor performance of the planning process • Represent interests and contribute knowledge and ideas in the planning process Participating in the IDP Rep Forum • Inform interest groups, communities, and organisations on relevant planning activities and outcomes • Analyse issues, determine priorities, negotiate, and reach consensus • Participate in designing project proposals and/or assess them • Discuss and comment on the draft Integrated Development Plan • Comment on and discuss alignment of annual business plans and budget with Integrated Development Plan • Conducting meetings/workshops with groups, communities, or organisations

(iv) IDP STEERING COMMITTEE

The IDP Steering Committee consists of the following role-players, with the listed functions:

TABLE 66: IDP STEERING COMMITTEE ROLE-PLAYERS AND FUNCTIONS

ROLE PLAYERS	• The Mayor • The Deputy Mayor • The Executive Committee Members • The IDP Champions (elected from the different party caucuses) • City Manager (or alternate) (chair) • Strategic Executive Managers (SEMs) • Two representatives from IMATU and SAMWU • Municipal Manager's Coordinating Committee (IDP Broad Planning Technical Committee)
FUNCTIONS	• Provide terms of reference for all reviewing and planning activities • Commission IDP planning studies, programs, and projects • Process, summarize, and document outputs from subcommittees, teams etc. • Recommend amendments to the contents of the IDP • Prepare, facilitate, and document meetings and workshops • Ensure alignment and participation in the determination and prioritization of plans and programs in the spirit of cooperative governance

(v) MUNICIPAL MANAGER'S COORDINATING COMMITTEE

The Municipal Manager's Coordinating Committee consists of the following members, with the following functions:

TABLE 67: MUNICIPAL MANAGER'S COORDINATING COMMITTEE ROLE-PLAYERS AND FUNCTIONS

ROLE PLAYERS	• City Manager • Managers: Municipal Managers Office, Speaker, Mayor, Budget Office, SCM, PMS, Planning, PMU, and IDP. • Admin Support

FUNCTIONS	• Prepare the IDP review process plan
	• Identify resources and people
	• Coordinate and manage the components of the planning process, including:
	  • Stakeholders meetings
	  • Meeting deadlines
	  • Horizontal and vertical aligns
	  • Compliance with national and provincial requirements

(vi) WARD COMMITTEES

Section 74 of the Municipal Structures Act, and regulation 5 of the Government Gazette No. 27699 Ward Committee, state that Ward Committees may have powers and functions delegated to them (which are essentially advisory in nature) in terms of S59 of the Municipal Systems Act. Among these powers and functions are:

- To serve as an official specialized participatory structure in the Msunduzi Municipality.
- To create formal, unbiased communication channels, as well as a co-operative partnership between the community and the Council.
- Advise and make recommendations to the Ward Councillor on matters of policy affecting the Ward.
- Assisting the Ward Councillors in identifying the challenges and needs of residents.
- Dissemination of information in the Ward concerning municipal affairs, such as the budget, integrated development planning, performance management systems, service delivery options, and municipal properties.
- Receive queries and complaints from residents concerning municipal service delivery, communication with Council, and provide feedback to the community on Council's response.

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

A ward committee may also make recommendations on any matter affecting its ward to the ward councillor, or through the ward councillor to the local council. The Msunduzi Municipality has 37 functional ward committees, which meet on a frequent basis. One meeting per month, per ward committee, is scheduled.

(vii) TRADITIONAL LEADERSHIP

Well before the promulgation of the KwaZulu-Natal Traditional Leadership and Governance Act (5 of 2005), the Municipality spearheaded participation and the role of amakhosi within the Msunduzi Municipality. The Municipal Structures Act states that "Traditional Authorities that traditionally observe a system of Customary Law in the area of the Municipality may participate in the proceedings of Council of that Municipality, and those Traditional Leaders must be allowed to attend and participate in any meeting of Council".

In order for legislative compliance, the Speaker has had meetings with the Amakhosi falling under the jurisdiction of the Msunduzi Municipality. The initiative was well received by Council, and the following issues were highlighted in order to build on this relationship:

- Amakhosi be invited to all meetings of the Municipality and participate in discussions. Amakhosi have been allocated to Council's standing committees in order to be actively involved in the discussions happening in those meetings. They will also be attending EXCO and Full Council meetings.
- The provision of an office for Amakhosi at the City Hall, with support staff.
- Providing financial support for programmes and projects.

3.41 STATUS OF MUNICIPAL POLICIES

The following table summarises the policies developed by the Msunduzi Municipality:

TABLE 68: MSUNDUZI MUNICIPAL POLICIES

MUNICIPAL POLICY	COMPLETED %	REVIEWED %	DATE ADOPTED BY COUNCIL
Employment Equity	100%		28/08/2013
Allocation Policy	100%		24/04/13
Access to Personal Files	100%		Draft
Disciplinary Code and Procedures	100%		Collective Agreement
Diversity Policy	70%		Draft
Employee Wellness	100%		28/08/2013
Transfer Policy	100%		Draft
Grievance Procedures	100%		Collective Agreement
HIV/AIDS	100%		15/11/1995
Leave	100%		28/08/2013
Fleet Management Policy	100%		16/08/12
Official Transport to Attend Funerals	90%		Draft
Official Working Hours and Overtime	100%		Collective Agreement
Overtime	100%	Draft in progress	30/06/2010
Individual Performance Management	100%		27/01/2013
Organisational Performance Management	100%		26/09/2012
Selection and Recruitment	100%		Draft
Sexual Harassment	100%	100% (Draft)	2006
Training and Development	100%	100% (Draft)	09/12/05
Assessment	100%		06/04/06
Smoking	100%		16/01/2006

MUNICIPAL POLICY	COMPLETED %	REVIEWED %	DATE ADOPTED BY COUNCIL
Scarce Skills	100%	90% (Draft)	31/072008
Parking Policy	100%		Draft
Internship	100%	100% (Draft)	07/10/04
Learnership	100%	100% (Draft)	09/12/05
External Bursary	100%		28/08/2013
Adult Basic Education and Training	100%	100% (Draft)	07/10/04
Work Exposure Policy	100%		28/08/2013
Induction Policy	100%		28/08/2013
Abscondment Policy and Procedure	100%	100% (Draft)	15/03/2011
Alcohol and Drug Abuse Policy	100%	100% (Draft)	25/03/2011
Bee and Wasp Stings Policy	100%	100% (Draft)	21/02/2006
Management of Heat Stress policy	100%	100% (Draft)	18/03/2011
Post Exposure Protocol	100%	100% (Draft)	26/03/2007
Procedure for Injury on Duty	100%		16/02/2006
Procedure for Management of PTB in Health Care Workers	100%		21/07/2008
Personal Protective Equipment	100%		Draft
Acting Policy	100%		28/08/2013
ICT Capacity Plan Policy	100%		24/01/2013
ICT Disaster Recovery Policy	100%		24/01/2013
ICT Security Policy	100%		24/01/2013
ICT Monitoring Policy	100%		24/01/2013
ICT Network Operations Policy	100%		24/01/2013
ICT Patch Management Policy	100%		24/01/2013
Internet Access Policy	100%		24/01/2013
Risk Management Policy	100%		29/08/2012
Whistle Blowing Policy	100%		24/04/2013
Anti- fraud and Corruption Policy	100%		24/04/2013

3.42 INTERNAL AUDIT FUNCTION

(i) INTERNAL AUDIT UNIT

Internal Audit is an independent, objective, assurance and consulting activity designed to add value and improve the municipality's operations. The unit assists the municipality in accomplishing its objectives through a systematic, disciplined approach to evaluate and improving the effectiveness of risk management, system of internal control and governance processes. By its nature, Internal Audit Unit is a governance structure and not service delivery vehicle. Its role is critical in promoting and enhancing control environment through auditing and special reviews and recommending solutions to management.

To solidify the internal audit institutional framework, an internal audit methodology has been developed and approved by the Audit Committee which guides execution and management of the internal audit activity.

The unit has reviewed its Internal Audit charter in 2012/13 financial year. This was adopted by Council on 24 April 2013 and is in line with the King Three on Corporate Governance, Standards for Professional Practice of Internal Auditing South Africa and the best practice. The Audit Committee's charter was also revised to encapsulate all the requirements of legislation and best practice as per the King Three on Corporate Governance.

A positive change has been realised through internal audit effort by changing the approach of auditing. The three year rolling audit plan is focused on high risks within the municipality, compliance with prescripts, performance information and core mandate of the municipality.

Whilst the capacity to fulfil the mandate of the unit is strained due to the vacancy of key posts, with the new organogram it is expected that the process to fill key identified posts will resolve this issue. The unit is supported by the firm of Accountants and Auditors who are co-sourced partners and its funding has increased drastically in 2014/15 financial year in order to cater for these services.

(ii) AUDIT COMMITTEE

The Municipality has an established the Audit Committee, with five Council approved membership.

Its responsibilities arise from section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA). The audit committee acts as an advisory body independent of management and internal and external audit, reporting to the Council through Executive Committee on accountability, internal audit function, external audit, risk management, governance, performance management, financial management and reporting on municipal entities related matters. It provides assistance to the Council by:

- Providing an independent review of the Msunduzi Municipal's reporting functions to ensure the integrity of the financial reports.
- Ensuring all systems of internal control, governance and risk management functions are operating effectively and reliably.
- Providing strong and effective oversight of the Msunduzi Municipal's internal and external audit functions.

The Audit Committee Charter was reviewed and adopted on 24 April 2013.

(iii) RISK MANAGEMENT

Section 62(1)(c)(i) of the Municipal Finance Management Act, Act 53 of 2003 requires the Accounting Officer to establish and maintain effective, efficient & transparent systems of risk management. The Msunduzi Municipality risk management philosophy is informed by the constitutional imperatives. The preamble of our constitution and Chapter 2 of the Constitution deals extensively with the Bill of Rights. The Constitution describes one of the values of founding provisions as; Human dignity, the **achievement of quality and the advancement of human rights** and freedoms. Section 3 of the Constitution further states that all citizens are equally **entitled to the rights, privileges and benefits** of citizenship.

- The values that are enshrined in the Constitution and the Bill of Right are relevant to risk management.
- The Msunduzi Municipality is aware that no organization is functioning in a risk-free environment and as a public institution it is susceptible to risks associated with the fulfilling of our constitutional mandate.

The Msunduzi Municipality is committed to achieve its vision as set out aobe as well as its vision 2030 City Development Strategy and to contribute towards building a "better life for all" through the blue print National Development Plan. Msunduzi therefore consider risk management as an integral part of its strategy and operations and as a management tool to assist in achieving our service delivery objectives.

To effectively manage risks to the achievement of the municipality's objectives provides managers with a systematic way to make responsible, coherent and informed decisions and enables them to achieve improved outputs and outcomes. A structured approach to the management of risks also enhances and encourages the identification of greater opportunities for continuous improvement through innovation.

In most of the public sector organisations "risk management" is viewed as a stand-alone activity that requires special skills and resources and adds to an already cumbersome workload. Msunduzi prefer to talk about managing risks, rather than "risk management" and incorporates risk management principles into its everyday management processes.

Risk Management Practices requires the Accounting Officer to manage the strategic and operational risks of the municipality. The Msunduzi risk management system provides for mitigating strategies and control activities against the risks within the municipality from unacceptable likelihood and impact.

The municipality's risk management system identifies strategic and operational risks and assigns responsibility to appropriate officials within the municipality. The Audit Committee's role in relation to risk is to provide an oversight role and advise Council.

The municipality has a Risk Management Committee in place that meets on quarterly basis and is made of the Deputy Municipal Managers. The Risk Management Committee has its terms of reference.

Risk register is updated on regular basis and as the municipality embarks on new initiatives and programmes any emerging risks that could have a negative impact on the municipality's ability to achieve its strategic objectives.

The Council is ultimately responsible for risk management supremacy with Exco and Audit Committee playing a very crucial oversight role as a function that is delegated to them and legislated. The status of strategic and operational risks are reported and monitored on regular basis by Internal Audit Unit and Risk Management Committee who give feed back to the Accounting Officer and Audit Committee.

The following are the top five significant risks that are facing the municipality. The municipality is fully aware of the possible root causes and has been able to put in place mitigating strategies within the SDBIP for 2015/16

TABLE 69: RISK AND MITIGATION STRATEGIES

RISK	ROOT CAUSE	MITIGATION STRATEGIES	PROGRESS TO DATE	RESPONSIBILITY
Political & administration instability collapsing control environment	Political fights, political interference in administration	No mitigating measures as these risks can be mitigated with maturity thinking in understanding the existence of a municipality as per the constitution		
Fatalities of municipal officials & office bearers & councillors	Turmoil within administration			
Fraud & Corruption	Office Bearers & Councillors fearing losing jobs & wanting to benefit before the end to their term			
Economic meltdown causing high employment rate, poverty & social unrest	Drought	Water conservation, rehabilitation & building of new boreholes	Plumbing programme is being implemented (water licks), Water)	SMC
Frequent electricity outages resulting to litigation & business contraction impacting on economic growth within the municipality	• Conductors/ Cable faults on secondary network • Primary infrastructure ageing • Obsolete switchgears illegal connections old substation buildings theft of infrastructure	Council approved a 132kv Network Rehabilitation Plan. Funding of R100m secured from DoE & Plan will be implemented. Council made a provision of R10m from its 2013/14 budget for refurbishment of network & replace obsolete 11kv equipment.	• Two Hilton 132kv lines completed. • Refurbishment of 132/11kv Northdale Primary sub-station is in progress. • Refurbishment of 132kv City completed & to commence with the sub-station. • Refurbish network & replace obsolete 11kv equipment IS continuing.	DMM: Infrastructure

RISK	ROOT CAUSE	MITIGATION STRATEGIES	PROGRESS TO DATE	RESPONSIBILITY
Electricity Losses as a result of illegal connections	Low society moral fiber and crime rate (theft).	• Electrification of informal settlements areas e.g,. SWAPO & eEzinketheni, Nhlalakahle / Balhambra Way. • There is also continuous campaigns to uproot illegal connections.	• Non-Technical losses – projects in progress	DMM: Infrastructure
Huge debtor's book & low collection rate which impends solvency & liquidity of the municipal finances & going concern or sustainability of the municipal operations	• High rate of unemployment. • Lack of vigorous strategy to collect & inaccurate data cleansing.	• Data cleansing will be undertaken. • The filling of critical posts in finance has been prioritized. • Daily cash flow monitoring will reflect early warning signals.	• Data Cleansing completed. • The process of handover progressing. • Some critical posts have been filled & remainder will be filled once migration has been completed • The water debt write off in progress	CFO
Loss of water due to pipe bursts, leaking pipes & meters that cannot be read.	Poor maintenance & the decaying infrastructure.	• Water is currently in a 3 of a 6 year Non- Revenue water reduction program which started Feb 2011. The 16 core interventions were made up of 8 real losses and 8 billing control interventions. • The other interventions include filling of all vacant positions in the water section. • The 6 Year Non-Revenue Water Master Plan has been reviewed in order to cater for the different aspects of water losses with a more robust approach. • Asset Management Plan which caters for asset replacement.	• Water & Sanitation is currently in a 5 of a 6 year Non-Revenue water reduction program • New strategy being developed to deal with obsolete asbestos pipes	DMM: Infrastructure

RISK	ROOT CAUSE	MITIGATION STRATEGIES	PROGRESS TO DATE	RESPONSIBILITY
High backlogs of & ageing road infrastructure not receiving the relevant maintenance resulting to potholes.	Limited funding.	• Maintenance Programmes, to review maintenance budget formulation & approach National Treasury for more MIG Funding. • The implementation of Integrated Rapid Public Transport Network (IRPTN) will also cater for upgrade of roads.	Application for MIG funding is continuously being made & request for increase to the maintenance plan budget has been made.	DMM: Infrastructure
Land Invasion	Lack of management of municipal land	• The strategy that was developed was responding to areas that were invaded (AMBLETON PHASE 3 AND FARM SHENSTON) but not a Strategy to prevent land invasion. There is no evidence of a Strategy developed to prevent land invasion. Currently land invasion is dealt with through enforcement of by-laws when land has been invaded. At this point more reliance is placed on removal of the invaders by security personnel when it occurs.	• A strategy to prevent land invasion has not yet been developed, only mechanisms to react on occurrence of an invasion are developed for each occurrence e.g. Ambleton, Nkawana etc	DMM: Economic Development

RISK	ROOT CAUSE	MITIGATION STRATEGIES	PROGRESS TO DATE	RESPONSIBILITY
• Lack of burial space causing outcry from the community of Msunduzi. • Poor service (bodies half burned) for those who want to cremate resulting in inconvenience to the Msunduzi community & extra cost to them when cremation is taken to Durban.	• Lack of pro-active long-term planning in the past for the burial services.	• Land identified at Hollingwood for new cemeteries but the Sobantu community has demanded that the process of building housing & cemetery be done simultaneously. • Engaged in a process of identifying new land for cemeteries to take the municipality to 2030. • Commission of two new cremators inclusive of maintenance of the cremators concluded but only one is working & challenges are attended to on the other one.		DMM: Community Services
Brain drain & lack of knowledge management in IS (Electricity alone has 77.5% vacancy rate & of the 22.5% is in acting capacity) is currently understaffed leaving no room for transfer of skills & knowledge of the network due to exit (retirements, resignation, deaths) resulting to multiple challenges including injuries because of working long hours, death at work, etc.	Lack of HR Planning for a number of years in the municipality	• To revise the organogram to provide for additional skilled engineers and other electricity, Roads & Transportation, Water & Sanitation personnel. • To consider revising salary scales for scarce skills so that the Municipality can attract talent. To Consider appointing retired engineers on contract as mentor for at least three years for newly employed personnel Ensure that the pool is serviced regularly	Allocation & placement of staff in progress	DMM: Corporate Services & DMM: Infrastructure

(iv) ANTI-FRAUD & CORRUPTION

The municipality has a reviewed and amended policy on anti-fraud and corruption and was approved and adopted by full council on the 24th of April 2013. The municipality also launched as whistle blowing hot line during August 2014, the call centre is independently managed. The intention was to develop a philosophy; that the entire municipality will fight fraud and corruption as a team and the Policy is set at a high level to cover the worst-case scenario. The Policy seeks to exemplify the following:

- Provision of a focal point and allocation of responsibility, accountability and authority;
- Serves as a conceptual, analytical, planning and review tool;
- Provides a common understanding of what constitutes fraud and corruption that needs to be communicated throughout the Municipal Council;
- Raises vigilance, which means that staff, management and councilors need to be actively involved on an ongoing basis in preventing, detecting and investigating fraud and corruption;
- Uncover the facts which refer to the processes and skills required to manage allegations of fraud and corruption;
- Deterring fraud and corruption, which refers to the processes required in ensuring disciplinary, criminal action and civil recovery are instigated as appropriate, pursuing heavy penalties and advising staff of the outcome; and
- Presents the key elements required for effective prevention of fraud and corruption and represent the approach of Msunduzi Municipality to managing risk of fraud and corruption.

The policy draws its legal mandate from Chapter 2 of the Constitution which deals extensively with the Bill of Rights. The following sections under the Bill of Right are relevant to the obligations of the Constitution versus management of risks including the risk of fraud and corruption. The Constitution describes one of the values of the founding provisions as; Human dignity, the improvement of the quality of life of all citizens and to free the potential of each person. Section 195 of the Constitution provides normative basic values and principles for public administration, including the following:

- A high standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- People's needs must be responded to, and the public must be encouraged to participate in policy-making.
- Public administration must be accountable.

The anti-fraud and corruption policy is further supported by the Whistle Blowing Policy which was also adopted on the same date as the above policy. The Whistle Blowing Policy:

- is intended to encourage employees, councillors and members of public to feel confident in raising breaches, concerns or disclosing of information relating to fraud and corruption or irregular and or criminal activity in work place in a responsible manner without fear of victimisation;
- is to ensure the whistleblowers that they will be protected from possible reprisals or victimization if the disclosure was made in good faith;
- strive to create a culture which will facilitate the eradication of criminal and other irregular conduct within the municipality;
- provides venues and guidelines for employees, councillors and members of public to disclose information relating to fraud and corruption or irregular and or criminal activity in work place rather than overlooking a problem or blowing the whistle to inappropriate channels; and
- reaffirms the commitment of the Msunduzi Municipality to the Protected Disclosures Act, Act 26 of 2000 came into effect on 16 February 2001.

To give effect to the above policies the Full Council adopted an anti-fraud and corruption strategy which is supported by a matrix of activities and assigns responsibility.

The municipality has been dealing with matters relating to fraud and corruption within the municipality. There are criminal investigations that are going ahead and other matters are with the National Prosecuting Authority. There several cases of misconduct with have been finalised and some are on-going.

New allegations of fraud or corruption and other irregularities are currently under investigation and those that are finalised are being referred to either South African Police Services or Legal Unit for formulation of misconduct charges and setting up disciplinary enquiries tribunals. As alluded to under risk management mitigating strategy in respect of fraud and corruption, an intensive conflict of interest identification review has been finalised which will result in a number anti-fraud & corruption initiative.

3.43 MUNICIPAL SUPPLY CHAIN MANAGEMENT

The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable, and cost effective procurement services, thereby assisting them to implement their service delivery priorities. In terms of the MFMA SCM regulations, the SCM unit is established to implement the SCM policy adopted by council. It operates under the direct supervision of the Chief Financial Officer, or an official to whom this duty has been delegated in terms of section 82 of the Act. Core functions include demand, acquisition, logistics, disposal, SCM risk, and performance management.

The supply chain management policy for the year 2014/15 was adopted by Council on 30 May 2014 , in terms of SCM Regulation 3 (1) (a), and implemented immediately thereafter. The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes could be developed.

The Municipality has the following functional committees, all members of which are appointed for a period of one financial year: the Bid Specification Committee, Bid Evaluation Committee, and Bid Adjudication Committee. A provincial Teander Appeal Board has been established to address any matters of appeal. The latest policy is in line with this requirement.

3.44 PUBLIC PARTICIPATION, INCLUDING THE PUBLIC PARTICIPATION PLAN

The Msunduzi Municipality adopted a Communication Strategy during the course of the 2011/12 financial year. The policy characterises stakeholders as either internal (including public sector stakeholders and forums), or external (which includes business and labour stakeholders and civil society organizations).

Public participation is an on-going engagement process, and the following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution, and review of the IDP, Budget, and PMS processes:

- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on PMS, SDBIP, and IDP progress)
- Monthly Community Meetings by Councillors (due to financial constraints, these are now held once every two months, totalling 6 meetings per annum per ward)
- Project Based Meetings
- Sector Plan Based Engagements
- Executive Committee – Public Gallery
- Full Council Meeting – Public Gallery
- Integrated Development Planning Meetings
- Izimbizo: Public Meetings for Budget, IDP, etc
- Municipal Property Rates Act (MPRA)
- Service Standard or Charter
- Community Based Planning
- Complaints Register: Customer Care and Batho Pele Engagements
- SukumaSakhe – Premier's Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance at meetings and workshops at the invitation of interest groups
- Partnerships and MOUs: MIDI, etc

3.45 COMMUNICATION AND MARKETING PLANS

The Marketing and Communications Unit of the Msunduzi Municipality developed a Marketing Strategy, which aims at being competitive and creating a vibrant brand identity for the city. The marketing strategy incorporates the LED strategy, and aims to synergize Unit efforts to attract investment and marketing to Msunduzi Municipality from the local and global environments.

The objective of the marketing strategy is to formulate guidelines and implementation plans for retaining the existing industries, and the attraction of new and potential industries. In order to achieve this goal, the following have been taken into consideration:

TABLE 70: MARKETING PLAN COMMUNICATION MEDIA

MEDIA USED	DESCRIPTION
Municipal Website	• Use of the municipal website, with up to date information on all kinds of developments taking place. • Providing clear details of investment opportunities that are available within the Municipality. • Outlining the tourism attractions that are available in Msunduzi Municipality. • The promotion of all prominent events in a calendar year.
Magazines and Other Publications	• Advertising space in various popular magazines (business, sport, and lifestyle magazines), outlining the opportunities as well as attractions within the Municipality.
SA Cities Network Website	• Msunduzi Municipality is a member of the South African Cities Network, and therefore has the opportunity to promote itself on this platform, which is shared with cities such as Tswane, Durban, and Cape Town.
Events	• By associating itself with major events taking place in the City, the Municipality receives a lot of mileage in brand exposure through websites, brochures, radio, and television.
Radio and Local Press	• Taking up advertising space in local media provides an opportunity for local investors to better understand what opportunities are available for further investment.

3.46 AUDITOR GENERAL'S REPORT AND FINDINGS

The Auditor General has expressed an unqualified opinion with emphasis on matters relating to:

- Irregular expenditure;
- Restatement of corresponding figures;
- Material losses/impairments;
- Material under-spending of budget; and
- Unaudited supplementary schedules.

Whilst there is no significant improvement on the above matters, there is an improvement in the liquidity ratio and financial sustainability, and the existence of an uncertainty that may cast significant doubt on the Municipality's ability to operate as a going concern.

The audit report indicates that there are still weaknesses in supply chain management, which results in irregular expenditure amounting to R27,483 million. Great strides have been made in this area by implementing controls and through the process of identifying contracts which have been awarded to suppliers in contravention of the Local Government: Municipal Supply Chain Management Regulations (SCM Regulations) in an area that is prone to fraud and corruption. Further efforts are being made to enforce strict control measures that will reduce malpractices. One of the strict control measures is that the Municipality is investigating investing into a process that will be used to identify conflict of interest and non-compliance with SCM regulations.

The significant increase in losses on electricity, which resulted in revenue losses, is noted. The Municipality is fighting the scourge of theft of electricity, and it is anticipated that as resources are increased and new strategies implemented, the Municipality will further reduce losses.

The losses on water are static. However, strategies to reduce these loses are nonetheless being implemented, and it is anticipated that results will be seen in the long-term.

Management of the debtor's book is receiving close attention, and stringent credit control measures will be implemented.

Another challenge is material under-spending on the capital budget, which impacts negatively on service delivery, and is evil and immoral, as it deprives poor communities of basic services. Extraordinary measures have to be implemented in this area to improve service delivery.

3.47 MID- TERM PERFORMANCE ASSESSMENT

As per Chapter 8 of the Municipal Finance Management Act (56 of 2009), the Accounting Officer of the Municipality is required to assess the half yearly performance of the Municipality by 25 January every year, and submit the findings to the Mayor, as well as National, and Provincial Treasuries. The following documents are utilised as tools to determine the actual performance, namely:

- The approved Budget for the ending financial year;
- The Service Delivery and Budget Implementation Plan, as aligned with the approved Budget;
- Actuals in the approved Budget and SDBIP;
- Cash and Cash Equivalents;
- The Debtors Analysis on Revenue Billed and Revenue Collected; and
- The General Expenditure Analysis on programmes planned and implemented.

In the 2013 fiscal year a series of recommendations were made to improve the performance of the Municipality and are summarised below:

- Council needs to review the Capital Budget with the Turn-Around Strategy to ensure that approved projects are implemented with speed, to ensure that all are complete or towards completion by the end of the financial year.
- This can be achieved through ensuring that the necessary capacity is available in the SCM section, and that the bid committee sits as planned.
- The Municipality, through its debt collection process, will have to ensure that strict collection processes are implemented.
- The Data Cleansing project is to be implemented as approved, which will also ensure that unrecoverable debt due to non-existence will be written off to reflect a realistic debtor's balance at the year-end, with the correct debtors impairment and provision.
- A revenue enhancement strategy will be implemented from 1 February 2013 to ensure stringent measures are in place for collection of municipal accounts.

TABLE 71: SWOT

KEY ISSUES RELATING TO GOOD GOVERNANCE AND PUBLIC PARTICIPATION:

- Further implementation of performance management in the organization;
- Ensuring on-going functional Ward Committees;
- Improved discipline/management control;
- Structured internal policy framework; and
- Lack of follow up on performance indicators.

STRENGTHS	WEAKNESSES
• Reviewing of the organogram. • The development of a more customer focused organisation (Incorporation of Batho Pele principles). • The establishment and functioning of a number of municipal committees. • The establishment and functioning of ward committees. • The development of ward plans. • Relationships with traditional leaders. • The development of a number of municipal policies.	• Ineffective call centre resulting in disgruntled customers, which may tarnish the image of the Municipality.
OPPORTUNITIES	**THREATS**
• The development of a cohesive organisational structure. • Changing the organization's culture to a performance driven culture. • Attracting and retaining critical and technical skills. • The identification of risks and the development of mitigation strategies. • The review of municipal policies.	• Low staff morale. • Shortages of key skills. • Fraud and corruption.

SECTION D CHAPTER 4: THE IDP STRATEGIC APPROACH

4.1 INTRODUCTION

The Vision, Objectives, Strategies, and Projects of the Msunduzi Municipality are underpinned by Strategic Planning and Policies at a National and Provincial level, which were summarised in Chapter 2 above. The objectives and components of these documents and policies have helped determine the direction in which the Municipality is moving, as reflected in this IDP.

4.2 MUNICIPAL NEEDS ANALYSIS

The following table provides a summary of the issues raised by community members during the IDP izmbizo held during the Month of December 2016. The identified needs have been limited to five per municipal area as per the COGTA Guidelines and also to make the IDP easy to administer. A comprehensive list is available from the IDP office on request and has been included as annexure to this document.

TABLE 72: MUNICIPAL WARDS NEEDS 2016/2017

Ward	Community Issues
1	• Tarring of roads • Upgrading of concrete roads • Multi-purpose centre • Installation of high mast lights • Rehabilitation of halls (Mbucwana, Phayiphini, Mpumuza – Laduma) • Upgrade of sports facilities (Sixties area, Vezokuhle, laduma, Blackburn and Mbambo area) • Establishment of orphanage home • Installation of water pipes • Maintenance of crèches • Construction of clinic • Construction of shopping centre (Sweetwaters) • Construction of library • Mvubukazi, mvundlweni, Iraq and Phayiphini bridge • One stop centre • Construction of RDP houses • Street lights
2	• Upgrade of access roads • Installation of street lights • Tarring of roads • Fencing of projects • Maintenance of Mashaka, Nqabeni and Mpushini community halls

Ward	Community Issues
3	• Upgrade of access roads • Bus shelters • Construction of clinics • Water • Electricity • Maintenance and upgrading of Nxamalala, Siwelile and Mgwagwa community halls • Upgrading of roads • Water extension pipes • New electricity connections • Construction of multipurpose centre • Construction of sports field • Construction of crèches • Construction of Baleni footbridge • Upgrade of Mgwagwa sportsfield • Water supply • Street lights • Construction of library • Construction of playground • Job creation • Access to funding for small businesses • Construction of RDP houses • Electricity
4	• Henley dam bridge, • Mgodini hall • D 1138 road for upgrade
5	• KwaMnyandu • Phase 2 Concrete Jakalase Road • High master lights • Electrification of new households • Upgrade of Makhaye road • Renovation of Ngubane sports field • Upgrade Mbuz emhlophe road • Upgrading of Mzimba road • Water extension pipes new households • Ramps kwaMnyandu school • Zamelisizwe • Upgrade Ngqemane road • Phase 2 Vulingqondo road • Renovation Vulindlela South Hall • High master lights • Renovation of sportsfield • Water extension pipes • Renovation Gezubuso sportsfield • Library • Zanini • Renovation of Ngubeni Hall • Water extension pipes • High master lights • Electrification of new households • Regravelling of Jubeli road • Ngubeni • Upgrade of Mphiniwephiki road • Regravelling access roads • Upgrade of Ginananda road

Ward	Community Issues
5	• VIP toilets • Electrification of households • Noshezi • High master lights • Upgrade of Ntombela road • VIP toilets • Regravelling acess road • Electrification of households • Ngqwangele • Upgrade and bridge Malala road • Concrete Makhaye road • VIP toilets • Sportsfield • High master lights • Footbridge • Electrification of households o Mbizane • Multi-purpose centre • Electrification of households • Sportsfield • High master lights • Concrete Mphaqalala road o KwaXIMBA/Mkangala • Multi-purpose centre • High master lights • Renovation of sportsfield • Electrification of households • Footbridge • VIP toilets
6	• Construction of roads • Installation of electricity • Construction of crèche • Sports facilities • RDP houses • Sanitation • Youth development programmes • Refurbishment of community halls • Maintenance of sports ground • Job creation for youth • Construction of clinic • Installation of water pipes • Construction of Deda hall • Upgrade of access roads • Cellular network point at Tafuleni and Mgodi • Maintain and upgrade Qanda, kwaDindi and Taylors Halt halls

Ward	Community Issues
7	• Roads all VD's • Renovation of community halls and sportsfield • Two new community halls. • Youth and community skills development • Construction of library • Upgrade of access road L803 • Building of early childhood development centre • High mast lights • New kick about sports field • Electrification of new households • Upgrade of D2217 • Rehabilitation of street lights • High mast lights • Regravelling of the old road by Ngubane store and Mbabane • New road around 14 • Construction of Mbabane community hall • Construction of community centre • New kick-about sports field • Bus shelter • Bus stop by Zaba • Mbabane and Nkabini footbridge • New road to Nzuke • Bus shelter at 14 • Concrete or upgrade Mathoyisi road • Upgrade of Madlala road and road 14 • Upgrade of the early childhood development centre • High mast lights • Electrification of new households • Upgrade of road L1451 • Regravelling and upgrade of L1936 • New road to Bulwer • Electricity of more than 75 houses including Bulwer area • Resuscitation of KwaMncane market • New sport ground multicentre (Rugby, tennis, netball) • Regraveling of brewery road • High mast lights • Fixing of the old lights • Renovation of KwaMafunze community hall • New gravel road Dangwini • Upgrade or concrete of Madleni • Rework of Diphini road • New road at Kwamasheleni • High mast light • Upgrade of Mbuyiselwa • Regravelling and upgrade of Amen road • New road next to Diphini • New early childhood development centre • High mast lights • Kick-about sport field • Renovation of Syakhana crèche • Regravelling and upgrade of L795 (Wohloza road), L00801 and L815 • Additional high mast lights • New passage road at Wohloza • Electrification of new houses

Ward	Community Issues
7	• Kick-about sports field • Electrification of KwaNgcaki area • Upgrade of L814 and L801 road • Renovation and rework at Nkabini crèche • Renovation of Vulindlela north community hall • Electrification of new houses • New road from main road to Songonzima • Upgrade of the old road • Renovation of Hashini crèche • New early child development centre at Magwenyane branch office • Electrification of new houses • Water issues at Hashini and Mgogodleni • Ramps at Magwenyane bus stop • Rehabilitization of street lights • New kick-about at Hashini • New community hall • One stop shop business • New road at passage Mnywini, Magwenyane and Ntabeni • Upgrade on L2483, L1875, L1456, D22017 and Ntabeni road • New sports ground (cricket, soccer, volleyball) • Upgrade of roads • New road from Mbabane crèche to the end of new home • New crèche • Speed up on VDA houses • Skills development focusing on youth development • Co-operatives development and financial assistance • Reviving the CPF • Paving Kwazinqamu centre and the taxi rank • Development of the SMME and truck shop owners • Rehabilitation of Songonzima clinic and functional facilities 24 hour services • Introduction of new sports codes • Addressing the high rate of inequality, poverty and unemployment • Reduction of teenage pregnancy and drug abuse • Promoting the rural industrialization and rural urban development • Joining and upgrading of the roads from Magwenyane to main road for easy access to public transport • Boxing and karate sports centre • Water metres on the new houses
8	o Zondi Store: • Upgrade of access road –Madlula Road, Ntombela Road, Ngcobo Road • Tarr Road – D1122 , • Sports Ground • Community Hall • Shelter • Electricity • Street light and toilet o Maswazini: • Upgrade of access road- Ndlovu Road, Ngola Road, Bhengu Road, Zwane Road, Mwelase Road • Tarr Road: P402 • Shelter • Street Lights and toilet o Machobeni: • Upgrade of access road-Mchunu Road

Ward	Community Issues
8	o Ekhethi Location: • Upgrade of access Rd-Ndlovu Road, Hlela Road • Shelter • Community Hall • Street light and toilet o Ndebeqheke Location • Upgrade of access Rd- Mncwabe Road, Mbense Road • Shelter • Street light and toilet o Madlala Location: • Upgrade of access road – Zimu Road, Ntuli Road • Shelter • Street light and toilet o Magwenyane Location: • Upgrade of access road – Sokhela Road, Mahlase Road • Hall • Sports ground • Electricity • Street and toilet
9	o Phenduka VD – • Community hall • Bus Shelter • Sportsfield • Access Road • Master light • 24 hours clinic • Electricity • Housing • VIP toilet o Mafakatini VD • Access Road • Buthelezi road for upgrade concrete • Side Walks for D1133 • Speed humps for R617 • Taxi Rank • Master lights • Electricity • Housing o Dutch VD • Access Road • Primary School • Creche • Sithole Road for concrete upgrade • Community hall • Master light • Water Meter • Electricity • Housing

Ward	Community Issues
9	o Ngcede School VD • Access Road Maintenance • Bus shelter • Hlela Road concrete upgrade • Hlongwane Road concrete Road and Khebane road • Master lights • Water meter • Electricity • Housing • Sikhakhane Road for upgrade o Ngcede Hall VD • Access Road • Electricity • Master light • Toilet • Sportsfield • Shopping Centre o Khobongwane VD • Community Hall • Access road • Water meter • Electricity • Sportsfield • Speed humps for D1140 o Silindokuhle VD • Access road • Electricity • Master light • Zondi road for upgrade • Bus Shelter o Sbanesihle VD • Sportsfield • Access road • Dladla upgrade (embileni) • Bus shelter • Maintenance for Mweli road potholes (new home) o Sanelisiwe VD • Phase 2 of Ngcobo road upgrade • Community hall • Master light • Sportsfield • Bus shelter
10	• Housing • Establishment of high school • Installation and repairing of meters • Renovation of community halls • Bursaries • Construction of library • Building of wire wall houses • Internet café

Ward	Community Issues
11	• Water • Electricity • 4 room RDP housing • Installation of water and sewerage pipes at Tafuleni • Access roads • Installation of high mast lights • Construction of multipurpose centre • Maintenance of sports field • Extension of community hall • Water monitor • Grazing boundaries • Community block makers • Fruit and vegetable fields • Drug problems • Standpipes to be fixed • Repairing of broken street lights • Road construction and maintenance
12	• Construction of RDP houses • Road construction and maintenance • Repairing and replacement of water taps • Renovating of street lights • Job creation • Repairing of sports ground • Water in Okhalweni and Esigodini • Eradication of crime • Skills development centre • Refuse collection • Tree felling in the area
13	• Sanitations • Community hall • Construction of RDP houses • Clinic in wards • Satellite police station • Maintenance of street lights • Speed humps • Job creation • Sanitation • Construction of clinic • Poverty eradication • Construction of multi-purpose centre • Water – replace and repair • Cutting of trees • Widening of main road • Water pressure is very low • Road construction • Refuse collection • Construction of orphanage home

Ward	Community Issues
14	• Review of water and rates • Sports facilities • Fixing of potholes • Speed humps • Construction of youth centre • Encouragement of public participation • CPF to be visible • Roads to be tarred • Installation of street lights • Establishment of factory • Construction of community hall • Construction of crèches • Pathway along the main road • Water and sanitation • Consumer education on water and electricity issues • Housing
15	• Construction of Ndlulamithi community hall • Road upgrading in Fedsem and eMaqaleni • Road resurfacing in Fedsem, J2 and Unit 18 • Installation of water meters in Unit 2 • Housing roofing in Unit 18 • Construction of houses in Unit 18 • Construction of outside gym at Chakide road open space • Speed humps • Construction of walk way in Unit 18 • Road marking • Maintenance of street lights • Installation of sanitation pipes in Unit 2
16	• Multi-purpose Hall • Proposed unit H Primary school • High-masts lights • Extension of unit H sewer project • Fencing of Madlelengileni cemetery • Roads construction-tarring of roads • Re-construction of concrete roads • Speed Humps guard-rails and Ramps • Construction of a Sports ground • Expropriation of land

Ward	Community Issues
17	• Construction of community Hall 2018/2019 • Road Maintenance • Tarring of Roads –access roads • Construction of Sanitation facilities VIP • Construction of bus shelters • Water • Construction of RDP houses – Housing • Block drains • Job Creation-EYNP (Labour Intensive) • Crime • Toilets VIP • Fixing of potholes • Installation of guard rails - no budget (speed humps) • Construction of foot bridge in Unit BB –Register • Construction of pathway in Unit BB • New kick about in Unit E • Installation of street lights (high mast per ward) • Consumer education on services offered by the municipality • Construction of soccer pitch / stadium
18	• Sanitation • Construction of community hall • RDP houses • Sports field / recreational facilities • Establishment of primary school in Unit 14 and high school in Mpumelelo area • Land acquisition • Construction of foot bridge • Pay point for elders • Maintenance of high mast lights • Construction of clinic • Tarred roads • Agricultural programme • Water (Thornville area) • Job creation • Refuse collection
19	• Construction of library • Sports field • Renovation of community hall • Easy access of tractors • Construction of roads • Review of high water bills • Decrease of crime • Drug abuse • Job creation • Refuse collection • RDP houses • Installation of street lights • Private water connections • Agricultural assistance • Construction of footbridge between Edendale and Esgodini • Construction of bus shelters • Storm water drains • Land ownership

Ward	Community Issues
20	• Roads to be fixed • Construction of Smero and Harewood community halls • Upgrade of Caluza sports field • Extension of mazambane roads • Housing project of 1000 units in Harewood, Smero and Caluza • Construction of bridges • Water and stand pipes • Application of water meter at reduced price • Sanitation and toilets per household with sewerage system • Fencing of Caluza dam • Installation of high mast lights • Construction of crèches • Construction of primary and high schools • Car wash • Old age home • Computer centre • Youth centre • Shelter for people with disabilities • Sewing / handcraft centre • Taxi rank with public toilets on Caluza and Smero road • Park • Swimming pool • Lot 118 road in Caluza to be built
21	• Land acquisition • RDP houses • Water • Sanitation • Sports facilities • Clinic • Skills development of co-operatives • Change (child and youth care workers) • Maintain and upgrade hall • Youth desk and gym • Construction of bridge • Construction of mall
22	• Construction of community hall in Unit 3 and Unit CC • Construction of library in Unit 3 • Construction complex in Unit 3, FJ Sithole Road • Installation of high mast lights • Maintenance of Dennisfield and Poyinandi hall • VIP toilets • Tar road in Dennisfield and Tehuis area • Completion of the youth centre • Speed humps in robot of Selby Msimang and Mount Patridge road and Mkhize and Nkabinde road • RDP houses • Land acquisition • New access gravel road in Motha area • Robot in corner of Mount Patridge and Thwala road

Ward	Community Issues
23	• 1 Installation of High Mast Lights • 2 Harewood Housing Project (Ward 23 and Ward 20) • 3 Clearing of illegal dump sites • 4 Herschsohn Road Upgrade • 5 Transit Area Roads Upgrade • 6 Peace Valley 3 Housing Project (Ward 23 and Ward 26) • 7 IRPTN • 8 Wire Wall Rectification Project (Transit Area and Ashdown) • 9 Vacant Sites (Residential and Non Residential) • 10 Speed Humps
24	• **SOUTH LANDS** • Lightening Conductor • Drainage Construction(Flooding area) • Bridge by Southgate Spar Robots • Speed Humps • Fenced by Railway line • Upgrade and maintain park • **GRANGE/RIDGEPARK/WESTGATE** • 1. High School • 2. Primary School • 3. Speed humps • 4. Mobile police station • 5. Multi purpose centre with internet cafe • 6. Better Sport combo courts • 7. Upgrading of Hall • 8. Upgrade parks • 9. Speed Humps • **ORIBI** • 1. Hall maintenance • 2 .Sport fields • 3. Community centre with internet cafe • 4. Mobile library • 5. Extension of drainage pipes • 6. Swimming pool • 7. Speed Humps • **BISLEY** • 1. Sport combo courts • 2. Soccer fields/netball field • 3. Small shop cubicles to small businesses • 4. Clinic • 5. Improve storm water drains • 6. Speed humps

Ward	Community Issues
25	• Roads not in good condition, need rehabilitation and resurfacing (example, Allan Hirst, Connor Road, Carter Drive, Mitchell Road and roads in Woodlands Extension and Chasedene) • Potholes on Carter Drive, Silverdale Crescent and Chase valley Road • No formal drainage system • Illegal signage and illegal dumping • Speed humps (Neden, Howick Road, Montgomery and Francis Staniland Road) • Uneven roads. Extension and resurfacing of upper Townbush Road • Electricity upgrades-in some areas the electricity supply is affected by the weather; the electricity department needs to conduct assessments and provide a permanent solution to this problem. Woodlands extension and Old Howick Road have frequent outages. • Burst pipes (common occurrence where the same pipes burst every few weeks; infrastructure needs to be replaced) • Bug weed and Lantana is not being cleared in the open spaces e.g. along Peter Brown and the open space near the Keg in Town Bush Road • The creepers overtaking the trees down Taunton road • Lots of trees are hanging over street light poles causing problems; minimal lighting on to the road. These branches must be cut back and lower branches to be cut as well • Parks department need to do general maintenance more often in all suburbs • Replace fused globes on the street lamps • Street lights needed under the Twickenham Bridge • Cut back of the pavement trees along most roads • Clearing of the storm water drains • The traffic lights in McCarthy drive/entrance to Cascades shopping centre-The lights should be re-timed as there is a constant queue approaching the lights from the Town Bush road side which at times causes congestion which hampers traffic exiting into McCarthy from the Cascades roof parking and at peak times builds up back to the entrance to Virgin Active and at times almost back to Town Bush • The traffic lights cnr Town Bush/Montgomery-In peak traffic hours especially in the afternoon travelling towards the CBD, traffic flow is severely hampered by vehicles turning right from Town Bush into Montgomery Drive which causes congestion stretching back beyond Neden road • Old Howick Road refuse site needs upgrades and maintenance • Recycling initiative needs council support to make it sustainable.

Ward	Community Issues
26	• Grass cutting • Waste collection • Illegal dumping • Fixing of street lights • Grass cutting and maintenance of verges and vacant land • Roads resurfacing • Roads resurfacing of Uplands road • Construction of water reservoir
	• Resurfacing of Rowan place • Resurfacing of gravel road
	• Construction of community hall • Housing upgrades • Installation of high mast lights • Tar surfacing on main roads • Provision of toilets • Upgrading of public open spaces • Levelling, upgrading, goal posts and maintenance of sports field
	• Replacement of old water reticulation pipes in Prestbury and Napierville areas • Resurfacing of Morcom Rd and Bevery Rd from Sweetwaters Rd to the top of Morcom Rd at the DH Hill reservoir site. • Resurfacing of Roy Campell Drive, Napierville • Construct Black –topped Roads in Peace Valley connecting to the top of Neville Rd. • Repairs and rehabilitation of road surfaces on parts of De Villiers Drive where tree roots and sub-soil drainage have caused excessive deformation of the old surface • Construction of community hall • Maintenance of municipal houses • Traffic flow problems on Zwartkop road and Mayors walk • Establishment of a kick-about soccer field in area being used as illegal refuse dump • Roads widening on Mayors walk and Zwartkop road • Grass cutting and maintenance of Garden road island
	• Maintenance of parks and verges • Illegal dumping
	• Multi-purpose Disaster and Community Centre • Decent wheelchair access to pavements and resurfacing of pavements • Social housing on Havelock road • Upgrading of Greyling street • Extension of tarred surfaces to the gutters on West, Pietermaritz and Boom street • Fencing of the skate board park in Alexander road • Community centre at 128/130 Pine street and including old taxi rank on corner Havelock road • Pine street open space-playground equipment • Dales park fencing and security, upgrade of sports facilities especially netball field • Resurfacing of McAlister road • Proper allocated kombi tax routes and properly demarcated taxi stops • Alexandra road – hardening of area outside PMB Girls' high • Waste collection and cleaning of community taxi ranks • Crime rate very high-implementation of safety strategy • Prostitution to be eradicated

Ward	Community Issues
27	• Grass cutting • Waste collection • Illegal dumping • Fixing of street lights • Grass cutting and maintenance of verges and vacant land • Roads resurfacing
	• Roads resurfacing of Uplands road • Construction of water reservoir
	• Resurfacing of Rowan place • Resurfacing of gravel road
	• Construction of community hall • Housing upgrades • Installation of high mast lights • Tar surfacing on main roads • Provision of toilets • Upgrading of public open spaces • Levelling, upgrading, goal posts and maintenance of sports field
	• Replacement of old water reticulation pipes in Prestbury and Napierville areas • Resurfacing of Morcom Rd and Bevery Rd from Sweetwaters Rd to the top of Morcom Rd at the DH Hill reservoir site. • Resurfacing of Roy Campell Drive, Napierville • Construct Black –topped Roads in Peace Valley connecting to the top of Neville Rd. • Repairs and rehabilitation of road surfaces on parts of De Villiers Drive where tree roots and sub-soil drainage have caused excessive deformation of the old surface • Construction of community hall • Maintenance of municipal houses • Traffic flow problems on Zwartkop road and Mayors walk • Establishment of a kick-about soccer field in area being used as illegal refuse dump • Roads widening on Mayors walk and Zwartkop road • Grass cutting and maintenance of Garden road island
	• Maintenance of parks and verges • Illegal dumping
	• Multi-purpose Disaster and Community Centre • Decent wheelchair access to pavements and resurfacing of pavements • Social housing on Havelock road • Upgrading of Greyling street • Extension of tarred surfaces to the gutters on West, Pietermaritz and Boom street • Fencing of the skate board park in Alexander road • Community centre at 128/130 Pine street and including old taxi rank on corner Havelock road • Pine street open space-playground equipment • Dales park fencing and security, upgrade of sports facilities especially netball field • Resurfacing of McAlister road • Proper allocated kombi tax routes and properly demarcated taxi stops • Alexandra road – hardening of area outside PMB Girls' high • Waste collection and cleaning of community taxi ranks • Crime rate very high-implementation of safety strategy • Prostitution to be eradicated

Ward	Community Issues
28	o TRURO MAIN HALL • TRURO Hall needs to be painted. • Curtains/ blinds need to be replaced. • Air cons needs to repaired or replaced. • Up liftment of the toilets. • More Security in the parking lot. • More security in parking lot as the private taxis are using the parking lot to drink and loiter around. The school children are bunking school and using the parking lot as a hide out. • The tiles needs to be replaced as residents pay for the hall and the hall needs to be maintained. o EGRET ROAD HALL • The fencing to be replaced as residents want to use the grounds as a walk way. • A foot path around the grounds. Residents can make use of the grounds. Residents don't have to go all the way to Protea grounds. Given this opportunity will enhance the area. This will also avoid criminal activity in the area. • Residents are requesting to have a squash or tennis court put in place • Upliftment of hall inside and outside. • More lighting in the grounds. • A bright light to be reflecting on the railway line. • A boundary wall needs to be put up. Along the rail way as this is a huge problem. It is currently left open which makes it very easy for criminal activity to take place on a daily basis. o SOUTH ROAD DUMPSITE • Security guard at the dumpsite night and day. • More skips to be put in. • The structure to be removed and a guard house to be put in place as scavengers are invading the dumpsite. Residents are currently being charged to dump garden refuse. • Maintenance Of Roads • Water Pipes Renewed Belfort Area Old Infrastructure • Housing • Maintenance Of Streetlights • Maintenance Of Grass Cutting • More Staff Need To Be Put In Place • Bollards On The Pavement In front Of Regina Primary School. • The Sewer Next To 41 Flamingo Road Needs To Be Removed Or Redirected As It Is Overflowing On An On-going Basis. • Maintenance Of All Storm Water Drains / Manholes. • Old Age Home • Maintenance Of Rivers And Rivers Banks • More Speed Humps • Maintenance Of Truro Social Centre • Manhole Covers To Be Replaced • Db Boxes To Be Locked • Trees To Be Pruned • Road Painting • Maintenance Of Electricity & Sub Station • Youth Centre • Recycling Skips – South Road Dumpsite • Removal Of All Illegal Structures

Ward	Community Issues
29	• Housing projects • Electrification of housing • Maintenance of gravel roads • Clinic • Installation of high mast lights • Repairing of Moonstone burst pipes • Upgrade of Copesville sports ground
30	• Please can we have the areas for speed humps and fencing of indicated. • Speed humps: • Rosham Road • Allandale Primary School • Outside Dunveria School- Executive Drive • Helston Road • Moosa Road • Bambatha/New Greytown and Brixham Road intersection (just after intersection) heavy foot traffic, many accidents • Short cuts to be fenced/ Closed off: • Next to Dunveria School – between Executive Drive and Brixham Road • Rosham Road corner between Rosham and Mothie Singh Road • Capricorn Crescent from Bambatha Road/ New Greytown • Request for Guardrails: • Rosham Road Corner • Khan Road along Naidoo road- Rails to be replaced/maintained • Request for new Gate at Allandale park • Request for new gates and fencing at Protea Sports grounds • Urgent Maintenance at Protea sports grounds/ toilets and facilities • Maintenance of the Bynespruit River – tree trimming/ grass cutting etc • Canalisation of the Bynespruit River – Urgently • Signage • No loitering signs along Baijoo Road • No dumping sign 36 Baijoo Road • No Dumping Sign Rosham Road corner to Surya Road • Paving and walkways developed from Newholme Furnishers / Old Greytown Road and upgrade to the intersection of Old Greytown and Amod Road to the island etc. • Paving Developed along Old Greytown Road (Between sunset Crescent to Khan Road) • Reservoir to be built at Ezinkethini • Pedestrian Crossing at the intersection of Brixham and Bambatha/ New Greytown Road- Very dangerous, and we have heavy foot traffic • Robots installed at the intersection of Brixham and Bambatha/New Greytown Road • Resurfacing of Bambatha/ New Greytown Road, from Ezinkethini to Copesville Drive • Resurfacing of Old Greytown Road from Trichy to Bombay Road • Resurfacing of Sirkhod Road • Resurfacing of Privet Road • Resurfacing of Amod Road • Maintenance at Sohan Crescent reservoir • New Fencing and gate at Sohan Crescent Reservoir • Maintenance and refurbishing of electricity box/ substation at the corner of Khan and Bombay Road • Maintenance and refurbishing of the electricity box at the corner of Bayat and Manuel Road • New main water pipes to be installed and replaced in Ward 30 in its entirety • New water meters to be installed for residents in ward 30 who have not had them installed yet • Regular Maintenance of all storm water drains in Ward 30

Ward	Community Issues
30	• Upgrade of sewer pipelines and maintenance of drains in ward 30 • Installation of overhead power cables for the residents of Privet Road – to deter theft of electricity . • Installation of solar streetlights in ward 30 • Installation of streetlights in Ezinkethini • Resurfacing/ NEW Roads in Ezinkethini to be surfaced • Relocation/ housing for the informal residents at Khan Road, Privet Road and Springvale Road to Ezinkethini / Swapo if no other lad identified.
31	• Housing for informal settlements dwellers • Installation of water taps • Refuse removal • Toilets • Sanitation • Construction of pathway • Widening of Bangalore, Barnabas and Greytown road • Extend Debi market • Increase parking around Debi market • Upgrade and provide public toilets • Upgrade and maintenance of Northdale stadium • Maintenance and upgrade of infrastructure at Olympic Swimming pool • Upgrade and reconstruct the Trimpark area with fencing • Satellite library for the lower end of Northdale • Upgrade of civic hall • RDP housing • Speed humps
32	• Walthew Square restoration and a cession of industrial park • Dookran Road park restoration (all public parks) • Site 11 housing rectification to include substantial housing allocation, a minimum of 500 unit • Upgrading of Greyling street (irreparably damage) between Walthew square and Retief Street • Upgrading and resurfacing of Boom street, Melsetter road, Jacaranda and Woodlands road • Speed humps at Woodlands Road, Mulberry road and Camphor road • East Street Hostel: upgrade and infrastructure o Security o Waste removal o Fencing o Lighting (on premises) o sWater wastage • Yellow Wood Housing Project- a minimum of 500 units (implementation phase) • Woodlands Housing Expansion along the boundary of Mulberry Road • Woodlands Community Hall and AF Wood Hall - upgrade

Ward	Community Issues
33	• Jika Joe – Waste Collection and illegal dumping • Ablution facilities in Masukwane • Installation of high mast lights • Sportsfield where shacks were demolished • Job Creation • Manor - Transfer of ownership of flats (sectional title) • Installation of robots on Maple road • Extension of ward office to include community hall • Upgrading of garages 9van Riebeeks place) • Road Widening on Echo road • Installation of CCTV cameras on Maple road • Lower Down Town – Resurfacing of roads • Pavements rehabilitation • Blocked drains and gutters • Construction of community hall at Rusty Park • Brookside Mall – redesign and widen Fitzimmons road • Relocation of water stand pipe on Fitzimmons road • Central - Scottsville bowling club to be allocated to Scottsville primary school • Fixing of fence of the historic grave site • Installation of solar streetlights • Upgrading of pavements in scottsville
34	Foxglove road to be upgraded to include: • Soccer ground • Cycling ground • Volleyball ground • To be fenced off for the safety of the children • To be upgraded to include spectators benches • Gates to be included for the community to be able to lock it and open it, to prevent vandalism.
35	• New development • Construction of a computer hub • Construction of a Heroes park • Housing (Holling wood, sobantu infields) • Shopping centre • Renovations/Revamp • Nie Radebe Sports Field precinct/including tennis and basketball courts • Sewer Line rehabilitation • Antony"mfenendala Xaba" Community Hall • Azaria"Mabheshu" Ndebele Council Chambers • Sipho " Machina" Xulu Administration Building • Skills centre • Houses Red bricks(removal Asbestos, metal Sheeting etc.) • Pholani Swimming Pool • Ekuphumuleni Old age Home • Unfinished Construction • Graham Radebe Youth centre • Construction of Speed humps in mountain raise. (Royston road, Turs lane, Oakland road and Kenilworth)
36	Suburbs in the Ward Bellevue, Cleland, Mkhondeni, Scottsville And Pelham, Scottsville Ext and Meadows

Ward	Community Issues	
	BELLEVUE:	**ROAD INFRASTRUCTURE** • The remainder of Crestview Road to be resurfaced. • A proper link road between Iris Rd, Cyclamen Rd, Aster Rd and Morgan Rd needs to be designed and built. **POTHOLES** • Dangerous potholes have been identified in Ivy Road and Azalea Avenue. **TRAFFIC CALMING MEASURES** • The erection of speed humps in Beacon Road, Crestview Road, Southview Road and Bonanza Road **TRAFFIC SIGNAGE & SPEEDHUMPS: MURRAY ROAD** • In addition to widening of the road surface, 40kph and Go-Slow traffic signs are urgently required in Murray Road. • An overgrown hump and trees at the Varley Road intersection need urgently to be levelled and cut – they are obstructing the view. **CLEARING/GRASS CUTTING/TREE FELLING** • The municipal open space at the bottom of Morgan Rd needs to be cleared and regularly maintained. The boundary fence needs to be repaired and secured. **STORM WATER DRAINS & GRILLS** • Storm water drains – repair and replacement of grills and drain covers. **CRIME PREVENTION: FLOODLIGHTING** • Erection of flood-lighting or high-mast lighting in open spaces

Ward	Community Issues	
	CLELAND:	**ROAD INFRASTRUCTURE** • The resurfacing of the following roads in Cleland and pothole repairs are an urgent necessity: • Oak Lane • Oleander Road • Lynroy Road • Petrea Avenue **STORMWATER DRAINS/COVERS** • Clearing of blocked storm water drains and repair/replacement of broken manhole covers in Hibiscus Road storm water drains: broken and blocked & manhole covers) **TRAFFIC CALMING MEASURES** • Two speed humps in Murray Road between the intersection with Hesketh Drive and Musson Lane and between Musson Lane and the bridge over the N3 • Speed humps in Jasmine Close and Holly Road **CRIME PREVENTION: ERECTION OF SAFETY FENCE** • The fencing off of the railway tunnel at the bottom end of Petrea, along Watsonia Road. **POTHOLES** • Numerous potholes have been identified in the following roads: • Acacia Avenue; Holly Road; Aloe Road; Petrea Avenue; Mimosa Road; Fir Tree Avenue (plus tree root damage at intersection with Abelia Road); Oak Lane; Oleander Road; Watsonia Road, Lynroy Avenue. **CLEARING/GRASS CUTTING/TREE FELLING** • The municipal open space off Murray Rd, between Cleland Rd and Varley Rd, needs to be cleared and regularly maintained. • The municipal open space bounded by Jasmine Close, Petrea Ave, Holley Rd and Marigold Rd needs to be cleared and regularly maintained. **UPGRADING OF TAXI HOLDING AREA** • The taxi holding area at the corner of CB Downes and Murray Rd needs urgent upgrading. **TRANSPORT & TRAFFIC** • Prominent Yield and Stop traffic signs (as appropriate) where side roads intersect with Jasmine Close, Abelia Road, Fir Tree Avenue and Claveshay Road.
	MEADOWS:	**ROAD INFRASTRUCTURE: POTHOLES** • The road surface in Ayrshire Drive and Hereford Circle is breaking up – with potholes and badly deteriorated spots scattered throughout. **CLEARING/GRASS CUTTING/TREE FELLING** • The area behind the properties in Hereford Circle is overgrown with noxious weeds and aliens. • Identified problem trees along Hereford Circle need felling.

Ward	Community Issues	
	MKONDENI:	ROAD INFRASTRUCTURE • UPGRADING & BLACK-TOPPING TO INDUSTRIAL STANDARDS OF THE LESTER BROWN LINK ROAD SYSTEM (see also Walther Hall and Thomas Watkins motivation below). • UPGRADING AND BLACK-TOPPING OF THE REMAINDER OF THOMAS WATKINS ROAD. • UPGRADING AND BLACK-TOPPING OF WALTHER HALL ROAD. • REPAIR AND RESURFACING OF HALSTED ROAD (off CB DOWNES) • REPAIR AND RESURFACING OF EDISON PLACE (off CB DOWNES) • REBUILDING AND RESURFACING OF CB DOWNES FEEDER ROAD. • TRAFFIC SIGNS: EDISON PLACE • NO STOPPING/PARKING signs and solid yellow/red lines need to be installed in Edison Place • TRAFFIC CALMING MEASURES & TRAFFIC SIGNS • SPEED HUMP AND TRAFFIC SIGNS IN EDEN PARK DRIVE
	PELHAM:	**ROAD INFRASTRUCTURE** • WIDENING OF JESMOND ROAD EXTENSION FORM ORIBI ROAD TO SHACKLEFORD ROAD. • REPAIR AND RESURFACING OF RITCHIE ROAD/WASHINGTON ROAD • TRANSPORT & TRAFFIC THE ERECTION OF TRAFFIC SIGNS IN JESMOND ROAD EXTENSION. **CLEARING/GRASS CUTTING** • The municipal open space bounded by Ritchie Road, Andries Pretorius Road and the Railway Line needs to be cleared and regularly maintained as a Public Open Space for active use by the local community. The development of the area as a community park is envisaged. • RITCHIE ROAD GARDEN REFUSE SITE: ABLUTION FACILITIES AND MAINTENANCE • The management and maintenance of the Ritchie Road Garden Refuse Site need urgent improvement and ablution facilities must urgently be connected. • TRAFFIC CALMING MEASURES • Two speed humps in Andries Pretorius Road: one between Ritchie Road and Carey Road and the other between Carey Road and Ewing Road before the corner after Ewing Road. • Two further speed humps in Oribi Road – just before the entrance to UKZN and between the intersections with Ridge and Jesmond Roads. • 3. Two speed humps are urgently needed in Ritchie Road – between Haldane Road and the bridge over Foxhill Spruit, and another between the bridge and Christie Road.
	SCOTTSVILLE:	**ROAD INFRASTRUCTURE** • RESURFACING & POTHOLES • Leinster Road – urgent resurfacing required and interim pothole repairs **POTHOLES** • Potholes in Connaught Road, • Conway Road, Caithness Terrace, • Lindup Road, York Ave, Windsor Ave, • Maud Ave, St Patricks Road, • Jesmond Road, Oribi Road, • Shackleford Road, King Edward Ave. • BUS/TAXI STOP IN ORIBI ROAD • Construction of a bus/taxi bay opposite the Scottsville Clinic. • TRAFFIC CALMING MEASURES • TWO SPEED HUMPS IN KING EDWARD AVENUE/ORIBI ROAD.

Ward	Community Issues	
	SCOTTSVILLE EXTENSION: (off Washington Road)	**COMMUNITY SERVICES/SAFETY & SECURITY** • Closure of access to Globe Road from municipal open space next to Blackburrow Spruit via vacant land. • Closure of access to Globe Road from the bridge over the railway track between the Oribi Village area and Scottsville Extension. **CLEARING/GRASS CUTTING/TREE FELLING** • The dense grass and brush behind properties in Globe Road – stretching up from Washington Road along the railway line and down again to Washington Road on the other side need urgent clearing. • Trees adjacent to street lights need urgent pruning in all streets throughout the area. • TRAFFIC CALMING MEASURES • TWO SPEED HUMPS IN GLOBE ROAD. • POTHOLES • Numerous potholes have been identified in the following roads: • Amazon, Globe, Nile, Emily and at the intersection of Croft and Washington Roads. **RE-SURFACING OF ROADS & POTHOLES** • The following roads have been identified as being in need of urgent resurfacing and interim pothole repairs: • Nile Road and parts of Amazon Road and Globe Road. • WATER & SANITATION • REPAIR OF SEWAGE LEAK in area beyond the railway bridge off Globe Road. • STORM WATER DRAINS & GRILLS • Storm water drains – repair and replacement of grills and drain covers and clearing of culverts.
37	Suburbs in the ward All of Hayfields, Epworth, Ashburton, Lynnfield Park and SACCA Informal Settlement	
38	Suburbs in the ward Tamboville, Thembelithle, Glenwood, Bishopstowe and Part of Ashburton	
39	• Upgrade of access roads • Maintenance of community hall • Skills development centre • Construction of foot bridge • Construction of youth centre • Construction of library • Upgrade of road D1141 • Construction of RDP houses • Gravelling of new roads • Regravelling of existing roads • Installation of electricity • Installation of water • Installation of high mast lights • Construction of sports field • Speed humps • Construction of bus shelter • VIP toilets • Hiring of security and caretakers at community hall • Regravelling of roads • Construction of RDP houses • Upgrade of road P121 • Cellular network infrastructure • VIP toilets	

Ward	Community Issues
39	• Upgrade of Mdlebe road • Skills development centre • Maintenance of community halls • Hiring of security and caretakers at community halls • Water connections • Electricity • Maintenance of water springs • Construction of boreholes • Installation of high mast lights • Construction of library • Construction of multipurpose centre • Maintenance of water pumps • Maintenance of sports field • Agricultural business support • Construction of community hall • Installation of high mast lights • Gravelling of new roads • Regravelling of existing roads • Fast-tracking incomplete road L763 • VIP toilets • Construction of sports field • Installation of high mast lights • Installation of electricity • VIP toilets • Regravelling of Mbongwa and Masheleni road • Job creation • Construction of community hall • Maintenance of community crèche • Installation of high mast lights • Installation of electricity • VIP toilets • Gravelling of roads • Job creation • Maintenance of community crèche • Construction of community hall • Construction of sports field • Maintenance of access roads • Water extension pipes

The above issues are summarized into the following key issues:

4.3 THE MAIN KPAS

- Basic Service Delivery
- Local Economic Development
- Municipal Transformation And Institutional Development
- Good Governance
- Financial Viability And Management
- Cross Cutting Interventions

4.4 MUNICIPAL KEY ISSUES

The following are the key issues for the Msunduzi Municipality:

TABLE 73: IDP KEY CHALLENGES AND CORRESPONDING STRATEGIC PRIORITIES

KPA	KEY CHALLENGES	CORRESPONDING STRATEGIC PRIORITY
• Financial Viability And Management • Good Governance	Revenue protection and enhancement.	6. A Financially Viable and Well-Governed City
• Basic Service Delivery	Addressing service delivery challenges in terms of water, sanitation, and electricity.	1. A Well-Serviced City
	Integrated waste management and renewable energy.	1. A Well-Serviced City 3. A Clean, Green City
• Cross Cutting Interventions	Seamless movement of people, goods, and services in and around the city.	2. An Accessible and Connected City
	City connectivity.	2. An Accessible and Connected City
• Municipal Transformation And Institutional Development	Institutional and individual performance management framework.	6. A Financially Viable and Well-Governed City
	Institutional skills development and professionalization of the organisation.	6. A Financially Viable and Well-Governed City
	Improved capacity to spend on capital expenditure;	6. A Financially Viable and Well-Governed City
	Filling of strategic critical vacant posts.	6. A Financially Viable and Well-Governed City
• Local Economic Development	Economic growth leading to the creation of decent jobs.	5. An Economically Prosperous City

4.5 MUNICIPAL VISION

The Vision of the City of Choice, Second to None is to develop a safe, vibrant city in which to live, learn, raise a family, work, play and do business.

Own a financially viable and well governed city

Live in peacefully

Move about freely and in a cost-effective manner

Work to earn a living, thereby reducing unemployment, poverty, and inequality

Play to lead a healthy lifestyle, thus increasing life expectancy

The Msunduzi Municipality shall deliver on six strategic city-wide outcomes to achieve this vision, as follows:

- A well-serviced city;
- An accessible, connected city;
- A clean, green city;
- A friendly, safe city;
- An economically prosperous city; and
- A financially viable and well-governed city.

In order to realise the Vision, the Municipality has prioritised thirteen objectives clustered under each of these six broadly defined outcomes, as follows:

- The focal areas for the first, a well serviced city, shall be: water and sanitation service delivery, energy supply provision, and implementation of waste management – for all citizens.
- The focal areas for the second, an accessible and connected city, shall be: roads construction and maintenance, transport management, human settlement development, telecommunications connectivity, and social infrastructure distribution.
- The focal areas for the third, a clean, green city, shall be: renewable energy supplies, public open space creation, and urban renewal and greening promotion.
- The focal areas for the fourth, a friendly, safe city, shall be: social cohesion, and safety and security.
- The focal area for the fifth, an economically prosperous city, shall be: job creation.
- The focal area for the sixth, a financially viable and well-governed city, shall be: financial viability and good governance.

All the six themes and related objectives above are inter-related, and cannot be achieved in isolation.

4.6 STRATEGIC PRIORITY AREAS- HIGH LEVEL

The following table summarises the six Strategic Priority Areas, their associated goals, value statements, and the targets identified. Following this, it is further unpacked, where it is linked to the five year organisational scorecard, as well as the one year scorecard, including quarterly targets.

4.7 5 YEAR SCORECARD

TABLE 74: TIER ONE: ORGANISATION LEVEL (5 YEAR SCORECARD)

INDEX	NATIONAL KEY PERFORMANCE AREAS	OUTCOME 9 OUTPUT	INTEGRATED URBAN DEVELOPMENT FRAMEWORK	PGDS	STRATEGIC PRIORITY (MUNICIPAL GOALS)	IDP REF	STRATEGIC OBJECTIVE	STRATEGIES
A	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	Implement a differential approach to Municipal Financing, planning and support.	Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration	Human Resource Development	Financially viable and well governed City	A1	Increased institutional capacity and promote transformation	BUILD A CAPABLE AND DEVELOPMENTAL MUNICIPALITY
								Implement the workplace skills plan
						A2	Optimised systems, procedures and processes	Re-engineer critical organisational processes
						A3	Increased performance	Comply to the PMS framework and execute all work plans for corporate Services
B	BASIC SERVICE DELIVERY	Improved access to basic services	Inclusion and access	Strategic Infrastructure	Well serviced;	B1	Increased Provision of Municipal Services	Enhance existing and future infrastructure
					An accessible and connected city;	B2	Improved state of Municipal Infrastructure	Improving the basics: cleaning, repairing, enforcing, and responding
							Improved provision of Social Development Services	Focus investment on corridor and sustainable urban centres

INDEX	NATIONAL KEY PERFORMANCE AREAS	OUTCOME 9 OUTPUT	INTEGRATED URBAN DEVELOPMENT FRAMEWORK	PGDS	STRATEGIC PRIORITY (MUNICIPAL GOALS)	IDP REF	STRATEGIC OBJECTIVE	STRATEGIES
C	LOCAL ECONOMIC DEVELOPMENT	Implementation of Community works Programme and supported Cooperatives	Growth: To harness urban dynamism for inclusive, sustainable economic growth and development	Inclusive economic growth	An economically prosperous city	C1	Reduced unemployment	Implement the LED strategy
						C2	Increased economic activity	Grow the regional economy
						C3	Optimised land usage	Implement Land release along the N3 corridor
								Strengthen centres of economic activity
D	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	Improve Municipal Financial and Administrative Capability		Governance and policy	A Financially viable and well-governed city	D1	Increased revenue	Implement the revenue enhancement strategy
						D2	Improved expenditure and SCM	Apply expenditure controls procedures
						D3	Improved budgeting and reporting	Conform to MFMA calendar of reporting
E	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Deepen Democracy through a refines Ward Committee System	Inclusion and access	Governance and policy	A Financially viable and well-governed city	E1	Strengthened Governance	Comply with all legislative provisions
						E2	Improved Customer experience & Public participation	Implement the Batho pele principles and Public participation policy
						E3	Promote public knowledge and awareness	implement the public participation policy

INDEX	NATIONAL KEY PERFORMANCE AREAS	OUTCOME 9 OUTPUT	INTEGRATED URBAN DEVELOPMENT FRAMEWORK	PGDS	STRATEGIC PRIORITY (MUNICIPAL GOALS)	IDP REF	STRATEGIC OBJECTIVE	STRATEGIES
F	CROSS CUTTING ISSUES	One window of co-ordination	Spatial integration: To forge new spatial forms in settlement, transport, social and economic areas.	Spatial Equity	A clean green city	F1	Improved Municipal Planning and spatial development	Develop and Implement the IDP/budget/OPMS process plan
								Implement the Spatial Development framework
				Responses to Climate Change	A Friendly, Safe City	F2	Improved community and environmental health and safety	Implement and improve environmental health services
								Implement the Disaster Management plan
				Human and Community Development		F3	Increased access to housing units	Implement the Housing master plan

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/22	Municipal Dept	Financial implications	Wards
	A1	Increased institutional capacity and promote transformation	Build a capable and developmental municipality	A 1.1	% of municipal Back to Basics deliverables achieved	70%	100%	30%	75%	80%	85%	90%	95	Corp Services		N/A
				A 1.2	% of critical posts filled	60	100	40	60	65	70	75	75	Corp Services		N/A
				A 1.3	Number of people developed through the Human Resource Development Strategy	45	5800	535	90	90	90	90	90	Corp Services		N/A
			Implement the workplace skills plan	A1.4	Number of top management positions filled by people from special focus groups	3	3	0	3	3	3	3	3	Corp Services		N/A
				A1.5	% of employment equity Plan targets achieved	100%	100%	0%	100%	100%	100%	100%	100%	Corp Services		N/A
	A2	Optimised systems, procedures and processes	Re-engineer critical organisational processes	A2.1	Average % uptime of all Information & Communication Technology Systems	99%	100%	1%	99%	99%	99%	99%	99%	Corp Services		N/A
				A 2.2	% of Council adopted policies with standard operating procedures	100%	100%	0%	100%	100%	100%	100%	100%	Corp Services		N/A
				A2.3	% of community complaints resolved within the set norms and standards	60%	100%	40%	60%	65%	70%	75%	80%	All		N/A
	A3	Increased performance	Comply to the PMS framework & execute all work plans	A3.1	Number of employees on Performance Management	32	5800	4768	32	32	32	32	32	CBU		N/A
				A3.2	Overall Organisational Performance Rating	3	5	2	2	3	3	3	3	All		N/A

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implica-tions	Wards
NKPA 2: Basic Service Delivery	B1	Increased Provision of Municipal Services	Enhancing existing and future infra-structure	B 1.1	No. of households with access to electricity	160709	163 993	3284	160709	160809	161100	161250	161350	IS		All
				B 1.2	Number of households with access to piped water supply	157855	163 993	6138	157855	157855	157855	157955	158100	IS		All
					Number of households with access to basic sanitation	163336	163 993	657	163336	163336	163336	163436	163536	IS		All
				B 1.3	Number of households with access to refuse removal	125244	163 993	38749	125244	125244	125244	125400	125550	Com Serv		All
				B1.4	Percentage of catalytic projects being implemented	100%	100%	0%	100%	100%	100%	100%	100%	All		All
				B1.5	Number of households earning less than R3 500.00 with access to free basic services	22 00	-	-	22 000	22 000	22 000	22 000	22 00	FS		All
	B2	Improved state of Mu-nicipal Infra-structure	Improving basics: cleaning, repairing, enforcing, and responding	B2.1	% of operations and maintenance plan implemented according to schedule	100%	100%	-	100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		All

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implica-tions	Wards
NKPA 2: Basic Service Delivery				B2.2	% of operations and maintenance budget spent	100%	100%	-	100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		All
				B2.3	% of capital budget actually spent on capital projects	100%	100%		100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		All
				B2.4	% of Infrastructure in good state with in the CBD		100%							IS, Com Serv, Eco dev		All
	B3	Improved provision of Social De-velopment Services	Focus investment on corridor and sustainable urban centres	B 3.1	Number of Mayoral projects co-ordinated	39	39	0	-	39	39	39	39	CBU		All
				B 3.2	Percentage of capital projects implemented within the nodes and corridors	70%	100%	30%	-	20%	30%	50%	70%	All		All
				B 3.3	Number of wards with access to functional Social infrastructure within a 15 km radius	39	39	1	38	38	38	39	39	COM Serv		All
				B 3.4	Number of road safety campaigns conducted	240	240	80	240	240	240	240	240	Com Serv		All

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implica-tions	Wards
				B 3.5	Number of community facilities in good state	148	148	0	148	148	148	148	148	Com Serv		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implications	Wards
NKPA 3: Local Economic Development	C1	Reduced un-employment	Implement the LED strategy	C1.1	Number of jobs created through EPWP,CWP and LED initiatives	1000	1000	Nil	Nil	1000	1000	1000	1000	IS, Com Serv, Eco dev		All
				C1.2	% of LED strategy implemented	75%	100%	25%	75%	75%	75%	80%	85%	Eco dec		All
				C1.3	Number of business opportunities created for registered Local Business	20	25	5	20	20	22	24	26	Eco Dev		All
	C2	Increased economic activity	Grow the regional economy	C2.1	Number of functional LED structures as per the LED Strategy	1	4	3	1	1	2	3	4	Eco Dev		All
				C2.2	Number of programmes and projects aimed at focus groups implemented	4	6	2	4	6	6	6	6	Eco Dev		All
				C2.3	Number of SMME's and Cooperatives established	14	100	86	14	14	16	16	16	Eco Dev		All
				C2.4	Number of stakeholders mobilised toward LED	-	-	-	-	-	-	-		-	Eco Dev	All
	C3	Optimised land usage	Land re-lease along the N3 cor-ridor	C3.1	Hectors of land secured for LED projects	0 ha	50ha	50ha	0ha	0ha	10ha	15ha	20ha	Eco Dev		All
				C3.2	% of successful LED projects.	40%	100%	60%	40%	40%	50%	60%	70%	Eco Dev		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implications	Wards
NKPA 4: Financial Viability & Management	D1	Increased revenue	Implement the revenue enhancement strategy	D 1.1	% of revenue collection rate on outstanding debt	20%	100%	80%	-	25%	25%	25%	25%	FS		N/A
				D 1.2	% of revenue collection rate on current debt	90%	100%	10%	-	90%	90%	90%	90%	FS		N/A
				D 1.3	Debt coverage ratio	1:09	1:1	0.01	-	1:09	1:09	1:09	1:09	FS		N/A
				D 1.4	Outstanding services debtors to revenue ratio	1:02	1:1	0.01	-	1:02	1:02	1:02	1:02	FS		N/A
	D2	Improved expenditure and maximise the economies of scale	Apply expenditure control procedures	D 2.1	Cost coverage ratio	1:09	1:1	0.01	-	1:09	1:09	1:09	1;09	FS		N/A
				D 2.2	% of Creditors paid within 30 days from receipt of invoice	90%	100%	10%	-	90%	90%	90%	90%	FS		N/A
				D 2.3	Average number of days taken to finalise Bids at supply chain	75	75	0	-	75	75	75	75	FS		N/A
				D2.4	Number of functional bid committees	3	3	0	3	3	3	3	3	FS		N/A
				D3.1	% of OPEX spent on WSP	0.008%	3%	2.992%	0.008%	1%	1%	1%	1%	FS		N/A
	D3	Improved budgeting, reporting and the audit opinion	Conform to MFMA calendar of reporting	D3.2	% compliance with MFMA calendar of reporting	98%	100%	2%	-	98%	100%	100%	100%	FS		N/A
				D3.3	% of actual budget spent vs. projected	100%	100%	0%	-	100%	100%	100%	100%	FS		N/A
				D3.4	% of grants spent	20%	100%	80%	100%	100%	100%	100%	100%	FS		N/A
																N/A

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implications	Wards
NKPA 5: Good Governance & Public Participation	E1	Strengthen Governance and reduce risk	Comply with all legislative provisions	E 1.1	% of Council bylaws and policies enforced	15%	100%	75%	20%	30%	50%	100%	100%	All		N/A
				E 1.2	Number of risks on the risk dashboard rated above 3	?	0	?	-	?	5	3	2	CBU		N/A
				E1.3	% of anti-fraud and corruption awareness campaigns conducted per year	2	12	12	12	12	12	12	12	CBU		N/A
				E1.4	AG audit opinion rating	2	5	3	2	4	4	4	5	All		N/A
	E2	Improved Customer experience & Public participation	Implement the Batho pele principles and Public participation policy	E 2.1	Number of wards with functional war rooms	38	39	1	38	38	38	38	39	CBU, Com Serv		N/A
				E 2.2	% of people on the customer satisfactory survey rating the Municipality above satisfactory on service delivery	-	100%	-	-	-	50%	80%	90%	CBU		N/A
				E 2.3	Number of wards with functional ward committees	39	39	0	39	39	39	39	39	CBU		N/A
	E3	Promote public knowledge and awareness	Develop and Implement the marketing strategy	E 3.1	% of communication strategy implemented	10%	100%	100%	20%	50%	100%	100%	100%	CBU		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2017/18	2018/19	2019/20	2020/21	2021/2022	Dept	Financial implications	Wards
NKPA 6 : Cross Cutting Interventions	F1	Improved Municipal planning and spatial development	Promote and Implement the SDF	F 1.1	% of Land use management framework developed and implemented	750%	100%	25%	25%	25%	25%	25%	NIL	Eco dev		All
				F 1.2	% of town rehabilitation plan implemented	20%	100%	80%	25%	30%	50%	60%	NIL	CBU		27, 32, 34
				F 1.3	Number of SDF reviews conducted	1	5	4	1	1	1	1	1	Eco dev		N/A
			Develop and implement the IDP		Number of IDP Rep forums conducted per year	4	4	0	4	4	4	4	4	CBU		N/A
	F2	Improved Disaster and Management and response to fires and emergencies	Implement the Disaster Management plan	F 2.1	Number of fire inspections conducted	800	800	0		800	800	800	800	Eco Dev		10-37
				F2.2	Number of health compliance inspections conducted	9320	9000	0	9000		9320	9320	9320	Eco Dev		10-37
				F2.3	% of fire incidents responded to in terms of the norms and standards	75%	100%	25%	75%	75%	75%	75%	75%	Com serv		All
				F2.4	Number of water sources tested	450	500	50	400	450	450	450	450	Com Serv		All
	F3	Increased access to housing units	Implement the Housing Sector Plan	F3.1	Number of housing units built	160	15000	14840	?	160	1879	2000	2000	Eco dev		All
				F3.2	Hectors of land acquired for low income housing development									Eco dev		All

4.8 2018/19 DRAFT ORGANISATIONAL SCORECARD

TABLE 75: TIER ONE: ORGANISATION LEVEL (2018/19 SCORECARD)

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2016/17 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 1: Municipal Transformation and Organisation Development	A1	Increased institutional capacity and promote transformation	BUILDING A CAPABLE AND DEVELOPMENTAL MUNICIPALITY	A 1.1	% of municipal Back to Basics deliverables achieved	75%	100%	25%	80%	80%	80%	80%	80%	Corp Services		N/A
				A 1.2	Number of critical posts filled	60	100	40	65	0	0	0	65	Corp Services		N/A
				A 1.3	Number of people developed through the Human Resource Development Strategy	90	5800	490	90	0	0	45	45	Corp Services		N/A
			Implement the workplace skills plan	A1.4	Number of top management positions filled by people from special focus groups	3	3	0	3	3	3	3	3	Corp Services		N/A
				A1.5	% of employment equity Plan targets achieved	100%	100%	0%	100%	100%	100%	100%	100%	Corp Services		N/A
	A2	Optimised systems, procedures and processes	Re-engineer critical organisational processes	A 2.1	Average % uptime of all Information & Communication Technology Systems	99%	100%	1%	99%	99%	99%	99%	99%	Corp Services		N/A
				A 2.2	% of Council adopted policies with standard operating procedures	100%	100%	0%	100%	100%	100%	100%	100%	Corp Services		N/A
				A2.3	% of community complaints resolved within the set norms and standards	60%	100%	40%	65%	65%	65%	65%	65%	All		N/A
	A3	Increased performance	Comply to the PMS framework and execute all work plans	A3.1	Number of employees on Performance Management	32	5800	4768	32	32	32	32	32	CBU		N/A
				A3.2	Overall Organisation Performance Rating	3	5	2	2	2	2	2	2	All		N/A

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2016/17 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 2: Basic Service Delivery	B1	In-creased Provision of Mu-nicipal Services	Enhancing existing and future infrastruc-ture	B 1.1	No. of households with access to electricity	160709	163 993	3284	160809	160809	160809	160809	160809	IS		
				B 1.2	Number of households with access to piped water supply	157855	163 993	6138	157855	157855	157855	157855	157855	IS		
					Number of households with access to basic sanitation	163336	163 993	657	163336	163336	163336	163336	163336	IS		
				B 1.3	Number of households with access to refuse removal	125244	163 993	38749	125244	125244	125244	125244	125244	IS		
				B1.4	Percentage of catalytic projects being implemented	100%	100%	0%	100%	100%	100%	100%	100%	IS		
				B1.5	Number of households earning less than R3 500.00 with access to free basic services	22 00	-	-	22 000	22 000	22 000	22 000	22 000	IS		
	B2	Im-proved state of Munici-pal Infra-structure	Back-to-basics: cleaning, repairing, enforcing, and re-sponding	B2.1	% of operations and maintenance plan implemented according to schedule	100%	100%	-	100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		
				B2.2	% of operations and maintenance budget spent	100%	100%	-	100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2016/17 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 2: Basic Service Delivery	B3	Improved provision of Social Development Services	Focused investment on corridor and sustainable urban centres	B2.3	% of capital budget actually spent on capital projects	100%	100%		100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		All
				B2.4	% of Infrastructure in good state		100%							IS, Com Serv, Eco dev		All
				B 3.1	Number of Mayoral projects co-ordinated	39	39	0	-	-	-	-	-	CBU		All
				B 3.2	Percentage of capital projects implemented within the nodes and corridors	10%	100%	90%	20%	20%	20%	20%	20%	All		All
				B 3.3	Number of wards with access to functional Social infrastructure within a 15 km radius	39	39	1	38	38	38	38	38	COM Serv		All
				B 3.4	Number of road safety campaigns conducted	240	240	80	240	240	240	240	240	Com Serv		All
				B 3.5	Number of community facilities in good state	148	148	0	148	148	148	148	148	Com Serv		

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2016/17 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 3: Local Economic Development	C1	Reduced unemploy-ment	Implement the LED strat-egy	C1.1	Number of jobs created through EPWP,CWP and LED initiatives	1000	1 000	Nil	1000	1000	1080	1000	1000	IS, Com Serv, Eco dev		All
				C1.2	% of LED strategy implemented	75%	100%	25%	75%	75%	75%	75%	75%	Eco dec		All
				C1.3	Number of business opportunities created for registered Local Business	22	25	3	24	24	24	24	24	Eco Dev		All
				C2.1	Number of functional LED structures as per the LED Strategy	2	4	2	3	3	3	3	3	Eco Dev		All
	C2	Increased economic activity	Growing the regional economy	C2.2	Number of programmes and projects aimed at focus groups implemented	6	6	0	6	6	6	6	6	Eco Dev		All
				C2.3	Number of SMME's and Cooperatives established	16	100	84	16	16	16	16	16	Eco Dev		All
				C2.4	Number of stakeholders mobilised toward LED	-	-	-	-	-	-	-	-	Eco Dev		All
	C3	Optimised land usage	Land release along the N3 corridor	C3.1	Hectors of land secured for LED projects	10ha	50ha	40ha	15ha	15ha	15ha	15ha	15ha	Eco Dev		All
				C3.2	% of successful LED projects.	20%	60%	40%	30%	40%	40%	40%	40%	Eco Dev		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2015/16 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 4: Financial Viability & Management	D1	Increased revenue	Implement the revenue enhancement strategy	D 1.1	% of revenue collection rate on outstanding debt	20%	100%	80%	25%	20%	20%	25%	25%	FS		N/A
				D 1.2	% of revenue collection rate on current debt	90%	100%	10%	90%	90%	90%	90%	90%	FS		N/A
				D 1.3	Debt coverage ratio	1:09	1:1	0.01	1:09	1:09	1:09	1:09	1:09	FS		N/A
				D 1.4	Outstanding services debtors to revenue ratio	1:02	1:1	0.01	1:02	1:02	1:02	1:02	1:02	FS		N/A
	D2	Improved expenditure and maximise the economies of scale	Apply expenditure controls	D 2.1	Cost coverage ratio	1:09	1:1	0.01	1:09	1:09	1:09	1:09	1:09	FS		N/A
				D 2.2	% of Creditors paid within 30 days from receipt of invoice	90%	100%	10%	90%	90%	90%	90%	90%	FS		N/A
				D 2.3	Average number of days taken to finalise Bids at supply chain	75	75	0	75	75	75	75	75	FS		N/A
				D 2.4	Number of deviations from SCM policies	?	0	?	0	0	0	0	0	FS		N/A
				D2.5	Number of functional bid committees	3	3	0	3	3	3	3	3	FS		N/A
	D3	Improved budgeting, reporting and the audit opinion	Conform to MFMA calendar of reporting	D3.1	% of OPEX spent on WSP		1%	0%	1%	0,25%	0,25%	0,25%	0,25%	FS		N/A
				D3.2	% compliance with MFMA calendar of reporting	98%	100%	2%	100%	100%	100%	100%	100%	FS		N/A
				D3.3	% of actual budget spent vs. projected	100%	100%	0%	100%	25%	50%	75%	100%	FS		N/A
				D3.4	% of grants spent	100%	100%	0%	100%	40%	60%	80%	100%	FS		N/A

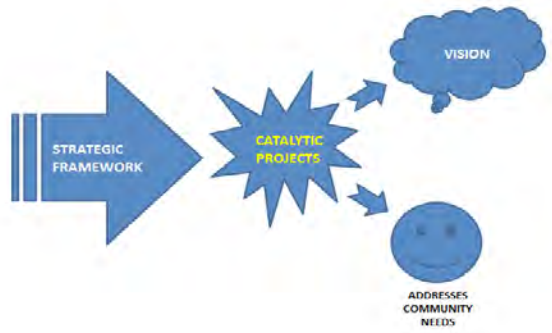
NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2015/16 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 5: Good Governance & Public Participation	E1	Strengthen Governance and reduce risk	Comply with all legislative provisions	E 1.1	% of Council bylaws and policies enforced	100%	100%	-	100%	80%	85%	90%	100%	All		N/A
				E 1.2	Number of risks on the risk dashboard rated above 3	5	-	-	3	3	3	3	3	CBU		N/A
				E1.3	% of anti-fraud and corruption awareness campaigns conducted	4	12	8	8	2	2	2	2	CBU		N/A
				E1.4	AG audit opinion rating	1	5	4	4			4		All		N/A
	E2	Improved the Customer experience & Public participation	Implement the Batho pele principles and Public participation policy	E 2.1	Number of wards with functional war rooms	39	39	0	39	39	39	39	39	CBU, Com Serv		N/A
				E 2.2	% of people on the customer satisfactory survey rating the Municipality above satisfactory on service delivery	50%	100%	-	80%		50%		50%	CBU		N/A
				E 2.3	Number of wards with functional ward committees	39	39	0	39	39	39	39	39	CBU		N/A
	E3	Promote public knowledge and awareness	Develop and Implement the marketing strategy	E3.2	% of communication strategy implemented	100%	100	0	100%	100%	100%	100%	100%	CBU		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2015/16 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 6 : Cross Cutting Interventions	F1	Improved Municipal planning and spatial development	Promote and Implement the SDF	F 1.1	% of Land use management framework developed and implemented	25%	25%	25%	25%	5%	10%	20%	NIL	Eco dev		All
				F 1.2	% of town rehabilitation plan implemented	25%	25%	25%	30%	10%	10%	10%	NIL	CBU		27, 32, 34
				F 1.3	Number of SDF reviews conducted	1	1	0	1				1	Eco dev		N/A
			Develop and implement the IDP		Number of IDP Rep forums conducted per year	4	4	0	4	1	1	1	1	CBU		N/A
	F2	Improved Disaster and Management and response to fires and emergencies	Implement the Disaster Management plan	F 2.1	Number of fire inspections conducted	800	800	0	800	200	200	200	200	Eco Dev		10-37
				F2.2	Number of health compliance inspections conducted	9320	9000	0	9320	2330	2330	2330	2330	Eco Dev		10-37
				F2.3	% of fire incidents responded to in terms of the norms and standards	75%	100%	25%	75%	75%	75%	75%	75%	Com serv		All
				F2.4	Number of water sources tested	450	500	50	450	112	112	112	114	Com Serv		All
	F3	Increased access to housing units	Implement the Housing Sector Plan	F3.1	Number of housing units built	1879	15 000	13121	2000			121	1879	Eco dev		All
				F3.2	Hectors of land acquired for housing development									Eco dev		All

4.9 CATALYTIC PROJECTS

A catalyst is described as something that 'precipitates an event' or something that causes change. Catalytic projects speed-up realisation of the municipal strategies leading to community needs being met, and facilitate speedier realisation of the Vision. The Municipality has identified a number of projects that seek to stimulate change and development in the Municipality.

FIGURE 20: Catalytic Projects

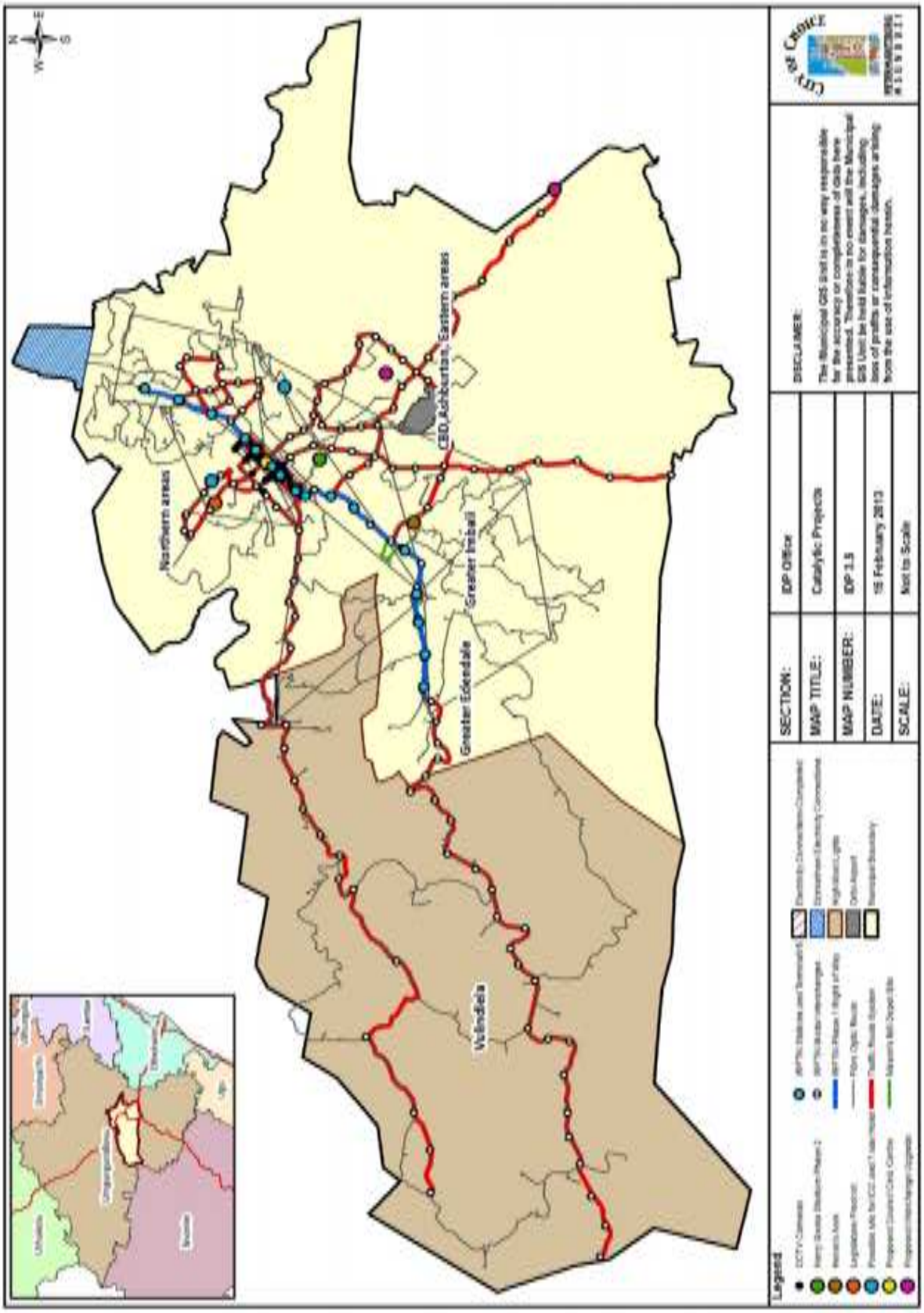


The following catalytic projects that are aimed at revitalising the economy and growth trajectory for the Msunduzi Municipality:

TABLE 76: SUMMARY OF MSUNDUZI CATALYTIC PROJECTS

PROJECT	DESCRIPTION	EST. BUDGET
Legislative Precinct Development	This is a medium to long-term initiative which will see the development of a new legislative precinct that will better cater for the needs of the legislature and facilitate good governance.	R2 Billion
Pietermaritzburg Airport Upgrade	This is a short- term project that will see the extension of the existing runway, together with the terminal buildings. This will allow for larger aeroplanes to make use of the airport, thereby attracting additional operators and increasing the amount of feet through the airport.	R0.5 Billion
Harry Gwala Stadium Upgrade Phase 2	This is a medium to long-term project which will see the development of further stands at the stadium. Associated with this project, in the short to medium term, is the further development and upgrading of the Alexander Park Sports Precinct with additional parking.	R0.5 Billion
International Convention Centre and 5 star Hotel	This is a medium to long-term project that will see the development of an international calibre conference centre- which will allow the city to host international-standard conferences. In the short to medium-term, a 5 star hotel associated with this will be developed.	Private Investment
Council Civic Centre	This is a medium- term project and will see the further development of the Council Civic Centre to cater for additional needs and demands.	R1.2 Billion
Integrated Rapid Public Transport System	This project is a short to medium-term project which will see the roll-out of reliable and efficient public transport between key points in the city, thereby reducing resident's commuting times.	R3.2 Billion
Fibre Optic Cable Network	This is a short to medium-term project that will see the development of a leading-edge technology fibre optic telecommunications network leading to increased connectivity and usage, decreased costs, and stimulating growth and development.	R0.5 Billion
Electrical Infrastructure Upgrade	This is a short to medium-term project that will see the rehabilitation and upgrading of the Municipality's electrical infrastructure.	R0.9 Billion
City- wide CCTV System	Camera surveillance of areas within the Msunduzi Municipality so as to encourage a crime-free environment.	R0.5 Billion

PROJECT	DESCRIPTION	EST. BUDGET
Hero's Acre	This project was mentioned by the KZN Premier in the 2013 State of the Province address, and will be a museum commemorating the Heroes of the Struggle. It will include a wall commemorating the "Seven Days War" on the site where the remains of Moses Mabhida and Jonny Makhathini are buried. The proposed development will cover a developed area of at least 102,000 m^2.	R1 Billion
Freeway Node Development	This is a medium-term project that involves the upgrade of key freeway interchanges within the Municipality so as to ensure more efficient movement of traffic, as well as unlocking strategically located adjacent land for the development of commercial, residential, and associated activities.	R1 Bill
Non- Revenue Water Reduction Project	This is a medium to long-term project that will simultaneously increase revenue and reduce water losses. The reduction of water losses will ultimately reduce the demand on our source (dams), which will have a catalytic benefit to the catchment.	R0.5 Bill



MAP 30: IDP Office: Catalytic Project

4.10 PROJECT PRIORITISATION MODEL

The prioritisation of investment projects is a key task for all municipalities as part of the IDP and Budget review process. It is clearly not possible to implement all projects simultaneously, and a rational, systematic approach to prioritisation helps to ensure that not only are the legal requirements met as early as possible, but also that the available resources (both human and finance) are used as effectively and efficiently as possible.

The following project prioritisation model has been developed to assist with decision-making in allocating resources.

TABLE 77: PROJECT PRIORITISATION MODEL FOR THE MSUNDUZI MUNICIPALITY

CRITERIA	DESCRIPTION	SCORING
Vision 2030 Impact	Will the project realise the Vision Statements, Goals, Value Statements, and Targets contained in Vision 2030 for the Msunduzi Municipality?	5 – Yes definitely 3 – Partially 1 – Not at all
Project directly relates to the IDP-identified Catalytic projects	Will the project result in the implementation of IDP-identified catalytic projects?	5 – Yes definitely 3 – Partially 1 – Not at all
Community Identification of project	Has the project been identified by a community, through community engagements, Ward Councillor involvement, War Room deliberations, or through a Community Based Plan?	5 – Yes definitely 1 – Not at all
Sector Plan identification of project	Has the project been identified in a sector-specific plan (ie. Water Services Development Plan, Local Economic Development Plan)?	5 – Yes definitely 1 – Not at all
Linkage to the Spatial Development Framework	Has the project been aligned to the SDF? Does the project occur within an SDF-identified Node or Corridor?	5 – Yes definitely 3 – Partially 1 – Not at all
Sustainable development Goals	Does the project assist the Municipality and its communities to realise the targets set out in the Millennium Development Goals (MDGs)?	5 – Yes definitely 3 – Partially 1 – Not at all

SECTION E CHAPTER 5: STRATEGIC MAPPING

E1 5.1 CONTEXT

During this financial year a number of spatial planning processes are underway to give direction to the municipal planning. This is because the Msunduzi Municipality has embraced the concept of a Hierarchy of Plans. A consolidated Spatial Development Framework (SDF) was adopted by Council in 2015, and a series of Area Based Management Plans (ABM) were adopted in 2010 for:

- Vulindlela;
- Greater Edendale and Imbali;
- The Northern Areas; and
- CBD, Ashburton, and the Eastern Areas.

Whilst these review processes are underway the following are the guiding principles starting to give shape to the municipality's investment areas.

TABLE 78: SPATIAL GUIDING PRINCIPLES

GUIDING PRINCIPLES	APPLICATION
Compaction	• New and Infill development focused to create coherent system, mainly in SE quadrant
Integration	• Shenstone and Ashburton as areas to integrate Low Income residential areas into city • New economic opportunities in growth area and adjacent to major roads • New E-W and N-S roads links to major parts of city
Urban Densification	• In periphery of CBD • Adjacent to major nodes
Restructuring of the City:	• Creating a Polycentric City with new nodes and new economic opportunity areas • Limited mixed-use activity spines between focus points • Redressing imbalances with improved infrastructure and new economic opportunities • Creating a road system matrix
Meeting Land Use Needs and Identification of areas of economic development potentials	• New Residential areas • New economic opportunity areas • New nodal points • Restructure CBD
Sustainability	• Protecting environmentally sensitive areas • Coherent and reinforcing infrastructure • Protecting agriculture potential areas • Upgrade residential areas with appropriate infrastructure • In situ upgrading of Informal settlements
Creating a quality urban environment	• Create a polycentric city • Create a mix of housing types in different areas • Reinforce public transport system

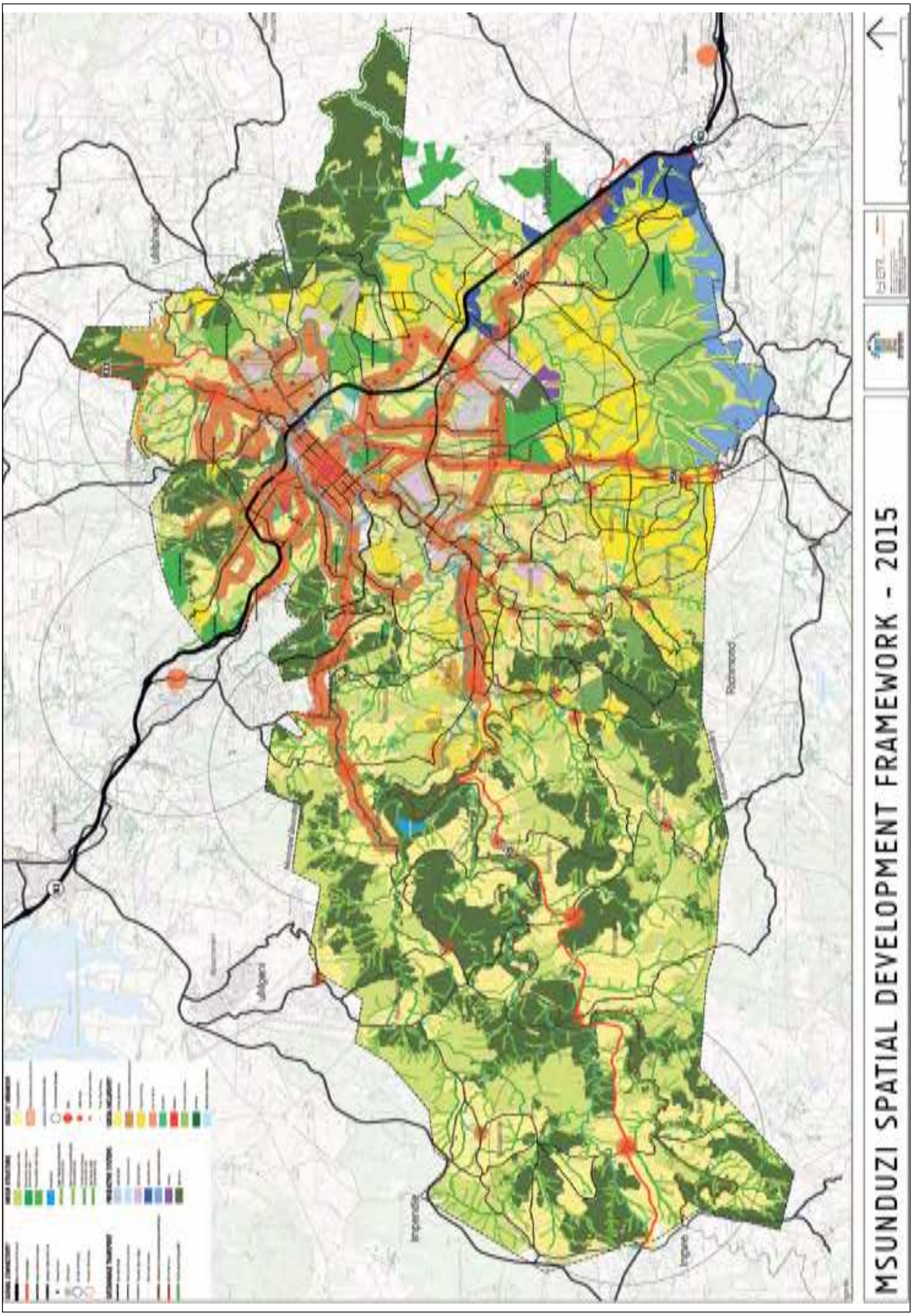
Spatial Structuring elements of the Municipality include:

- Nodes (Concentration of activity);
- Corridors (Main roads/Arterials);
- Settlement Patterns (Formal/Informal/Traditional);
- Restrictive Conditions (Environmental/Topographical/Geotechnical);
- Environment/Open Spaces (Active/Passive);
- Urban Edge; and
- Mixed-Use Developments Aesthetic Environment (Visual Form/Heritage Special Features)

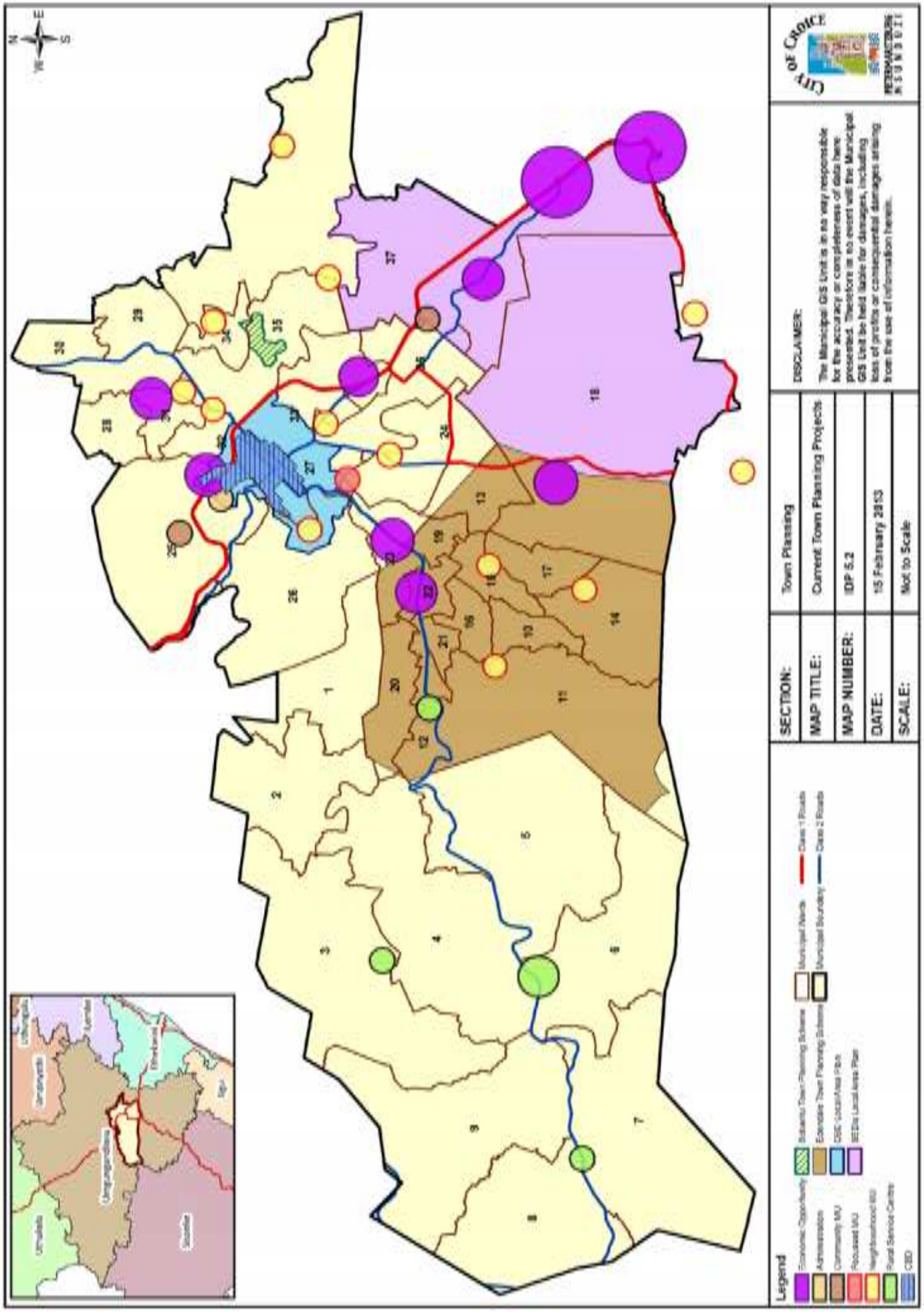
5.2 TOWARDS A LONG-TERM SPATIAL DEVELOPMENT FRAMEWORK

The Long-Term Spatial Development Strategy, adopted in 2015, will inform the refinement and review of the Integrated Development Plan and the Spatial Development Framework, thereby assisting the Municipality in achieving its Constitutional mandate and other legislative obligations. Key outcomes of the strategy include:

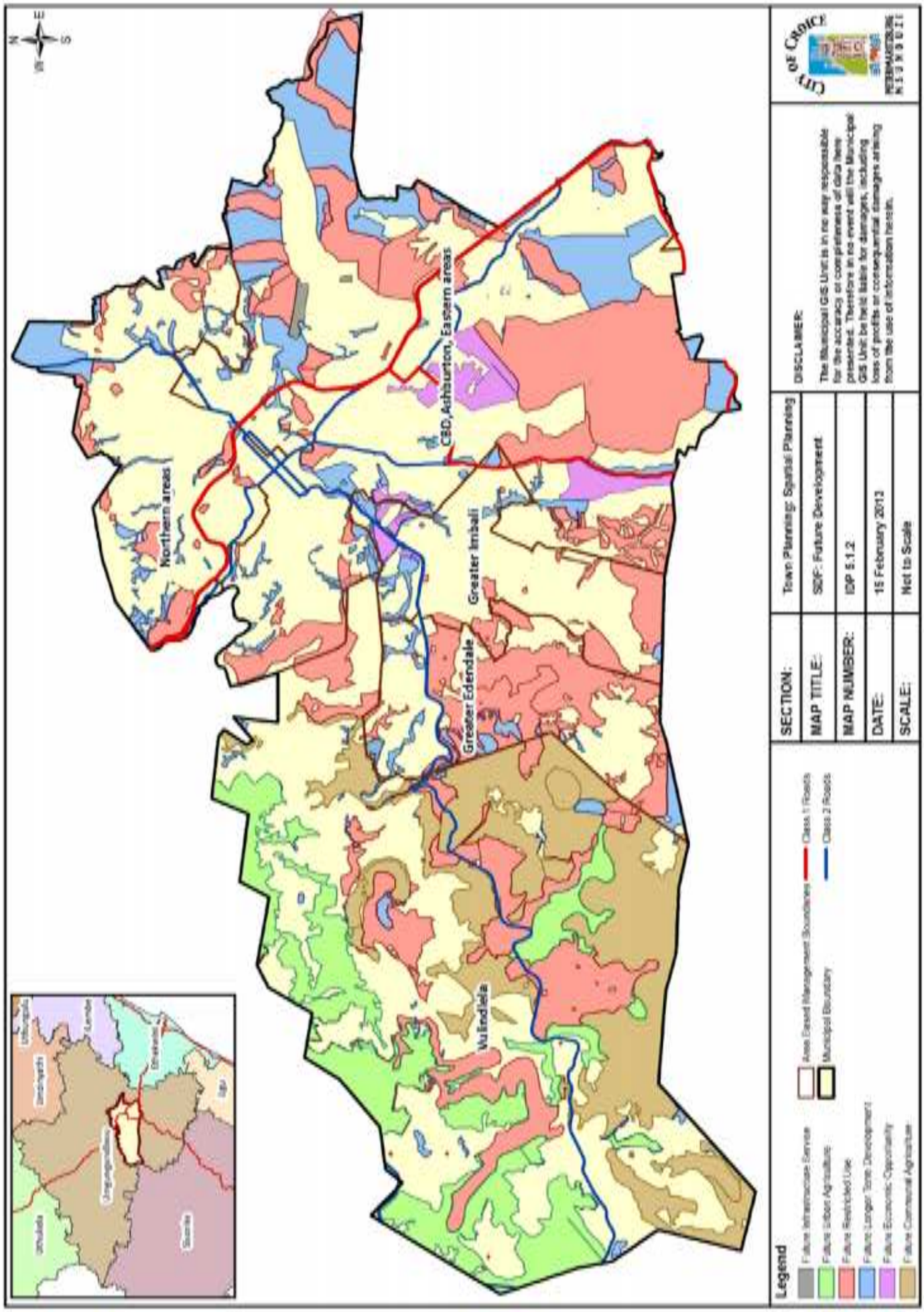
- A description of the desired 2030 outcomes in terms vision, goals, and objectives;
- Agreement on the set of indicators that will be applied to measure the progress being made to achieve the desired outcomes;
- Agreement on the targets and the City growth path in respect of each of the indicators;
- Agreement on the strategic interventions required to achieve the set targets;
- A description of the catalytic projects in support of the interventions, where possible; and
- Agree on the monitoring, evaluation, reporting, and review framework of the plan.



MAP 31: Spatial Development Framework

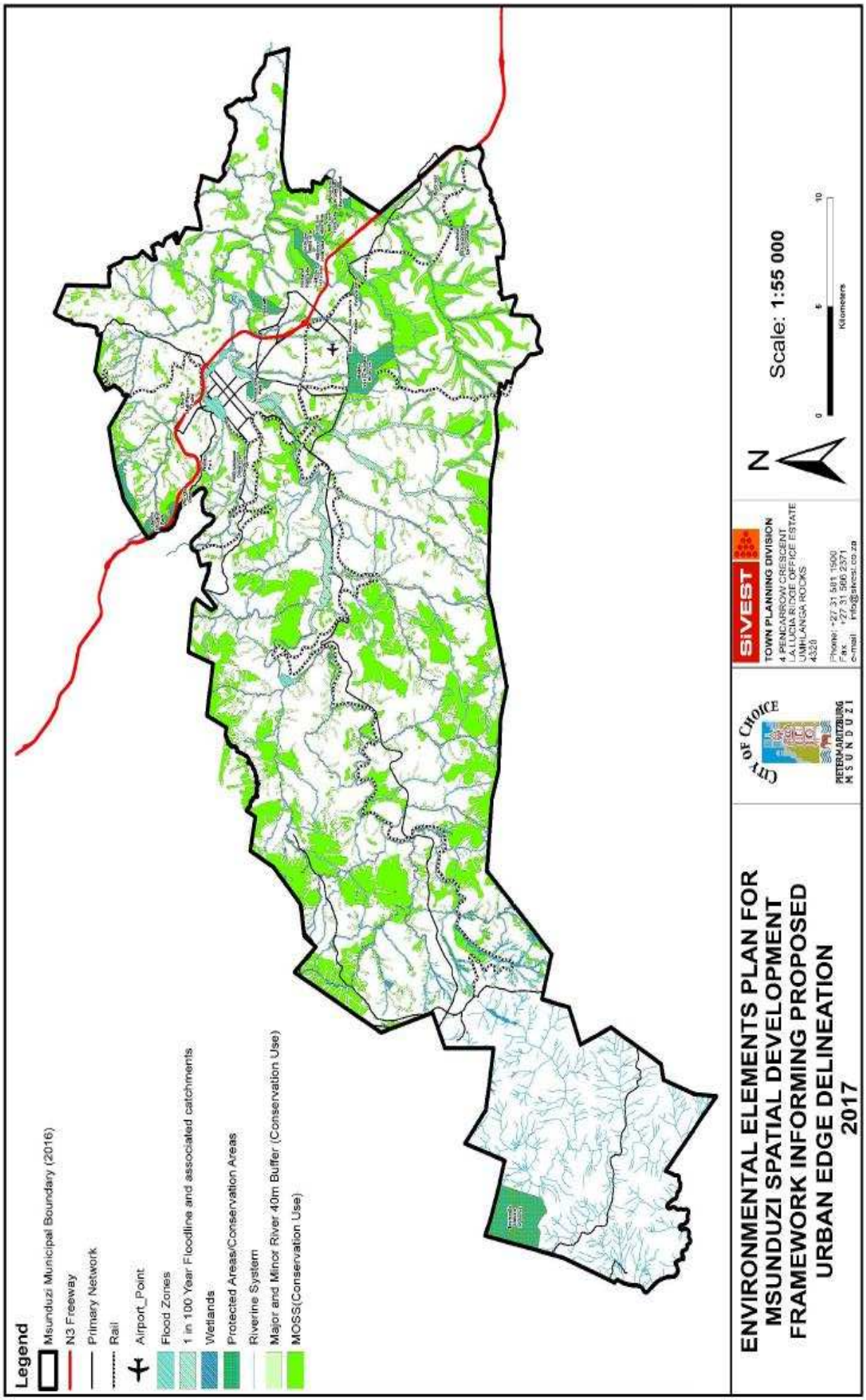


MAP 32: Town Planning Current Town Planning Projects

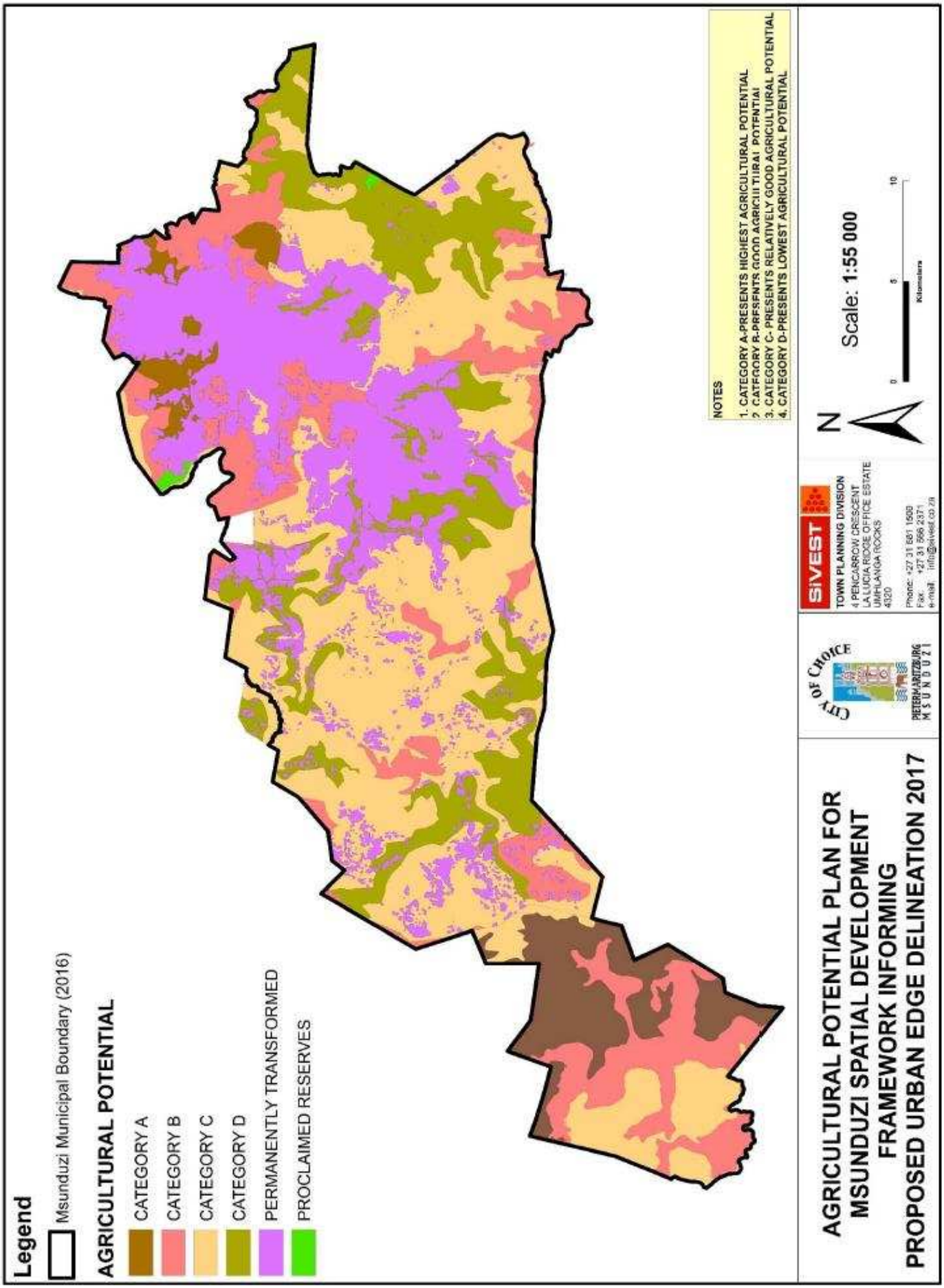


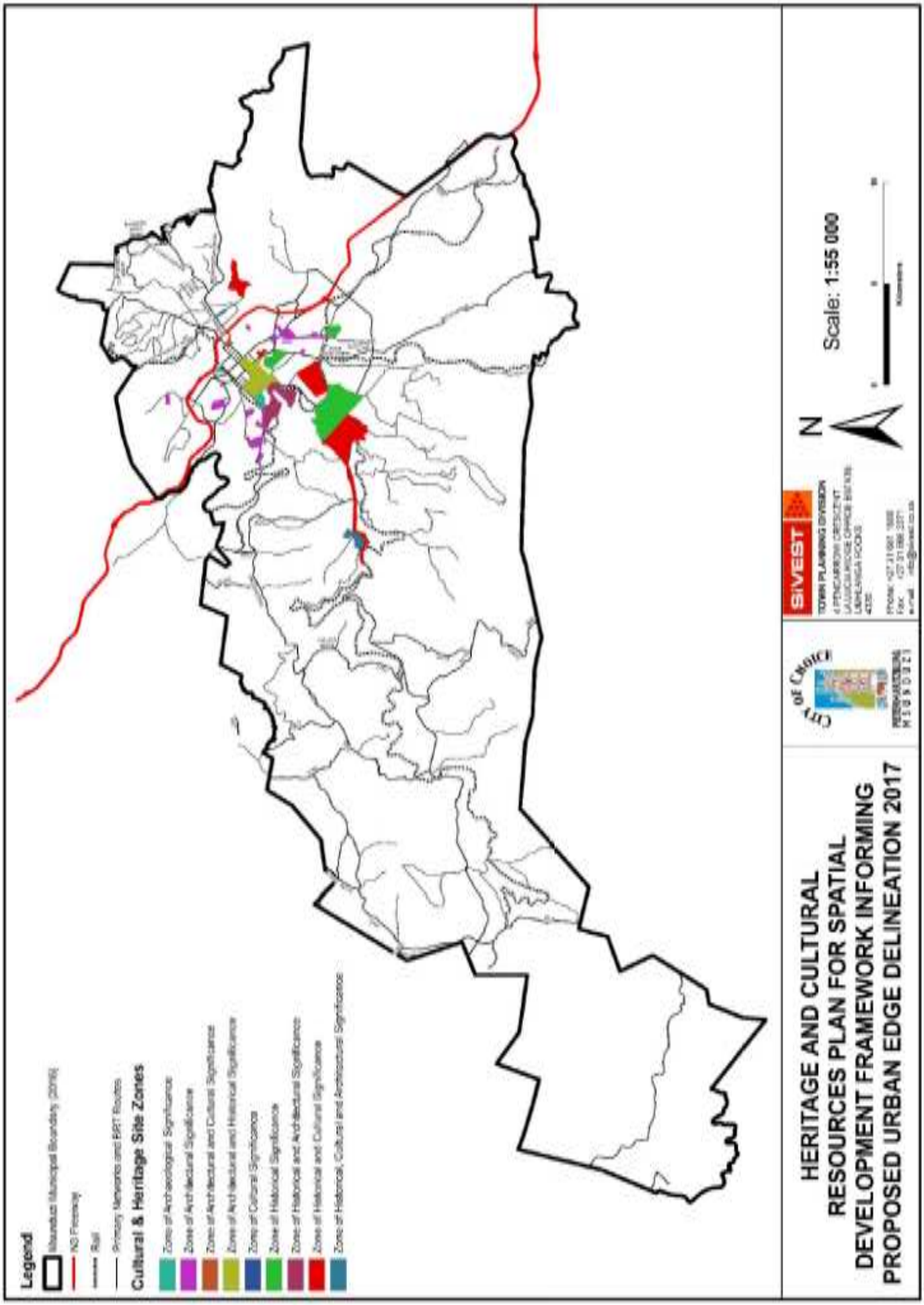
MAP 33: Town Planning: SDF: Future Development

MAP 33 A: Environmental sensitive areas



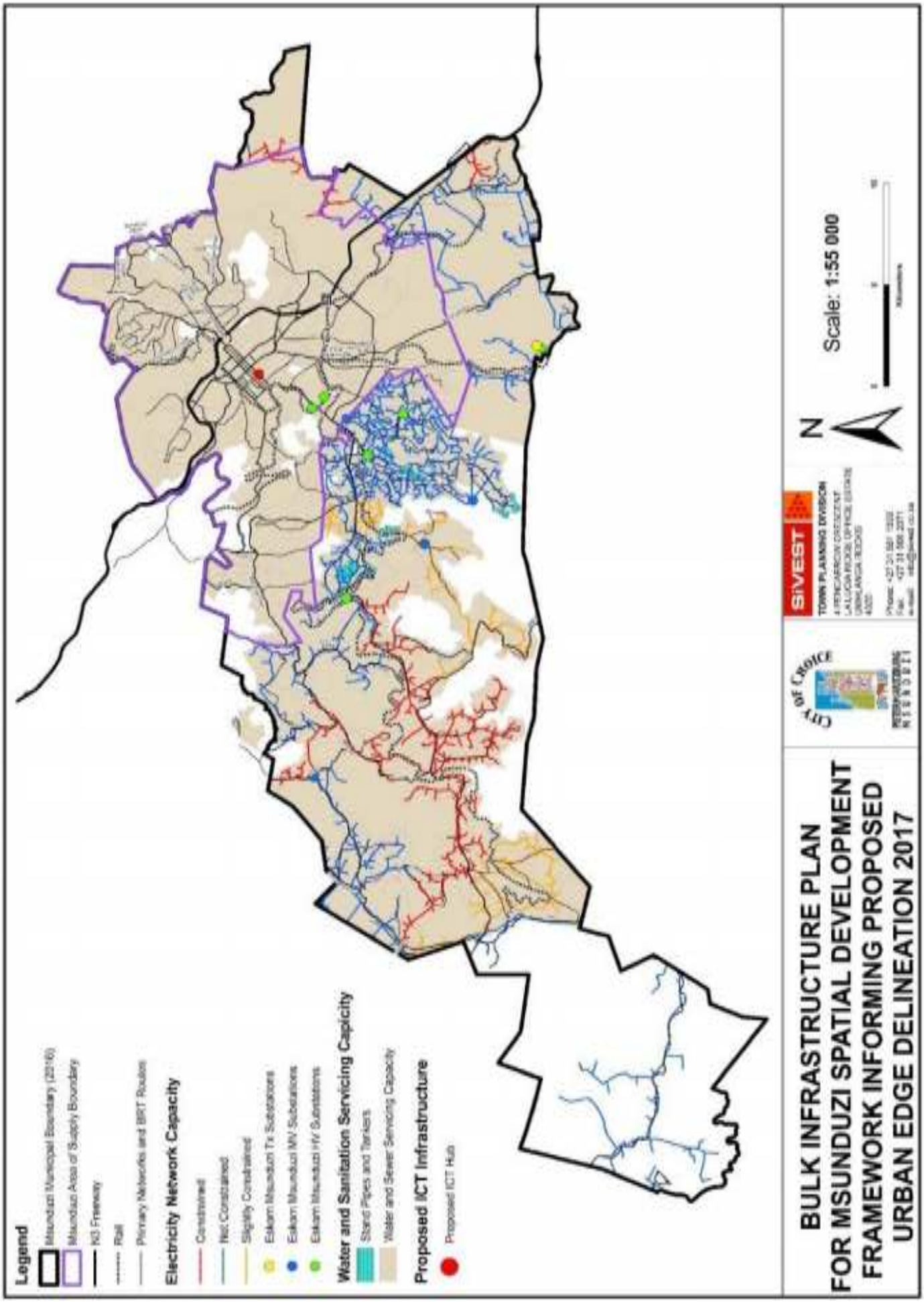
MAP 33 B: Agricultural potential



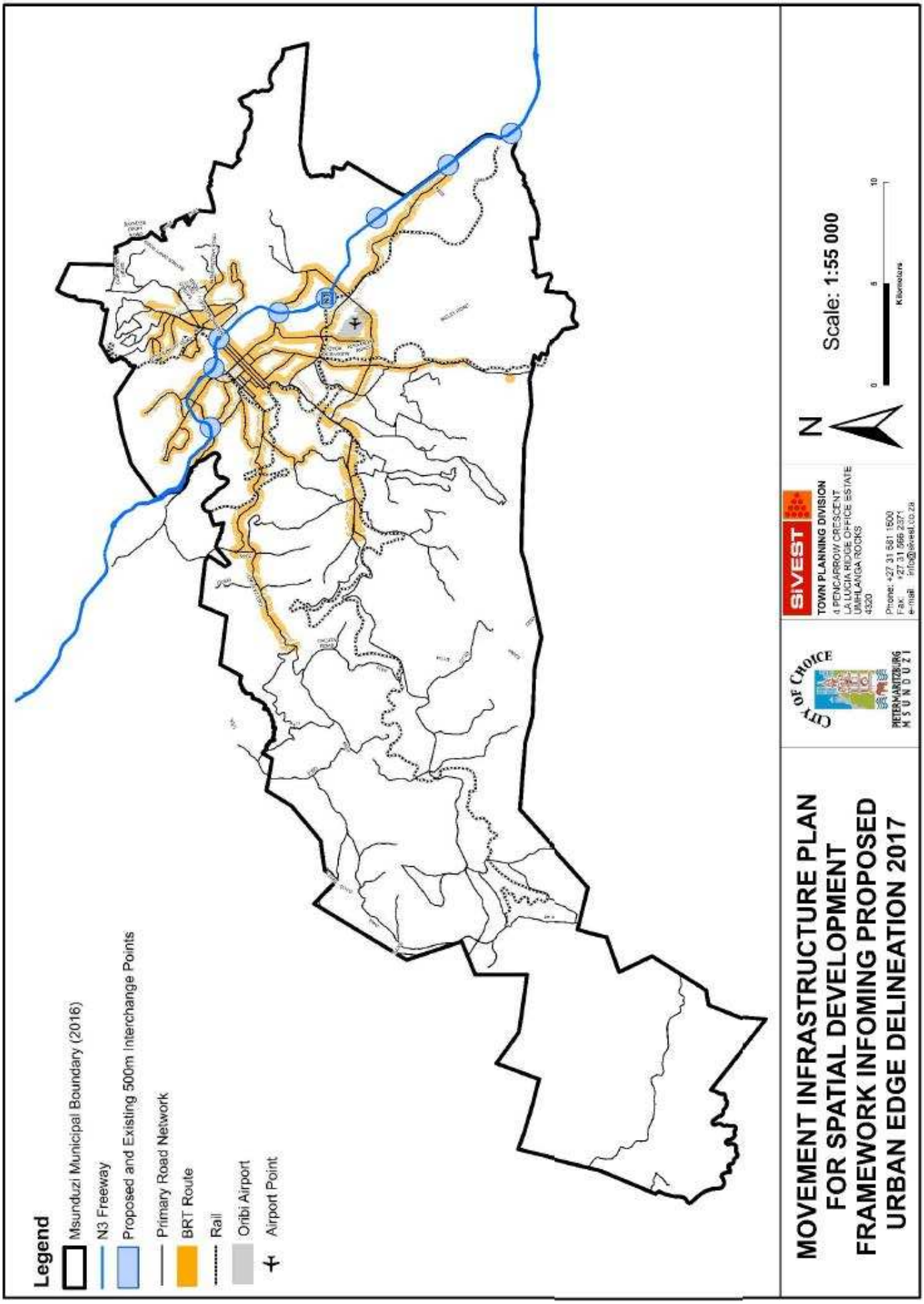


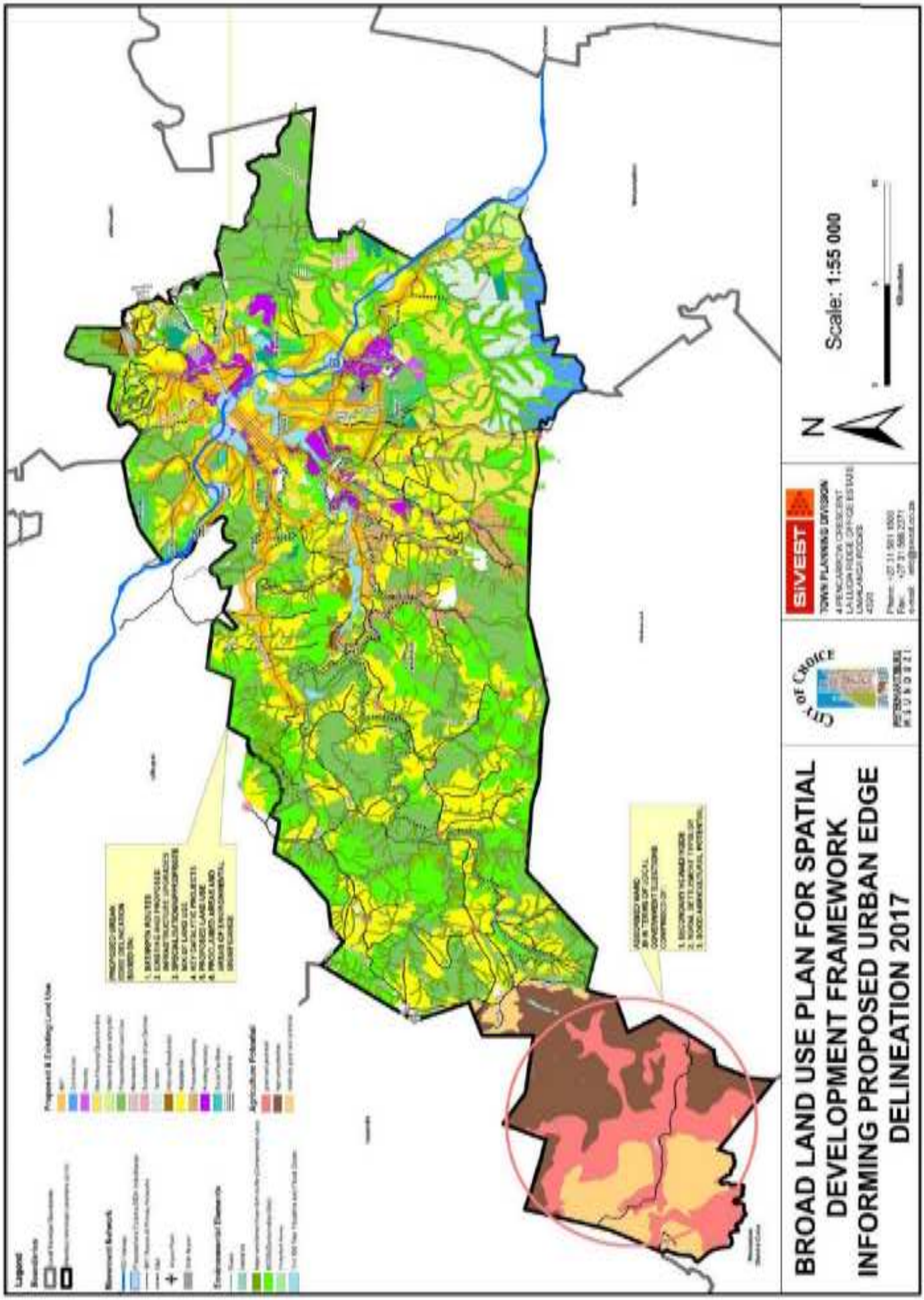
MAP 33 C: Heritage and culture resources

MAP 33 D: Existing Bulk Infrastructural Assets

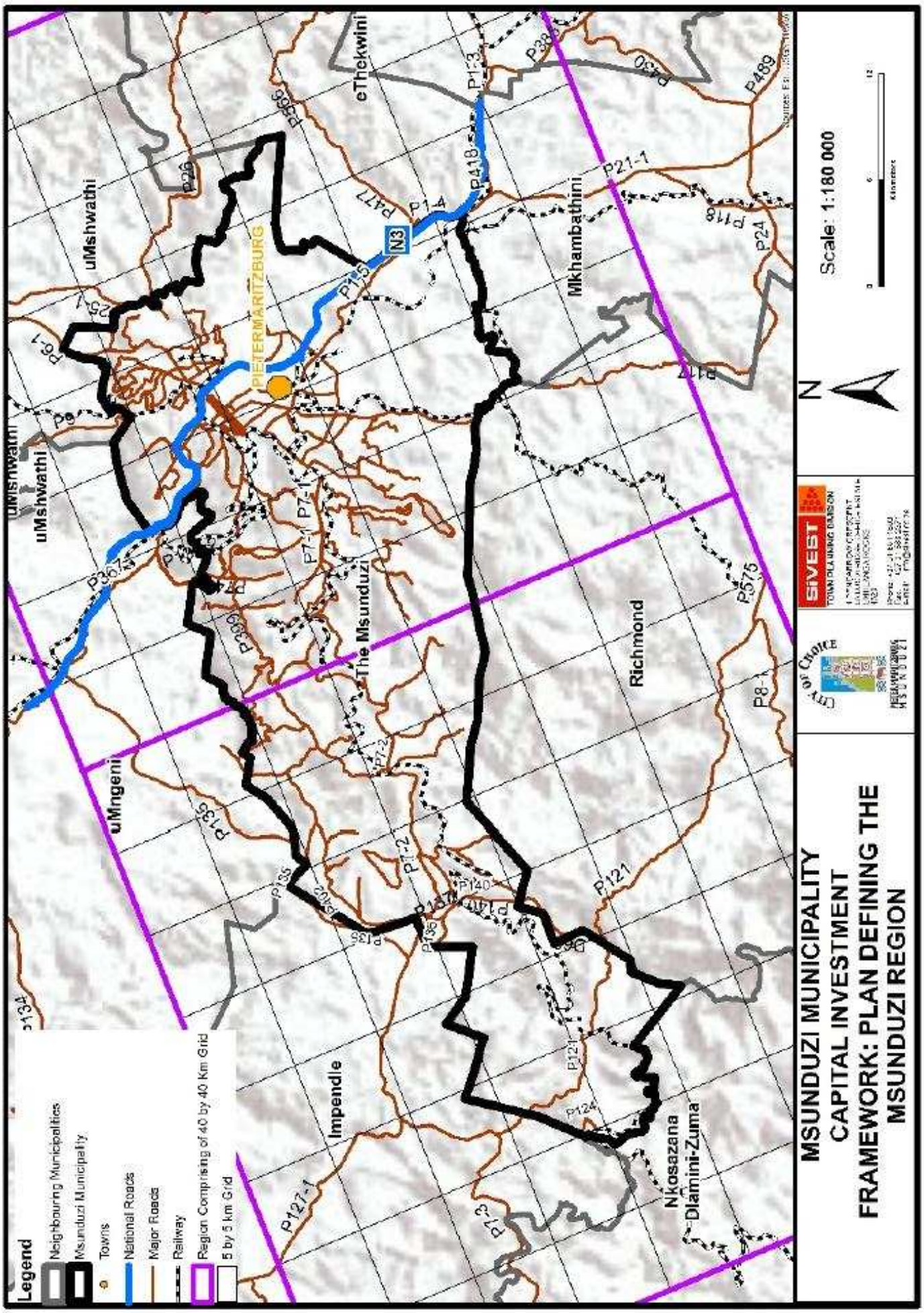


MAP 33 E: Transportation Infrastructure

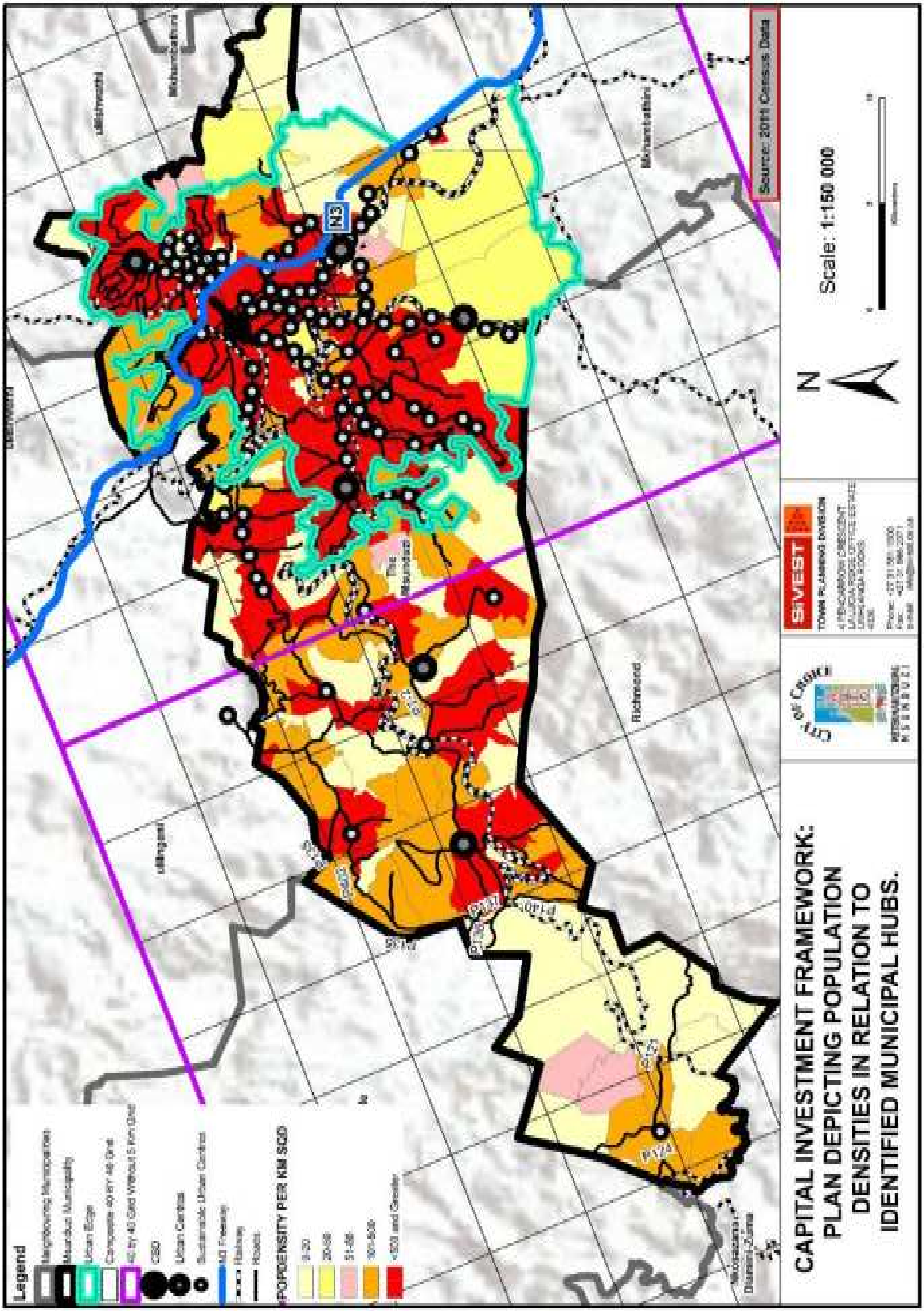




MAP 33 F: Existing and Proposed Land Uses

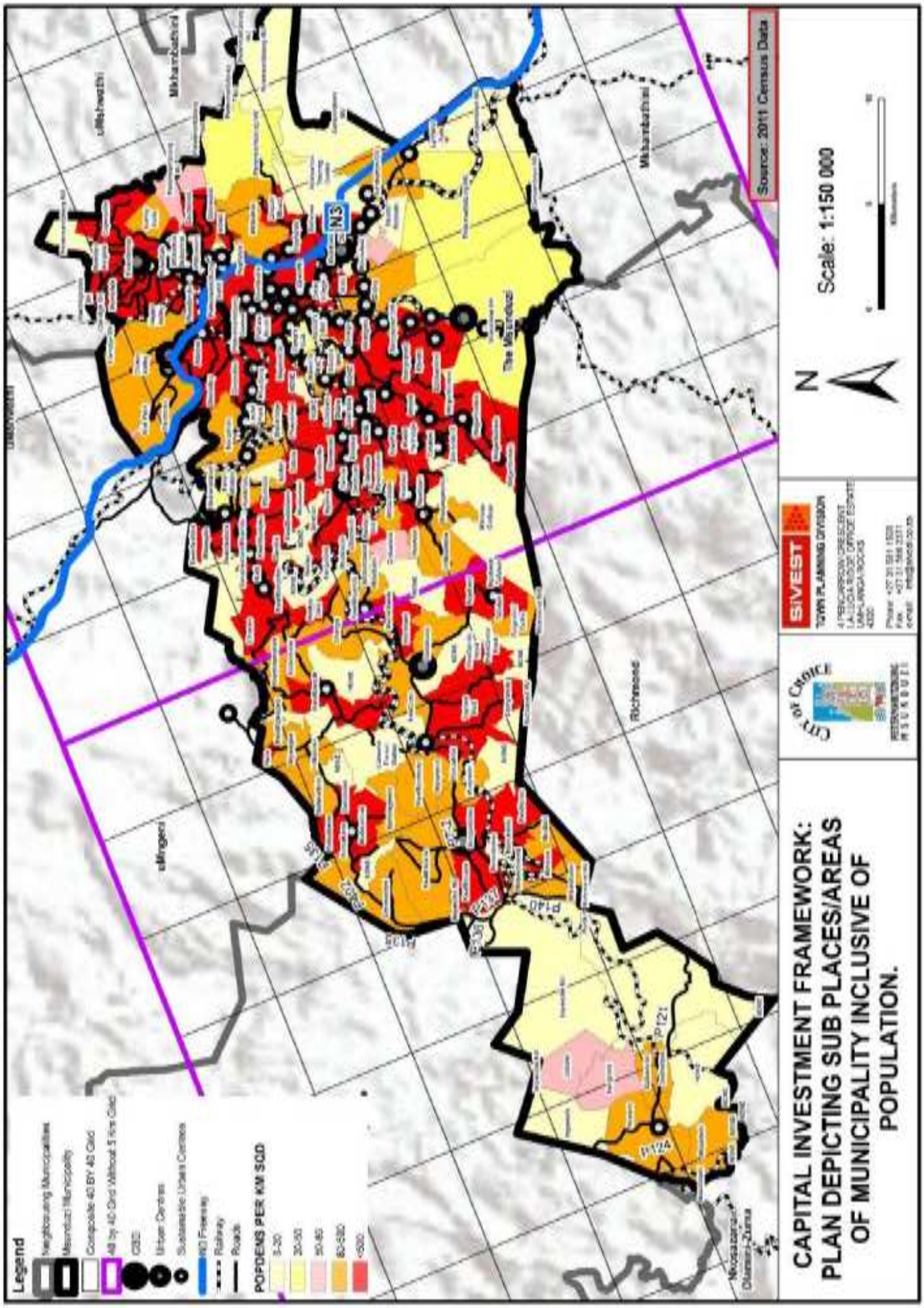


MAP 33 G: Defining the Msunduzi Region

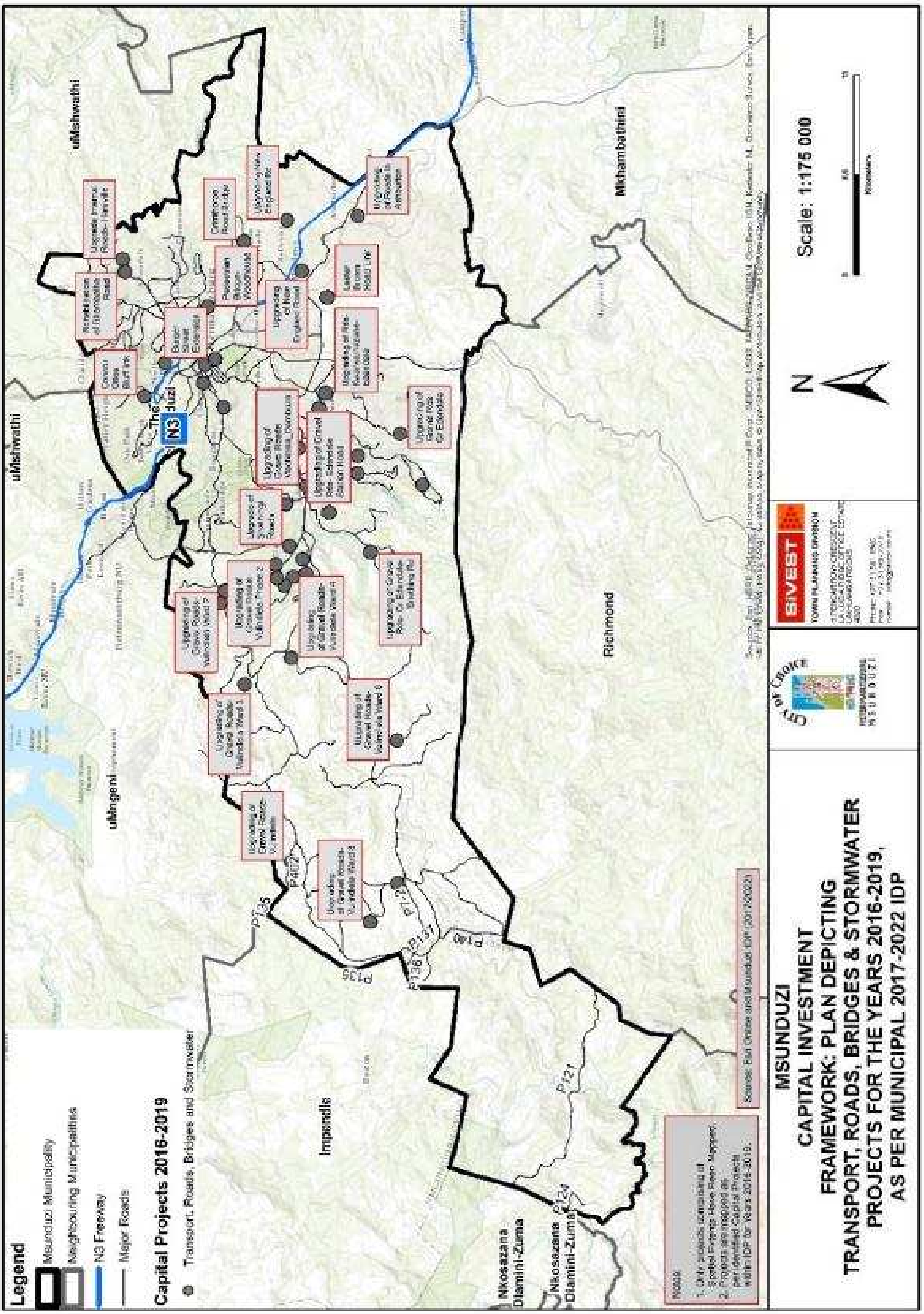


MAP 33 H: Population Densities to Municipal Hubs

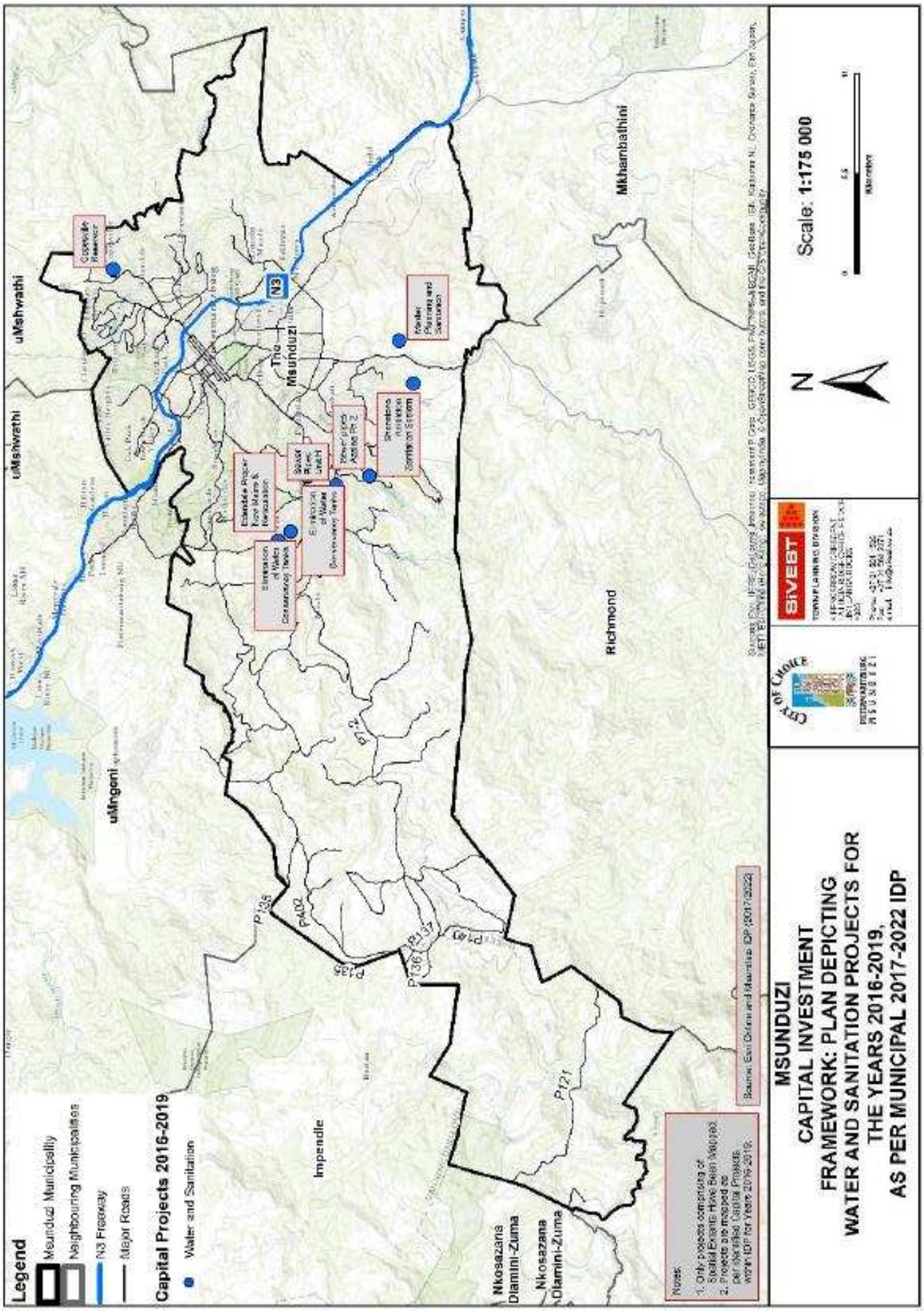
MAP 33 I: Municipal Areas of Need/Sub Places and Population Densities

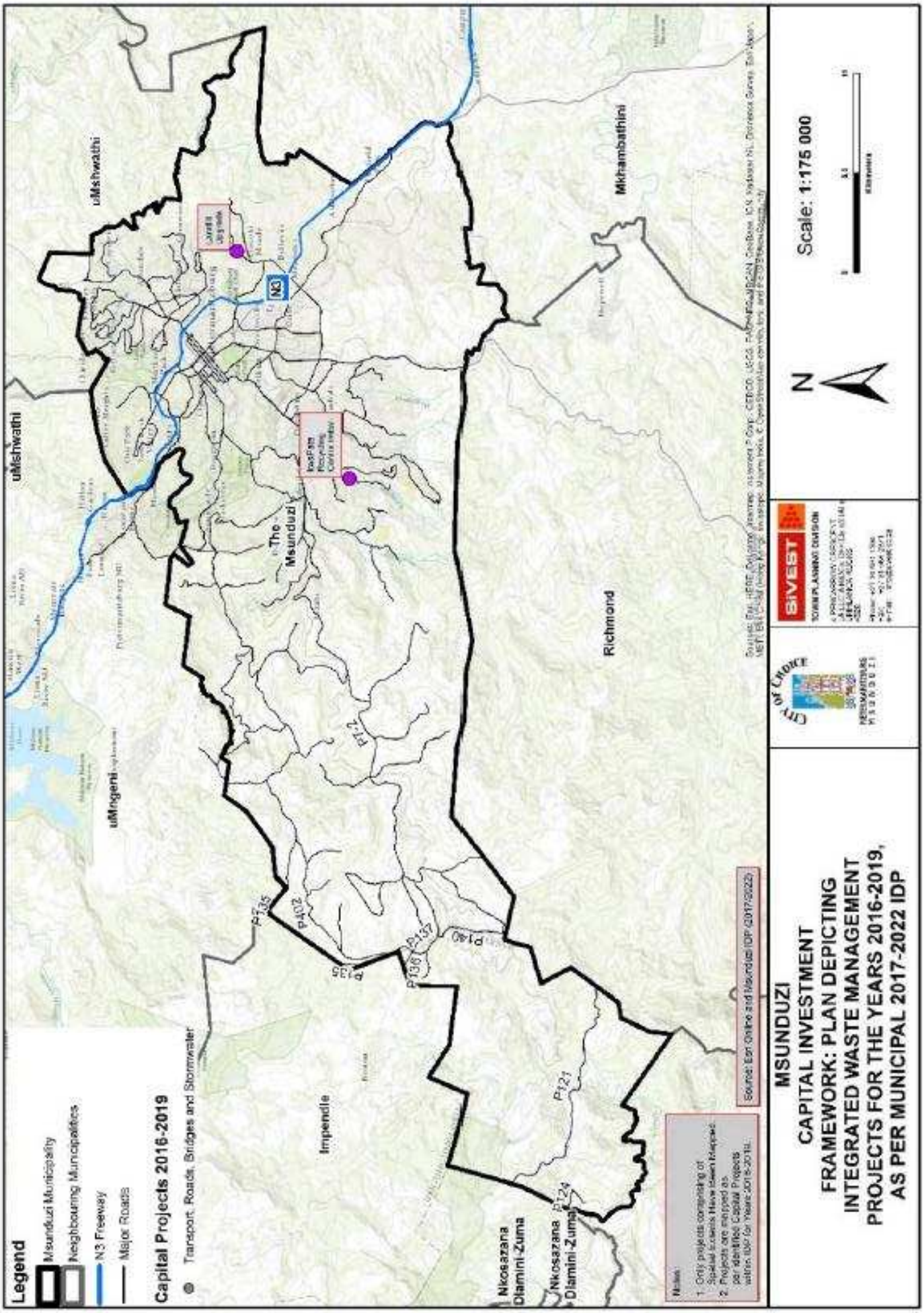


MAP 33 J: Transportation, Roads, Bridges and Storm Water Projects as per IDP 2017/2022



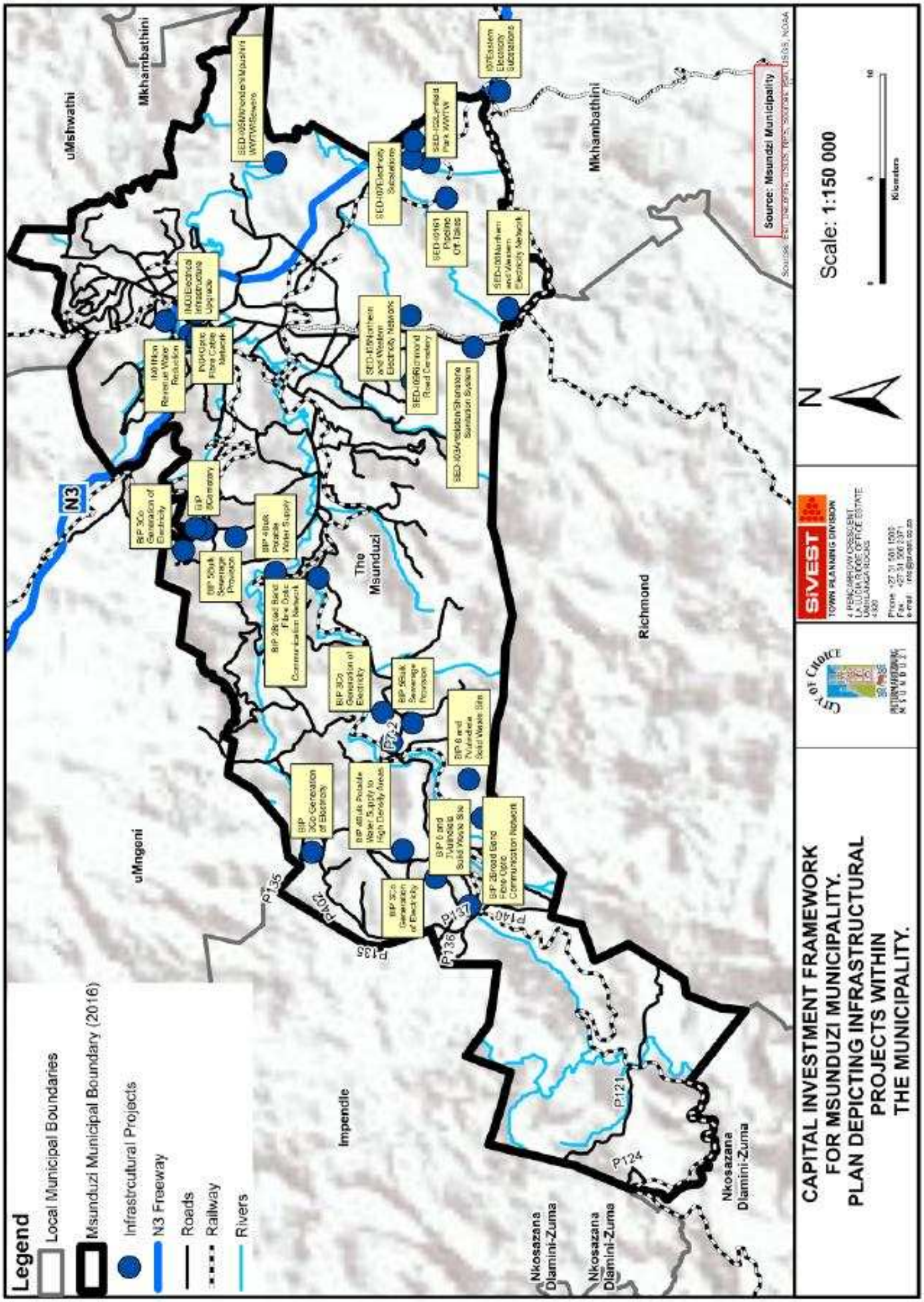
MAP 33 K: Water and Sanitation Projects as per IDP 2017/2022



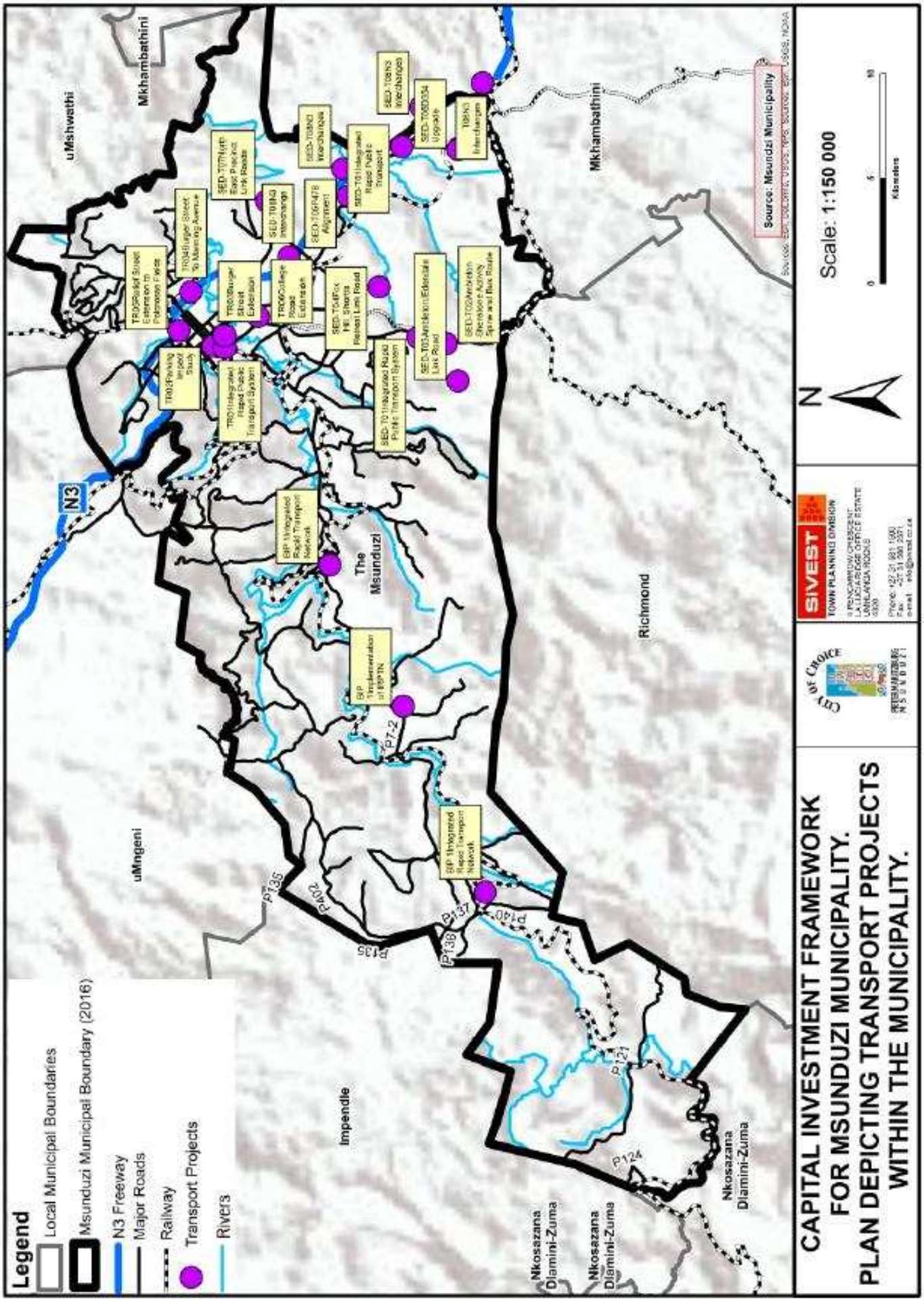


MAP 33 L: Integrated Waste Management Projects as per IDP 2017/2022

MAP 33 M: Infrastructural Projects as Identified within Municipal LAP's



MAP 33 N: Transport Projects as Identified within Municipal LAP's



MAP 33 O: Housing Projects as Identified within Municipal LAP's

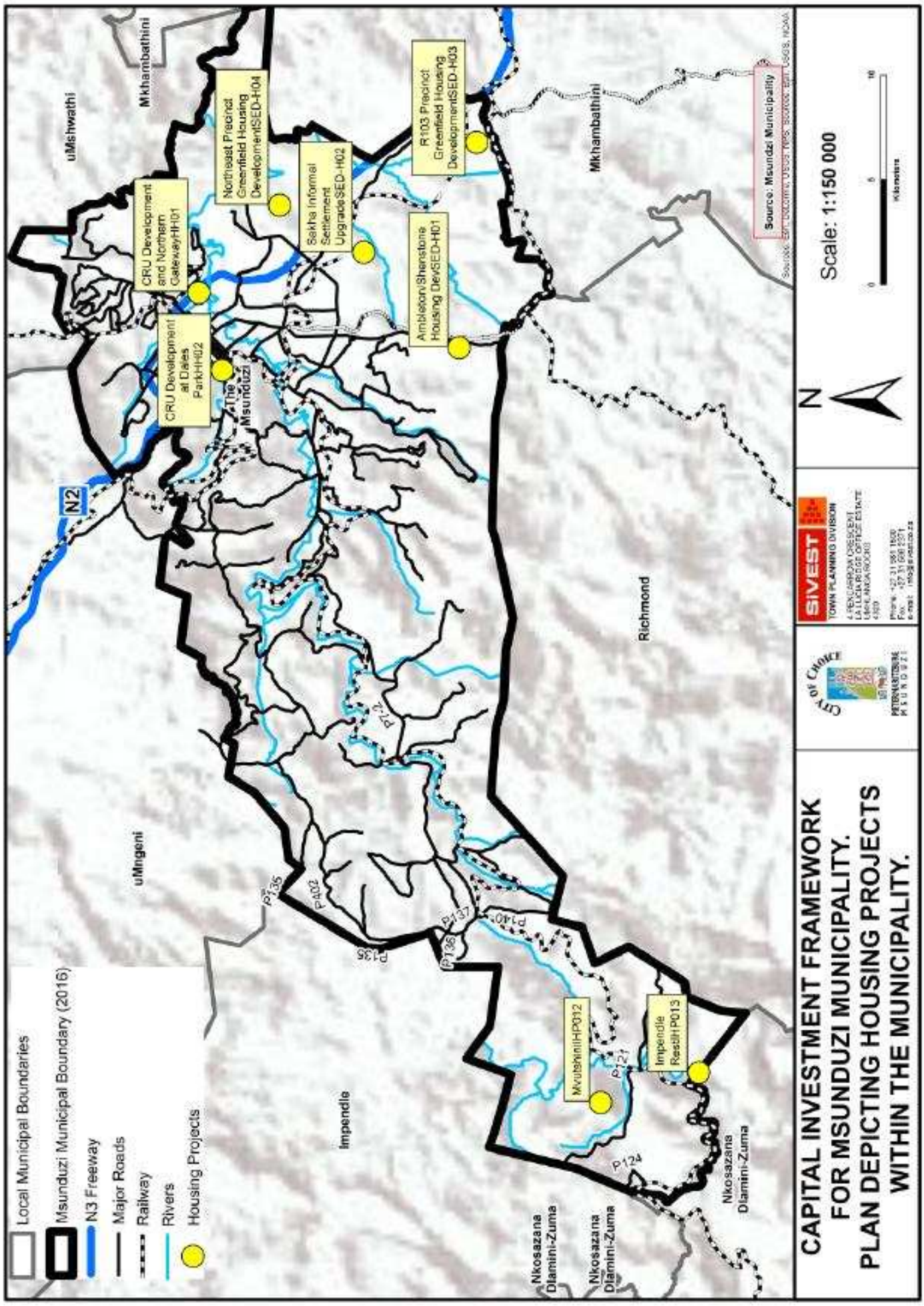
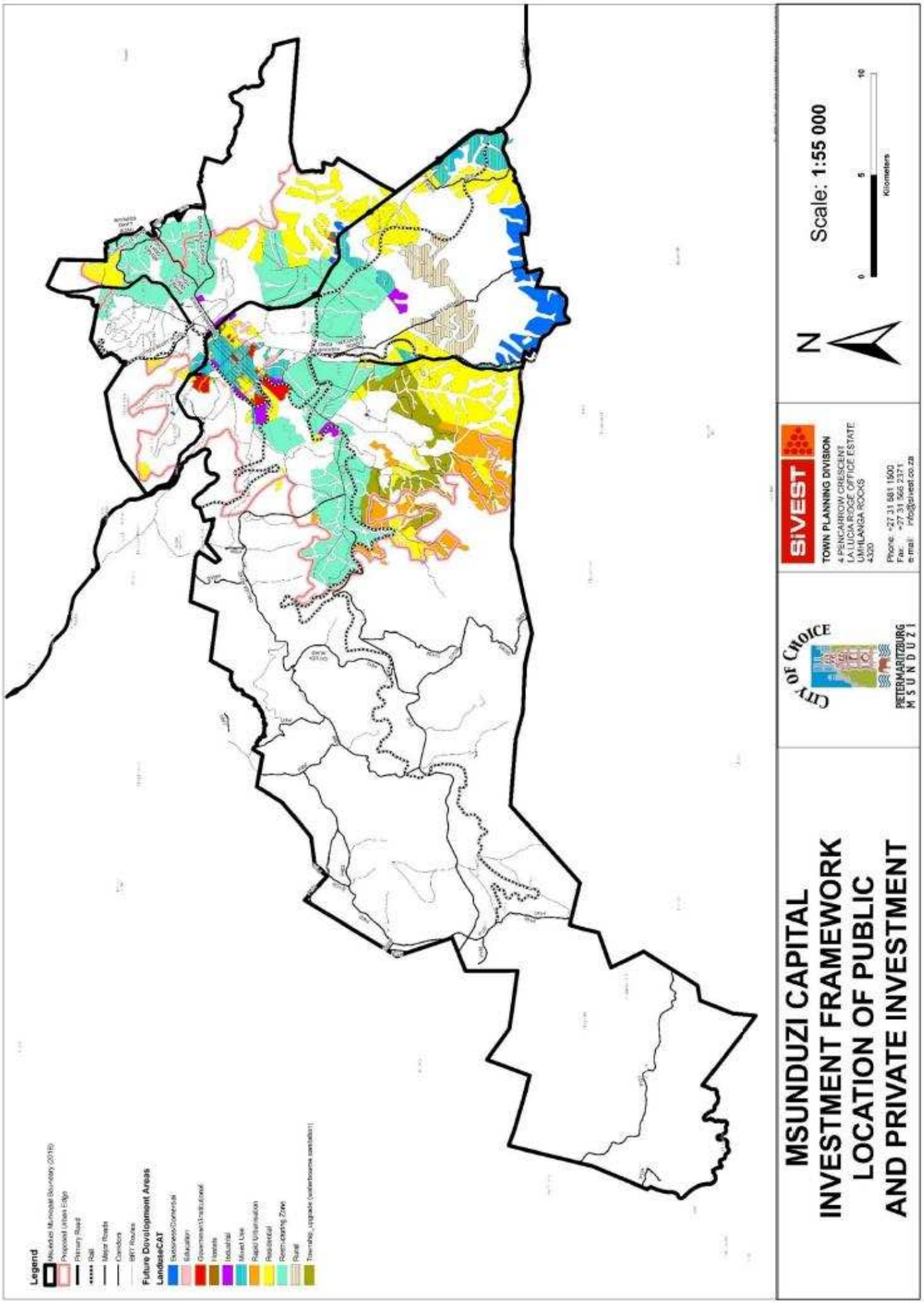


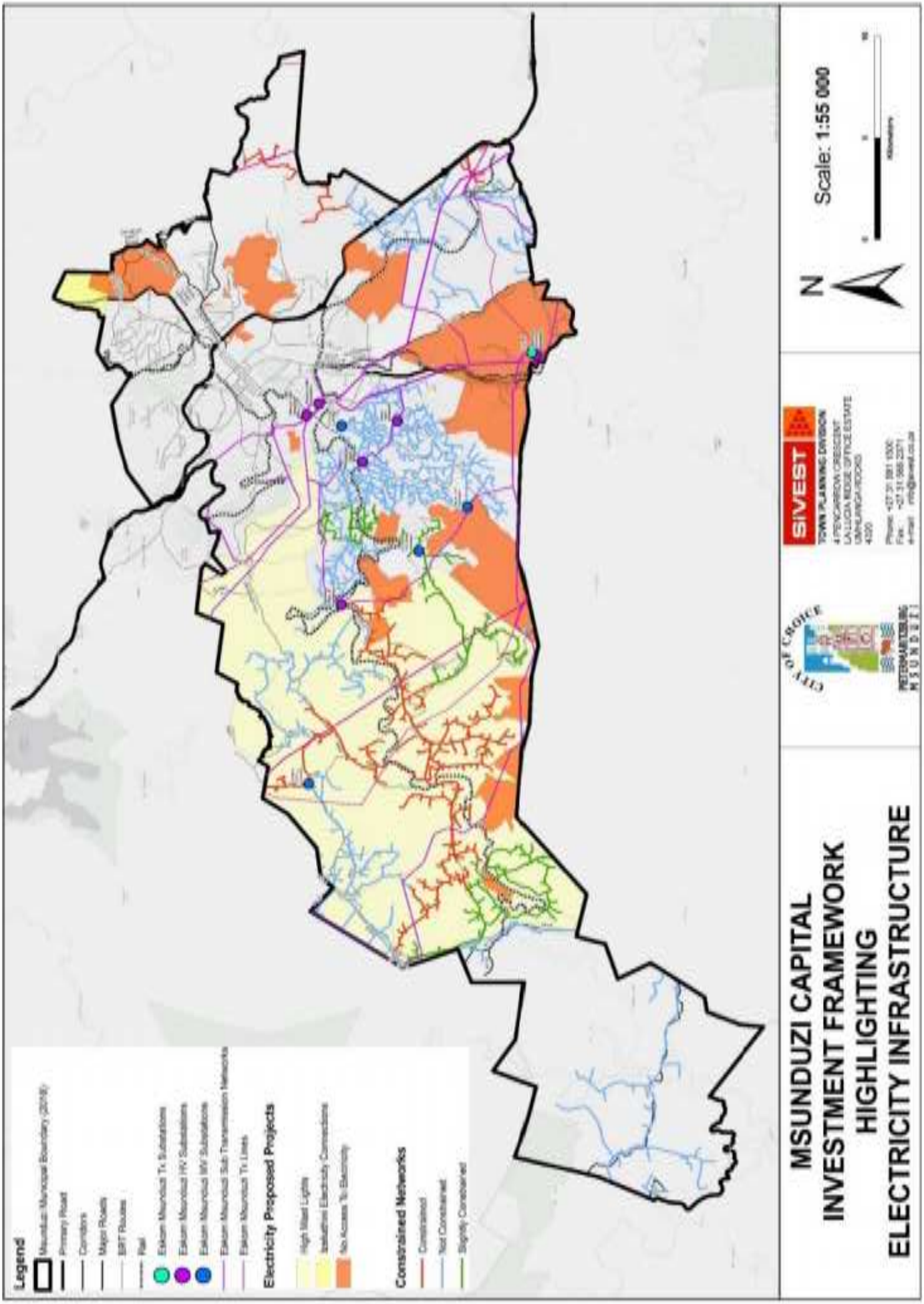
TABLE 79: SUMMARY OF PROPERTIES IDENTIFIED FOR PRIVATE AND PUBLIC INVESTMENT PURPOSES

Land Audit Ref No.	Address	Property Description	Extent (M^2)	Zoning	Preferred Land Use	General Value	Environmental Comment
9 H	Mkhondeni	Rem of Erf 10 000 of Murray Road Mkhondeni	102336m^2	General Industrial	Future Economic Activity area	R4 200 000	Suitable for development
9 D	40 Haworth RD	Erf 188 of Shorts Retreat	28015m^2	General Industrial	Future Economic Activity area	R4 200 000	Suitable for development
9 C	Bulman Road	Portion 12 of Erf 441 Shorts Retreat	38623m^2	General Industrial	Future Economic Activity area	R3 400 000	Upper portion along road is suitable for development but requires EIA. The watercourse and wetland area must be retained as open space.
Corner FJ Sithole and Thwala Road	Imbali Unit CC	Portion 12 of Erf 23295 Edendale CC		General Industrial	Petrol Filling Station and Convenient Shop.	R7 700 000	Suitable for development
26 I	1 Ormond Rd - Central City	Portion 7 of Erf 1889 PMB	16080m^2	Passive Public Open Space.	Future Economic Activity area	R2 800 000	Suitable for development but will require an offset for the loss of public open space within the urban centre.
Portion of 10 B	Skhumbuzo Ngwenya	Erf 456 portions 1, 2 and 3 PMB	136900m^2	General Industrial	Future Economic Activity area	R350 000 each (Ptn 1,2 3)	Suitable for development but requires EIA. Wetlands areas, Large indigenous trees to be retained as open space.
17 B	Chase Valley, Chase Valley Road	Rem/ 186/ PMB	191187m^2	Open Space & Residential	The Land parcel could be identified for medium to high density housing	R30 000 000	Suitable for development but requires EIA. Watercourse and wetlands to be retained as open space.
Off Cleland Road (Along N3)	Caravan Park, Hayfields	Rem of Erf 10000	52000m^2	Active Open Space	Commercial Development	R5 460 000	Suitable for development
Polocrosse	Armitage Road	Ptn A & B of Erf 1556	42116m^2	Active Public Open Space	Commercial Development	N/A	Suitable for development
Scottsville	Woodhouse, Scottsville	Portion A of Erf 10000	42000m^2	General Residential	Student Accommodation	R4 100 000	Suitable for development
Scottsville (Bowling Club Site)	Cnr. St. Patricks & New England	Portion A of Erf 1913	5802m^2	Active Public Open Space	Mixed Use Commercial	R7 000 000	Suitable for development
Edendale DD	Cnr. FJ Sithole & Mthombothi	Erf 2008 & 2009	573m^2 & 1514m^2	Limited Business	Commercial Development	R154 000 & R172 000	Suitable for development

MAP 33 P: Areas identified for private and public investment purposes

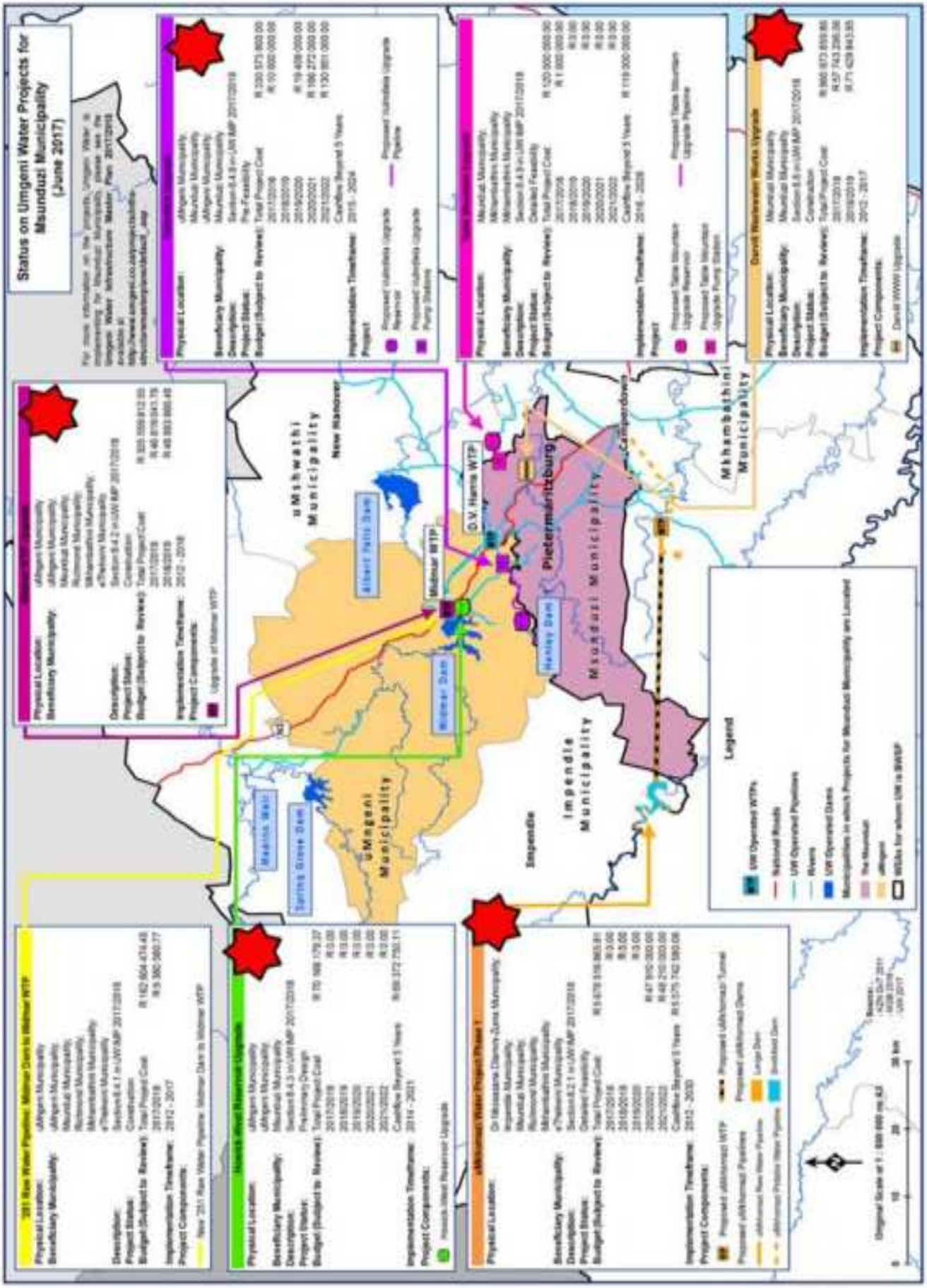


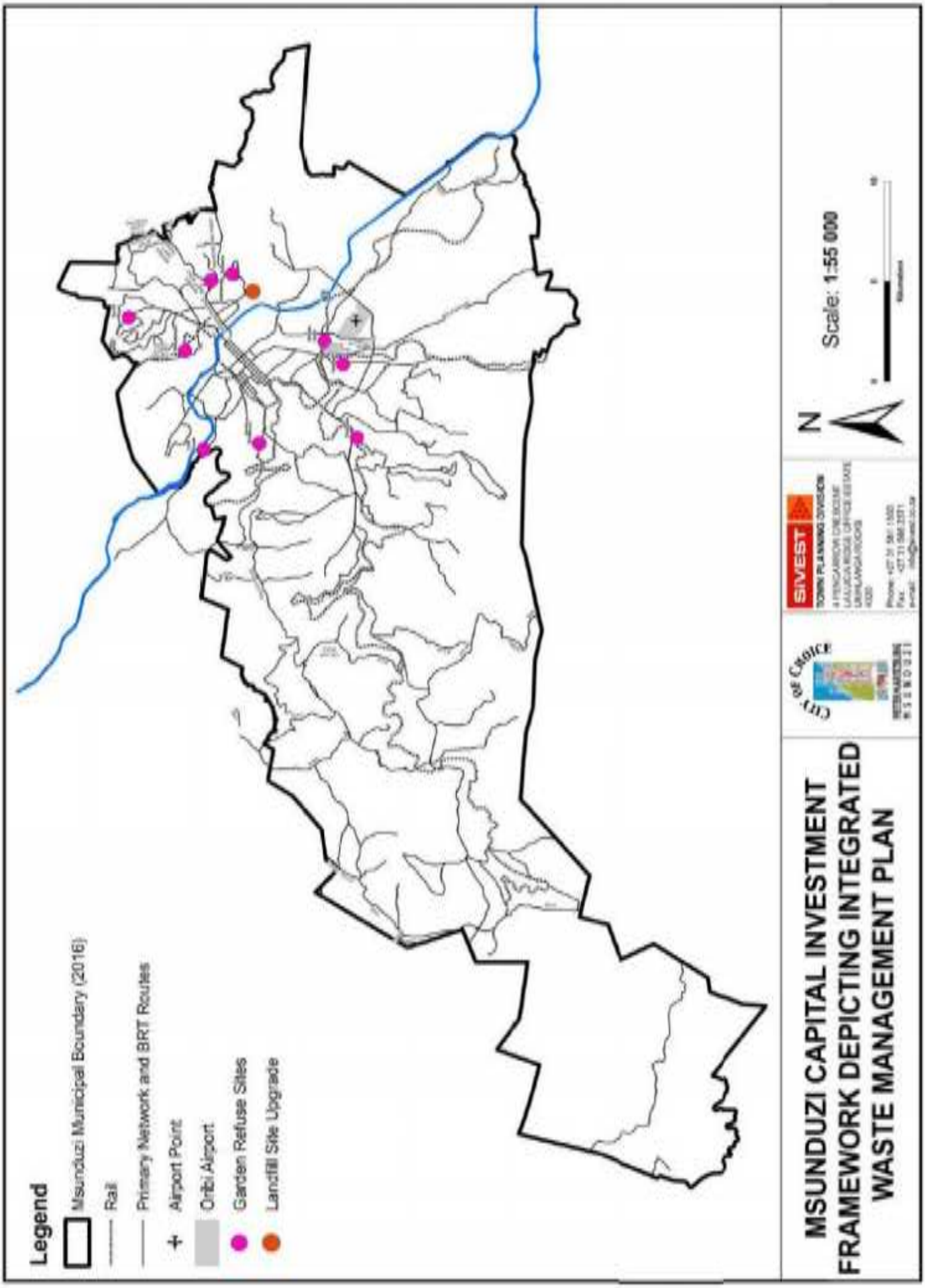
MAP 33 Q: Existing Electrical Infrastructure and Planned Electricity Projects



MAP 33 R: Planned Umgeni Water Projects

Spatially the outcomes of these planned projects marked in a red star are represented as follows:





MAP 33 S: Integrated Waste Management Plan

E2 IMPLEMENTING THE PLAN

5.3 INTRODUCTION

This review of the IDP has seen alignment between the 2030 Municipal Vision, the IDP strategic framework, the SDBIP, and the capital investment framework. A unique IDP number has been given to each Vision Statement, the corresponding Value Statements, and the Targets (as well as to the 5 year and 1 year targets) and their associated Projects.

In creating these linkages, it becomes far easier for oversights structures (e.g. Council, Internal Auditors, the Auditor General, etc.) to ensure that municipal expenditure is in terms of the municipal vision and the IDP.

This project is a work-in-progress, and will develop and mature in the years to come through its daily use. It has also been captured in an electronic spreadsheet format, which makes monthly and quarterly reporting by departments far easier to undertake.

5.4 IMPLEMENTATION PLAN

The following table summarises the capital Budget for 2014/15.

TABLE 80: CAPITAL BUDGET

KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funded by:											
National Government		198,921	299,283	270,402	428,074	424,639	424,639	424,639	447,745	386,718	380,695
Provincial Government		47,262	57,176	28,696	19,899	34,735	34,735	34,735	8,867	5,467	5,467
District Municipality		–									
Other transfers and grants		–		4,386							
Transfers recognised - capital	4	246,183	356,459	303,484	447,973	459,374	459,374	459,374	456,612	392,185	386,162
Public contributions & donations	5	–									
Borrowing	6	–	100,000	62,181	158,268	158,268	158,268	158,268	38,800		
Internally generated funds		117,723	72,177	110,621	120,000	254,084	254,084	254,084	131,582	131,087	147,432
Total Capital Funding	7	363,906	528,636	476,286	726,241	871,726	871,726	871,726	626,994	523,272	533,593

Business Unit	Cnl	Grants (other sources)	Total per BU
Finance	25 709 500	0	25 709 500
Community	27 863 000	20 000 000	47 863 000

Business Unit	Cnl	Grants (other sources)	Total per BU
Corporate Business Unit	5 750 000	0	5 750 000
Development Services	9 797 500	27 500 000	37 297 500
Infrastructure	44 480 000	541 560 000	586 040 000
Sound Governance	6 400 000	0	6 400 000
Total	**120 000 000**	**187 456 000**	**709 060 000**

5.5 ONE YEAR CAPITAL INVESTMENT FRAMEWORK

TABLE 81: ONE YEAR CAPITAL INVESTMENT FRAMEWORK

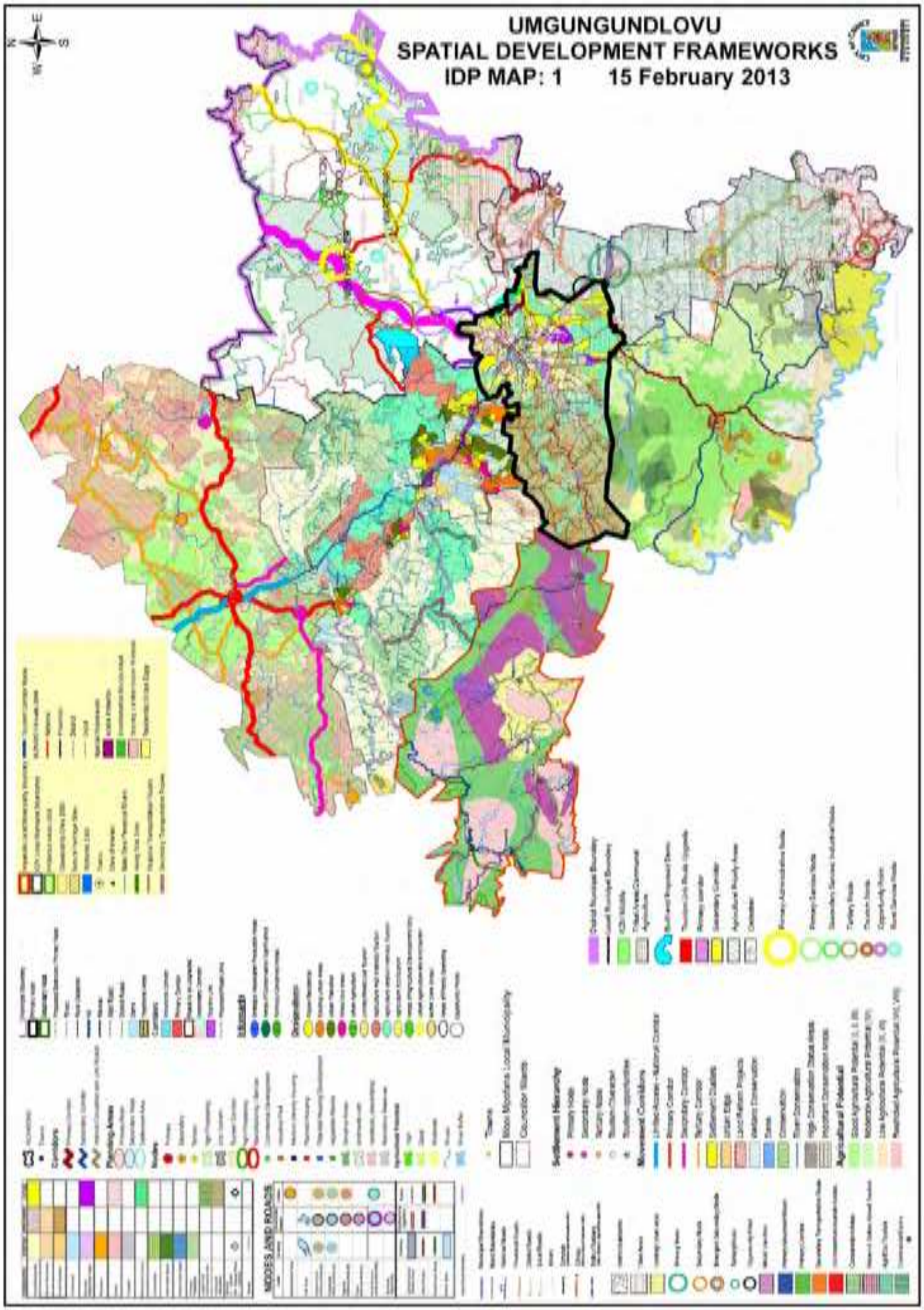
KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
Parent municipality:									
BUDGET AND TREASURY	VARIOUS		FURNITURE AND EQUIPMENT	200	150	150			NEW
BUDGET AND TREASURY	VARIOUS		INSTALL MORE CAMERA SYSTEMS STORES	50					NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE STORES	80	50	50			NEW
BUDGET AND TREASURY	VARIOUS		NEW SHELVING AT STORES	300					NEW
BUDGET AND TREASURY	VARIOUS		MOBILE FUEL TANK STORES	50					NEW
BUDGET AND TREASURY	VARIOUS		COMPUTERS	156	80	80			NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE	150	90	20			NEW
BUDGET AND TREASURY	VARIOUS		PLANT AND VEHICLES	330	150	150			NEW
BUDGET AND TREASURY	VARIOUS		AIRCONDITIONING OFFICES	100	50				NEW
BUDGET AND TREASURY	VARIOUS		INNSTALLATION OF CCTV CAMERA AND SCREEN X 4	50					NEW
BUDGET AND TREASURY	VARIOUS		PARTITIONING OF REVENUE OFFICES	180	50	50			NEW
BUDGET AND TREASURY	VARIOUS		RENOVATION OF OFFICES - RATES SECTION	150					NEW
BUDGET AND TREASURY	VARIOUS		ADDING MACHINES / CALCULATORS -RATES	12					NEW
BUDGET AND TREASURY	VARIOUS		COMPUTERS RATES SECTION	78					NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE CASHIER OFFICES BOMBAY ROAD	30					NEW
BUDGET AND TREASURY	VARIOUS		NOTE COUNTING MACHINES - CASHIER	75					NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
BUDGET AND TREASURY	VARIOUS		CALL CENTRE MANAGEMENT SYSTEM	1,000	500	300			NEW
BUDGET AND TREASURY	VARIOUS		COMPUTERS	78	80	80			NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE	50	50	50			NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE AND EQUIPMENT	100	100	100			NEW
BUDGET AND TREASURY	VARIOUS		FINANCIAL MANAGEMENT SYSTEM - SAP	19,500	23,250	23,920			NEW
BUDGET AND TREASURY	VARIOUS		COMPUTERS -DuziSAP	1,200	500	500			NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE AND EQUIPMENT -DuziSAP	219	100	100			NEW
BUDGET AND TREASURY	VARIOUS		RENOVATION TO DUZISAP OFFICES	250					NEW
BUDGET AND TREASURY	VARIOUS		COMPUTERS PAY OFFICE	60					NEW
BUDGET AND TREASURY	VARIOUS		FURNITURE PAY OFFICE	18	50	50			NEW
BUDGET AND TREASURY	VARIOUS		FILLING SYSTEM CANINETS PAY OFFICE	50					NEW
BUDGET AND TREASURY	VARIOUS		CNL - AArchiving Storage of documents Pay Office	–	50				NEW
BUDGET AND TREASURY	VARIOUS		CNL - Renovation of Offices -Pay Office	–	300				NEW
BUDGET AND TREASURY	VARIOUS		CNL - Furniture Boardroom Table Creditors	50					NEW
BUDGET AND TREASURY	VARIOUS		CNL - FURNITURE -Chairs Creditors	41					NEW
BUDGET AND TREASURY	VARIOUS		CNL - Furniture Fridge Creditors	5					NEW
BUDGET AND TREASURY	VARIOUS		CNL - FURNITURE Assets Management	50	50	50			NEW
BUDGET AND TREASURY	VARIOUS		CNL - Vehicles for Asset Verification	190					NEW
BUDGET AND TREASURY	VARIOUS		CNL - FURNITURE Fleet	111					NEW
BUDGET AND TREASURY	VARIOUS		CNL - Filing Cabinets Fleet	27					NEW
BUDGET AND TREASURY	VARIOUS		CNL - Airconditioning Offices Fleet	110					NEW
BUDGET AND TREASURY	VARIOUS		CNL - Renovation of Offices -Real Estates and Valuation	600					NEW
BUDGET AND TREASURY	VARIOUS		CNL - FURNITURE Real Estates and Valuations	–	50	50			NEW
BUDGET AND TREASURY	VARIOUS		SEDAN 1.6	2,690					NEW
BUDGET AND TREASURY	VARIOUS		LWB 4X2 SINGLE CAB HALF DOOR CANOPY	380					NEW
BUDGET AND TREASURY	VARIOUS		7 SEATER VEHICLE	1,535					NEW
BUDGET AND TREASURY	VARIOUS		TRACTOR LOADER BACKHOE	2,851					NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
BUDGET AND TREASURY	VARIOUS		6KL WATER TANKER	4,250					NEW
CITY MANAGER	VARIOUS		NEW:FURNITURE & OFFICE EQUIP	400	400	400			NEW
CITY MANAGER	VARIOUS		NEW:FURNITURE & OFFICE EQUIP	345	345	345			NEW
CITY MANAGER	VARIOUS		PURCHASING OF NEW PMS SYSTEM / SOFTWARE	700	–	–			NEW
CITY MANAGER	VARIOUS		PURCHASING OF NEW TELEPHONES	50	15	15			NEW
CITY MANAGER	VARIOUS		PURCHASING 'NEW COMPUTERS	150	25	25			NEW
CITY MANAGER	VARIOUS		PPE-FURNITURE & OFF.EQUIP.-ALL OR EXCL NERSA-ACQUI	100	15	15			NEW
CITY MANAGER	VARIOUS		PURCHASING OF NEW TELEPHONES	500	525	551			NEW
CITY MANAGER	VARIOUS		CAPITAL - PURCHASING DATA RECORDING SOFTWARE	1,000	1,050	1,103			NEW
CITY MANAGER	VARIOUS		PPE-FURNITURE & OFF.EQUIP.-ALL OR EXCL NERSA-ACQUI	505	530	557			NEW
CITY MANAGER	VARIOUS		CAPITAL - PURCHASING OF PARKHOME	250	–	–			NEW
CITY MANAGER	VARIOUS		CAPITAL - PURCHASING NEW COMPUTERS	100	–	–			NEW
CITY MANAGER	VARIOUS		CAPITAL - PURCHASING NEW FURNITURE	1,350	–	–			NEW
CITY MANAGER	VARIOUS		LEVS:AH:NEW:COMPUTER EQUIPMENT	30	32	33			NEW
CITY MANAGER	VARIOUS		LEVS:AH:NEW:COMPUTER EQUIPMENT	110	–	–			NEW
CITY MANAGER	VARIOUS		LEVS:AH:NEW:COMPUTER EQUIPMENT	710					NEW
CITY MANAGER	VARIOUS		LEVS:AH:NEW:COMPUTER EQUIPMENT	100					NEW
CITY MANAGER	VARIOUS		INTERGRATED RAPID PUBLIC TRASPORT NETWORK	189,012	93,974	95,532			NEW
COMMUNITY SERVICES	35		LANDFILL UPGRADE	4,800	5,040	5,292			RENEWAL
COMMUNITY SERVICES	15		WARD 15 COMMUNITY HALL	400	420	441			RENEWAL
COMMUNITY SERVICES	6		KWAQANDA COMMUNITY HALL	2,900	3,045	3,197			RENEWAL
COMMUNITY SERVICES	18		Ward 18 COMMUNITY HALL	3,900	4,095	4,300			RENEWAL
COMMUNITY SERVICES	17		UNIT BB COMMUNITY HALL	2,900	3,045	3,197			RENEWAL
COMMUNITY SERVICES	27		REGIONAL ATHLETIC TRACK SPORT COMPLEX	1,900	1,995	2,095			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
COMMUNITY SERVICES	2		SWEETWATERS DUAL PURPOSE SPORT CENTRE	6,900	7,245	7,607			NEW
COMMUNITY SERVICES	VARIOUS		FURNITURE & OFFICE EQUIP	50					NEW
COMMUNITY SERVICES	VARIOUS		purchace loud hailers	100					NEW
COMMUNITY SERVICES	VARIOUS		Motor vehicles - new project	400					NEW
COMMUNITY SERVICES	VARIOUS		Operation Sukuma Sakhe(OSS)- new project	200	100	100			NEW
COMMUNITY SERVICES	VARIOUS		Thusong Centre - new project	600					NEW
COMMUNITY SERVICES	VARIOUS		IMPL MASTER PLAN FOR HALLS	2,000					NEW
COMMUNITY SERVICES	VARIOUS		FURNITURE & OFFICE EQUIP	150					NEW
COMMUNITY SERVICES	VARIOUS		Junior Traffic Center Rehabilitation- new project	200					NEW
COMMUNITY SERVICES	VARIOUS		Upgrading of Alexandra Rd Library	3,467					RENEWAL
COMMUNITY SERVICES	VARIOUS		Shelves and other library material	750					NEW
COMMUNITY SERVICES	VARIOUS		Standalone and interaction computers	450					NEW
COMMUNITY SERVICES	VARIOUS		VEHCLES	800					NEW
COMMUNITY SERVICES	VARIOUS		Specialsed Vehicles Land invasion project	400	500	500			NEW
COMMUNITY SERVICES	VARIOUS		Purchase of Firearms And Accessories	900					NEW
COMMUNITY SERVICES	VARIOUS		Development of shooting range	3,500					NEW
COMMUNITY SERVICES	VARIOUS		Fire engine 4x4 vehicle-all terrian	4,500	4,500	4,500			NEW
COMMUNITY SERVICES	VARIOUS		CRITICAL FIRE FIGHTING EQUIP	–	400	400			NEW
COMMUNITY SERVICES	VARIOUS		EMERGENCY COMMUNICATIONS CENTRE RADIO/ COMPUTER/ EQUIP	–	250	250			NEW
COMMUNITY SERVICES	VARIOUS		NEW:COMPUTER EQUIPMENT	200	200	200			NEW
COMMUNITY SERVICES	VARIOUS		MACHINERY & EQUIPM	1,000	1,000	1,000			NEW
COMMUNITY SERVICES	VARIOUS		TRANSPORT ASSETS	4,000	1,500	1,500			NEW
COMMUNITY SERVICES	VARIOUS		DEV CEMETERY WHEN LAND BEEN ID	–	5,000	5,000			NEW
COMMUNITY SERVICES	VARIOUS		IMPL MASTER PLAN SPORTS FAC PH1	3,000	3,000	3,000			NEW
COMMUNITY SERVICES	VARIOUS		NEW POOLS IN EDN	4,000	10,000	10,000			NEW
COMMUNITY SERVICES	VARIOUS		UPGR SWIMMING POOLS BUCHANNAN	900	900	900			RENEWAL
COMMUNITY SERVICES	VARIOUS		PURCHASE OF CONTAINERS	1,000	450	450			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
COMMUNITY SERVICES	VARIOUS		PLANT AND VEHICLES	600					NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	600	600	800			NEW
CORPORATE SERVICES	VARIOUS		BUILDINGS - FIBRE REPLACEMENT	800	2,000	2,500			NEW
CORPORATE SERVICES	VARIOUS		BUILDINGS - LAN/WAN	1,000	2,000	2,500			NEW
CORPORATE SERVICES	VARIOUS		BUILDINGS - SERVER ROOM REVAMP	300	300	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER SOFTWARE - WIFI DEV	350	200	–			NEW
CORPORATE SERVICES	VARIOUS		MOTOR VEHICLES	200	–	–			NEW
CORPORATE SERVICES	VARIOUS		MACHINERY AND EQUIPMENT	2,000	500	–			NEW
CORPORATE SERVICES	VARIOUS		OFFICE EQUIPMENT	50	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	65	–	–			NEW
CORPORATE SERVICES	VARIOUS		OFFICE EQUIPMENT	20	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	44	800	600			NEW
CORPORATE SERVICES	VARIOUS		BUILDINGS - REVAMP PHARMACY	54	–	–			NEW
CORPORATE SERVICES	VARIOUS		FURNITURE	77	–	–			NEW
CORPORATE SERVICES	VARIOUS		FURNITURE	30	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	600	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	30	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	20	–	–			NEW
CORPORATE SERVICES	VARIOUS		FURNITUURE	100	–	–			NEW
CORPORATE SERVICES	VARIOUS		COMPUTER EQUIPMENT	60	–	–			NEW
INFRASTRUCTURE	23		MIG - REHABILITATION OF ROADS IN ASHDOWN	1,364	1,433	1,504			RENEWAL
INFRASTRUCTURE	23		MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2016/17) - 10km	3,900	4,095	7,132			RENEWAL
INFRASTRUCTURE	15		MIG - REHABILITATION OF ROADS IN IMBALI UNIT 18	1,400	1,470	1,544			RENEWAL
INFRASTRUCTURE	20		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS	1,300	1,365	1,433			RENEWAL



MAP 34: Spatial Development Framework

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
INFRASTRUCTURE	12		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 12	1,300	1,365	1,433			RENEWAL
INFRASTRUCTURE	10		MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS	500	525	551			RENEWAL
INFRASTRUCTURE	16		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16	300	315	331			RENEWAL
INFRASTRUCTURE	12		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD	2,900	3,045	3,197			RENEWAL
INFRASTRUCTURE	18		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design	1,900	1,995	2,095			RENEWAL
INFRASTRUCTURE	17		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)	900	945	992			RENEWAL
INFRASTRUCTURE	21		MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade - Ward 21	2,900	3,045	3,197			RENEWAL
INFRASTRUCTURE	2		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase2	9,400	12,043	12,646			RENEWAL
INFRASTRUCTURE	11		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	3		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	20		MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA	2,400	2,520	2,646			RENEWAL
INFRASTRUCTURE	1		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	4		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	6		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS	2,000	2,100	2,205			RENEWAL

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
INFRASTRUCTURE	7		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	8		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	9		MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS	2,000	2,100	2,205			RENEWAL
INFRASTRUCTURE	23		MIG - ASHDOWN BANK PROTECTION AGAINST COLLAPSING OF ADJACENT HOUSES - P15	800	840	882			RENEWAL
INFRASTRUCTURE	12		MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini	2,740	2,877	3,021			RENEWAL
INFRASTRUCTURE	33 ,35		MIG - WOODHOUSE PEDESTRIAN BRIDGE	2,900	3,045	3,197			NEW
INFRASTRUCTURE	2		MABANE BRIDGE PROJECT	1,900	1,995	2,095			NEW
INFRASTRUCTURE	various		BUS STOP SHELTERS	1,200	1,260	1,323			NEW
INFRASTRUCTURE	various		NON MOTORISED TRANSPORT	1,400	1,470	1,544			NEW
INFRASTRUCTURE	various		SANITATION INFRASTRUCTURE FEASIBILITY STUDY	1,140	1,197	1,257			NEW
INFRASTRUCTURE	various		REHABILITATION OF SANITATION INFRASTRUCTURE	3,900	4,095	4,300			RENEWAL
INFRASTRUCTURE	16		SEWER PIPES UNIT H	12,200	12,810	13,451			NEW
INFRASTRUCTURE	10		SEWER PIPES AZALEA - PHASE 2	11,905	12,500	13,125			NEW
INFRASTRUCTURE	various		ELIMINATION OF CONSERVANCY TANKS - (SEWER)	4,900	5,145	5,402			NEW
INFRASTRUCTURE	various		SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)	4,400	4,620	4,851			NEW
INFRASTRUCTURE	10.18		SHENSTONE AMBLETON SANITATION SYSTEM	5,900	6,195	6,505			NEW
INFRASTRUCTURE	various		REDUCTION OF NON REVENUE WATER	13,400	14,070	14,774			RENEWAL
INFRASTRUCTURE	various		ELIMINATION OF CONSERVANCY TANKS - (WATER)	900	945	992			NEW
INFRASTRUCTURE	various		SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)	4,400	4,620	4,851			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
INFRASTRUCTURE	29		COPESVILLE RESERVOIR	12,000	12,600	13,230			NEW
INFRASTRUCTURE	various		HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE	7,900	8,295	8,710			NES
INFRASTRUCTURE	1,2,13,18, 24-38		NEW:MACHINERY & EQUIPM	3,333	3,333	3,333			NEW
INFRASTRUCTURE	1, 2, 13, 18, 24-38		NEW:MACHINERY & EQUIPM	3,333	3,333	3,333			NEW
INFRASTRUCTURE	1, 2, 13, 18, 24-38		MACHINERY AND EQUIPMENT	3,333	3,333	3,333			NEW
INFRASTRUCTURE	1, 2, 13, 18, 24-38		NETWORK REFURB	5,000	5,000	5,000			NEW
INFRASTRUCTURE	31,34		NETWORK 132KV REHAB PLAN	38,800					RENEWAL
INFRASTRUCTURE	1,2, 13,18, 24-38		ELECTRIFICATION	–	7,000	10,000			NEW
INFRASTRUCTURE	1 - 37		ROAD REHAB - PMS	750	4,300	4,150			RENEWAL
INFRASTRUCTURE	36		LESTER BROWN LINK ROAD	14,000	–	–			RENEWAL
INFRASTRUCTURE	31 / 33		CANALIZTN OF STREAMS-NORTHDALE	–	5,000	5,000			NEW
INFRASTRUCTURE	1 - 37		TRAFFIC CALMING MEASURES	–	300	–			NEW
INFRASTRUCTURE	37		EAST RING ROAD-DETAIL DES&CONST	400	–	–			NEW
INFRASTRUCTURE	25 / 32		MAYORS WALK ROAD WIDENING	200	5,000	5,200			RENEWAL
INFRASTRUCTURE	1 - 37		Z2:BUS TAXI LAY-BYES	–	400	350			NEW
INFRASTRUCTURE	1 - 37		NEW:MACHINERY & EQUIPM (Traffic signals controllers)	150	200	200			NEW
INFRASTRUCTURE	Var		INSTALLAT OF NEW GUARD RAILS	–	300	300			NEW
INFRASTRUCTURE	27 / 32		REHAB PUB TRANSP FAC(TAXI RANKS	–	–	300			NEW
INFRASTRUCTURE	10, 13, 18 17, 39, 1 - 9, 11		IMPLEMANTATION OF DROUGHT RELIEF MEASURES	8,000	1,000				NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
INFRASTRUCTURE	11, 19, 23, 24, 25, 28, 29		TELEMENTRY RQUIPMENT AND UPGRADE	1,000		1,000			NEW
INFRASTRUCTURE	N/A		3rd Floor Renovation (and Furniture)	1,500					NEW
INFRASTRUCTURE	N/A		FURNITURE	500					NEW
INFRASTRUCTURE	N/A		VEHICLES	3,000	1,000				NEW
INFRASTRUCTURE	1-9, 39		SATELITE OFFICES	–	1,000				NEW
INFRASTRUCTURE	ALL		REHABILITATION OF WATER INFRASTRUCTURE		6,000	7,000			RENEWAL
INFRASTRUCTURE	ALL		REHABILITATION OF SANITATIOM INFRASCTRUTURE		5,000	6,000			RENEWAL
INFRASTRUCTURE	1-9, 39		BASIC WATER UPGRADE	28,191	45,000	26,000			NEW
INFRASTRUCTURE	1-9, 39		REDUCTION OF NON-REVENUE WATER	10,000	20,000	15,000			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	33		JIKA JOE ELECTRICAL RETICULATION	11,593	12,173	12,782			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	16		UNIT S PHASE 8 EXTENSION HOUSING - (water, roads, sewer)	4,900	5,145	5,402			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	835	921	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	320	353	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	115	127	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	70	77	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	235	247	259			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	215	226	237			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	115	121	127			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	45	47	50			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	70	74	77			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	2,025	2,126	2,233			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		TRANSPORT ASSETS	210	221	232			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	50	53	55			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	50	53	55			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		REFURB OPC & TAG EXT OF BUILD	2,000	2,100	2,205			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		NEW FENCES	1,000	1,050	1,103			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		APRON REMEDIAL	1,000	1,050	1,103			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	100	105	110			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		REFUBRISHMENT OF ADMIN BUILDING	500	525	551			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	200	210	221			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	65	68	72			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	143	150	157			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	20	21	22			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	120	126	132			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	400	420	441			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	220	231	243			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	55	58	61			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		NEW:OFFICE RENOVATIONS	80	84	88			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	215	226	237			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	40	44	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES			Various projects	(14,375)					
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	70	77	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	220	243	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MANYALA HALL	3,000	3,000	3,000			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	54	60	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	140	147	154			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	300	315	331			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	70	74	77			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		COMPUTER EQUIPMENT	20	21	22			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		FURNITURE & OFFICE EQUIP	68	71	75			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MACHINERY & EQUIPM	70	74	77			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		INFRASTRUCTURE CAP PROJECTS	100	105	110			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		TELEPHONE	25	26	28			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		WESTGATE GRANGE: ALOE RIDGE	4,900	5,145	5,402			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		RAILWAY PRECINCT	2,000	2,100	2,205			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		RAILWAY PRECINCT	2,000	2,100	2,205			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		EDENDALE TOWN CENTRE PROM 1	1,500	30,000	30,000			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		EDENDALE TOWN CENTRE PROM 2	1,500	–	–			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		TWALA RD PUBLIC REALM	3,112	–	–			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		TWALA RD UPGRADE	744	–	–			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	VARIOUS		MT PARTRIDGE RD	33,145	–	–			RENEWAL
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		NEW:NEW:COMPUTER EQUIPMENT	500	550	600			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		FURNITURE & OFFICE EQUI	250	300	350			NEW

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget									
Municipal Vote/Capital project		Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project number Audited Actual	IDP Goal code 2	
R thousand	Ward location	4		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20			New or renewal
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		MACHINERY & EQUIPM	100	150	200			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		TRANSPORT ASSETS	300	300	300			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		INTANGIBLE ASSET	250	250	250			NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OFFICE		ONE STOP SHOP - CAPITAL REFURBISHMENT	2,000	2,000	20,000			NEW
Parent Capital expenditure	1	1		626,994	523,272	533,593			0

5.6 KEY CAPITAL PROJECTS

The following projects have been identified by municipal departments as requiring implementation.

5.6.1 WATER AND SANITATION

STRATEGIC PRIORITY 1: WELL SERVICED CITY		
KPA: BASIC SERVICES DELIVERY		
GOAL	VALUE STATEMENT	TARGET
By 2030, Msunduzi is a city serviced with quality water and sanitation reticulation, uninterrupted, adequate energy supply, and regular waste removal - for ALL neighbourhoods, communities, and centres of business.	1.1 City-wide infrastructure and service delivery provides a reliable, high quality supply of water, sanitation, energy, and waste services - to all.	1.1.1 100% of all households have a municipal water connection to the yard level. 1.1.2 70% of all households have water-borne sanitation. 1.1.3 30% of all households have the basic minimum of VIPs. 1.1.4 To Reduce Non-Revenue Water and Real Water Losses to 20% and 15% respectively. 1.1.5 To reduce the amount of water service interruptions from 1684 per annum (2011/2012) by 80% to 336 bursts per annum and respond to 100% of service interruptions within 8 hours.
By 2030, Msunduzi is a city serviced with quality water and sanitation reticulation, uninterrupted, adequate energy supply, and regular waste removal - for ALL neighbourhoods, communities, and centres of business.	1.1 City-wide infrastructure and service delivery provides a reliable, high quality supply of water, sanitation, energy, and waste services - to all.	1.1.6 To reduce sanitation service interruptions from 2499(2011-2012) per annum by 80% to 500 per annum and respond to 100% of sanitation blockages within 8 hours.

TABLE 82: WATER AND SANITATION BUDGET

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	Var	CNL - REHABILITATION OF PUBLIC ABLUTIONS	CNL	E		500 000	400 000	
	31/33	CNL - CANNALIZATION OF STREAMS IN NORTHDALE (Revised design, EIA and Constr)	CNL	E	550 000	11 000 000	8 000 000	
	32	CNL - REHABILITATION OF PUBLIC ABLUTIONS	CNL	E		500 000		
	Jan-32	CNL - TELEMETRY / INSTRUMENTATION EQUIPMENT	CNL	N		600 000	600 000	
	Jan-37	CNL - REHABILITATION OF WATER INFRASTRUCTURE	CNL	E	5 400 000	20 000 000	40 000 000	
	Jan-32	CNL - LEAK DETECTION EQUIPMENT	CNL	N	500 000	600 000	800 000	
	25, 30, 31, 33, 35	MIG - REHABILITATION OF SANITATION INFRASTRUCTURE	MIG	E	6 000 000	6 900 000	7 500 000	
	16	MIG - SEWER PIPES UNIT H	MIG	E	6 500 000	5 900 000	6 200 000	

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	10	MIG - SEWER PIPES AZALEA - PHASE 2	MIG	E	6 500 000	6 900 000	7 200 000	
	VAR	MIG - BASIC SANITATION VIP TOILETS	MIG	E	6 000 000	8 900 000	10 200 000	
	14, 15, 17, 18, 19, 23, 35	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)	MIG	E	4 500 000	6 900 000	10 200 000	
	18	MIG - MASTER PLANNING SANITATION	MIG	n	600 000			
	18	MIG - SHENSTONE AMBLETON SANITATION SYSTEM	MIG	E	600 000	2 900 000	8 200 000	
		MIG - BASIC WATER SUPPLY	MIG	E	-	-	-	
	1-9, 11, 14	MIG -REDUCTION OF NON REVENUE WATER	MIG	E	11 000 000	12 000 000	19 000 000	
	20 / 21	MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER)	MIG	E	350 000	600 000	1 200 000	
	14, 15, 17, 18, 19, 23, 35	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)	MIG	E	476 644	600 000	1 200 000	
	20	MIG - EDENDALE PROPER NEW MAINS & RETICULATION	MIG	E	2 000 000	2 000 000	4 200 000	
	Var	MIG - MASTER PLANNING WATER	MIG	N	600 000			
	29	MIG - COPESVILLE RESERVOIR	MIG	E	1 200 000	12 600 000	6 200 000	
	All	MWIG - REDUCTION OF NON REVENUE WATER	MWIG	E	20 000 000	21 000 000	32 000 000	
	Var	MWIG - BASIC WATER SUPPLY	MWIG	E	16 721 000	17 191 000	33 000 000	
	1, 2, 18-37	DBSA - METERING	DBSA	N	100 000 000	120 000 000	120 000 000	
					189 497 644	257 591 000	316 100 000	

WATER	FUNDING SOURCE	PROPOSED BUDGET 2014/2015	PRIORITY CATEGORY 1	PRIORITY CATEGORY 2	PRIORITY CATEGORY 3
	CNL	4 700 000	400 000	300 000	4 000 000
	DOHS	0	-	-	-
	MIG	59 291 225	51 791 225	7 500 000	
	MWIG	11 389 000	10 389 000	1 000 000	-
TOTAL		**75 380 225**	**62 580 225**	**8 800 000**	**4 000 000**

5.6.2 LANDFILL

TABLE 83: LANDFILL BUDGET

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	33 / 35	MIG - LANDFILL UPGRADE	MIG	E	8 500 000	8 500 000	10 400 000	
					8 500 000	**8 500 000**	**10 400 000**	

5.6.3 COMMUNITY FACILITIES

TABLE 84: BUDGET FROM 2016 FACILITIES

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	Internal	CNL - REFURBISHMENT - CITY HALL	CNL	E	2 750 000	1 000 000	100 000	
	2	MIG - SWEETWATERS COMMUNITY HALL	MIG	E	-	-		
	15	MIG - WARD 15 COMMUNITY HALL	MIG	E	4 200 000	-		
	3	MIG - KWAQANDA COMMUNITY HALL	MIG	E	4 200 000	-		
	18	MIG - UNIT BB COMMUNITY HALL	MIG	E	4 200 000	-		
	18	MIG - WARD 18-COMMUNITY HALL	MIG	E	4 200 000	-		
	27	MIG - REGIONAL ATHLETIC TRACK SPORT COMPLEX	MIG	E	9 300 000	-	-	
	2	MIG - SWEETWATERS DUAL PURPOSE SPORT CENTRE	MIG	E	7 723 456	1 000 000	1 200 000	
	32	MIG - BERG ST POOL REFURBISHMENT	MIG	E	68 242	-		
	35	ART- SOBANTU LIBRARY EXTENSION PHASE 2	ART	E	1 000 000			
	Var	ART-WOODLANDS LIBRARY	ART	E	1 700 000			
	Var	ART-BESSIE HEAD LIBRARY PARTITIONING PHASE 1	ART	E	2 400 000			
	Var	ART-GEORGETOWN BASEMENT RENOVATIONS PHASE 2	ART	E	1 600 000			
	Internal	ART-FURNITURE	ART	N	850 000			
	Var	ART-INTALLING GENERATORS NORTHDALE, GEORGETOWN AND EASTWOOD	ART	E	1 960 000	-		
	Var	ART-LIBRARIES RENOVATION AND REFURBISHMENT	ART	E		8 136 000		
	32/27	CNL - REFURBISHMENT OF BERG ST POOL BLDGS AND CHANGEROOMS	CNL	E	-	250 000	2 000 000	
	Var	CNL - BULDINGS AT WASTE MANAGEMENT	CNL	N	600 000	500 000	-	
	22	CNL - KWA-PATA RECYCLING CENTRE - IMBALI	CNL	N	400 000	2 000 000	2 000 000	
	26	CNL - UPGRADING OF PRESTBURY GURDEN SITE	CNL	E	500 000	3 000 000	150 000	

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	Var	CNL -IMPLIMANTATION OF MASTER PLAN for Halls, Phase 2	CNL	E	2 000 000	5 000 000	100 000	
	27	CNL - BUILD SHOOTING RANGE	CNL	N	100 000	200 000	400 000	
	Internal	CNL - REVITATION OF ALEXANDRA PARK, PHASE 1	CNL	E	1 000 000	2 000 000	250 000	
	Var	CNL - DEVELOPMENT OF NEW CEMETERY WHEN LAND HAS BEEN IDENTIFIED	CNL	N	2 000 000	10 000 000	-	
	Var	CNL - IMPLEMENTATION OF MASTER PLAN FOR SPORTS FACILITIES, PHASE 1	CNL	E	2 500 000	10 000 000	-	
	14, 15, 17, 18, 19, 23, 35	CNL - NEW POOLS IN EDENDALE, VULINDLELA, IMBALI & GRANGE	CNL	N	5 000 000	20 000 000	1 000 000	
	6	CNL - WANDERERS SPORTS FACILITY	CNL	E	433 000	5 000 000	20 000	
	32	CNL - UPGRADE SWIMMING POOLS ALEXANDRA	CNL	E	1 000 000	5 000 000	-	
	27	CNL - UPGRADE SWIMMING POOLS BUCHANNAN	CNL	E	1 000 000	-	2 000 000	
	32	CNL - UPGRADE OF WADLEY STADIUM	CNL	E	750 000	2 000 000	4 000 000	
	32	CNL - UPGRADE OVAL	CNL	E	1 000 000	2 000 000	3 500 000	
	Internal	CNL - REFURBISHMENT OF BERG ST POOL BLDGS AND CHANGEROOMS	CNL	E		250 000	250 000	
					64 434 698	**77 336 000**	**16 970 000**	

5.6.4 HOUSING

GOAL	VALUE STATEMNET	TARGET
By 2030, Msunduzi is a city with sufficient and well-maintained road, rail, and other physical infrastructure serving all residents, whether they use public or private transport modes. It has layers of diverse transport networks interconnecting at centres and internal urban hubs. Human settlement initiatives reduce housing backlogs and eliminate spatial separation by racial categories. Telecommunications and information technology is universally accessible and reliable. Social infrastructure, focussed on educational, health and recreational facilities meets all communities' needs.	2.2 Housing backlogs are significantly reduced, with human settlement patterns reflecting inclusive demographics.	2.2.1 100% eradication of informal settlements. 2.2.2 Rural Residential housing infrastructure backlogs are reduced such that less than 10% of households remain without access to formal housing. 2.2.3 Zero tolerance for exclusions based on racial, ethnic, religious or other demographic characteristics, is reflected in 100% of new settlement patterns. 2.2.4 20% of each new mixed-use development consists of rental stock. 2.2.5 30% densification of urban space. 2.2.6 Council Rental Stock maintained on a regular and consistent basis to eliminate unsafe structures and to prevent deterioration of Council's assets. 2.2.7 Old Rental Stock to be reduced by transferring certain units to qualifying tenants. 2.2.8 Allocations of new houses in subsidised housing projects to be 100% compliant with DOHS policies by installation of Housing Needs Register and capture of names.

TABLE 85: HOUSING BUDGET FROM 2017/18

Vote No.	Wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	Internal	CNL - REFURBISHMENT - CITY HALL	CNL	E	2 750 000	1 000 000	100 000	
	2	MIG - SWEETWATERS COMMUNITY HALL	MIG	E	-	-		
	15	MIG - WARD 15 COMMUNITY HALL	MIG	E	4 200 000	-		
	3	MIG - KWAQANDA COMMUNITY HALL	MIG	E	4 200 000	-		
	18	MIG - UNIT BB COMMUNITY HALL	MIG	E	4 200 000	-		
	18	MIG - WARD 18-COMMUNITY HALL	MIG	E	4 200 000	-		
	27	MIG - REGIONAL ATHLETIC TRACK SPORT COMPLEX	MIG	E	9 300 000	-	-	
	2	MIG - SWEETWATERS DUAL PURPOSE SPORT CENTRE	MIG	E	7 723 456	1 000 000	1 200 000	
	32	MIG - BERG ST POOL REFURBISHMENT	MIG	E	68 242	-		
	35	ART- SOBANTU LIBRARY EXTENSION PHASE 2	ART	E	1 000 000			
	Var	ART-WOODLANDS LIBRARY	ART	E	1 700 000			
	Var	ART-BESSIE HEAD LIBRARY PARTITIONING PHASE 1	ART	E	2 400 000			
	Var	ART-GEORGETOWN BASEMENT RENOVATIONS PHASE 2	ART	E	1 600 000			
	Internal	ART-FURNITURE	ART	N	850 000			
	Var	ART-INTALLING GENERATORS NORTHDALE, GEORGETOWN AND EASTWOOD	ART	E	1 960 000	-		
	Var	ART-LIBRARIES RENOVATION AND REFURBISHMENT	ART	E		8 136 000		
	32/27	CNL - REFURBISHMENT OF BERG ST POOL BLDGS AND CHANGEROOMS	CNL	E	-	250 000	2 000 000	
	Var	CNL - BULDINGS AT WASTE MANAGEMENT	CNL	N	600 000	500 000	-	
	22	CNL - KWA-PATA RECYCLING CENTRE - IMBALI	CNL	N	400 000	2 000 000	2 000 000	
	26	CNL - UPGRADING OF PRESTBURY GURDEN SITE	CNL	E	500 000	3 000 000	150 000	
	Var	CNL -IMPLIMANTATION OF MASTER PLAN for Halls, Phase 2	CNL	E	2 000 000	5 000 000	100 000	
	27	CNL - BUILD SHOOTING RANGE	CNL	N	100 000	200 000	400 000	
	Internal	CNL - REVITATION OF ALEXANDRA PARK, PHASE 1	CNL	E	1 000 000	2 000 000	250 000	
	Var	CNL - DEVELOPMENT OF NEW CEMETERY WHEN LAND HAS BEEN IDENTIFIED	CNL	N	2 000 000	10 000 000	-	
	Var	CNL - IMPLEMENTATION OF MASTER PLAN FOR SPORTS FACILITIES, PHASE 1	CNL	E	2 500 000	10 000 000	-	
	14, 15, 17, 18, 19, 23, 35	CNL - NEW POOLS IN EDENDALE, VULINDLELA, IMBALI & GRANGE	CNL	N	5 000 000	20 000 000	1 000 000	

Vote No.	Wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	6	CNL - WANDERERS SPORTS FACILITY	CNL	E	433 000	5 000 000	20 000	
	32	CNL - UPGRADE SWIMMING POOLS ALEXANDRA	CNL	E	1 000 000	5 000 000	-	
	27	CNL - UPGRADE SWIMMING POOLS BUCHANNAN	CNL	E	1 000 000	-	2 000 000	
	32	CNL - UPGRADE OF WADLEY STADIUM	CNL	E	750 000	2 000 000	4 000 000	
	32	CNL - UPGRADE OVAL	CNL	E	1 000 000	2 000 000	3 500 000	
	Internal	CNL - REFURBISHMENT OF BERG ST POOL BLDGS AND CHANGEROOMS	CNL	E		250 000	250 000	
					64 434 698	**77 336 000**	**16 970 000**	

5.6.5 ROADS, STORMWATER, BUILDINGS AND TRANSPORTATION

GOAL	VALUE STATEMENT	TARGET
By 2030, Msunduzi is a city with sufficient and well-maintained road, rail, and other physical infrastructure serving all residents, whether they use public or private transport modes. It has layers of diverse transport networks interconnecting at centres and internal urban hubs. Human settlement initiatives reduce housing backlogs and eliminate spatial separation by racial categories. Telecommunications and information technology is universally accessible and reliable. Social infrastructure, focussed on educational, health and recreational facilities meets all communities' needs.	2.1 A diversity of private (cars, bikes, walking) and public (trains, buses, taxis) transport options, using a range of adequate physical infrastructure (roads, rail, and bikeways/ walkways) is readily available to all residents.	2.1.1 Road and rail infrastructure backlogs are reduced such that 90% of communities have access to road and rail services. 2.1.2 100% compliant with Roads infrastructure management plan. 2.1.3 90% of Msunduzi residents can get to work within 45 minutes. 2.1.4 Reliable Public transport services are available 24 hours per day, with accessibility every 15 minutes to key activity nodes. 2.1.5 90% of travel in morning peak periods comprise walking, cycling or energy efficient public transport.

TABLE 86: ROADS BUDGET 2016-17

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	37	CNL - UPGRADING OF ROADS IN ASHBURTON - Design	CNL	E	2 500 000	5 000 000	-	
	Jan-37	CNL - ROAD REHABILITATION - PMS	CNL	E	8 220 000	20 000 000	25 000 000	
	27	CNL - BURGER STREET EXTENSION	CNL	E		25 000 000	5 000 000	
	25/32	CNL - CONNOR - OTTO'S BLUFF ROADS - LINK	CNL	E	100 000	11 300 000	10 000 000	
	36	CNL - LESTER BROWN LINK ROAD	CNL	E	6 000 000	10 000 000	-	
	36	CNL - UPGRADING OF NEW ENGLAND ROAD	CNL	E	400 000	150 000	10 000 000	
	29	CNL - REHABILITATION OF BHAMBATHA ROAD (NEW GREYTOWN ROAD) - PHASE 1	CNL	E		4 000 000	4 000 000	
	19	CNL - UPGRADE SWD system in the Imbali Roads - Lower Sinkwazi Rd flooding, etc	CNL	E	-	7 500 000	10 000 000	
	31/33	CNL - CANNALIZATION OF STREAMS IN NORTHDALE (Revised design, EIA and Constr)	CNL	E	550 000	11 000 000	8 000 000	
	27/33	CNL - UPGRADE SWD SYSTEM IN THE CBD ROADS - Chapel Street Floods etc	CNL	E	-	3 500 000	3 500 000	
	35	CNL - GRIMTHORPE ROAD BRIDGE	CNL	E	-	15 000 000	5 000 000	
	Var	CNL - TRAFFIC CALMING MEASURES	CNL	E	500 000	2 000 000	2 000 000	
	25/32	CNL - EASTERN RING ROAD - DETAIL DESIGN AND CONSTRUCTION	CNL	E	700 000	4 000 000	-	
	25/32	CNL - MAYORS WALK ROAD WIDENING	CNL	E	700 000	12 000 000	-	
	13,14,15,19,24	CNL - NON-MOTORISED TRANSPORT INFRASTRUCTURE	CNL	N		6 000 000	6 000 000	
	16	CNL - BUS TAXI LAY-BYES	CNL	N	400 000	2 000 000	2 000 000	
	Var	CNL - PURCHASING OF NEW TRAFFIC SIGNAL CONTROLLERS	CNL	N	150 000	150 000	150 000	
	Internal	CNL - PLANT AND EQUIPMENT - (Traffic Lights spares, equip etc)	CNL	N	80 000	100 000	100 000	
	Var	CNL - INSTALLATION OF NEW TRAFFIC SIGNALS	CNL	N	450 000		-	
	Internal	CNL - PLANT AND EQUIPMENT	CNL	N		350 000	400 000	
	Var	CNL - INSTALLATION OF NEW GUARD RAILS	CNL	E	500 000	1 200 000	1 200 000	
	15 / 19	MIG - HORSE SHOE ACCESS RD AND PASSAGES IN IMBALI STAGE 1 & 2	MIG	E	-	2 300 000	3 200 000	
	13	MIG - UPGRADING OF ROADS IN EDENDALE - KWANYAMAZANE ROADS	MIG	E	500 000	2 300 000	3 200 000	
	29	MIG - UPGRADE OF INTERNAL ROADS - HANIVILLE	MIG	E	1 906 578	-		

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	23	MIG - REHABILITATION OF ROADS IN ASHDOWN	MIG	E	800 000	2 800 000	3 200 000	
	23 / 26	MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2016/17) - 10km	MIG	E	200 000	-	-	
	10	MIG - WARD 10 ROADS - REHABILITATION OF ROADS & STORMWATER UPGRADE	MIG	E	1 383 222	3 400 000	3 500 000	
	15	MIG - REHABILITATION OF ROADS IN IMBALI UNIT 18	MIG	E	-	1 900 000	2 000 000	
	42378	MIG - UPGRADE DESIGN OF GRAVEL ROADS - VULINDLELA	MIG	E	351 704	2 400 000	2 500 000	
	20	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS	MIG	E	-	1 400 000	1 500 000	
	12	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - GEORGETOWN AND SURROUNDING AREA	MIG	E	-	1 400 000	1 500 000	
	14	MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS	MIG	E	600 000	3 400 000	3 500 000	
	12	MIG - UPGRADING OF GRAVEL RDS - EDN - WARD 12 - MOSCOW AREA RDS	MIG	E	-	393 701	500 000	
	16	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16	MIG	E	1 429 933	2 400 000	3 000 000	
	11 & 12	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD	MIG	E	6 500 000	1 900 000	2 000 000	
	18	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design	MIG	E	1 500 000	3 400 000	3 500 000	
	21	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA / DAMBUZA RDS	MIG	E	1 599 331	2 400 000	3 000 000	
	17	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)	MIG	E	329 933	2 400 000	3 000 000	
	21	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade	MIG	E	30 000	-	-	
	2	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase2	MIG	E	9 245 246	11 551 459	-	
	20	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Smeroe roads & SW	MIG	E	1 906 000	4 400 000	5 000 000	
	20	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds	MIG	E	1 429 000	1 400 000	1 500 000	

Vote No.	wards	Project Description	Fund	New or Existing	2016-2017	2017-2018	2018-2019	Project Priorisation
	3	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS	MIG	E	1 906 000	6 800 000	-	
	20	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA	MIG	E	2 600 000	4 900 000	7 500 000	
	1	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS	MIG	E	1 906 000	6 800 000	7 500 000	
	4	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS	MIG	E	5 225 008	6 400 000	7 500 000	
	6	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS	MIG	E	1 906 000	6 800 000	7 500 000	
	7	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS	MIG	E	1 906 000	6 800 000	7 500 000	
	8	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc	MIG	E	5 225 097	6 800 000	7 500 000	
	9	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS	MIG	E	1 906 000	6 800 000	5 500 000	
	22	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 22 - 8,4km roads - Storm-water drainage provision	MIG	E	-	1 000 000	2 500 000	
	23	MIG - ASHDOWN BANK PROTECTION AGAINST COLLAPSING OF ADJACENT HOUSES - P15	MIG	E	153 289	-	-	
	20	MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini	MIG	E	30 000	1 000 000	-	
	33 / 35	MIG - WOODHOUSE PEDESTRIAN BRIDGE	MIG	E	3 846 000	-	-	
	2	MIG - MABANE BRIDGE PROJECT	MIG	E	429 953	-	-	
	13-19, 22	MIG - BUS STOP SHELTERS	MIG	N	1 154 233	1 500 000	1 700 000	
					79 154 527	**247 395 160**	**192 650 000**	

PROPOSED BUDGET 2014/2015	PRIORITY CATEGORY 1	PRIORITY CATEGORY 2	PRIORITY CATEGORY 3
62 611 900	53 381 900	8 730 000	500 000
92 200 000	51 200 000	38 800 000	-
DoRA Allocation			
154 811 900	104 581 900	47 530 000	500 000

5.6.6 FLEET

GOAL	VALUE STATEMENT	TARGET
By 2030, the Msunduzi Municipality is a financially sound and well governed institution, delivering on its legislative mandates and offering residents of the Municipality value for their rates payments.	6.2 By 2030, Msunduzi will have a civil society that actively participates in, and contributes to, sound decision making, ensuring greater accountability of Councillors and Officials.	6.2.1 100% effective administration complying with its legal mandates. 6.2.2 Effective fleet management to ensure resource availability for service delivery. 6.2.3 To maximize the disaster resilience of Msunduzi through coordination of all pre-disaster risk reduction – as well as post disaster response activities within a framework of sustainable development.

TABLE 87: FLEET BUDGET

KPA	MUNICIPAL STRATEGIC THRUST	WARD	PROJECT DESCRIPTION	FUND	2014 / 2015 BUDGET	PRIORITY CATEGORY
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - REPLACEMENT OF WORKSHOP FLOOR IN PARKS SMALL PLANT WORKSHOP	CNL	60 000	1
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - PALISADE FENCING TO ENCLOSE AREA FOR VEHICLE REPAIRS	CNL	100 000	1
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - REPLACEMENT OF MECHANICAL WORKSHOP EQUIPMENT	CNL	100 000	1
Cross Cutting Interventions	A friendly, safe city;	N/A	CNL - NEW VEHICLE MONITORING CONTROL ROOM AT FLEET FACILITY	CNL	150 000	2
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - PALISADE FENCING TO ENCLOSE AREA FOR VEHICLE ACCIDENT DAMAGE & DISPOSAL	CNL	100 000	1
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - NEW VEHICLE WASHING FACILITY AT FLEET FACILITY	CNL	150 000	1
Cross Cutting Interventions	A Well-Serviced City	N/A	CNL - REPLACEMENT OF VEHICLES, PLANT & EQUIPMENT	CNL	30 000 000	1
					30660000	

Basic Service Delivery	An Accessible and Connected City	32	CNL - REPLACEMENT OF LIFTS A S CHETTY BUILDING	CNL	100 000	0	0	Refurbishment	1
Basic Service Delivery	An Accessible and Connected City	32	CNL- LIGHTING UPGRADE 4TH, 2ND, 1ST FLOORS AS CHETTY BUILDING	CNL	200 000	175 000	200 000	Upgrade	2
Basic Service Delivery	An Accessible and Connected City	32	CNL- A S CHETTY BUILDING - WATERPROOFING ROOF SLAB	CNL	250 000			Refurbishment	2
Basic Service Delivery	An Accessible and Connected City	32	CNL - AIRCONDITIONING UPGRADE 4TH, 2ND, 1ST FLOORS AS CHETTY BUILDING	CNL	1 000 000	1 000 000	0	Upgrade	2
Basic Service Delivery	An Accessible and Connected City	32	CNL - FURNITURE	CNL	140 000	50 000	20 000	Upgrade	1
Basic Service Delivery	An Accessible and Connected City	32	CNL- REPLACEMENT EDENDALE ROAD DEPOT ROOF - DAMAGED BY WHITE ANTS	CNL	400 000	0	0	Refurbishment	1
Basic Service Delivery	An Accessible and Connected City	32	CNL - HOSTEL AND CHANGEROOMS (Water/ Sanitation Female staff)	CNL	500 000	1 000 000	0	Upgrade	1

Basic Service Delivery	An Accessible and Connected City	32	CNL -COMPLETE REFURB OF LIFTS PROFESSOR NYEMBEZI BUILDING	CNL	100 000	0	0	Committed	1
Basic Service Delivery	An Accessible and Connected City	32	CNL- REPAIRS TO BRICKWORK PROFESSOR NYEMBEZI BUILDING	CNL	500 000	500 000	0	Upgrade	3
Basic Service Delivery	An Accessible and Connected City	32	CNL- PROFESSOR NYEMBEZI BLDG - REPLACEMENT OF AIRCON CONSOLE UNITS	CNL	600 000	500 000	500 000	Upgrade	2
Basic Service Delivery	An Accessible and Connected City	32	CNL- NEW PLANT AND EQUIPMENT	CNL	100 000	150 000	200 000	Upgrade	1
Basic Service Delivery	An Accessible and Connected City	32	CNL - REFURBISHMENT OF CITY HALL BUILDING - (Door, Windows, Gutters, Down Pipe, Moldings, Toilets Etc) Appt AMAFA Consultant for application and costing	CNL	180 000	2 500 000	1 000 000	Rehabilitation	2
Basic Service Delivery	An Accessible and Connected City	22	CNL - COMPLETION OF MOSES MABHIDA MULTI-PURPOSE BUILDING	CNL	3 000 000	4 500 000	0	Rehabilitation	1
Basic Service Delivery	An Accessible and Connected City	32	UPGRADE OF FIRE DETECTORS IN CITY HALL	CNL	350 000				1

5.6.7 ELECTRICITY

GOAL	VALUE STATEMENT	TARGET
By 2030, Msunduzi is a city serviced with quality water and sanitation reticulation, uninterrupted, adequate energy supply, and regular waste removal - for ALL neighbourhoods, communities, and centres of business.	1.2 City-wide energy infrastructure and service delivery provides a reliable, high quality supply of energy. Energy supply meets the anticipated increased demand for electricity specifically, including peak periods.	1.2.1 Disruption to energy supply is minimised to 6 hours in 100% of incidents. 1.2.2 Electricity supply keeps pace with expected growth of 4% per annum. 1.2.3 100% of households have basic electricity supply.
	1.3 Energy prices are affordable for residents.	1.3.1 100% of municipal households are fitted with solar water heating geysers.
	1.4 Use of renewable sources of energy is widespread.	1.4.1 100% of street lights and 100% of traffic signals in the CBD are powered by renewable energy.
	1.5 Energy production, capacity, storage, management, and distribution rapidly adapts to changing patterns of demand.	1.5.1 Demand management provides a 10% reduction in peak demand.
	1.6 City-wide infrastructure and service delivery provides reduced electricity losses.	1.6.1 Reduces electricity losses to below 5% of bulk supply purchases.

TABLE 88: ELECTRICITY BUDGET

KPA	STRATEGIC PRIORITY AREA	WARD	PROJECT DESCRIPTION	FUND	2015 / 2016 BUDGET	2016 / 2017 BUDGET	2017 / 2018 BUDGET	PRIORITY CATEGORY
Basic Service Delivery	An Accessible and Connected City	All	CNL - SUBSTATION BATTERY CHARGERS	CNL	0	3 776 400	3 776 400	Development
Basic Service Delivery	An Accessible and Connected City		CNL - UPGRADE OF RETIEF PRIMARY FOR PROVINCIAL LEGISLATURE	CNL	0	20 000 000	0	Development
Basic Service Delivery	An Accessible and Connected City	All	CNL - SYSTEM REINFORCEMENT	CNL	0	11 539 000	15 000 000	Development
Basic Service Delivery	An Accessible and Connected City	All	DBSA - NETWORK REFURBISHMENT	CNL	0	9 980 000	11 000 000	Development
Basic Service Delivery	An Accessible and Connected City	All	CNL - CROSSWAYS CABLES	CNL	0	0	0	Development
Basic Service Delivery	An Accessible and Connected City	All	INEP - ELECTRIFICATION	INEP	10 000 000	10 500 000	15 000 000	Development
Basic Service Delivery	An Accessible and Connected City	All	CNL - NETWORK 132kV REHABILITATION PLAN	CNL	15 000 000	15 000 000	15 000 000	Development
Basic Service Delivery	An Accessible and Connected City	All	DBSA - NETWORK 132kv REHABILITATION PLAN	DBSA	100 000 000	50 000 000	0	
Basic Service Delivery	An Accessible and Connected City	All	TREASURY - ELECTRIFICATION - NHLALAKAHLE INFORMAL SETTLEMENT	TREASURY	0	0	0	
Basic Service Delivery	An Accessible and Connected City		INEP - C/O ELECTRIFICATION	INEP	0	0	0	
Basic Service Delivery	An Accessible and Connected City		INEP - C/O SWAPO ELECTRIFICATION	INEP	0	0	0	
Basic Service Delivery	An Accessible and Connected City	All	CNL - LV PROTECTION RETROFIT	CNL	0	1 888 200	1 888 200	Development
Basic Service Delivery	An Accessible and Connected City	All	CNL - QOS SYSTEMS	CNL	0	0	0	Development
Basic Service Delivery	An Accessible and Connected City	All	DBSA - RE-ROUTING OF OHL IN CLARIDGE	CNL	0	0	0	Development
Basic Service Delivery	An Accessible and Connected City	All	DBSA - SMART METERS	CNL	0	100 000 000	0	Development
Basic Service Delivery	An Accessible and Connected City	All	CNL - STREETLIGHTING	CNL	0	8 392 000	10 000 000	Development
Basic Service Delivery	An Accessible and Connected City	All	MIG - HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE	MIG	8 000 000	10 000 000	9 405 350	Development
Basic Service Delivery	An Accessible and Connected City	All	DOE - ENERGY EFFECIENCY AND DEMAND SIDE MANAGEMENT	DME	0	10 000 000	0	Development

KPA	STRATEGIC PRIORITY AREA	WARD	PROJECT DESCRIPTION	FUND	2015 / 2016 BUDGET	2016 / 2017 BUDGET	2017 / 2018 BUDGET	PRIORITY CATEGORY
Basic Service Delivery	An Accessible and Connected City		MIG - JIKA JOE COMMUNITY LIGHTING	MIG	0	0	0	
Basic Service Delivery	An Accessible and Connected City		COGTA C/O - SOLAR STREET & TRAFFIC LIGHTS	COGTA	0	0	0	
Basic Service Delivery	An Accessible and Connected City		COGTA C/O - REPLACEMENT OF TRANSFORMER	COGTA	0	0	0	
Basic Service Delivery	An Accessible and Connected City	All	DBSA - UPGRADE OF TRANSFORMERS / CAPITAL EQUIPMENT	CNL	0	29 107 000	30 000 000	Development
Basic Service Delivery	An Accessible and Connected City		DEVCONT - TRANSFORMER / MINI SUBS	DEVCONT	0	5 500 000	6 050 000	Development
Basic Service Delivery	An Accessible and Connected City		TREASURY - TRANSFORMER	TREASURY	0	0	0	
Basic Service Delivery	An Accessible and Connected City		CNL - PLANT AND EQUIPMENT	CNL	0	0	0	
Basic Service Delivery	An Accessible and Connected City		DBSA - SYSTEM REINFORCEMENT	CNL	0	0	0	
Basic Service Delivery	An Accessible and Connected City	All	CNL - PURCHASING OF NEW TRAFFIC SIGNAL CONTROLLERS	CNL	150 000	0	0	Maintenance
Basic Service Delivery	An Accessible and Connected City		CNL - PURCHASING OF NEW TRAFFIC SIGNAL POLES	CNL	0	0	0	
Basic Service Delivery	An Accessible and Connected City	All	CNL - PLANT AND EQUIPMENT	CNL	300 000	300 000	300 000	Maintenance

ELECT	FUNDING SOURCE	PROPOSED BUDGET 2014/2015	PRIORITY CATEGORY 1	PRIORITY CATEGORY 2	PRIORITY CATEGORY 3
	CNL	128 500 000	128 500 000	0	0
	DOE	8 000 000	8 000 000	0	0
	DME	100 000 000	100 000 000	0	0
	INEP	20 000 000	20 000 000	0	0
	MIG	10 000 000	10 000 000	0	0
	TOTAL	**R 266 500 000.00**	**R 266 500 000.00**	**0**	**0**

SECTION F CHAPTER 6: FINANCIAL PLAN

6.1 INTRODUCTION

This section summarises key elements from the Municipal Budget. The municipal has a financial plan in place supported by sound financial strategies. During the 2016/17 financial year the municipality received an Adverse audit opinion (Disclaimer) there is currently compromised financial health of the municipality, Ever increasing debtors book, Ineffective credit control (to maximize collection), Poor expenditure management controls, Poor management of budget, Inaccurate and late billing, Poor asset management and control. Poor management and collection on housing rental stock, Poor maintenance of municipal property and High vacancy rate, Poor spending on capital grants & capital project management. Aged and ageing infrastructure, Increasing electricity and water losses Inefficient oversight Poor leadership and management controls Poor work ethics amongst staff Lack of supervision Poor management of overtime Poor fleet management, Poor implementation and enforcement of bylaws and policies, Lack of regional and town planning, Filthy city, Lack of law enforcement and traffic control, Long lead times for processing and business licenses & opportunities

To counter all the challenges listed above the city is implementing a streamlined Turn-around strategy that will strength governance and ensure that we further are on the right path. The strategy is based on the four pillars listed below supported by a 10 point action plan.

1. Finance and Governance,
2. Service Delivery Model and Performance Management.
3. Organizational Reconfiguration and Capacity Building
4. Combating Fraud, Corruption and Misconduct

1. Finance and Governance,

- Conduct risk assessment
  - Strengthen internal controls
  - Strengthen records management
  - Review financial & administration delegations
- Budget adjustment
- Implementation of cost containment plan
- Review & implement revenue enhancement plan
- Alignment & implementation of audit plan
- Investment management
- Capex spending
- Cost reflective tariffs
- Expanding revenue sources by establishing new income streams

10 POINT PLAN – PROJECT SIYAJIK'IZINTO

1) Audit action plan
2) Budget adjustment & management
3) Cost containment measures
4) Revenue management & enhancement
   - Debtor management
   - Meter replacement programme
5) Investment management
6) Alternate revenue sources
7) Capex spending
8) Management of entities
9) Call centre & records management
10) Filling of vacant positions

6.2 OPERATING BUDGET

The following table summarises the Msunduzi Operating Budget.

TABLE 89: OPERATING BUDGET

KZN225 Msunduzi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	602,954	686,396	742,052	798,728	798,728	798,728	798,728	846,651	897,450	951,297
Service charges - electricity revenue	2	1,486,939	1,566,133	1,784,586	2,008,246	2,008,246	2,008,246	2,008,246	2,038,443	2,076,766	2,115,809
Service charges - water revenue	2	380,807	452,443	473,021	623,188	623,188	623,188	623,188	716,666	824,166	947,791
Service charges - sanitation revenue	2	126,301	127,516	126,391	147,839	147,839	147,839	147,839	156,710	166,112	176,079
Service charges - refuse revenue	2	79,453	81,544	84,240	99,557	99,557	99,557	99,557	105,531	111,863	118,574
Service charges - other						–	–	–			
Rental of facilities and equipment		21,572	23,477	20,222	43,809	48,193	48,193	48,193	22,002	23,322	24,722
Interest earned - external investments		43,343	50,973	68,242	49,270	49,270	49,270	49,270	52,227	55,360	58,682
Interest earned - outstanding debtors		53,055	69,529	60,214	66,349	66,949	66,949	66,949	66,010	69,970	74,169
Dividends received						–	–	–			
Fines, penalties and forfeits		102,751	138,841	72,894	62,368	67,315	67,315	67,315	46,497	49,287	52,244
Licences and permits		81	89	90	92	89	89	89			
Agency services		669	578	532	670	20,198	20,198	20,198			
Transfers and subsidies		448,122	519,604	466,156	469,491	547,243	547,243	547,243	542,411	566,964	609,267
Other revenue	2	78,786	89,221	87,808	83,339	276,433	276,433	276,433	291,819	309,328	327,888
Gains on disposal of PPE		36,829	18,537	8,007							
Total Revenue (excluding capital transfers and contributions)		**3,461,662**	**3,824,882**	**3,994,454**	**4,452,946**	**4,753,249**	**4,753,249**	**4,753,249**	**4,884,967**	**5,150,590**	**,456,522**
Expenditure By Type											
Employee related costs	2	821,108	881,616	938,283	1,035,660	1,083,226	1,083,226	1,083,226	1,140,659	1,209,107	1,281,653
Remuneration of councillors		37,100	34,657	41,763	43,033	43,033	43,033	43,033	45,185	47,444	49,816
Debt impairment	3	112,679	222,110	92,508	120,815	120,815	120,815	120,815	103,942	110,178	116,789
Depreciation & asset impairment	2	453,332	481,107	554,292	506,103	506,103	506,103	506,103	536,470	568,658	602,777
Finance charges		67,174	71,169	75,095	65,460	67,130	67,130	67,130	62,129	52,804	43,801
Bulk purchases	2	1,453,402	1,586,802	1,799,214	1,936,708	1,963,823	1,963,823	1,963,823	2,073,551	2,192,161	2,324,945

KZN225 Msunduzi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Other materials	8	139,060	193,317	151,360	180,842	49,928	49,928	49,928	85,667	90,807	96,256
Contracted services		21,066	29,698	65,468	35,108	444,777	444,777	444,777	420,405	445,629	472,367
Transfers and subsidies		4,429	11,572	5,911	148,325	148,325	148,325	148,325	8,901	9,346	9,813
Other expenditure	4, 5	489,573	620,296	521,580	380,320	315,756	315,756	315,756	292,109	294,399	312,062
Loss on disposal of PPE		12,291									
Total Expenditure		**3,611,214**	**4,132,346**	**4,245,473**	**4,452,374**	**4,742,917**	**4,742,917**	**4,742,917**	**4,769,018**	**5,020,534**	**5,310,280**
Surplus/(Deficit)		**(149,552)**	**(307,464)**	**(251,020)**	**571**	**10,332**	**10,332**	**10,332**	**115,949**	**130,057**	**146,242**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		246,183	356,459	303,484	467,414	459,374	459,374	459,374	456,612	392,185	386,162
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)											
Surplus/(Deficit) after capital transfers & contributions		**96,631**	**48,995**	**52,465**	**467,986**	**469,707**	**469,707**	**469,707**	**572,561**	**522,241**	**532,403**
Taxation											
Surplus/(Deficit) after taxation		**96,631**	**48,995**	**52,465**	**467,986**	**469,707**	**469,707**	**469,707**	**572,561**	**522,241**	**532,403**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**96,631**	**48,995**	**52,465**	**467,986**	**469,707**	**469,707**	**469,707**	**572,561**	**522,241**	**532,403**
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		**96,631**	**48,995**	**52,465**	**467,986**	**469,707**	**469,707**	**469,707**	**572,561**	**522,241**	**532,403**

TABLE 90: TRANSFERS AND GRANT RECEIPTS

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**377,234**	**475,437**	**437,999**	**458,705**	**461,581**	**461,581**	**519,750**	**551,828**	**594,131**
Local Government Equitable Share		354,313	373,541	395,786	432,307	432,307	432,307	468,430	507,022	544,646
Finance Management		1,550	1,600	1,600	1,625	1,625	1,625	1,700	1,700	1,700
Municipal Systems Improvement		245	808	482						
EPWP Incentive		1,874	2,784	4,032	6,809	6,809	6,809	8,022		
Water Services Operating Subsidy		5,391	1,762							
Public Transport Infrastructure		–	88,849	27,408				21,001	21,553	26,657
Energy Efficiency and Demand Management					8,000	–	–			
Operating costs-MIG		10,350	6,093	8,690	9,964	20,840	20,840	20,596	21,554	21,128
Neighbourhood Development Partnership Technical ass		3,512								
Provincial Government:		**70,887**	**43,754**	**28,157**	**10,786**	**10,786**	**10,786**	**22,661**	**15,136**	**15,136**
Provincial Government:		35,774	3							
Expanded Public Works Grant		**1,874**	**–**	**–**						
Sport and Recreation		–	60	–						
Health		6,242								
Human Settlements		12,198	19,310	11,225				8,025		
Arts and Culture- Community Library Services		–	7,450	6,618	581	581	581	14,636	15,136	15,136
Arts and Culture- Provincialisation		14,800	16,231	9,940	9,805	9,805	9,805			
Arts and Culture-Museum Subsidies		–	478	268	400	400	400			
COGTA		–	222	106						
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(insert description)										
Other grant providers:		**–**	**413**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Developer Contribution			413							
Total Operating Transfers and Grants	**5**	**448,122**	**519,604**	**466,156**	**469,491**	**472,367**	**472,367**	**542,411**	**566,964**	**609,267**
Capital Transfers and Grants										
National Government:		**198,921**	**299,283**	**270,402**	**447,515**	**424,639**	**424,639**	**447,745**	**386,718**	**380,695**

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Municipal Infrastructure Grant (MIG)		155,719	157,065	182,668	180,653	169,777	169,777	180,543	190,743	204,162
Public Transport and Systems		17,695	20,634	18,140	200,031	180,031	180,031	189,012	93,974	95,532
Neighbourhood Development Partnership		707	20,195	10,231	22,110	22,110	22,110	40,000	30,000	30,000
Dept of Mineral/Electricty		5,704	9,188							
Intergrated National Electrification Porgramme		17,504	82,151	8,771	8,000	8,000	8,000		7,000	10,000
Municipal Systems Improvement		353	417	415						
Municipal Water Infrastructure Grant		1,239	9,631	50,176	36,721	36,721	36,721	38,191	65,000	41,000
Energy Efficiency and Demand Manaagement						8,000	8,000			
Provincial Government:		**47,262**	**57,176**	**28,696**	**19,899**	**34,735**	**34,735**	**8,867**	**5,467**	**5,467**
Airport Development Project		14,198	–	10,986						
Sport and Recreation		2,384	80							
KZNPA		774	5,182	1,004						
Arts and Culture-Museum Subsidies		4,057	8,865	3,635	9,510	9,634	9,634	5,467	5,467	5,467
COGTA		3,324	18,016	2,466						
Human Settlement		22,524	25,032	10,605	10,389	25,102	25,102	3,400		
District Municipality:		–	–	–	–	–	–	–	–	–
(insert description)										
Other grant providers:		–	–	4,386	–	–	–	–	–	–
SANEDI				4,386						
Total Capital Transfers and Grants	**5**	**246,183**	**356,459**	**303,484**	**467,414**	**459,374**	**459,374**	**456,612**	**392,185**	**386,162**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**694,304**	**876,063**	**769,640**	**936,905**	**931,741**	**931,741**	**999,023**	**959,149**	**995,428**

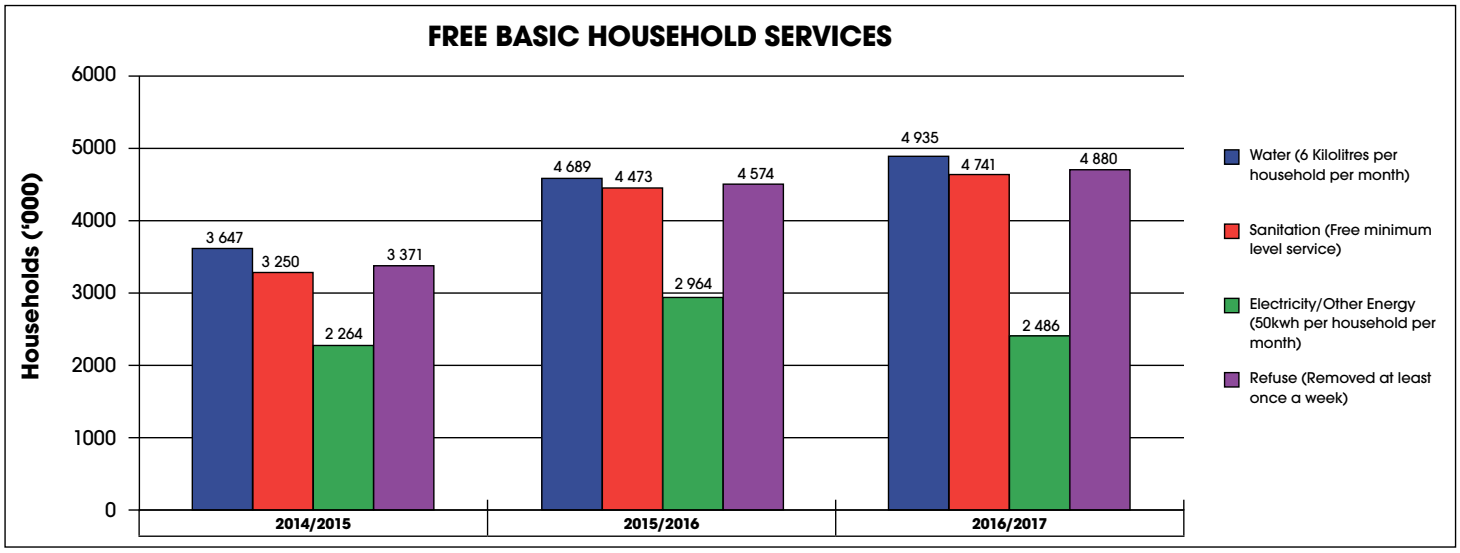
6.3 COST OF BASIC SERVICES

Council receives Equitable Share to subsidise those who cannot afford to pay for the minimum needs in life. The objective in calculating the amount to be subsidised, must be to prevent an increasing balance on the account of an indigent as it will be difficult to recover the debt in a humanly way.

According to the Municipal Systems Act 2000, Section 74(3) and 75(2) stipulates, "A tariff policy may differentiate between different categories of users/ debtors."

Criteria for Approval:

1. That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R3 740.00
2. That the prescribed application forms be completed annually.



FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
	Number of Households				
	Total	Households earning less than R3,740 per month			
		Free basic water	Free basic sanitation	Free basic electricity	Free basic refuse
2014/2015	12 532	3 647	3 250	2 264	3 371
2015/2016	16 700	4 689	4 473	2 964	4 574
2016/2017	17 042	4 935	4 741	2 486	4 880

FINANCIAL PERFORMANCE 2016/2017: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
Services Delivered	2015/2016	2016/2017			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget %
Waster	8 611 396	13 196 800	13 196 800	7 012 266	47
Waste Water (Sanitation)	4 553 556	4 892 700	4 892 700	4 894 449	0
Electricity	3 080 430	2 363 000	2 363 000	2 576 950	10
Waste Management (Solid Waste)	2 195 310	3 265 000	3 265 000	2 904 229	11
Total	**18 440 692**	**23 717 500**	**23 717 500**	**17 387 894**	**37**

The equitable share received is used to fund Free Basic Services that is extended to all our customers who have been declared indigent who are earning below R3 740.00 as determined by Council. Further to the free basic services, we are trying to remove the burden from the indigent customers by reducing their amperage on the electricity they use to 20AMPS. We have started a project to replace all indigent customers meter with smart prepaid. Indigent policy refers to: people who are lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. Spent on electricity for 2016/2017 was R 2 576 950, spent on water 2016/2017 R 7 012 266, spent on sewerage for 2016/2017 R4 894 449, spent on refuse 2016/2017 R2 904 229.

TABLE 91: COST OF FBS

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	**1**									
Water:										
Piped water inside dwelling		52,082	51,336	51,911	51,911	51,911	51,911	51,911	51,911	51,911
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		52,082	51,336	51,911	51,911	51,911	51,911	51,911	51,911	51,911
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	**5**	**52,082**	**51,336**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**	**51,911**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		48,158	48,216	48,004	48,004	48,004	48,004	48,004	48,004	48,004
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		48,158	48,216	48,004	48,004	48,004	48,004	48,004	48,004	48,004
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	**5**	**48,158**	**48,216**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**	**48,004**
Energy:										
Electricity (at least min.service level)		44,830	43,229	42,432	42,432	42,432	42,432	42,432	42,432	42,432
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Minimum Service Level and Above sub-total		44,830	43,229	42,432	42,432	42,432	42,432	42,432	42,432	42,432
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	**5**	**44,830**	**43,229**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**	**42,432**
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		57,353	57,383	56,331	56,331	56,331	56,331	56,331	56,331	56,331
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		57,353	57,383	56,331	56,331	56,331	56,331	56,331	56,331	56,331
Total number of households	**5**	**57,353**	**57,383**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**	**56,331**
Households receiving Free Basic Service	**7**									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	**8**									
Water (6 kilolitres per indigent household per month)		18,044	19,238	118,730	131,968	131,968	131,968	157,163	180,737	207,848
Sanitation (free sanitation service to indigent households)		7,662	8,122	4,558	4,827	4,827	4,827	–	–	–

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Electricity/other energy (50kwh per indigent household per month)		6,741	7,145	2,195	2,363	2,363	2,363	2,407	2,453	2,499
Refuse (removed once a week for indigent households)		2,616	2,773	3,080	3,265	3,265	3,265	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**35,063**	**37,278**	**128,564**	**142,423**	**142,423**	**142,423**	**159,570**	**183,190**	**210,347**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	**9**									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		367,505	5,483	199	391,617	391,617	391,617	415,114	440,021	466,422
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**367,505**	**5,483**	**199**	**391,617**	**391,617**	**391,617**	**415,114**	**440,021**	**466,422**

6.4 ALIGNMENT OF THE MUNICIPAL BUDGET WITH THE MUNICIPAL GOALS AND OBJECTIVES

The table below indicates budget per strategic objective.

TABLE 92: ALIGNMENT WITH REVENUE BUDGET

KZN225 Msunduzi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	"Goal Code"	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Viability and Management	Financially viable and well governed City			1,184,426	1,205,095	1,205,095	1,475,047	1,475,047	1,475,047	1,637,917	1,704,893	1,756,529
Basic Service Delivery	Improved the state of municipal infrastructure			2,457,310	2,602,248	2,729,981	2,936,696	3,174,083	3,174,083	3,264,528	3,566,400	3,780,384
Local Economic Development	An economically prosperous city			17,091	23,573	10,573	32,159	32,159	32,159	34,088	36,134	38,302
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.			–	283,942	224,326	348,649	403,525	403,525	269,568	91,742	115,246
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.			48,733	66,157	81,806	77,497	77,497	77,497	82,147	87,076	92,300
Municipal Transformation and Institutional Development	Improved customer experience & public participation			284	326	46,157	50,312	50,312	50,312	53,330	56,530	59,922
Allocations to other priorities			**2**									

KZN225 Msunduzi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	"Goal Code"	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Total Revenue (excluding capital transfers and contributions)			**1**	**3,707,845**	**4,181,341**	**4,297,938**	**4,920,360**	**5,212,623**	**5,212,623**	**5,341,579**	**5,542,775**	**5,842,683**

TABLE 93: ALIGNMENT WITH OPERATING EXPENDITURE BUDGET

KZN225 Msunduzi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	"Goal Code"	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Viability and Management	Financially viable and well governed City			235,970	343,629	539,004	606,642	606,642	606,642	539,106	564,873	604,435
Basic Service Delivery	Improved the state of municipal infrastructure			796,112	949,280	879,931	799,989	799,989	799,989	847,989	898,868	952,800
Local Economic Development	An economically prosperous city			320,731	381,841	318,425	474,404	474,404	474,404	516,243	533,041	565,023
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.			120,731	138,196	193,788	131,414	131,414	131,414	138,299	147,657	156,517
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.			2,129,876	2,310,161	2,302,804	2,426,675	2,717,217	2,717,217	2,713,337	2,861,207	3,015,726
Municipal Transformation and Institutional Development	Improved customer experience & public participation			7,795	9,238	11,521	13,250	13,250	13,250	14,045	14,887	15,780

KZN225 Msunduzi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	"Goal Code"	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Allocations to other priorities												
Total Expenditure			**1**	**3,611,214**	**4,132,346**	**4,245,473**	**4,452,374**	**4,742,917**	**4,742,917**	**4,769,018**	**5,020,534**	**5,310,280**

TABLE 94: ALIGNMENT WITH CAPITAL EXPENDITURE

KZN225 Msunduzi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Viability and Management	Financially viable and well governed City	A		23,294	53,741	74,980	123,024	123,024	123,024	100,306	98,230	96,524
Basic Service Delivery	Improved the state of municipal infrastructure	B		242,180	365,130	85,330	201,545	302,145	302,145	125,811	126,456	80,044
Local Economic Development	An economically prosperous city	C		81,637	89,062	57,570	99,264	99,264	99,264	90,845	111,533	118,224
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.	D		9,117	9,983	–	23,880	23,880	23,880	19,313	14,832	13,442
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.	E		–	3,925	183,426	222,045	258,930	258,930	232,367	109,768	158,559
Municipal Transformation and Institutional Development	Improved customer experience & public participation	F		7,678	6,795	74,980	64,483	64,483	64,483	58,352	62,453	66,800

KZN225 Msunduzi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Allocations to other priorities			**3**									
Total Capital Expenditure			**1**	**363,906**	**528,636**	**476,286**	**734,241**	**871,726**	**871,726**	**626,994**	**523,272**	**533,593**

6.5 OPERATIONAL AND MAINTENANCE COSTS

The following table summarises the Operations and Maintenance costs spent per financial year, as well as the percentage this is of the total expenditure.

TABLE 95: REPAIRS AND MAINTENANCE COSTS

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE OTHER ITEMS										
Depreciation	7	453,332	481,107	554,292	506,103	506,103	506,103	536,470	568,658	602,777
Repairs and Maintenance by Asset Class	**3**	**139,060**	**193,317**	**162,844**	**171,344**	**171,344**	**171,344**	**277,871**	**292,751**	**310,519**
Roads Infrastructure		7,094	8,642	47,029	41,854	41,854	41,854	41,095	53,230	58,961
Storm water Infrastructure		–	–	–	–	–	–	10,080	3,307	3,595
Electrical Infrastructure		47,899	50,624	50,160	35,104	35,104	35,104	129,210	134,000	140,588
Water Supply Infrastructure		1,554	17,375	15,460	18,423	18,423	18,423	17,885	19,673	21,050
Sanitation Infrastructure		502	5,936	6,125	32,562	32,562	32,562	7,833	8,381	9,052
Solid Waste Infrastructure		–	3,485	8,472	7,399	7,399	7,399	–	–	–
Rail Infrastructure		–	–	–	–	–	–	1,500	1,750	2,000
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**57,050**	**86,063**	**127,246**	**135,342**	**135,342**	**135,342**	**207,603**	**220,342**	**235,246**
Community Facilities		–	9,446	17,218	13,455	13,455	13,455	19,024	19,991	21,005
Sport and Recreation Facilities		–	15,000	–	–	–	–	21,822	22,788	21,552
Community Assets		**–**	**24,446**	**17,218**	**13,455**	**13,455**	**13,455**	**40,846**	**42,778**	**42,557**
Heritage Assets		**46,220**	**38,222**	**18,379**	**–**	**–**	**–**	**1,053**	**1,106**	**1,161**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		1,722	14,627	–	18,106	18,106	18,106	12,510	12,399	11,476
Housing		–	–	–	4,441	4,441	4,441	–	–	–
Other Assets		**1,722**	**14,627**	–	**22,547**	**22,547**	**22,547**	**12,510**	**12,399**	**11,476**
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	7,900	7,950	9,660
Intangible Assets		–	–	–	–	–	–	**7,900**	**7,950**	**9,660**
Computer Equipment		–	–	–	–	–	–	**5,280**	**5,414**	**7,144**
Furniture and Office Equipment		–	–	–	–	–	–	**483**	**549**	**964**
Machinery and Equipment		**22,449**	**11,658**	–	–	–	–	**953**	**1,001**	**1,051**
Transport Assets		**11,618**	**18,301**	–	–	–	–	**1,242**	**1,213**	**1,260**
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**592,392**	**674,424**	**717,135**	**677,447**	**677,447**	**677,447**	**814,340**	**861,409**	**913,296**

6.6 REVENUE GENERATION

The Municipality implemented the local Government: Municipal Property Rates Act (MPRA) on 1 July 2008 following the original publication of the valuation roll in February 2008. Key activities since publication have been the processing of objections and queries to the roll, publishing of four supplementary rolls in the first financial year, with a target of three supplementary rolls per year thereafter.

(i) MUNICIPAL PROPERTY RATES

The Municipality implemented the local Government: Municipal Property Rates Act (MPRA) on 1 July 2008 following the original publication of the valuation roll in February 2008. Key activities since publication have been the processing of objections and queries to the roll, publishing of four supplementary rolls in the first financial year, with a target of three supplementary rolls per year thereafter. The municipality is busy with this process in 2014/2015 awaiting public consultation. It will be implemented on the 1st July 2014

(ii) COUNCIL DEBT REDUCTION

The objective of this programme is to reduce municipal debt by actively reviewing and implementing a council credit control and debt management policy. The implementation of this policy will include the following:

- The consolidation of all debts owing in respect of electricity, water, and rates onto one account;
- The consolidation of arrears amounts gives council more leverage to pursue recovery action against non-paying consumers;
- The stratification of the total outstanding debtors into government, commercial, residential, and vacant land;

Each category has different collection strategies:

- Focus on businesss. Started issuing of summons in February. Delay due to procurement All debts in excess of R20 000 are handed over to a newly appointed panel of attorneys for collection;
- Judgement will be taken on all ratepayers that owe more than R20 000 via the high court, in terms of the sale in execution process;
- Council properties are being investigated and rates outstanding allocated to respective departments;
- Active attention to government debt by arranging meetings with government officials regularly and disconnecting services for non-payment if necessary; and
- Unallocated debt write-offs.

6.7 ASSET MANAGEMENT

At the meeting of the full council held on the 9th of December 2015, it was resolved that an Asset Steering Committee be implemented and be driven a strategic level as this is informed by the strategic importance of infrastructure in terms of service delivery. The Asset Steering Committee has been appointed to undertake the following duties;

- To embed, integrate, monitor, support and report on the development and implementation of Asset Management Practices within the Municipality.
- To drive and implement sustainable asset management across council
- To increase awareness of the importance of integrated service planning and asset management across the organisation
- To ensure compliance with COGTA guidelines for infrastructure Assets Management in local Government
- To work in unison with the development Services Department to create and implement integrated opportunities for asset management and service planning.

The asset register has been updated with all movable and immovable assets, including investment property, andis in compliance with all applicable standards of GRAP. The verification, conditional assessment, and revaluationof infrastructure assets have been done and updated in the asset register in compliance with Grap 17.No impairment reports have been made to date. Movable assets are verified on an annual basis. The asset registeris updated, on a monthly basis, with asset acquisitions (movable and immovable), disposals, and movements.

6.8 SOUND FINANCIAL STRATEGIES

The Municipality has committed itself to the following sound financial strategies:

- Strategic and sustainable budgeting
- Sound financial management and reporting
- Value for money expenditure
- Growth of revenue and reduction of debtors

6.8.1 SAP

The municipality appointed EOH as a service provider for the implementation of SAP ERP system. EOH presented the project plan to the Strategic Management Committee in November 2014, which was accepted. EOH is currently working on the SAP ERP implementation in conjunction with the project team from Msunduzi.

The Municipality also appointed PWC to assist with project management and Quality Assurance of the SAP ERP system implementation. A seconded PWC project manager is assisting the municipal project team with advisory on project implementation and decision making.

The Municipal Standard Chart of Accounts (mSCOA) principles prescribe a "project based" budgeting and execution approach for all work and expenses/revenue relating to the running of the Municipality.

This means that a "project" must exist for all types of spending, in order to define how the municipal spending converts to deliverables.

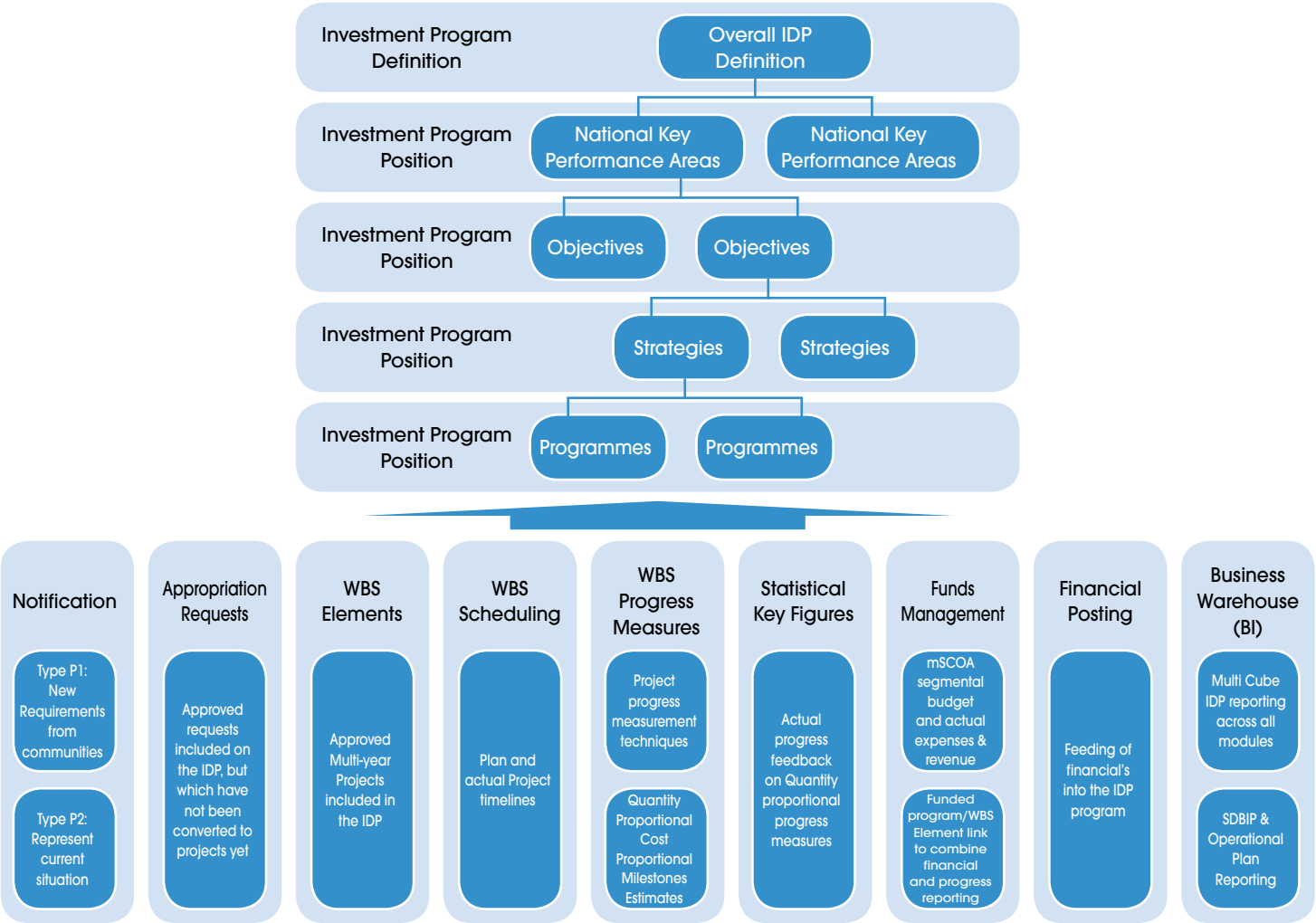
These "projects" does not only refer to projects as defined in the traditional sense of the word, but they include all types of work areas relating to the municipality:

- Capital Infrastructure projects
- Operational projects
- Municipal operating tasks
- Municipal running costs
- Typical work streams
- Maintenance
- Movable asset purchases

For this reason, the Msunduzi mSCOA solution uses WBS elements to define all types of work packages and expense buckets relating to the municipality.

This design has the advantage that it enables the functionality within the Investment Management module in SAP to be used as the backbone of the IDP solution, but representing the IDP objectives and strategies as an Investment Structure. The WBS elements are one of two objects in SAP which can be linked to the Investment Program Structure in the IM module, the other being Appropriation requests.

The diagram below provides a summary of the main SAP objects being used in the overall IDP system design for Msunduzi:



6.8.2 MUNICIPAL STANDARD CHARTS OF ACCOUNTS (MSCOA)

National Treasury issued Government Gazette No 37577, Municipal Regulations on Standard Chart of Accounts, which is effective 01 July 2017. The objective is to have a National Standard for uniform recording and classification of municipal budget and financial information at a transactional level by providing a Standardised Chart of Accounts which is:

- aligned to budget formats and accounting standards;
- enable uniform information sets across the whole of government to better inform national policy coordination and reporting, benchmarking and performance measurement.

MSCOA is not a system change it is a business process/reform change! There are Seven (7) segments that are to be complied with on a transaction (posting) level and no further breakdown is needed subsequent to transaction posting.

The seven segments are:

- Project
- Function
- Item segment: Assets, Liabilities and Net assets; Expenditure; Revenue; Gains and Losses
- Fund
- Regional Indicator
- Costing
- Municipal Standard Classification – No standardisation

Project segment is linked to the IDP is indicates how the projects should be reflected in the IDP it distinguishes projects according to the nature of expense in terms of capital or operational expense. It into capital, operational or default transactions (non-project related Items). Table number 7 on the IDP will have projects classified as per the MSCOA requirements

6.9 PROJECTS WITH COMMITTED FUNDING FROM OTHER SERVICE PROVIDERS

This section is in the process of being completed and will be finalised ahead of Council final adoption of the IDP. Departments have been requested to forward their 3-year MTEFs to the Municipality for inclusion in the IDP.

TABLE 96: COMMITTED BUDGETS BY SECTOR DEPARTMENTS

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
1	Agriculture	Senzokuhle			3 000 000	R 840 000				3 840 000
2	Agriculture	IbuyeMafunze			600 000	R 658 000				1 258 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
3	Agriculture	Ameen Moona			400 000	R 822 000				1 222 000
4	Agriculture	Ixhiba				R 226 000				226 000
5	Agriculture	Allerton laboratory				0.00				
6	Agriculture	Allerton laboratory				0.00				
7	Agriculture	Allerton laboratory				0.00				
8	Agriculture	Allerton laboratory				0.00				
9	Agriculture	Allerton laboratory				0.00				
10	Agriculture	Kwa dindi mushroom project				7,186,995.48				7 186 995.48
11	Agriculture	Allerton laboratory				277,323.83				277 323.83
					4 000 000	10 010 319.31				10 170 319.31
12	Environmental Affairs	Alexander Park Revitalization								R 12 000 000
13	Environmental Affairs	EPWP KZNNBG								R 3,5 000 000
14	Environmental Affairs	uMgungundlovu Small Recyclers Support Programme & Composting Facility								R 25 000 000
15	Environmental Affairs	Buy Back Centre								R 7 000 000
16	Environmental Affairs	Youth Jobs in Waste								R 85 393.312
17	Environmental Affairs	Elandskop								R 1 522 065.30

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
18	Environmental Affairs	DUCT-Duzu & uMngeni River								R 2 000 000
19	Environmental Affairs	Building Resilience in Greater uMngeni catchment								USD 7 495 055
20	Environmental Affairs	Advanced Solid Waste Project								2-3 Million Euros
21	Environmental Affairs	Pyrolises Project								
22	Environmental Affairs	Small Co-ops								R 7 000 000
23	Economic Development	Ecocycle Waste Management Project- Implementation Phase								
								R 5 000 000		
24	SANRAL	N3: New England – Twickenham Rd								1 Billion
25	SANRAL	N3: PMB Bypass								10 Billion
26	SANRAL	N3: Asburton I/C – Murray Road								TBC
27	SANRAL	N3: Twickenham - Cedara								TBC
28	SANRAL	N3: Sanctuary Rd I/C - Cedara								TBC
29	SANRAL	N3: Lynnfield Park – Ashburton I/C								TBC
30	SANRAL	N3: Sanctuary Road to Cedara				16 000 000	R 6, 9 000 000			R 22 900 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
31	SANRAL	N3: New England Road I/C to Twickenham Underpass				6 000 000	R 6 000 000			R 12 000 000
						22 000 000	12 900 000			34 900 000
32	Education	Offices - education - 228 pietermaritz street - pm								
33	Education	Offices - education - msunduzi circuit office - pm								
34	Education	Alexandra high school								
35	Education	Henryville primary school								
36	Education	Offices - education - scott street complex - pmbur								
37	Education	Umlulama secondary school								
38	Education	Zakhezulu high school								
39	Education	Alston primary school								
40	Education	Henryville primary school								
41	Education	Prestbury primary school								

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
42	Education	Offices - education - 228 pietermaritz street - pm				941,184.00				941,184.00
43	Education	Northbury park secondary school				5,520,000.00				5,520,000.00
44	Education	Northern park primary school				5,600,000.00				5,600,000.00
45	Education	Iwahlanga junior primary school				4,638,561.16				4,638,561.16
46	Education	Deccan road primary school				172,201.13				172,201.13
47	Education	Esther payne secondary school				3,968,436.98				3,968,436.98
48	Education	Nobanda primary school				3,835,931.97				3,835,931.97
49	Education	Mqhathi primary school				902,870.86				902,870.86
50	Education	Umvuzo School			33 209 000					33 209 000
51	Education	Umsilinga Primary			37 216 000					37 216 000
52	Education	Grange Area S			25 695 000					25 695 000
53	Education	Hayfields P School			38 386 000					38 386 000
54	Education	Ngcedomhlophe High			11 337 000					11 337 000
55	Education	Henryville P School			18 089 000					18 089 000
56	Education	Sobantu S School			6 000 000					6 000 000
57	Education	Impumelelo P School			4 242 110.35					4 242 110.35

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
58	Education	Nansindlela P School			2 294 302.47					2 294 302.47
59	Education	Kwangubeni Primary School			161 595					161 595
60	Education	Julukandoda Primary School			205 200					205 200
					25 579 086.10	25 579 086.10				51 158 372.20
61	Health	Fort napier hospital								
62	Health	Greys hospital								
63	Health	Offices - health - natalia - pietermaritzburg								
64	Health	Town hill hospital								
65	Health	Greys hospital								
66	Health	Greys hospital								
67	Health	Edendale nursing college								
68	Health	Fort napier hospital				915,680.73				915,680.73
69	Health	Fort napier hospital				1,959,000.00				1,959,000.00
70	Health	Greys hospital				3,062,206.55				3,062,206.55
71	Health	Greys hospital				7,186,776.89				7,186,776.89
72	Health	Northdale hospital				9,485,460.00				9,485,460.00
73	Health	Northdale hospital				898,916.51				898,916.51
74	Health	Orthopaedic services (old grey's complex)				103,550.00				103,550.00

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
75	Health	Songonzima clinic				558,339.68				558,339.68
76	Health	Town hill hospital				10,449,000.00				10,449,000.00
77	Health	Town hill hospital				38,188,500.00				38,188,500.00
78	Health	Sondelani clinic				2,730,016.01				2,730,016.01
79	Health	Orthopaedic services (old grey's complex)				3,310,360.66				3,310,360.66
						78 847 807.03				78 847 807.03
80	Legislature	Offices - provincial legislature - old council cha								
81	Legislature	Offices - provincial legislature - old council cha								
82	Legislature	Offices - provincial legislature - old council cha								
83	Legislature	Offices - provincial legislature - old council cha								
84	Legislature	Offices - transport - government garage & mlb piet								
85	Legislature	Offices - transport - head office - pietermaritzbu								

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
86	Public Works	Offices - public works - 191 prince alfred street-				46,533,879.52				46,533,879.52
87	Public Works	Offices - public works - southern region – pieterm				448,200.18				448,200.18
88	Public Works	Offices - public works - southern region - pieterm				1,067,886.55				1,067,886.55
						48 049 966.23				48 049 966.23
89	Transport	3497 msunduze river bridge				1 542 613				1 542 613
90	Transport	Henley dam vehicular bridge (l1454 to p7-1)								
			1 300 000				1 300 000			
91	Transport	Kwagezubuso precast culvert (design & supervision)				1 102 939				1 102 939
92	Transport	Msunduzi river pedestrian bridge (ob_ pmb_29)				1 710 000				1 710 000
93	Transport	Mvubukazi river bridge (ob_ pmb_26)				2 160 000				2 160 000
94	Transport	Slangspruit river pedestrian bridge (ob_ pmb_32)				866 850				866 850
95	Transport	3497 msunduze river bridge				9 200 000				9 200 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
96	Transport	Kwagezubuso precast culvert				4 500 000				4 500 000
97	Transport	Edendale pedestrian bridge				1 569 083				1 569 083
98	Transport	L791 - bhanda road pedestrian bridge				825 000				825 000
99	Transport	Msunduze river pedestrian bridge (bhalekani)				950 620				950 620
100	Transport	Dambuza roads: nomponjwane & sponono roads,								
			18 474 000				18 474 000			
101	Transport	Msunduzi/ willowfontein roads: impendle, thandokuhle creche, mkhiz'obomvu and shange roads								
			36 300 000				36 300 000			
102	Transport	P412								
			42 200 000				42 200 000			
103	Transport	D2068				784 824				784 824
104	Transport	D2343				835 200				835 200
105	Transport	P7-1				2 232 000				2 232 000
106	Transport					1 078 440				1 078 440
107	Transport	P7-1(RHS)				7 534 800				7 534 800
108	Transport	P1-5				18 427 500				18 427 500
109	Transport	P370				4 490 640				4 490 640

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
110	Transport	P478				5 940 000				5 940 000
111	Transport	P7-1				3 536 000				3 536 000
112	Transport	P7-2				1 530 000				1 530 000
113	Transport	Const. of L1411 C/ Way				1 800 000				1 800 000
114	Transport	Const. of Mlotshwa C/Way off P402				1 000 000				1 000 000
115	Transport	Construction of Mdlalose Causeway				500 000				500 000
116	Transport	Construction of Ncukwini Causeway				1 800 000				1 800 000
117	Transport	Const. of Bhidla Road Ext.				750 000				750 000
118	Transport	Const. of Darkie Road				860 000				860 000
119	Transport	Const. of Gqumusha Road				860 000				860 000
120	Transport	Const. of New Home Ext.				258 000				258 000
121	Transport	Const. of Ntwasahlobo C/ Way on L1085				1 750 000				1 750 000
122	Transport	Const. of Tsagane Road				2 250 000				2 250 000
123	Transport	Const. of Tsatsi Road				860 000				860 000
124	Transport	Construction of Gumede Road				1 300 000				1 300 000
125	Transport	Construction of Dambayi Rd				1 250 000				1 250 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
126	Transport	Construction of Stingini Rd				1 450 000				1 450 000
127	Transport	Construction of Mkomazi River Bridge on D363- design and supervision				50 000				50 000
128	Transport	Maintenance of local roads & additional Repairs				1 000 000				1 000 000
129	Transport	Regravelling of D1138 (km0 - km1,270)				600 000				600 000
130	Transport	Regravelling of D290 (km0 - km8.040)				2 800 000				2 800 000
131	Transport	Regravelling of D508 (km0 - km1)				430 000				430 000
132	Transport	Regravelling of P132 (km7 - km21.670)				5 868 000				5 868 000
133	Transport	Regravelling of P144 (0-4km)				1 800 000				1 800 000
134	Transport	Regravelling of P169 (km0-km6)				2 500 000				2 500 000
135	Transport	Regravelling of P402 (km1 - km7)				2 400 000				2 400 000
136	Transport	Rehabilitation of bridges in DC22- as per inspection report				5 000 000				5 000 000
137	Transport	Other equipment				13 500 000				13 500 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
138	Transport	Routine maintenance-Blading of local roads-1				3 500 000				3 500 000
139	Transport	Routine maintenance-Blading of local roads-2				2 000 000				2 000 000
140	Transport	Fuel and Oil Blading Routine Maintenance				2 000 000				2 000 000
141	Transport	Routine Maintenance - Howick-Tree felling -1				200 000				200 000
142	Transport	Routine Maintenance - Impendle-specialised 1				200 000				200 000
143	Transport	Routine Maintenance - Impendle-specialised 2				200 000				200 000
144	Transport	Routine Maintenance - Impendle-Tree felling -1				200 000				200 000
145	Transport	Routine Maintenance - Mooi River-Pipe desilting 1				200 000				200 000
146	Transport	Routine Maintenance - Mooi river-specialised 1				200 000				200 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
147	Transport	Routine Maintenance - Mooi river-specialised 2				200 000				200 000
148	Transport	Routine Maintenance - Mooi river-Tree felling-1				200 000				200 000
149	Transport	Routine Maintenance - Taylors Halt-specialised 1				200 000				200 000
150	Transport	Safety Maintenance - Blacktop Patching : Contract No 1				200 000				200 000
151	Transport	Safety Maintenance - Blacktop Patching : Materials				1 300 000				1 300 000
152	Transport	Safety Maintenance - Blacktop Patching : Open Contract 3				4 000 000				4 000 000
153	Transport	Safety Maintenance - Guardrails : Purchase				500 000				500 000
154	Transport	Safety Maintenance - Signs : Purchase				300 000				300 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
155	Transport	Safety Maintenance - Roadmarking : Installation of Studs				200 000				200 000
156	Transport	Safety Maintenance - Roadmarking : Painting				2 500 000				2 500 000
157	Transport	Bridge joints replacement				2 000 000				2 000 000
158	Transport	Qomo Road- Ezakhiweni Ezintsha				860 000				860 000
159	Transport	Bholomane Road				860 000				860 000
160	Transport	Svandeni Road				860 000				860 000
161	Transport	Siyalungisa C/ Way (C/O)				2 000 000				2 000 000
162	Transport	Maintenance of local roads and upgrades				1 000 000				1 000 000
163	Transport	MR 7-1/MR 7-2 Maintenance				500 000				500 000
164	Transport	MR 399 Maintenance				500 000				500 000
165	Transport									
						245 606 509				245 606 509
166	Mngeni Water	'251 Raw Water Pipeline: Midmar Dam to Midmar WTP				2015/2016 – R39,872,000	2016/2017 – R59,186,000	2017/2018 - R6,504,000		Total Project Cost: R131,185,000 (subject to review).

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
167	Mngeni Water	Midmar Water Treatment Plant Upgrade					2016/2017 – R71,990000	2017/2018 – R69,745,000		Total Project Cost: R214,847,000 (subject to review).
168	Mngeni Water	Groenekloof Reservoir Upgrade					Budget (subject to review) 2016/2017 - R5,000,000:			Total Project Cost: R104,000,000 (subject to review).
169	Mngeni Water	'61 Pipeline: Richmond Off-Take to Umlaas Road				Budget (subject to review): 2015/2016 - R6,000,000	2016/2017 - R2,606,000	2017/2018 - R5,000,000		Total Project Cost: R170,890,,000 (subject to review).
170	Mngeni Water	Richmond Pipeline				Budget (subject to review): 2015/2016 - R1,000,000	2016/2017 - R2,682,000			Total Project Cost: R220,600,000 (subject to review).
171	Mngeni Water	Darvill Wastewater Works Upgrade				Budget (subject to review): 2015/2016 - R251,016,000	2016/2017 - R178,286,000			Total Project Cost: R718,679,000 (subject to review).
172	Mngeni Water	Vulindlela Upgrade				Budget (subject to review): 2015/2016 - R2,000,000	2016/2017 - R5,000,000			Total Project Cost: R72,000,000 (subject to review).
						299 888 000	322 068 000			1 632 201 000
173	Human Settlements	Ethembeni (4000 units)								
174	Human Settlements	Harewood (1000 units)					1000 000			1000 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
175	Human Settlements	Mkhondeni / Sport (3000 units)								
176	Human Settlements	Yellowwood Place (90 units)					228 000			228 000
177	Human Settlements	Copesville (1176 units)				1 480 000	8 750 000			23 550 000
178	Human Settlements	Kwa 30 Housing Project (400 units)					1 000 000			1 000 000
179	Human Settlements	Hollingwood (1000 units)				1 500 000	1 000 000			2 500 000
180	Human Settlements	Khalanyoni (1000 units)					1 500 000			1 500 000
181	Human Settlements	Glenwood 2 South East Sector (3000 units)					1 000 000			1 000 000
182	Human Settlements	Edendale J2 & Quarry (1000 units)				1 500 000	1 000 000			2 500 000
183	Human Settlements	Edendale Bulwe (1000 units)				1 500 000	1 000 000			2 500 000
184	Human Settlements	Signal Hill (3000 units)								
185	Human Settlements	Ambleton Ph 3 (3000 units)								
186	Human Settlements	Lot 182 Sinathing (133 units)				9 600 000				9 600 000
187	Human Settlements	Revamp, Refurbishment (Slangspruit) (585 units)					5 193 000			5 193 000
188	Human Settlements	Msunduzi Wirewall (2086 units)				9 450 000	12 194 000			21 644 000

NO.	DEPARTMENT	PROJECT Name	Status (completed, in progress planned)	Ward/ location	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	TOTAL COST
189	Human Settlements	North East Sector ((281 units)				6 463 000	11 280 000			17 743 000
190	Human Settlements	Edendale S 8 Ext (428 units)				920 000	2 300 000			3 220 000
191	Human Settlements	Military Veterans				28 050 000	18 150 000			4 6200 000
192	Human Settlements	Vulindlela (25 000 units)				213 600 000	227 074 000			
						274 063 000.00	292 669 000.00			

1 Budget Subject to Review.

SECTION G CHAPTER 7: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

7.1 ORGANISATION PERFORMANCE MANAGEMENT SYSTEM IN THE MSUNDUZI MUNICIPALITY

The Msunduzi Municipality has an approved Organizational Performance Management System (OPMS) Framework and Individual Performance Management System (IPMS) policy, which serve as the guideline documents for the implementation of the Performance Management System (PMS) within the Municipality. The implementation of performance management is guided by various legislative prescripts and requirements. The OPMS Framework is inclusive of the following interrelated processes:

- Planning;
- Implementation;
- Monitoring;
- Evaluation.

The Msunduzi Municipality's PMS is the primary mechanism to monitor, review, and improve the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. In addition, the Municipality's PMS facilitates increased accountability, learning, improvement, as well as providing early warning signals to facilitate decision-making.

The PMS monitors actual performance against set targets and contractual obligations. Effective service delivery relies upon the IDP, efficient utilization of all resource,s and the PMS being closely integrated across all functions at an organizational and individual level. The most valuable reason for measuring performance is that what gets measured gets done.

Once performance planning and the IDP have been completed and departmental SDBIP's are in place, they need to be implemented by executing the work in accordance with these plans. As the work is executed, it needs to be continuously monitored and periodically measured and reported on. Reporting requires that the Municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements, and analysis, and present this information in a simple and accessible format, relevant and useful to the specific target group, whilst meeting the legal prescripts for reporting. The PMS Cycle can be illustrated as follows:

FIGURE 21: PMS Cycle

7.2 ORGANISATION KEY PERFORMANCE INDICATORS LINKED TO DEPARTMENTAL INDICATORS

Whilst the organisational key performance indicators are presented in the SDBIP at an annual and quarterly level, the departmental indicators are broken down into monthly indicators, which are monitored and reported on a monthly basis at meetings of the operational management committee.

7.3 DEPARTMENTAL INDICATORS LINKED TO OUTPUTS IN THE PERFORMANCE AGREEMENTS

According to the approved Individual Performance Management System policy, all Deputy Municipal Managers, Process Managers, and other Level three (3) managers must enter into a performance agreement annually. These performance agreements are directly linked to the approved SDBIP and departmental indicators, through the development of individual work plans. Indicators in the work plans also include indicators that are not necessarily included in the SDBIP and/or departmental indicators, but are relevant to the operational functionality of any particular post. The indicators contained within the work plan are agreed upon and signed off by both the supervisor and the incumbent.

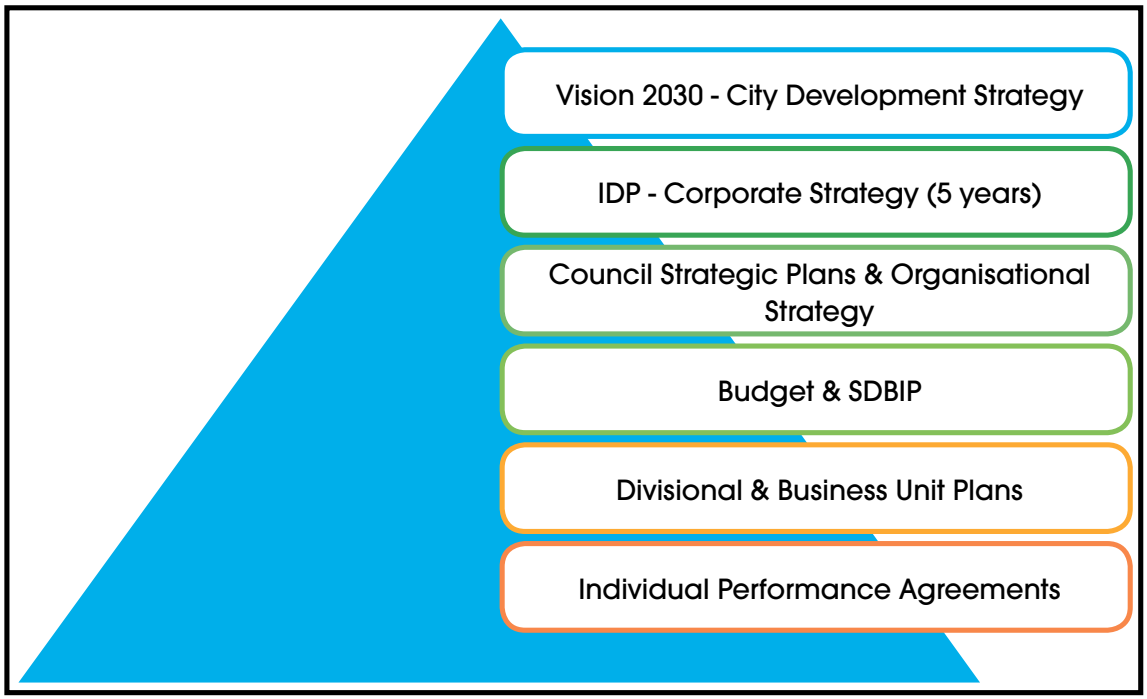
7.4 LINKING OF OUTPUTS IN PERFORMANCE AGREEMENTS WITH ACTIVITIES IN THE OPERATIONAL PLANS AND INDICATORS

The work plans referred to above form the basis of the quarterly performance assessments that are conducted. Assessments that take place during the first and third quarter are conducted on an informal basis between the supervisor and the incumbent, and are more informal, as opposed to the mid-year and annual assessments, which are formal in nature and documented accordingly. As mentioned above, the work plan is the document that links to the operational plans and indicators.

7.5 LINKING THE OPMS (DEPARTMENTAL AND INDIVIDUAL INDICATORS) WITH THE GOALS, OBJECTIVES, AND MUNICIPAL BUDGET

The diagram below is indicative of the linkages between the PMS and the overall strategic planning process of the Municipality, starting with the vision and translated down to the level of individual performance agreements:

FIGURE 22: Performance Management in the Msunduzi Municipality



7.6 THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

7.6.1 INTRODUCTION

The SDBIP is a key management, implementation, and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines the Performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process. The biggest challenge is to develop meaningful non-financial service delivery targets and indicators, in addition to the budget indicators. However, this will remain a work in progress for the Municipality.

The development of the Service Delivery and Budget Implementation Plans (SDBIPs) is a requirement under the Municipal Finance Management Act (MFMA) and gives effect to the Municipality's Integrated Development Plan (IDP) and annual budget.

The SDBIP is an expression of the objectives of the Municipality, in quantifiable outcomes, that will be implemented by the administration for the municipal financial year. The SDBIP includes the service delivery targets and performance indicators for each quarter that should be linked to the performance agreements of senior management.

These are integral to the implementation and entrenchment of our performance management system. The SDBIP facilitates accountability and transparency of municipal administration and managers to the Council, and of Councillors to the community. It also fosters the management, implementation, and monitoring of the budget, the performance of top management, and the achievement of the strategic objectives as laid out in the IDP.

The SDBIP enables the Municipal Manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the Municipality, as each activity contains outputs, outcomes, and timeframes. The SDBIP is compiled on an annual basis, and is linked to the 5 year and 1 year organizational scorecards that are contained in the approved SDBIP. The SDBIP is yet another step forward to increasing the principle of democratic and accountable government at local level.

Development objectives are measured through key performance indicators at every level, and continuously monitored throughout the year. The SDBIP is in essence the management and implementation tool which sets in-year information such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the Municipality. It further indicates the responsibilities and outputs for each of the senior managers and the top management team, the resources to be used, and the deadlines set for the relevant activities.

7.6.2 REPORTING ON THE SDBIP

Various reporting requirements are outlined in the MFMA, and both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports which the MFMA requires. The report then allows the Council to monitor the implementation of service delivery programs and initiatives across the Municipality.

(i) MONTHLY REPORTING

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the accounting officer of a Municipality, no later than 10 working days after the end of each month.
Reporting must include the following:

(i) Actual revenue, per source;
(ii) Actual borrowings;
(iii) Actual expenditure, per vote;
(iv) Actual capital expenditure, per vote;
(iv) The amount of any allocations received.

If necessary, explanation of the following must be included in the monthly reports:

(a) Any material variances from the Municipality's projected revenue by source, and from the Municipality's expenditure projections per vote
(b) Any material variances from the service delivery and budget implementation plan and;
(c) Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the municipality's approved budget

(ii) QUARTERLY REPORTING

Section 52 (d) of the MFMA compels the Mayor to submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality, within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the Mayor's quarterly report.

(iii) MID-YEAR REPORTING

Section 72 (1) (a) of the MFMA outlines the requirements for mid-year reporting. The Accounting Officer is required, by the 25th January of each year, to assess the performance of the Municipality during the first half of the year, taking into account:

(i) The monthly statements referred to in section 71 of the first half of the year
(ii) The municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
(iii) The past year's annual report, and progress on resolving problems identified in the annual report; and,
(iv) The performance of every municipal entity under the sole or shared control of the Municipality, taking into account reports in terms of section 88 from any such entities.

Based on the outcomes of the mid-year budget and performance assessment report, an adjusted budget may be tabled if actual revenue or expenditure amounts are materially different from the projections contained in the budget or the SDBIP.

The SDBIP is also a living document, and may be modified based on the mid-year performance review. Thus the SDBIP remains a kind of contract that holds the Msunduzi Local Municipality accountable to the community.

All the municipal Business units have revised scorecards for this financial year and the information below relates to Corporate Business unit being used as an example. Ps these could not be included here to volume of spreadsheets.

TABLE 97: DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The Municipality is currently in the process of drafting the Service Delivery and Budget Implementation Plan (SDBIP) 2018/2019 which will be presented to the mayor 14 days after the approval of the IDP and the budget by council.

Corporate Services

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
CORP:A3.1	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	A3	Increase performance and efficiency levels of Corporate Services	Comply to the PMS framework and execute all work plans for Corporate Services	Overall Corporate Services performance rating (1-5)	3	5	3	2	2	2	3	3	All		
CORP:A3.2						% Corporate Services compliance with PMS framework and policy	100%	100%			100%	100%	100%	100%	All		
CORP:A3.3						% of employees rating Corporate Services efficiency good on the internal employee satisfactory survey		100%							All		
CORP:2.1			A2	Increase institutional capacity and promote transformation	Implement WSP	Number of employees trained according to PDP		100%							HRD		
CORP:2.2						Number of critical posts filled									HRM		
						Number of people benefitting from the study assistant programme											
CORP:2.3						% of employment equity targets achieved		100%							HRM		
CORP:2.4						% of Work place skills plan implemented		100%							HRD		
CORP:A1.1			A1	Optimise system, procedures and processes	Re-engineer critical organisation processes	% of disciplinary enqueries finalised within the prescribed timeframe.		100%							HRM		
CORP:A1.2						Number of ICT Master Systems plan projects implemented									ICT		
CORP:A1.3						Average Number of days taken to complete minutes after meetings									SG		
CORP:A1.4						Number of policies with procedure manuals									LEGAL		
CORP:A4.1			A4	Improve operational planning for Corporate Services	Implement the SDBIP	Number of Dept. strategic planning session held									All		
CORP:A4.2						% Compliance with the IDP and SDBIP submissions		100%							All		
CORP:A4.3						Number of strateies executed accordingly									All		
CORP:C1.1	LED	Implementation of Community works Programme and supported Cooperatives	C1	Increase the provision of internship and bursaries	Implement the bursary and internship programme	Number of internship opporutnities given to focus groups									HRM		
CORP:C1.2						Number of external bursaries awarded											

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
CORP:D1.1	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	D1	Increase income for Corporate Services	Sumbitt LGSETA reports and claim grants for training from respective sources	Amount received from LGSETA for skills development									HRD		
CORP:D2.1			D2	Improve expenditure planning for Corporate services	Implement expenditure controls for commmunity services	Number of Corporate Services procurement plan reviews conducted	1	2			1		1		ALL		
						% of OPEX budget spent on WSP		6%							HRD		
CORP:D2.2						% of goods and services procured by Corporate Services according to the procurement plan		100%							ALL		
CORP:D2.3						Number of diviation froms SCM policy motivated by Corporate Services		0							ALL		
CORP:D3.1			D3	Increase budget for Corporate Services	Comply with the budgeting process plan accordingly	Number of Corporate Services budget inputs conducted before the deadline	2	2					1	1	ALL		
						% Employee cost budget vs OPEX		35%							HRM		
CORP:D3.2						% of Corporate Services budget actually spent vs Actual	100%	100%							ALL		
CORP:D3.3						Number of Corporate Services SDBIP reviews and updates conducted	4	4			1	1	1	1	ALL		
CORP:E1.1	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	DEEPEN DEMOCRACY THROUGH A REFINES WARD COMMITTEE SYSTEM	E1	Improve Corporate services compliance & reduce risk	Implement Corporate Services compliance plan and risk management committee resolutions	% of Commuity Services audit queries resolved	100%	100%	100%	0%	100%	100%	100%	100%	All		
CORP:E1.2						Number of Municipal policies reviewed									All		
CORP:E1.3						% Corporate Services compliance to line function specific legislative mandates	100%	100%	100%	0%	100%	100%	100%	100%	All		
CORP:E1.4						% of Corporate Services risk reduction recommendations made by internal audit implemented	100%	100%	100%	0%	100%	100%	100%	100%	All		
CORP:E1.5						% of Corporate Services related risk committee recommendations implemented	100%	100%	100%	0%	100%	100%	100%	100%	All		
CORP:E2.1			E2	Strengthen Governance	Comply with the legislative provisions for all Corporate Services functions	Number of Council meetings held according to the approved calendar									SG		
CORP:E2.2						Number of Council structures with adopted terms of reference									SG		
CORP:E2.3						Number of required bylaws gazetted									LEGAL		
CORP:E2.4						Number of Council policies, contracts and bylaws legally tested									LEGAL		
CORP:E2.5						% Compliance to the Occupational Health and saftey plan		100%							HRM		

Finance

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	A3	Increase performance and efficiency levels for Financial Services	Comply to the PMS framework and execute all work plans for Financial Services	Overall Financial Services performance rating	3	5	3	2	2	2	3	3	All		
						% Financial Services compliance with PMS framework and policy	100%	100%			100%	100%	100%	100%	All		
						Overall Financial Services efficiency rating by other departments									All		
			A4	Improve operational planning for Financial Services	1. Meter audits 2. Educating the community. 3. Disconnections 4. Penalties for illegal connections	% of illegal connection cases penalised according to policy		100%							Income		
						Number of meter audits conducted									Income		
						Number of anti-electricity theft campaigns conducted									Income		
						% of electricity distribution losses		100%							Income		
						% of water distribution losses		100%							Income		
			A1	Optimise system, procedures and processes	Re-engineer critical organisation processes	% of auditors system controls recommendations implemented		100%									
						Average number of days taken to finalise bids at SCM											
						% of adopted policies with standard operating procedures											
						Number of deviations to SCM policy											
						Average number of days taken to complete billing cycle (Once meter readings are received)											
	LED	Implementation of Community works Programme and supported Cooperatives	C1	Increase efficiency levels of access to free and basic Municipal services	Support Local Economic Development	Number of intership opportunities created by financial services									SCM		
						% of bids awarded to local suppliers											

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	Business like approach to resource usage and allocation	D1	Increase revenue	Implement the revenue enhancement strategy	% of revenue collected VS billed	1	2			1		1		Income		
						% of the Financial Recovery Plan developed and implemented											
						Number of months statements distributed before the due date (15th of each month)		6%									
						% reduction in number of statement returned for incorrect addresses		100%									
						% reduction in billing errors											
						Debt recovery ratio (times)											
						Outstanding debtors to revenue ratio (%)		0									
			D2	Improve expenditure and SCM	Apply expenditure controls	Cost coverage ratio (days)	2	2					1	1	Expenditure		
						% of actually budget spent VS projected		35%									
						% of suppliers paid within 30 days from date of receipt of the invoice	100%	100%									
						Number of months bank reconcile to cash book 100%	4	4			1	1	1	1			
			D3	Improve budgeting and reporting	Conform to MFMA calendar of reporting	% variance between physical assets and those on the asset register	100%	100%	100%	0%	100%	100%	100%	100%	Budget and Reporting		
						Number of budget reviews conducted											
						% compliance to MFMA calendar	100%	100%	100%	0%	100%	100%	100%	100%			
						% of grants spent	100%	100%	100%	0%	100%	100%	100%	100%			
	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Strong partnerships with all stakeholders and Customers	E1	Strengthen Governance	Ensure compliance to MFMA and Treasury regulations	Reduce the number of audit findings on financial management											
						AG opinion on financial management statements											
						Number of financial management policies reviewed and/or revised yearly											
						Average customer satisfactory rating of customer care											
						% of customer billing queries resolved within 30 days											
						Number of public engagements conducted for rates and tariffs reviews		100%									
			E2	Reduce risk, fraud and corruption	Implement risk mitigation stratey for financial services	% of Financial Services risk reduction recommendations made by internal audit implemented											
						% of risk committee recommendations implemented											
						% compliance to Treasury Regulations and MFMA											
						% of bid adjudication objections resolved within 30 days											

Infrastructure Services

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
IDS :A3.1	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	A3	Increase Infrastructure services efficiency	Comply to the PMS framework and execute all work plans for Infrastructure services	Overall Infrastructure Services performance rating (1-5)	3	5	2	2	2	2	3	3	All		
IDS :A3.2						% Infrastructure Services compliance with PMS framework and policy	100%	100%	80%	20%	100	100	100	100	All		
IDS :A3.3						% of people rating Infrastructure Services efficiency good on the conusmer survey	80%	100%	0%	100%	50%	60%	70%	80%	All		
IDS :A1.1			A1	Improve Infrastructure services processes and systems	Enhance Infrastructure services processes	Average turnaourd time (in days) taken to repair faults	30 days	7	0	23	30	30	30	30	All		
IDS :A1.2						% of infrastructure project implemented according to schedule	4	20	0	16	1	1	1	1	All		
IDS :A4.1			A4	Improve planning for Provision of Infrastructure Service	Implement the SDBIP	Number of Dept. strategic planning session held	2	1	1	0		1		1	All		
IDS :A4.2						% Compliance with the IDP and SDBIP submissions	100%	100%	90%	10%	100%	100%	100%	100%	All		
IDS :A4.3						Number of strateies executed accordingly	15	15		15	5	10	10	15	All		
IDS :B1.1	BASIC SERVICE DELIVERY	IMPROVED ACCESS TO BASIC SERVICES	B1	Increase Provision of Municipal Services		Number of new water connections established									Water and Sanitaiton		
IDS :B1.2						Number of new sewer connections established											
IDS :B1.3						KM's of roads established											
IDS :B1.4						KM's of sewer pipes established											
IDS :B1.5						KM's of water pipes established											
IDS :B1.6						Number of new electricity connections established											
IDS :B1.7						Number of containment berms constructed									Project Management Unit		
IDS :B1.8						% of Capital Projects on schedule											
IDS :B1.9						Number of IDP projects commissioned											
IDS :B1.10																	
IDS :B2.1			B2	Improve the state of Municipal Infrastructure		% of operations and maintenance plan implemented according to schedule									Operations and Maintenance		
IDS :B2.2						% of operations and maintenance budget spent											
IDS :B2.3						KM's of gravel road maintained											
IDS :B2.4																	
IDS :C1.1	LED	Implementation of Community works Programme and supported Cooperatives	C1	Promote the use of Co-operatives & maximise the use of EPWP	Implement the Co-operative model and EPWP support programme	Number of Jobs created though EPWP projects									Project Management Unit		
IDS :C1.2						% of economic development targeted infrastucture projects implemented according to plan											

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
IDS :D1.1	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	D1	Increase income for Infrastructure Services	Improve Project Management and reporting	Amount of MIG received									Project Management Unit		
IDS :D2.1			D2	Improve expenditure planning for Infrastructure services	Implement expenditure controls for commmunity services	Number of Infrastructure Services procurement plan reviews conducted	4	1	1		1	1	1	1	ALL		
IDS :D2.2						% of goods and services procured by Infrastructure Services according to the procurement plan	80%	100%	50%	50%	80	80	80	80	ALL		
IDS :D2.3						Number of diviation froms SCM policy motivated by Infrastructure Services	0	0	6		0	0	0	0	ALL		
IDS :D3.1			D3	Increase budget for Infrastructure Services	Comply with the budgeting process plan accordingly	% of Capital budget actually spent on capital projects	2	1	1	0		1		1	ALL		
IDS :D3.2						% of MIG spent	100%	100%			25%	50%	75%	100%	ALL		
IDS :D3.3						Number of SDBIP reviews conducted	12	12	12		3	3	3	3	ALL		
IDS :E1.1	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	DEEPEN DEMOCRACY THROUGH A REFINES WARD COMMITTEE SYSTEM	E1	Improve Infrastructure services compliance & reduce risk	Ipmlement the community services risk management and compliance plan	% of Infrastructure Services audit queries resolved	100%	100%	100%	0%	100%	100%	100%	100%	All		
IDS :E1.2						Number of Infrastructure Services related policies reviewed									All		
IDS :E1.3						% Infrastructure Services compliance to line function specific legislative mandates	100%	100%	100%	0%	100%	100%	100%	100%	All		
IDS :E1.4						% of Infrastructure Services risk reduction recommendations made by internal audit implemented	100%	100%	100%	0%	100%	100%	100%	100%	All		
IDS :E1.5						% of Infrastructure Services related risk committee recommendations implemented	100%	100%	100%	0%	100%	100%	100%	100%	All		

Corporate Business Unit

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
EDP:A3.1	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	A3	Increase performance and efficiency levels	Implement the performance management framework	Overall organisation performance rating	3	5	3	2	2	2	3	3	ALL		
						% overall compliance with PMS framework and policy											
EDP:A3.2						% of Perfomance Audit committee resolution implemented	100%	100%			100%	100%	100%	100%	ALL		
						Number of section 56/7 performance contracts signed											
EDP:A3.3						% of PMS refinement project completed		100%							ALL		
EDP:A1.1			A1	Optimise system, procedures and processes		% of performance management processes automated		100%							Planning		
EDP:A1.2						% of internal audit committee process plan implemented according to schedule									Planning		
EDP:A1.3						% of compliance plan implemented									GIS		
EDP:A1.4						% of monitoirng and evaluation strategy being implemented									Planning		
EDP:A4.1			A4	Improve operational planning for Economic Development Services	Implement the SDBIP	Number of Dept. strategic planning session held									ALL		
EDP:A4.2						% Compliance with the IDP and SDBIP submissions		100%							ALL		
EDP:A4.3						Number of strateies executed accordingly									ALL		
EDP:D2.1	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	Financially viable and well governed City	D2	Improve expenditure planning for Economic Development services	Implement expenditure controls for commmunity services	Number of Office of the MM procurement plan reviews conducted	1	2			1		1		All		
						% of goods and services procured by Office of the MM Services acording to the procurement plan		6%							All		
EDP:D2.2						Number of diviations from SCM policy motivated by Office of the MM		100%							All		
EDP:D2.3								0							All		
EDP:D3.1			D3	Increase budget for Economic Development Services	Comply with the budgeting process plan accordingly	% Office of the MM budget inputs conducted before the deadline	2	2					1	1	All		
						% of Office the Services budget actually spent vs Actual		35%							All		
EDP:D3.2						Number of Office of the MM SDBIP reviews and updates conducted	100%	100%							All		
EDP:D3.3							4	4			1	1	1	1	All		

SDBIP REF	NKPA	OUTCOME 9	IDP LINK	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	Demand	Baseline	Backlog	Q1	Q2	Q3	Q4	Responsible Business Unit	OPEX	CAPEX
EDP:E1.1	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	DEEPEN DEMOCRACY THROUGH A REFINES WARD COMMITTEE SYSTEM	E1	Strenghten governance		% of Council resolutions implemented	100%	100%	100%	0%	100%	100%	100%	100%	All		
EDP:E1.2						% of MANCO resolutions implemented									All		
EDP:E1.3						% Council Structures that are Functional	100%	100%	100%	0%	100%	100%	100%	100%	All		
EDP:E1.4							100%	100%	100%	0%	100%	100%	100%	100%	All		
EDP:E1.5							100%	100%	100%	0%	100%	100%	100%	100%	All		
E3				Reduce risk, fraud and corruption		Overall organisational risk rating											
						% of internal audit committee resolutions implemented											
						% of Municipal Public Accounts resolutions implemented											
						% of internal audit process plan followed accordingly											

CHAPTER 8: ANNEXURES

8.1 MUNICIPAL SECTOR PLANS

The following table summarises the Sector Plans undertaken to date in the Municipality. An IDP is a strategic document, and is unable to incorporate every element of a Sector Plan in to the body of the text. Sector Plans serve as detailed plans for municipal departments, and provide detailed analyses of the current situation in the Municipality, develop strategies to address key issues, and identify projects with indicative budgets. Should more detail be required by users of the IDP, readers are urged to contact the relevant municipal department to acquire the necessary documentation.

TABLE 98: SECTOR PLANS PREPARED BY THE MSUNDUZI MUNICIPALITY

SECTOR PLAN	STATUS	COMMENTS
Water Services Development Plan	The ToR for the revision of WSDP is currently in the process of being revised. This is to align with new Census 2011 information.	The WSDP was adopted by council in December 2016.
Bulk Water Master Plan	The ToR for the revision of 2005 Bulk Water Master plan is currently being revised. This will now include the greater Vulindlela area and Ashburton, which were not previously covered.	A consultant has been appointed. It is anticipated that this process will be completed by December 2016
Bulk Sanitation Master Plan	The ToR for the revision of 2007 Bulk Sanitation Master Plan is currently been developed. This will now include all the proposed housing developments with recommendations for a possible secondary Waste Water Treatment Works.	It is anticipated that this process will be completed by December 2016.
Non- Revenue Water Reduction Master Plan	Approved 2010	This is now being implemented
IWMP	Approved	Adopted March 2015
Environmental Status Quo Report	Approved	Includes 12 specialist studies
Environmental Management framework (EMF)	Approved	GIS environmental layers linked to spatial decision support tool (SDST)
Strategic Environmental Assessment (SEA)	Approved	Includes sustainability framework
Strategic Environmental Management Plan (SEMP)	Approved	Includes 26 Action Plans
Ecosystem Services Plan/C Plan	1st Draft approved, 2nd Draft in progress	Currently refining data on 5 focus areas
Climate Change Policy and adaptation strategies	1st Draft in progress	

SECTOR PLAN	STATUS	COMMENTS
Comprehensive Integrated Transport Plan (CITP) (2012)	Approved by Council	Legislative Requirement. To be updated every 5 years i.e. in 2017. It incorporates / consolidates a range of smaller plans
Major Roads Plan	No proof it was approved by Council	Needs update
Transportation Plan	No proof it was approved by Council	Needs update
Road Safety Plan (2007)	No proof it was approved by Council	Needs update
Non-Motorized Network Plan 2009	Not approved by Council	Under review , being integrated with IRTPLAN
Roads Asset Management Plan (RAMP) (2006)	Approved	Approved during 2015/2016 financial year
Integrated Rapid Public Transport Network (IRPTN) Plan	Approved by Council	Network under design for implementation
Public Transport Network Plan (2002)	No proof it was approved by Council	Superseded by IRPTN
Building Asset Management Plan	Not Approved	Budgeted for 2018/2019 financial year.

It must be noted that Sector Plans are the strategic tools of each Municipal Department, and as such, they should play a pivotal role in determining the strategic allocation of resources, as they are based on empirical research. As can be seen from the table, many of the Sector Plans are very dated and require review. In future reviews of the Msunduzi IDP, this section will incorporate tables from each Municipal Department that indicate projects that emanate from the Sector Plans.

8.2 AUDITOR GENERAL'S REPORT AND MANAGEMENT RESPONSES

The report of the Auditor-General dated 19 December 2017 on the Audit of the Accounts of the Council for the financial year ended 30 June 2017, has been received. .

GENERAL RESPONSE

Report on the audit of the consolidated and separate financial statements

Disclaimer of opinion

1. The office of the Auditor General was engaged to audit the consolidated and separate financial statements of Msunduzi Municipality and its municipal entity, which comprises of the appropriation statement, the consolidated and separate statement of financial position as at 30 June 2017.

   It also comprised of the consolidated and separate statement of financial performance, statement of changes in net assets, consolidated and separate cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

2. The office of the Auditor General did not express an opinion on the consolidated and separate financial statements of the municipality and its municipal entity. Because of the significance of the matters described in the basis for disclaimer of opinion section of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.

   The Auditor-General has not expressed an opinion with the following basis for a disclaimer:

3. **Land and buildings - Restatement of corresponding amounts**

   The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for land and buildings included in property, plant and equipment in the consolidated and separate financial statements. As described in note 13 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, They were unable to determine whether any adjustment was necessary to the land and buildings stated at R1,47 billion in the consolidated and separate financial statements.

4. **Property. plant and equipment - Other assets**

   The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that management, had properly accounted for other assets included in property, plant and equipment, as they could not be verified. The office of the Auditor General was unable to confirm these assets by alternative means. Consequently, they were unable to determine whether any further adjustment relating to other assets stated at R408,74 million as disclosed in note 13 to the consolidated and separate financial statements were necessary.

   Management Response

   Going forward all misstatements identified by the Auditor-General will be corrected to ensure that Annual Financial Statements are fairly presented.

5. Investment property – Restatement of corresponding amounts

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for Investment property in the consolidated and separate financial statements. As described in note 12 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, they were unable to determine whether any adjustment was necessary to the investment property stated at R720,22 million (2016: R591 ,24 million) in the consolidated and separate financial statements.

Management Response

Going forward all misstatements identified by the Auditor-General will be corrected to ensure that Annual Financial Statements are fairly presented.

6. Revenue from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from exchange transactions by alternative means. Consequently, they were unable to determine whether any adjustments to revenue from exchange transactions stated at R2,73 billion disclosed in notes 28 -31 and 33 -35 to the consolidated and separate financial statements were necessary.

Management Response

Revenue from exchange transactions raised for the 2016/2017 financial year was processed on the Legacy System (ProMis), it was then uploaded into SAP via journal uploads in terms of mSCOA compliance. The Auditor General was given the upload journals that balanced to the SAP system, for audit purposes, however there was no reconciliations performed between the general ledger(SAP) and subsidiary ledger(ProMis) and we are currently performing such reconciliations to ensure that revenue raised is adequately supported in the financial statements.

7. Revenue from non-exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from non exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from nonexchange transactions by alternative means. Consequently, They were unable to determine whether any adjustments to revenue from non-exchange transactions stated at R795,88 million disclosed in note 36 to the consolidated and separate financial statements were necessary.

Management Response

Revenue from non-exchange transactions raised for the 2016/2017 financial year was processed on the Legacy System (ProMis), it was then uploaded into SAP via journal uploads in terms of mSCOA compliance. The Auditor General was given the upload journals that balanced to the SAP system, for audit purposes, however there was no reconciliations performed between the general ledger(SAP) and subsidiary ledger(ProMis) and we are currently performing such reconciliations to ensure that revenue raised is adequately supported in the financial statements.

8. Consumer debtors

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence as consumer debtors recorded in the consolidated and separate financial statements did not reconcile to the debtors age analysis. They were unable to confirm consumer debtors stated at R2,08 billion in note 4 to the consolidated and separate financial statements by alternative means as it was impracticable to do so. Additionally, there was a resultant impact on the related revenue and impairment that could not be determined.

Management Response

In the 2016/2017 financial statements the consumer debtors are disclosed excluding the debtors with credit balances amounting to 82,3 million. This amount is disclosed under Trade Payables from Exchange Transactions, as per the GRAP disclosure requirements.

There is a reconciliation between the age analysis and the financial statements, which is readily available.

9. Receivables from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that receivables from exchange transactions was properly accounted for due to the status of accounting records for prepayments disclosed. The office of the Auditor General was unable to confirm these prepayments by alternative means. Consequently, they were unable to determine whether any adjustments to receivables from exchange transactions stated at R51,37 million (2016: R111 ,89 million) disclosed in note 7 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related impairment in note 52 that could not be determined.

Management Response

The reconciliations that were submitted to the Auditor General will be reviewed and aligned with the recommendations made by the Auditor General. Although the municipality has impaired IDT, we are currently perusing the recovery of the debt via legal processes.

10. Expenditure - Bad debts written off

Management had written off consumer debts without the appropriate council resolution as required by section 64(2a) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). Furthermore, bad debts written off were not adequately supported. I was unable to confirm the bad debts written off by alternative means. Consequently, I was unable to determine whether any adjustments relating to bad debts written off stated at R332,29 million in note 40 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related consumer debtors which could not be determined.

Management Response

All bad debt write offs will have full council approval, as required by the Municipal Finance Management Act. Proper supporting documents will be maintained to support the debt write off.

11. Commitments

Management did not properly account for commitments as required by SA Standards of GRAP 17 Property, plant and equipment due to inadequate systems and processes to account for this disclosure. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, commitments stated at R286,94 million in note 60 to the consolidated and separate financial statements was misstated by an unknown amount.

Management Response

A commitment policy has now been developed and will be implemented throughout the municipality. This will provide guidance to business units on how to raise and deal with commitments.

Commitments are now centralised, in order to ensure the accuracy and completeness of commitments disclosed on the financial statements.

12. Inventory

Management did not disclose the change in the inventory accounting policy in terms of South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) 3, Accounting policies, estimates and errors. The nature and the amount of the correction at the beginning of the earliest previous period were not disclosed as supporting information was not provided. Additionally, adjustments were made to inventory which could not be supported. I could not confirm these adjustments nor the impact of the change of accounting policy by alternative means. Consequently, I was unable to determine whether any adjustments to inventory stated at R66, 14 million disclosed in note 5 to the consolidated and separate financial statements were necessary.

Management Response

The inventory accounting policy will be amended on the financial statements, to ensure compliance with GRAP 3 requirements. The Inventory system will be tested to ensure configuration compliance with relevant standards. All supporting documentation with regards to the change in accounting policy, supporting the amounts disclosed in the financial statements, were reviewed and submitted to Council for approval.

EMPHASIS OF MATTERS AND OTHER MATTERS:

13. The following matters were raised by the Auditor-General

Material underspending of the conditional grant

14. As disclosed in note 38 to the consolidated and separate financial statements, the municipality materially underspent the budget on the public transportation infrastructure grant and the neighbourhood development partnership grant due to the delays in the implementation of the projects associated with these grants. As a result of the material underspending, the municipality surrendered R165,18 million and R29,77 million to National Treasury respectively.

Management Response

Noted, Action plan addressing material under spending of budget has been developed, currently being implemented.

Material losses -electricity

15. As disclosed in note 70 to the consolidated and separate financial statements, material electricity losses of R279, 12 million (2015-2016:R 181,96 million) was incurred, which represents 16% (2015-2016: 12%) of total electricity purchased. Losses were as a result of illegal connections.

Management Response

The material losses are noted and will be part of the action plan developed by infrastructure to address water and electricity losses.

Other matters

I draw attention to the matters below:

Unaudited disclosure notes

16. In terms of section 125(2)(e) of the MFMA the municipality and its municipal entity are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary schedules

17. The supplementary information set out on pages 270 to 290 does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the consolidated and separate financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP, and the requirements of the MFMA, and Division of Revenue Act of South Africa, 2016 (Act NO.3 of 2016) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

19. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality and its municipal entity or cease operations, or there is no realistic alternative but to do so.

Auditor General's responsibilities for the audit of the consolidated and separate financial statements

20. My responsibility is to conduct an audit of the consolidated and separate financial statements in accordance with the ISAs and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.

21. I am independent of the municipality and its municipal entity in accordance with the International Ethics Standards Board for Accountants'

    Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PM) and the general notice issued in terms thereof the office of the Auditor General have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objectives presented in the annual performance report. They performed procedures to identify findings but not to gather evidence to express assurance.

23. Their procedures addressed the reported performance information, which was based on the approved performance planning documents of the municipality. They did not evaluate the completeness and appropriateness of the performance measures included in the planning documents.

Their procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, there findings do not extend to these matters.

24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality and its municipal entity for the year ended 30 June 2017:

Objectives Pages in the annual performance report

Basic service delivery 369 - 440

Cross cutting issues (Safe City Msunduzi NPC) 441 - 445

25. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

26. The material findings in respect of the usefulness and reliability of the selected objectives are as follows:

Basic service delivery

Various indicators -Performance indicators not specific

27. The targets as determined during planning for the indicators listed below were not specific in clearly identifying the nature and required level of performance, as required by the Framework for managing programme performance information (FMPPI).

- Number of libraries maintained • Number of operational halls maintained every month. Date manufacturing process of 1 X 13-panel 11 kV switchboard for new 132111 kV East Wood substation completed. Date manufacturing process of 28 X 11 kV fixed pattern switchgears for 3 distributor substations completed. Date Leachate tank commissioned. Metres of berm constructed and height.

Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle.

Various indicators - Performance indicators not verifiable and reliable

28. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of targets. This was due to a lack of proper performance management systems and processes to maintain records to enable reliable reporting on achievement of targets. I was unable to confirm that the reported achievement of these indicators was reliable by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of the indicators listed below.

- % Reduced total water losses (wardsl-9). % Reduced total water losses (wards10-37) • Number of households with access to refuse removal at least once per week (wards 10 -37).
- Number of New Electricity connections completed (Number of households with access to electricity)
- Number of New Water connections completed (Application Driven) (Number of households with access to potable (drinkable) water)
- Number of households earning less than

R3500 per month (application based) provided with access to free basic services.

Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle. The City Manager has instructed the GMs to ensure that proper Portfolios of Evidence are being prepared and submitted.

Number of HIV/AIDS and social support programmes to be coordinated -Reported achievement not complete

29. The reported achievement for the number of HIV/AIDS and social support programmes to be coordinated was misstated as the evidence provided indicated an estimated 685 and not 597 as reported.

    Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle. The City Manager has instructed the GMs to ensure that proper Portfolios of Evidence are being prepared and submitted.

Cross cutting issues

30. I did not raise any material findings on the usefulness and reliability of the reported performance information for the cross cutting issues objective.

Other matters

31. I draw attention to the matters below.

Achievement of planned targets

32. The annual performance report on pages 71 to 188; 369 to 561 includes information on the achievement of planned targets for the year and explanations are provided for the under and over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 27 to 29 of this report.

Adjustment of material misstatements

33. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the basic service delivery objective. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

34. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

35. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

36. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted consolidated and separate financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in a disclaimed audit opinion.

Management Response

Not all misstatements identified were corrected, however the process is under way to address uncorrected material misstatements, using the audit action plan as a tracking tool. All supporting documentation, relating to uncorrected misstatements, will be made available to ensure accuracy and completeness.

Procurement and contract management

37. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of regulations 17(a) and (c) of the Municipal Supply Chain Management Regulation, 2005 (MSCMR).

Management Response:

Management did not agree with the finding

The municipality did request three written quotations from at least three providers and in all cases such request was made from a wider pool of providers than just three required by the MFMA: SCM Regulation 16(a). This was done by invoking the MFMA: SCM Regulation 18(a) which states that all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality.

The MFMA: SCM Regulation 16(c) states that if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer. This requirement is also in Section 17(1) (c) of the Municipality's Supply Chain Management Policy, which emphasize the fact that if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Head: Supply Chain Management or an official designated by the Chief Financial Officer or delegation of authority of the municipality. The author (which is the Minister of Finance) of the MFMA: Municipal Supply Chain Management Regulations had foreseen that a possibility existed that whilst the municipality may have invited quotations from three different service providers there was probability that some accredited prospective providers on the municipality's supplier database including those providers who are not listed who meet the listing criteria in the Supply Chain Management Policy required by Supply Chain Management Regulation 14(1)(b) and (c) may not respond to the invitation, and/or alternatively even when advertised in terms of Section 18(a) less than three may respond hence a provision in the MFMA: Supply Chain Management

Regulation 16(c). The MFMA SCM Regulation 17(c) is further emphasis of the fact the author had foreseen the existence of the possibility of less than three service providers responding instead of three service providers responding.

The Municipality is advertising requests for quotations over R30 000 on the website and also using its official notice boards which is situated from the AS Chetty building 5th floor and the notice board situated at the city hall, the municipality further advertise its quotations on the portal which can be accessed by all potential service providers who want to trade with the Msunduzi Municipality. This is not done by any other municipality in the country and this is done to promote competition and to ensure that the quotation system is not abused.

38. Some of the invitations for competitive bidding at the municipality were not advertised for a required minimum period of days, in contravention of regulations 22(1) and 22(2) of the MSCMR. Similar non-compliance was also reported in the prior year.

Management Response:

Management notes the audit finding, however all the bids identified by the auditor were for the previous financial years (2013/2014 & 2014/2015). From the current financial year there are no new cases where bids were advertised for less than 30 days since corrective measures were put in place after AGSA raise the finding during 2015/2016.

39. Awards were made to providers who were in the service of the municipality and whose directors or principal shareholders are in the service of the municipality, in contravention of section 112(j) of the MFMA and MSCMR 44. Furthermore, the provider failed to declare that they were in the service of the municipality, as required by MSCMR 13(c).

Management Response:

The municipality is currently developing a policy that will ensure that all employees disclose their business interest and also their declaration of business will be done biannually. The municipality will continue to use the Transunion System to detect undisclosed interest.

40. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of MSCMR 46(2e) and the code of conduct for staff members issued in terms of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

Management Response

The municipality is currently developing a policy that will ensure that all employees disclose their business interest and also their declaration of business will be done biannually. The municipality will continue to use the Transunion System to detect undisclosed interest.

Expenditure management

41. Effective steps were not taken to prevent irregular expenditure of R150,21 million as disclosed in note 66 to the consolidated and separate annual financial statements, as required by section 62(1 ltd) and 95(d) of the MFMA. The majority of the irregular expenditure was caused by non- compliance with supply chain management regulations.

42. Effective steps were not taken to prevent fruitless and wasteful expenditure of R11 ,27 million, as disclosed in note 68 to the consolidated and separate annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by employee suspensions not finalised on time.

Management Response

The municipality will endeavour to ensure that there is compliance with legislation and its regulations when procuring goods and services. The municipality will endeavour to ensure that all suspensions initiated and investigated are finalised within the prescribed time frame, as required by legislation.

Revenue management

43. An adequate management, accounting and information system which accounts for revenue, debtors and receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.

Management Response

Management has complied with the MFMA however internal control deficiencies identified were related to reconciliations that were due to the change over from the legacy system to the new financial system. Reconciliations are being performed in order to ensure that internal controls are in place.

44. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2f) of the MFMA.

Management Response

Other secondary revenue reconciliations which were not performed by the relevant business unit will be reconciled monthly in order to comply with section 64(2f) of the MFMA.

Asset management

45. An effective system of internal control for assets was not in place, as required by section 63(2c) of the MFMA.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Consequence management

46. Unauthorised, irregular and fruitless and wasteful expenditures were certified by council of the municipality as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2) of the MFMA.

Management Response

It is the responsibility of Council to appoint the relevant structures to investigate reported matters.

Other information

47. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the mayor's foreword, executive summary, governance information, organisational performance, audit committee's report and other appendices. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in the auditor's report.

48. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

49. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

50. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein; I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate; however, if it is corrected this will not be necessary.

Internal control deficiencies

51. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.

52. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

53. Leadership did not adequately oversee financial and performance reporting and compliance with legislation. In this regard, leadership did not ensure that effective measures were taken to address previous findings to support the achievement of credible reporting and compliance with legislative requirements.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Financial and performance management

54. Management did not implement a proper records management system to maintain documents supporting reported performance information, assets, revenue and expenditure.

55. Systems and controls were not designed in a manner that would prevent, detect and address risks that had an impact on financial; performance and compliance reporting. In this regard, management did not ensure that regular, accurate and complete financial and performance reports that were supported and evidenced by credible information were prepared.

Management Response

Record keeping and internal controls to be addressed in all areas of financial control. Governance

56. The municipality did not implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks are conducted adequately and that a risk strategy to address the risks is sufficiently monitored.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Other reports

57. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.

58. At the request of the accounting officer and senior management, the internal audit unit performed numerous investigations on allegations received from the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, mismanagement, recruitment and supply chain management (SCM) irregularities. During the 2016-17 financial year, thirty-one investigations were conducted. Of the thirtyone conducted, twenty-nine were concluded and reported to council. Two cases relating to SCM irregularities are still in progress at the date of this report.

59. The provincial department of Cooperative Governance and Traditional Affairs requested that an investigation be conducted after a senior staff member was suspended. The investigation commenced in May 2016 and covered the period 2012 to April 2016. The investigation was initiated based on an allegation of maladministration. This investigation has been completed and is pending legal advice.

CONCLUSION:

The municipality has engaged the services of KPMG to assist in addressing all the disclaimer items, management letter items, and prior year items. An action plan has been developed in consultation with the relevant officials to resolve all reported matters within specific deadlines.

History of the Audit Outcome

Financial Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Outcome	Qualified	Unqualified	Unqualified	Clean Audit	Qualified	Disclaimer

THE MSUNDUZI MUNICIPALITY
REPORT BY MUNICIPAL MANAGER FOR COUNCIL
25 JANUARY 2017

RESPONSE TO THE REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2016

BACKGROUND AND PURPOSE OF THE REPORT

The report of the Auditor-General dated 30 November 2016 on the Audit of the Accounts of the Council for the financial year ended 30 June 2016, has been received and is on the Council agenda.

In terms of Section 21 (1) and (2) of the Public Audit Act, 2004 (Act No. 25 of 2004):

(1) The Auditor-General must submit an audit report in accordance with any legislation applicable to the auditee which is the subject of the audit.

(2) If there is no such legislation as contemplated in subsection (1) the Auditor-General must submit the audit report to the relevant legislature within the reasonable time.

The Accounting Officer must ensure that the requirements of Section 126 (1) and (2) of the Municipal Finance Management Act, (Act 65 of 2003) are complied with.

Section 121 prescribes that the Annual Report of a municipality must include among others the Auditor-General's Audit Report in terms of Section 126 (3) on the financial statements and particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraph (b) and (c) of Section 121.

Comments and action on matters raised in the report are set out below with the numbering corresponding to the report of Auditor-General.

GENERAL RESPONSE

The Auditor-General has expressed a qualified opinion with the following basis:

1. Receivables

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence non-exchange transactions in respect of a prepayment of R93.66 million had been properly accounted for, due to the status of the accounting records of the municipality. They were unable to confirm that the prepayment was correctly accounted for by alternate means. Consequently, They were also unable to determine whether any adjustment to receivables stated at R370,23 million and the related debt impairment provision of R244,50 million in the consolidated financial statements was necessary.

Management Response

It must be noted that, the matter between IDT and Msunduzi is currently under litigation.

The amount of R93m is made up of payments that were made to IDT in line with the signed agreement. In terms of paragraph 4.5 of the signed agreement, all monies paid by the municipality should be kept by IDT into a dedicated bank account and interest accrued will be for the credit of the municipality and will be refunded to the municipality on the closure of the expire of the agreement. Therefore, based on the above and our consideration for impairment and recoverability, the municipality is of the view that the amount is recoverable as IDT is another organ of state and the municipality has adequate supporting documentation to prove liability.

2. Payables from exchange transactions

The municipality did not recognise all payables from exchange transactions meeting the definition of a financial liability, in accordance with GRAP 104 Financial instruments. This was as a result of the municipality not maintaining adequate records of outstanding payments for goods and services received but not yet paid at year-end. I was therefore unable to determine the full extent of the understatement of payables from exchange transactions and the related expenditure as disclosed in note 16 of the consolidated financial statements as it was impracticable to do so.

Management Response

The municipality will ensure that adequate cut-off procedures on invoices and payments are implemented to ensure that expenditure and accruals are accounted for in the correct period. Creditors statements will be scrutinised and reconciling items will also be adequately followed up to ensure that accruals are recorded in the correct period. The creditors' reconciliations are currently being performed and reviews are conducted by creditors' section to ensure these are done properly and reviewed.

Control measures will be put in place to ensure that Business units submit all accrual information within the cut off times for submission of such information will be set and communicated.

3. Revenue – Fines

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from camera fines as disclosed in note 37 to the consolidated financial statements due to the status of the accounting records. The municipality did not have adequate systems of internal control in place for the recording of revenue from camera fines. They could not confirm revenue from camera fines by alternative means. Consequently, They were unable to determine whether any adjustment to revenue from camera fines stated at R34,50 million and the related traffic fine receivable of R30,36 million in the consolidated financial statements was necessary.

Management Response

Msunduzi Municipality was granted a delegation by Director Public Prosecutions (DPP) on 11 July 2012 to perform the function, on the 27 November 2015 the same was withdrawn, the reasons for withdrawal was that the DPP felt that Msunduzi was using the exercise as revenue generating instead of law enforcement.

The purpose of a speed prosecution by camera is to deter speeding and when speed has been deterred the camera is removed and located in a different area.

4. Commitments

The municipality did not disclose all contractual commitments, as required by GRAP 1 Presentation of financial statements. Contractual commitments should be disclosed when the municipality has committed itself to future transactions which will result in the outflow of cash. Consequently, commitments of R92,48 million as disclosed in note 63 to the consolidated financial statements was understated.

Management Response

Commitments were decentralised for the purposes of ownership by each business unit hence the understatement by other business units did not take full responsibility, however, management have taken a decision to centralise all commitments to avoid reoccurrence of the same.

5. Contingent liabilities

The municipality incorrectly disclosed contingent liabilities which did not satisfy the requirements of GRAP 19 Provisions, contingent liabilities and contingent assets, due to breakdowns in processes and controls. Consequently, they were unable to determine the overstatement of the contingent liabilities amounting to R115,54 million as disclosed in note 64 to the consolidated financial statements, as it was impractical to do so.

Management Response

In order to avoid reoccurrence of the same management have decided to create a register of all contingent liabilities which will be maintained by legal department and will be updated on a regular basis. Further to that training in the interpretation and application of GRAP 19 will be provided to relevant legal personnel.

6. Aggregation of immaterial uncorrected misstatements

The consolidated financial statements of the municipality were materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in revenue, receivables and investment property included in the consolidated statement of financial position, statement of financial performance and the notes to the consolidated financial statements.

Management Response

Going forward all misstatements identified by the Auditor-General will be corrected to ensure that Annual Financial Statements are fairly presented.

EMPHASIS OF MATTERS AND OTHER MATTERS:

The following matters were raised by the Auditor-General and the numbering used below is in line with the audit report.

14. Restatement of corresponding figures

Action plan addressing the shortcomings identified in the implementation of Generally Recognized Accounting Practice has been developed and will be monitored and tested during the preparation of the interim financial statements

15. Material losses/Impairments

The material losses are noted and will be part of the action plan developed by infrastructure to address water and electricity losses.

Electricity Losses

The acceptable norm of electricity loss is 3%. The loss above the norm is due to theft, distribution losses, illegal tampering of electricity meters and can also be attributable to the ageing infrastructure.

16. Water losses

The acceptable norm of water loss in the developing countries is 20%. The loss above the norm is due to theft, distribution losses, illegal tampering of water meters and can also be attributable to ageing infrastructure.

17. Impairments

Noted from 17 to 18

19. Material under spending of conditional grants

Noted, Action plan addressing material under spending of budget has been developed, currently being implemented.

20. Additional matters

Noted

21. Unaudited supplementary schedules

Noted

22. Unaudited disclosure notes

Noted

23. Report on other legal and regulatory requirements

Noted

24. Predetermined objectives

Noted from 24 to 28

29. Additional matter

Noted

30. Achievement of planned targets

Noted

31. Compliance with laws and regulations

Noted

32. Annual financial statements

Noted

33. Procurement and contract management

Noted from 33 to 38

39. Expenditure management

Noted from 39 to 41

42. Revenue management

Noted

43. Liability management

Noted

44. Internal control

Noted

45. Leadership

Noted

46. Financial management

Noted

47. Governance

Noted

48. Other Reports

Noted

49. Investigations

Noted from 49 to 51

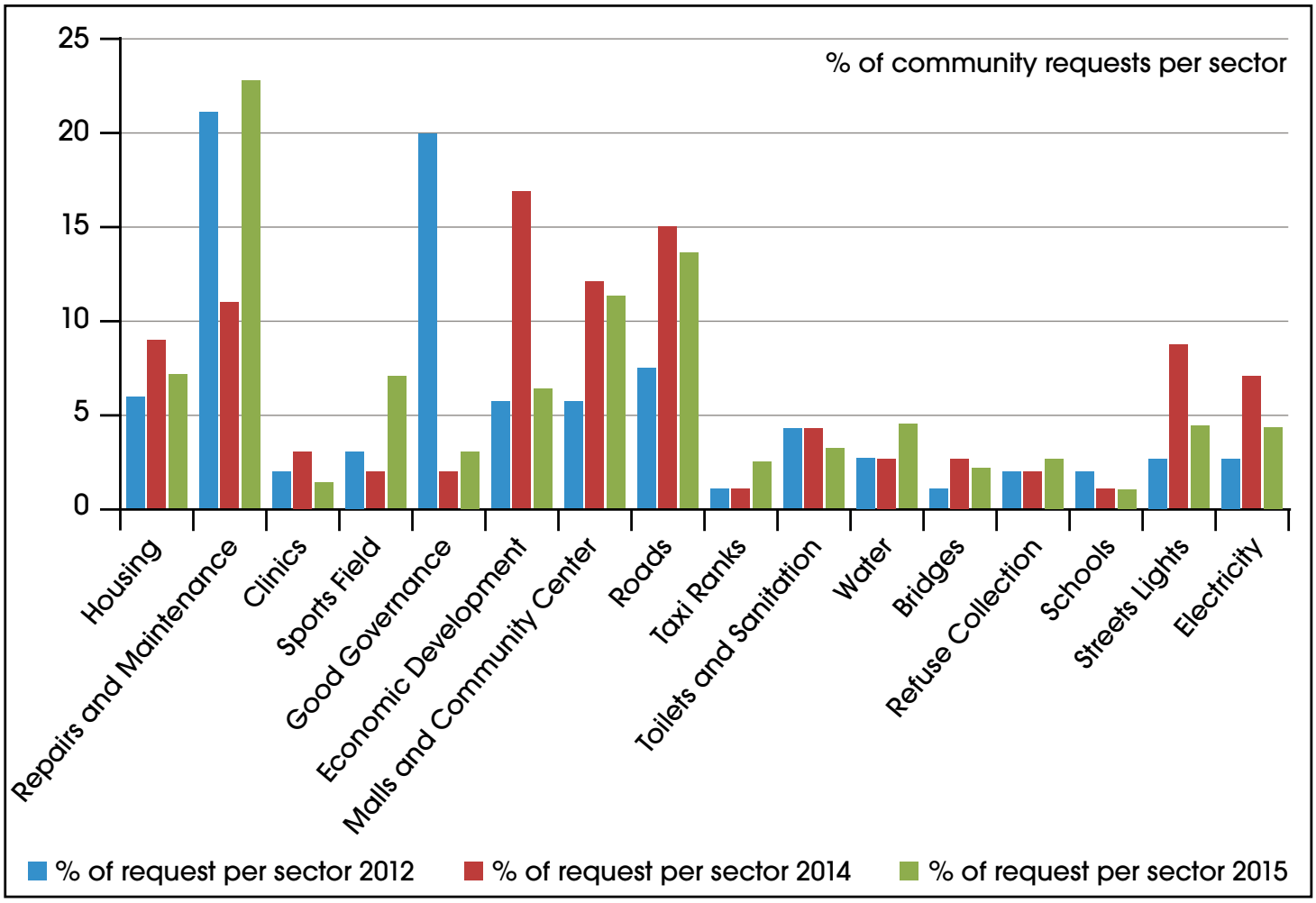
CONCLUSION:

Whilst the municipality has worked tirelessly on the above matters, the improvement is not what was envisaged when the previous action plan was developed, implemented and monitored on monthly basis.

A weekly task team and monthly transformation committee will be revived to address all issues, root causes and deficiencies on the system of internal control.

8.3 GOVERNMENT AND PUBLIC SECTOR PARTICIPATION AND COMMUNITY INVOLVEMENT REPORT

The community needs are analyzed and grouped into the different sectors. The community needs were than analyzed for the last three financial years to identify the trend. As can be seen below the demand for housing has increased for the past three financial years and the demand for water and sanitation, infrastructure and sports field have also increased during 2015. The community seems to be satisfied with the delivery of street lights, electricity and repairs and maintenance on infrastructure.



2015 Mayoral Imbizo

The IDP representative's forums have been held 10 times since the 2014/2015 financial and the attendance of sector departments has varied from meeting to meeting. However the Municipality is able to engage sector departments on Development issues and general attendance at IDP forum's is satisfactory.

As indicated in table below the departments that have continuously attended and contributed to our IDP representatives forum are the Department of Health, Umgeni water and the Department of Education. The Department of Rural Development and that of the District municipality is dismal.

NO.	DEPARTMENT	10 OCT 2014	06 MAR 2015	19 JUN 2015	18 SEP 2015	FEB 2016	MAY 2016	SEP 2016	JUNE 2017	SEP 2017	% ATTENDANCE
1	Agriculture	1	1	0	1	1	1	1	0	0	67%
2	COGTA	0	1	1	1	1	1	1	0	0	67%
3	Health	1	1	1	1	1	1	1	1	1	100
4	MIDI	1	1	1	1	1	1	0	0	0	67%
5	Public Works	1	1	0	0	0	0	0	0	1	33%
6	Treasury	1	2	0	0	0	0	0	0	0	22%
7	Human Settlements	1	1	0	1	0	1	0	0	0	44%
8	SANRAL	1	1	0	0	1	1	0	0	0	44%
9	Umgeni Water	1	1	1	1	1	1	1	0	1	89%

NO.	DEPARTMENT	10 OCT 2014	06 MAR 2015	19 JUN 2015	18 SEP 2015	FEB 2016	MAY 2016	SEP 2016	JUNE 2017	SEP 2017	% ATTENDANCE
10	Economic Development	1	1		1	1	1	1	0	0	67%
11	Statistics SA	0	0	1	1	1	1	1	0	0	56%
12	Social Development	2		2	2	1	1	0	0	1	67%
13	Education		1	1	1	1	1	1	0	1	78%
14	Rural Development & Land Reform	0	0	0	3	0	0	0	0	0	11%
15	Minerals & Energy	1	0	0	2	0	0	0	0	0	22%
16	Umgungundlovu District	1	0	0	0	1	0	0	0	1	22%
17	Transport	1	0	0	0	0	1	0	0	0	22%
18	City Insight	2	0	0	0	1	0	0	0	0	22%
19	IDC	0	0	1	1	1	1	1	0	0	56%
20	MEDA	0	0	0	1	1	1	1	1	1	67%
21	Sports & Recreation	0	0	0	1	0	0	0	1	0	22%

The municipality started preparing ward plans in 2016 and to date all the wards within Msunduzi have adopted ward plans which are generally aligned to the IDP. The wards plan we all reviewed during the 2017/18 financial year to accommodate the COGTA assessment template. Community needs identified in the ward plans have been subjected to the project prioritization model which is table 78 of this IDP. Tha table

No.	Ward Number(submitted/ Not Submitted)	Date of the review	Level of alignment to the IDP out of 5
1	Submitted	30/01/2018	3
2	Submitted	31/01/2018	3
3	Submitted	05/02/2018	3
4	Submitted	28/11/2017	3
5	Submitted	06/02/2018	3
6	Submitted	08/02/2018	3
7	Submitted	07/02/2018	3
8	Submitted	13/02/2018	3
9	Submitted	15/02/2018	3
10	Submitted	14/02/2018	3
11	Submitted	30/11/2017	3
12	Submitted	19/02/2018	3
13	Submitted	19/09/2017	3
14	Submitted	21/11/2017	3
15	Submitted	08/02/2018	3
16	Submitted	16/02/2018	3
17	Submitted	16/11/2017	3
18	Submitted	23/11/2017	3
19	Submitted	08/02/2018	3
20	Submitted	14/02/2018	3
21	Submitted	13/02/2018	3
22	Submitted	21/02/2018	3
23	Submitted	16/02/2018	3
24	Submitted	20/02/2018	3
25	Submitted	02/2018	3
26	Submitted	31/01/2018	3
27	Submitted	01/02/2018	3
28	Submitted	27/02/2018	3
29	Submitted	12/12/2017	3
30	Submitted	11/12/2017	3
31	Submitted	22/02/2018	3
32	Submitted	15/12/2017	3

No.	Ward Number(submitted/ Not Submitted)	Date of the review	Level of alignment to the IDP out of 5
33	Submitted	28/11/2018	3
34	Submitted	23/02/2018	3
35	Submitted	14/02/2018	3
36	Submitted	06/02/2018	3
37	Submitted	27/02/2018	3
38	Submitted	08/02/2018	3
39	Submitted	01/02/2018	3

8.4 SPATIAL DEVELOPMENT FRAMEWORK

See Part 2 of the Document for a full copy of the SDF.

8.5 DISASTER MANAGEMENT PROGRAMME (PLAN)

A provisional programme is in place to mitigate threats and acts of disaster as they occur. The Municipality, in the past, has reacted and responded accordingly and effectively to disaster and threats. The Municipality has identified flash points, and analysis has been conducted to prepare a comprehensive disaster management plan.

8.5.1 DISASTER MANAGEMENT PROGRAM OF THE MSUNDUZI MUNICIPALITY

Disaster Management Legislation (Disaster Management Act {Act 57 of 2002}) requires that a hazard/risk analysis for the area under consideration must be undertaken. Section 26g of the Municipal Systems Act states that Disaster Management Plans must be part of the Integrated Development Plan. The term "Disaster Management Plan" refers to those remedial plans aimed at preventing or mitigating an identified risk.

The schedule of natural and manmade hazards (and attendant problems) below is by no means an exhaustive list of occurrences/hazards/threats, but rather an overview of things that have happened, or have the potential to happen, because these events occur frequently within the Msunduzi Municipality.

TABLE 99: NATURAL HAZARDS

NATURAL HAZARDS		
VULNERABILITY		CONSEQUENCE
Flooding and Rivers	Jika Joe Informal Settlement	Loss Of Life/Property Damage/Personal Assets
	Msunduzi Low-Level Bridge	Loss Of Life
	Lower Section Ashdown. Houses	Loss Of Life/Property Damage/Personal Assets
	Slangspruit. Houses	Loss Of Life/Property Damage/Personal Assets
	Smero Bridge. Vehicles/Pedestrians	Loss Of Life
	Kwapata Bridge. Vehicles/Pedestrians	Loss Of Life
	Dark City/Sobantu Houses	Loss Of Life/Property Damage/Personal Assets
	Baines Spruit. Khan Rd Informal Settlement	Loss Of Life/Property Damage/Personal Assets
	Low-Level Bridges	Damage To Infrastructure, Sewers, Water, Electricity
Wind and Rain	Maswazini, Mafakatini, Sweetwaters, Pypini, Shayamoya, Copesville, Tamboville / Houses	Structural Failure/Loss Of Life/Property Damage/ Personal Assets /Damage To Electricity & Communications
	Damage To Informal And Sub-standard Houses	Loss Of Life/Property Damage/Personal Assets / Accommodation , Re-Establishment Cost

NATURAL HAZARDS		
VULNERABILITY		CONSEQUENCE
Fire	All Informal Settlements	Structural Failure/Loss Of Life/Property Damage/ Personal Assets /Re-Establishment Cost/Poor Accessibility
	Rural Areas/Grass Fires	Loss Of Life/Property Damage/Personal Assets/ Re-Establishment Cost /Poor Accessibility
	Open Flame Heating And Lighting 1 Informal Settlements 2 Formal Houses / Cannot Afford Electricity	Loss Of Life/Property Damage/Poor Accessibility
Transport	N3 Freeway	Accidents/N3 Road Closure/Main Line Closure /Hazmat Spills/Fires / Loss Of Life / Property Damage / Environmental Damage / Pollution
	Railway Line	Accidents/N3 Road Closure/Main Line Closure/ Hazmat Spills/Fires / Loss Of Life/Property Damage/Environmental Damage/Pollution
Disease	Vector Borne Cholera/HIV Aids	Loss Of Life
	Crop Damage	Loss Income, Food Shortages
	Animal Diseases	Loss Income/Food Shortages
Civil Unrest	Rallies, Political Meetings, Pickets, Strikes, Marches	Work Stoppages/Power Failures, Water Failure, Economic Losses, Serious Disruption, Loss Of Life, Property Damage
Housing	Informal And Sub-standard Structures	On Going Maintenance/Support
Infrastructure	Poor Maintenance	Infrastructure Failure, High Rehabilitation Costs, Work Stoppages / Power Failures, Water Failure, Economic Losses, Serious Disruption, Loss Of Life
Sport Recreation Rallies Fairs / Shows	Public Safety, Security, Fire, Health	Structural Failure, Loss Of Life, Economic Losses, Serious Disruption, Credibility

See Part 2 of the Document for a full copy of the uMgungundlovu Disaster Management Plan.

TABLE 100: ANNUAL REPORT PROVINCE 1 APRIL 2012 - 31 MARCH 2013

	Incidents	Cost	Nr. of people	Nr. of houses	Nr. families
April	13	19413	57	13	14
May	14	35354	80	27	27
June	28	23565	106	34	32
July	15	35354	121	64	64
Aug	39	31908	785	164	164
Sept	21	57225	335	83	83
Oct	18	26227	370	83	127
Nov	15	31172	141	35	35
Dec	15	12915	305	64	77
Jan	10	43471	13695	2960	2960
Feb	12	10879	107	27	22
March	2	1385	3	2	2
	202	328868	16105	3556	3607

TABLE 101: 2015/16 MSUNDUZI DISASTER STATS

	Incidents	Cost	Nr. of people	Nr. of houses	Nr. families
March	4	19538	92	42	42
April	8	14399	53	19	14
May	10	19371	68	26	34
June	14	16858	60	21	24
July	10	8402	41	10	10

	Incidents	Cost	Nr. of people	Nr. of houses	Nr. families
Aug	23	42916	211	50	69
Sept	10	114596	447	312	169
Oct	22	132900	313	233	232
Nov	12	43368	587	143	143
Dec	14	58714	330	98	99
Jan	13	26298	104	31	32
Feb	14	343617	2140	568	568
	154	840977	4446	1553	1436

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CITY OF CHOICE

PIETERMARITZBURG
MSUNDUZI

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