CITY OF CHOICE

PIETERMARITZBURG
MSUNDUZI

INTEGRATED DEVELOPMENT PLAN 2019/2020 FINANCIAL YEAR

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

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 our community 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 began the 2018-2019 financial year with two immediate challenges which needed to be attended to urgently. The first is the escalation of operational expenditure and the second being a continued increase in the municipality's debtors. The two challenges posed a serious threat to the municipality's financial viability and long term financial sustainability. In response the municipality formed an Expenditure Committee which is responsible for ensuring that value for money is obtained in each and every payment made by the municipality. The cost containment strategy was approved by the council and was immediately implemented. The revenue enhancement strategy was also developed and implemented. All these measures were introduced to ensure that the municipality continues to render services in a financially sustainable manner. However due to the limited success of all the adopted initiatives at a special meeting of the Council held on Tuesday, 09 April 2019, the MEC: COGTA, KZN, announced the decision to invoke Section 139(1)b of the Constitution. An MEC Representative was deployed to the municipality to assist with in maintaining essential national standards and assist in meeting established minimum standards for the rendering of a services.



CITY MANAGER (ACTING) MRS. NELISIWE NGCOBO

FOREWORD BY THE MUNICIPAL MANAGER (ACTING): 2019/20 IDP REVIEW

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. However as a city we are currently grappling with numerous challenges our expenditure is still high, revenue collections have declined, cash flow challenges and poor commitment to meet strategic objectives. The city developed intervention to deal with the immediate challenges it is facing. The reviving of performance management throughout the organization, implementation of internal and external audit recommendations, resuscitation of risk management structures, bylaw enforcement, implementation of catalytic projects. An action plan was prepared to address the findings raised by Auditor General during the 2017/18 financial year, 37 findings resulted in an adverse opinion and 53 findings relates to other important matters reported in the management reported. Interim financial statements were prepared for 8 months ended 28 February 2019 and most of the 2017/18 adjustments were processed as prior year errors. The financial statements are currently being reviewed by internal audit. At a special meeting of the Council held on Tuesday, 09 April 2019, the MEC: COGTA, KZN, announced the decision to invoke Section 139(1)b of the Constitution, A status quo report highlighting all the municipal challenges has been handed over to the MECs representative and his is currently diagnosing the key challenges and developing a concise turnaround plan.

The City is currently focusing efforts in the City Centre to really stop and reverse the rapid urban decay that we are currently experiencing. There is already an ongoing process to engage business, civil society around the city centre with regards to the urban regeneration plan. The IRPTN project is currently at implementation stage and consist of 6 phases, Phase 1A is currently being implemented. The project aims to transform the current public transport services to an integrated, effective, efficient, affordable, universal accessible and environmentally friendly public transport systems.

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 a 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 to better manage urbanization 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.

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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 Mshwathi municipality on the northern boundary, Mkhambathini on the eastern boundary, Richmond municipality on the southern boundary and Impendle and Umgeni on 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 forms part of Strategic Integrated Projects (SIPs) namely SIP2 (Durban Free State-Gauteng logistics Industrial Corridor). PositioningPietermaritzburg 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 experiences high rates of migration as it comprises of pull factors such as employment opportunities, with many people migrating into the city at high rates on a daily basis searching for better opportunities.

1.2 THE MUNICIPALITY AT A GLANCE

Documenting key statistical information pertaining to the Msunduzi municipality, enables the municipality to observe various developments in key areas that influence the social and economic life of every citizen within the Msunduzi. These key statics drawn from Census (2001 & 2011), community survey (2016) and Urban-Econ (2017) include demographic profile, education level, age profile, employment profile and household income profile of people residing in the municipality. Knowledge of these key areas in turn enhances the municipality's ability to make service delivery decisions that aid in achieving greater social and economic development of the municipality.

The overview of the demographic profile of the municipality indicates that the population of Msunduzi has been on an incline, having risen from 552 801 people in 2011 to 618 536 people in 2011 to 682 000 people in 2016. This rise puts greater pressure on the service delivery priorities of the municipality, which includes the provision of adequate housing. In correlation with the increase of population the number of households and household density has also increased. The number of households has increased from 135 311 households in 2001 to 164 625 households in 2011 to 181 584 households in 2016, while household density has risen from 213hh/km2 in 2001 to 260hh/km2 in 2011 to 286hh/km2 in 2016. This is a positive indication that the municipality continues towards the aim of providing adequate households for all its citizens in line with its growing population.

According to the municipalities educational level statistics, education attainment levels have risen immensely over the past 16 years, especially in the attainment of grade 12 qualifications which increased from 12.1% of the population in 2001 to 39.0% of the population in 2016, as well as in the attainment of higher qualifications which increased from 6.4% of the population in 2011 to 14.7% of the population in 2016. In a municipality with 69.5% of its population being of working age in the year 2016, the increase in these areas of educational attainment improves access to employment opportunities and helps sustain an accelerated overall development for the majority of the population.

The municipality's household income profile statistics present that, the majority of Msunduzi households are low income households accounting for 50% of the total number of households. The household income profile statistics also indicate that the living conditions and economic circumstances of households in the municipality are improving. Statistics have recorded a decline in the number of no income households and low income households, while there has been an incline in the number of low/ Middle income households, Middle/ high income households and high income households. This is positive indication that poverty levels in the municipality are gradually reducing. The following table summarises key municipal statistics.

TABLE 1: MUNICIPAL KEY STATISTICS 2017

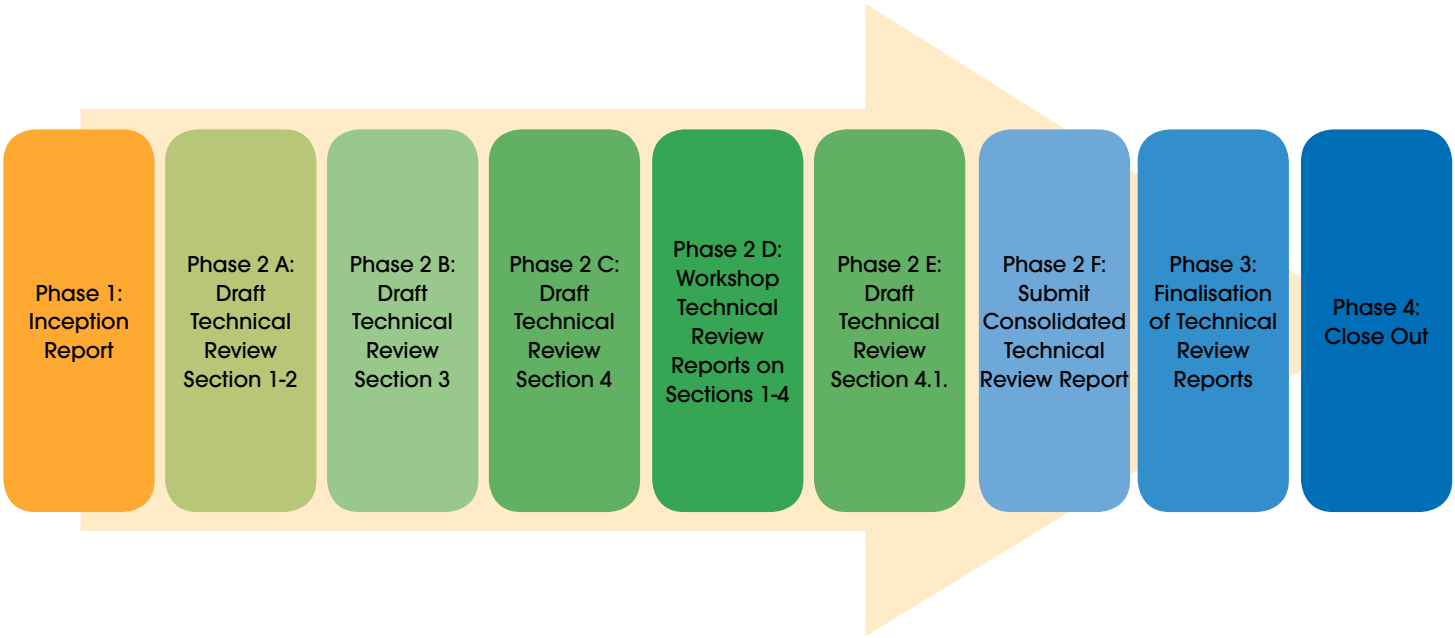
Category		2001	2011	Avg. Growth	2016
Demographic Profile	Population	552 801	618 536	1,1%	682 000
	Household	135 311	164 625	2,0%	181 584
	Average Household Size	4,1	3,8	-0,8%	4
	Household Density (hh/km2)	213	260	2,0%	286
Education Level	No Schooling	5,3%	2,7%	-5,1%	3,8%
	Primary School	10,6%	7,2%	-2,7%	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.

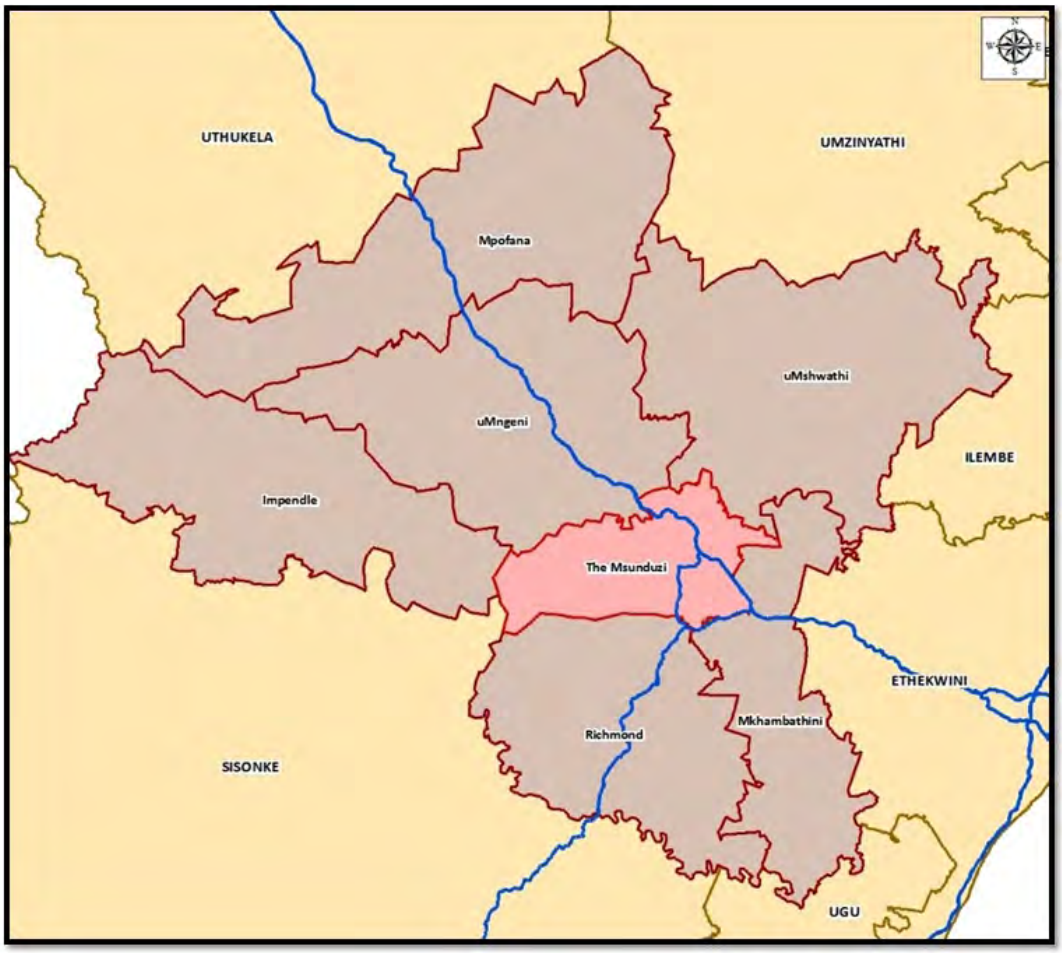
1.2.3 POPULATION

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%

	Msunduzi	uMgungundlovu	KwaZulu-Natal	National Total
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:

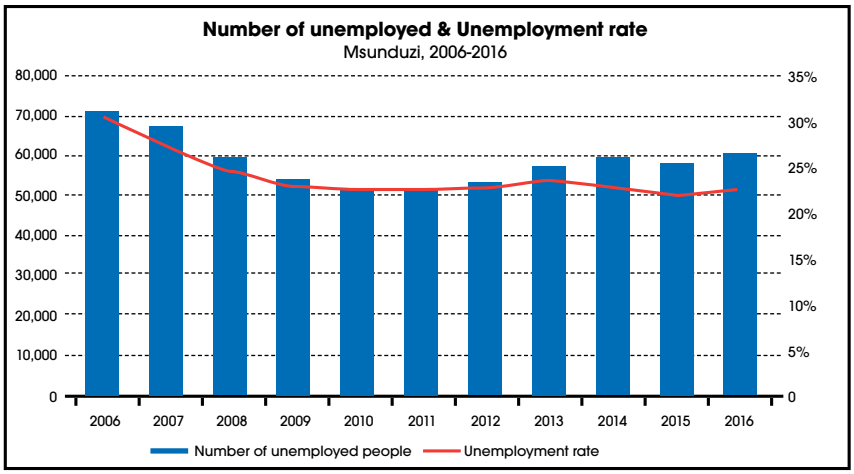
“Without work”, i.e. not in paid employment or self-employment;

“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:

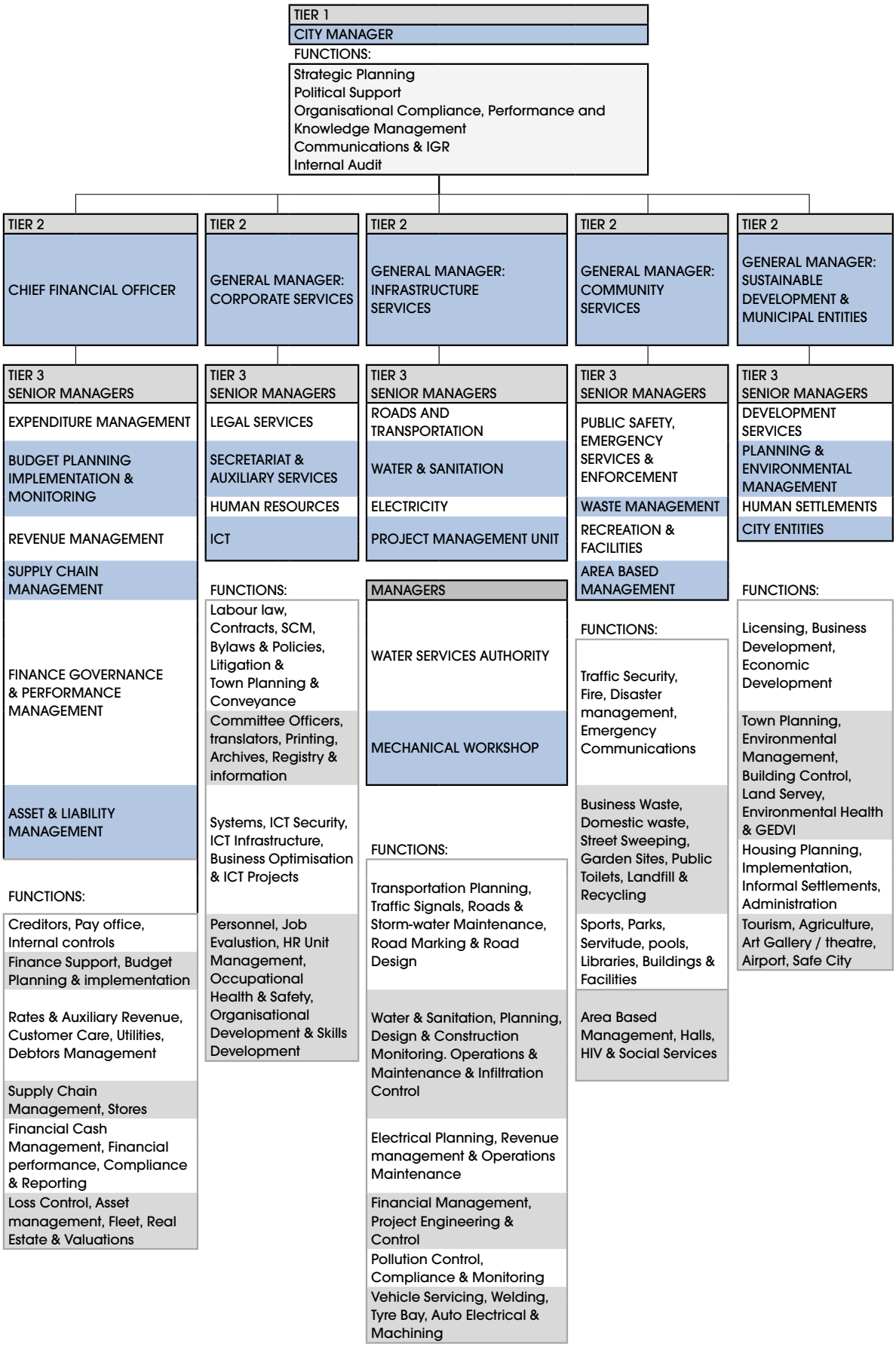
TABLE 2: INDIGENT SUPPORT IN THE MSUNDUZI MUNICIPALITY

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 INSTITUTIONAL STRUCTURE

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

FIGURE ES.4: Organogram of Top Management



1.4 THE IDP REVIEW PROCESS FOR THE DEVELOPMENT OF THE 2019/2020 IDP

1.4.1 MEC ASSESSMENT OUTCOMES

The Msunduzi 2018/19 IDP was assessed by the MEC's panel in 2018. The Msunduzi Municipality IDP document received a rating of 70,17 percent in terms of the cooperative governance and traditional affairs rating for the 2018/2019 IDP review. There were significant challenges with regards to communication between the provincial government department and the municipality. 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 2018/19 MSUNDUZI IDP

No.	National KPA	MEC INPUT	Progress to date
1	**Municipal Transformation and Institutional Development**	• Indicate if the Human resource Strategy is adopted and also illustrate the implementation thereof. • Develop a Human Resources plan • Reflect the Municipalities training programme • Provide a synopsis of the implementation of the ICT Policy.	Goals reflected on the ICT policy in placed and is being implemented
2	**Local Economic Development**	• LED strategy to respond to the priorities of the PGDP and DGDP. Pronounce on the contribution to provincial & District targets • Develop an Informal economy policy, as well as an investment/Retention policy. • Incorporate a Municipal Safety Plan and comprehensive analysis of vulnerable groups.	Informal economy policy in place and attached. Investment retention policy under review. Safety plan is currently being reviewed.
3	**Basic Service Delivery**	• Link the WSDP with the Department of Water and Sanitation's website • Align the housing sector plan with the KZN Housing master Spatial Plan. • Provision for temporal or permanent infrastructure for the National Government Election. • Update on the implementation of the IWMP).	WSDP is linked to the Departments website An update on the implementation of the IWMP has been included. An update on the CITP has been included in the IDP document Housing Sector plan to be reviewed accordingly
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. • Provide an asset renewal plan.	Information on the investment register has been updated. Information on debt management has been improved on the Document The information on irregular expenditure and the participation of the disabled in tender processes has been included under section 3.36
5	**Good Governance and Public Participation**	• Include a comprehensive list of the adopted and promulgated by laws in your next IDP • Comprehensively incorporate Batho-pele processes in the IDP review	A list of adopted and promulgated by-laws has been included in the IDP. Batho-pele processes have been outline on section 3.44
6	**Cross Cutting**	• Alignment to the District Rural Development Plan. • Mapping of disaster risk areas • The implementation of disaster risk reduction programmes.	District rural Development plan has been incorporated in the IDP. Disaster risk areas have been mapped as part of the IDP.

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 thedevelopment of the IDP. There have been numerous workshops with ward committees, the operation sukma-sakhe process has also been used to engage public members on development issues. The municipality held OSS Cabinet Day held on 26 September 2018. The Provincial Executive Council visited 11 out of 39 wards, the challenges will were addressed by the District Task Team (DTT) in collaboration with the Champion MEC, Champion HOD, District and Local Municipalities. The Detailed DTT reports were submitted to the Office of the Premier OSS Coordination Directorate on a quarterly basis to track the progress of all challenges identified by the identified timeframes. A number of the challenges identified during the OSS Cabinet are long term programmes that require Sector Departments to plan and source necessary budgets. In terms of the Municipal Systems Act the plan is further advertised for public comment before thefinal submission in June this year. In order for the municipality to comply fully with the MSA and MFMA the municipality needs to facilitate the IDP/Budget Mayoral izimbizo, and advertise the documents for public comments for a period of 21 working days this done during the month of March 2019. Five IDP/Budget Izimbizo were held successfully for all the five ABM areas as per the following Schedule:

- 23 March 2019- Northern Areas
- 24 March 2019- Vulindlela
- 27 March 2019 Central
- 30 March 2019 Imbali
- 31 March 2019 Edendale

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 2019/2020 IDP review 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 2019)
(6) BACK TO BASICS
(7) PROVINCIAL PRIORITIES (STATE OF THE PROVINCE ADDRESS 2019)
(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

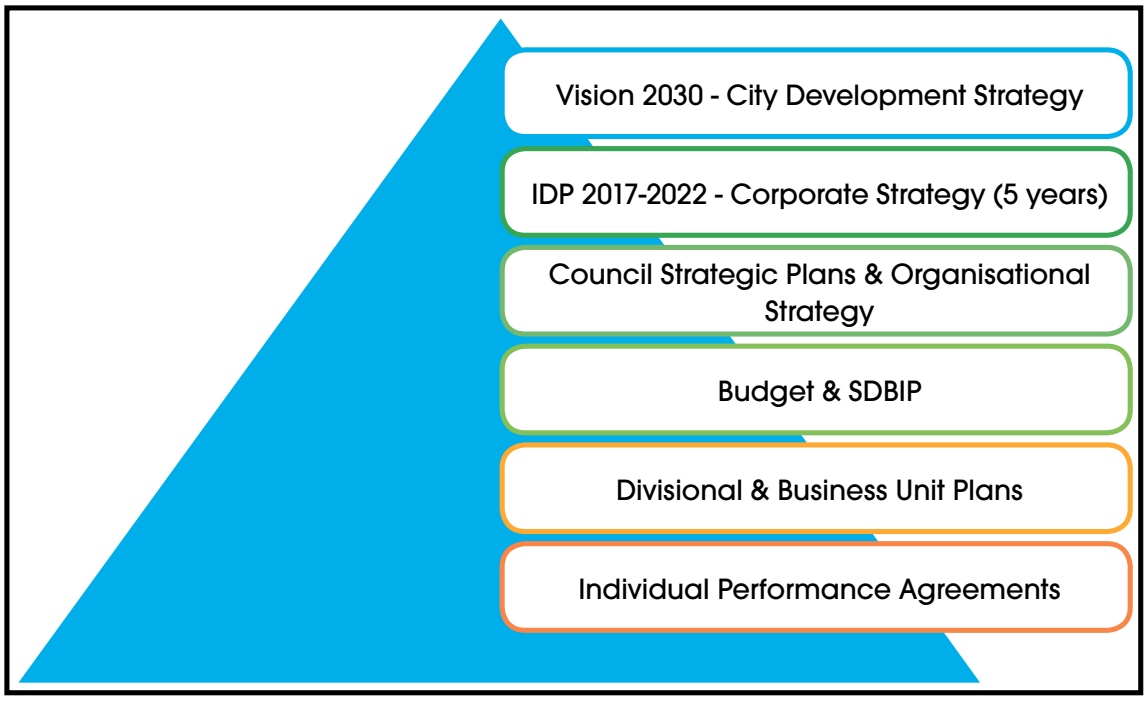
4) Revenue management & enhancement
   - Debtor management
   - Meter replacement programme
5) Investment management
6) Alternate revenue sources
7) Capex spending
8) Management of entities
9) Call centre & records management
10) Filling of vacant positions

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:



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:

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.
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.	

STRATEGIC PRIORITY 4: A FRIENDLY, SAFE CITY		
GOAL	**VALUE STATEMENT**	**TARGET**
	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 overall intention of the Msunduzi Spatial Development Framework (SDF) is to guide and manage urban growth, and to balance competing land use demands, by putting in place long term mechanisms that enable a coherent development trajectory which will inherently shape the spatial form and structure of the municipality as a whole. In the context of the municipality's drive towards attaining metropolitan status coupled with climate change and resource depletion issues, the future growth path needs to underline the importance of sustainable future development. Therefore, the proposed development path must be flexible and adaptive, and cognisant of the unpredictable economic, environmental and social forces which in turn make it difficult to accurately determine how fast the municipality will grow.

The multi-disciplinary project team was appointed by the Msunduzi Municipality to review the 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.

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

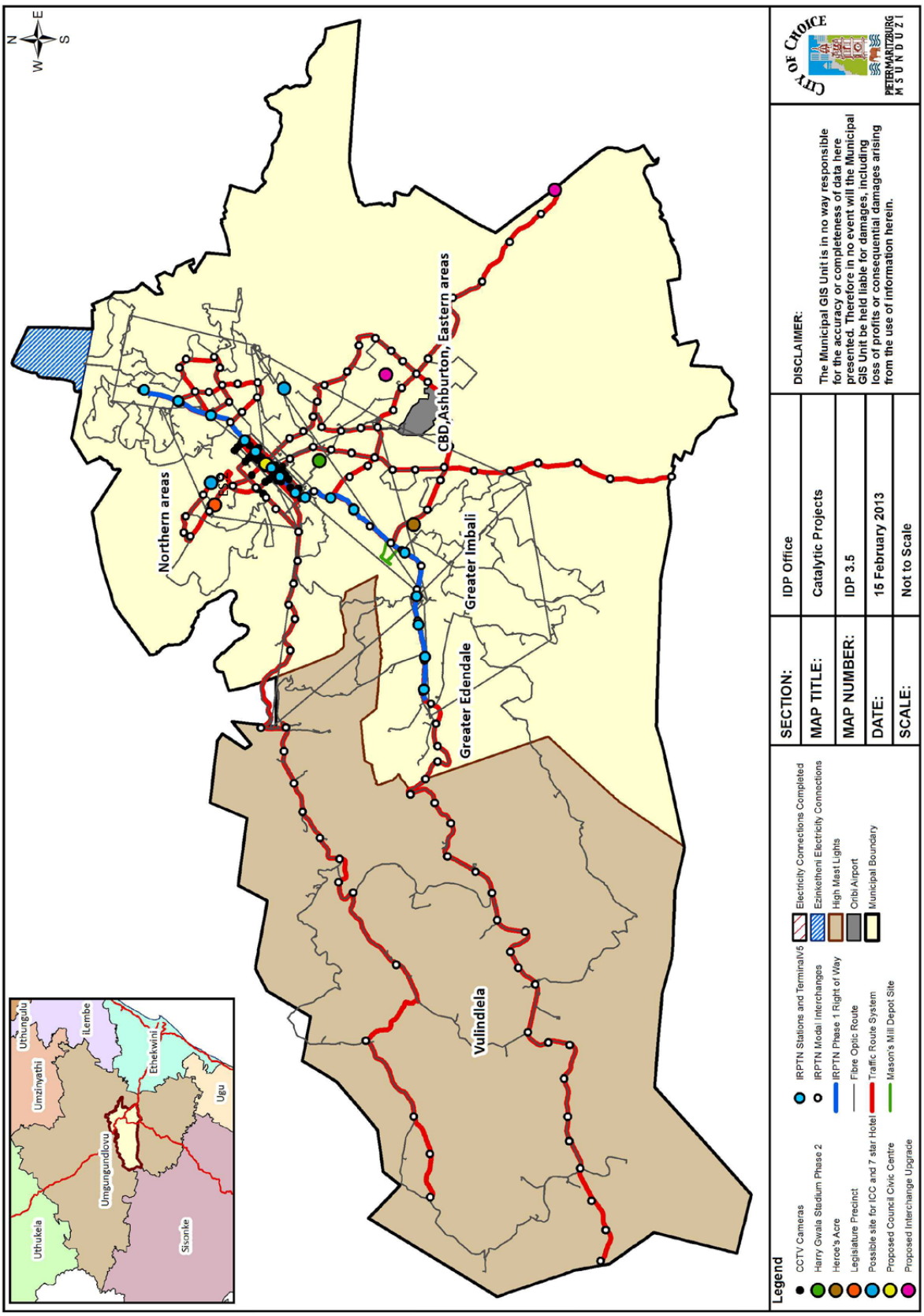
1.7.1 CATALYTIC PROJECTS

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

PROJECT	DESCRIPTION	EST. BUDGET
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


N
W
E
S
Northern areas
CBD, Ashburton, Eastern areas
Greater Imbali
Greater Edendale
Vulindlela
Uthungulu
Umzinyathi
iLembe
Ethekwini
Ugu
Umgungundlovu
Uthukela
Sisonke
Legend
CCTV Cameras
Harry Gwala Stadium Phase 2
Heroe's Acre
Legislature Precinct
Possible site for ICC and 7 star Hotel
Proposed Council Civic Centre
Proposed Interchange Upgrade
IRPTN Stations and Terminalv5
IRPTN Modial Interchanges
IRPTN Phase 1 Right of Way
Fibre Optic Route
Traffic Route System
Mason's Mill Depot Site
Electricity Connections Completed
Ezinketheni Electricity Connections
High Mast Lights
Oribi Airport
Municipal Boundary
SECTION: IDP Office
MAP TITLE: Catalytic Projects
MAP NUMBER: IDP 3.5
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
PIETERMARITZBURG
MSUNDUZI

MAP **ES.2**

1.7.2 MUNICIPAL INFRASTRUCTURE INVESTMENT FRAMEWORK (MIF)

The following table summarises the municipal capital expenditure.

TABLE 7: 2019-2020 CAPITAL PROJECTS

Vote	Project Description	Fund	Region	Project Span
CITY MANAGER	LEVS:ZA:EXS:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS : ZA: TRANSPORT VEHICLES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	ACQUISITION - COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	ACQUISITION - FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	ACQUISITION - VIDEO AND DATA	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	AIRCONDITIONERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	CAMERA	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	CAMERAS 5th floor	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	CARPORT FOR COUNCIL VEHICLES	COUNCIL FUNDING	ALL ZONES	MULTI YEAR
COMMUNITY SERVICES	Community Hall - Ward 27	MIG	ZONE4: CENTRAL	MULTI YEAR
CITY FINANCE	COMPUTERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	COMPUTERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	COMPUTERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	COMPUTERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	DESKTOP COMPUTERS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	FILING SYSTEM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	FINANCIAL MANAGEMENT SYSTEM SAP	COUNCIL FUNDING	ADM & HO	MULTI YEAR
CITY FINANCE	FUEL MANAGEMENT SYSTEM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR

Vote	Project Description	Fund	Region	Project Span
CITY MANAGER	FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	Furniture	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	FURNITURE AND EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	FURNITURE AND EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	FURNITURE AND EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	IP TELEPHONES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LAPTOP X 2	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS ZA NEW TRANSPORT ASSETS	COUNCIL FUNDING	ADM & HO	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:AH:COLD ROOM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR

Vote	Project Description	Fund	Region	Project Span
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:AH:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:Z2:AIRPOLUTION MONITORING STATION	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:Z2:GEVDI & LMO	COUNCIL FUNDING	ZONE2: EDENDALE	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:Z2:GEVDI LAND ACQUISITION	COUNCIL FUNDING	ZONE2: EDENDALE	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:Z4:NEW FENCES	COUNCIL FUNDING	ZONE4: CENTRAL	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:Z4:NEW:MACHINERY & EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS:ZA:BUILD SHOOTING RANGE 3rd phase	COUNCIL FUNDING	Zone 4: Central (Ward 24, 25, 26, 27, 33, 36, 37)	MULTI YEAR
CORPORATE SERVICES	LEVS:ZA:EXS:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	LEVS:ZA:EXS:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:ZA:FIBRE REPLACEM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	LEVS:ZA:LAN/WAN	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	MULTI YEAR
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	MULTI YEAR
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE
COMMUNITY SERVICES	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	LEVS:ZA:NEW:MACHINERY AND COMPUTER	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS:ZA:NEW:NEW FURNITURE & OFFICE EQUIP	COUNCIL FUNDING	ADM & HO	SINGLE
COMMUNITY SERVICES	LEVS:ZA:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
COMMUNITY SERVICES	LEVS:ZA:OUTSOURCED INFRASTRUCTURE CAP PROJECTS	COUNCIL FUNDING	ADM & HO	MULTI YEAR
COMMUNITY SERVICES	MIG: REHAB OF MOUNTAIN RISE CREMATORIOUM	MIG	ZONE5: NORTHERN	MULTI YEAR
COMMUNITY SERVICES	MIG:Z3:WARD 13 COMMUNITY HALL	MIG	ZONE3: IMBALI	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	MIG:Z4:JIKA JOE CRU	MIG	ZONE4: CENTRAL	MULTI YEAR
COMMUNITY SERVICES	MIG:Z4:WARD 24 COMMUNITY HALL	MIG	ZONE4: CENTRAL	MULTI YEAR
COMMUNITY SERVICES	MIG:Z4:WARD 8 COMMUNITY HALL	MIG	ZONE1: VULINDLELA	MULTI YEAR
COMMUNITY SERVICES	MIG:Z5:MADIBA COMMUNITY HALL	MIG	Zone 5: Northern (Ward 28, 29, 30, 31, 32, 34, 35 & 38)	MULTI YEAR
COMMUNITY SERVICES	MIG:Z5:WARD 29 COMMUNITY HALL	MIG	ZONE5: NORTHERN	MULTI YEAR
COMMUNITY SERVICES	MIG:Z5:WARD 38 COMMUNITY HALL	MIG	ZONE5: NORTHERN	MULTI YEAR
COMMUNITY SERVICES	MIG:Z5:WARD 7 COMMUNITY HALL	MIG	ZONE1: VULINDLELA	MULTI YEAR
COMMUNITY SERVICES	MIG:ZA:LANDFILL UPGRADE	MIG	ALL ZONES	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG: EDENDALE WALKWAY	NDPG	ZONE2: EDENDALE	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG: ISF: CAMPSDRIFT DESILTING	NDPG	Zone 4:Central (Ward 24, 25, 26, 27, 33, 36, 37)	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG: OLD EDENDALE ROAD UPGRADE	NDPG	ZONE2: EDENDALE	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG:CIVIC ZONE PHASE 1:MARKET STALLS	NDPG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG:CIVIC ZONE PHASE 1:SKY BRIDGE	NDPG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG:Edendale Town Centre: Promenade 1 (Planning & Design in 2017/18)	NDPG	ZONE2: EDENDALE	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG:Edendale Town Centre: Promenade 2 (Planning & Design in 2017/18)	NDPG	ZONE2: EDENDALE	MULTI YEAR
SUSTAINABLE DEVELOPMENT AND CITY ENTREPRISES	NDPG:Z2:Edendale Town Centre: STREAM REHABILITATION	NDPG	ZONE2: EDENDALE	MULTI YEAR
CITY FINANCE	NEW VEHICLES	COUNCIL FUNDING	ALL ZONES	SINGLE YEAR
CORPORATE SERVICES	OFFICE EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	OFFICE FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	OFFICE FURNITURE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	OFFICE FURNITURE, DESKS, CHAIRS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	Office Partitioning SCM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	PABX SYSTEM	COUNCIL FUNDING	ADM & HO	MULTI YEAR
CORPORATE SERVICES	PROJECTOR	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	REFURBISH CALL CENTRE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	REVAMP 7TH FLOOR	COUNCIL FUNDING	ADM & HO	MULTI YEAR
CITY FINANCE	SECURITY CAMERAS STORES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR

Vote	Project Description	Fund	Region	Project Span
CITY FINANCE	SECURITY FENCING STORES PHASE 2	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY FINANCE	SELF HELP CENTRE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	TELEPHONES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	TELEPHONES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CITY MANAGER	TELEPHONES	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	UPGRADE DEPOT CLINIC	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
CORPORATE SERVICES	UPGRADE PHARMACY ROOM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	"MIG:Z2:SERV MID ERAD SOB	MIG	Zone 3: Imbali (Ward 13, 14, 15, 17, 18, 19)	MULTI YEAR
INFRASTRUCTURE	"MIG:Z3:UPG GRV RD-EDN-WARD17 (PH3 Unit 13)	MIG	ZONE3: IMBALI	MULTI YEAR
INFRASTRUCTURE	"MIG:ZA:SERV MIDBL ERAD (SOB	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	LAND ACQUISITION	IRPTN	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	LEVS:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	LEVS:ZA:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	MIG: MONITORING OF STORWATER INFILTRATION	MIG	ADM & HO	MULTI YEAR
INFRASTRUCTURE	MIG: Rehabilitation of Roads - Vulindlela Ward 2	MIG	ZONE1: VULINDLELA	MULTI YEAR
INFRASTRUCTURE	MIG: Rehabilitation of Station Road Bridge	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:SANITATION INFRASTRUCTURE FEASIBILITY STUDY	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
INFRASTRUCTURE	MIG:Z1:UPGR GRV RD-VULINDLELA-D2069 PH3	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV RD-VULINDLELA-WARD 8	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 39	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 6	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VUL-WARD 1	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z1:UPGR GRV ROADS-VUL-WARD 5	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z2: UPGR GRV RD- GEORGETOWN/ ESIGODINI	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:ELIMIN OF CONSERVANCY TANKS-WATER	MIG	Zone 1: Vulindlela (Ward 1, 2, 3, 4, 5, 6, 7, 8, 9&39)	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:REHAB OF ROADS IN ASHDOWN	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:SEWER PIPES AZALEA - PH 2	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPG	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPGR GRV RD-GREATER EDN-HAREWOOD	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPGR GRV RD-GREATER EDN-SNATHING	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPGR RD IN PEACE VALLEY-10KM	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:Z2:UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:Z3:SHENSTONE AMBLETON SANIT SYSTEM	MIG	Zone 3: Imbali (Ward 13, 14, 15, 17, 18, 19)	MULTI YEAR
INFRASTRUCTURE	MIG:Z3:UPGRADING OF GRAVEL ROADS - EDN- Roads in Unit 14 / Unit P	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:BUS STOP SHELTERS	MIG	ALL ZONES	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
INFRASTRUCTURE	MIG:ZA:COPESVILLE RESERVOIR	MIG	ZONE5: NORTHERN	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:ELIM OF CONSERV TANKS:WATER and SEWER	MIG	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:HIGH MAST LIGHTS-VUL & GREAT EDN	MIG	ZONE1: VULINDLELA	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:NON-MOTORISED TRANSPORT INFRASTR	MIG	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:REDUCTION OF NON REVENUE WATER	MIG	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:REHAB OF SANITATION INFRASTR	MIG	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:SEWER PIPES UNIT H	MIG	Zone 2: Edendale (Ward 10, 11, 12, 16, 20, 21, 22, 23)	MULTI YEAR
INFRASTRUCTURE	MIG:ZA:WOODHOUSE PEDESTRIAN BRIDGE	MIG	Zone 5: Northern (Ward 28, 29, 30, 31, 32, 34, 35&38)	MULTI YEAR
INFRASTRUCTURE	MSE:AH:NEW MACHINERY AND EQUIP	COUNCIL FUNDING	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	LEVS:Z4 ROAD REHAB - PMS	COUNCIL FUNDING	Zone 4:Central (Ward 24, 25, 26, 27, 33, 36, 37)	MULTI YEAR
INFRASTRUCTURE	LEVS:Z5 TRAFFIC CALMING MEASURES	COUNCIL FUNDING	ALL ZONES	SINGLE YEAR
INFRASTRUCTURE	LEVS:Z4 INSTALLATION OF NEW GUARD RAILS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	LEVS:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	LEVS:ZA: CONCRETE CASTING YARD CHANGE ROOMS	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	WWAT:ZA SANITATION PUMP STATIONS	COUNCIL FUNDING	ALL ZONES	SINGLE YEAR
INFRASTRUCTURE	LEVS:ZA:TELEMETRY EQUIPMENT UPGRADE	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	MSE:AH:NEW MACHINERY AND EQUIP	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	ALNS ZA DBSA - NETWORK 132KV REHAB PLAN	BORROWINGS	Zone 4:Central (Ward 24, 25, 26, 27, 33, 36, 37)	MULTI YEAR

Vote	Project Description	Fund	Region	Project Span
INFRASTRUCTURE	CBR ZA REHAB OF WATER INFRASTRUCTURE	RESERVES	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MSE:ZA:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	MSE:ZA:NEW:TRANSPORT ASSETS	COUNCIL FUNDING	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	OUTSOURCED INFRASTRUCTURE CAP PROJECTS	IRPTN	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	PPE-COMPUTER EQUIP.-ALL OR EXCL NERSA-ACQUISITION	IRPTN	ALL ZONES	SINGLE YEAR
INFRASTRUCTURE	Rehabilitation of Roads - France Ward 13 Edendale	MIG	ZONE2: EDENDALE	MULTI YEAR
INFRASTRUCTURE	REPLACEMENT OF METERS	COUNCIL FUNDING	ZONE1: VULINDLELA	MULTI YEAR
INFRASTRUCTURE	THIRD PARTY	IRPTN	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	WATR:AH:NEW:COMPUTER EQUIPMENT	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	WATR:Z2:WATER PUMP STATIONS	COUNCIL FUNDING	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	WATR:ZA:NEW:MACHINERY & EQUIPM	COUNCIL FUNDING	ADM & HO	SINGLE YEAR
INFRASTRUCTURE	WSIG:ZA:BASIC WATER SUPPLY	WSIG	ALL ZONES	MULTI YEAR
INFRASTRUCTURE	WSIG:ZA:REDUCTION OF NON REVENUE WATER	WSIG	ALL ZONES	MULTI YEAR
COMMUNITY SERVICES	CLSG:AH:NEW COMPUTER EQUIPMENT	LIBRARY GRANT	ALL ZONES	SINGLE YEAR
COMMUNITY SERVICES	CLSG:AH:BESSIE HEAD RENOVATIONS	LIBRARY GRANT	ALL ZONES	SINGLE YEAR
COMMUNITY SERVICES	CLSG:AH:NEW FURNITURE & OFFICE EQUIP	LIBRARY GRANT	ALL ZONES	SINGLE YEAR
COMMUNITY SERVICES	CLSG:AH:NEW MACHINERY & EQUIPM	LIBRARY GRANT	ALL ZONES	SINGLE YEAR
INFRASTRUCTURE		ENERGY EFFECIENCY AND DEMAND SIDE MANAGEMENT GRANT	ALL ZONES	SINGLE

1.7.3 BUDGET ALLOCATIONS FOR THE 2019/20 FINANCIAL YEAR

The table below summarises the Msunduzi Municipal Budget.

TABLE 8: MSUNDUZI CAPITAL BUDGET 2019-20

KZN225 Msunduzi - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	739,501	797,305	863,435	900,837	915,564	915,564	915,564	1,200,772	1,272,818	1,349,187
Service charges - electricity revenue	2	1,784,415	1,863,573	2,317,228	2,177,873	2,138,443	2,138,443	2,138,443	2,417,938	2,733,962	3,091,291
Service charges - water revenue	2	598,990	464,242	569,323	603,661	604,896	604,896	604,896	662,966	726,611	796,366
Service charges - sanitation revenue	2	126,183	121,806	135,950	137,072	148,425	148,425	148,425	145,475	154,204	163,456
Service charges - refuse revenue	2	84,201	88,928	100,293	106,276	93,838	93,838	93,838	111,324	118,003	125,083
Rental of facilities and equipment		20,264	26,144	19,799	35,220	26,252	26,252	26,252	27,827	29,496	31,266
Interest earned - external investments		68,435	54,664	39,130	39,956	26,947	26,947	26,947	14,702	15,442	16,220
INTEREST EARNED - OUTSTANDING DEBTORS		60,214	96,347	164,249	118,141	182,773	182,773	182,773	193,740	205,364	217,686
Dividends received											
Fines, penalties and forfeits		72,894	18,046	280	75,203	15,155	15,155	15,155	16,064	17,028	18,050
Licences and permits		90	341	126	100	1,011	1,011	1,011	1,071	1,136	1,204
Agency services		28,531	16,051			543	543	543	576	611	647
Transfers and subsidies		466,156	497,277	458,535	672,679	671,406	671,406	671,406	672,023	734,742	795,945
Other revenue	2	62,910	83,984	73,015	165,019	144,024	144,024	144,024	140,145	148,554	157,467
Gains on disposal of PPE		21,665	213,080	54,889							
Total Revenue (excluding capital transfers and contributions)		4,134,447	4,341,789	4,796,251	5,032,038	4,969,278	4,969,278	4,969,278	5,604,622	6,157,970	6,763,867
Expenditure By Type											
Employee related costs	2	942,876	990,111	1,120,868	1,274,330	1,276,661	1,276,661	1,276,661	1,455,869	1,536,352	1,655,604
Remuneration of councillors		41,763	43,574	45,020	48,573	48,573	48,573	48,573	51,488	54,577	57,852
Debt impairment	3	92,508	505,131	350,124	110,178	110,280	110,280	110,280	116,891	123,901	131,332
Depreciation & asset impairment	2	555,153	605,422	470,370	468,636	468,637	468,637	468,637	492,025	516,580	542,365

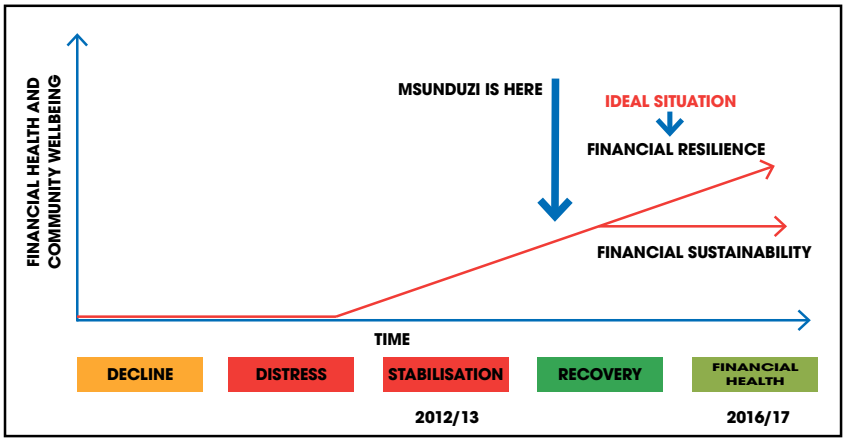
KZN225 Msunduzi - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)											
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R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Finance charges		75,095	68,463	63,181	50,688	50,672	50,672	50,672	41,660	31,793	24,371
Bulk purchases	2	1,799,214	1,866,283	1,956,999	2,050,322	2,034,195	2,034,195	2,034,195	2,282,600	2,561,795	2,875,643
Other materials	8	156,434	46,025	69,227	63,797	56,462	56,462	56,462	55,756	57,943	59,990
Contracted services		170,156	556,503	622,403	606,222	633,141	633,141	633,141	587,242	620,921	656,528
Transfers and subsidies		238	36,447	25,891	45,328	58,437	58,437	58,437	46,379	36,741	39,680
Other expenditure	4, 5	412,697	201,572	167,375	210,837	188,524	188,524	188,524	198,552	198,907	207,000
Loss on disposal of PPE		13,658	99,923	41,015		43	43	43	43	45	46
Total Expenditure		4,259,793	5,019,454	4,932,474	4,928,912	4,925,625	4,925,625	4,925,625	5,328,507	5,739,555	6,250,412
Surplus/(Deficit)		(125,346)	(677,666)	(136,223)	103,126	43,653	43,653	43,653	276,115	418,416	513,456
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		303,484	441,231	146,625	404,341	425,277	425,277	425,277	439,342	446,236	473,589
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		178,139	(236,435)	10,402	507,467	468,930	468,930	468,930	715,458	864,652	987,045
Taxation											
Surplus/(Deficit) after taxation		178,139	(236,435)	10,402	507,467	468,930	468,930	468,930	715,458	864,652	987,045
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		178,139	(236,435)	10,402	507,467	468,930	468,930	468,930	715,458	864,652	987,045
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		178,139	(236,435)	10,402	507,467	468,930	468,930	468,930	715,458	864,652	987,045

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

Report on the audit of the consolidated and separate financial statements
Adverse opinion

I have audited the consolidated and separate financial statements of the Msunduzi Municipality set out on pages ... to ..., which comprise the consolidated and separate statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, because of the significance of the matters described in the basis for adverse opinion section of this auditor's report, the consolidated and separate financial statements do not present fairly, in all material respects, the consolidated and separate financial position of the Msunduzi Municipality as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora).

Basis for adverse opinion
Property, plant and equipment

The municipality did not appropriately account for property, plant and equipment in accordance with SA Standard of GRAP 17, Property, plant and equipment. Property, plant and equipment which the municipality did not own were incorrectly recognised and additions thereto were incorrectly recognised as operational expenditure. Capital assets under construction and additions included in note 14 to the consolidated and separate financial statements did not also agree to the reconciliation of property, plant and equipment included in the note. I was also unable to obtain sufficient appropriate audit evidence for additions and capital assets under construction capitalised to property, plant and equipment due to the municipality not effectively implementing and maintaining adequate asset management systems. I could not confirm the additions to property, plant and equipment by alternate means. Consequently, I was unable to determine whether any further adjustments to property, plant and equipment stated at R7,22 billion (2017: R7,08 billion) in note 14 to the consolidated and separate financial statements was necessary.

Consumer debtors

The municipality did not calculate impairments on consumer debtors in accordance with SA Standard of GRAP 104, Financial instruments. The estimated future cash flows were not present valued when determining the recoverable amounts for consumer debtors. Allowances for impairments included in note 4 to the consolidated and separate financial statements did not also agree the underlying supporting documentation and allowance for impairment reconciliations. In addition, I was unable to obtain sufficient appropriate audit evidence that debtors from other service charges included as consumer debtors had been properly accounted for, as the municipality did not allocate these debtors to their respective categories of service charges. I was unable to confirm the consumer debtors by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to consumer debtors stated at R1,35 billion (2017: R1,01 billion) in note 4 to the consolidated and separate financial statements.

Revenue from exchange transactions – interest from consumer debtors and receivables

The municipality did not account for interest from consumer debtors and receivables in accordance with SA Standard of GRAP 9, Revenue from exchange. Interest was not charged on all overdue accounts and where interest was charged on consumer accounts it was incorrectly computed. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, interest from consumer debtors and receivables stated at R192,22 million included in note 30 to the consolidated and separate financial statements was misstated by an unknown amount.

Receivables from exchange transactions

During 2017, I was unable to obtain sufficient appropriate audit evidence and confirm by alternative means the Independent Development Trust receivable. Consequently, I was unable to determine whether any adjustment was necessary to receivables from exchange transactions stated at R81,97 million. My audit opinion on the consolidated and separate financial statements for the period ended 30 June 2017 was modified accordingly. My opinion on the current year consolidated and separate financial statements was also modified because of the possible effect of this matter on the comparability of the receivables from exchange transactions for the current period.

Payables from exchange transactions

I was unable to obtain sufficient appropriate audit evidence that unallocated deposits included in trade and other payables from exchange transactions had been properly accounted for, as the municipality did not allocate payments received from debtors. I was unable to confirm the unallocated deposits by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the payables from exchange transactions disclosed at R945,20 million in note 19 to the consolidated and separate financial statements. In addition, this could have an impact on consumer debtors, revenue and accumulated surplus.

I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for payables and accruals included payables from exchange transactions. As described in note 65 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement. However,

the restatement could not be substantiated by supporting evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the payables from exchange transaction corresponding figure stated at R745,20 million in the consolidated and separate financial statements.

Related parties

The municipality did not correctly disclose related party transactions as required by SA Standard of GRAP 1, Presentation of financial statements. The municipality did not disclose comparative information for related party transactions. Consequently, the comparative information relating to related party information disclosed in note 63 to the consolidated and separate financial statements was misstated. I was unable to determine the value of the misstatement as it was impractical to do so.

Statement of comparison of budget and actual amounts

The municipality did not correctly disclose budget and actual information as required by SA Standard of GRAP 24, Presentation of budget information in financial statements. The municipality did not disclose the final budget amounts for impairment of consumer and traffic fines. Consequently, the expenditure information disclosed in the statement of comparison of budget and actual amounts in note 28 to the consolidated and separate financial statements was misstated by an amount, which was impractical to determine.

Cash flow statement

The municipality did not prepare and disclose the cash flow statement on a cash basis as required by SA Standard of GRAP 2, Cash flow statements. Amounts included in the cash flow statement for the sale of goods and services, government grants and subsidies, interest revenue, employee costs, finance costs, payments to suppliers, purchase of property, plant and equipment, increase in capital work in progress as well as purchase of intangible assets, were disclosed on an accrual basis. Consequently, the cash flow statement presented in the consolidated and separate financial statements was misstated by an amount, which was impractical to determine.

Unauthorised expenditure

I was unable to obtain sufficient appropriate audit evidence as the amount disclosed for unauthorised expenditure differed from the underlying records. I was unable to confirm the balance of unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to unauthorised expenditure stated at R361,22 million (2017: R361,22 million) in note 70 to the consolidated and separate financial statements.

Additional disclosures in terms of MFMA

The municipality did not correctly disclose pension and medical aid deductions, as required by section 125(1) (c) of the MFMA due to the poor status of the accounting records The amount relating to pension and medical aid deductions differed from the supporting documents by R50,12 million. Consequently, the amount relating to pension and medical aid deductions disclosed in note 59 to the consolidated and separate financial statements was understated by R50,12 million.

Aggregation of immaterial uncorrected misstatements

In addition to the individually material uncorrected misstatement in the disclosure notes, disclosure notes were materially misstated due to the cumulative effect of individually immaterial uncorrected misstatements in the following items.

Change in estimate – Property, plant and equipment

The municipality reviewed and changed the useful lives of property, plant and equipment in the current year, however; no disclosure of the impact of the change in estimate was made in the consolidated and separate financial statements as required by SA Standard of GRAP 3, Accounting policies, changes in accounting estimates and errors. It was impractical to determine the full extent of the misstatement for the change in estimate.

Commitments

The municipality did not properly account for commitments, as required by SA Standard of GRAP 17, Property, plant and equipment due to inadequate systems and processes to account for this disclosure. Resultantly, I was unable to determine the full extent of the misstatement.

Irregular expenditure

The municipality did not include irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of the supply chain management (SCM) regulations, resulting in irregular expenditure of R11,68 million. Consequently, irregular expenditure disclosed in note 67 to the consolidated and separate financial statements was understated by R11,68 million.

Operating leases

The municipality did not account for operating lease commitments, as required by SA Standard of GRAP 13 Leases. The municipality made payments relating to operating leases, however, no disclosure relating to future minimum lease payments, as required by SA Standard of GRAP 13, Leases was made in the consolidated and separate financial statements. I was unable to determine the full extent of the misstatement as it was impractical to do so.

Context for the opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.

I am independent of the municipality 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

As disclosed in note 65 to the financial statements, the corresponding figures for 30 June 2017 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2018.

Material losses - electricity

As disclosed in note 71 to the financial statements, material electricity losses of R256,90 million (2016-2017: R279,12 million) were incurred, which represents 15% (2016-2017: 16%) of total electricity purchased. Losses were as a result of illegal connections, infrastructure vandalism and unmetered usage.

Material losses – water

As disclosed in note 71 to the financial statements, material water losses of R138,72 million (2016-2017: R109,21 million) were incurred, which represents 29% (2016-2017: 29%) of total water purchased. Losses were as a result of ageing water pipeline infrastructure.

History of the Audit Outcome

Financial Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Outcome	Qualified	Unqualified	Unqualified	Clean Audit	Qualified	Disclaimer	Adverse

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;
- 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;
- The direction of new development towards logical infill areas;
- Development/investment should be focussed on localities of economic growth and/or economic potential;
- 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;
- Balance between urban and rural land development in support of each other;
- 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.

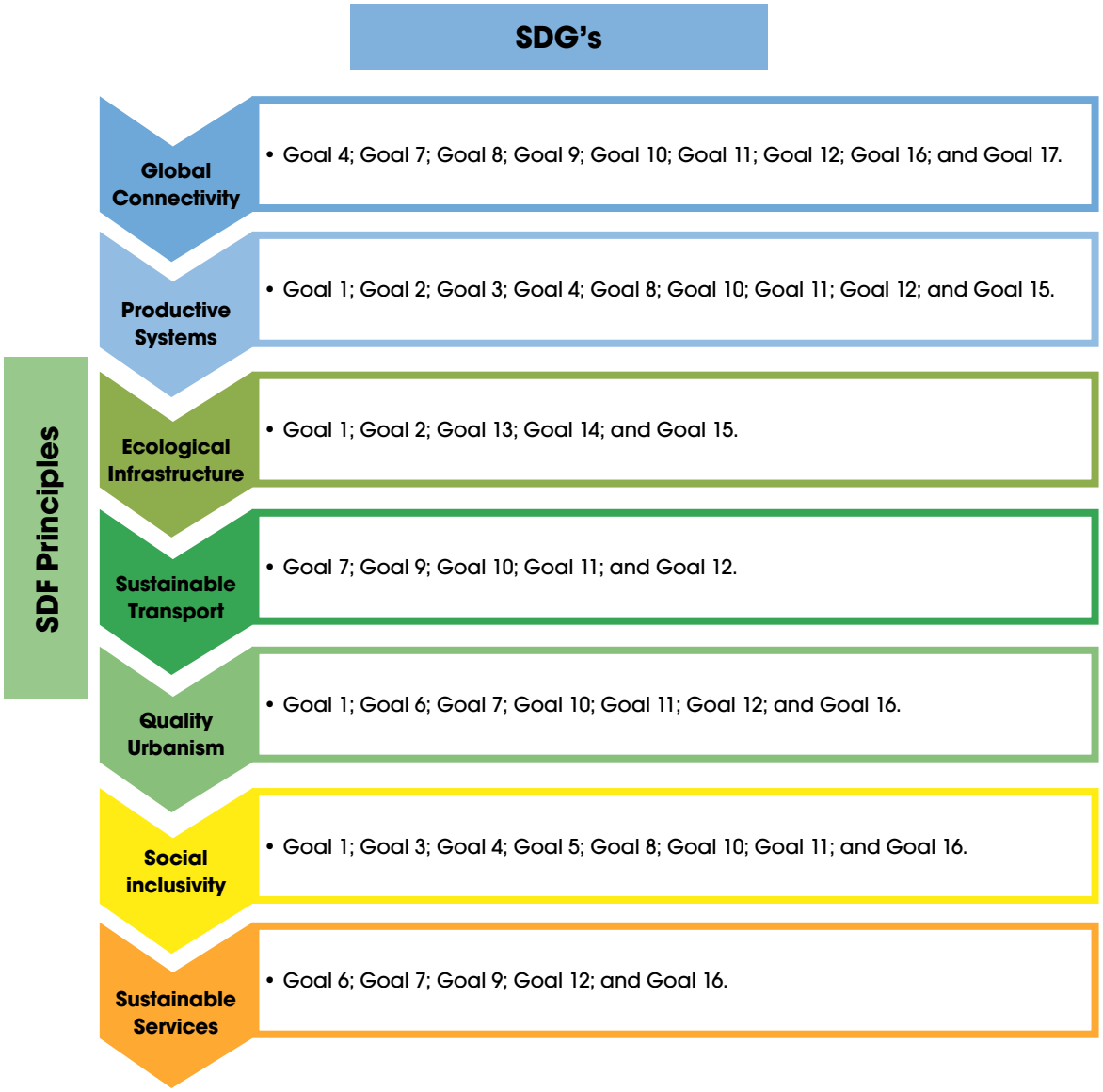
The MDGs, adopted in 2000, aimed at an array of issues that included slashing poverty, hunger, disease, gender inequality, and access to water and sanitation. Enormous progress has been made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the 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

Intended 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 is 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 2019)

During the 25th State of Nation Address the Honorable president announced that in honor of centenary Nelson Rolihlahla Mandela and Albertina Sisula the nation as a whole should focus on the realization of their vision in building fair and equitable society. A society in which all South Africans are equal regarding rights, liberty and dignity. As a result, the people of the country have answered the call of "thuma mina" as many South Africans are willing to work for their country to build a better nation.

The president reflected on whether there is meaningful progress on what has been promised to the public in 2018. The process of creating trust and cooperation with key stakeholders has been done as promised, since the ultimate goal is to create sustainable jobs. Consequently, a presidential job summit was held which aimed at unlocking more job opportunities in both public and private sector.

In response to corruption and stability in strategies entities, the government will restore the effectiveness of the institutions such as the National Prosecuting Authority (NPA), Sate Security Agency (SSA) and South African Police Service (SAPS). This will be done through the establishment of a Professional National Intelligence Capability, which will ensure better coordination of the Intelligence and Security related functions of the state.

Additionally, during last year, the presidency focused on violence and abuse against women and children, by responding by hosting a Summit on gender based violence and femiside. The presidency further held a presidential health Summit, which was initiated to discuss the issues in the health system and propose immediate solutions to improve the effectiveness of it. While there is a broad range of issues that need to be fixes across government, the following urgent task are of utter importance to the country:

- Firstly, we must accelerate inclusive economic growth and create jobs.
- Secondly, our history demands that we should improve the education system and develop the skills that we need now and into the future.
- Thirdly, we are duty bound to improve the conditions of life for all South Africans, especially the poor.
- Fourthly, we have no choice but to step up the fight against corruption and state capture.
- Fifthly, we need to strengthen the capacity of the state to address the needs of the people.

Not reflecting on what, has been done but looking forward on the future a wide range of measures have been introduced to try and ignite the economy, restore investor confidence, support employment and address the urgent challenges affecting those vulnerable in society.

The presidency is pleased to report that; the South African Government will introduce the eVisa regime, which will assist the countries tourism sector. The process of stabilizing and supporting 57 municipalities has begun, as 10 000 municipal infrastructure projects are being implemented, some of these projects are the revamping of industrial parks in townships and industrial areas.

However, to make significant gains in job creation there has to be new investment. Following the success of the 2018 investment conference which attracted over 3 Billion in investment. As a result, the president announced the second investment conference in 2019, but the investment generated from the conference will spread out in projects throughout the country, then provincial governments will identify investable projects to ensure that we build investment books for each of the nine provinces. In addition, a group of South African business leaders. Moved by the spirit of Thuma Mina initiated the public private growth initiative to expedite focused investment plans of leading companies across 19 sectors of the economy, from mining the renewable energy, to manufacturing in agriculture. These industries will substantially expand investment over the next five years and create a vast number of job opportunities.

To stimulate development in the economy, we need to build more businesses and recruit more people, we need to find fresh and larger markets for our goods and services. We will also be looking at establishing economic zones that are dedicated to producing specific types of products, such as clothing and textiles etc. to progress the competitiveness of our exports, we will complete the studies that have commenced on reducing the costs of electricity, trade, communications, transport and other costs.

With regards to technology the government will continue to focus on the incubation program, which consist of 51 technology business incubators, 10 enterprise supplier development incubators and 14 rapid youth incubators.As part of the expansion of this program township digital hubs will be established in four provinces, which will assist young people who want to start their own business. Young people will be given platforms to enter productive economic activities as initiatives such as the Employment Tax Incentive and the launch of the Youth employment service as both promote youth empowerment.

We will continue to prioritize targeted skills development and capacity building programmes for smallholder and emerging black farmers, as part of accelerated land reform, the government identified land parcels possessed by the state for redistribution.Strategically situated land will be released to address human settlements needs in urban and peri-urban areas. We will carry on to prioritize targeted skills growth and capacity building programmes for smallholder and incipient black farmers.

The presidency will make it a priority that South Africa is a destination for tourist by 2030, as 21 million tourists are anticipated, targeting fastest growing markets of India and China. The export industry can generate 2 million more jobs in food, agriculture, construction, transport and retail.

We would like to congratulate total on the ''World Class'' oil and gas discovery of the coast of South Africa, as the Brulpadda Block in the Outeniqua Basin, which is discovered as a catalytic finding. This could be a significant game changer for the country, hence government will develop legislation to ensure that it is properly regulated for the interest of all that are concerned.

Government is to replace unsafe toilets in public schools, as the administration has since August already made provision for safe and appropriate sanitation to 699 schools with sanitation 1,150 schools either in planning, decision of construction stage. There are 4000 schools identified that need suitable sanitation and hopes to eradicate unsafe sanitation by 2022.

At the center of all our struggles to achieve higher and more equitable growth, to draw young people into employment and to prepare our country for the digital age, must be the prioritization of education and the development of skills. Therefore, we will migrate responsibility for Early Childhood Canters (ECD) from Social Development to Basic Education, and proceed with the process towards two years of compulsory ECD for all children before they enter grade 1.

The South African government is to efficiently address the substantial housing backlog; it needs to develop different models of financing for human settlements. It is for this reason that we are establishing a Human Settlements Development Bank that will leverage both public and private sector financing to aid in housing delivery.The Housing Development Agency (HDA) will construct an additional 500,000 housing units in the next five years, and an amount of R30 billion will be provided to municipalities and provinces to allow them to fulfil their respective mandates.

The president announced that serious steps will be taken towards universal access to quality health care for all South Africans. The National Health Insurance Bill will soon be submitted to Parliament. The NHI will enable South Africans to receive free services at the point of care in public and private quality-accredited health facilities.we have established an NHI and quality improvement War Room in the Presidency consisting of various key departments to address the crisis in the public health system while preparing for the implementation of the NHI.

There will be serious actions taken to end corruption, have agreed with the new National Director of Public Prosecutions, that there is an urgent need to establish in the office of the NDPP an investigating directorate dealing with serious corruption and associated offences, in accordance with section 7 of the NPA Act. the Directorate will focus on the evidence that has emerged from the Zondo Commission of Inquiry into State Capture, other commissions and disciplinary inquiries.

I have engaged with the Independent Electoral Commission and also with the Premiers of all provinces, and intend to proclaim the 8th of May 2019 as the date of the election. We wish to remind all eligible South Africans who have not yet registered as voters that they still have until the proclamation of the election date to register.

We all have a role to play as individual South Africans, faith-based organizations, sports organizations, trade unions, business, students, academics and citizens.Let us continue to embrace the spirit of citizen activism in line with the injunction, Thuma Mina, in the onward march towards equality, freedom and prosperity for all.

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 is 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 - MM District)
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)

Mesdames

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

2.3.9 INTEGRATED URBAN DEVELOPMENT FRAMEWORK

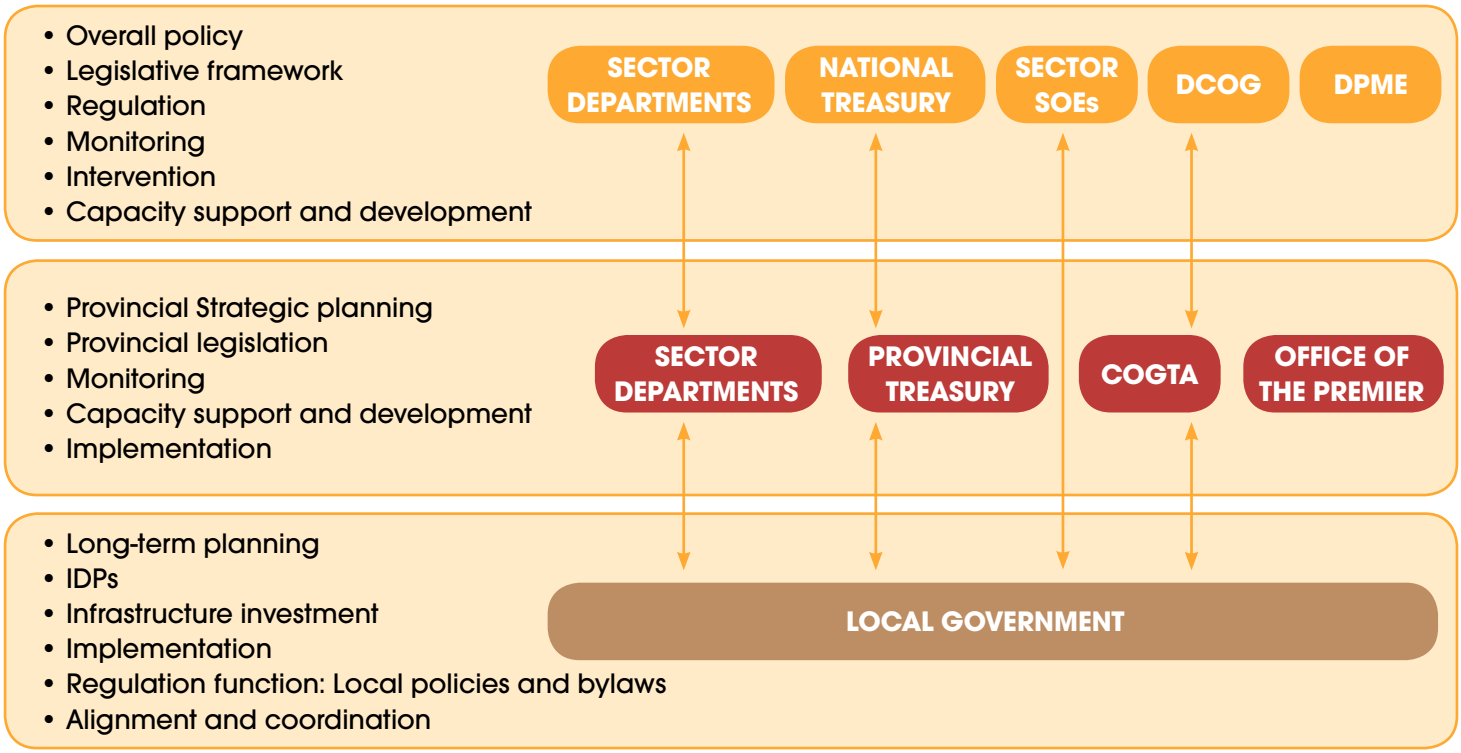
The overall outcome of the IUDF is spatial transformation. This marks a New Deal for South African cities and towns, by steering urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns. Informed by this outcome and the NDP's vision for urban South Africa, 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 ADRESS 2019)

The KwaZulu-Natal 2019 state of the province address (SOPA) was delivered by the Honourable premier Mr T W Mchunu on the 27th February 2019. The 2019 year marks the year of the 5th democratic elections and 25 years of democracy, hence the 2019 SOPA is the last in the 2014 to 2019 term of office. The address focused on how the province has been moved forward over the last five years, challenges that were faced and what is recommended, in preparation for the inevitable handing over of leadership.

The province working in partnership with its social partners in business, labour and civil society crafted and adopted the slightly revised vision 2035 during the year 2016. The revised vision 2035 is of "a prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the World". The Msunduzimunicipalities location within the province of KwaZulu-Natal allows it the opportunity of becoming well connected in the global economy and an active participant in reaching the provinces vision 2035 goals.

The province was able to refine the initial 2011 Provincial Growth and Development Strategy in 2016, and prides itself of being the only province with a clearly announced, dynamic and responsive Growth and Development strategy. The first provincial citizen satisfactory survey was undertaken by the province in 2015. The Msunduzi municipality undertook a more localised survey in the year 2016,the Msunduzi municipality Quality of life survey. This aided in

identifying service delivery challenges from the eye of consumers as well as enabled the municipality to establish the perception of the public towards the municipality.

The slow international and national economy has hindered the provinces ability to grow an inclusive economy and to create decent jobs. This has led to an increase of unemployment in the province. Emphasis was made on the creation of decent work, which requires the economy to grow in order to take place. focus has therefore been placed on key sectors of the economy. These key sectors of the economy include, Agriculture, manufacturing, tourism, freight and logistics, as well as the development of strategic infrastructure. These sectors have been identified as having the potential to grow and create jobs. The Msunduzi municipality is already envisioning the implementing of programs that aim to grow the economy along these different sectors especially in the agricultural, tourism and freight and logistics sectors. These include an Agro processing plants, agro-park and the processing of waste from produce to be turned into gas, which are long term endeavours for the agricultural sector. The municipalities tourism sector is booming with opportunity, with the Gidla express program implementation and Eco-tourism opportunities already a possibility.

The province has experienced a clear trend of almost desperate urbanisation, the Msunduzi municipality has been no exception. The municipality's population has grown steadily from the 2001 to 2016. One of the major contributing factors is the migration of individuals from surrounding rural municipalities as well as the migration from individuals from rural communities within the municipality towards the city. The premier highlighted the negative effects which result in such migration patterns which include urban decay and migration of rural poverty to urban poverty. He therefore encouraged municipalities to address spatial inequality. The municipality continues to work towards the development of its rural wards through ensuring the provision of services and RDP houses to combat issues of urbanisation.

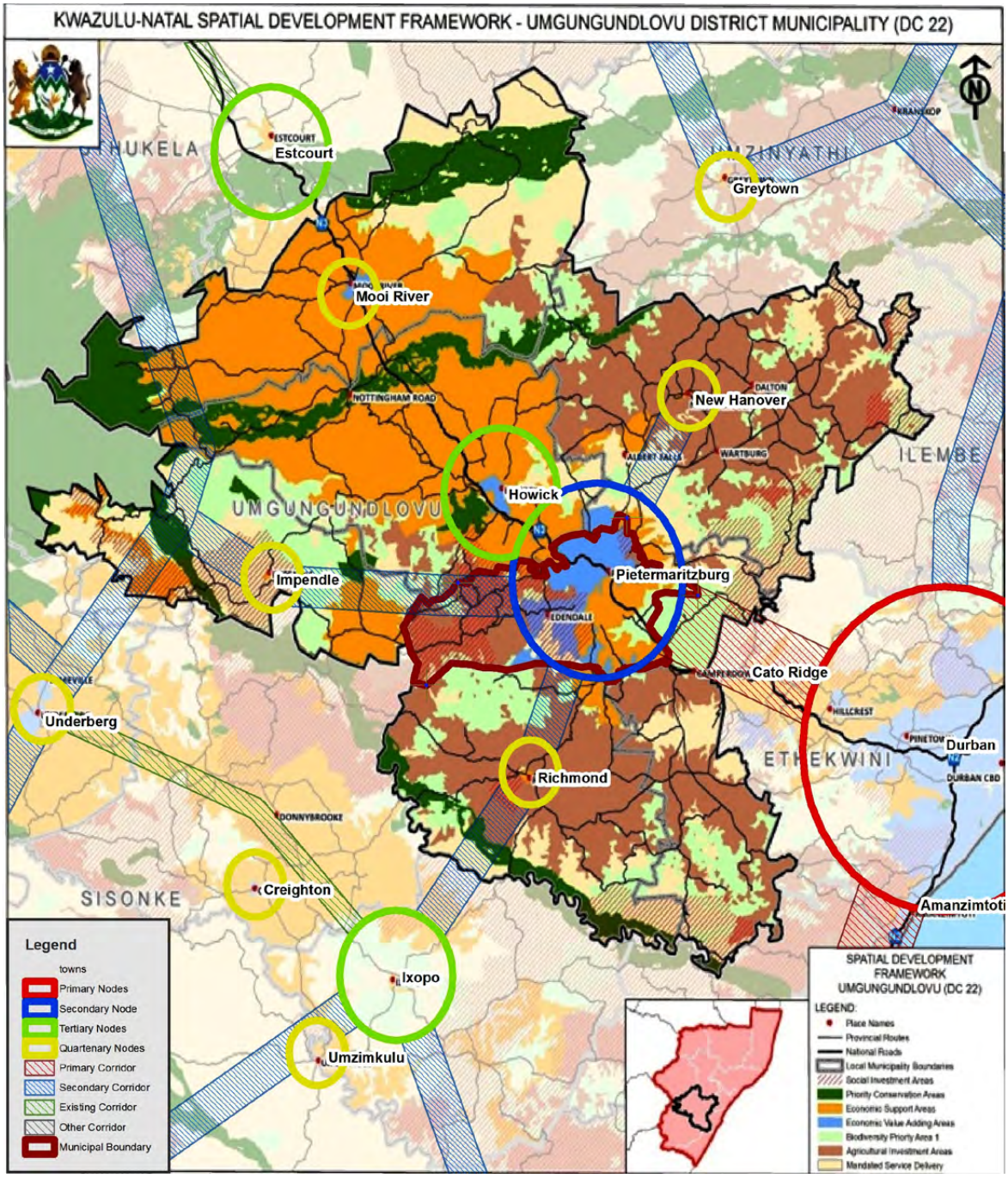
Development of the human resource was deemed the most important responsibility and priority for government by the premier. The human resource is required for the achievement of all other priorities and goals. Growing the economy, delivery of effective services and care for citizens, protecting our environment and remain sustainable requires a developed human resource. Although the current state of education has some way to go, major advancements have been made by the province in Early childhood development and National Senior Certificate attainments. The development of skills post national senior certificate must now be placed in the forefront. The Msunduzi municipality is at an advantage in addressing the development of skills for youth in the province. There are currently 2 major universities located within the municipalities boundaries which include the University of KwaZulu-Natal and Durban University of technology, amongst numerous colleges.

It was also emphasised that although enhancing healthy communities and citizens in KZN is largely dependent on comprehensive primary health care programme, it is also dependent on the provision of adequate sanitation, water and other infrastructure, without which community health will be compromised regardless of the level of health services provided. therefore, local municipalities have a great role to play in this regard.

Lastly the premier highlighted that according to the 2018 KZN citizen satisfactory survey safety and security was identified as part of the top 3 priorities citizens expect the provincial government to improve on. Alongside murder and drug related crime one of the major issues was the rampantpolitically related killings which have become prevalent in the province. Being an election year the premier found it important to remind political leadership of the importance of ensuring that the election of leaders is done so in a free and safe manner which will not put the lives of leaders and those of the community at risk.Despite these hurdles the province was successful and hosting crime prevention summits across the province along with 560 community police forums, 42 community safety forums and 298 Ward safety committees were established in the province.

The premier concluded the States of the province address by stating that the Kwa-Zulu Natal provincial elected representatives off the 5th term of office in the post 1994 democratic dispensation served to the best of their ability with dignity pride and integrity.

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 is “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 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 Ambletonetc).

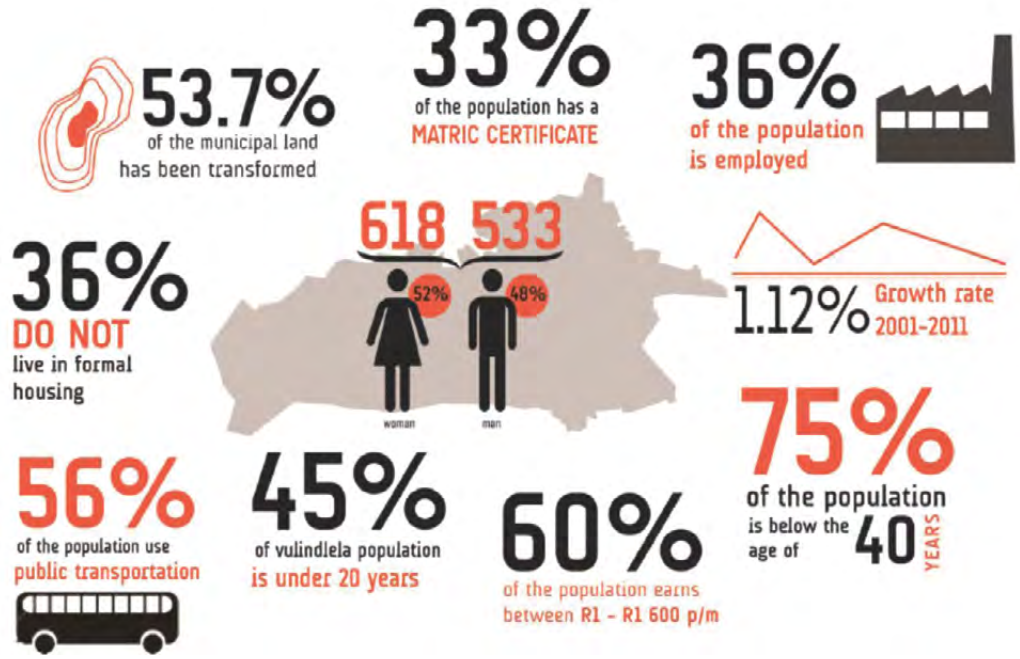
These areas reflect both a high concentration of informal settlements and traditional settlements. While there are some areas in the municipality were recreational spaces, public services and amenities have been provided, the quality, maintenance and accessibility to the communities they are intended to serve in these areas is questionable and it is 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.



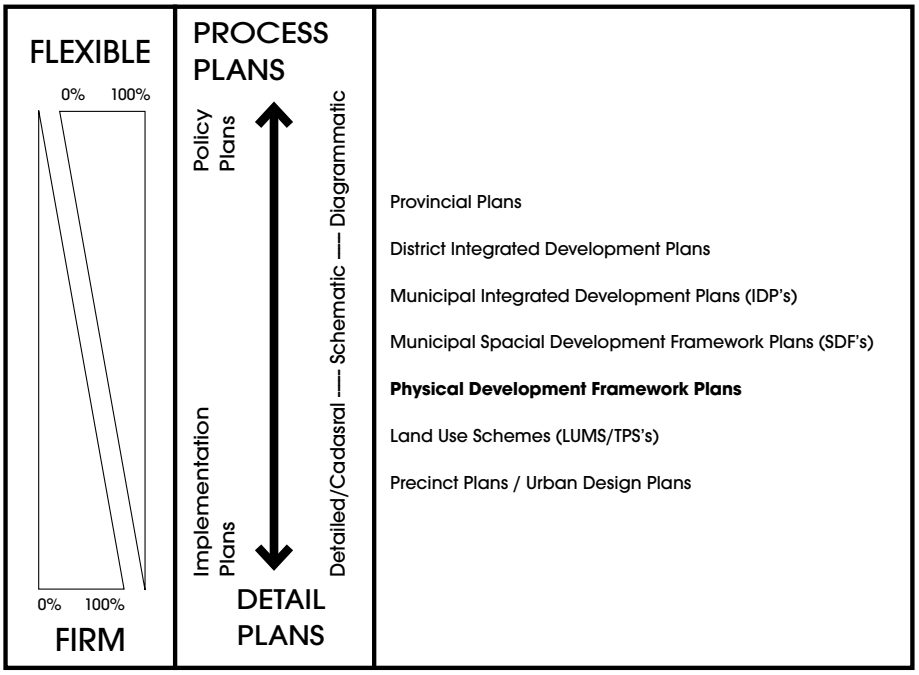
Stats SA Census 2011

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

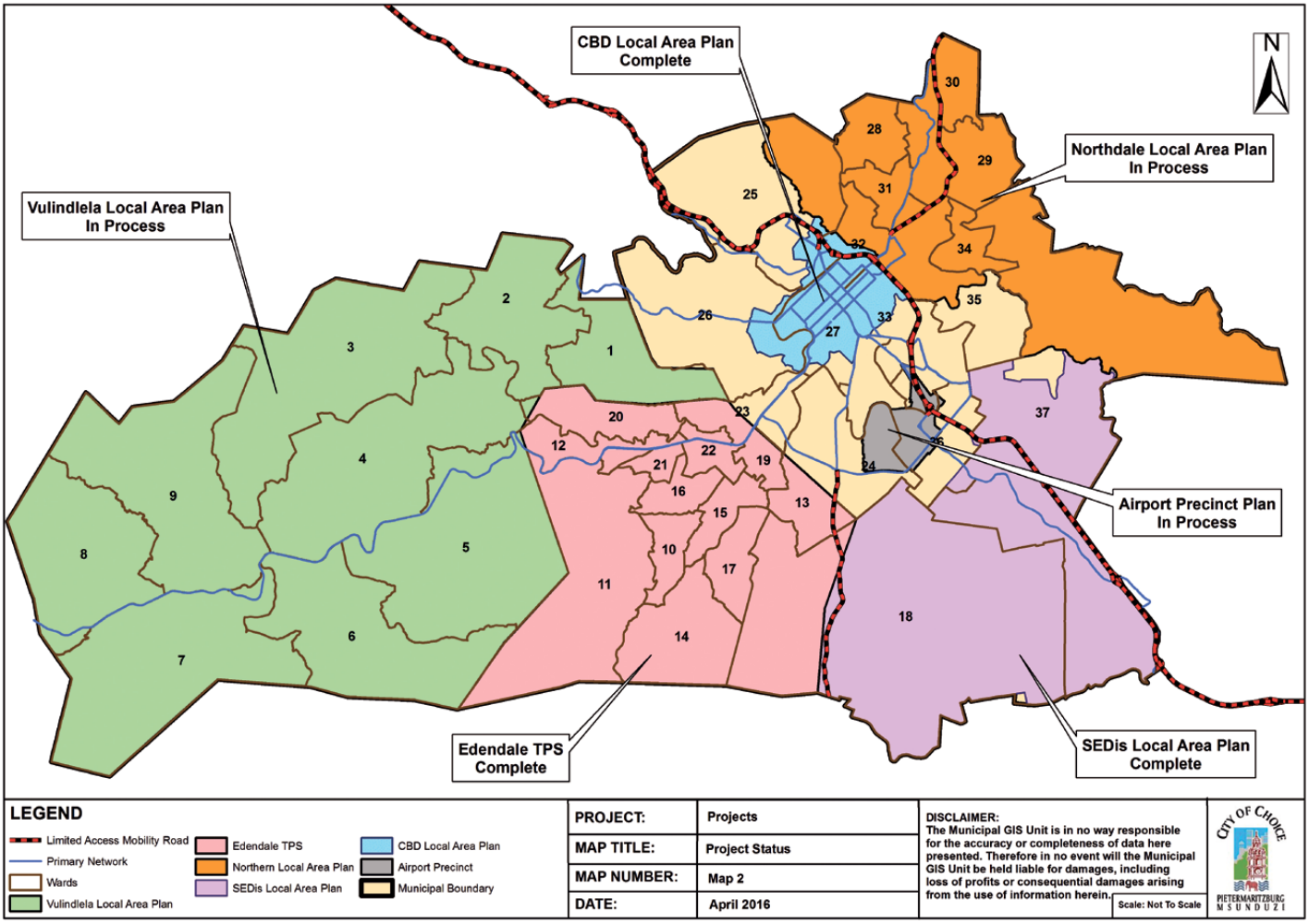
The Northern ABM consists of portions of the CBD, Clarendon, Montrose, Chase Valley, Woodlands, Northdale, Raisethorpe, and Bishopstowe. The N3 corridor traverses the ABM, but it is largely a movement corridor between the dominant urban cores of Johannesburg and Durban. Due to the limited access nature 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.

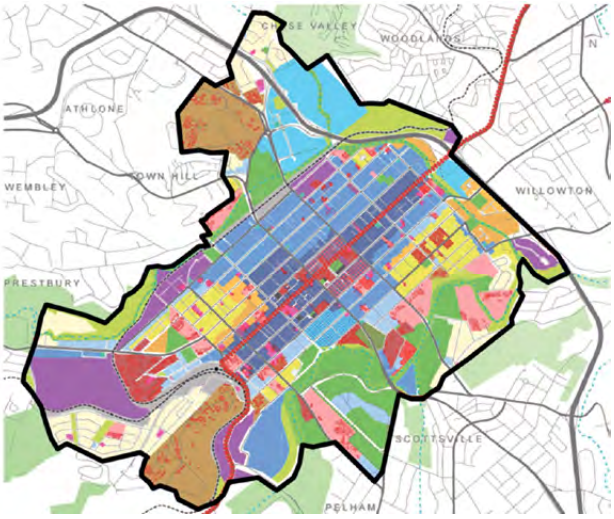
Map 2: Area-based Management Plans and Ward Boundaries



3.2.2.5 DETAILED PLANNING INITIATIVES

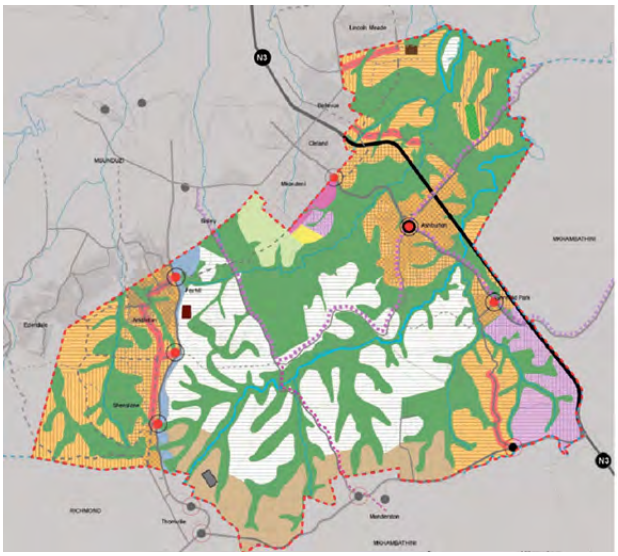
As part of ensuring that development is suitable crafted to fit challenges being experienced around the City, the City has embarked on the preparation of detailed plans for designated spatial areas. Currently, local area plans have been developed for the Central Area and CBD Extension Node (CACEN) and 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. Accordingly, The CBD Regeneration Plan is currently being devised. The project is expected to respond to the state of decline of the CBD, provide turnaround strategies for its future development in the form of a Precinct Plan and an Urban Management Plan. Due to the study area of the project being the most lucrative segment of the CBD, careful consideration is taken to engage with all sector plans either currently running or planned for the city. The IRPTN is a primary spatial structuring element and a major component of the City's future movement systems and accordingly, engagement has been sought with the IRPTN project team throughout the process of devising a regeneration strategy for the CBD core. This is to ensure consistent alignment in terms of routes within the CBD when the IRPTN is finally in operation. It is important to note the CBD Regeneration Plan is being devised amidst ongoing revision of the IRPTN plan. Whatever alterations are made to the plan should be reflected in the final CBD Regeneration Plan.



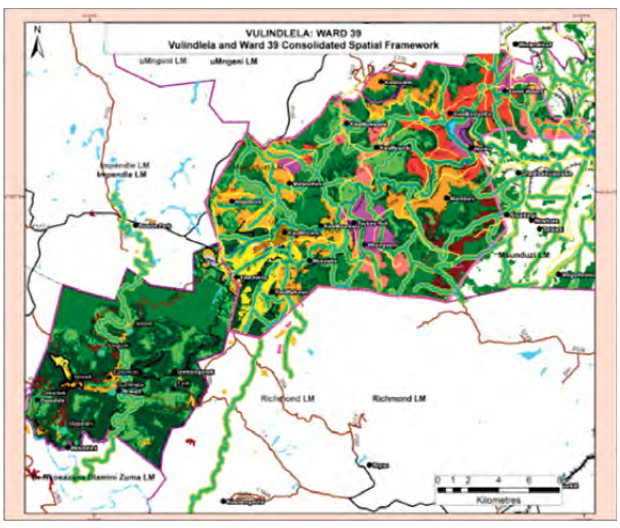
Spatial Development Framework 2015

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 adopted the Vulindlela LAP in June 2016. The 2016 Local municipal Elections however, resulted in the absorption of Ward 39 which historically fell under the jurisdiction of the Nkosazana Dlamini Zuma Municipality. Thus, Ward 39 was incorporated into the existing Vulindlela Local Area Plan. Subsequently, in June 2017, Service Providers were appointed to assist the municipality with the preparation of the Vulindlela LAP- Ward 39 Incorporation. The project reached its conclusion at the end of 2018 and an adoption report has already been submitted and currently circulating the relevant Committees for endorsement and adoption.



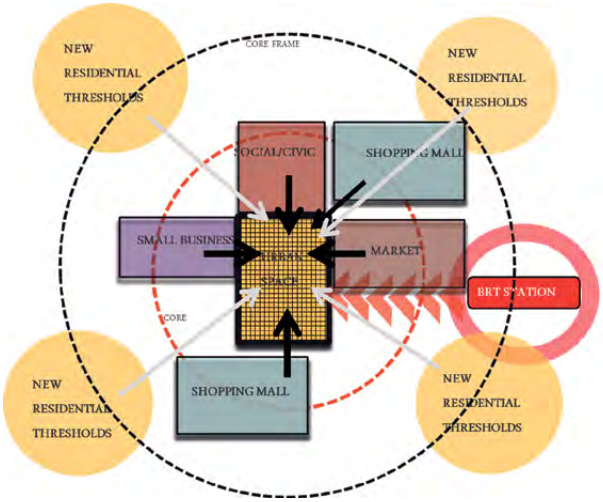
Spatial Development Framework 2015

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.



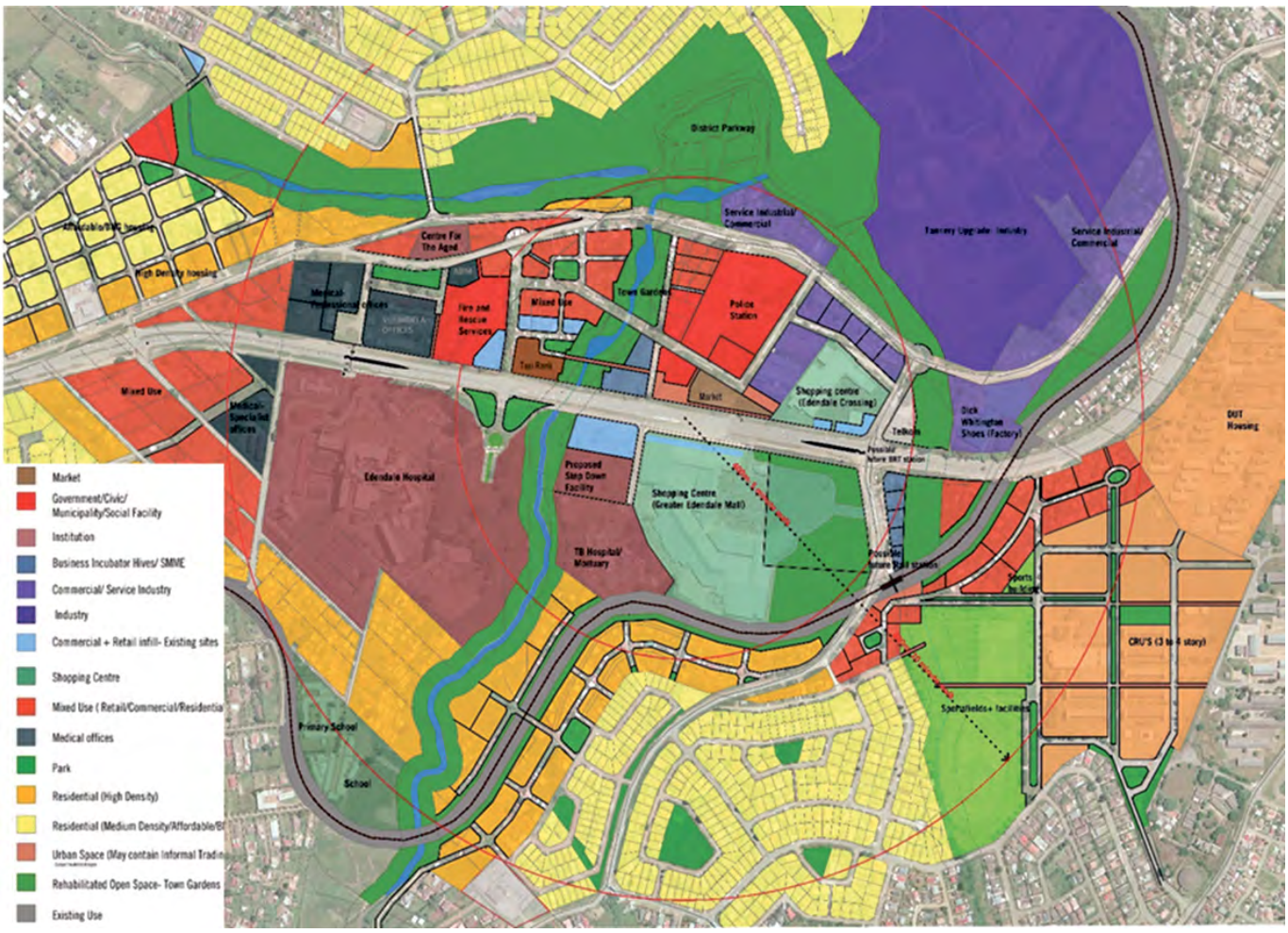
Spatial Development Framework 2015

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.

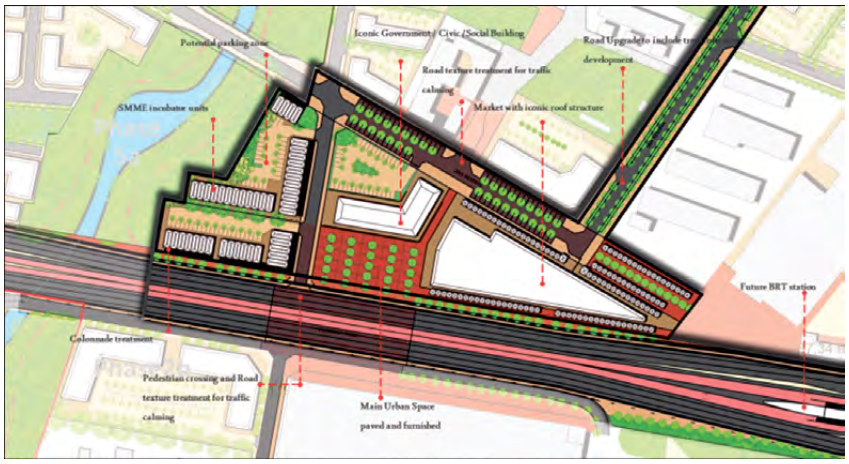
After a vigorous criteria evaluation of three proposed Hub locations, the Imbali area was chosen for the establishment of an Urban Hub. This area is in the vicinity of the existing shopping centers within Edendale and was chosen due to it being highly accessible and currently serves as a landmark and 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.

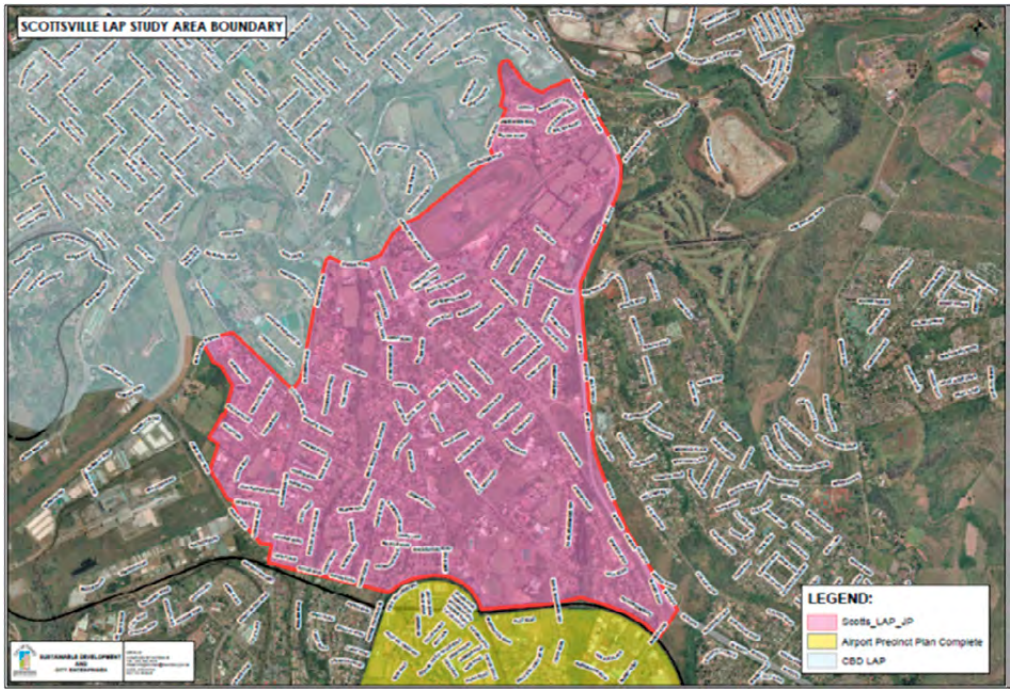
6. Scottsville/Pelham Local Area Plan: The Scottsville/Pelham area has been experiencing significant pressure and change due to the existence of a significant number of schools, the University of KwaZulu-Natal, the Durban University of Technology and Varsity College within the area, there is an increasing demand for student and rental residential accommodation. The location of the study area at the entrance of the City from the coastal regional and adjacent to a major development corridor of the province and the country (ie. N3) affords the Municipality the opportunity to break from a 'business as usual' approach to urban development of an established but changing low density suburb, and to realise some of its development goals related to City restructuring and densification.

The aim of the project is to:

- Review and translate the role of Scottsvile/Pelham in the The Msunduzi Municipality spatial economy so as to offer regional services and boost and support the brand of the "City of Choice" though provision additional new attractive, sustainable and regionally competitive urban living environments.
- Restructure the city, including the establishment of a positive relationship between its urban and suburban (i.e. the study area being one) components and to break down the fragmented and inequitable spatial structure and form of previous planning.
- Enable the establishment of a more responsive urban structure and urban form that will enable more

integrated, mixed use and diverse "live, work (study) and play environments which speak to the current residential demands and more sustainable urban settlement.

- To protect, manage and develop significant environment resources and assets (e.g. Msunduzi River) which can add value to the brand of the city as a desirable urban living environment. The project is underway and it envisaged to be completed by June 2020.



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 conceptualized based on the following key philosophies:

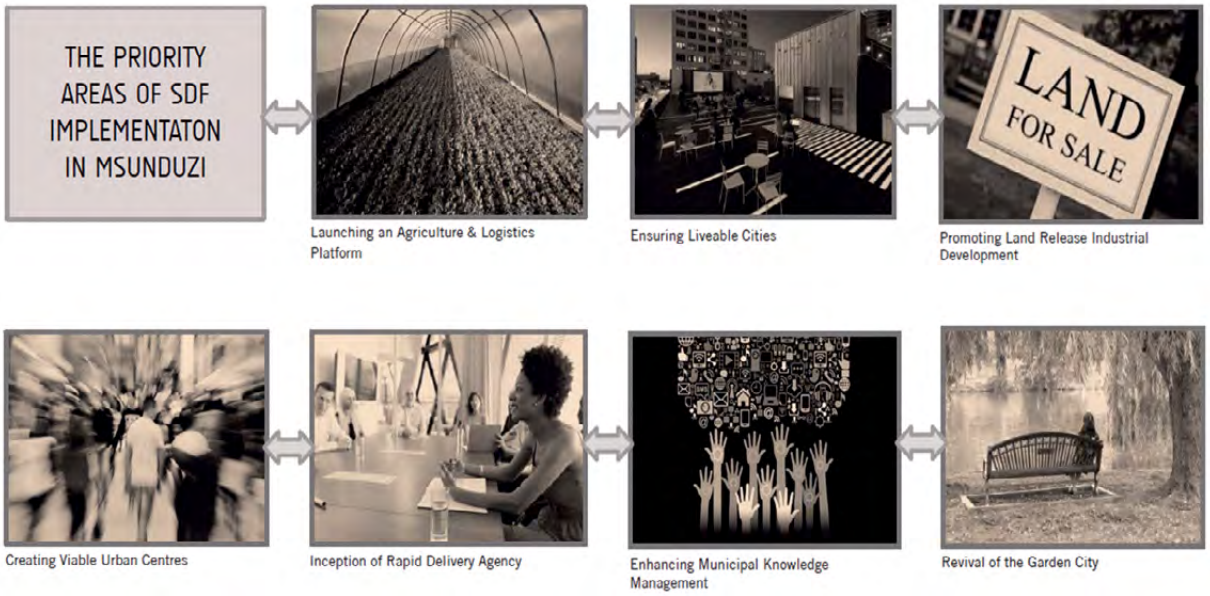
- Transformation;
- Equity/ Equality;
- Restructuring;
- Recycling / Upcycling;
- Reinventing; and
- Public Place Making.

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 plan 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).

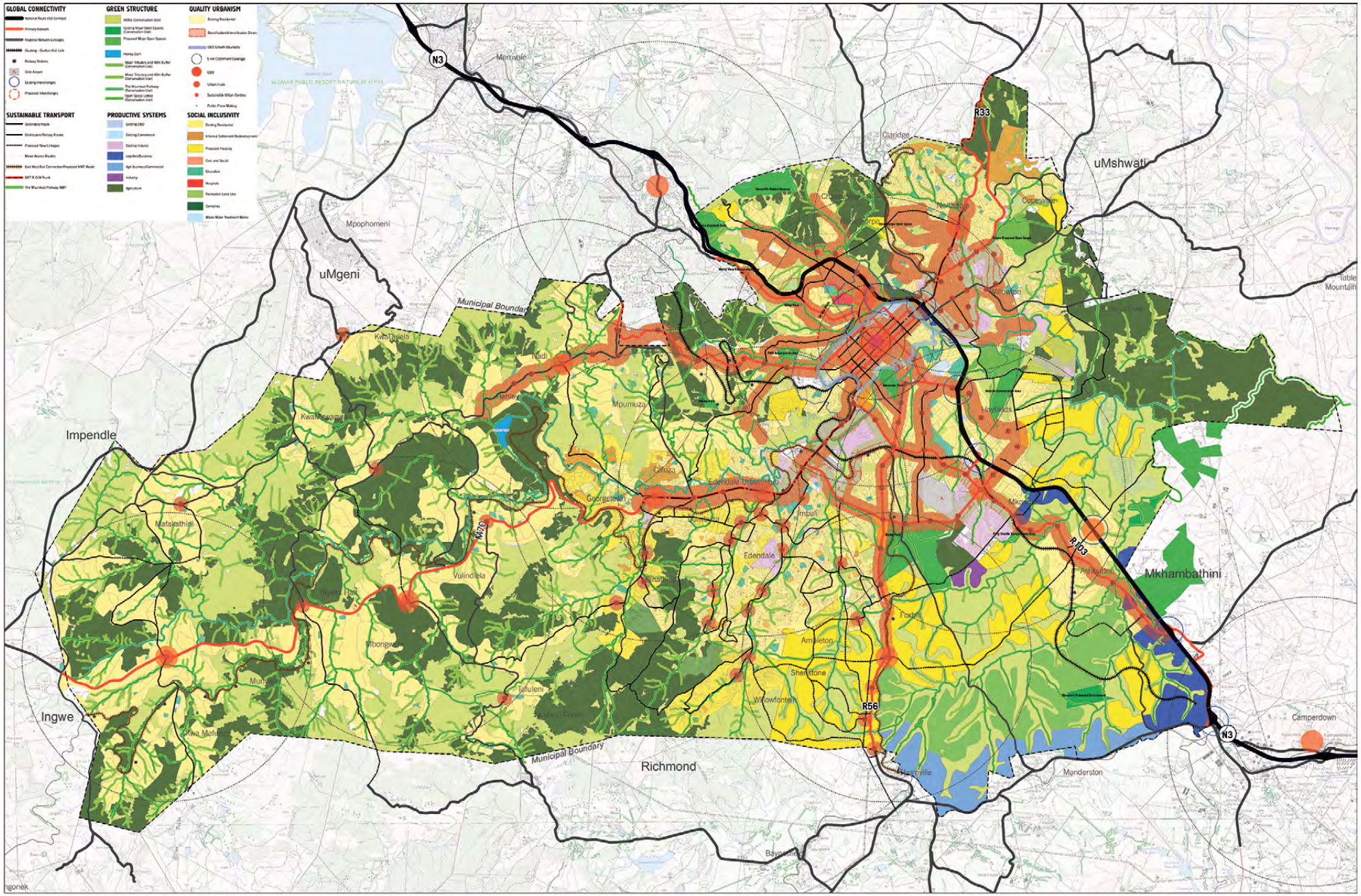
A phasing plan was built in accordance with the various projects - as they relate to certain land use categories. This resulted in a land use guideline which can be cross-referenced against the distinct SDF map legend items as well as the more generic/broad land use categories.

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.

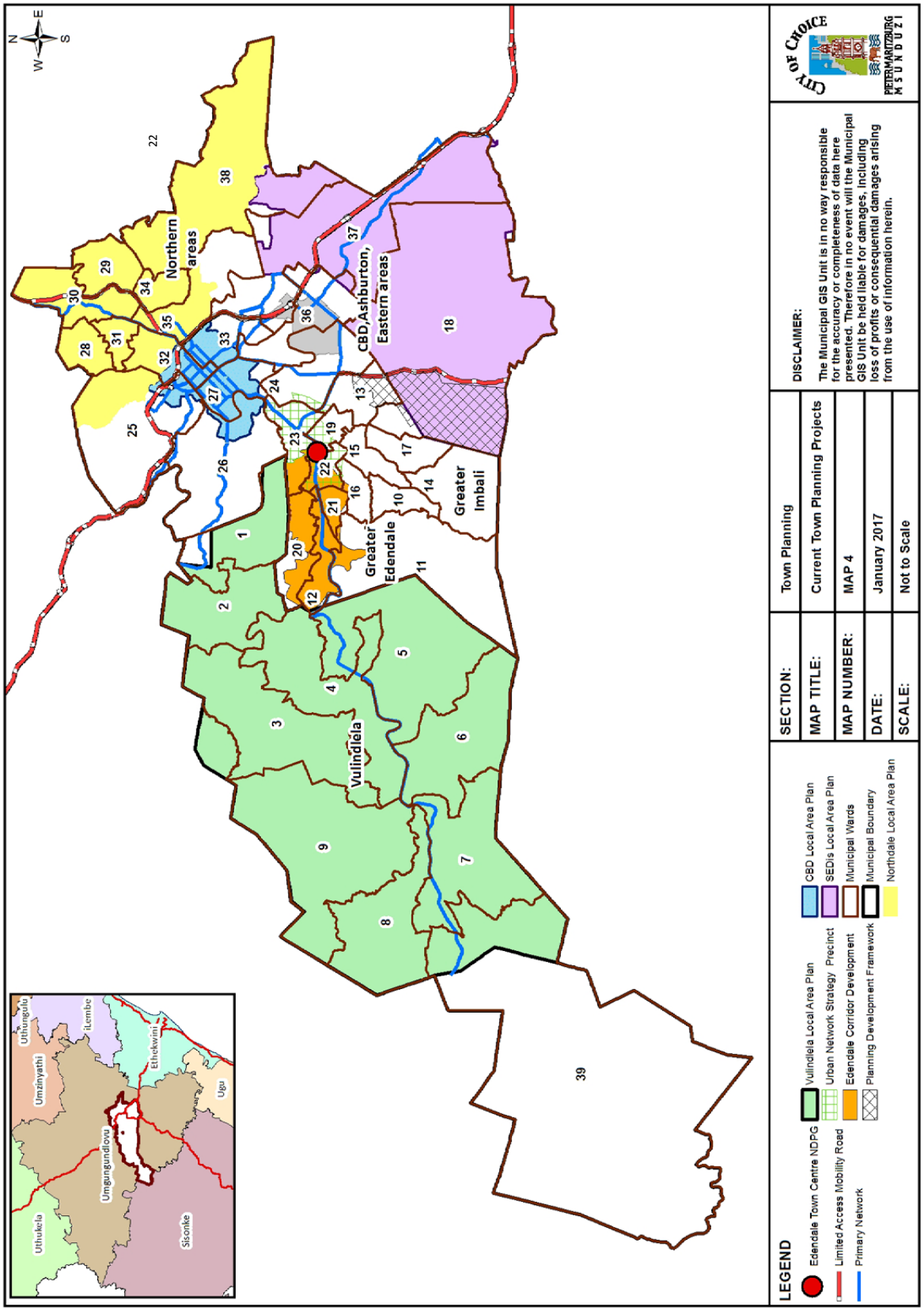
The Msunduzi Municipality has the tools in hand to begin seeing the vision of the SDF through for a sustainable, thriving city. This roadmap which has been created, points to the vision of the “City of Choice and being Second to None”.

MAP 3: Spatial Development Framework

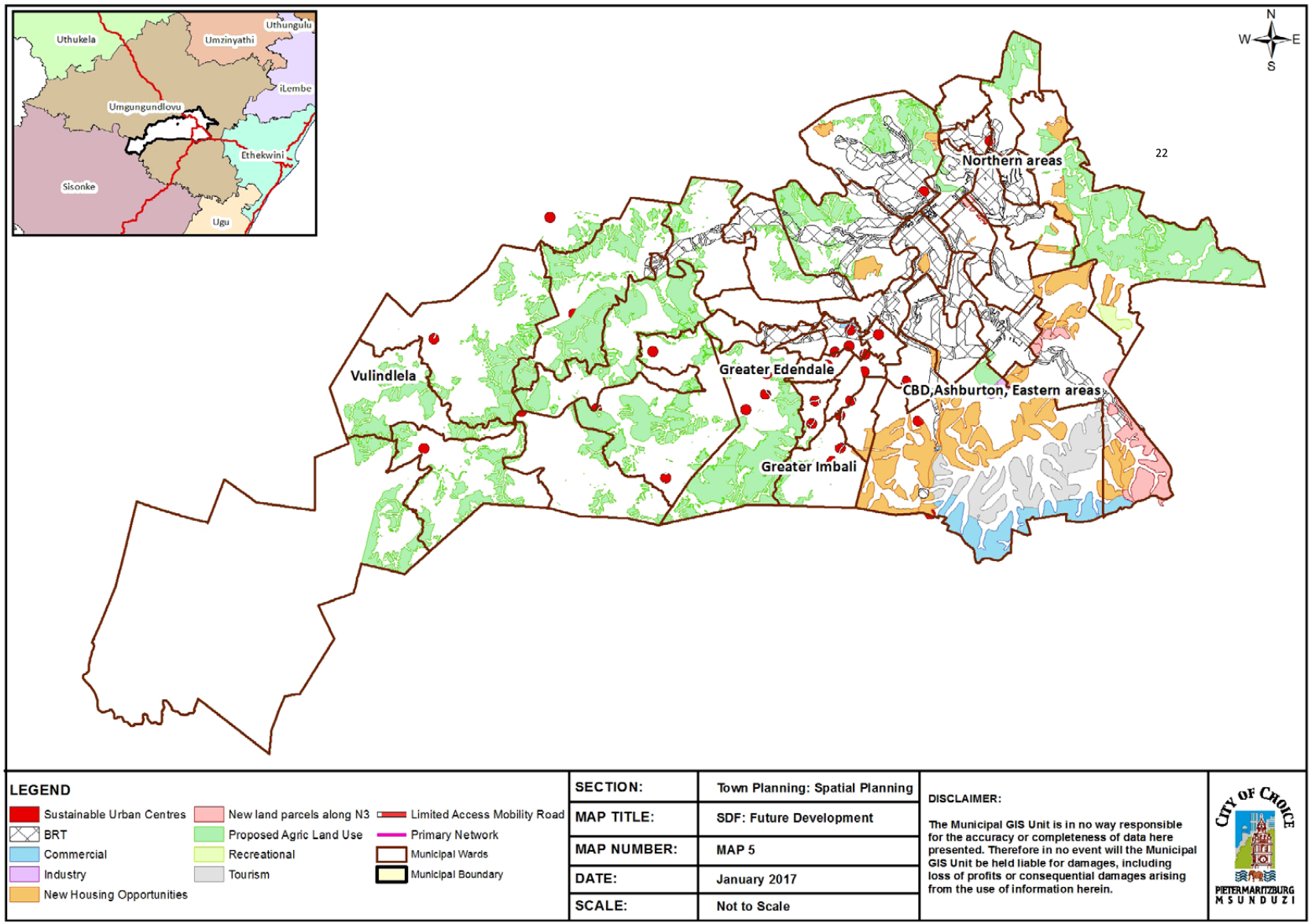


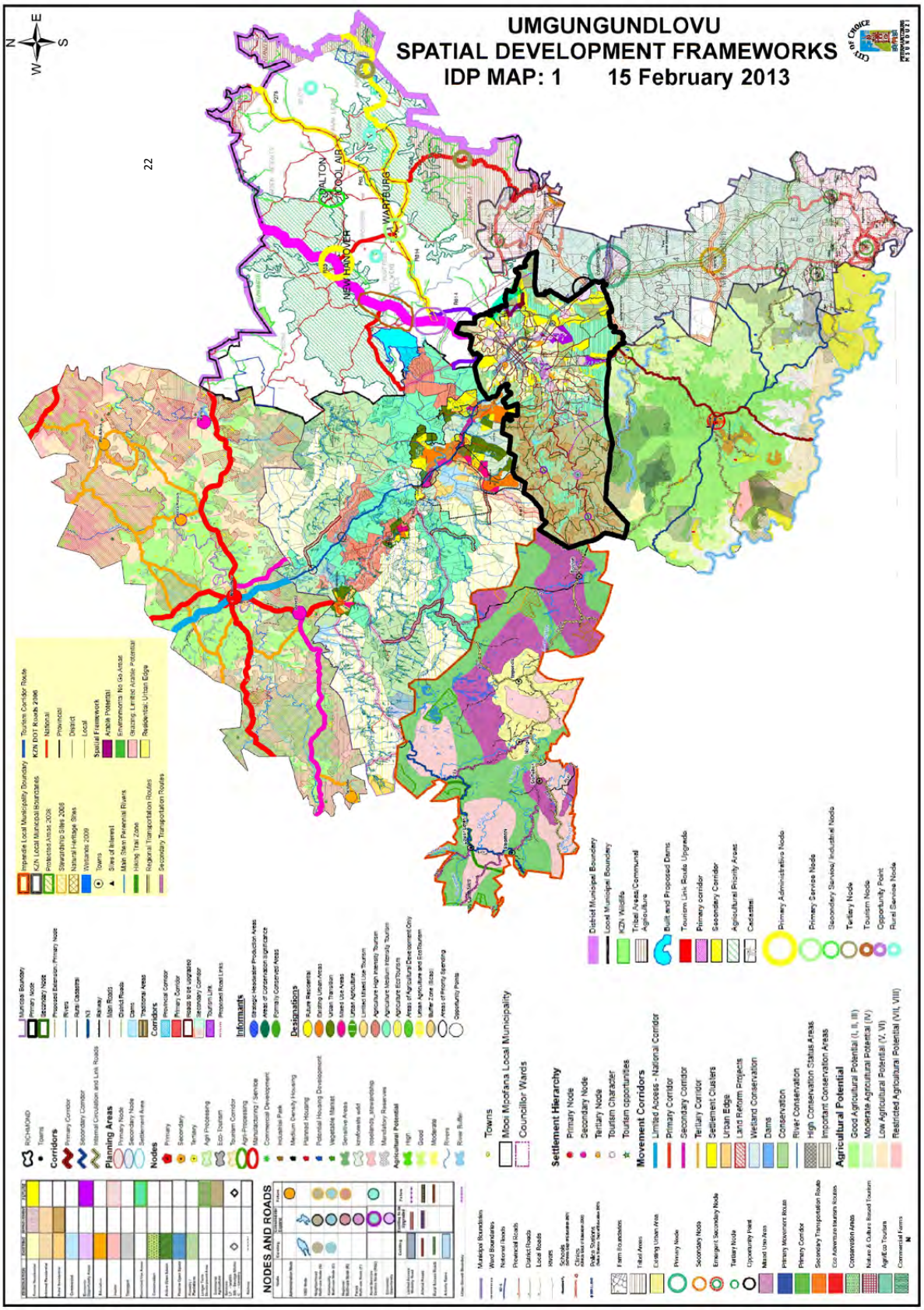
MSUNDUZI SPATIAL DEVELOPMENT FRAMEWORK - 2015

MAP 4: Current Town Planning Projects



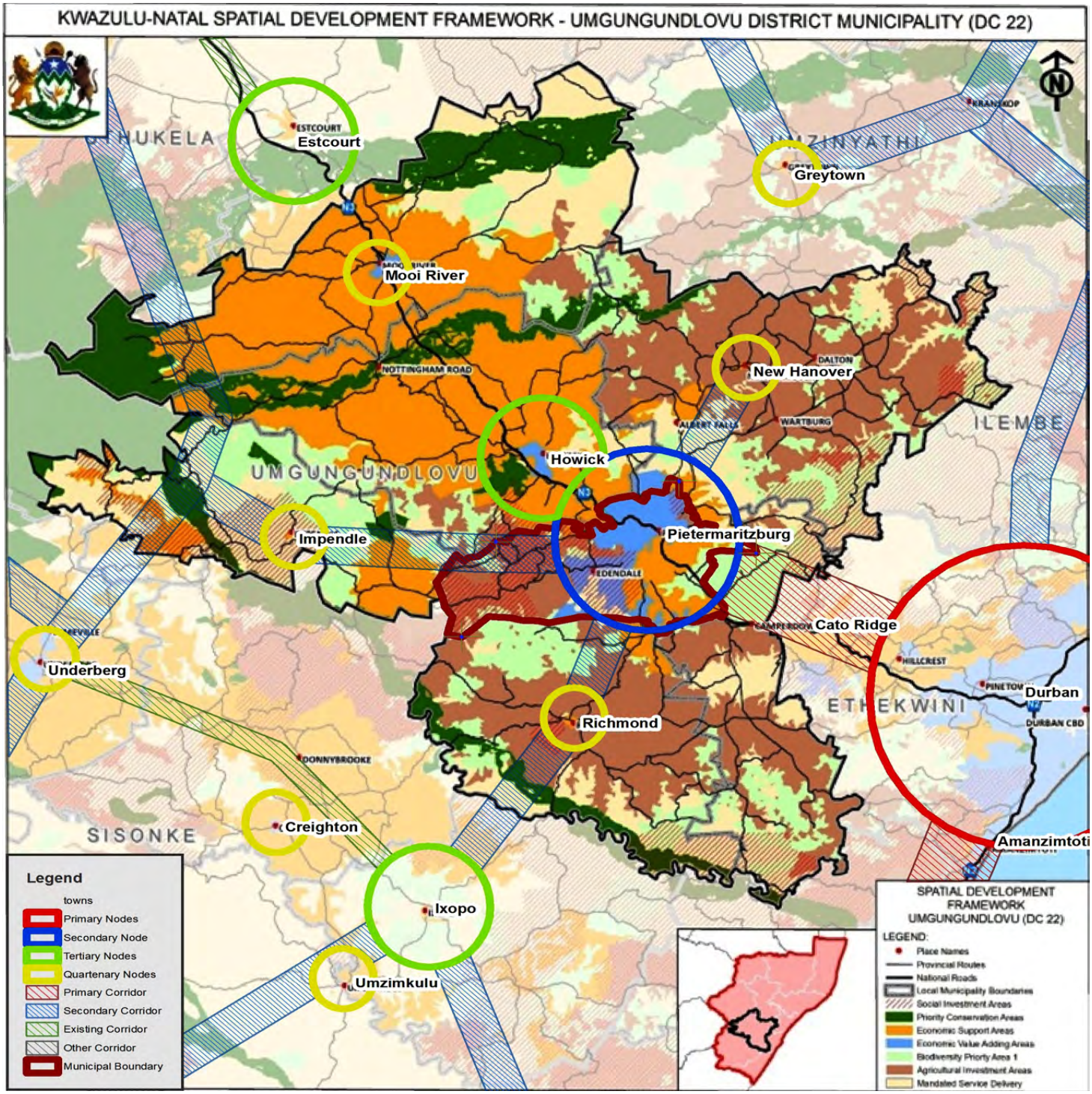
MAP 5: SDF Future Development





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 as 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

TThe 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	Approved-updated	June 2019	Contains twelve specialist studies
Strategic Environmental Assessment (SEA)	Complete	Reviewed and updated in the 2016/2017 financial year	Long terms
Environmental Management framework	Approved-updated	June 2019	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)	"ninefocus areas prioritised".	Focus area 1 to be completed by 30 June 2019. 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,	30 May 2019	
Municipal Climate Change Adaptation Strategies	Complete	Council approve on the 27 of September 2017	Contains goals and action plans relating to climate change risk in the municipality
Environmental Management Bylaws	Under review	June 2019	
Generic Environmental Management Programme (EMPr)	Approved	June 2017	
Edendale Environmental Services Plan and Implementation Plan	Approved	June 2017	

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.

In order to effectively implement and control air quality, it is necessary to monitor and measure the concentrations of criteria pollutants in the ambient atmosphere. In terms of the AQA, it is mandatory for municipalities to monitor and report ambient air quality in compliance with Section 8 of the Act. Section 15(2) of the AQA requires each municipality to include an Air Quality Management Plan in its integrated development (IDP) plan required in terms of Chapter 5 of the Municipal Systems Act. An AQMP has been budgeted for in the 2017/2018 budget.

In complying with its legislative mandate in terms of the NEM: AQA, the Environmental Health Sub-Unit operates a network of air quality monitoring stations located at City Hall, Oribi Airport, Edendale and Northdale (in partnership with KZN Department of Environmental Affairs).

The pollutants that are monitored by the Msunduzi Air Quality Monitoring Network include Carbon monoxide (CO), Nitrogen oxides (NOx), ozone (O3), particulate matter of less than 2.5 microns (PM2.5) and 10 microns (PM10), Sulphur dioxide (SO2), and in future, volatile organic compounds (VOCs), in particular, a group of aromatic hydrocarbons, Benzene (C6H6), Toluene (C7H8), Ethyl-Benzene (C6H5CH2CH3) and Xylene (C8H10), referred to as the (BTEX) group. These are classified as criteria pollutants by the United States Environmental Protection Agency (USEPA) and are the most commonly found air pollutants that can harm human health or the environment. In addition to the above, a range of meteorological parameters are also monitored i.e. wind speed, wind direction, rainfall, temperature, barometric pressure, relative humidity and solar radiation.

The 1-year average of Ozone (O3) concentrations are presented graphically below for the period July 2016 to June 2017:

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 ENVIRONMENTAL HEALTH

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.

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Environmental Health (EH) is a fundamental public health approach affecting the whole population and services provided by the Environmental Health Sub-Unit are essential in building a healthy population.

In fulfilling its constitutional and legal mandated obligations, the Sub-Unit provides Environmental Health Services (EHS) in terms of the Scope of Profession for EH. Government recognizes the importance of prevention across all areas of health care. It is therefore essential to strengthen EHS as a critical programme of preventive and developmental primary healthcare services, required to make a significant contribution to the previous Millennium Development Goals (MDGs), particularly MDGs 4, 5, 6 and 7. The current focus is on the Sustainable Development Goals (SDGs), and in particular SDGs 3,6,11, and 13. EH is a fundamental public health approach affecting the whole population and services provided by EHPs are essential elements in building healthy population. These includes amongst others, food safety; sanitation; water quality monitoring; health surveillance of premises; waste management, the protection of indoor and outdoor air quality, communicable diseases control and tobacco control. The continued neglect on basic public health practices in general and of EH, has resulted in the emerging and reemerging environmental diseases seen around the world. EH for us remains the first line of defense against diseases. As a result, the provision of quality EHS is critical.

Critical shortage of staff, especially professional staff has impacted on service delivery, and in this regard, there are currently seven (7) Environmental Health Practitioners(EHPs) employed, out of twenty-six (26) EHPs on the approved structure. This relates to a vacancy rate of seventy-seven percent (77%), at this level, and way off the national norm of one (1) EHP for every 10 000 members of the population. The norm in terms of the National Environmental Health Policy, and National Health Act of the country, would mean that there should be at least triple the number of EHPs which would equate to approximately seventy (70) EHPs, aninety percent (90%) gap.

There is therefore an urgent need to advertise and fill priority posts, to bridge the gap and provide a more equitable and sustainable EHS to the community of Msunduzi.

Environmental Health Services include performance of the following functions:

3.3.4.1 WATER

a. Monitoring water quality and availability, including mapping of water source. Enforcement of laws and regulations related to water quality management.
b. Ensuring water safety in respect of safe quality (microbiological and chemical), and accessibility to an adequate quantity for domestic use as well as in respect or the quality of water for recreational, industrial, food production and any other human and animal use.
c. Ensuring that water supplies that are readily accessible to Communities and to the planning, design, management and health surveillance of community water supplies that are readily accessible to Communities.
d. Ensuring monitoring and effective waste water treatment and water pollution control, including the collection treatment and disposal of sewage and other water borne waste and control of the quality of surface water (including the sea) and ground water.
e. Advocacy on proper and safe water and waste water usage.
f. Water sampling and testing on the field and in a laboratory.

3.3.4.2 FOOD CONTROL

g. Food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption and optimal hygiene control throughout the food supply chain from point of origin, all primary ground, or raw products production up to the point of consumption.
h. Food inspection at production, distribution and consumption area.
i. Informal Street Trading Monitoring.
j. Food premises inspection and control of stationary nuisances.
k. Enforcement of food legislation and Codex Alimentarius.
l. Food quality monitoring programmes and principles through various techniques e.g. HACCP.
m. Promote the safe transportation, handling, storage and preparation of food stuffs used in the Primary School Nutrition programme (PSNP), Prisons, Health Establishments and Airports
n. Promote safe handling of meat and meat products including Abattoir inspections.
o. Promote the safe handling of milk and milk products.

3.3.4.3 WASTE MANAGEMENT

Waste management and general hygiene monitoring including:

a. Ensuring proper refuse collection, storage and disposal.
b. Ensuring proper liquid waste management including sewerage and industrial effluents.
c. Ensuring the proper storage, treatment, collection, transportation, handling and disposal of health care waste and hazardous waste.
d. Sampling and analysis of any waste or product (sewage), refuse or 'other wastes.
e. Investigations and inspections of any activity relating to the waste stream or any product resulting there from.
f. Advocacy on appropriate sanitation.
g. Control of the handling and disposal of diseased animal tissue.
h. Ensuring safe usage of treated sewerage sludge and the health safety of reclaimed waste.
i. Ensuring waste management including auditing of waste management systems and ensuring the "cradle to grave" approach is adhered to.

3.3.4.4 HEALTH SURVEILLANCE OF PREMISES

a. Environmental Health Impact Assessment including housing projects and indoor air quality monitoring.
b. Assessment of factors including ventilation, lighting, moisture proofing, thermal quality, structural safety and floor space.
c. Assessment of an overcrowded, dirty or unsatisfactory condition in any residential, commercial, industrial or other occupied premises.

d. Monitoring all buildings and all other temporary or permanent physical structure for residential, public or institutional use (including health care and other care, detainment, work and recreation including travel, tourism, holiday resorts and camping sites) as well as the facilities in connection therewith and the immediate precincts thereof.
e. Ensuring the urban and rural land-use planning and practices that are conducive to sustainable development through sound environmental health impact and other assessments.
f. Prevention and abatement. Any condition on any premises which is likely to constitute a danger to health
g. Ensuring the health safety of the public passenger transportation facilities such as buses, - trains, taxis, boats and aeroplanes as well as all other facilities in connection therewith.
h. Ensuring compliance with the principles of Agenda 21, the Healthy Cities approach to integrated service rendering and the practical minimizing of any detrimental environmental health risk.

3.3.4.5 SURVEILLANCE AND PREVENTION OF COMMUNICABLE DISEASES

a. Health and hygiene promotion aimed at prevention of environmentally induced diseases and related communicable diseases.
b. Collection analyses and dissemination of epidemiological data and information
c. Use of Participatory Hygiene and Sanitation Training (PHAST) approaches for effective control measures at Community Level.
d. Epidemiological surveillances of diseases.
e. Establishment of effective Environmental Health Surveillance and Information System.
f. Develop environmental health measures with protocols reference to epidemics, emergencies, diseases and migrations of population.

3.3.4.6 VECTOR CONTROL

Vector control monitoring including:

a. Identification of vectors, their habits and breeding places.
b. Vector control of public health interest including the control of arthropods, mollusks, rodents and other alternative hosts of diseases.
c. Removal or remedying of conditions resulting or favouring the prevalence or increase of rodents, insects, diseases carriers or pests.
d. Residual spraying of premises and surrounds.
e. Investigate zoonotic diseases and other vector borne diseases in the working and living environment.
f. Surveillance of imported cargo and livestock for the prevalence of disease vectors.
g. Serological tests of rodents, dogs and other pests.

3.3.4.7 ENVIRONMENTAL POLLUTION CONTROL

a. Ensuring hygienic working, living and recreational environments.
b. Identification of polluting agents and their sources i.e. air, land and water
c. Conducting environmental health impacts and assessments including Major Hazardous Installations.
d. Conducting environmental health hazards and risk mapping.
e. Accident prevention e.g. paraffin usage.
f. Approval of environmental health impact reports and commenting on Environmental Impact Assessment applications.
g. Ensuring clean and safe air externally (ambient and point sources) including emission inventories monitoring, modelling and toxicological reviews and complaint investigations.
h. Control and prevention of vibration and noise pollution.
i. Prevention and control of land pollution detrimental to human, animal and plant life.
j. Ensuring compliance with the provisions of occupational hazards. Occupational Health and Safety Act and its regulations including anticipating, identifying, evaluating and controlling of
k. Preventative measures required to ensure that the general environment is free from health risks.
l. Ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade and etc., which involves the control of internal impacts on the worker and external impacts on the community.
m. Integrity management including pipelines and tankage.

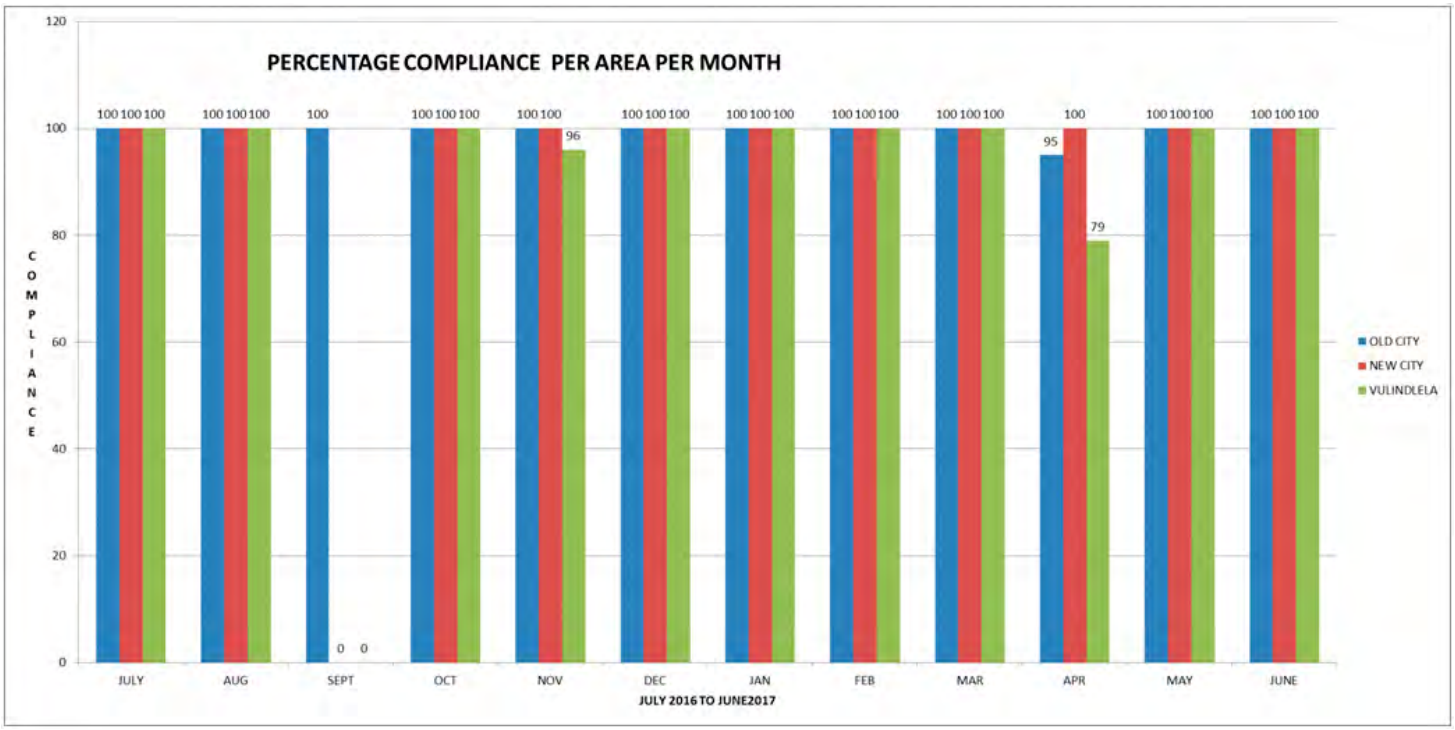
n. Emergency preparedness under abnormal operating conditions and disasters jointly with other role players.
o. Develop sustainable indicators appropriate for monitoring the effectiveness of Environmental Management Systems of Industry.

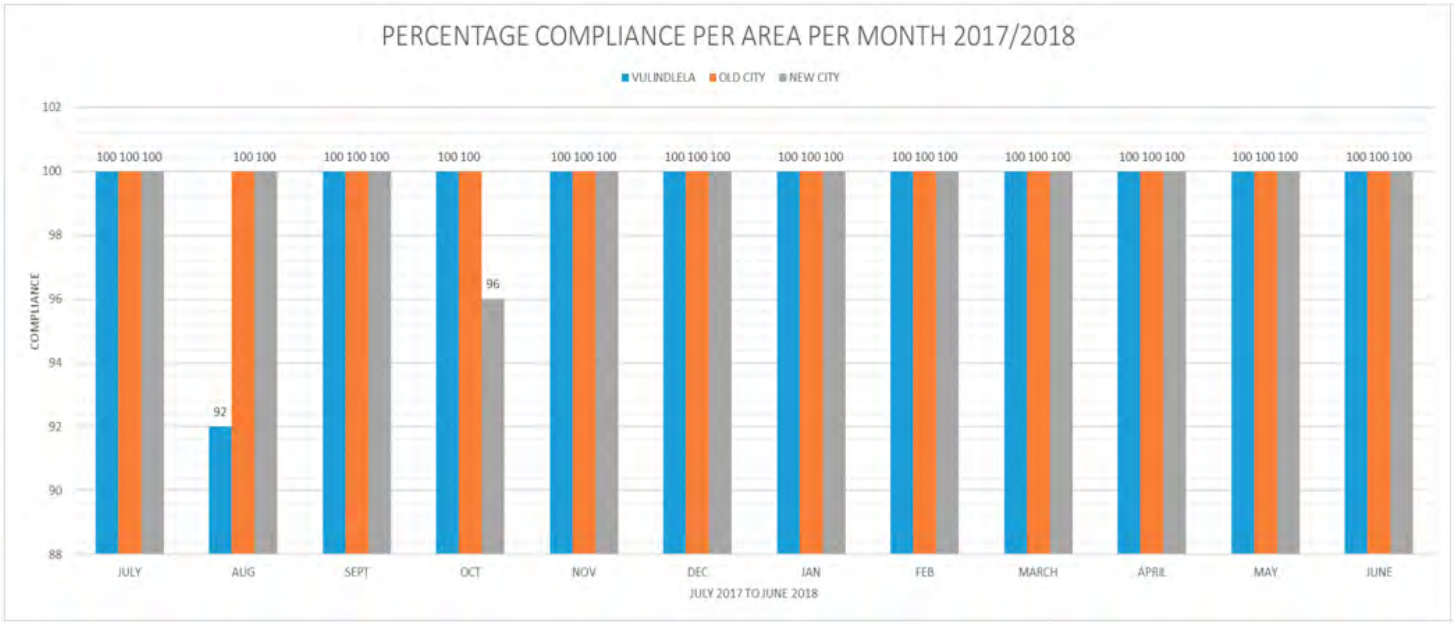
3.3.4.8 WATER QUALITY MONITORING

The Environmental Health Sub-Unit is responsible for ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use. Water samples are taken from seventy-two (72) reservoirs and consumer points forth nightly from three zones viz, old city, new city- Edendale, and Vulindlela and analysed as per the table below. The samples are taken for Blue Drop certification and Msunduzi Municipal drinking water is tested in terms of SANS 241: 2014 which is the South African National Standard that prescribes the limits for the microbiological, physical, aesthetic and chemical constituents/ determinants of drinking water.

DETERMINAND/TEST	DEFINITION	LIMITS (SANS 241:2011)
Heterotrophic Plate Count	Refers to the total number of visible colonies produced by micro-organisms in a water sample	≤ 1000 (must be less than or equal to 1000)
Coliform Organisms	A group of bacteria that are found in the large intestine of man and animals	≤ 10 (must be less than or equal to 10)
E Coli (Escherichia coli)	Indicates faecal pollution of water	NIL (must not be present in drinking water)
Free Chlorine	Used to protect a treated water supply against contamination. Free refers to the chlorine that is available after total disinfection	≤ 5 (must not be more than 5)
Total Chlorine	Total amount of chlorine in water. Chlorine is used for the disinfection of water)	≤ 3 (must not be more than 3)
pH	Refers to the acidity or alkalinity of water	≥5 to ≤ 9,7 (must be between 5 and 9,7)
Turbidity	Refers to the colour of the water i.e. muddy, unclear	≤ 5 (must not be more than 5)

In 2016 Msunduzi received Blue Drop Status for the third consecutive year and was awarded platinum status. The Blue Drop Status assessment, launched by the Department of Water and Sanitation in 2008, looks not only at the quality of drinking water, but also at the entire water provision cycle. The department announced the news that the Municipality's water score of 97.97% by independent assessors was the best in South Africa.





ENVIRONMENTAL HEALTH STAFF COMPLEMENT

The organisational structure for the Environmental Health Unit has 63 posts. Although the 2013 structure has been implemented, there is a legislative requirement for the Municipality to address and manage environmental health compliance issues and as such the following staff are currently employed:

TITLE OF POST	NUMBER OF POSTS ON STRUCTURE	STAFF EMPLOYED
Manager: Environmental Health	1	1
Environmental Health Area Coordinator	4	3
Air Quality Officer	1	0
Environmental Health Practitioner	26	7
Lab Technician	1	0

TITLE OF POST	NUMBER OF POSTS ON STRUCTURE	STAFF EMPLOYED
Environmental Health Assistant	8	3
Field Hygiene Worker	20	17
Principal Clerk	1	1
Senior Clerk	1	1
TOTAL	63	33

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.

There are many different international and national climate change policies and structures which inform climate change planning in South Africa, these include (but are not limited to):

- The United Nations Framework Convention on Climate Change
- The Paris Agreement
- South Africa's Nationally Determined Contributions,
- The National Climate Change Response White Paper
- The National Climate Change Green Paper
- The National Development Plan
- Long Term Mitigation Scenarios
- Long Term Adaptation Scenarios

3.3.6 ENVIRONMENTAL MANAGEMENT STAFF COMPLEMENT

Environmental management Staff complement - The organisational structure for the Environmental Management Unit has 13 posts as follows:

Manager Environment: 1 post	(vacant, currently acting appointment, advertised internally)
Scientist Open Space Planning: 1 post	(filled)
Scientist Planning and Policy: 1 posts	(vacant)
Technician Training and Education: 3 post	(vacant)
Scientist Impact Assessment: 5 posts	(4 filled)
Scientist Climate Change: 1 post	(filled)
Administration Officer/GIS: 1 post	(filled)

Environmental Management staff complement:

- Manager Environment: Acting appointment - advertised internally December 2017
- Environmental Scientist posts: 6 permanent employees
- Administration Officer: 1 permanent employee
- 1 contract staff

Two(2) officials within the Environmental Management Unit have been trained as Environmental Management Inspectors (EMIs) in terms of section 31E of the National Environmental Management Act (Act 107 of 1998). Both officials have been designated as Grade 2 EMIs by the Hon. MEC in KwaZulu-Natal for Economic Development, Tourism and Environmental Affairs, Mr. Sihle Zikalala.

Environmental Management Inspectors (EMI) must see to it that environmental legislation is followed and enforced. The EMIs have the powers to:

- Investigate: question witnesses, inspect and remove articles, take photographs and audio-visual recordings, take samples and remove waste
- Inspect: enter premises to ascertain whether legislation is being followed and seize evidence of criminal activity
- Enforce: search premises, containers, vessels, vehicles, aircraft and pack animals; seize evidence and contraband; establish road blocks and make arrests.
- Administrate: issue compliance notices and admission of guilt fines.

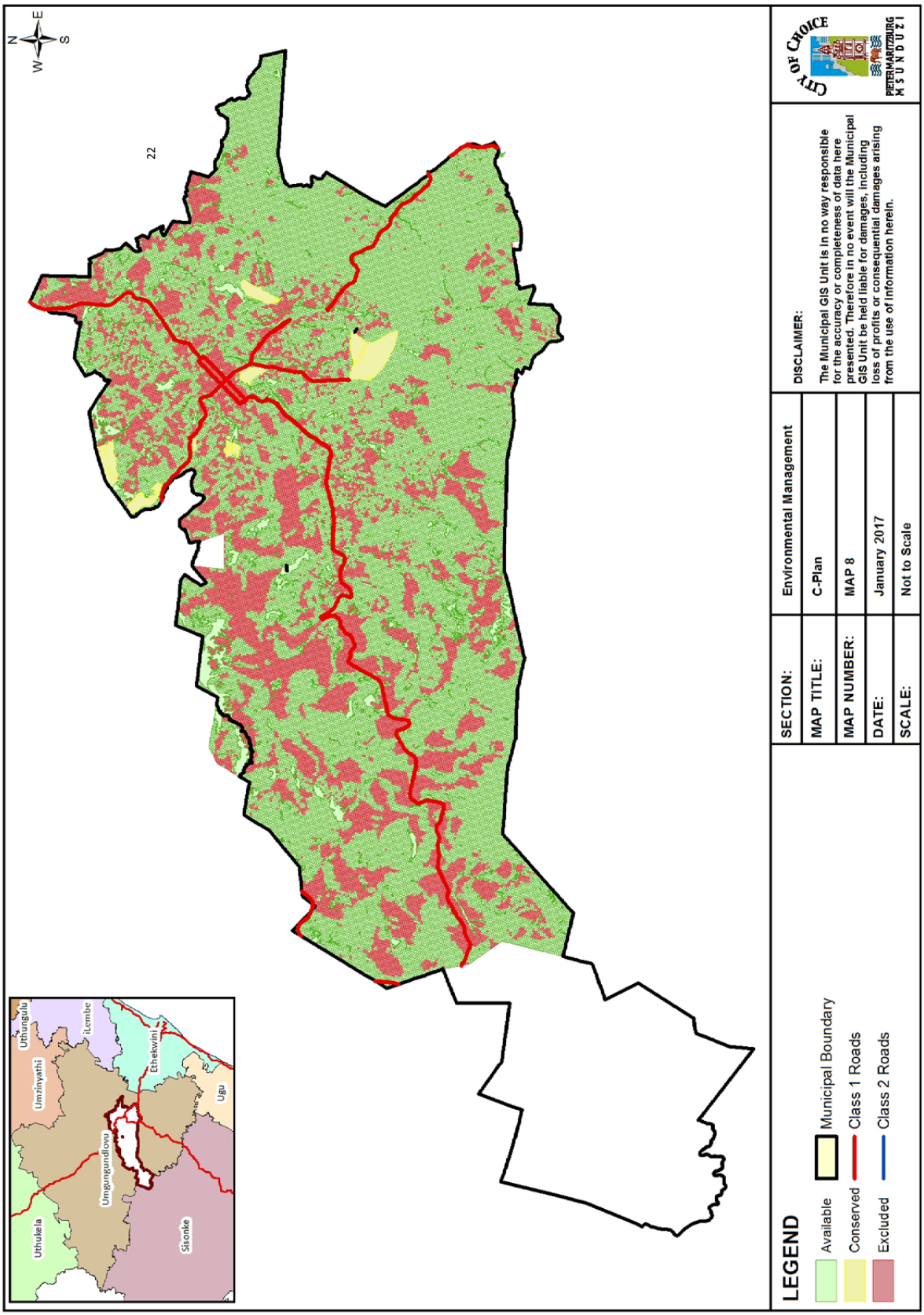
TABLE 16: SWOT

KEY ISSUES RELATING TO THE NATURAL ENVIRONMENT INCLUDE:

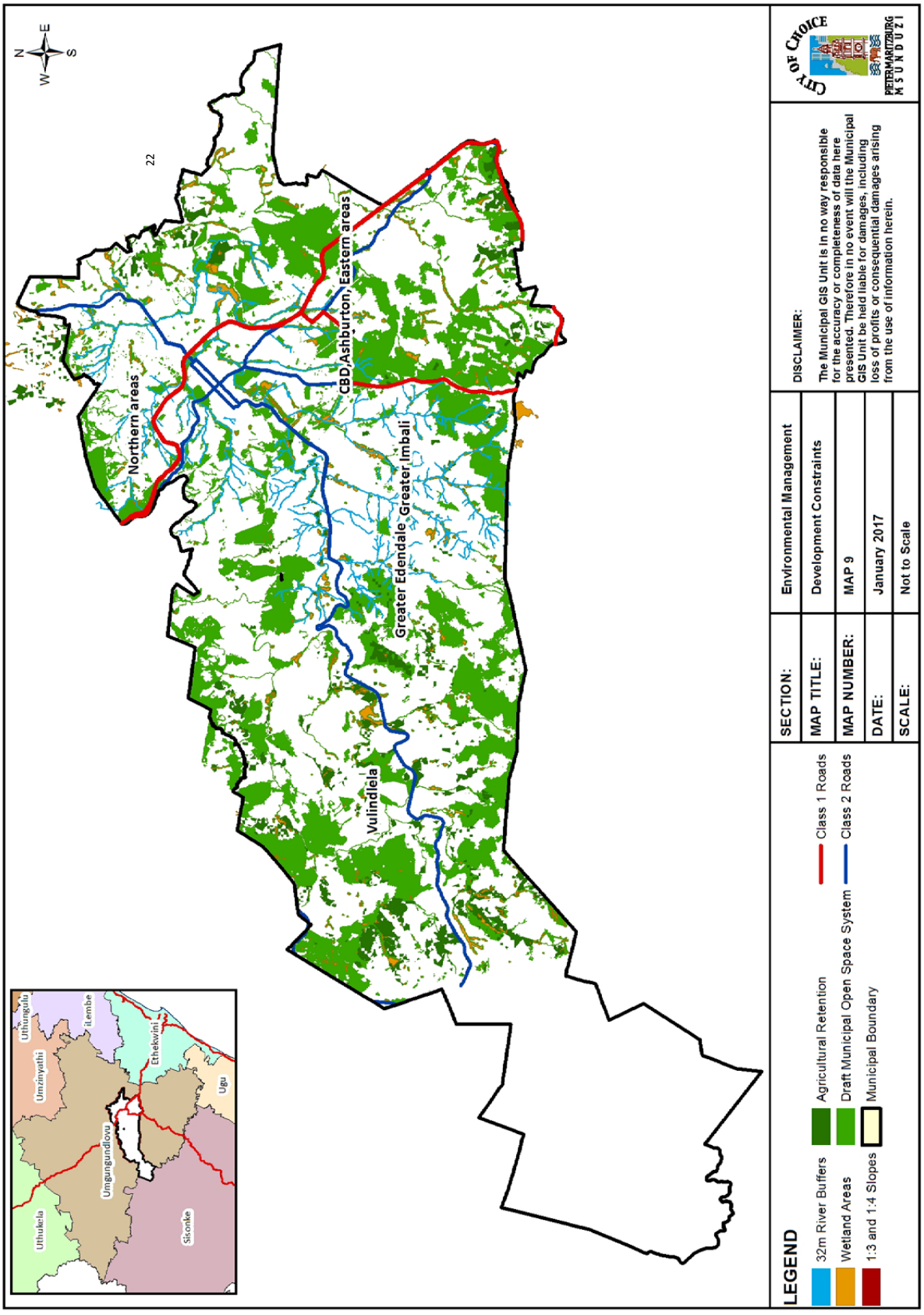
- Clearing of alien-invasive plants as they impact on biodiversity, agricultural land productivity, and water quality and supply. It is also a legal requirement, as the Municipality is a land owner, and is thus required to eradicate all Category 1 invasive species.
- Loss and degradation of key wetlands 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.

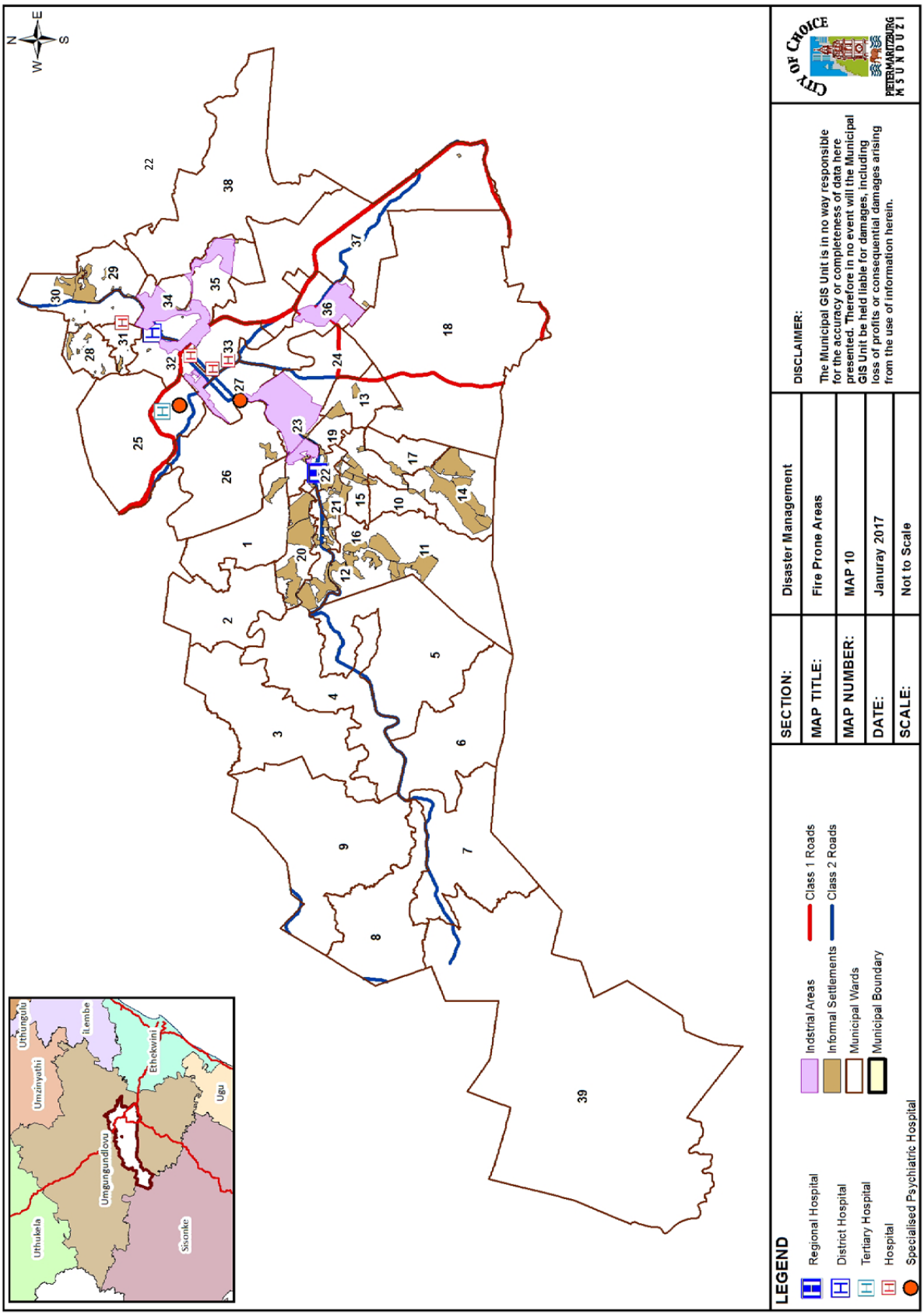
STRENGTHS	WEAKNESSES
• Functional GIS spatial analysis system • Qualified staff registered with professional bodies • Good co-operative governance with other spheres of government	• Lack of vehicles • Lack of human resources – Environmental Management Unit currently consists of 1 permanent and 6 contract 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



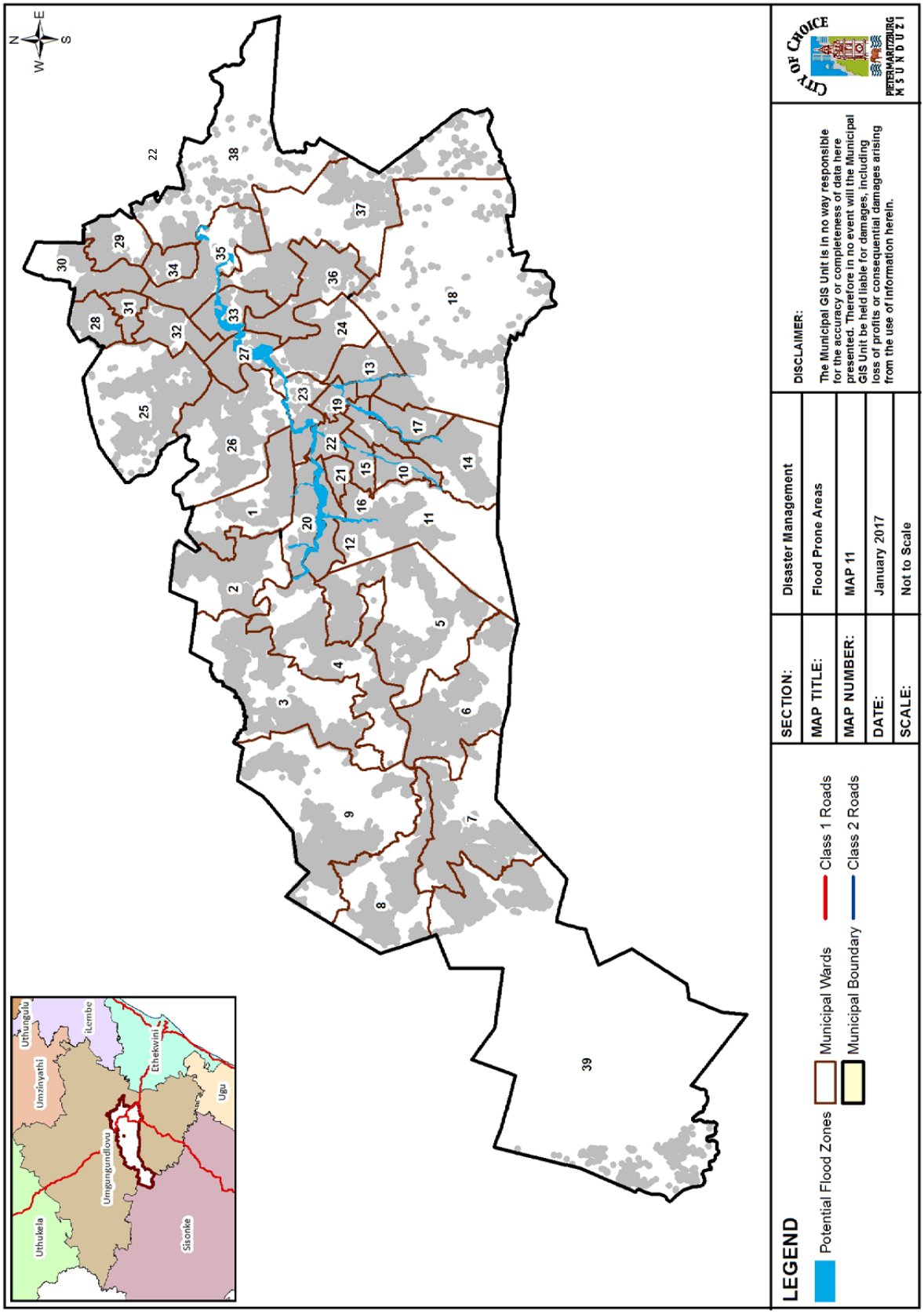
MAP 9: Evenviromental Management: Development Constraints





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

<table>
<tr><td colspan="2">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</td></tr>
<tr><td>STRENGTHS
• The in-house review of the Consolidated Disaster Management Framework and Disaster Management Plan.</td><td>WEAKNESSES
• Funding .
• Obtain capital funding to extend the existing system into new areas.</td></tr>
<tr><td>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.</td><td>THREATS
• Human Resource issues relating to current levels of skills and training needs.
• Staff suitability for accreditation as Peace Officers.</td></tr>
</table>

C2-DEMOGRAPHIC CHARACTERISTICS

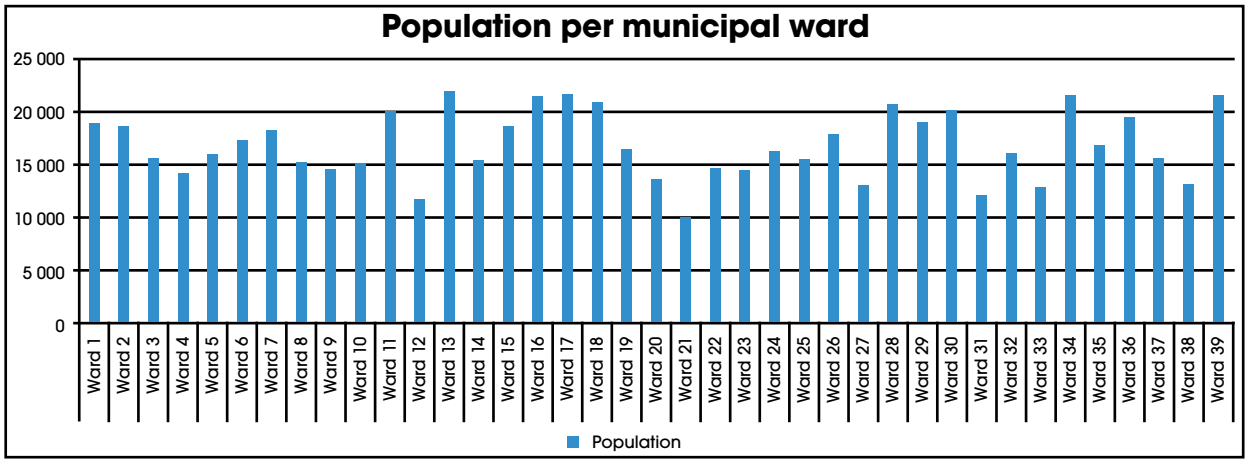
3.5 POPULATION

In 2016, Msunduzi Local Municipality had approximately 682 000 people. TheMunicipality carries approximately 181 594 households with approximately 423households per square kilometre (hh/km2).The year-on-year (y/y) average households' growth within the municipality is currently at1.6%. Msunduzi has a 60,0% labour force participation rate and 41.2% labour absorptionrate with 39,9% of the population employed. Each household earns approximately R6773 per month with 37,6% of households earning low income.The majority (49.6%) of Msunduzi residents have either grade 12 (39,0%) and highereducation (14,7%). The working age population (69,5%) dominates the municipality andis followed by youth at 25,4%. Table 6 herein below provides a consolidated demographicoverview of Msunduzi Local Municipality.

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%

The table below indicates the population per ward in the Municipality. The wards with the highest population include wards 13, 16, 17, 18, 28, 30,34 and 39 each with more than 20,000 people per ward.

Figure 5a: Population per municipal ward (StatsSA, 2016)



Stats SA Census 2016

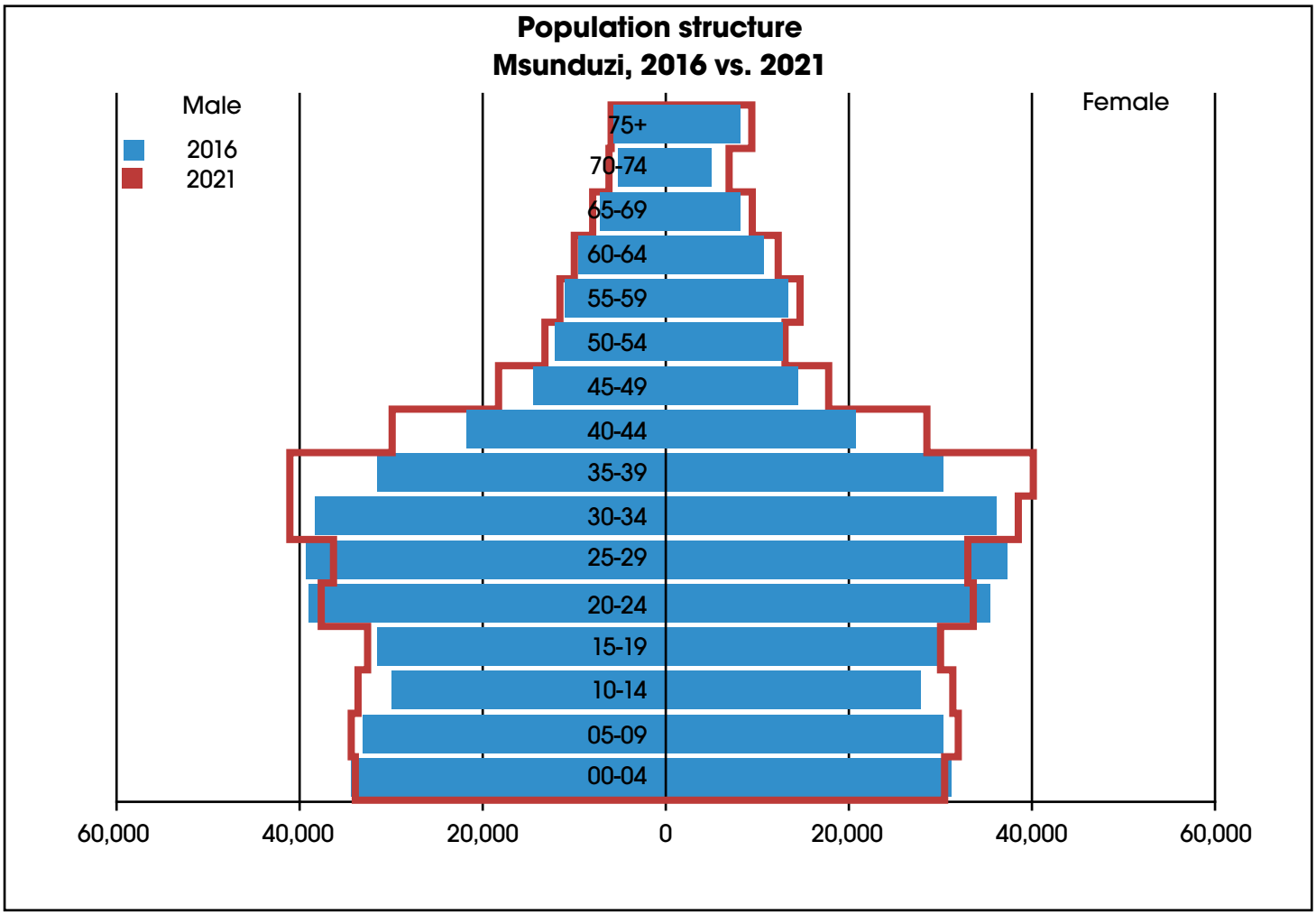
3.5.1 POPULATION GROWTH RATE

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. 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.

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 close 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 developmental 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

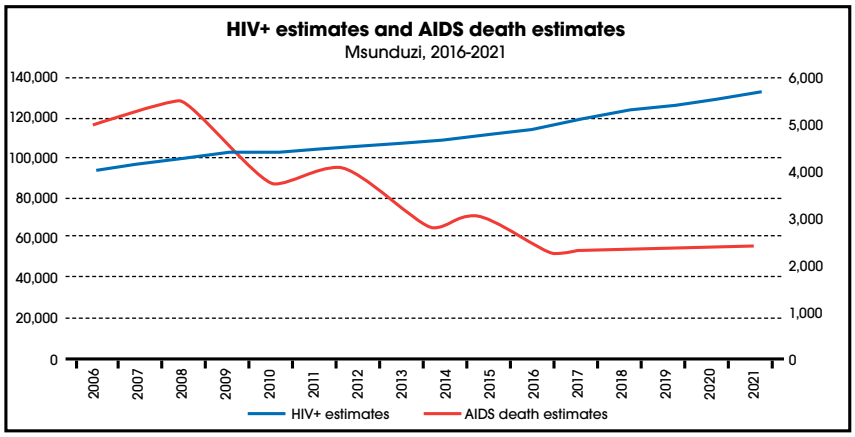
TABLE 20: PREVALENCE OF CHILD HEADED HOUSEHOLDS

	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-term 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:

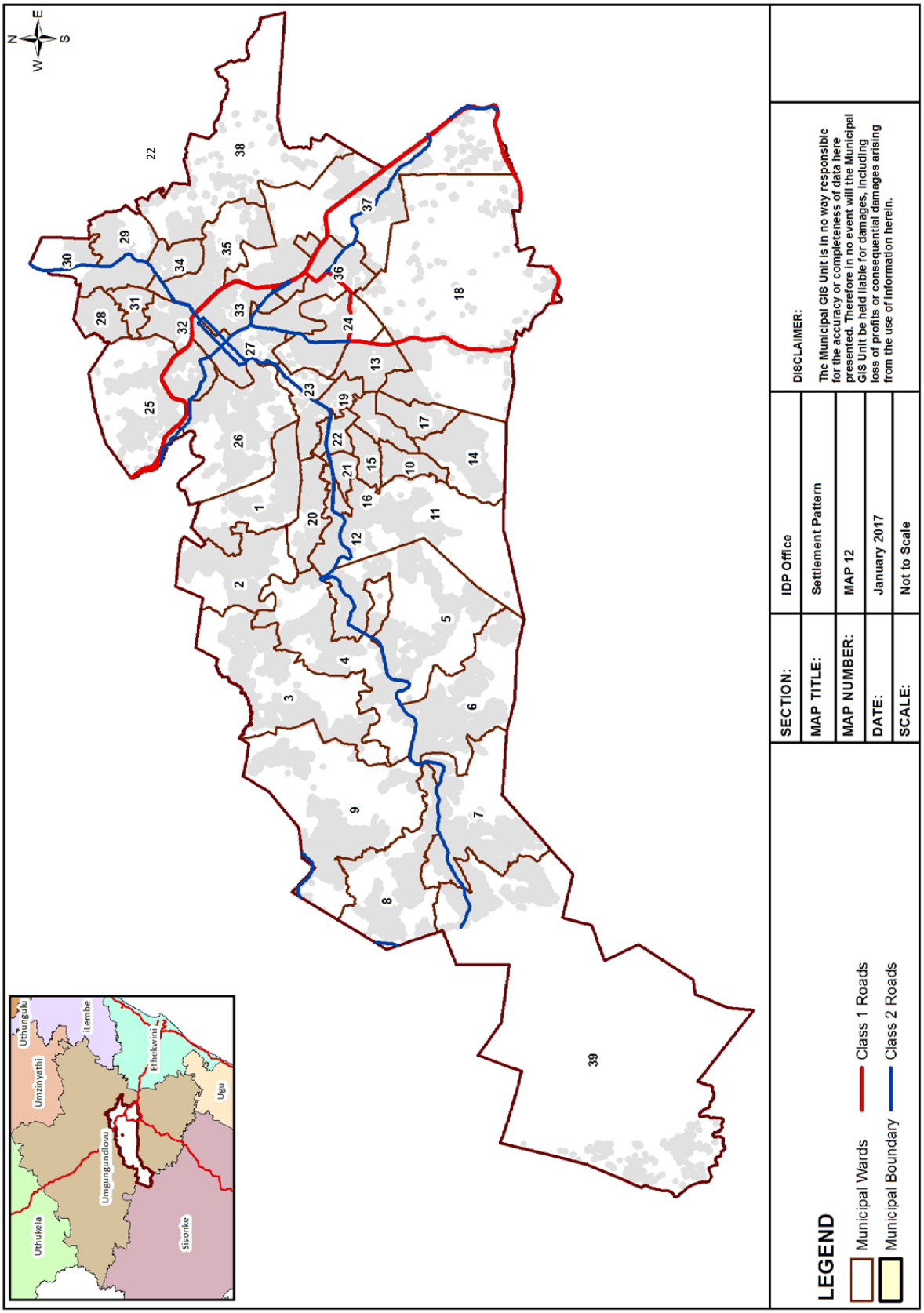
- More demand for hospital beds
- More demand for treatment
- Longer hospital stays
- Increased need for community services
- Increased costs of services
- Medical personnel being infected and affected

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".

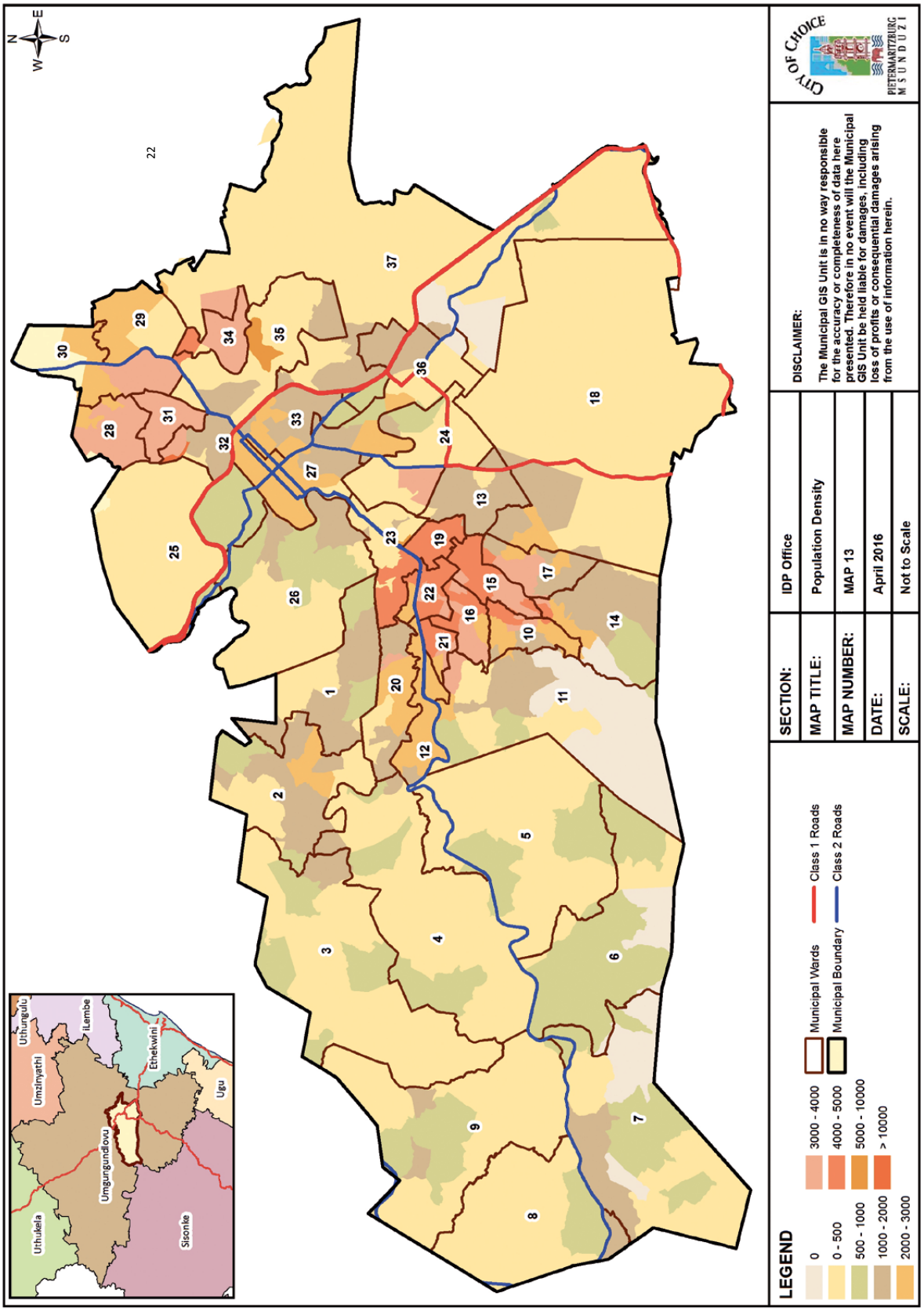
TABLE 21: SWOT

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

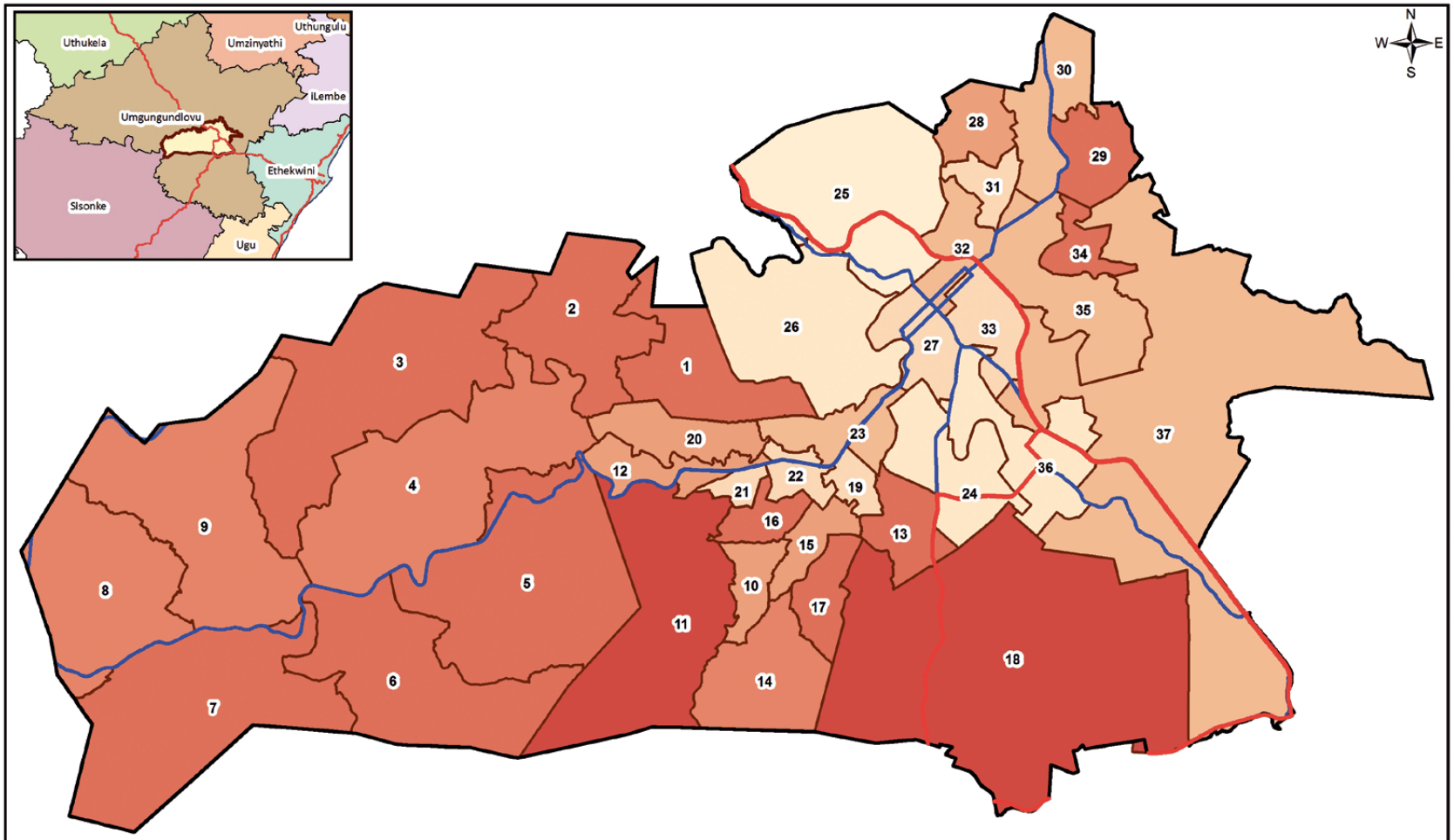


MAP 12: IDP Office: Settlement Pattern

MAP 13: IDP Office: Population Density



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



LEGEND

<2000	5001 - 6000	Municipal Wards	Class 1 Roads
2001 - 3000	6100 - 7000	Municipal Boundary	Class 2 Roads
3001 - 4000	7001 - 8000		
4001 - 5000	> 9000		

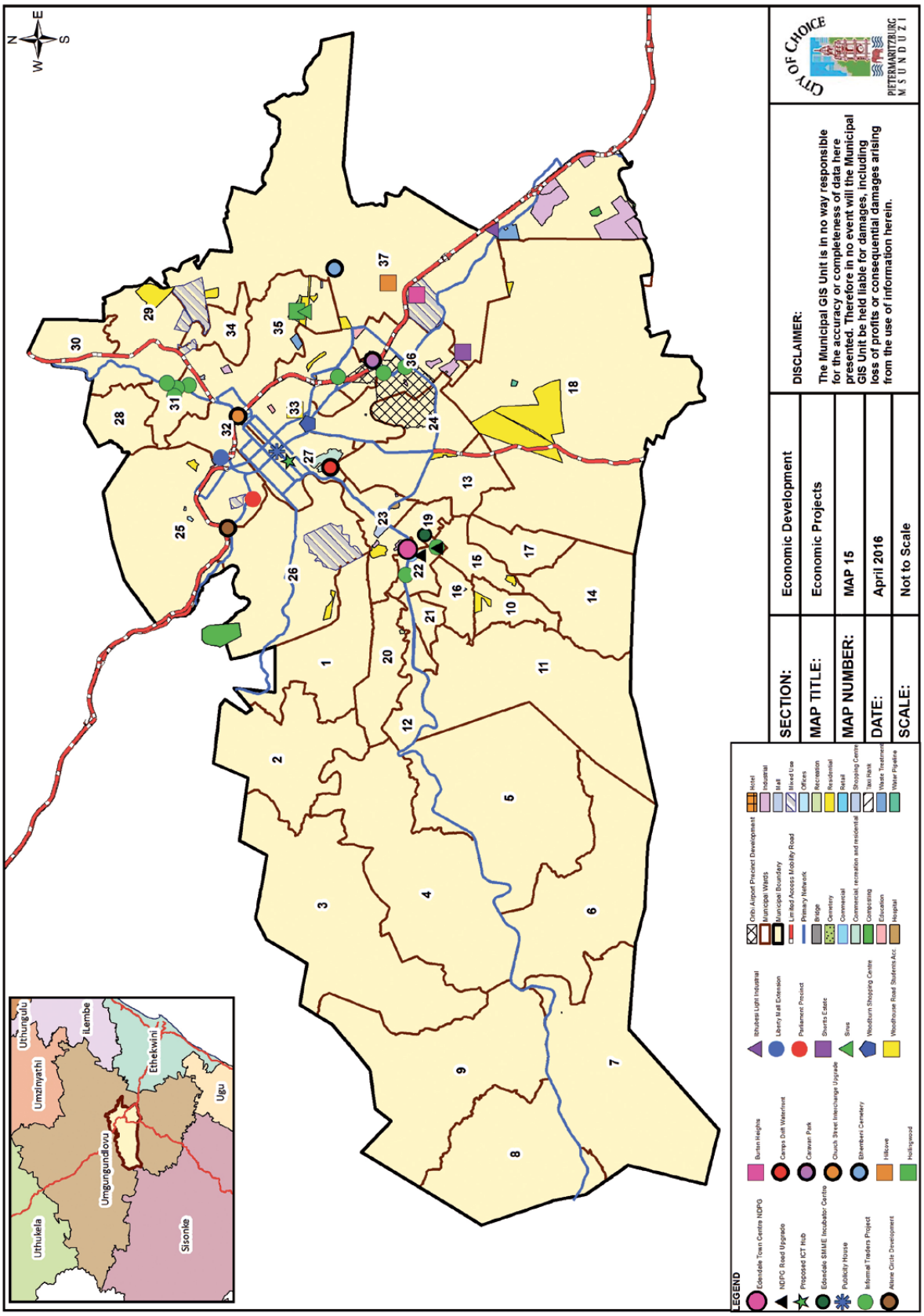
SECTION:	IDP Office
MAP TITLE:	No. of People: Income < R3200
MAP NUMBER:	MAP 14
DATE:	April 2016
SCALE:	Not to Scale

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
PIETERMARITZBURG
MSUNDUZI

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 from 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 City Manager. These Business Units, each headed by a General Manager, ensure that services are delivered to the people of the Msunduzi Municipality, and are structured as follows:

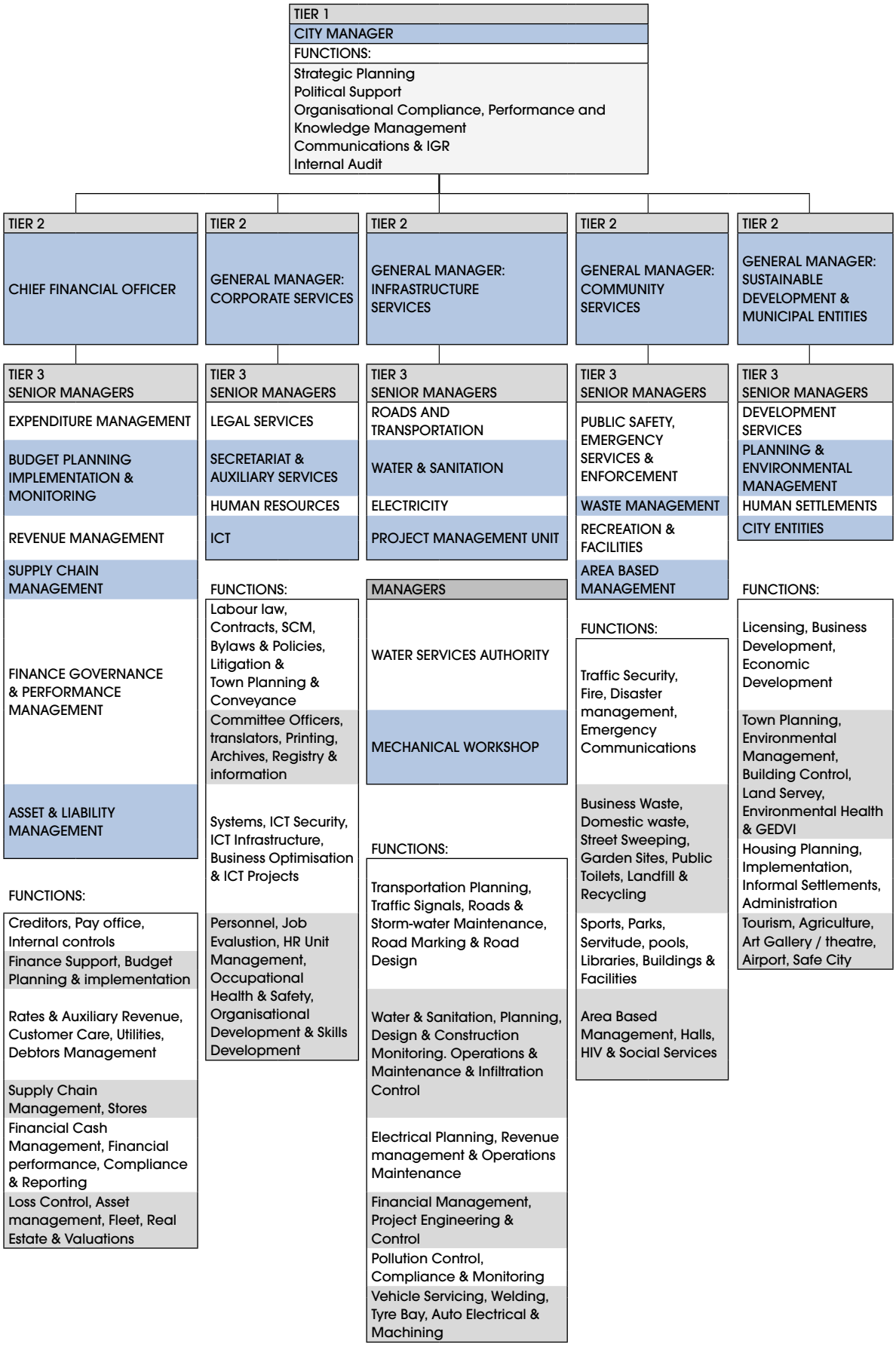
- Infrastructure Services;
- Community Services;
- Sustainable Development and City entities;
- Financial Services; and
- Corporate Services

The City 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.

APPROVED FUNCTIONAL ORGANOGRAM

The following diagram summarises the 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 four section 56 posts are filled. There is one vacancy, General Manager: General Manager Infrastructure Services, due to the resignation of the Incumbent. This post has already been advertised and interviews have been conducted accordingly.

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

(b) FILLING OF VACANT POSTS

The Municipality has a current vacancy rate of 43%, made up of a total of 5880 posts of which 3329 permanent posts are filled. In addition, there are 129 Contract Workers on the Staff Establishment. In order to fill the Staff Establishment/ Structure to full capacity, the Municipality needs approximately R500 million per annum. The Municipality does not have these resources available once-off at this juncture and can therefore only fill posts incrementally, year-on-year. At the same time, the Municipality is reviewing the structure as it was approved for operationalization only in 2013. Currently, the Municipality has posted an advert worth R44 million to fill critical vacant posts for 125 posts which should be filled by June 2019. The Municipality further continues to fill all posts vacated by natural staff attrition as a result of death/ retirement/ resignation to avoid the vacancy rate growing.

TABLE 23: STAFF ESTABLISHMENT

Staff Establishment : Totals		
Employee Group	Number	%
Approved Staff Establishment	5880	100
Section 57	4	0.1
Permanent employees	3246	55.2
Contract Staff held against approved posts	177	3
Variance	2453	41.7
Contract employees	493	
EPWP Workers	1828	
Learners/interns	144	
Totals	5834	

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	20	1	7	1	34	1	4	5	54	2	11	6	73
12 - MANAGERS	18	0	3	2	33	4	19	1	51	4	22	3	80
2 - PROFESSIONALS	60	1	13	3	96	5	18	6	156	6	31	9	202
3 - TECHNICIANS AND TRADE WORKERS	90	4	7	2	158	14	43	10	248	18	52	12	330
4 - COMMUNITY AND PERSONAL SERVICE WORKERS	94	6	15	2	195	21	52	11	289	27	67	13	396
5 - CLERICAL AND ADMINISTRATIVE WORKERS	90	12	40	4	62	3	25	5	152	15	65	9	241
6 - SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0
7 - MACHINE OPERATORS AND DRIVERS	101	0	0	0	184	1	3	0	285	1	3	0	289
8 - ELEMENTARY WORKERS	513	2	7	0	730	4	39	3	1243	6	46	3	1298
TOTALS	**986**	**26**	**92**	**14**	**1492**	**53**	**205**	**41**	**2478**	**79**	**297**	**55**	**2909**

(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 – 2017/2018 WSP

OCCUPATIONAL CATEGORY	FEMALE				MALE				TOTAL				TOTAL	% OF TOTAL EMPLOYEES
	A	C	I	W	A	C	I	W	A	C	I	W		
11 - LEGISLATORS	18	0	4	0	17	0	2	2	35	0	6	2	43	59%
12 - MANAGERS	0	0	0	0	2	0	0	0	2	0	0	0	2	3%
2 - PROFESSIONALS	18	0	1	0	31	0	1	0	49	0	2	0	51	25%
3 - TECHNICIANS AND TRADE WORKERS	28	0	0	0	29	1	13	2	57	1	13	2	73	22%
4 - COMMUNITY AND PERSONAL SERVICE WORKERS	40	2	5	0	69	12	26	3	109	14	31	3	157	40%
5 - CLERICAL AND ADMINISTRATIVE WORKERS	56	5	27	0	51	2	16	0	107	7	43	0	157	65%
6 - SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 - MACHINE OPERATORS AND DRIVERS	5	0	0	0	25	0	0	0	30	0	0	0	30	10%
8 - ELEMENTARY WORKERS	104	0	0	0	225	0	0	0	329	0	0	0	329	25%
TOTALS	**269**	**7**	**37**	**0**	**449**	**15**	**58**	**7**	**718**	**22**	**95**	**7**	**842**	**29%**

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 last annual workplace skills plan was adopted on the 30th of April 2018 and for the 2018/2019 Financial year.

(c) HUMAN RESOURCE STRATEGY

The human resource strategy was initiated in 2013 with assistance from COGTA. The strategy is now being reviewed to cater for the current challenges.

(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 organization, 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 on 01February 2018, when all Strategic Business Unit Managers were approached and were requested to complete Personal Development Plans (PDP's) for their subordinates. The training needs that were identified in these PDP's were used to compile the Work Place Skills Plan for 2018/2019.

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 presents the Workplace Skills Plan and the Annual Training Report to the Municipal Manager, The Chairperson of the Corporate Services Portfolio Committee, and Union Leadership for signing before 30 April of each year, as the reports must reach the Local Government SETA by 30 April of each year.

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 April of each year.

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	**WEAKNESSES**
• Reviewing of the organogram. • The development of a more customer focused organisation (Incorporation of Batho Pele principles).	• Outdated processes and systems.
OPPORTUNITIES	**THREATS**
• The development of a cohesive organisational structure. • Changing organisational culture to be performance driven. • SAP System to integrate processes	• 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	WSDP is currently in the process of being revised.	The WSDP was adopted by council in December 2019.
Bulk Water Master Plan	Bulk Water Master plan is currently being revised. This will now include the greaterVulindlela area and Ashburton.	A consultant has been appointed. It is anticipated that this process will be completed by December 2019
Bulk Sanitation Master Plan	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 2019.
Non- Revenue Water Reduction Master Plan	Approved 2010	This is now being implemented
IWMP	Approved	Adopted March 2015
Environmental Status Quo	Approved-updated	Contains twelve specialist studies
Environmental Management framework	Approved-updated	GIS environmental spatial layers linked to spatial decision support tool (SDST)
Strategic Environmental Assessment (SEA)	Complete	Long terms
Strategic Environmental Management Plan (SEMP	Complete	Contains 26 priority specific Action Plans
Climate Change Policy	Complete,	Currently refining data on 5 focus areas
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

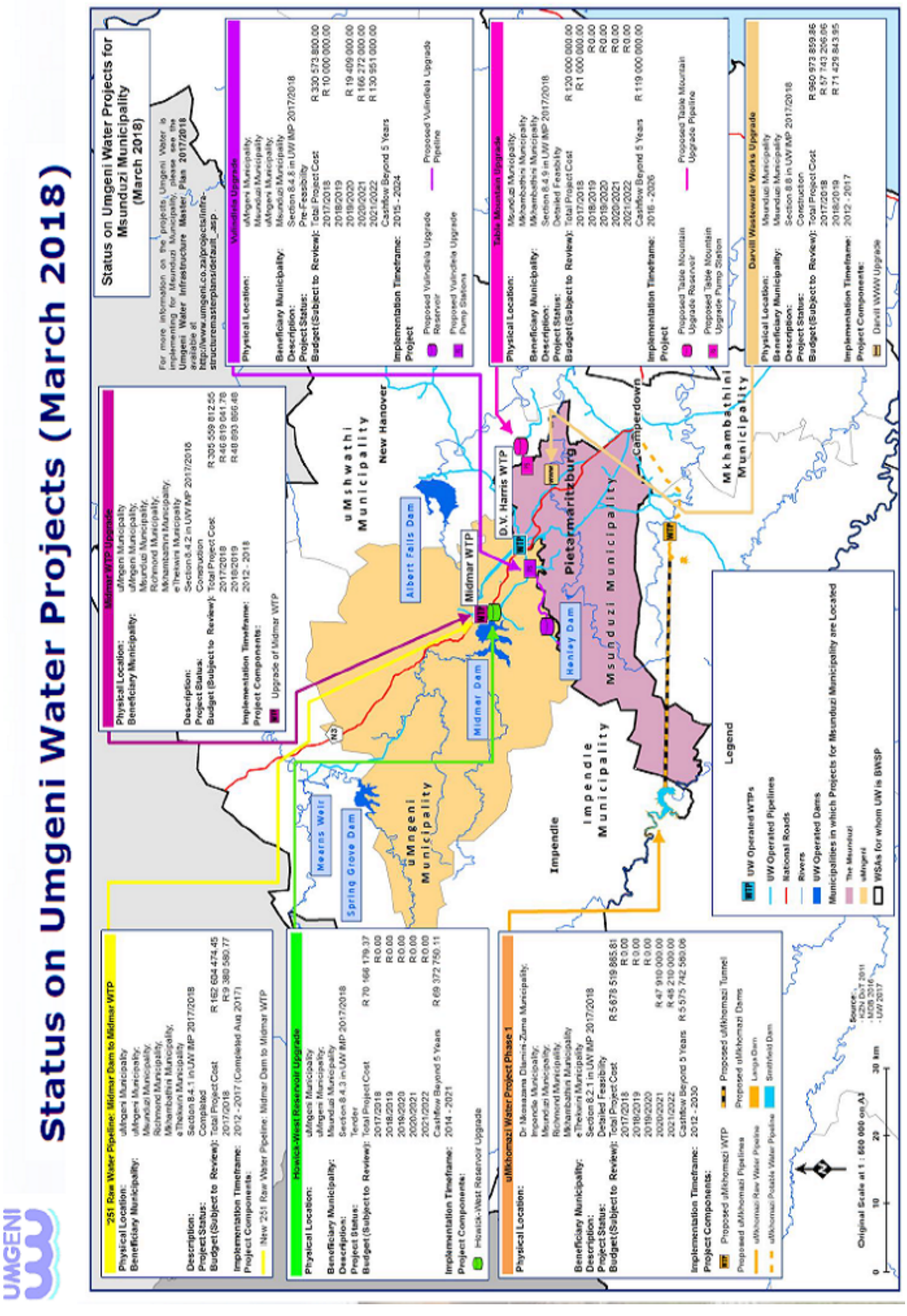
3.9.1 LEVELS OF SERVICE

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 which needs to be aligned to the Integrated Development Plan. The Water Services Development Plan has been recently reviewed during the 2015/16 final year. 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 proposed water upgrades and infrastructural investment framework within the Msunduzi municipality is broadly comprised of uMngeni water upgrades , bulk upgrades, future networks, peak pressure upgrades, static pressure upgrades and velocity upgrades which account for approximately R 500 million in costs. The orderly phasing or implementation thereof may be represented as follows;

Description of work	Estimated cost (rand 2015/16 value)
Backlog	R 170 982 980
Immediate upgrades	R 13 173 720
Short term upgrades	R 91 875 700
Medium term upgrades	R 182 042 140
Long- term upgrades	R 39 582 340
	R 497 656 880


Status on Umgeni Water Projects (March 2018)
Status on Umgeni Water Projects for Msunduzi Municipality (March 2018)
For more information on the projects Umgeni Water is implementing for Msunduzi Municipality, please see the Umgeni Water Infrastructure Master Plan 2017/2018 available at http://www.umgeni.co.za/projects/infra-structuremasterplans/default_asp.
Midmar WTP Upgrade
Physical Location: uMngeni Municipality
Beneficiary Municipality: uMngeni Municipality; Mpofana Municipality; Msunduzi Municipality; Richmond Municipality; Mkhambathini Municipality; eThekwini Municipality
Description: Section 8.4.2 in UW IMP 2017/2018
Project Status: Construction
Budget (Subject to Review): Total Project Cost R 305 599 812.55; 2017/2018 R 46 619 041.76; 2018/2019 R 48 893 856.48
Implementation Timeframe: 2012 - 2018
Project Components: Upgrade of Midmar WTP
Vulindlela Upgrade
Physical Location: uMngeni Municipality; Msunduzi Municipality
Beneficiary Municipality: uMngeni Municipality; Msunduzi Municipality
Description: Section 8.4.8 in UW IMP 2017/2018
Project Status: Pre-Feasibility
Budget (Subject to Review): Total Project Cost R 330 573 800.00; 2017/2018 R 10 000 000.00; 2018/2019 R 19 409 000.00; 2019/2020 R 166 272 000.00; 2020/2021 R 130 551 000.00; 2021/2022 Cashflow Beyond 5 Years
Implementation Timeframe: 2015 - 2024
Project: Proposed Vulindlela Upgrade Reservoir; Proposed Vulindlela Upgrade Pump Stations; Proposed Vulindlela Upgrade Pipeline
Table Mountain Upgrade
Physical Location: Msunduzi Municipality; Mkhambathini Municipality
Beneficiary Municipality: Mkhambathini Municipality
Description: Section 8.4.9 in UW IMP 2017/2018
Project Status: Detailed Feasibility
Budget (Subject to Review): Total Project Cost R 120 000 000.00; 2017/2018 R 1 000 000.00; 2018/2019 R0.00; 2019/2020 R0.00; 2020/2021 R0.00; 2021/2022 R0.00; Cashflow Beyond 5 Years R 119 000 000.00
Implementation Timeframe: 2016 - 2026
Project: Proposed Table Mountain Upgrade Reservoir; Proposed Table Mountain Upgrade Pump Station; Proposed Table Mountain Upgrade Pipeline
Darvill Wastewater Works Upgrade
Physical Location: Msunduzi Municipality
Beneficiary Municipality: Msunduzi Municipality
Description: Section 8.8 in UW IMP 2017/2018
Project Status: Construction
Budget (Subject to Review): Total Project Cost R 960 973 859.86; 2017/2018 R 57 743 206.06; 2018/2019 R 71 429 843.95
Implementation Timeframe: 2012 - 2017
Project Components: Darvill WWW Upgrade
251 Raw Water Pipeline: Midmar Dam to Midmar WTP
Physical Location: uMngeni Municipality
Beneficiary Municipality: uMngeni Municipality; Msunduzi Municipality; Richmond Municipality; Mkhambathini Municipality; eThekwini Municipality
Description: Section 8.4.1 in UW IMP 2017/2018
Project Status: Completed
Budget (Subject to Review): Total Project Cost R 162 604 474.45; 2017/2018 R 9 380 580.77
Implementation Timeframe: 2012 - 2017 (Completed Aug 2017)
Project Components: New 251 Raw Water Pipeline: Midmar Dam to Midmar WTP
Howick-West Reservoir Upgrade
Physical Location: uMngeni Municipality
Beneficiary Municipality: uMngeni Municipality; Msunduzi Municipality
Description: Section 8.4.3 in UW IMP 2017/2018
Project Status: Tender
Budget (Subject to Review): Total Project Cost R 70 166 179.37; 2017/2018 R0.00; 2018/2019 R0.00; 2019/2020 R0.00; 2020/2021 R0.00; 2021/2022 R0.00; Cashflow Beyond 5 Years R 69 372 750.11
Implementation Timeframe: 2014 - 2021
Project Components: Howick-West Reservoir Upgrade
uMkhomazi Water Project Phase 1
Physical Location: Dr Nkosazana Dlamini-Zuma Municipality; Impendle Municipality; Msunduzi Municipality; Richmond Municipality; Mkhambathini Municipality
Beneficiary Municipality: eThekwini Municipality
Description: Section 8.2.1 in UW IMP 2017/2018
Project Status: Detailed Feasibility
Budget (Subject to Review): Total Project Cost R 5 678 519 885.81; 2017/2018 R0.00; 2018/2019 R0.00; 2019/2020 R0.00; 2020/2021 R 47 910 000.00; 2021/2022 R 48 210 000.00; Cashflow Beyond 5 Years R 5 575 742 580.06
Implementation Timeframe: 2012 - 2030
Project Components: Proposed uMkhomazi WTP; Proposed uMkhomazi Tunnel; Proposed uMkhomazi Pipelines; Proposed uMkhomazi Dams; uMkhomazi Raw Water Pipeline; Langa Dam; uMkhomazi Potable Water Pipeline; Smithfield Dam
Legend
UW Operated WTPs
UW Operated Pipelines
National Roads
Rivers
UW Operated Dams
Municipalities in which Projects for Msunduzi Municipality are Located
The Msunduzi
uMngeni
WSAs for whom UW is WSP
Original Scale at 1 : 550 000 on A3
0 10 20 30 km
Source: - KZN DoT 2011 - MDB 2016 - UW 2017
uMshwathi Municipality
New Hanover
Albert Falls Dam
Midmar WTP
Midmar Dam
Mearns Weir
Spring Grove Dam
uMngeni Municipality
Impendle
Impendle Municipality
Henley Dam
Pietermaritzburg
Msunduzi Municipality
D.V. Harris WTP
Camperdown
Mkhambathini Municipality
N3

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. Interms 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 bulkwater 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.

In order to ensure that the City adheres to the aforementioned legislation and further ensure our citizens are adequately catered for; the following were the list of core achievements for 2017/18 financial year: -

1) A total of 1.7 km of defective water pipelines was either replaced or repaired.
2) The Total Water Losses for Financial year 2017/2018 was 29.3%. This represents compliance with the Uniform Financial Ratios and Norms as set out in the MFMA circular 71 of 2014. The norm should be between 15% and 30%.
3) MIG-Sanitation Infrastructure: 12 highest infiltration manholes repaired and retrofitted for water conservation purposes.
4) Copesville Reservoir: Feasibility study complete in order to accommodate additional information from the Human settlements department. Falls under the Back to basic requirements.
5) Water Reticulation System inward 39 Ncwadi (meaning book or register). Five borehole were identified and two were augmented; a 50 000 and 25 000 litre capacity boreholes. There are also plans to identify springs to further sustain and supply water to these areas.

The following is a summary of Non-Revenue Water interventions undertaken 2017/2018 financial year: -

Reservoirs:	19
Zonal Meter Sites:	259
BPT Sites:	56
PRV Sites:	156

1. Assessment of Zone Integrity and Rectification of Breaches.

Total No. assessed:	490
Zonal Meter Sites:	259
BPT Sites:	56
PRV Sites:	156 50

2 New Pressure Management Zones and Pressure Optimization of existing Zones.
Location: Vulindlela
Total Proposed PRV's: 15
Total Existing PRV Optimization: 45
Hydraulic Modelling and Pipe upgrades.
Total Length of Proposed Pipe Upgrades: 10.66 km

4 Bulk Meter upgrades and/or rezoning.
Total Existing Bulk Meter: 259
Total Proposed Bulk Meter: 1 8
Total Existing Meter Chamber Proposed Decommissioning: 43
6 Level 1 and 2 Leak Detection.
Survey 1 (Total Length of Pipe): 494.5 km of 494.5 km
Survey 2 (Total Length of Pipe): 370.9 km of 494.5 km

5 Replacement of Domestic meters.
Location: Msunduzi Municipality (Excluding Vulindlela)
Total No. of Domestic Meters replaced: 2 204 (as at 31st May 2018)

The Msunduzi Municipality still maintains the Blue Drop Status. The award is called Blue Drop with Platinum Status as Msunduzi Municipality has achieved its drinking water quality summa-cum-laude for 3 consecutive assessment periods.

The blue drop status was launched in 2008 by the Minister of Water affairs, with the focus on an excellence approach to drinking water provision and water quality management. It is important to note that Blue Drop Assessments do not only look at the quality of drinking water but the entire water provision cycle. It looks and scores, the competence and skills capacity of technical staff, the procedures that are followed in the event of an incident, the adequacy of the budget for maintenance purposes, proof of adequate maintenance on our water infrastructure, drinking water compliance(SANS 241 : 2011), Water use efficiency and Asset Management to name a few.

PMB (New City and Old City):

- 20 BPT zones were inspected and 14 found unmetered. 8 out of 14 unmetered BPT's had bulk meters installed on the outlets. During the current FY these same 8 BPT outlets were associated to the i2o portal in the MM control room for realtime monitoring of outflows;
- Two PMZ's for the MM CBD were desktop designed and are awaiting implementation. Implementation was delayed due to insufficient budget;
- 8 839km of reticulation was surveyed for Leaks using level 2 and 4 Detection methods. 8 740 Leaks found and 8 565 repaired to date (98%completion achieved). Estimated SIV reduction of 29,2 ML/day and monetary savings accounted to R53,6 million p.a. ;
- Municipal backlog in 450 pipe leaks from HEAT system was undertaken as additional scope. These reported entries from the HEAT system were attended too;
- 24 733 Flow restrictor devices (Restrictor Washers) were installed on domestic connections to reduce water consumption and overall the water demand of numerous supply zones;
- Ad-hoc pipe repairs for leaks on the 400mm main pipeline from Haythorns Reservoir to the Northdale area of supply. This was completed witha 150mm scour outlet for future system maintenance activities
- 6 BPT zones had been identified with high leakage factors after analysis. Leak detection surveys were conducted for the BPT supply zones andas such Taunton Rd BPT zone real losses were reduced by 10.8m3/h from the result of this analysis;
- A piloted intervention was performed by the Consultant for the reduction of internal leakage. Internal leakage and repairs were first performed in the Haniville supply area. Contractors surveyed 847 houses and repaired 2808 leaks. The Haniville supply zone had a baseline night flow of 53m3/h and was minimized to a night flow of 35m3/h. The approximated savings accumulated to R1.229 million p.a. for this supply zone;
- Reviewing the results from the piloted area, 5 other supply zones were targeted. These five were viz. Cinderella Park, Madiba Park, Thembalihle, Edendale Ward 19 and 23. In total, 4998 houses were surveyed by the Contractors and 24 897 internal leaks were repaired;

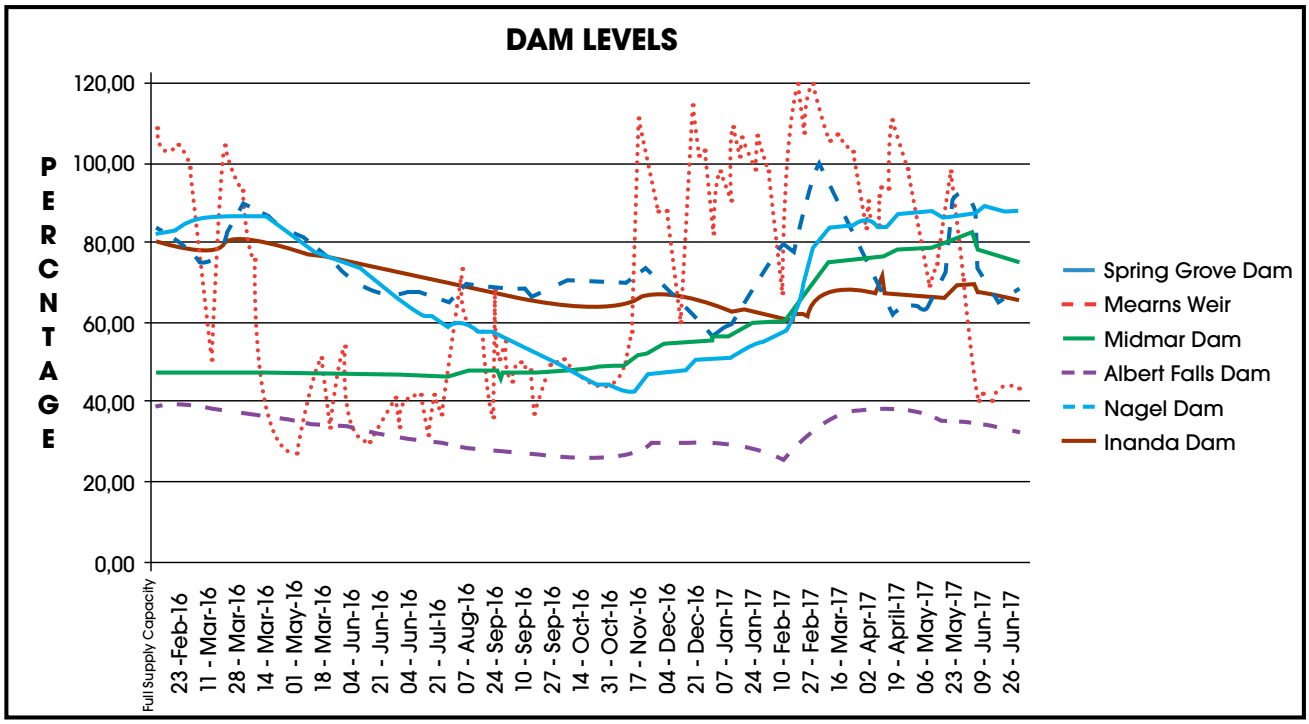
- Benefits of our work included updating of Municipalities' GIS info for supply systems as we progressed. Vulindlela:
- Bulk meters inspected for 19 Reservoirs zones and maintained in working condition due to new installations of previous contract a year ago; 5of these meters were refurbished during the current FY;
- 184 Bulk meters audited within last FY i.e. zone meters, BPT outlet/inlet meters, district meters. 115 of the 184 inspected bulk meters not functional. 33 bulk meters refurbished/replaced to date under;
- 31 of 43 BPT sites were inspected and found unmetered, 20 of the 31 unmetered sites were installed with a new bulk meters to measure minimum night flows and SIV per BPT zone. The remaining BPT sites had deteriorated storage tanks and were planned for replacement with 45 desktop designed PMZ's;
- 2 605 km of reticulation was surveyed for Leaks using level 2 and 4 Detection methods. 1 796 Leaks were found and 1 791 repaired to date(99% completion). Estimated SIV reduction of 7,25 ML/day and monetary savings accounted to R13,4 million p.a;
- Benefits of our work included updating of Municipalities' GIS info for supply systems as we progressed.

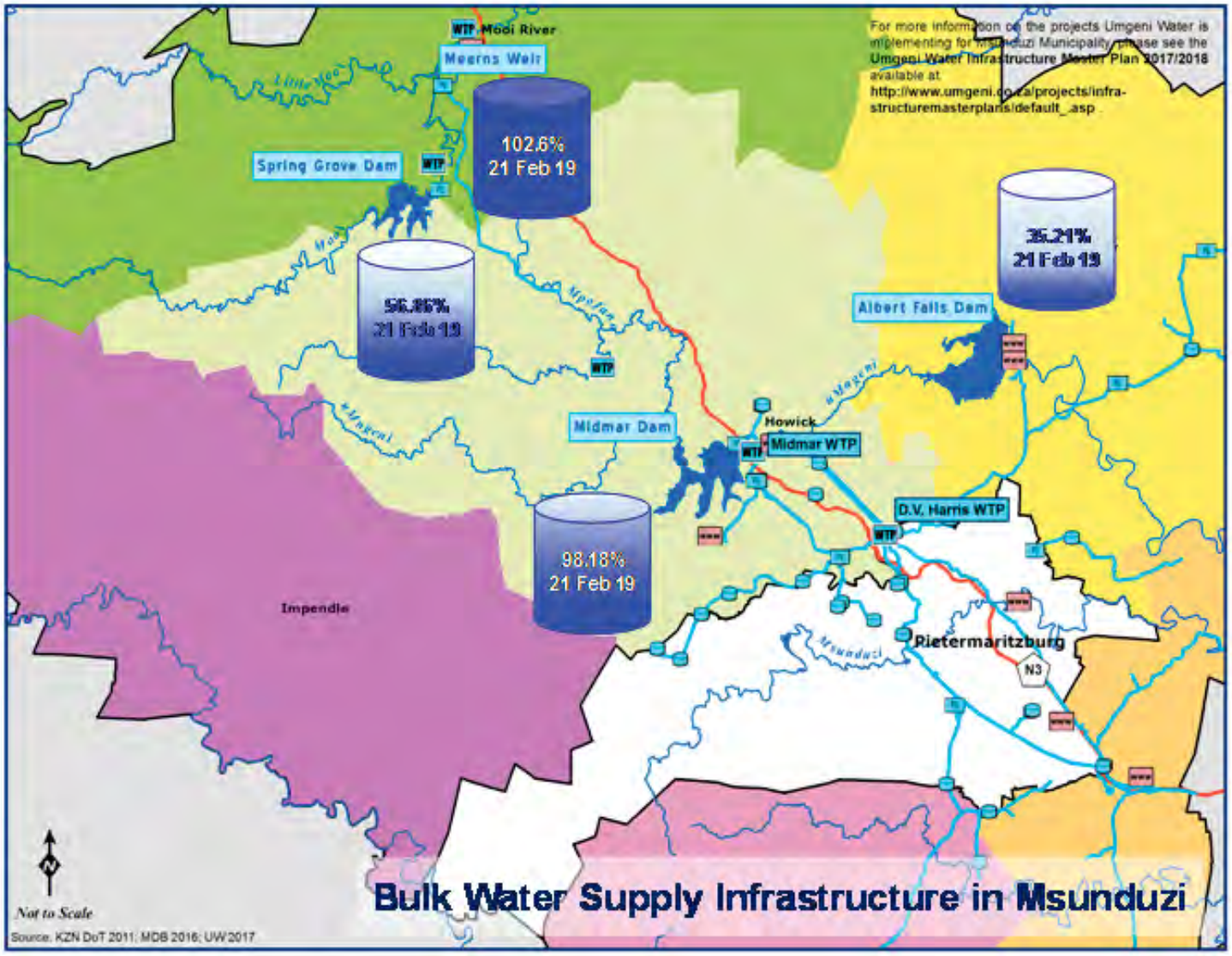
DROUGHT IMPACT

The prevalent drought conditions has deemed it necessary for Government Institutions to introduce legislative measures to minimize the adverse effects of this drought. To this effect the following became applicable. As per Ministerial directives; water demand/usage by all Municipalities, including categories A, B and C, must reduce their bulk water purchases by 15%. This initiative was implemented because of the drought situation that has reduced dam capacity levels significantly. A Resource conservation effort.

The graph below indicates the status quo of all Dam levels on the uMgeni Water System which also supplies Msunduzi Municipality. Due to the continious prevailing drought conditions ; there is indication that the reduction of 15% of bulk Water Purchases will still be in effect for another year.

From January 2017 dam levels were rising; however since May 2017 then, lack of rainfall indicates a decrease in levels.



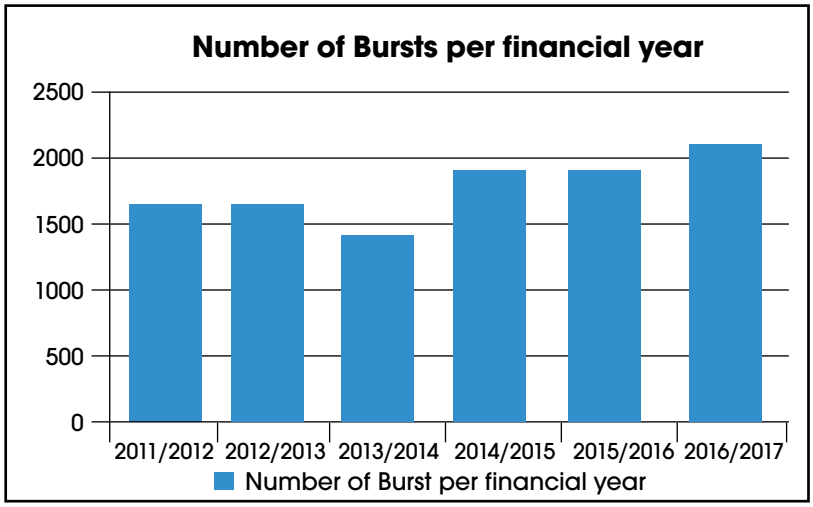


(i) OPERATIONAL MANAGEMENT

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: Mainline Burst 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

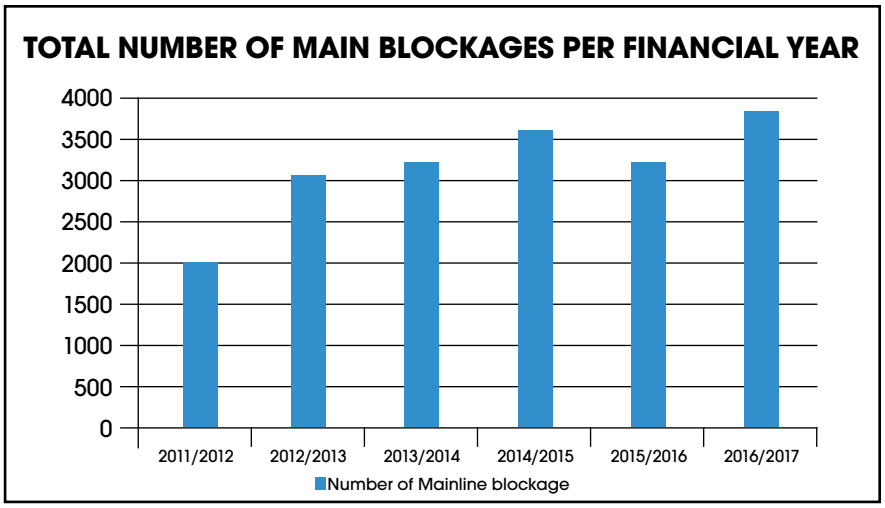
3.10.1 LEVELS OF SERVICE

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.

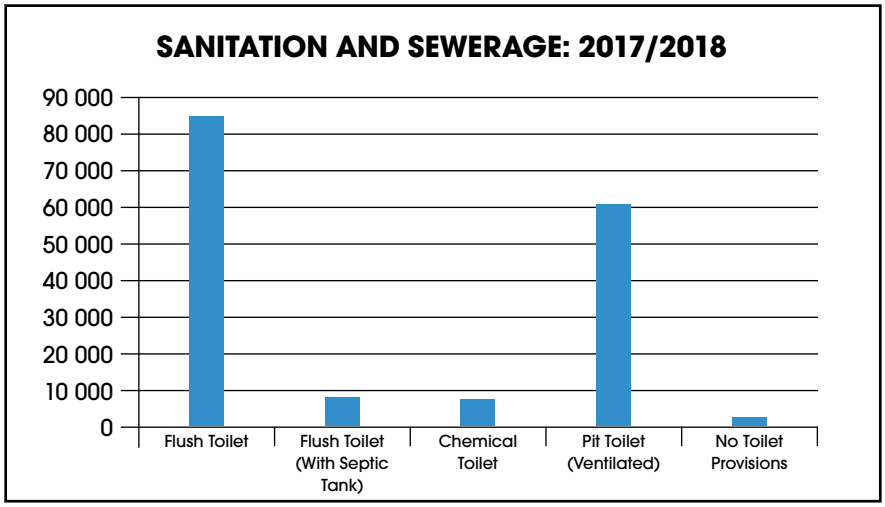
The following is a list of core sanitation achievements in the 2017-2018 fi nancial year: -

- A total of 1190 Ventilated improved Pit Latrines (VIPS) were constructed for the basic sanitation program.
- In addition, 33 new Water Borne Sewer connections were constructed during the 2017/2018 fi nancial Year.
- Ward 10 333 VIPS erected (inclusive of the 1190 VIPs erected)

A total of 9.31 km of new sewer pipe was installed in 2017/2018 with projects undertaken as per below.

1. Ward 16 2.21 km
2. Ward 10 6.0 km
3. Ward 13 35 and 19 0.8 km
4. Ward 18 and 13 0.3 km

FIGURE 11: SANITATION / SEWERAGE GRAPHIC



The Bulk Sanitation master plan was completed and incorporated into the Water Services and Development Plan (WSDP).

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 provideselectricity in other areas.The Municipality is required to comply with NRS 047 and 048, which deal with the provision of electrical distributionin residential areas in terms of its licence agreement.The Msunduzi Electricity Unit is licenced by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 50% of the totalcustomer in the Municipality's area of jurisdiction and the other 50% which is comprised of the Greater Edendale and Vulindlela areas is supplied byEskom. The Electricity Unit operates under the Electricity Regulator Act (2006).

The Electricity Unit generates approximately 40% of the total revenue of the Municipality. 70% of the income for the Electricity Unit comes from ourlarge customers (industrial and commercial) and 30% from our residential customers.Msunduzi purchases electricity in bulk on the Megaflex tariff from at 132 00 volts and is transformed to lower voltages. There are two Eskom in-feedpoints (Msunduzi substation and Mersey substation). We have a notified maximum demand of 350MVA (Mersey 160MVA and Msunduzi 190MVA).

The Hilton and Sweetwaters areas are still experiencing continuous outages due to the numerous faults on the existing 11kV networks. Capacity onthe existing Crossways Substation is running very thin and with the number of new developments taking place in these areas, capacity will soon runout. Upgrades of the substation are urgently required to address these issues.

3.11.3 OPERATIONAL MANAGEMENT

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

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

The electrical assets in the Municipality are aging, and there are more than 10 transformers that are more than 38years old, which need replacement and refurbishment. The Municipality has embarked on a 10 year transformerreplacement programme. Vandalism, tampering, and theft of electricity assets are on the increase. Moreprotection 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.

CHALLENGES

There is a high backlog on maintenance, refurbishment and upgrade of the Primary network, Secondary substations, Overhead lines and Cables,thus contributing to unplanned outages and more funding is required to address these challenges.

Overloaded networks and illegal connections are contributing to the high number of replacement of equipment that has blown up.

PRIMARY NETWORK

Vandalism of primary networks (132kv towers, etc) is putting the networks at risk and may result in extended outage to the entire City as the maintransmission lines coming from Eskom and within Msunduzi networks are vulnerable. Annual supply contract for power transformers has been putin place to replace old and obsolete power transformer and also attend to upgrades where necessary.

SECONDARY MAINTENANCE

Maintenance was done on the Secondary substations, but due to the limited number of contractors on existing contract for maintenance, there ishuge backlog that still needs to be addressed. A new contract was advertised with the intention to get more contractors to assist in attending tothese backlogs.

An annual supply contract for switchgear has been put in place mainly for replacement purpose and more funds are required to implement.

11kV OVERHEAD LINE MAINTENANCE

The number of rotten poles is posing a risk to operating personnel and needs urgent attention. The appointment of the new contractors will beaddressing the issue in the new financial year. More funds will be required to attend to this.

132 kV OVERHEAD LINE MAINTENANCE

Visual inspection on the overhead lines is ongoing and Eskom is also assisting with their advanced technology where a Helicopter is also used totake photos of the towers and assist on repairs where necessary.

CABLES

Many of the cables are old and overloaded. Currently the network is undergoing refurbishment and modifications with installation of new 630mm^2 single core cables and the establishment of distributor substations. 630mm^2 single core cables are available.

STREET LIGHTING

In as much as there is a lot of maintenance work carried out to ensure that the City is well lit, there is improvements on the street lights that arefunctioning although there is still more work to be done. Some sections of street lights are off due to the continuous excavation by the various.

Contractors who damage and then cover the cable. Theft of cables and MCB's, steel covers housing the electrical mains are contributing to theongoing street light problems.

BLOWN SWITCHGEAR

Due to limited funding, it is not possible to purchase the required switchgear and this further places burden on the network. Ring circuits are notexistent because of the blown switchgear. More funds are urgently required to address this problem. This has a negative effect on the operation ofthe network and the safety of the operators. Also the time it takes to restore power after an outage is now extended unnecessarily

POLE TRANSFORMERS

Circuits that were designed based on the size of the transformer are now overloaded and blowing up because of the theft of electricity due to illegalconnections. On average, 3-4 pole mountedtransformers per month are replaced after blowing up due to overloading caused by illegal connectionsand at this rate there will be time where there will be no stock to replace and communities runs a risk of sitting without electricity for extendedperiods.

Substation Number	Substations Maintained :	Date Maintained:	Maintained By:
347	Bernard / Plymouth	23 Feb16	Atam
137	Exeter/ Newlyn	23 Feb 16	Atam
844	Gogas Road	23 Feb16	Manavi
394	Helston/Newlyn	23 Feb 16	Atam
M30	Manuel/ Mothie Singh	23 Feb16	Manavi
988	Manuel/ Pearl	23 Feb 16	Manavi
711	Plymouth/ Helston	23 Feb16	Atam
879	Rajput / Nagasar	23 Feb 16	Manavi
1001	Brixham/ Aquarius	24 Feb 16	Manavi
980	Brixham/ Townview	24 Feb 16	Manavi
1134	Satinspar/ Garnet	24 Feb 16	Atam
1132	Satinspar/ Kyanite	24 Feb 16	Atam
1131	Satinspar/ Marble	24 Feb 16	Manavi
1133	Satinspar/ Moonstone	24 Feb 16	Atam
S135	Driftside	25 Feb 16	Manavi
924	Driftside/ Contactum	25 Feb 16	Atam

Substation Number	Substations Maintained :	Date Maintained:	Maintained By:
S124	Driftside/ Slangspruit	25 Feb 16	Atam
1062	Masons Industrial / Supercrete	25 Feb 16	Manavi
833	Slangspruit/ Hatford	25 Feb 16	Atam
1100	Slangspruit/ Westgarth	25 Feb 16	Manavi
424	Charles Barter/ Da Gama	26 Feb 16	Atam
S10	Henry Fynn /Wanderers	26 Feb 16	Manavi
430	John Welch . In the Park	26 Feb 16	Atam
452	Louisa / Grange	26 Feb 16	Atam
456	Wanderers / Henry Fynn	26 Feb 16	Manavi
453	Wanderers / Unicorn	26 Feb 16	Manavi
460	White/ Karel Landman	26 Feb 16	Manavi
1252	85 Pentrich Road	29 Feb 16	Manavi
400	Charles Barter/ John Bird	29 Feb 16	Manavi
S158	Hatford / White	29 Feb 16	Manavi
393	Ted/ Clodagh	29 Feb 16	Atam
S19	Trelawney / White	29 Feb 16	Atam
966	White / Clifford Engineering	29 Feb 16	Atam

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 covered 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 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.

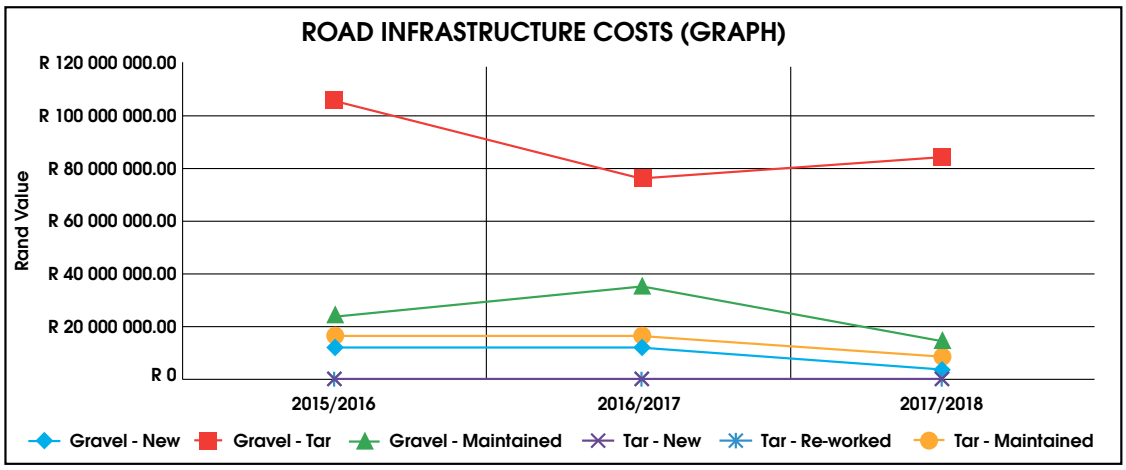
TABLE 29: GRAVEL ROADS INFRASTRUCTURE (KILOMETRES)

	TOTAL GRAVEL ROAD	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
2015/2016	609.92	0	25.8	55
2016/2017	624	14.08	17.35	40
2017/2018	610,25	0	13.63	10.8

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	1360,5	39,5	4,88	0	8
2015/2016	1399.79	25.08	7.0	0	10.4
2016/2017	1424.78	17.35	8.1	0	18.5
2017/2018	1438.41	13.63	0.5	0	9.3

FIGURE 12: 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

Pietermaritzburg Airport is the primary airport serving the city of Pietermaritzburg and surrounding areas, including the Midlands and outer west suburbs of Durban.It is the airport's key role to sell aeronautical services and facilities (i.e. the provision of runways, taxiways, aprons and terminals) to airlines. The airlinesthen sell their own product onto the passengers. The airport also sells services such as shops, office space, hangarage and car parks, usually through concessionaires, direct to the passengers, local residents and other customersMany of the services which make up the composite airport product, such as air traffic control, security, fire and rescue, emergency response, ground handling and commercial facilities, can be provided either by the airport operator or by a third party.The area where an airport operator has the most control is in the pricing and provision of non-aeronautical services and facilities in the airport terminal and the surrounding land.

The primary focus for 2019/20 remains on operational compliance and efficiency.

Operational Finance

- Appoint an accountant for airport finance.
- Expand and focus on the non-aeronautical revenue streams.
- Benchmark using airport of similar size and operations.

- Processes and Procedures to be drawn up for revenue collection, billing, reconciliation.
- Develop an Asset register for all airport assets and update annually

Airport Infrastructure
- Dedicated electrician for site infrastructure maintenance.
- Completion of the parameter fence
- Checks and inspections to be conducted as per Technical Guidance Material
- Align infrastructure with industry standards and direction.

Regulatory Compliance
- Staffing for compliance related roles
- Safety awareness and security awareness campaigns and training

ARFFS (Airport Rescue and Fire Fighting Services)
- Procurement of a new fire tender (airport specific)
- Training of fire fighters
- Revise current ARFF structure (include bird and wildlife management, training and emergency response) and reporting line.
- Refurbishment of Fire Station to include training facilities, Emergency Operating Centre and an adequate gymnasium

Commercial
- Commercial activations around the airport to increase non-aeronautical revenue
- Standard lease for all tenants.
- Additional services to attract neighbours to procure services at airport.

Airport Masterplan:
- Review of the masterplan.
- Prioritize segments that contribute to revenue enhancement.

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 the project currently at implementation stage for Phase 1A. Phase 1A covers Ward 22, 23, 27, 13, 19, 24 and 23.

The IRPTN project is about the integration of various modes 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.
- State-of-the-art transport modelling tools.

The ultimate IRPTN network consist the following types of routes:

- Trunk - the core route with the highest demand using dedicated right of way for public transport. The trunk route for the Msunduzi IRPTN will be along the Edendale/Northdale Corridor known as Edendale Road or Moses Mabhida Road, starting from Georgetown to Raisthorpe with a total distance of 17km.

- Complementary - other strategic bus routes branded as “Quality Bus” routes.
- Feeder - these routes serve more isolated areas, and they feeding to the trunk and complementary bus routes.

Phase 1A consist of:

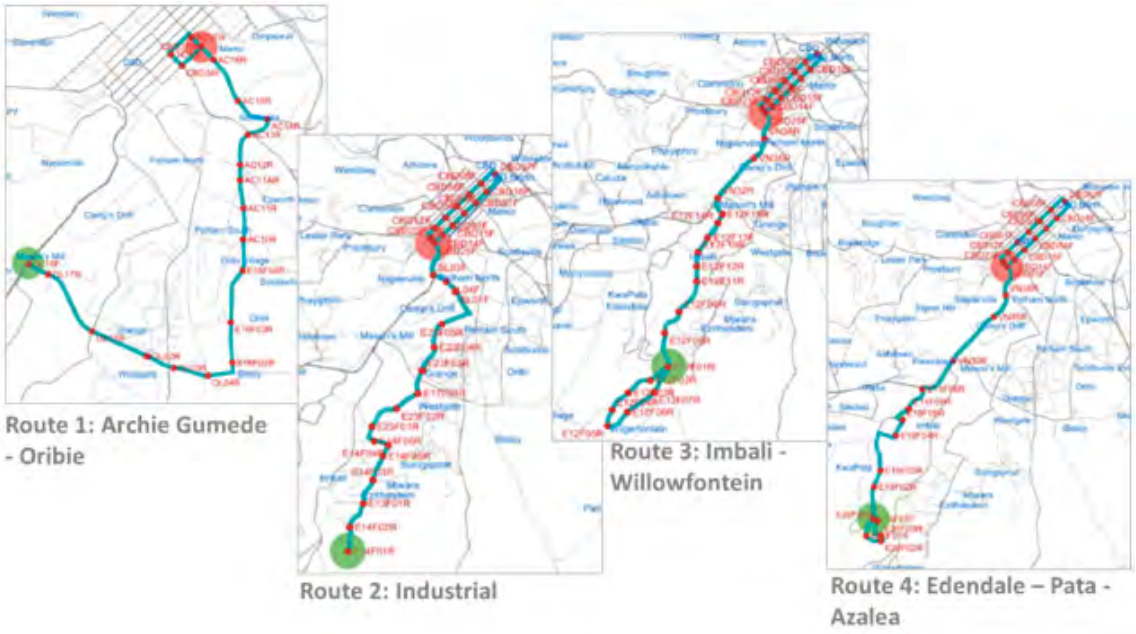
- Trunk – which is widening of Moses Mabhida Road, construction of NMT infrastructure, street lighting and upgrade of traffic signals from Imbali turn off (KM 5.5) to top of Church Street (KM10.3).



All infrastructure for phase 1a of the Msunduzi IPTN is planned for completion in June 2020. This Includes:

- A complete dedicated ROW from km 5,5 to km 10,3
- 1 BRT Stations (Imbali)
- Masons Mill Depot
- Bus stops
- Upgrading of feeder routes

- Four complimentary routes with a total distance of 68.8 km



- Currently there are approximately 504 taxis operating on the above routes.

Taxi and Bus industry transition ison ongoing, the Municipality has signed Memorandum of Agreement with both of these industries.

The projected launch date for Phase 1A is 2020/2021 financial year.

The IRPTN 3 years Grant allocation as per the DORA is as follows:

2019/2020	2020/2021	2021/2022
R194 655 000	R205 372 000	R215 640 600

IRPTN Sub projects in the next 3 years:

- Proceed with Construction of the Right of Way
- Construction of stations
- Construction of the depot
- Upgrade of complementary routes
- Upgrade of public transport laybys and shelters along complementary and feeder routes.
- Construction of Non-Motorised Transport infrastructure along complementary and feeder routes
- Public Transport Industry negotiations and compensation
- Purchasing of fleet
- Continuous review of operational plan
- Intense Marketing and Communication
- Setting up of interim control center, purchasing and installation of ITS equipment.

3.14.5 NON-MOTORISED TRANSPORT

Generally, Non-Motorised Transport (NMT) includes all forms of movement that do not rely on an engine or motor for movement. This includes walking, cycling, rickshaws, animal drawn carts (especially in rural areas), push carts and rollerblading or skating for recreational purposes. Ultimately, NMT grows liveable communities - it is the most basic part of the transportation system and pedestrians in particular contribute to the vibrancy of a community. NMT is generally recognised as a valuable component of the transportation system and the environment we live in due to the various benefits it holds. These benefits include environmental benefits, increased liveability, improved health, economic gains and transportation benefits. NMT can address a large range of transportation needs ranging from regional mobility to neighbourhood access. There are various types of trips where NMT may be used as part of orfor the entire journey, whether by choice or out of necessity. People who commonly use NMT are commuters (trips to and from work), learners (trips to and from educational institutions,including libraries and sports fields), service users (these include trips to shops, markets and other service destinations) and recreational users (trips by locals or tourists to recreational destinations).

In 2009, the municipality has formulated a Non-Motorised Transport plan which guides the planning and implementation of programmes and facilities to respond to the multiple needs of NMT users. The NMT Plan for the Msunduzi Municipality aims to address this critical shortcoming in two ways. Firstly, it presents a policy, accompanied by a set of objectives and strategies to realise an improved NMT environment and culture in Msunduzi. Secondly, it develops a Strategic NMT Plan for Msunduzi that would identify areas and routes that should be considered as key NMT routes and places in Msunduzi where NMT users would receive a certain degree of consideration, if not priority.

In the Msunduzi context, NMT is represented mainly by walking and cycling. As such, the NMT plan is developed around the needs of these users. However, the policies, strategies and resulting design and implementation projects strive for improved universal access. Such designs also take into consideration the needs of other users such as the special needs people that include the disabled, women with prams, shopping trolleys, etc.

The NMT plan aims to gear the Municipality towards achieving its vision which is to: 'Promote walking and cycling as a part of mobility by creating suitable, safe and attractive NMT infrastructure networks that meet the needs of all users.' In order to achieve this vision,the municipality will have to adopt and implement projects and priorities that set out in the NMT plan as soon as practicable. In order to even further define and better prioritise future NMT programmes, the following recommendations must be implemented in the short to medium term:

- To adopt these NMT guidelines as being the design standard for the municipality and ensure project developers are aware of the municipal guidelines and adhere to the design standards.

- An NMT volume count programme / data base on major routes to be established and updated annually.
- A vehicular volume count programme / data base on major routes to be established and updated annually.
- An accident data base to be established and updated monthly.
- Before and after studies to be carried out on all NMT projects
- A data base for NMT infrastructure in the Municipality to be established and updated annually.

The primary objectives of the NMT plan are as follows:

- To create a safe pedestrian and cycling environment.
- To develop high quality, attractive NMT facilities.
- To promote cycling and walking as viable, complementary and alternative modes of transport.
- To develop safer streets that allow NMT users their share of the available public space in the mobility network environment.
- To compile an action plan to guide the roll-out of NMT facilities in the Municipality.

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.

CATEGORY	DESCRIPTION
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 value 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.

Land Acquisition, Assemble and Release

The primary aim of this program is to facilitate the release of strategically and suitably located land for the development of a range of housing products to reduce housing backlog and develop sustainable human settlements. The programme includes private, public and state-owned land.

Land Identification, Assessment and Prioritisation

The municipality will undertake a detailed land identification exercise to identify, map and assess all strategically located land that is suitable for housing development. This is in addition to municipal land already earmarked for this purpose. The municipality will use the SDF as a guide for land identification and the following criteria for assessment:

- Ownership of land.
- Restrictive conditions of title and other encumbrances.
- Current land use.
- Existing zoning.
- Size and potential yield for different housing products.
- Availability of services.
- Location in relation to employment and other urban opportunities.
- Market value of the land as determined by the municipality for rating purposes.

- Geotechnical, topographical and other environmental conditions should allow cost-effective development and servicing of the land.
- The use of the land for housing purposes should be in accordance with IDP and the associated sector plans.

The result of this exercise will be a land audit and evaluation report including the associated maps and schedules. Land identified and assessed will be prioritised for different human settlement interventions in line with the provisions of the SDF. The exercise will include both settled and vacant land.

Land Acquisition and Assemble in The Greater Edendale Area

The municipality will intensify the initiative to acquire land in the Greater Edendale Area for urban renewal, upgrading of the area into a sustainable human settlement and delivery of services. The initiative entails engaging with the land owner, land valuation and price negotiations, facilitating signing of sale agreements and transfer of the land to the municipality. The municipality will undertake land expropriation as a last resort and where necessary. The municipality will give priority to the land parcels identified for the upgrading of the existing informal settlements.

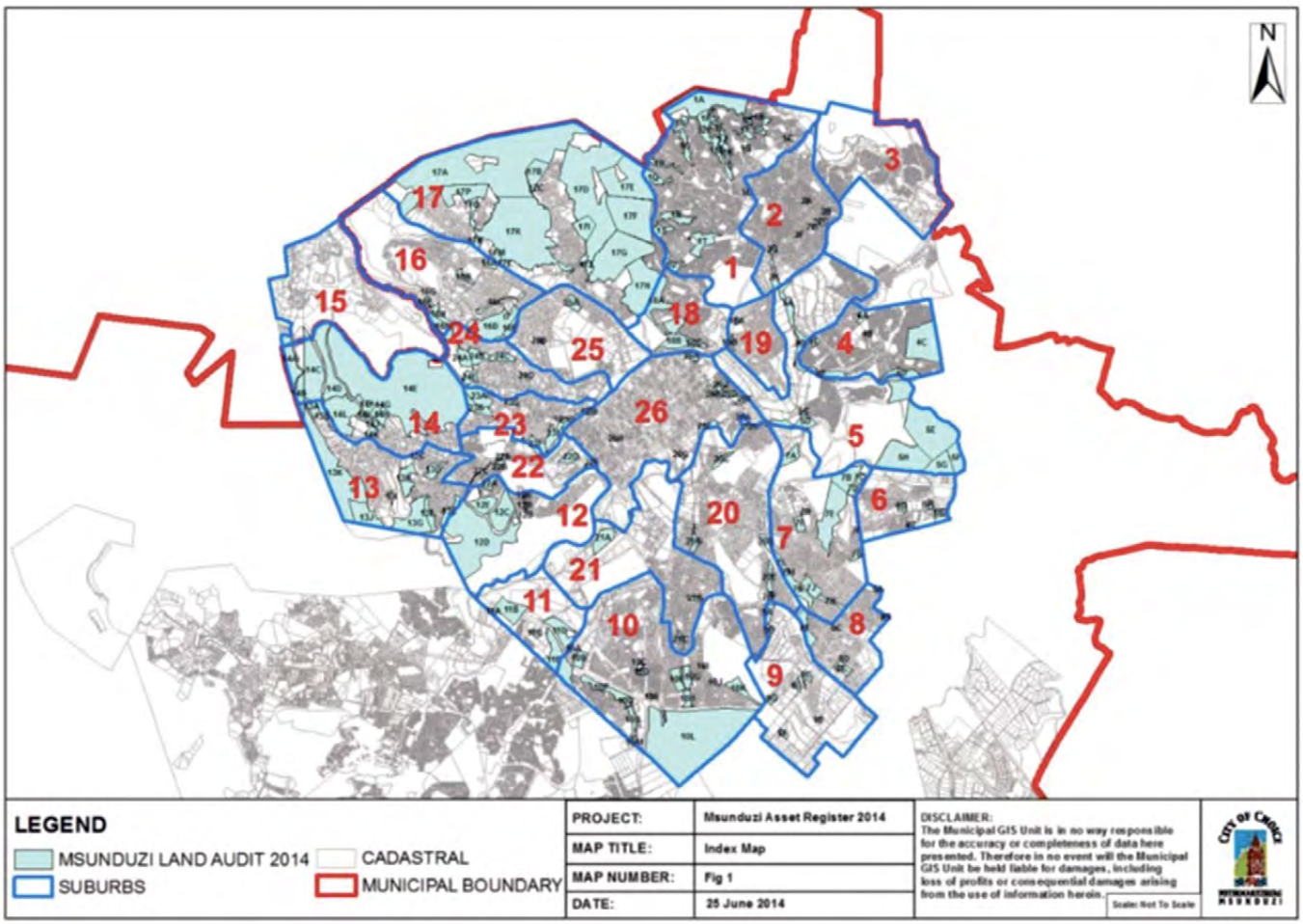
The initiative may be undertaken with the involvement of financial institutions such as financial banks, Development Bank of Southern Africa (DBSA), National Housing Finance Corporation (NHFC), and others who will provide finance for the packaging of the project and provision of services. Urban Renewal programs may also be considered for assistance in this regard.

The benefit of this approach is that the land owners will realise the value of their assets and will be enticed to release the land for housing development. It will facilitate the renewal of areas such as the Greater Edendale and prevent the area from degenerating into a huge low-cost housing township. It will provide for the development of a mixture of residential units ranging from low cost to middle income housing, and low density to higher density development.

Strategic Release of Municipal Land

The Land Regularisation Programme forms the basis of a sustainable property economy through expediting the release of municipal vacant sites on public tender. It will support sustainable economic growth through private sector investment and increase the rates, taxes and service repayment base of the municipality. The process has two phases: an audit of all council-owned property and the implementation of a land release strategy. The property audit identifies properties that are vacant and/under-utilised. Properties that can be released to public tender or withheld for public sector investment are also identified. In the short term, the programme seeks to verify and quantify the total number of properties under the control of the municipality. In so doing, it legitimises local government in the eyes of its ratepayers, updates the existing database of council-owned property and provides strategic property plans for the release of council-owned property.

In the longer term, the council will have a clear land release strategy that will not only grant ownership, but also access to council-owned land. The process allows transfer to legal tenants, provides economic incentives to invest in strategic parcels of land and identifies specific precincts that stimulate economic and social development.



3.16.2 ESTIMATED BACKLOGS

The municipality has prepared and approved the Municipal Housing sector plan which is currently under review 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:

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)

TABLE 34A; HUMAN SETTLEMENTS PROJECTS AND STATUS QUO

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
PROJECT PLANNING STAGE					
1.	Edendale J2 & Quarry	15	1000	Detailed Feasibility	The environmental authorization is place for this project which is a major milestone under stage 1 detailed feasibility and planning. The draft town planning layout has been completed. The IA is currently compiling SPLUMA application for approval.
2.	Edendale/ Willowfontein Bulwer	14	1000	Detailed Feasibility	The environmental authorization is place for this project which is in place a major milestone under stage 1 detailed feasibility and planning. The SPLUMA application is currently circulating for comments. The water use license was prepared and submitted to Department of water and sanitation for consideration and approval. Once the Water use license has been granted the town planning town application will be submitted to the Municipality for approval. Once the planning approval is in place the project will then be handed over to implementation for installation of services and construction of top structures.
3.	Hollingwood PF	35	1000	Detailed Feasibility	Detailed feasibility studies were undertaken and completed for this project and according to the findings of the study the project is not feasible due to the close proximity of the project to the Sludge in that reason the project is pending withdrawal from the IDP due to major environmental constraints of the site. In addition Sobantu Housing Project, Lincoln Meade (Sirrus) and Ethembeni Projects have been identified and will serve as an alternative sites for Hollingwood Housing Project and will accommodate 1000 intended beneficiaries from Sobantu township.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
4.	Khalanyoni PF	12	1000	Detailed Feasibility	Stage one funding is in place, the detailed feasibility studies have commenced. The Environmental Management Unit have commented on Basic Assessment Report that was submitted by the IA. The BAR has to be submitted to the Department of Economic Development, Tourism and Environmental Affairs for approval. A Conceptual Layout has been submitted to the Municipality for pre-comments. The preparation of the Environmental Impact Assessment report is 50% complete. Once approval of all stage 1 Specialist studies is granted, the project will be handed over to Implementation Unit for installation of services and construction of top structures.
5.	Kwa30 PF	10	400	Detailed Feasibility	Stage one funding is in place, the detailed feasibility studies have commenced. The Environmental Management Unit have commented on Basic Assessment Report which was submitted by the IA. The BAR has to be submitted to the Department of Economic Development, Tourism and Environmental Affairs for approval. A Conceptual Layout has been submitted to the Municipality for pre-comments. The preparation of the Environmental Impact Assessment report is 50% complete. Once approval of all stage 1 Specialist studies is granted, the project will be handed over to Implementation Unit for installation of services and construction of top structures.
6.	Glenwood South East Sector	38	3000	Detailed Feasibility	Pre-feasibility studies completed. The Human Settlements Sub-Unit is in the process of appointing a Service Provider to commence with Detailed Planning.
7.	Shenstone/ Ambleton 3 PF	18	3000	Detailed Feasibility	Ambleton Phase 3 has been included into the Shenstone/Ambleton Project, due to the Land Invasion dynamics. Desktop pre-feasibility study and Draft Preliminary Planning Layout Completed. Social Facilitation and the final layout Plan for Ambleton Shenstone have been undertaken by the Service Provider and submitted to the Municipality.
8.	Peace Valley 2	23	480	Detailed Feasibility	The environmental authorization is place for this project which is in place a major milestone under stage 1 detailed feasibility and planning. The Human Settlements Sub-Unit is currently facilitating the land acquisition of affected land parcel and once the land parcel has been transferred to the Municipality will then commence with water use license and town planning applications. Once these applications have been completed and approvals have been obtained from relevant departments the project will then be handed over to implementation for installation of services and construction of top structures.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
9.	Copesville	29	681	Detailed Feasibility	The SPLUMA application for the Township Establishment process has been granted. The conditions of Establishment have been prepared and awaiting signature. Once the conditions have been approved and all requirements met, the next milestone will be pegging on site which will then be followed by the submission of the proposed General Plan to the Office of the Surveyor General for approval.
10.	Signal Hill/ Peace Valley 3 and Naperville IRDP	26	3000	Detailed Feasibility	Environmental Impact Assessment approval is in place. Most of the Specialist studies have been completed (e.g. Geotech, bulk services engineering, contour surveys) and reports have been submitted to relevant departments for approval. A conceptual layout has been developed and has been submitted to the Municipality for pre-scrutiny and comments. The Implementing Agent is currently preparing a WULA application. Once WULA is granted, the IA will then be able to finalize the SPLUMA application. Once the Stage one approval is received for studies, the project will be handed over to Implementation Unit.
11.	Harewood	20	1000	Detailed Feasibility	Prefeasibility Studies have been completed and the project is deemed to be feasible from medium to long term. The IA is undertaking detailed feasibility studies for the project which will result in obtaining an environmental authorization (ROD) which is a major milestone of this phase in a housing project.
12.	Ethembeni IRDP	37	1800-3000	Detailed Feasibility	The prefeasibility studies have been completed and the project is deemed to be feasible from medium to long term. The Human Settlements Sub-Unit is currently undertaking detailed feasibility studies for the project, the Environmental Impact Assessment has been prepared and submitted to the Department of Economic Development, Tourism and Environmental Affairs (DEDTEA) for consideration and approval. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.
13.	Caluza/ Smero	20	TBD	Detailed Feasibility	The prefeasibility studies have been completed and according to the findings of the study the project is deemed feasible. The Human Settlements Sub-Unit has packaged and submitted the stage 1 Funding application to the department of Human Settlements for consideration and approval. Once the funding approval has been granted will commence with detailed feasibility studies which will result in obtaining an environmental authorization (ROD) which is a major milestone of this phase in a housing project. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
14.	Bhobhonono/ Masomini	20	TBD	Detailed Feasibility	The prefeasibility studies have been completed and according to the findings of the study the project is deemed feasible. The Human Settlements Sub-Unit has packaged the stage 1 Funding application and has been submitted to the Municipal Manager for Signature. Once the application is signed by the MM, the application will be sent to the Department of Human Settlement for approval. Once the funding approval has been granted will commence with detailed feasibility studies which will result in obtaining an environmental authorization (ROD) which is a major milestone of this phase in a housing project. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.
15.	Snathingi Phase 1	11	TBD	Detailed Feasibility	The prefeasibility studies have been completed and according to the findings of the study the project is deemed feasible. The Human Settlements Sub-Unit has packaged and submitted the stage 1 Funding application to the department of Human Settlements for consideration and approval. Once the funding approval has been granted will commence with detailed feasibility studies which will result in obtaining an environmental authorization (ROD) which is a major milestone of this phase in a housing project. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.
16.	Edendale 5 Priority Housing	21 & 22	TBD	Detailed Feasibility	Most of the Land is in Private ownership, thus the Land is still to be acquired through the GEVDI Land Acquisition process. Phase 1 of Priority 2 (80 120m. sq.) has been acquired and considered for development. A draft funding application for housing development has been prepared, to be submitted to the Department of Human Settlements for approval.
17.	Willowfontein Terminus	14	TBD	Detailed feasibility	The conditional funding application was prepared and submitted to the Department of Human Settlements for consideration and approval by the MEC for KZN Human Settlements. Once the funding approval has been granted will commence with prefeasibility studies and if the project is feasible then will moved to the next phase which undertaking detailed feasibility studies which will result in obtaining an environmental authorization (ROD) which is a major milestone under this stage in a housing project. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
18.	Sinathingi Phase 2 (Nhlazatshe)	11	2000	Prefeasibility Studies	The conditional funding application was prepared and submitted to the Department of Human Settlements for consideration and approval by the MEC for KZN Human Settlements. Once the funding approval has been granted will commence with prefeasibility studies and if the project is feasible then will moved to the next phase which undertaking detailed feasibility studies which will result in obtaining an environmental authorization (ROD) which is a major milestone under this stage in a housing project. Once the detailed feasibility studies have been completed with all approvals, the project will be handed over to implementation for installation of services and construction of top structures.
19.	Willowfontein Phupha Phase 1	14	2000	Prefeasibility Studies	Funding application has been prepared and will be sent to the PDOHS for approval and once funding is received pre-feasibility studies will be undertaken. Once Prefeasibility studies are complete and the Human Settlement Unit will Package Stage One application and submit to the Department of Human Settlement for approval. Once all Stage one studies are complete and approved the project will be handed over to Implementation Unit.
20.	Edendale EE (Phase 3) (Willowfountain)	17	1707	Prefeasibility Studies	Funding application has been submitted to the Department for funding, once funding is received pre-feasibility studies will commenced. Once Prefeasibility studies are complete, the Human Settlement Unit will Package Stage One application and submit it to the Department of Human Settlement for approval. Once all detailed feasibility studies are complete and approved, the project will be handed over to Implementation Unit.
21.	Unit 18 Extension	15	TBD	Prefeasibility Studies	Funding application has been submitted to the Department for funding, once funding is received pre-feasibility studies will commenced. Once Prefeasibility studies are complete, the Human Settlement Unit will Package Stage One application and submit it to the Department of Human Settlement for approval. Once all detailed feasibility studies are complete and approved the project will be handed over to Implementation Unit.
22.	Woodlands	32	TBD		The project boundary for this project is still to be confirmed and once it is confirmed the funding application will be prepared and submitted to the department for approval.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
23.	Maryvale	34	TBD	Prefeasibility Studies	Prefeasibility studies have been completed by the DoHS.A funding application has been prepared and will be sent to the PDOHS for stage 1 approval (detailed feasibility stage) and once funding is feasibility studies will be undertaken. Once Prefeasibility studies are complete and the Human Settlement Unit will Package Stage. Once all Stage are complete and approved, the project will be handed over to implementation for installation of services and construction of top structures.
24.	Nhlalakahle	31	TBD	Prefeasibility Studies	Prefeasibility studies have been completed by the DoHS.A funding application has been prepared and will be sent to the PDOHS for stage 1 approval (detailed feasibility stage) and once funding is feasibility studies will be undertaken. Once Prefeasibility studies are complete and the Human Settlement Unit will Package Stage. Once all Stages are complete and approved, the project will be handed over to implementation for installation of services and construction of top structures.
25.	Masson	29	TBD	Prefeasibility Studies	Stage 1 Funding Application has been submitted to PDOHS for consideration and approval.
26.	Yellowwood Place	32	TBD	Prefeasibility Studies	Stage 1 Funding Application has been submitted to PDOHS for consideration and approval.
27.	Mkondeni/ Shortts Retreat	37	TBD	Detailed feasibility	A funding application has been prepared for PDOHS for stage 1 approval (detailed feasibility stage). A Service provider has been appointed to construct interim services. HDA is currently in the process of undertaking pre-feasibility assessment for the proposed development.
28.	Willowfountein Phupha	14	2000	Prefeasibility Studies	Funding application has been prepared and will be sent to the PDOHS for approval and once funding is received pre-feasibility studies will be undertaken. Once Prefeasibility studies are complete and the Human Settlement Unit will Package Stage One application and submit to the Department of Human Settlement for approval. Once all Stage one studies are complete and approved the project will be handed over to Implementation Unit.
29.	Edendale Town Centre Relocation	22	TBD	Prefeasibility Studies	Stage 1 Funding Application has been submitted to PDOHS for consideration and approval.
30.	Urban Regeneration/ Strategic Sites	All	TBD	Prefeasibility Studies	Report and TOR was submitted and approval by BSC & Expenditure Committee for the appointment of Two Planning Consulting Companies, of which have been appointed to undertake Pre-Feasibility Studies.
31.	Nkululeko/ Regina Road	28	300	Detailed feasibility	Stage 1 Funding Application drafted and to be finalized and submitted to PDOHS for consideration and approval.
PROJECT IMPLEMENTATION STAGE					
1.	Willowfountain EE (Phase 1)	17	73	Construction of Top Structures	The funding application has been submitted to the DOHS
2.	Lot 182 Sinathingi	11	133	Construction of Top Structures	63 houses have been completed.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
3.	Edendale S Phase 8 Ext	10	428	Construction of Top Structures	79 houses have been completed.
4.	Glenwood North East Sector	38	279	Implementation	Drafting of bilateral agreement.
5.	Vulindlela Rural Housing Project	1, 2, 3, 4, 5, 6, 7, 8 & 9	25 000	Construction of Top Structures	23051 Units completed and handed over
6.	Jika Joe Community Residential Units	33	1289	Construction of Top Structures	Installation of engineering infrastructure, awaiting for top structure funding approval from the provincial human settlements.
7.	Edendale N – (Wirewall)	17	1388	Construction of Top Structures	Discussions with Provincial Human Settlements regarding approval for renovations and new construction and also we have managed to build 20 housing to date.
8.	Edendale N – (Wirewall)	10	510	Construction of Top Structures	Discussions with Provincial Human Settlements regarding approval for renovations and new construction
14.	Slangspruit (Wirewall)	13	41	Construction of Top Structures	Discussions with Provincial Human Settlements regarding approval for renovations and new construction
15.	Transit "A" (Wirewall)	23	147	Construction of Top Structures	Discussions with Provincial Human Settlements regarding approval for renovations and new construction
16.	OSS –Portion 2 of Erf 91 Housing	32	216	Construction of Top Structures	79 units completed
17.	Site 11 Housing project	32	233	Construction of Top Structures	The construction of top structure should commerce after two months
18.	Happy Valley	32		Construction of Top Structures	The construction of top structure should commerce after two months
19.	Tamboville Upgrade	38	416	Construction of Top Structures	The construction of top structure should commerce after two months
20.	Thembalihle	38	762	Construction of Top Structures	The construction of top structure should commerce after two months
25.	Glenwood Q-Section	38	416	Construction of Top Structures	The construction of top structure should commerce after two months
26.	Jika Joe	33	1164	Implementation	Reservoir has been constructed and platforms have been cut.
27.	Edendale phase 8		313	Implementation and Construction of Top Structures	The construction of services is 75% complete and 79 Houses have been completed.
28.	Ward 39 Housing Project	39	1 000	Implementation and Construction of Top Structures	Beneficiary verification has been completed.
29.	T2 T3	15	345	Implementation and Construction of Top Structures	The Implementing Agent has recently been appointed.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
RENTAL/SOCIAL HOUSING PROJECT					
1.	Baverstock Road	27	300	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
2.	Bombay and Lucia Roads	28	150	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
3.	Oribi Village	24	300	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
4.	Padca Property	37	1000	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
5.	Shorts Retreat	37	1000	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
6.	Orthman Road	35	400	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
7.	Woodpecker Road extension	28	560	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.

NO.	PROJECT NAME	WARD	EST. YIELD	PROJECT PHASE	PROJECT STATUS
8.	East Street Hostel	32	700	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.
9.	Manor Gardens Infill	33	100	Detailed feasibility	The Human Settlements Sub-Unit is in a process of appointing an accredited SHI. Once this has been completed, the appointed SHI will do all the necessary activities for the Social Housing project. The Social Housing developments are mainly for rental purposes and they are managed by Social Housing Institutions.

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 PROJECTS - PLANNING STAGE

Project Area	Wards	No. of Units
Ethembeni	-	4000
Harewood	-	1000
Mkondeni / Sport	Ward 37	3000
Yellowwood Place	Ward 32	90
Copesville	Ward 29	1176
Kwa 30 Housing Project	-	400
Hollingwood	-	1000
Khalanyoni	-	1000
Glenwood 2 South East Sector (3000 units)	-	3000
Edendale J2 & Quarry	Ward 11 & 12	1000
EdendaleBulwe	Ward 11 & 12	1000
Signal Hill	-	3000
AmbletonPh 3	-	3000
Revamp, Refurbishment Slangspruit	Ward 13	585
MsunduziWirewall	-	2086
North East Sector	-	281
Edendale S 8 Ext	Ward 17	428
Total		**26 046**

(Source: Msunduzi Housing Sector Plan)

3.16.6 HUMAN SETTLEMENT DEVELOPMENT STRATEGY

The municipality seeks to shift away from an approach of monotonous settlements of RDP houses that perpetuated urban sprawl and segregate the poor from the neighbouring communities. Therefore, the Msunduzi Local Municipality (MLM) seeks to adopt a strategic approach in line with the long-term development vision as outlined in the IDP and the "Breaking New Ground" policy of the national government. The new approach goes beyond the simple construction of houses and focuses on building sustainable communities using housing development as a catalyst. It promotes equality, affirms inherent human dignity, and enables access to adequate housing. As such, the IDP identifies the development of sustainable human settlements as one of the priority programs.

The MLM seeks to drive programs to build integrated and socially cohesive human settlements. This includes upscaling the delivery of subsidized housing, unlocking housing opportunities across the income spectrum and

using housing development as a catalyst for social and economic development. The new approach seeks to contribute to the realisation of the municipal development vision; gives effect to the mission statements; outlines strategies and activities; and provides for on-going monitoring and evaluation of the human settlement development programme. The latter forms an integral part of the municipality's performance management system (PMS) and it will contribute to addressing the housing backlog faced by the municipality. A comprehensive analysis of this new approach is outlined in the municipality's Housing Sector Plan.

3.16.7 MUNICIPAL CAPACITY TO DELIVER SUSTAINABLE HUMAN SETTLEMENTS

Level 2 Accreditation

The Msunduzi Municipality has compiled a detailed business plan and made an application to the MEC for Human Settlement for level 2 accreditation. This will empower the municipality to undertake the following activities:

- **Subsidy budget planning and allocation, and priority programme management and administration** which includes housing subsidy budgetary planning functions across national housing programmes and projects; subsidy/fund allocations; and project identification functions.
- **Priority programme management and administration** may include the following responsibilities or specific priority programmes where agreed: programme and project evaluation and approvals; and, contract administration; subsidy registration; programme management including cash flow projection and management and technical (construction) quality assurance functions.
- **Programme management and administration responsibilities for all national and provincial housing programmes**: this includes project and programme approval and evaluation; contract administration; subsidy registration; programme management including cash flow projection; procure service providers; contract management and technical (construction) quality assurance functions.

The level 2 accreditation will serve as a mechanism to facilitate and expedite satisfactory institutional capacity for co-ordination, monitoring and implementation of the housing projects with the service providers and authorities that supply the services. Level 2 accreditation requires the municipality to have sufficient capacity for programme management, project management, quality assurance, cash flow management and subsidy administration. The following activities will be undertaken to assist the municipality to meet its operational needs identified in the Accreditation Business Plan and address the findings of the independent assessment of capacity for accreditation:

- ensuring sufficient operational capital for the performance of the accredited functions;
- conducting a technical assessment of capacity within the provincial department and identifying staff and assets that should be transferred or seconded to the municipality for the purposes of performing the accredited responsibilities;
- facilitating access of the municipality to the HSS for Level 2 accreditation;
- facilitating access by the municipality to capacity and support programmes located in other government departments or agencies; and
- providing direct capacity and support.

Human Settlement Coordinating Forum

The Msunduzi Municipality has a Housing Forum that meets quarterly to receive progress reports from service providers and oversee the implementation of the housing programme. The forum draws its membership from the municipal officials, councillors and implementing agents. The shift from the housing approach to sustainable human settlements and level 2 accreditation necessitates the restructuring of the Housing Forum into a Human Settlement Coordinating Forum. The proposed structure will draw membership from the following:

- The Msunduzi Municipality officials from different departments and the councillors;
- Appointed Implementing Agents (IAs);
- Government departments such as the Departments of Health, Education, Rural Development and Land Reform, Cooperative Government and Traditional Affairs, Sports and Recreation, etc;
- Support organisations such as the National Home Builders Registration Council (NHBRC), Housing Development Agency (HDA), SHRA, etc; and
- Organised business, labour, military veterans and other interest/lobby groups.

The municipality will develop detailed terms of reference for the Human Settlement Coordinating Forum, and its responsibilities may include the following:

- Overseeing the implementation of the human settlement programme and providing advice to the municipality where applicable.
- Alignment of infrastructure projects with human settlement projects and overseeing the practical implementation of projects.
- Alignment of service delivery plans of different government departments with the human settlement programme of the municipality.
- Receive reports from government departments regarding the provision of social facilities in human settlement projects.

The terms of reference will spell out in detail membership, duties and responsibilities, frequency of meetings and other details pertinent to the efficient functioning of the forum.

TABLE 36: SWOT

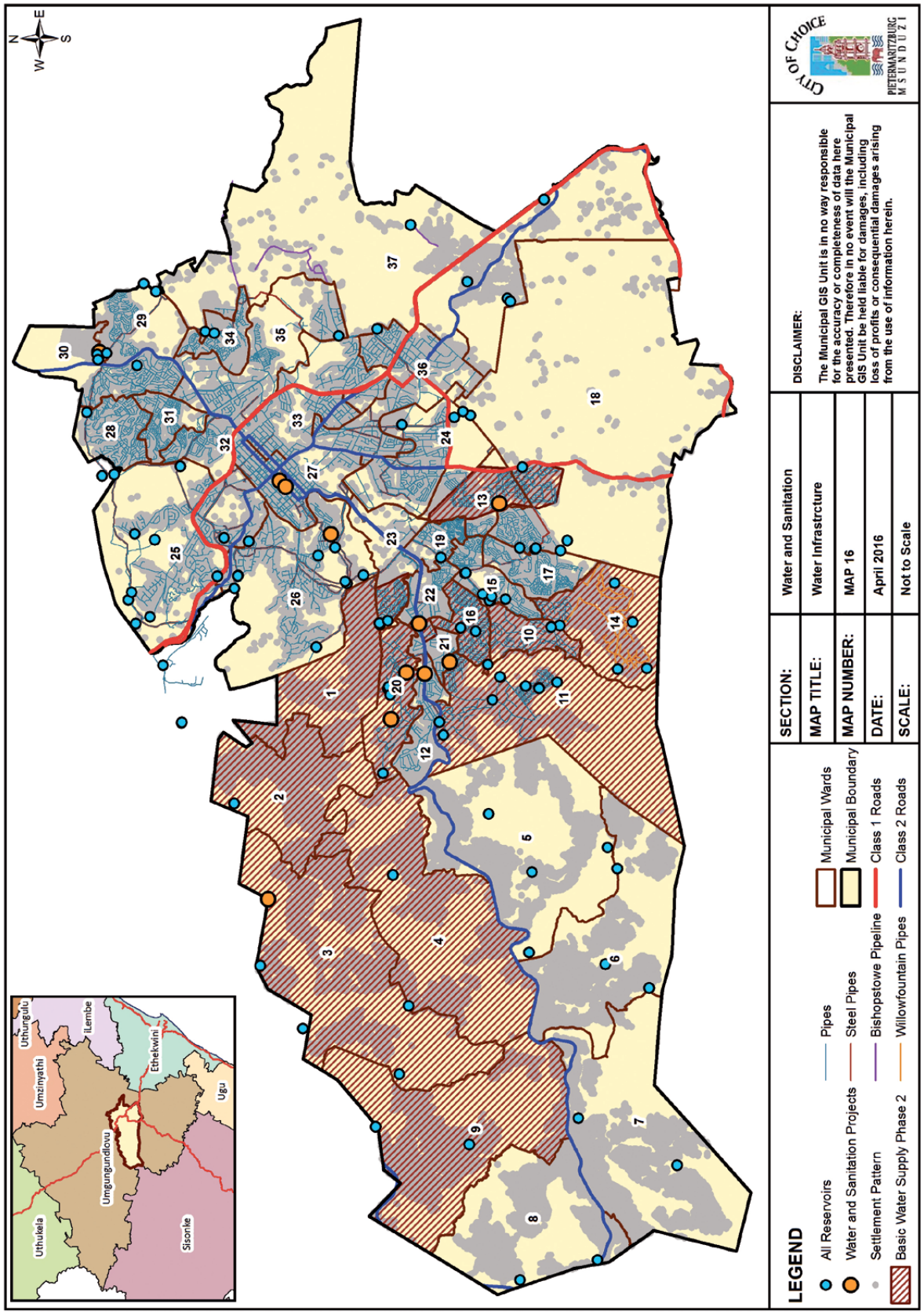
KEY ISSUES RELATING TO HOUSING:

- Housing Delivery:
  - Accreditation level 1 for housing delivery from the Department of Human Settlements (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.

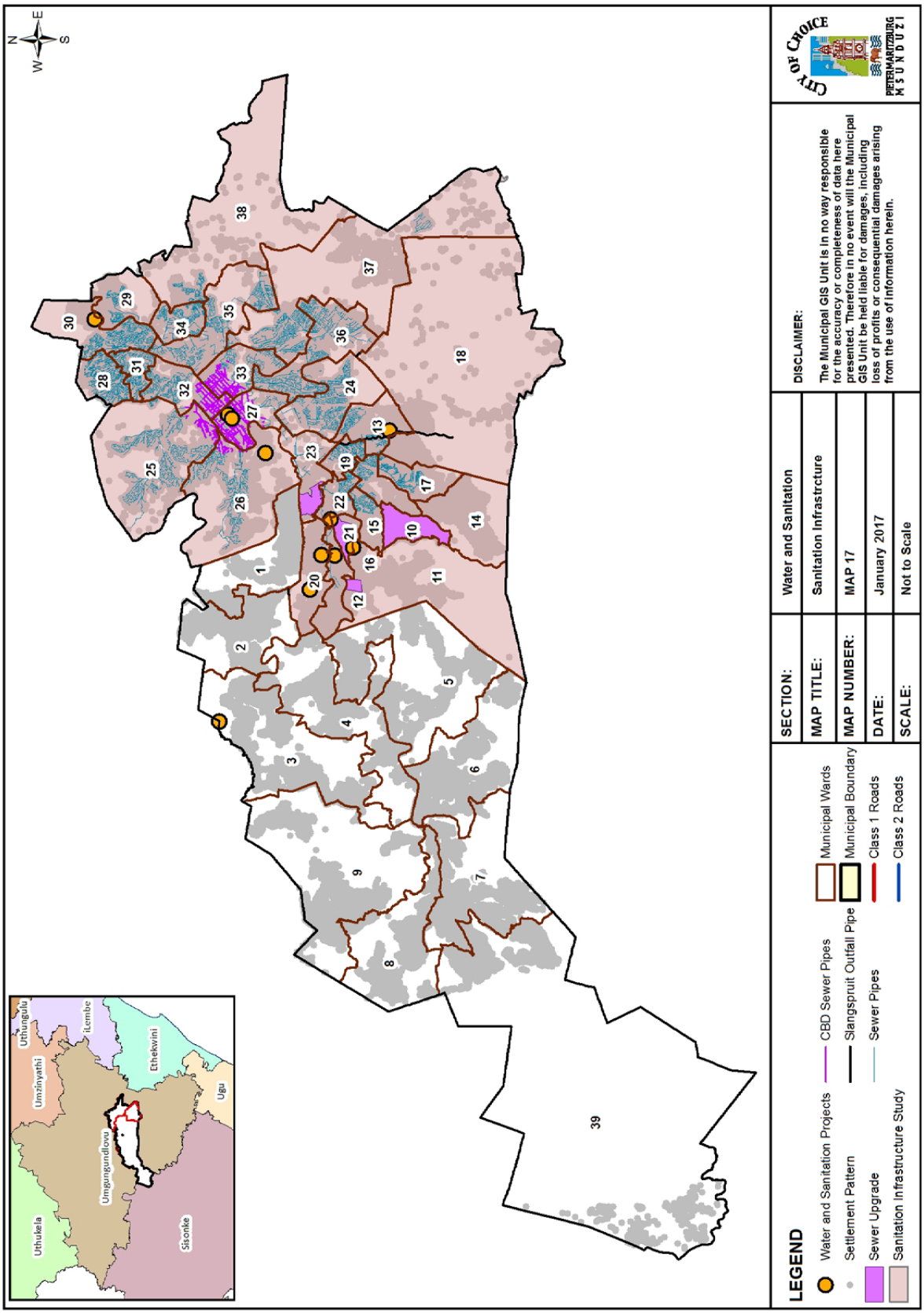
- Rental Stock:
  - Ageing infrastructure (rental flats);
  - Insufficient funding for repairs and maintenance which relates to poor rental payments;
  - Possibility of transferring certain rental units under Enhanced Extended Discount Benefit Scheme (EEDBS) policy (National Department of Human Settlement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

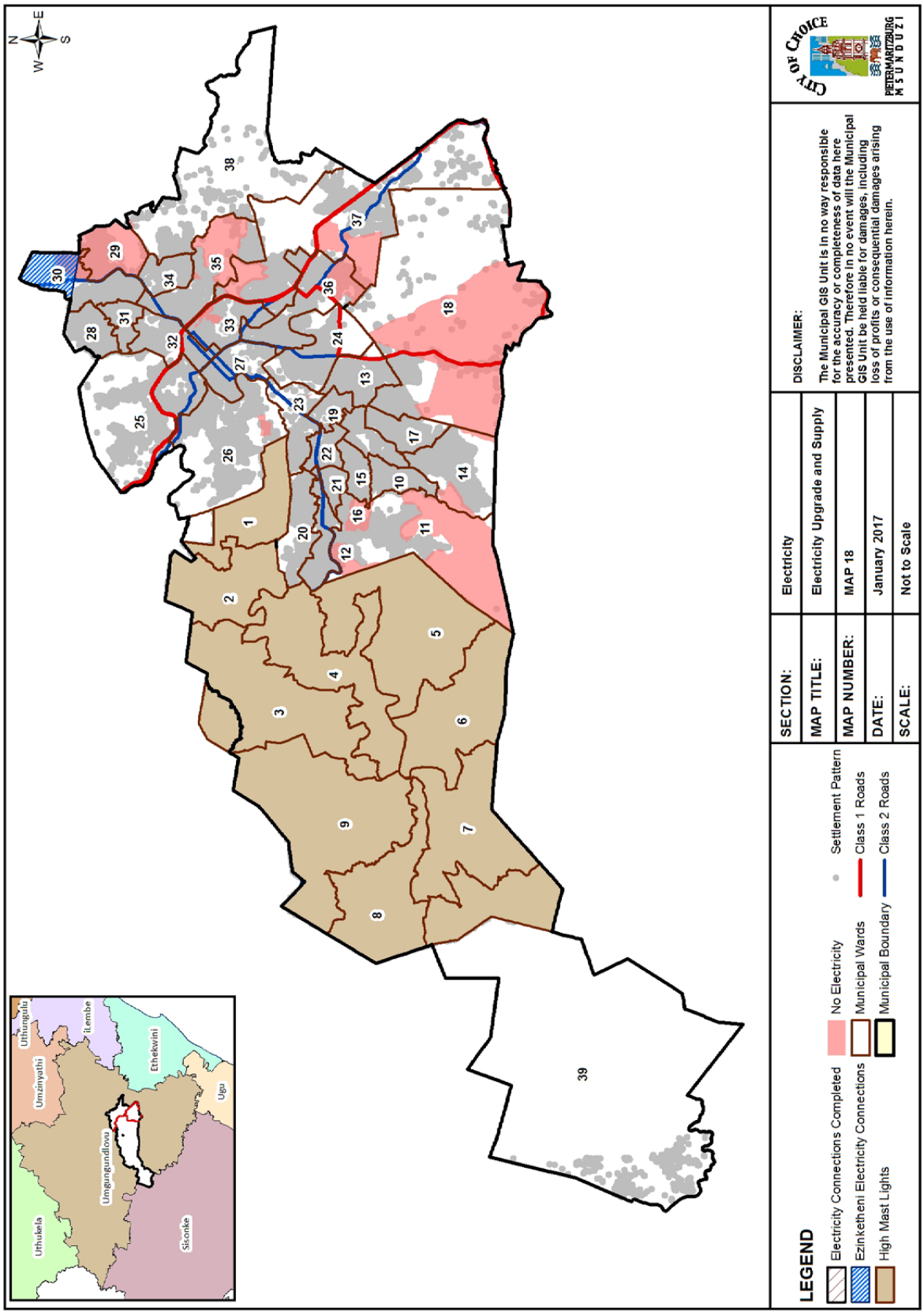
STRENGTHS	**WEAKNESSES**
• Accreditation level 1 with the Department of Human Settlement (DOHS). • Funding forthcoming from the DOHS.	• Ageing rental stock. • Insufficient funding for repairs and maintenance.
OPPORTUNITIES	**THREATS**
• Transfer of rental stock in terms of the Enhanced Extended Discount 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



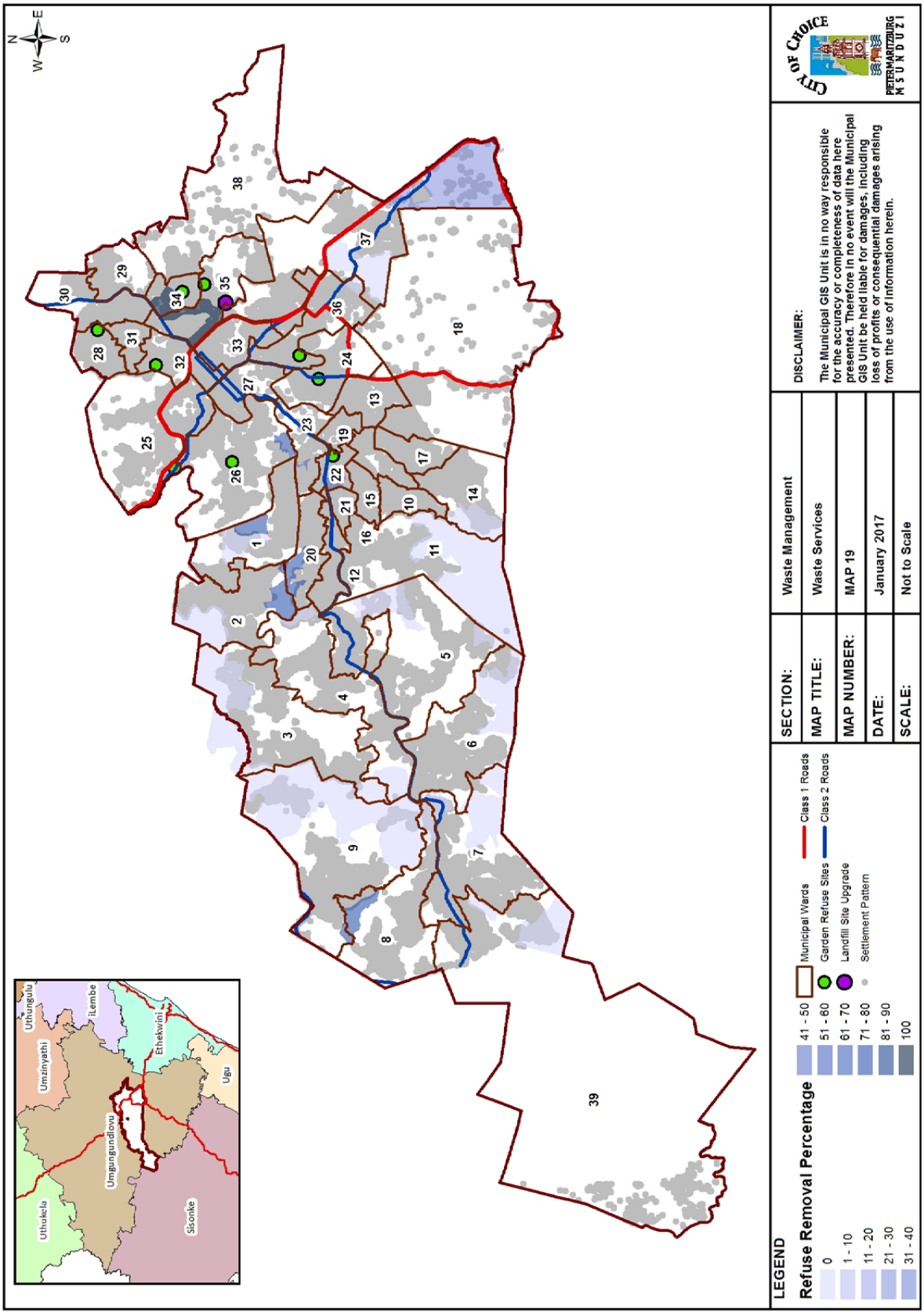
MAP 17: Water and Sanitation: Sanitation Infrastructure

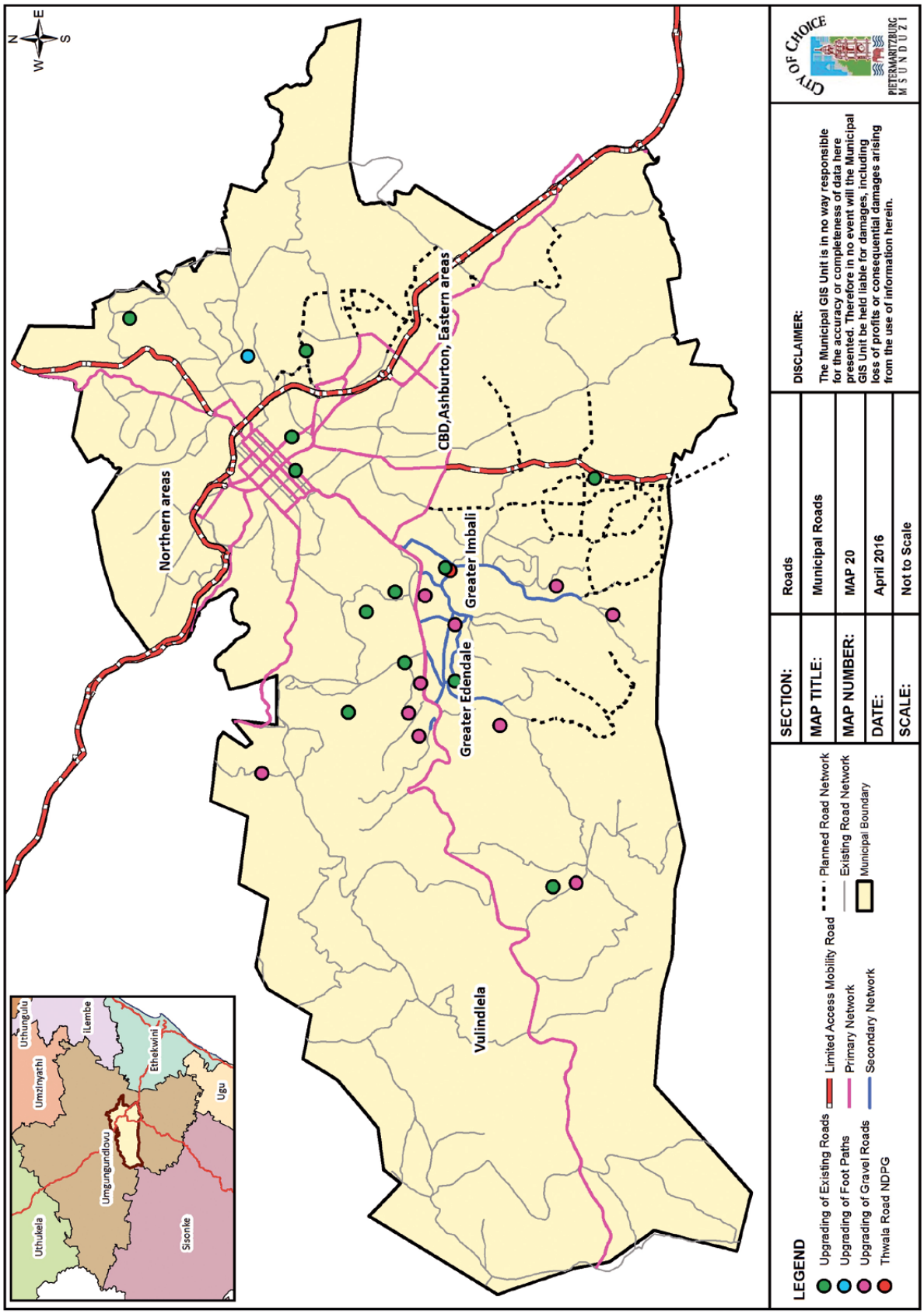




MAP 18: Electricity: Electricity Upgrade and Supply

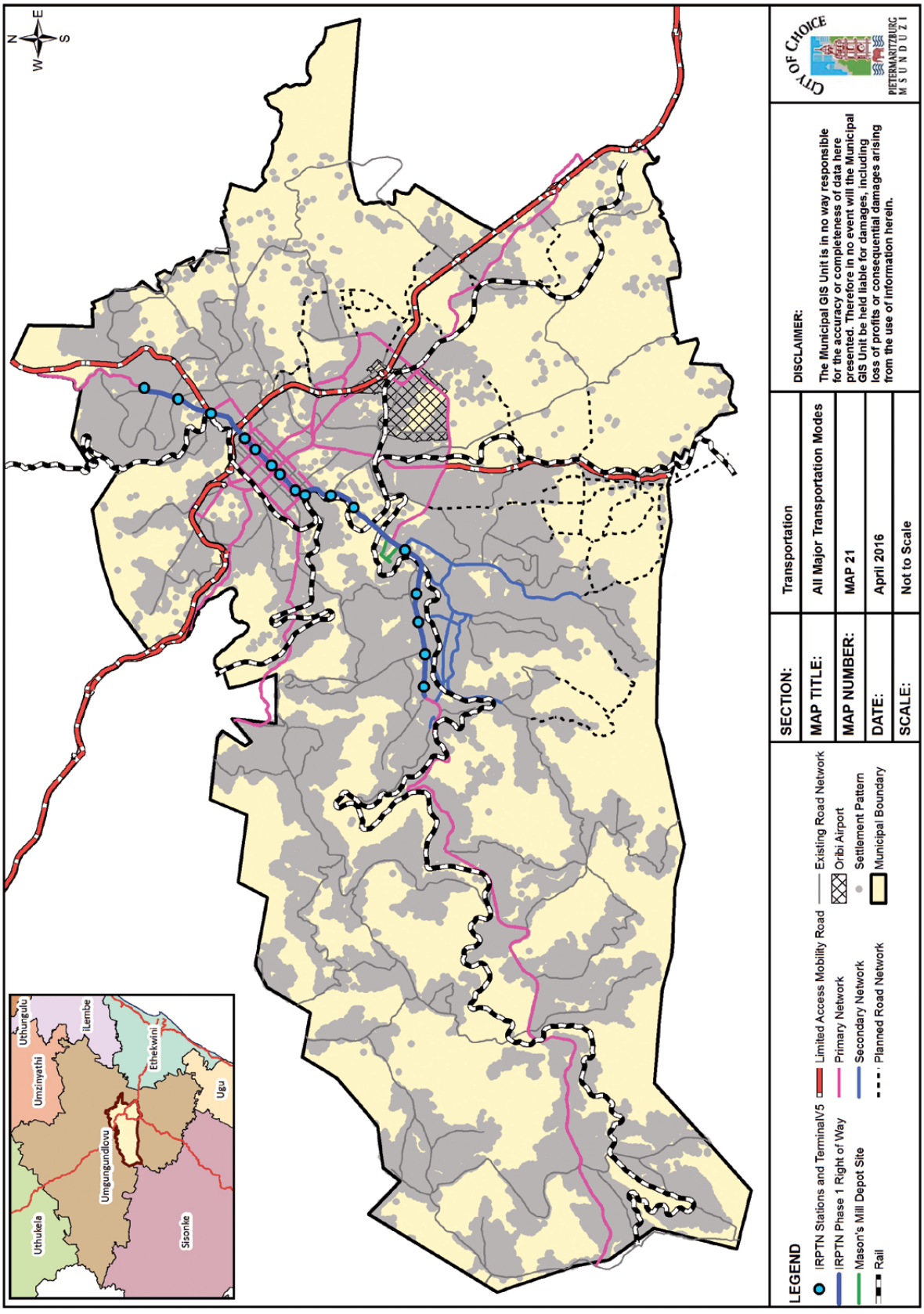
MAP 19: Waste Management: Waste Service



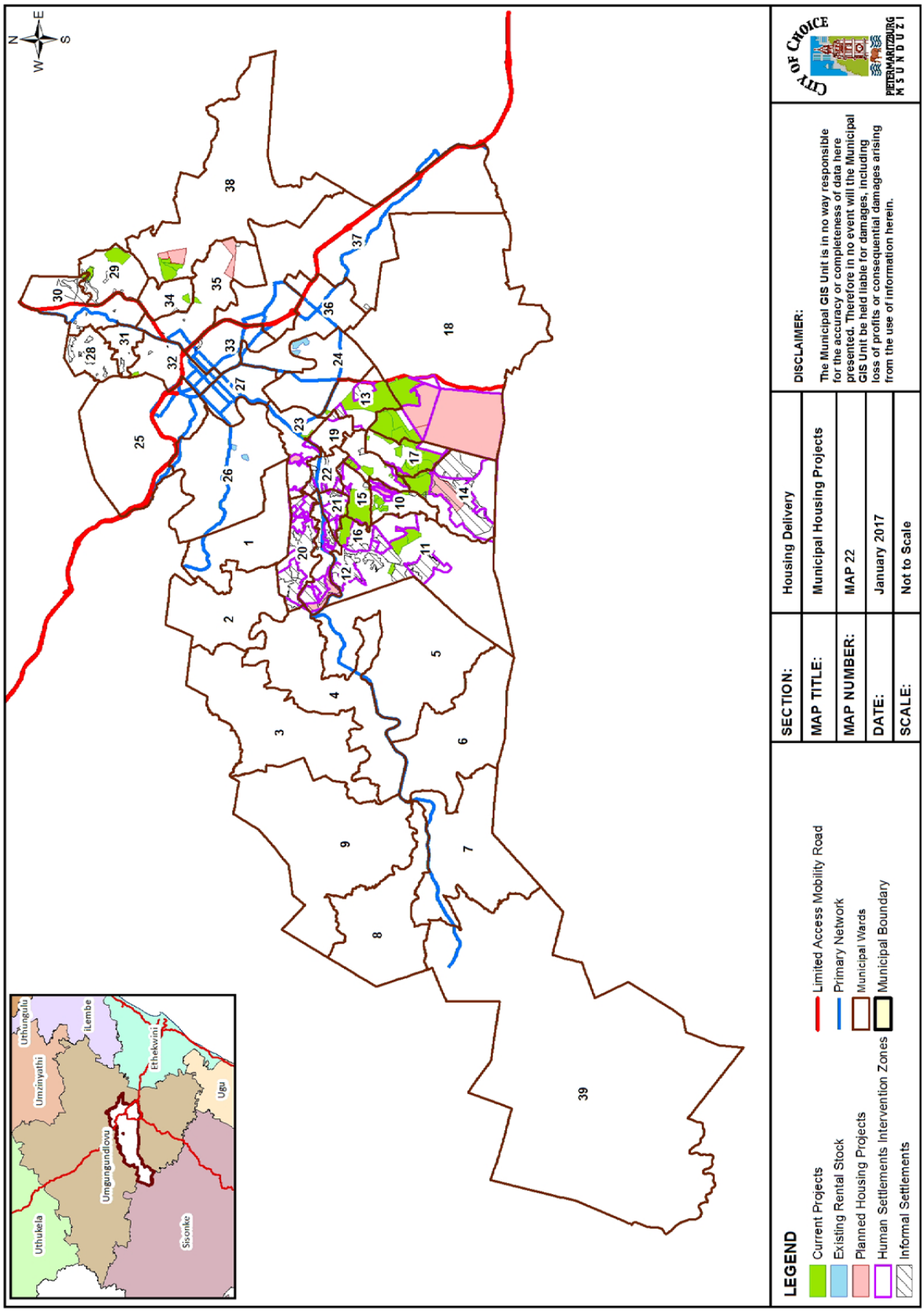


MAP 20: Roads Municipal Raods

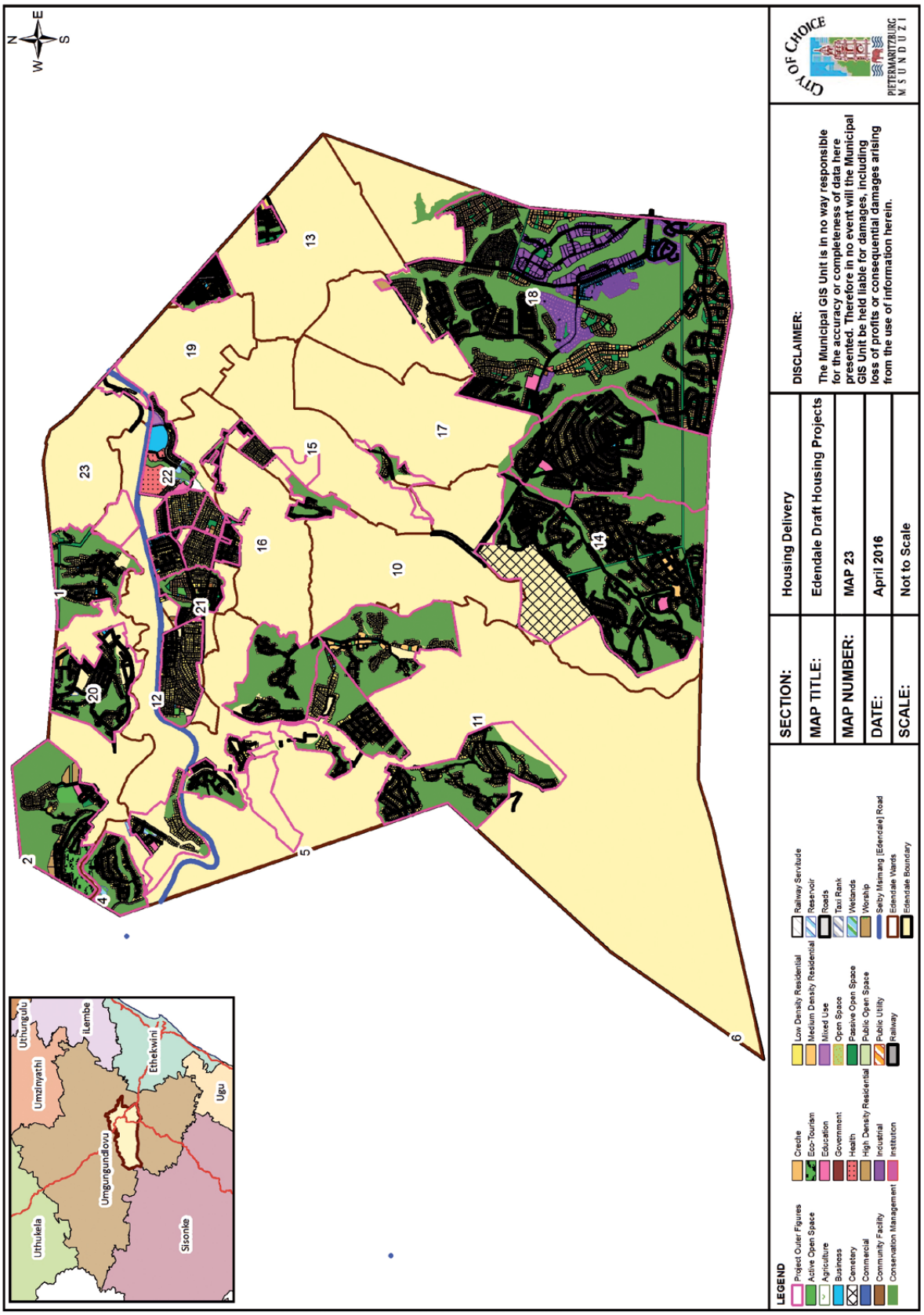
MAP 21: Transportation: All Major Transportation Modes

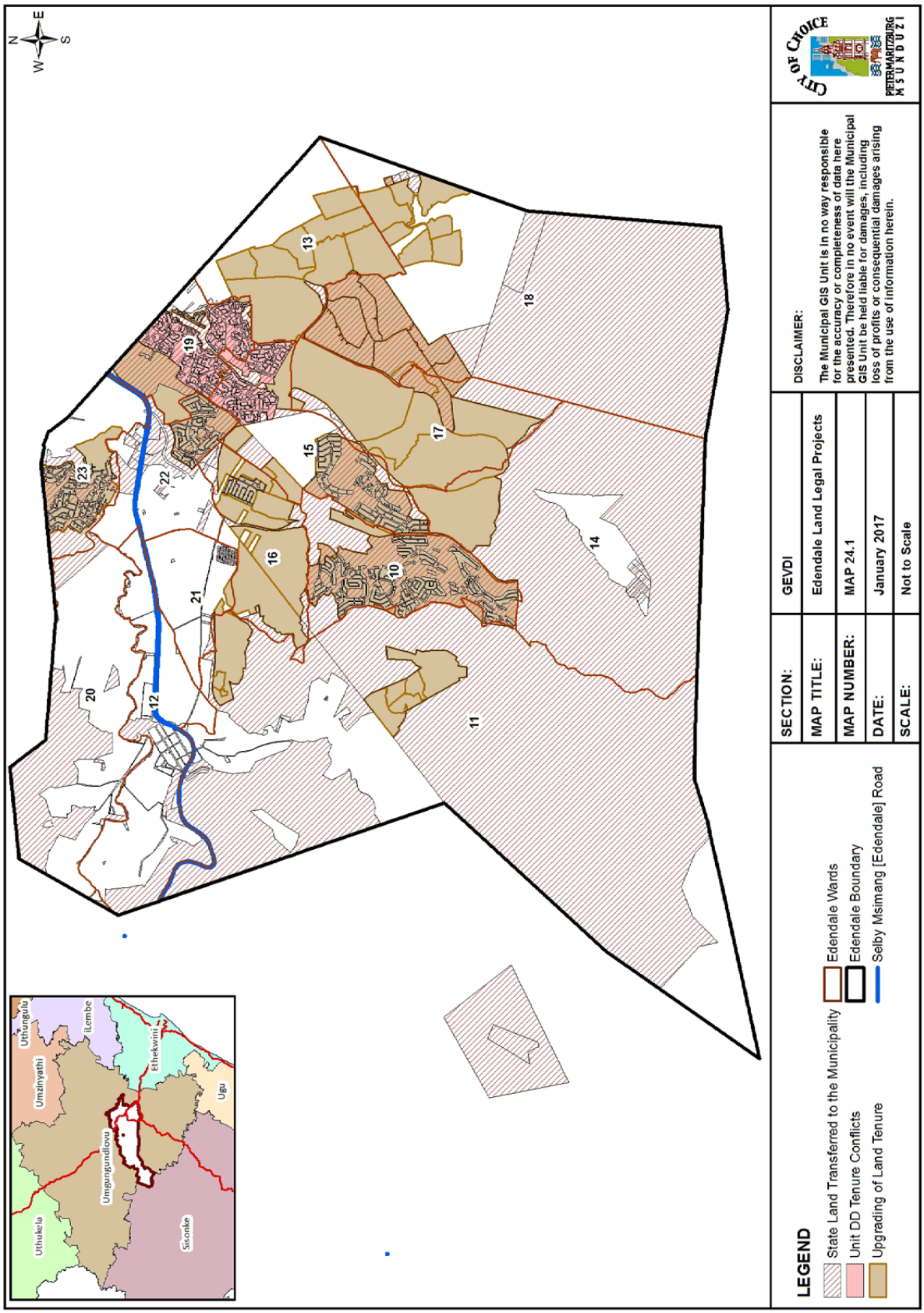


MAP 22: Housing Delivery: Municipal Housing Projects



MAP 23: Housing Delivery: Edendale Draft Housing Projects





MAP 24: GEDI: Edendale Land Legal Projects

3.16.8 THE EDENDALE LAND INITIATIVE AND THE GREATER EDENDALE DEVELOPMENT INITIATIVE

3.16.8.1 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.

3.16.8.2 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.

3.16.8.3 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.

3.16.8.4 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.

3.16.8.5 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.

3.16.8.6 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.

3.16.8.7 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

3.16.8.8 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.

3.16.8.9 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.

3.16.9 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.

C5-LOCAL ECONOMIC DEVELOPMENT

3.17 THE STATE OF THE ECONOMY

This section presents an economic overview of Msunduzi Local Municipality using regional and Gross Value Add (GVA) by industry at constant 2010 prices for a period of 5 years—between 2010 & 2015. The table below presents average growth in different industries within the Municipality as well as the 2017 estimate.

Table 6: Average Industry Growth within Msunduzi, R millions constant 2010 prices

Industry	2010	2015	Average Growth	Projected 2017
Agriculture, forestry and fishing	807	940	3.1%	999
Mining and quarrying	175	225	5.1%	248
Manufacturing	6 123	6 353	0.7%	6 447
Electricity, gas and water	1 438	1 401	-0.5%	1 386
Construction	1 380	1 525	2.0%	1 588
Wholesale and retail trade, catering and accomodation	4 542	5 108	2.4%	5 354
Transport, storage and communication	3 142	3 555	2.5%	3 735
Finance, insurance, real estate and business services	5 821	6 657	2.7%	7 024
General government	6 619	7 741	3.2%	8 242
Community, social and personal services	2 466	2 793	2.5%	2 936

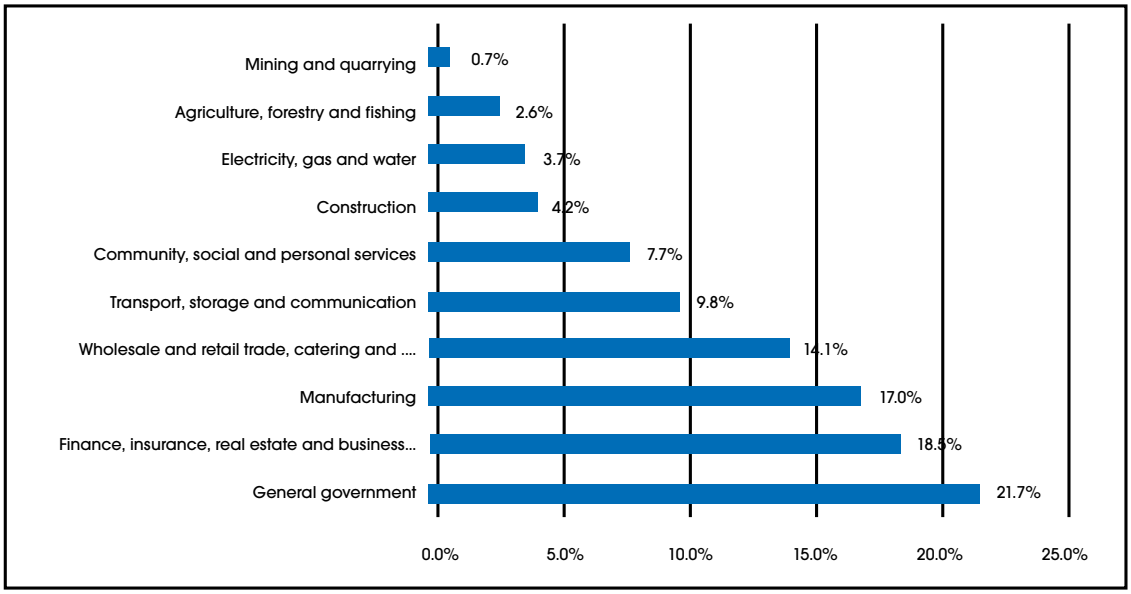
Source: Quantec, Standardised Reginal; Urban-Econ calculations, 2017

Gross Value Added (GVA) is a measurement of Gross Domestic Product (GDP), with the relationship defined as: GDP = GVA + Taxes – Subsidies. As the total aggregates of taxes and subsidies on products are only available at the level of the whole economy, GVA is used for measuring Gross Geographic Product (GGP) and other measures of the output of entities smaller than a whole economy.

As presented in the table above, Mining and quarrying (5.1%); General government (3.2%); Agriculture, forestry and fishing (3.1%); Finance, insurance, real estate and business services (2.7%); and Community, social and personal services (2.5%) are the fastest growing sectors in Msunduzi Local Municipality.

Although Mining and quarrying is in the least contributing sector within the municipality, this sector is also the fastest growing sector.

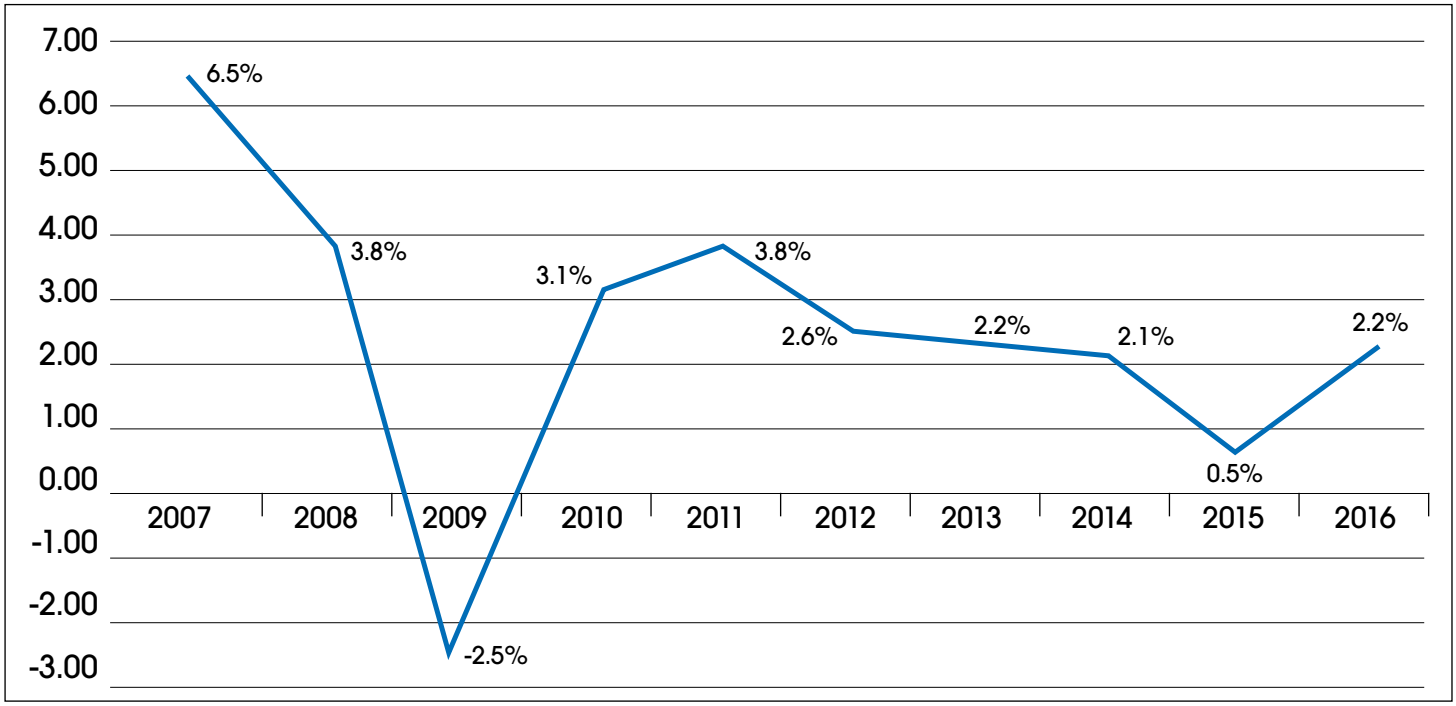
Figure 13: Economic Contribution per Sector for Msunduzi Municipality



Source: Quantec, Standardised Reginal; Urban-Econ calculations, 2017

The figure below gives an indication of the year-on-year growth in GGP for Msunduzi Local Municipality between 2007 and 2016 which can be measured as GVA at constant 2010 prices.

Figure 14: Year-on-year Growth in GGP for Msunduzi Local Municipality, 2007-2016



Source: Quantec, Standardised Reginal; Urban-Econ calculations, 2017

Msunduzi's year-on-year GGP growth rate dropped dramatically in the 2008/2009 recession when the Global Financial Crisis impacted South Africa to -2.5% and then greatly improved within just two years to 3.8% in 2011 followed by a gradual drop to 0.5% in 2015. 2016 saw an increase in growth to 2.2%.

A comparative advantage indicates a relatively more competitive function for a particular product or service in a specific economy than in the aggregate economy. The economy therefore produces the product or renders the service more efficiently. A location quotient is a tool for indicating the relative comparative advantage of an economy in terms of its production and employment, with a location quotient larger than one indicating a comparative.

The table below presents the location quotient of Msunduzi's economic sectors relative to the district, province and the country. This provides insight into the comparative advantage that Msunduzi's economic sectors have in relation to the province and country.

Table 7: Location Quotient of Msunduzi Local Municipality Relative to KwaZulu-Natal, uMgungundlovu and South Africa, 2015

Industry	Relative to District	Relative to KZN	Relative to RSA
Agriculture, forestry and fishing	0.25	0.54	1.01
Mining and quarrying	1.06	0.30	0.07
Manufacturing	1.02	0.98	1.28
Electricity, gas and water	1.13	1.65	1.60
Construction	0.98	0.87	1.07
Wholesale and retail trade, catering and accomodation	1.00	0.90	0.93
Transport, storage and communication	1.07	0.79	1.04
Finance, insurance, real estate and business services	1.12	1.01	0.84
General government	1.14	1.35	1.27
Community, social and personal services	1.08	1.25	1.31

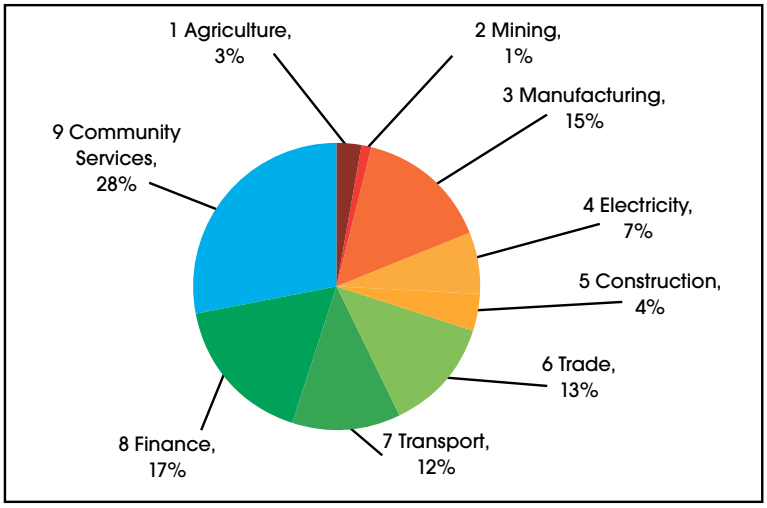
Source: Quantec, Standardised Reginal; Urban-Econ calculations, 2017

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)



As indicated in the 2014 LED Strategy, the Msunduzi Municipality has identified key economic sectors to be actively supported in terms of new investment and development. Each of the sectors identified present unique opportunities, but also require specific interventions. The sectors identified are reflected below in the listing of the components for the strategy. These sectors include:

- The Manufacturing Sector
- The Agriculture Sector
- The Business Process Services and Offshoring (BPO) Sector
- The Government Sector
- The Tourism Sector
- Green Economy

Through consultation processes, it was found that the key economic sectors mentioned in the 2014 Msunduzi LED Strategy are still considered to be integral in unlocking local economic growth and development in the Msunduzi Local Municipality and these sectors should still form part of the LED Strategy review process. Information pertaining to these sectors in the 2014 Strategy are still considered to be relevant. In addition to these above-mentioned sectors, it was further highlighted that additional sectors need to be included as part of the LED Review.

These sectors include the following:

- Healthcare Sector
- Information and Communication Technology (ICT) Sector
- Sports Sector and
- Wholesale and Retail Sector

3.18.2 COMMUNITY SERVICES

The Government Sector is another key sector identified in the 2014 LED Strategy. The 2014 Strategy indicates that as a result of the Provincial Capital status of Msunduzi, the government sector still remains one of the most significant economic sectors in the municipality. The consolidation of government activities over the past decade, from both Ulundi and eThekwini, has presented major opportunities for Msunduzi, however, indications are that facilities and supporting infrastructure are restricting the growth of this sector. Few new developments have been undertaken in Msunduzi to accommodate specifically the government sector and in general government facilities in the Municipality is outdated and need of upgrading (some departments have initiated processes in this regard).

The development of the sector is based on the establishment of the proposed Government Precinct which is championed by the KZN Department of Treasury. The application for the rezoning of the site where the Parliament Precinct will be established was approved in 2010. Due to financial constraints in 2010, the Government could not proceed with the project. However, it is indicated that currently the project is still to go ahead, however the status of its progress is still unknown at this stage.

In the longer term a more detailed assessment of the sector and the future development of the sector in Msunduzi will have to be undertaken. Such an assessment should be undertaken by Msunduzi with the support and involvement of key government departments, such as the Department of Public Works, Department of Economic Development, Tourism and Environmental Affairs and others.

3.18.3 FINANCE

The financial sector of the Msunduzi economy is the second largest sector in terms of GDP and accounts for 17% which declined from 24% in 2011. The fact that it is the 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 decreased from 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 THE MANUFACTURING SECTOR

Despite a decline in the manufacturing output of the Municipality over the last decade, the manufacturing sector contributes to the local GDP at 15%. 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 60ha site in Ashburton which is under construction and will have 70 sites of commercial and light industrial properties.

The Msunduzi Local Municipality will continue to identify and support established industry sectors, such as clothing and textiles, footwear, metal products, electronic equipment amongst others. However, through more focused research the Municipality will continue to identify opportunities in other sectors and investigate approaches to attracting such industries.

Currently a Manufacturing Sector Assessment is being undertaken which involves the auditing of various manufacturing businesses found within Msunduzi and an Industrial Development Strategy that is currently being developed and is at Inception stage.

3.18.7 THE AGRICULTURE SECTOR

Agriculture and agribusiness makes an important contribution to the Msunduzi economy in general. However, the agricultural output of the Municipality is limited primarily as a result of the extent of land available for this purpose. It further indicates that a future focus area of the Municipality should be on the protection of high potential agricultural land where possible and intensification of agricultural production on the available land. Further to this, where the potential exists the Municipality will in partnership with the Department of Agriculture support subsistence and small farmer development.

In addition, opportunities exist in linking the Msunduzi Local Municipality to the uMgungundlovu District's Agri-park, which forms 1 of the 44 District Agri-parks that have been identified at national level. 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 uMgungundlovu Municipality supply produce directly to the markets in the Municipality.

Although the agriculture sector is identified as a key sector, the Msunduzi is not the front-runner unlocking and supporting local economic development within agriculture sector in Msunduzi Local Municipality. The Municipality currently provides a support function to the KZN Department of Agriculture and Rural Development which champions agriculture related projects within the Local Municipality. However, the Municipality does recognise the importance of having an official within the LED Unit whose primary focus should be on agriculture and agriculture related activities within Msunduzi, especially in light of supporting National imperatives such as the roll out of the uMgungundlovu Agri-park.

3.18.8 THE TOURISM SECTOR

The Tourism Sector was highlighted as one of the key economic sectors for local economic development in the 2014 LED Strategy. The economy of Msunduzi Local 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 berg and beach tourism destinations and is a convenient stop-over for many travellers.

The 2014 LED Strategy indicates that in an effort to develop these areas, address the challenges and create a year-round tourism industry in the city a Tourism Strategy has been developed in order to outline the direction in which the tourism industry in the Msunduzi Local Municipality should proceed taking into account the local economic conditions and the specific issues that need to be addressed. As an important node within the uMgungundlovu District it is believed that this will support and complement the tourism sector in the District. Throughout the development of the Plan a systems approach to tourism development was adopted. This approach focuses on more than just improving the available tourism products and services, and includes addressing components that are integral to the efficient functioning of the tourism industry.

3.18.9 THE BPO SECTOR

The previous LED Strategy highlights the importance of the Business Process Services and Offshoring (BPS&O) Sector. It highlights that the BPO sector has been growing rapidly world-wide. Contracting external agents to perform certain business functions is not new. But collaboration between companies and external service providers who are off-site and increasingly off-shore, has increased rapidly with the universal use of email and the availability of high bandwidth and web-based connections.

This has given birth to a rapidly expanding business process outsourcing and offshoring sector (BPO&O) now referred to as business process services and offshoring. Outsourcing occurs when a company uses a third party to carry out certain of its business processes and offshoring is when these activities are performed in a foreign location. BPS includes:

- IT and technical services;
- call centre functions;
- financial accounting and administration;
- human resource functions;
- data conversion;
- entry and scanning;
- administration and maintenance;
- insurance industry functions; and
- website design and development.

BPS acts as a trigger for job creation and community development in developing countries. Because of the channel through which the service is provided (telephone, email and internet) the service can be provided from anywhere in the world where there is adequate infrastructure and skills at competitive costs.

Although the BPO Sector has been highlighted as a key sector in the previous 2014 LED Strategy, there has been minimal activities undertaken by the Business Services Unit to unlock and support local economic development activities within this sector. In 2014, the Msunduzi Local Municipality appointed a service provider to develop a strategy for the sector, however the strategy was never completed. Through engagement sessions with officials from the Municipality, it is indicted that this sector is still an important sector to explore as there has been growing number of BPO sector activities that are being undertaken within the municipality such as call centre establishments.

3.18.10 GREEN ECONOMY

The Green Economy is another sector that has been highlighted. As indicated in the LED Strategy, various definitions are currently MSUNDUZI MUNICIPALITY Prepared by: Description Msunduzi LED Review Revision No. 2 Date: June 2017 Page 36 MK-R-901 Rev.02/17 being put forward for what represents "green economy" activities. A study by the KZN Department of Economic Development put forward the following definition:

"A 'green economy' is characterised by substantially increased investments in economic sectors that build on and enhance the earth's natural capital or reduce ecological scarcities and environmental risks". The study went further to identify sectors in which green economy opportunities exist which includes (KZN DEDT 2011):

- agriculture,
- forestry,
- fishing,
- indigenous natural products,
- energy,
- water,
- waste,
- transport,
- cities, towns and villages,
- buildings,
- manufacturing,
- retail,
- environmental consulting, policy-making and research,
- tourism, and
- nature conservation.

The range of opportunities for building a Green Economy is then nearly limitless and it is recommended that the Msunduzi Municipality must, from a strategic perspective, provide guidelines as to its focus areas in terms of building the Green Economy.

Within the context of the above, through previous discussions with the Department of Economic Development and Tourism and Trade and Investment KwaZulu-Natal (TIKZN) and the available literature on Green Economy promotion, a guideline for the development of the Green Economy in Msunduzi has been developed. This guideline acknowledges the following components of a future Msunduzi Green Economy:

- Green energy;
- Green industry;
- Green property;
- Green landscape;
- Green infrastructure;
- Green agriculture;
- Green jobs; and
- Green skills development.

These components are unpacked in terms of potential opportunities and projects and comment is provided on the spatial considerations relating to each of the activities. In line with developing the Green Economy, the previous LED Strategy suggested that Green Economy Guidelines be developed. This project needed to be undertaken with MSUNDUZI MUNICIPALITY the collaboration of the Environmental Management Unit as well as the Business Services Unit. To date, no work has been done on developing the Green Economy Guidelines and the Environmental Management Unit has indicated that although an important project, the development of the Green Economy Guidelines has not been prioritised by this department and in order to develop and implement the Green Economy Guidelines, further collaboration and effort needs to be made between the Business Services Unit and the Environmental Management Unit to undertake this task.

3.18.11 HEALTHCARE SECTOR

There has been increase in the development private and specialised healthcare services within the Msunduzi Local Municipality. This is largely due to the increase in demand for such specialised, quality healthcare services within the Msunduzi Local Municipality. It has the potential to attract highly skilled professionals into the area with potential for a greater income spend.

3.18.12 ICT SECTOR

Information and Communication Technology plays an important role in attracting investment into a region and developing the ICT Sector. There is strategic importance in developing the Msunduzi as an ICT incubator to provide an enabling environment for the emerging ICT small business to be sustainable and competitive in regional, provincial and nations markets.

A fibre optic cable network project is also one of the current ICT related and catalytic projects that is earmarked for Msunduzi Local Municipality. A Technology Hub is also envisaged for the Msunduzi Local Municipality and is one of the catalytic projects identified in the 2014 LED Strategy. A grant was received from KZN Treasury for the designs and preliminary infrastructure costs. A concept plan was approved by council for the hub, after which detailed designs for Phase 1 of the hub were completed. The Municipality is awaiting the ROD from EDTEA and will thereafter have to source funds for the construction phase going forward.

3.18.13 SPORTS SECTOR

Not only has Msunduzi played host to a number of sporting events such as the Comrades Marathon, it also houses a number of sporting infrastructure developments and has recently had a greater focus on upgrading and developing its sporting infrastructure. A number of sporting head offices are also located within the Msunduzi Local Municipality. Opportunity exists in creating sports training academies linked to these sporting infrastructure as well as skills development and training of sports officials that can be used to train sportsmen and women at these facilities.

3.19 LEVELS OF EMPLOYMENT

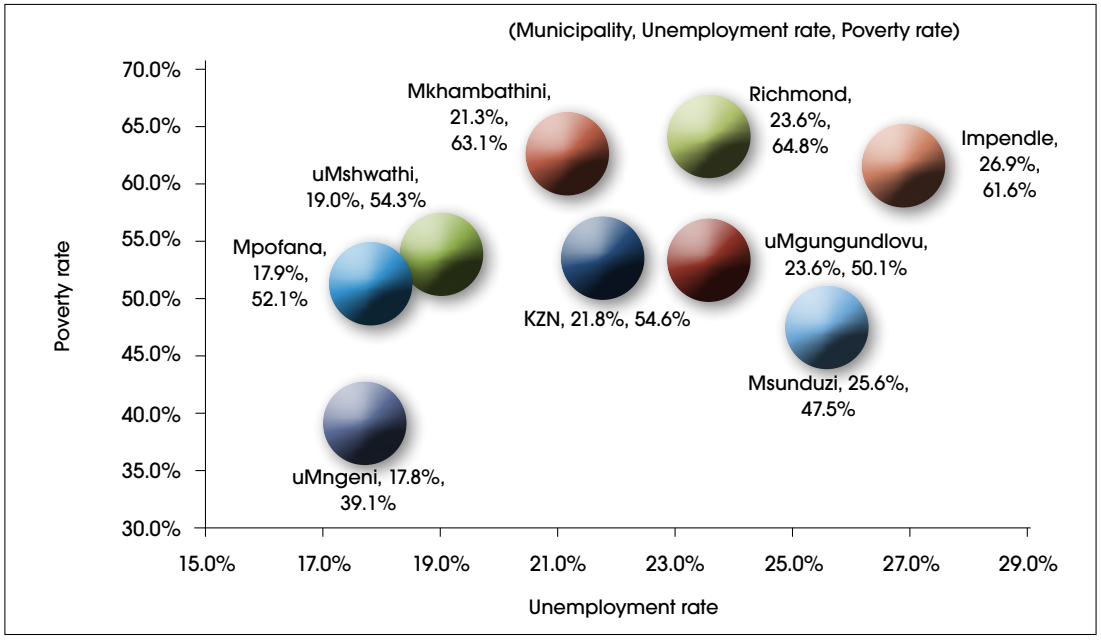
3.19.1 EMPLOYMENT

The table below indicates the employment profile for Msunduzi. When looking at the labour force, it can be seen that the employed population made up 51.8% of the labour force in 2001 and has grown to 60.6% in 2011, indicating a 2.7% growth rate during this period. Based on this growth rate, it is estimated that the employed component of the labour force currently sits at 66.7%. The unemployed population made up 48.2% of the labour force in 2001 and in 2011, it made up 39.4% of the labour force indicating a -3.8% growth rate during this period. Based on this growth rate, it is estimated that the unemployed component of the labour force currently sits at 33.3%.

Figure 16: Msunduzi Employment Profile, 2017

EMPLOYEMENT PROFILE	2001	2011	GROWTH RATE	2017
Employed	51.8%	60.6%	2.7%	66.7%
Unemployed	48.2%	39.4%	-3.8%	33.3%
Labour Force	100.0%	100.0%	3.5%	100.0%

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.

3.19.3 EXPENDED PUBLIC WORKS PROGRAMME (EPWP)

The infrastructure sector is led by the Department of Public Works (DPW). The Department also collaborates with the Departments of: Transport; Cooperative Governance and Traditional Affairs; Water Affairs; Mineral Resources; and Energy. The Infrastructure sector involves the use of labour-intensive methods in the construction and maintenance of public sector funded infrastructure projects. Labour intensive infrastructure projects under the EPWP entail:

- using labour-intensive construction methods to provide work opportunities to local unemployed people;
- providing training and skills development to the locally unemployed people; and
- building cost effective and quality assets.

The municipality is implementing the EPWP project however there is lots of room to increase our contribution further and the continued growth of the sector will depend on the degree to which some of the under performing areas within the municipality can increase their performance by implementing their projects more labour intensively and by establishing dedicated labour intensive maintenance programmes which have the potential to provide regular employment to large numbers of people, especially in rural areas.

The key EPWP Infrastructure programmes include:

- **Vuk'uphile:** pertains to training of individuals in labour intensive methods of construction to become contractors at NQF level 2 and supervisors at NQF level 4,
- **National Youth Service:** A year-long skills training and development intervention. It aims to provide unemployed youth with technical skills and life skills training, access to practical work experience and mentoring;
- **Large Projects:** these are projects with a minimum budget of R30m or more. Ensure that delivery of large budgets projects will be based on EPWP principles and ensure meaningful development of emerging contractors; and

In addition, DPW provides technical support to assist: design and implement programmes/ projects labour intensively and to report on EPWP projects.

The EPWP Social Sector provides work opportunities to unemployed and unskilled people through the delivery of social development and community protection services such as:

- **Early Childhood Development:** Provide education and care to children in the temporary absence of their parents or adult caregivers. Services include provision of child health, nutrition, education, psychosocial and other needs within the context of the family and the community. The beneficiaries are provided with skills to increase their capacity to generate an income hence improving care and learning environment,
- **Home Community Based Care:** Provide basic health services needs by formal or informal caregivers employed in EPWP projects to people in their own homes or home based care that the community can access closer to their homes,
- **School nutrition programme:** The programme employs community members as food handlers to provide food to children from needy families and thus address malnutrition,
- **Community Crime Prevention:** It is aimed at encouraging community members by employing volunteers in EPWP projects to be active in helping to identify community safety priorities for their neighbourhoods,
- **School Mass Participation:** The programme provides work opportunities to sports coaches and encourages members of the public to participate actively in sports with the objectives of promoting good health, self-realisation, community development and social cohesion, and
- **Kha Ri Gude** (Tshivenda for 'let us learn') is a Mass Literacy Campaign aimed at inviting adults who missed out on their schooling, and who cannot read nor write, to join literacy classes provided across the country.

The overall coodinator of Social Sector is the Department of Social Development assisted by the Department of Basic Education and the Department of Health.

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 businesses were 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.

3.20.1 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 on 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 construction of the Athlone centre began in August 2017, and scheduled for completion in March 2019. Located and interconnected at the crossroads of the northern suburbs and Pietermaritzburg's main arterial network. The centre valued at approximately R 250- million will offer both retail and office space, the extent of which will be approximately 12,000 square meters when complete. The Athlone centre basement level construction work is currently under way, with 70% of retail space already let.

Eden Gardens Private Hospital

The Eden Garden private hospital situated at 100 Archie Gumede drive, opened its doors on October 16th 2018. The hospital was developed on a hospital-hotel model, boosting a combination of modern facilities and state of the art equipment. The hospital is located on roughly 3.1 hectors, comprising a basement and 3 above ground floors. The hospital has 125 beds, eight wards including ICU/high-care, Neonatal ICY, day ward and 5 theatres. Close to 250 permanent job- both hospital staff and outsourced services- have been created, with the majority of employees being from the local community and surrounding areas.

Willowood Park

The willowood park development will offer industrial accommodation for "trade retail" enterprises. Phase 3 and 4 of the development have been successfully completed:

- Phase 3 encompassed the retail development which included the modification and improvements to existing facilities.
- Phase 4 comprised of proving and formalising additional customer and staff parking.

The project has not commenced with the development of the remainder of the property up to Orthman Road.

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 General Manager: Sustianable Development & City Enterprises investigates the existing Council resolution and submit a further report on how this matter should be dealt with going forward.

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. To date 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

Since opening its doors in 2003, Liberty Midlands Mall has established itself as the retail destination of choice in the Kwa-Zulu Natal Midlands. Over the years, the mall has grown to cater for the retail needs of its customers and measured a remarkable 56,000m^2 amongst its first two phases. Based on the success experienced, and further demand for space within the mall, from both local and international retailers, the launch of the much anticipated Phase 3 expansion has come. Phase 3 presented an opportunity to enhance the tenant mix, catering for the broader needs of Liberty Midlands Mall customers.

After years of planning and hard work from the project team, the construction of Liberty Midlands Mall's Phase 3 development commenced in November 2016, and was completed and ready for trade in March, 2018.

Mphushini 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, 200,000m^2 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 2000m^2 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.

3.21 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.

3.22 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.

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. In term of plans and initiatives undertaken to facilitate and create an enabling environment include the Muniipality conducts training and workshops for co-ops and SMMEs. **Mechanisms to attract and support investment include but are not limited to**. The Msunduzi Growth Coalition has launched to facilitate major investments and development in the city. The coalition is an eight-a-side between business and government,on the same lines as the KZN Growth Coalition.

COGTA 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. NDPG 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 2018/2019 DoRA allocation to the Municipality.

The Municipality has a Local development strategy in place and was adopted by council during the 2017/18 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
Intervention 4:

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

Mobilizing Private Sector Resources

- As part of public/private partnering for growth, one aspect of the investment support mechanism will be the development of suitable mechanisms to encourage additional local business development and support business and private sector interaction (Page 8).
- Collaborating efforts between the municipality and private sector is listed as one of the key intervention areas in the LED Strategy (page 41).

3.26 EXPENDED PUBLIC WORKS PROGRAMME POLICY

The Municipality through EPWP aims to create work opportunities by adopting labor intensive methods to reduce poverty.

The Program is coordinated by the National Department of Public Works (DPW), with the Department of Co-operative Governance and Traditional Affairs (COGTA) acting as the facilitator, as mandated by Cabinet. The Msunduzi Municipality aims to be a contributor to the 2 million full time equivalent jobs (FTEs) that are to be created by 2014. The Programme will be implemented by all defined sectors, namely, Infrastructure, Social and Environment/Culture run by the various Msunduzi operating units.

- EPWP incentive has been introduced as part of Phase 3 of this program to further enhance the creation of EPWP Full Time Equivalent work opportunities by Public Bodies (1 Full Time Equivalent = 230 Person days). This was after the realization that NDPW had limited authority in Phase 2 to make Public Bodies meet their targets;
- The incentive is paid to eligible Public bodies that meet their thresholds and set targets;
- The incentive is an additional source of funds for Public bodies implementing Projects in the infrastructure; environmental, health or social sectors.

Figure 16.1

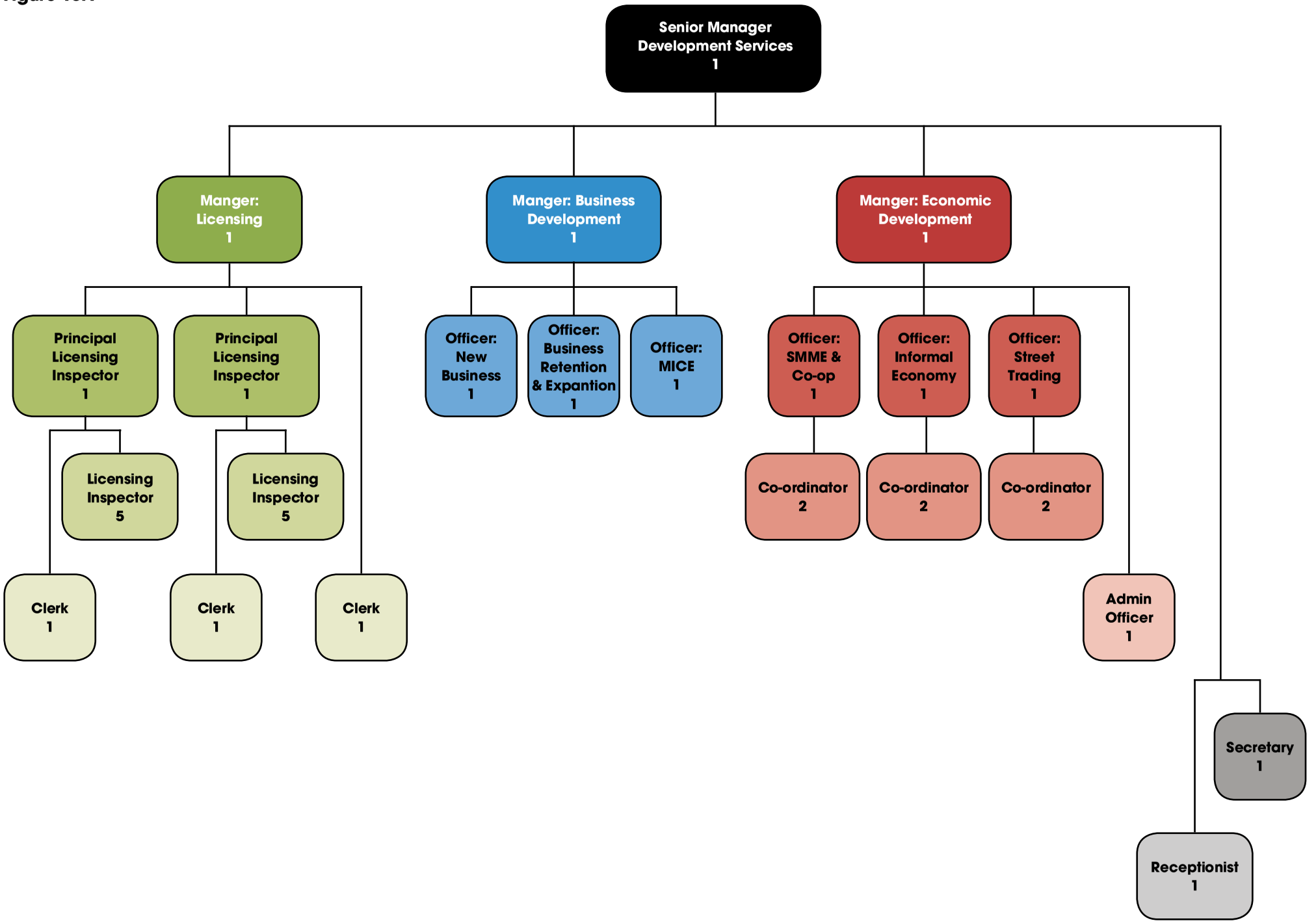

Senior Manager Development Services 1
Manger: Licensing 1
Manger: Business Development 1
Manger: Economic Development 1
Principal Licensing Inspector 1
Principal Licensing Inspector 1
Officer: New Business 1
Officer: Business Retention & Expantion 1
Officer: MICE 1
Officer: SMME & Co-op 1
Officer: Informal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

3.27 SOCIAL INFRASTRUCTURE

3.27.1 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.

3.27.2 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.

3.27.3 LIBRARIES

There are eleven libraries within the Msunduzi Municipal Library Services, the main Bessie Head Library and eleven branch libraries. The Bessie Head Library has a wide range of resources including books, large-print books, newspapers and periodicals, audio-books, DVDs, videos, music CDs and scores, and CD ROMs for all age groups. Within the branch libraries: there are three large libraries, Northdale, Georgetown and Eastwood and five smaller ones, Ashburton, Woodlands, Sobantu, Ashdown, Alexandra, Mafunze, Elandskop and Slangspruit. The branch libraries offer a smaller range of materials than is available at the main library but make every effort to meet the needs of the communities they serve. A limited Adult Reference service is available at Northdale, Georgetown and Eastwood libraries. Georgetown provides a study area and a Travelling Library service to schools.

Libraries have traditionally been one of the primary sources of information for citizens. The Internet, however, has liberated much of the information that was once only contained in physical artifacts. In order to remain relevant Msunduzi Municipal Library Services need to ensure that they are adapting to this new environment, meeting the information needs of their patrons and providing the unique curation, expert advice, and services that our patrons demand and which the library is well poised to provide. Patrons are no longer just consumers of content, but producers as well, and the role of the library is to provide access to the knowledge and resources to help people learn the skills needed to participate in and accomplish work/ tasks in this changing landscape

During the 2017/2018 financial year, all libraries were maintained and some maintenance would be completed by the end of August 2018. A comprehensive number of books were purchased. Renovations were undertaken at Sobantu, Woodlands and Georgetown Libraries. This has provided more spacious and conducive environments for library patrons. Plans have been finalized for the Mobile Library Service to reach communities and schools that have no access to books. Most of the vacant posts were advertised and the recruitment process commenced. Eight Librarian posts were filled and eight contact cataloguers were employed.

TABLE 45: LIBRARY USAGE

Library	Adult	Children	Young Adult	Total
Bessie Head	45 235	26 932	9 852	82 019
Northdale	7 345	6 983	3 960	18 288
Eastwood	3 641	5 214	1 774	10 629
Woodlands	2 529	3 855	1 371	7 755
Georgetown	1 187	2 916	1 319	5 422
Ashburton	1 963	1 553	826	4342
Sobantu	118	1 813	976	2 907
Alexandra	1 759	795	165	2 719
Ashdown	692	1 234	484	2 410
Elandskop	419	1093	245	1 757
Mafunze	116	322	379	817
Slangspruit	433	1 093	245	1 771

3.27.4 THEATRES AND COMMUNITY HALLS

There are 73 community 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. Halls have been upgraded and renovated. Priority was given to halls in Vulindlela areas. There are insufficient funds for the maintenance of Halls.

3.27.5 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

3.27.6 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. Theres a need to obtain authority from the Department of Housing to utilize 10 hectares of the 30 hectares authorized cemetery at Ethembeni. The ROD on the new site needs to be fast tracked in order to alleviate the problems of burial space and initiate the process of developing Hollingwood as a cemetery site since there is a negative ROD for housing. New cemeteries is vital to accommodate burials for 50 years

3.27.7 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. The department of Public Safety helps ensure a safe environment and improve the 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 on the 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 glow freely again. Eliminate points of congestion, obstruction, hindrance, interference or danger to vehicles and pedestrians.

3.27.7.1 SAFE CITY:

Primary

- The monitoring of traffic and Municipal Bylaws such as littering, street gambling and illegal trading.
- Facilitating the Automatic Number Plate Recognition (ANPR) system for the execution of outstanding traffic warrants and the recovery outstanding revenue when required
- The prevention, detection and investigation of crime
- The maintenance of existing CCTV system
- Advise municipality on expansion of CCTV system
- Oversee the design, specification and installation of new CCTV equipment.
-

Secondary

- Facilitating the Disaster Man
- The monitoring of gatherings, marches and events of public interest within camera visual area.
- Attend meetings with the Municipality to determine possible additional services.
- Liaise with Community Police Forums, Bank Task Group and Non Ferrous Forum.
- Informing the public and business community regarding current crime tendencies and advice them on crime prevention strategy
- Receive and decimate crime information and public complaints via the Safe City SMS Safe project to the relevant role-players'.

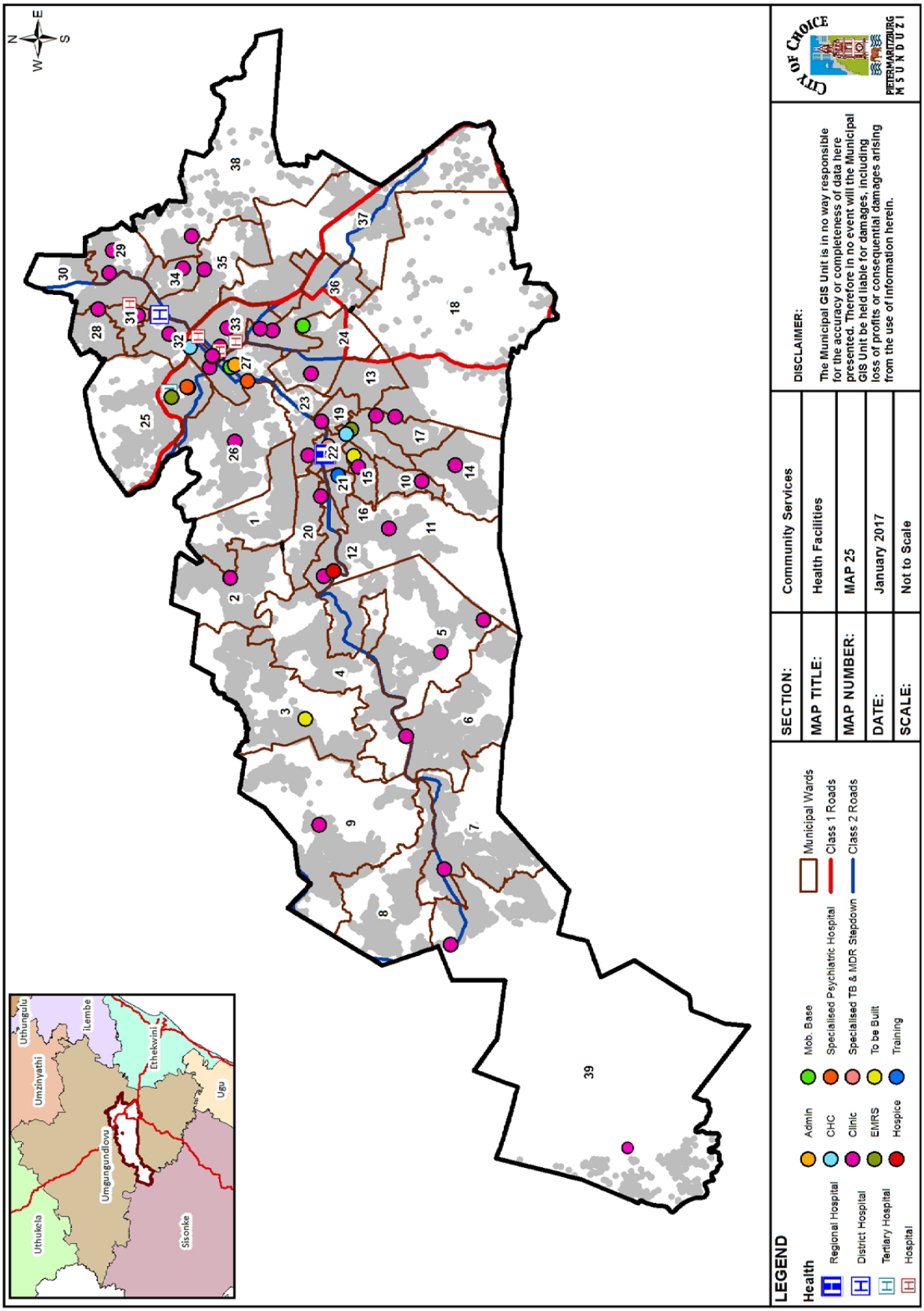
SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY					
	Details	2014/2015	2015/2016		2016/2017
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	739	813	651	630
2	Number of by-law infringements attended	31000	31279	31218	31500
3	Number of police officers in the field on an average day	62	44	62	100
4	Number of police officers on duty on an average day	36	22	36	70

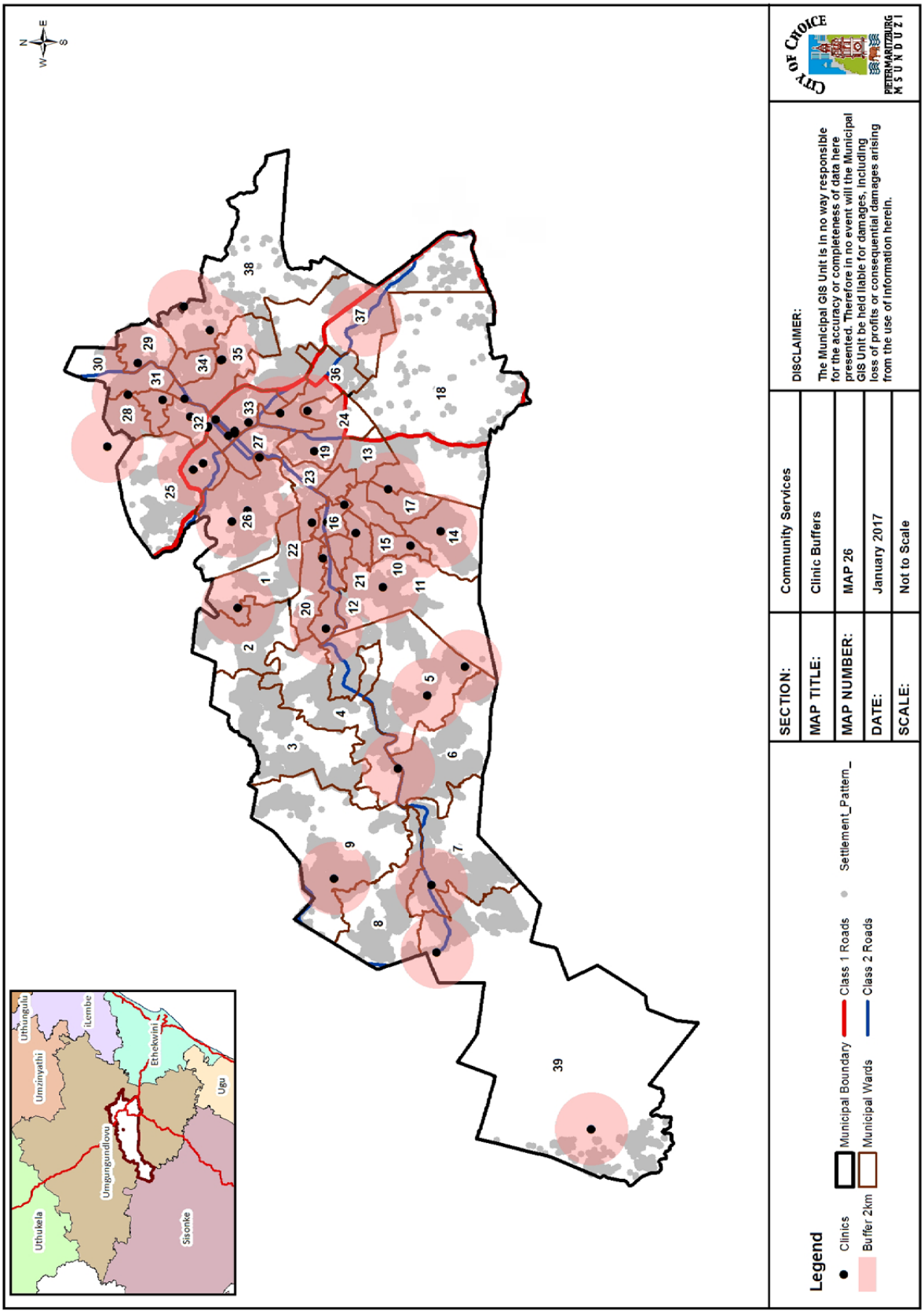
TRAFFIC, SAFETY & SECURITY POLICY OBJECTIVES TAKEN FROM IDP											
2016/2017								2015/2016			2017/2018
SDBIP / OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	PROJECT	WARD	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET
PSDM 04	NKPA 6 - CROSS CUTTING	Traffic & security	Road Safety, Alcohol, Drug and Substance abuse campaign	All	144 x road safety awareness sessions conducted by the 30th of June 2016	158 x road safety awareness sessions conducted by the 30th of June 2016	3 (100% - 129%)	120 road safety awareness sessions conducted by the 30th of June 2016	149 road safety awareness sessions conducted by the 30th of June 2016	3 (100% - 129%)	156 x road safety awareness sessions conducted by the 30th of June 2018

TRAFFIC, SAFETY & SECURITY POLICY OBJECTIVES TAKEN FROM IDP											
2016/2017								2015/2016			2017/2018
SDBIP / OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	PROJECT	WARD	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET
PSDM 05	NKPA 6 - CROSS CUTTING	Traffic & security	Fire Arm Audit	N/A	4 x Fire arm audit conducted in Compliance with Fire Arms Controls Act by the 30th June 2017	4 x Fire arm audit conducted in Compliance with Fire Arms Controls Act by the 30th June 2017	3 (100% - 129%)	4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2016	4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2016	3 (100% - 129%)	4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2018
PSDM 06	NKPA 6 - CROSS CUTTING	Traffic & security	Fire Arm Training for all municipal firearm holders	N/A	2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017	2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017	3 (100% - 129%)	2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2016	2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2016	3 (100% - 129%)	2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2018

EMPLOYEE: TRAFFIC, SAFETY & SECURITY					
Job Level	2015/2016	2016/2017			
Police/Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	3	3	3	0	0
T04-T08	95	222	161	61	27
T09–T13	149	221	134	87	39
T14-T18	2	11	6	5	45
T19-T22	-	-	-	-	-
T23-T25	-	-	-	-	-
Total	**249**	**457**	**304**	**153**	**33**

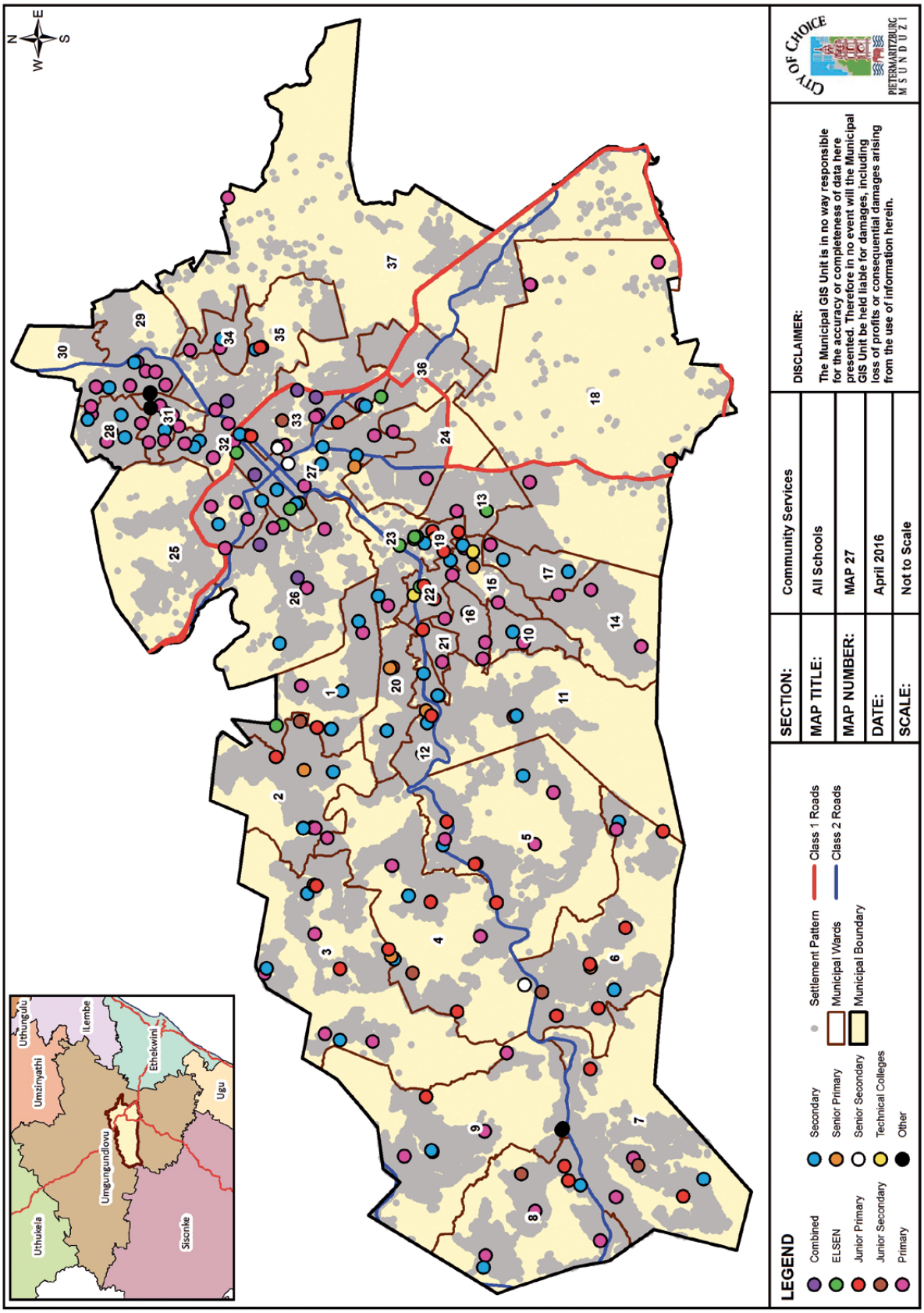
MAP 25: Community Service: Health Facilities



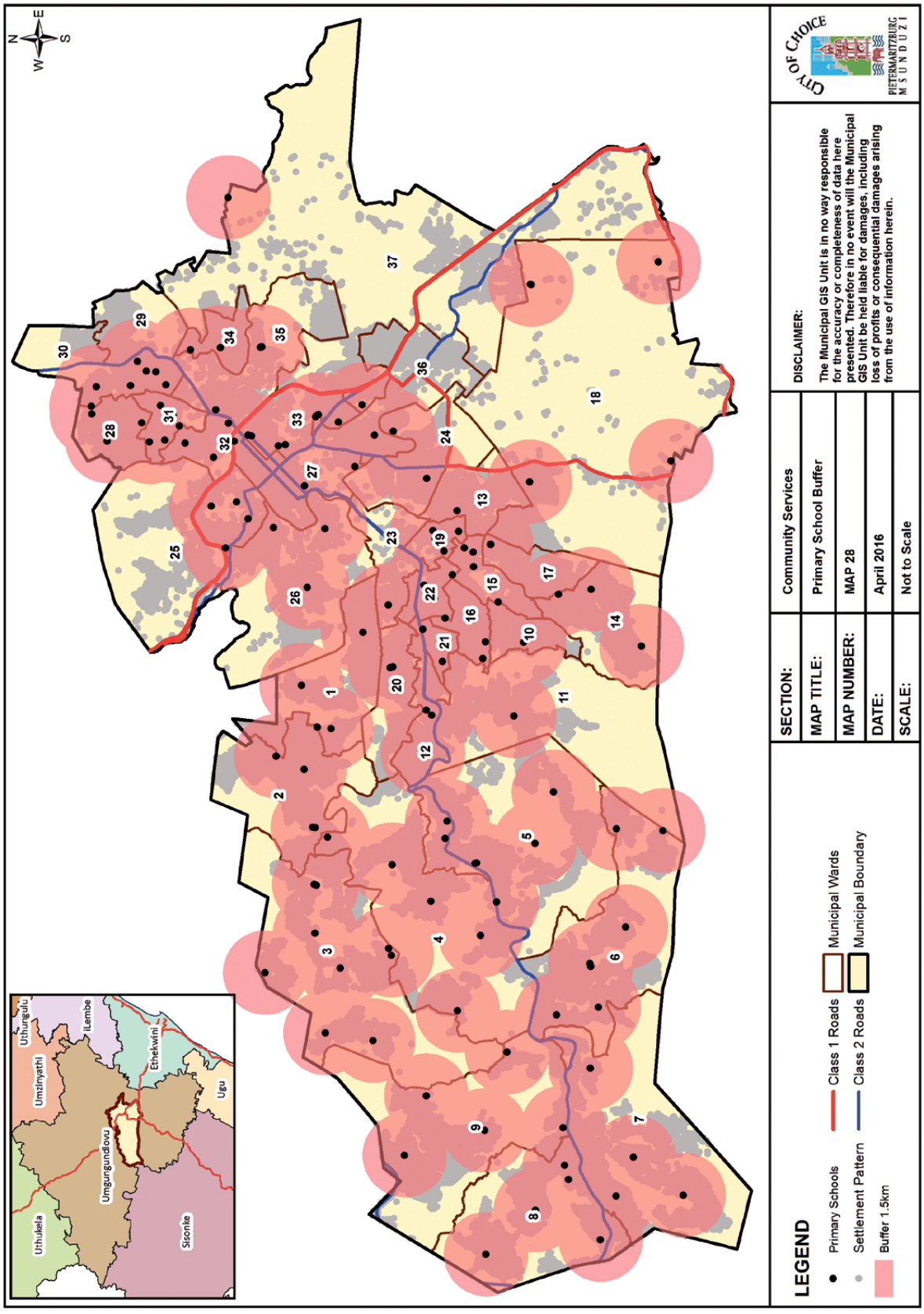


MAP 26: Community Service: Clinic Buffers

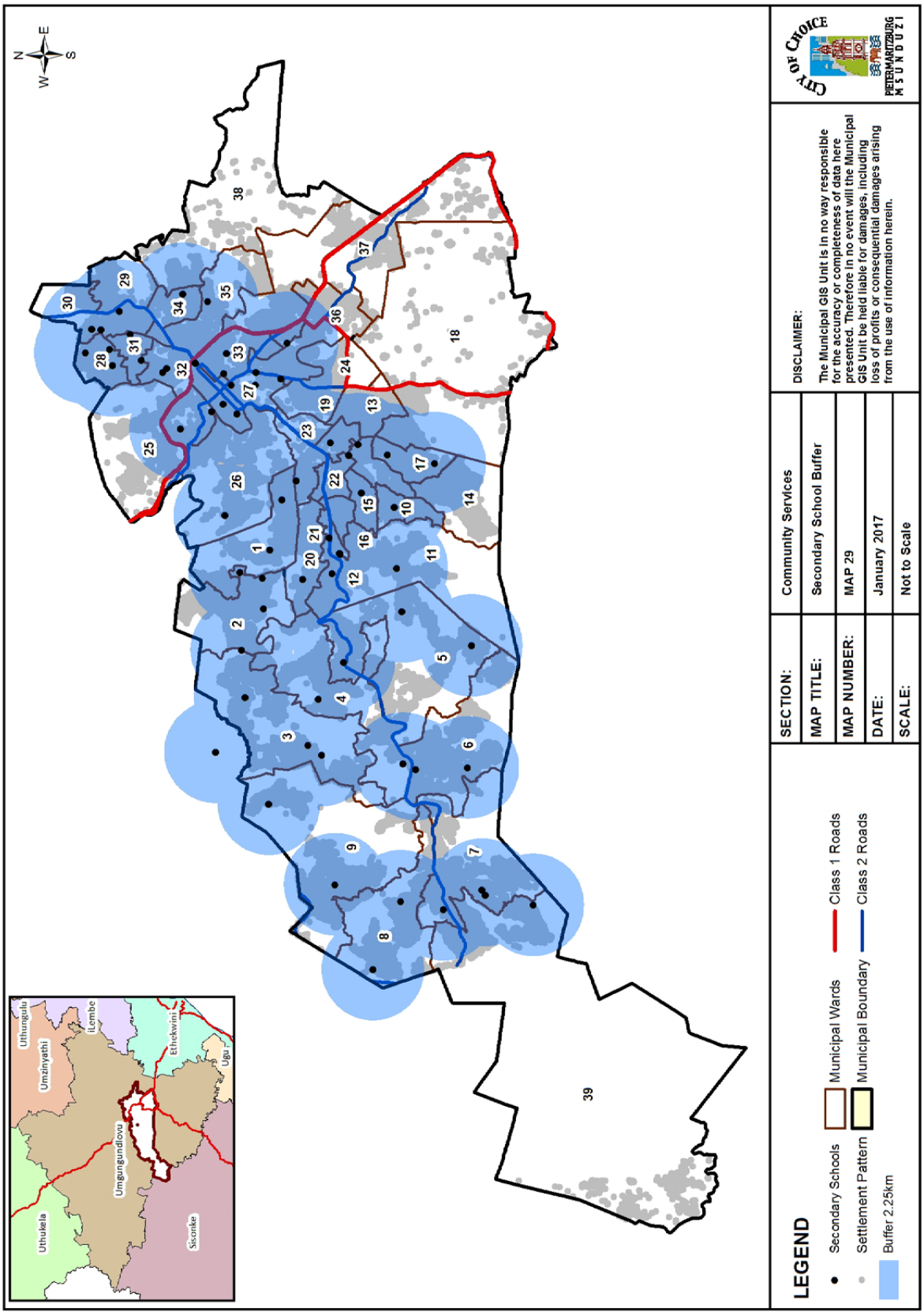
MAP 27: Community Service: All Schools



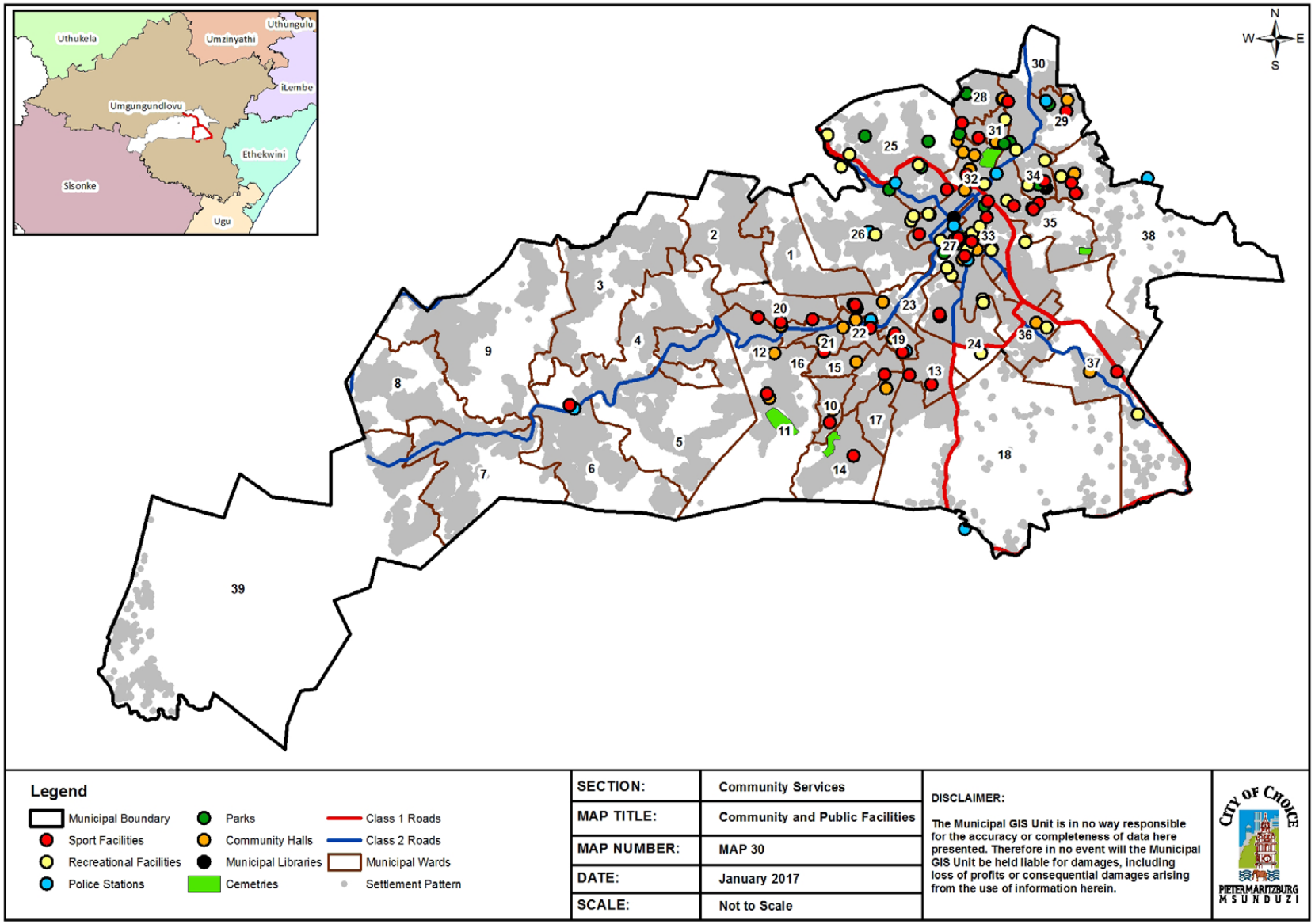
MAP 28: Community Service: Primary School Buffers



MAP 29: Community Service: Secondary School Buffers



MAP 29: Community Service: Community and Public Facilities



Legend

- Municipal Boundary
- Sport Facilities
- Recreational Facilities
- Police Stations
- Parks
- Community Halls
- Municipal Libraries
- Cemetries
- Class 1 Roads
- Class 2 Roads
- Municipal Wards
- Settlement Pattern

SECTION:	Community Services
MAP TITLE:	Community and Public Facilities
MAP NUMBER:	MAP 30
DATE:	January 2017
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
PIETERMARITZBURG
MSUNDUZI

3.27.8 SPECIAL GROUPS

3.27.8.1 MSUNDUZI WOMEN ECONOMIC EMPOWERMENT

The Strategy presented has been compiled within the policy framework based on the current reality and with inputs from stakeholders engaged through interviews and a series of workshops (workshops still to be concluded). The overall strategy includes:

- A vision;
- Key objectives; and
- Strategies, programmes and projects.

3.27.8.2 VISION FOR MSUNDUZI WOMEN ECONOMIC EMPOWERMENT

Women Economic Empowerment is obviously the ultimate vision that this strategy is aiming to achieve. The more specific vision for Women Economic Empowerment Strategy in terms of the role of the Msunduzi Municipality should potentially be:

To ensure that Women Economic Empowerment is promoted and actively supported by all stakeholders in the Msunduzi Municipality. Women Economic Empowerment is an integrated part of economic and developmental initiatives within the Municipality.

Women Economic Empowerment is aimed at achieving (Radical) Economic Transformation. Economic Transformation will only be achieved once all South Africans have equal access to economic opportunities.

3.27.8.3 KEY OBJECTIVES FOR WOMEN ECONOMIC EMPOWERMENT

In order to achieve the above vision three key objectives to be pursued have been identified:

- Objective 1: Establishing Structure for Women Economic Empowerment;
- Objective 2: Disseminate Information for Women Economic Empowerment; and
- Objective 3: Implement Programmes for Women Economic Empowerment.

3.27.9 STRATEGY FOR YOUTH ECONOMIC EMPOWERMENT

The Strategy presented has been compiled within the policy framework, based on the current reality and with inputs from stakeholders engaged through interviews and a series of workshops.
The overall strategy includes:

- A vision;
- Key objectives; and
- Strategies, programmes and projects.

3.27.9.1 VISION FOR YOUTH ECONOMIC EMPOWERMENT

Youth Economic Empowerment is obviously the ultimate vision that this strategy is aiming to achieve. The more specific vision for Youth Economic Empowerment Strategy in terms of the role of the Msunduzi Municipality should potentially be:

To ensure that Youth Economic Empowerment is promoted and actively supported by all stakeholders in the Msunduzi Municipality. Youth Economic Empowerment must be an integrated part of economic and developmental initiatives within the Municipality.

Youth Economic Empowerment is aimed at achieving (Radical) Economic Transformation. Economic Transformation will only be achieved once all South Africans have equal access to economic opportunities.

3.27.9.2 KEY OBJECTIVES FOR YOUTH ECONOMIC EMPOWERMENT

In order to achieve the above vision three key objectives to be pursued have been identified:

- Objective 1: Establishing Structure for the Youth Economic Empowerment;
- Objective 2: Disseminate Information for the Youth Economic Empowerment; and
- Objective 3: Implement Programmes for the Youth Economic Empowerment.

The three key objectives are further unpacked below in terms of related strategies, programmes and projects. 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.

3.28 Capability to Execute Capital Projects

This section summarizes key elements from the municipal budget.

TABLE 49: CAPITAL EXPENDITURE AGAINST BUDGETED AMOUNTS

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - City Manager		6,428	3,866	321	1,888	3,500	3,500	3,500	10,000	6,679	6,679
Vote 2 - City Finance		4,949	30,114	8,968	26,124	20,000	20,000	20,000	27,835	29,060	29,750
Vote 3 - Community Services and Social Equity		34,053	102,852	20,105	24,604	18,610	18,610	18,610	25,716	47,300	38,000
Vote 4 - Corporate Services		–	25,749	824	21,085	1,000	1,000	1,000	5,200	5,200	5,200
Vote 5 - Infrastructure Services		325,935	438,850	391,833	334,528	422,382	422,382	422,382	379,785	388,004	414,569
Vote 6 - Sustainable Development and City Enterprises		26,047	46,682	72,410	9,666	44,494	44,494	44,494	64,258	126,711	123,088
Vote 7 - (NAME OF VOTE 7)		–	–	–	–	–	–	–	–	–	–
Vote 8 - (NAME OF VOTE 8)		–	–	–	–	–	–	–	–	–	–
Vote 9 - (NAME OF VOTE 9)		–	–	–	–	–	–	–	–	–	–
Vote 10 - (NAME OF VOTE 10)		–	–	–	–	–	–	–	–	–	–
Vote 11 - (NAME OF VOTE 11)		–	–	–	–	–	–	–	–	–	–
Vote 12 - (NAME OF VOTE 12)		–	–	–	–	–	–	–	–	–	–
Vote 13 - (NAME OF VOTE 13)		–	–	–	–	–	–	–	–	–	–
Vote 14 - (NAME OF VOTE 14)		–	–	–	–	–	–	–	–	–	–
Vote 15 - (NAME OF VOTE 15)		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	397,412	648,114	494,461	417,894	509,986	509,986	509,986	512,795	602,954	617,286
Single-year expenditure to be appropriated	2										
Vote 1 - City Manager		765	–	872	3,867	1,463	1,463	1,463	–	–	–
Vote 2 - City Finance		31,983	–	14,742	7,090	8,030	8,030	8,030	–	–	–

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 3 - Community Services and Social Equity		18,085	–	62,492	35,165	37,905	37,905	37,905	–	–	–
Vote 4 - Corporate Services		6,460	–	4,127	3,038	2,463	2,463	2,463	–	–	–
Vote 5 - Infrastructure Services		22,707	–	15,489	50,191	21,580	21,580	21,580	–	–	–
Vote 6 - Sustainable Development and City Enterprises		5,557	–	2,711	54,137	14,040	14,040	14,040	–	–	–
Vote 7 - (NAME OF VOTE 7)		–	–	–	–	–	–	–	–	–	–
Vote 8 - (NAME OF VOTE 8)		–	–	–	–	–	–	–	–	–	–
Vote 9 - (NAME OF VOTE 9)		–	–	–	–	–	–	–	–	–	–
Vote 10 - (NAME OF VOTE 10)		–	–	–	–	–	–	–	–	–	–
Vote 11 - (NAME OF VOTE 11)		–	–	–	–	–	–	–	–	–	–
Vote 12 - (NAME OF VOTE 12)		–	–	–	–	–	–	–	–	–	–
Vote 13 - (NAME OF VOTE 13)		–	–	–	–	–	–	–	–	–	–
Vote 14 - (NAME OF VOTE 14)		–	–	–	–	–	–	–	–	–	–
Vote 15 - (NAME OF VOTE 15)		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		85,557	–	100,432	153,488	85,480	85,480	85,480	–	–	–
Total Capital Expenditure - Vote		**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
Capital Expenditure - Functional											
Governance and administration		44,125	61,849	29,972	130,705	36,556	36,556	36,556	43,735	41,839	43,029
Executive and council		7,193	3,707	999	81,716	8,381	8,381	8,381	2,179	1,293	1,293
Finance and administration		36,932	57,979	28,973	48,989	28,135	28,135	28,135	41,307	40,432	41,622
Internal audit			164			40	40	40	250	115	115
Community and public safety		66,334	119,183	66,164	53,803	73,662	73,662	73,662	21,975	51,166	39,056
Community and social services		11,074	40,840	10,801	12,512	47,850	47,850	47,850	12,416	33,000	23,200
Sport and recreation		39,844	50,890	29,669	20,627	14,032	14,032	14,032	1,500	1,300	1,500
Public safety		9,401	1,960	5,109	3,375	5,143	5,143	5,143	4,058	4,766	796
Housing		6,014	25,493	20,585	17,289	6,637	6,637	6,637	4,000	12,100	13,560
Health											
Economic and environmental services		155,742	291,476	271,330	123,238	278,093	278,093	278,093	282,039	324,616	333,099
Planning and development		23,232	15,201	53,736	65,751	30,670	30,670	30,670	51,800	104,545	99,232
Road transport		130,915	275,024	217,281	56,977	245,544	245,544	245,544	229,879	218,571	233,367
Environmental protection		1,594	1,251	313	509	1,879	1,879	1,879	360	1,500	500
Trading services		214,411	173,199	226,940	260,202	201,217	201,217	201,217	156,806	176,833	192,402

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Energy sources		99,059	79,786	108,121	97,494	56,769	56,769	56,769	20,700	23,650	24,064
Water management		74,723	61,138	59,634	65,690	86,379	86,379	86,379	84,250	93,676	97,448
Waste water management		37,191	23,781	25,570	64,858	55,169	55,169	55,169	44,856	52,008	59,591
Waste management		3,438	8,494	33,615	32,160	2,900	2,900	2,900	7,000	7,500	11,300
Other		2,357	2,407	486	3,435	5,939	5,939	5,939	8,240	8,500	9,700
Total Capital Expenditure - Functional	**3**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
Funded by:											
National Government		345,750	376,644	232,550	404,341	388,567	388,567	388,567	427,351	502,499	515,161
Provincial Government		15,613	24,611	131,196		37,548	37,548	37,548			
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	361,363	401,255	363,746	404,341	426,115	426,115	426,115	427,351	502,499	515,161
Borrowing	6		40,245	88,896	42,041	42,041	42,041	42,041			
Internally generated funds		121,607	206,613	142,250	125,000	127,310	127,310	127,310	85,443	100,455	102,125
Total Capital Funding	**7**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
References											

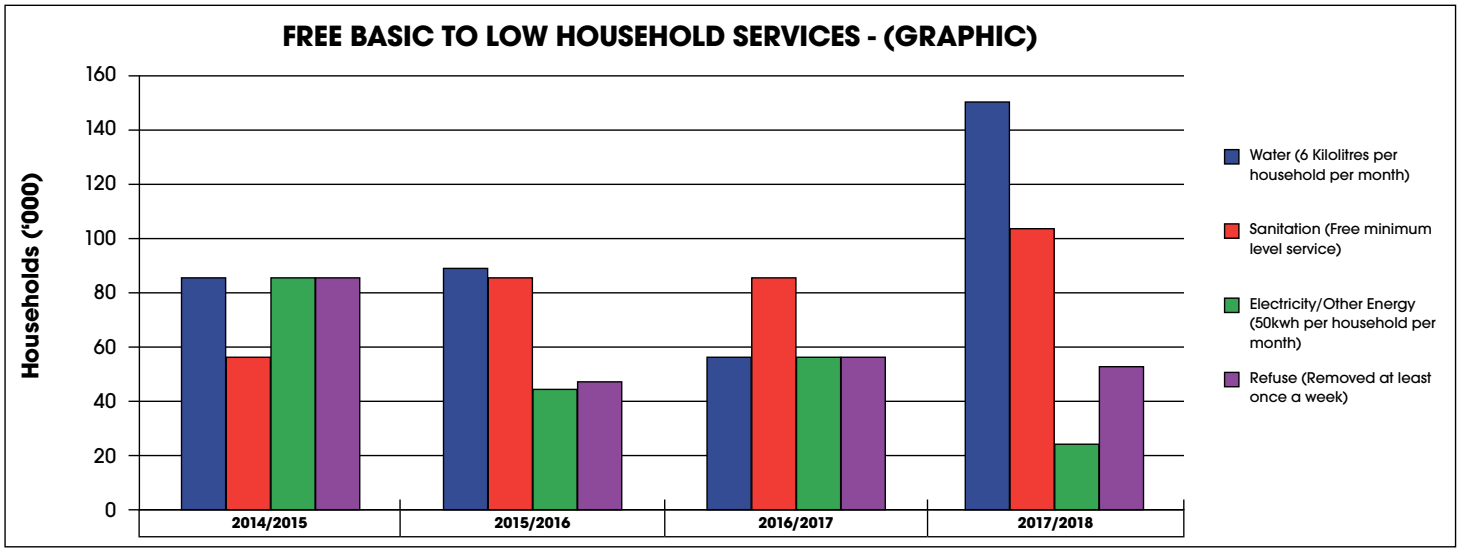
Planning for procurement of capital projects is to be done timeously, at the start of the financial year;
Gazetted amounts for grants exist, and planning needs to take place ahead of the start of the financial year; and
Monitoring through the Strategic Management Committee is to ensure that the above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

3.29 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 R4 000.00
2. That the prescribed application forms be completed annually.



FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
	Number of Households				
	Total	Households earning less than R4 000.00 per month			
		Free basic water	Free basic sanitation	Free basic electricity	Free basic refuse
2015/2016	16 700	4 689	4 473	2 964	4 574
2016/2017	17 042	4 935	4 741	2 486	4 880
2017/2018		1 386	1 255	3 254	1 466

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 R 4 000.00 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.

The following table summarises the Msunduzi Operating Budget

TABLE 50: FREE BASIC SERVICES SUBSIDIES FOR 2019-2020

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	1									
Water:										
Piped water inside dwelling		80,873	81,128	81,490	84,782	84,782	84,782	84,782	84,782	84,782
Piped water inside yard (but not in dwelling)		63,301	63,899	63,899	67,481	67,481	67,481	67,481	67,481	67,481
Using public tap (at least min.service level)	2	3,116	4,710	6,396	6,654	6,654	6,654	6,654	6,654	6,654
Other water supply (at least min.service level)	4	6,352	4,758	3,072	3,196	3,196	3,196	3,196	3,196	3,196
Minimum Service Level and Above sub-total		153,642	154,495	154,857	162,113	162,113	162,113	162,113	162,113	162,113
Using public tap (< min.service level)	3	6,396	6,396	6,396	6,654	6,654	6,654	6,654	6,654	6,654
Other water supply (< min.service level)	4	3,955	2,740	2,740	1,851	1,851	1,851	1,851	1,851	1,851
No water supply		10,351	9,136	9,136	9,136	9,136	9,136	9,136	9,136	9,136
Below Minimum Service Level sub-total		20,702	18,272	18,272	17,641	17,641	17,641	17,641	17,641	17,641
Total number of households	5	174,344	172,767	173,129	179,754	179,754	179,754	179,754	179,754	179,754
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		84,973	85,096	85,149	91,589	91,589	91,589	91,589	91,589	91,589
Flush toilet (with septic tank)		8,372	8,372	8,319	8,655	8,655	8,655	8,655	8,655	8,655
Chemical toilet		7,076	7,076	7,076	7,362	7,362	7,362	7,362	7,362	7,362
Pit toilet (ventilated)		58,695	58,695	59,427	61,828	61,828	61,828	61,828	61,828	61,828
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		159,116	159,239	159,971	169,434	169,434	169,434	169,434	169,434	169,434
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		4,877	4,754	4,022	1,184	1,184	1,184	1,184	1,184	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		4,877	4,754	4,022	1,184	1,184	1,184	1,184	1,184	–
Total number of households	5	163,993	163,993	163,993	170,618	170,618	170,618	170,618	170,618	169,434
Energy:										

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Electricity (at least min.service level)		127,123	126,487	123,471	135,271	135,271	135,271	135,271	135,271	135,271
Electricity - prepaid (min.service level)		24,203	24,839	26,285	27,347	27,347	27,347	27,347	27,347	27,347
Minimum Service Level and Above sub-total		151,326	151,326	149,756	162,618	162,618	162,618	162,618	162,618	162,618
Electricity (< min.service level)		–	–	1,570	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	8,000	–	–	–	–	–
Other energy sources		12,667	12,667	12,667	–	–	–	–	–	–
Below Minimum Service Level sub-total		12,667	12,667	14,237	8,000	–	–	–	–	–
Total number of households	5	163,993	163,993	163,993	170,618	162,618	162,618	162,618	162,618	162,618
Refuse:										
Removed at least once a week		120,000	120,000	120,000	129,848	129,848	129,848	129,848	129,848	129,848
Minimum Service Level and Above sub-total		120,000	120,000	120,000	129,848	129,848	129,848	129,848	129,848	129,848
Removed less frequently than once a week		43,993	43,993	43,993	40,770	40,770	40,770	40,770	40,770	40,770
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		43,993	43,993	43,993	40,770	40,770	40,770	40,770	40,770	40,770
Total number of households	**5**	**163,993**	**163,993**	**163,993**	**170,618**	**170,618**	**170,618**	**170,618**	**170,618**	**170,618**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		25,099	23,884	23,884	39,476	–	–	–	–	–
Sanitation (free minimum level service)		25,099	23,884	23,884	39,476	39,476	39,476	39,476	39,476	39,476
Electricity/other energy (50kwh per household per month)		2,800	2,800	2,800	3,265	3,265	3,265	3,265	3,265	3,265
Refuse (removed at least once a week)		5,182	5,182	5,182	6,078	6,078	6,078	6,078	6,078	6,078
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Water (6 kilolitres per indigent household per month)		126,943	134,410	141,878	149,345	149,345	149,345	163,682	179,395	196,617
Sanitation (free sanitation service to indigent households)		9,507	10,066	10,625	11,184	11,184	11,184	11,855	12,567	13,321
Electricity/other energy (50kwh per indigent household per month)		1,562	1,654	1,745	1,837	1,837	1,837	2,009	2,159	2,233
Refuse (removed once a week for indigent households)		5,082	5,381	5,680	5,979	5,979	5,979	6,338	6,718	7,121
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**143,094**	**151,511**	**159,928**	**168,346**	**168,346**	**168,346**	**183,884**	**200,840**	**219,293**
Highest level of free service provided per household										
Property rates (R value threshold)		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		115	122	136	115	122	136	136	136	136
Electricity (kwh per household per month)		70	70	70	70	70	70	70	70	70
Refuse (average litres per week)		200	200	200	200	200	200	200	200	200
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		15	15	15	15	15	15	15	15	15
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		401,640	410,961	411,958	441,681	441,681	441,681	468,182	496,273	526,050
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		625	661	698	735	735	735	805	883	968
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		**402,279**	**411,638**	**412,671**	**442,431**	**442,431**	**442,431**	**469,003**	**497,171**	**527,032**

3.30 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.

3.31 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**
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**

3.32 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
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						-

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
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
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

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 - 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		437,999	467,989	520,105	580,856	580,856	580,856	617,444	664,187	720,584
Local Government Equitable Share		395,786	432,307	468,430	505,853	505,853	505,853	546,052	593,281	645,960
Finance Management		1,600	1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,964
Municipal Systems Improvement		482								
EPWP Incentive		4,032	3,913	8,022	2,867	2,867	2,867	4,200		
Water Services Operating Subsidy										
Public Transport Infrastracture		27,408	15,108	21,001	48,773	48,773	48,773	43,830	46,460	48,776
Energy Efficiency and Demand Management										
Operating costs-MIG		8,690	15,036	20,951	21,663	21,663	21,663	21,663	22,746	23,883
Neighbourhood Development Partnership Technical ass										
Provincial Government:		28,157	29,288	69,167	28,281	28,281	28,281	68,337	73,182	75,110
Provincial Government:			1,075							
Expanded Public Works Grant										
Sport and Recreation										
Human Settlements		11,225	11,655	53,499	8,281	8,281	8,281	26,369	29,010	29,050
Arts and Culture- Community Library Services		6,618		612	643	643	643	20,052	21,587	22,786
Arts and Culture- Provincialisation		9,940	15,386	14,636	18,916	18,916	18,916			
Arts and Culture-Museum Subsidies		268	27	420	441	441	441	463	488	515

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
COGTA		106	1,145					21,453	22,097	22,760
District Municipality:		–	–	–	–	–	–	–	–	–
(insert description)										
Other grant providers:		–	–	–	–	–	–	–	–	–
(insert description)										
Total Operating Transfers and Grants	**5**	**466,156**	**497,277**	**589,271**	**609,137**	**609,137**	**609,137**	**685,781**	**737,368**	**795,694**
Capital Transfers and Grants										
National Government:		270,402	411,530	447,390	404,344	404,344	404,344	417,689	443,290	478,225
Municipal Infrastructure Grant (MIG)		182,668	174,517	180,188	171,653	171,653	171,653	175,853	186,390	201,969
Public Transport and Systems		18,140	184,923	189,012	150,331	150,331	150,331	150,835	158,900	171,986
Neighbourhood Development Partnership		10,231	1,955	40,000	42,360	42,360	42,360	50,000	55,000	59,271
Dept of Mineral/Electricty										
Intergrated National Electrification Porgramme		8,771	4,115							
Municipal Systems Improvement										
Municipal Water Infrastructure Grant		415	38,021	38,191	40,000	40,000	40,000	41,000	43,000	45,000
Energy Efficiency and Demand Manaagement		50,176	8,000							
Provincial Government:		17,710	23,144	12,867	–	–	–	–	–	–
Airport Development Project										
Sport and Recreation										
KZNPA		1,004								
Arts and Culture-Museum Subsidies		3,635	8,598	5,467						
COGTA		2,466		1,000						
Human Settlement		10,605	14,546	6,400						
		–	–	–	–	–	–	–	–	–
(insert description)										
Other grant providers:		4,386	–	–	–	–	–	–	–	–
SANEDI		4,386								
Total Capital Transfers and Grants	**5**	**292,498**	**434,674**	**460,257**	**404,344**	**404,344**	**404,344**	**417,689**	**443,290**	**478,225**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**758,654**	**931,951**	**1,049,529**	**1,013,481**	**1,013,481**	**1,013,481**	**1,103,470**	**1,180,659**	**1,273,919**

3.33 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total New Assets	1	**185,312**	**132,351**	**167,503**	**111,387**	**117,672**	**117,672**	**143,308**	**179,824**	**174,616**
Roads Infrastructure		34,983	2,747	15,103	1,293	1,516	1,516	3,800	1,650	1,650
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		27,836	10,171	48,684	40,854	41,028	41,028	35,200	66,450	66,924
Water Supply Infrastructure		3,412	–	–	3,290	3,968	3,968	–	–	–
Sanitation Infrastructure		8,377	–	–	13,269	13,617	13,617	–	–	–
Solid Waste Infrastructure		–	149	–	–	–	–	17,000	18,101	19,549
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**74,607**	**13,068**	**63,787**	**58,706**	**60,129**	**60,129**	**56,000**	**86,201**	**88,122**
Community Facilities		169	–	337	3,112	4,132	4,132	10,275	29,266	17,496
Sport and Recreation Facilities		34,335	5,106	–	10,458	11,384	11,384	–	–	–
Community Assets		**34,504**	**5,106**	**337**	**13,570**	**15,516**	**15,516**	**10,275**	**29,266**	**17,496**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Heritage Assets		**7,290**	**24,329**	**18,344**	**4,042**	**4,866**	**4,866**	**11,884**	**10,500**	**11,350**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		5,183	–	2,885	–	–	–	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**5,183**	**–**	**2,885**	**5,123**	**5,902**	**5,902**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	282	374	374	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**282**	**374**	**374**	**16,200**	**19,500**	**19,500**
Computer Equipment		**–**	**19,862**	**34,960**	**2,325**	**2,536**	**2,536**	**10,683**	**11,703**	**15,803**
Furniture and Office Equipment		**9,149**	**50,762**	**4,305**	**7,118**	**7,450**	**7,450**	**9,187**	**5,895**	**5,845**
Machinery and Equipment		**24,823**	**10,859**	**33,840**	**9,698**	**10,176**	**10,176**	**12,080**	**16,760**	**16,500**
Transport Assets		**469**	**337**	**78**	**10,524**	**10,722**	**10,722**	**–**	**–**	**–**
Land		**–**	**7,833**	**–**	**–**	**–**	**–**	**17,000**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Renewal of Existing Assets	**2**	**297,657**	**515,763**	**251,586**	**387,397**	**314,315**	**314,315**	**19,532**	**24,338**	**19,032**
Roads Infrastructure		108,918	98,714	32,198	169,403	142,551	142,551	7,600	5,300	4,500
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		66,802	51,961	44,447	56,974	47,943	47,943	–	–	–
Water Supply Infrastructure		71,046	48,980	–	35,120	29,553	29,553	–	–	–
Sanitation Infrastructure		28,814	–	1,198	54,751	46,072	46,072	–	–	–
Solid Waste Infrastructure		1,057	30,714	19,377	5,856	4,928	4,928	2,000	6,907	7,459
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**276,637**	**230,368**	**97,221**	**322,104**	**271,047**	**271,047**	**9,600**	**12,207**	**11,959**
Community Facilities		910	8,707	3,705	13,771	1,588	1,588	–	–	–
Sport and Recreation Facilities		2,823	28,616	24,871	–	–	–	–	–	–
Community Assets		**3,733**	**37,323**	**28,576**	**13,771**	**1,588**	**1,588**	**–**	**–**	**–**
Heritage Assets		**311**	**16,066**	**15,408**	**–**	**–**	**–**	**–**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		13,702	–	–	1,586	1,335	1,335	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**13,702**	**–**	**–**	**1,586**	**1,335**	**1,335**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	49,937	40,346	40,346	–	–	–
Intangible Assets		**–**	**–**	**–**	**49,937**	**40,346**	**40,346**	**–**	**–**	**–**
Computer Equipment		**–**	**1,950**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**2,019**	**5,781**	**–**	**–**	**–**	**–**	**500**	**–**	**–**
Machinery and Equipment		**300**	**15,350**	**–**	**–**	**–**	**–**	**9,432**	**12,132**	**7,072**
Transport Assets		**954**	**177,628**	**110,382**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**31,297**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Upgrading of Existing Assets	**6**	**–**	**–**	**175,803**	**72,598**	**163,479**	**163,479**	**349,955**	**398,791**	**423,638**
Roads Infrastructure		–	–	90,518	53,201	121,015	121,015	108,700	141,824	147,625
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	6,325	–	–	–	56,290	56,926	67,968
Water Supply Infrastructure		–	–	50,484	4,352	9,527	9,527	19,000	12,000	6,480
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	4,263	8,295	18,160	18,160	14,356	13,000	16,653
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**–**	**–**	**151,590**	**65,848**	**148,701**	**148,701**	**198,346**	**223,749**	**238,725**
Community Facilities		–	–	149	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	1,633	1,000	2,189	2,189	–	–	–
Community Assets		**–**	**–**	**1,782**	**1,000**	**2,189**	**2,189**	**–**	**–**	**–**
Heritage Assets		**–**	**–**	**8,423**	**–**	**–**	**–**	**14,144**	**16,130**	**18,049**
Revenue Generating		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	**600**	–	–
Furniture and Office Equipment		–	–	–	–	–	–	**100**	–	–
Machinery and Equipment		–	–	**1,389**	**5,750**	**12,588**	**12,588**	–	–	–
Transport Assets		–	–	–	–	–	–	**136,765**	**158,912**	**166,864**
Land		–	–	**12,620**	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	**4**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
Roads Infrastructure		143,901	101,461	137,819	223,897	265,081	265,081	120,100	148,774	153,775
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		94,638	62,132	99,456	97,828	88,971	88,971	91,490	123,376	134,891
Water Supply Infrastructure		74,458	48,980	50,484	42,761	43,048	43,048	19,000	12,000	6,480
Sanitation Infrastructure		37,191	–	1,198	68,020	59,689	59,689	–	–	–
Solid Waste Infrastructure		1,057	30,863	23,640	14,151	23,088	23,088	33,356	38,008	43,661
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**351,245**	**243,435**	**312,597**	**446,657**	**479,877**	**479,877**	**263,946**	**322,157**	**338,807**
Community Facilities		1,079	8,707	4,191	16,883	5,720	5,720	10,275	29,266	17,496
Sport and Recreation Facilities		37,158	33,723	26,504	11,458	13,573	13,573	–	–	–
Community Assets		**38,236**	**42,429**	**30,695**	**28,341**	**19,293**	**19,293**	**10,275**	**29,266**	**17,496**
Heritage Assets		**7,602**	**40,394**	**42,174**	**4,042**	**4,866**	**4,866**	**26,028**	**26,630**	**29,399**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		18,885	–	2,885	1,586	1,335	1,335	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**18,885**	**–**	**2,885**	**6,709**	**7,236**	**7,236**	**–**	**–**	**–**
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	50,219	40,720	40,720	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**50,219**	**40,720**	**40,720**	**16,200**	**19,500**	**19,500**
Computer Equipment		–	**21,812**	**34,960**	**2,325**	**2,536**	**2,536**	**11,283**	**11,703**	**15,803**
Furniture and Office Equipment		**11,168**	**56,543**	**4,305**	**7,118**	**7,450**	**7,450**	**9,787**	**5,895**	**5,845**
Machinery and Equipment		**25,123**	**26,209**	**35,228**	**15,448**	**22,764**	**22,764**	**21,512**	**28,892**	**23,572**
Transport Assets		**1,424**	**177,966**	**110,460**	**10,524**	**10,722**	**10,722**	**136,765**	**158,912**	**166,864**
Land		–	**39,130**	**12,620**	–	–	–	**17,000**	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,198,788**	**7,170,057**	**8,003,467**	**8,011,347**	**8,011,347**	**8,011,347**	**8,299,933**	**8,461,656**	**8,627,608**
Roads Infrastructure		1,804,593	2,995,368	3,657,550	2,652,089	2,652,089	2,652,089	2,665,951	2,545,975	2,416,143
Storm water Infrastructure		148,613	156,435	164,256	162,997	162,997	162,997	171,147	179,704	188,689
Electrical Infrastructure		700,386	1,275,053	1,338,806	1,256,467	1,256,467	1,256,467	1,319,290	1,385,255	1,454,518
Water Supply Infrastructure		873,333	912,163	957,771	1,149,674	1,149,674	1,149,674	1,207,158	1,267,515	1,330,891
Sanitation Infrastructure		588,640	470,205	493,715	650,125	650,125	650,125	682,632	716,763	752,601
Solid Waste Infrastructure		579,408	15,673	16,457	35,522	35,522	35,522	37,298	39,163	41,121
Rail Infrastructure		27,837	1,408	1,479	–	–	–	1,552	1,630	1,712
Coastal Infrastructure		4,624	4,867	5,110	–	–	–	5,366	5,634	5,916
Information and Communication Infrastructure		4,743	5,022	5,301	5,580	5,580	5,580	5,859	6,152	6,460
Infrastructure		**4,732,178**	**5,836,194**	**6,640,445**	**5,912,454**	**5,912,454**	**5,912,454**	**6,096,252**	**6,147,791**	**6,198,050**
Community Assets		462,387	294,811	309,552	34,508	34,508	34,508	36,234	38,045	39,948
Heritage Assets		**119,787**	**126,091**	**132,396**	**247,912**	**247,912**	**247,912**	**260,308**	**273,323**	**286,990**
Investment properties		**282,710**	**226,212**	**230,737**	**720,224**	**720,224**	**720,224**	**756,235**	**794,047**	**833,749**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other Assets		**246,995**	**283,455**	**289,125**	**334,721**	**334,721**	**334,721**	**351,457**	**369,030**	**387,482**
Biological or Cultivated Assets										
Intangible Assets		**764**	**804**	**844**	**26,539**	**26,539**	**26,539**	**27,866**	**29,259**	**30,722**
Computer Equipment		**47,309**	**49,799**	**52,289**	**1,227**	**1,227**	**1,227**	**1,288**	**1,352**	**1,420**
Furniture and Office Equipment		**75,086**	**56,298**	**59,113**	**16,019**	**16,019**	**16,019**	**16,820**	**17,661**	**18,544**
Machinery and Equipment		**161,328**	**222,451**	**211,328**	**577,334**	**577,334**	**577,334**	**606,201**	**636,511**	**668,336**
Transport Assets		**70,244**	**73,941**	**77,638**	**140,259**	**140,259**	**140,259**	**147,272**	**154,635**	**162,367**
Land					**150**	**150**	**150**			
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,198,788**	**7,170,057**	**8,003,467**	**8,011,347**	**8,011,347**	**8,011,347**	**8,299,933**	**8,461,656**	**8,627,608**
EXPENDITURE OTHER ITEMS		**717,997**	**776,766**	**470,370**	**681,043**	**680,098**	**680,098**	**589,370**	**616,751**	**646,505**
Depreciation	**7**	**555,153**	**605,422**	**470,370**	**468,636**	**467,692**	**467,692**	**492,025**	**516,580**	**542,365**
Repairs and Maintenance by Asset Class	**3**	**162,844**	**171,344**	**–**	**212,407**	**212,407**	**212,407**	**97,345**	**100,171**	**104,139**
Roads Infrastructure		47,029	49,483	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		50,160	52,779	–	55,411	55,411	55,411	60,146	61,903	63,750
Water Supply Infrastructure		15,460	16,267	–	8,427	8,427	8,427	–	–	–
Sanitation Infrastructure		6,125	6,445	–	121,923	121,923	121,923	–	–	–
Solid Waste Infrastructure		8,472	8,915	–	1,708	1,708	1,708	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**127,246**	**133,888**	**–**	**187,469**	**187,469**	**187,469**	**60,146**	**61,903**	**63,750**
Community Facilities		17,218	17,639	–	4,043	4,043	4,043	21	67	69
Sport and Recreation Facilities		–	–	–	5,390	5,390	5,390	–	–	–
Community Assets		**17,218**	**17,639**	**–**	**9,433**	**9,433**	**9,433**	**21**	**67**	**69**
Heritage Assets		**18,379**	**19,816**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Operational Buildings		–	–	–	3,509	3,509	3,509	20,719	19,918	20,554
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**3,509**	**3,509**	**3,509**	**20,719**	**19,918**	**20,554**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	**–**	**1,061**	**1,061**	**1,061**	**16,458**	**18,282**	**19,766**
Transport Assets		**–**	**–**	**–**	**10,935**	**10,935**	**10,935**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL EXPENDITURE OTHER ITEMS		**717,997**	**776,766**	**470,370**	**681,043**	**680,098**	**680,098**	**589,370**	**616,751**	**646,505**

3.34 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
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

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 - 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**

3.35 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.

3.36 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	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type											
Employee related costs	2	942,876	990,111	1,120,868	1,274,330	1,267,167	1,267,167	1,267,167	1,380,869	1,491,352	1,610,604
Remuneration of councillors		41,763	43,574	45,020	48,573	48,573	48,573	48,573	51,488	54,577	57,852
Debt impairment	3	92,508	505,131	350,124	110,178	110,280	110,280	110,280	116,891	123,901	131,332
Depreciation & asset impairment	2	555,153	605,422	470,370	468,636	467,692	467,692	467,692	492,025	516,580	542,365
Finance charges		75,095	68,463	63,181	50,688	50,672	50,672	50,672	41,660	31,793	24,371
Bulk purchases	2	1,799,214	1,866,283	1,956,999	2,050,322	2,034,195	2,034,195	2,034,195	2,226,570	2,415,196	2,567,749
Other materials	8	156,434	46,025	69,227	63,797	56,400	56,400	56,400	55,756	57,943	59,990
Contracted services		170,156	556,503	622,403	606,222	600,899	600,899	600,899	595,211	623,129	657,361
Transfers and subsidies		238	36,447	25,891	45,328	58,437	58,437	58,437	46,379	36,741	39,680
Other expenditure	4, 5	412,697	201,572	167,375	210,837	218,719	218,719	218,719	198,552	198,907	207,000
Loss on disposal of PPE		13,658	99,923	41,015		43	43	43	43	45	46
Total Expenditure		**4,259,793**	**5,019,454**	**4,932,474**	**4,928,912**	**4,913,078**	**4,913,078**	**4,913,078**	**5,205,446**	**5,550,164**	**5,898,351**

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

3.37 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).

An SCM procurement plan was 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 Technical)- every Thursday at 09h00;
- Bid Specification Committee (BSC General)- every Tuesday at 09h00
- Bid Evaluation Committee (BEC Technical)- every Wednesday at 09h00; and
- Bid Evaluation Committee (BEC General)- every Thursday at 09h00; and
- Bid Adjudication Committee (BAC)- every Thursday at 14h00.

3.38 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:-

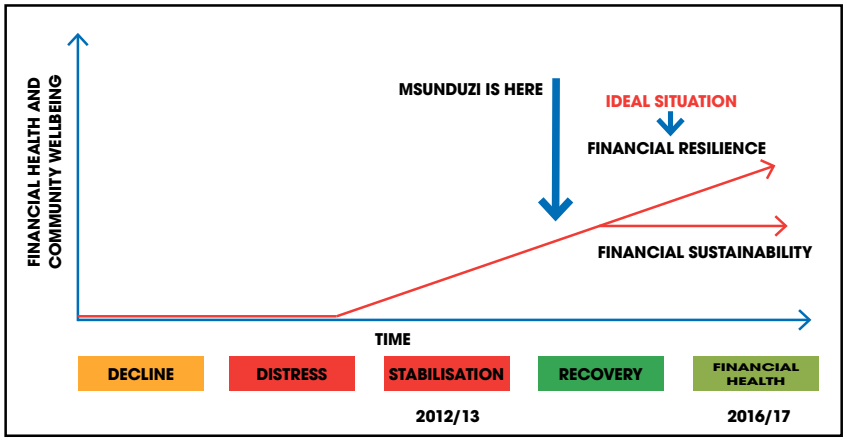
- Any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;
- Any changes in the economic and socio-economic environment, other than previously predicted, which may influence the financial status 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total New Assets	1	**185,312**	**132,351**	**167,503**	**111,387**	**117,672**	**117,672**	**143,308**	**179,824**	**174,616**
Roads Infrastructure		34,983	2,747	15,103	1,293	1,516	1,516	3,800	1,650	1,650
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		27,836	10,171	48,684	40,854	41,028	41,028	35,200	66,450	66,924
Water Supply Infrastructure		3,412	–	–	3,290	3,968	3,968	–	–	–
Sanitation Infrastructure		8,377	–	–	13,269	13,617	13,617	–	–	–
Solid Waste Infrastructure		–	149	–	–	–	–	17,000	18,101	19,549
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**74,607**	**13,068**	**63,787**	**58,706**	**60,129**	**60,129**	**56,000**	**86,201**	**88,122**
Community Facilities		169	–	337	3,112	4,132	4,132	10,275	29,266	17,496
Sport and Recreation Facilities		34,335	5,106	–	10,458	11,384	11,384	–	–	–
Community Assets		**34,504**	**5,106**	**337**	**13,570**	**15,516**	**15,516**	**10,275**	**29,266**	**17,496**
Heritage Assets		**7,290**	**24,329**	**18,344**	**4,042**	**4,866**	**4,866**	**11,884**	**10,500**	**11,350**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		5,183	–	2,885	–	–	–	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**5,183**	**–**	**2,885**	**5,123**	**5,902**	**5,902**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	282	374	374	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**282**	**374**	**374**	**16,200**	**19,500**	**19,500**
Computer Equipment		**–**	**19,862**	**34,960**	**2,325**	**2,536**	**2,536**	**10,683**	**11,703**	**15,803**
Furniture and Office Equipment		**9,149**	**50,762**	**4,305**	**7,118**	**7,450**	**7,450**	**9,187**	**5,895**	**5,845**
Machinery and Equipment		**24,823**	**10,859**	**33,840**	**9,698**	**10,176**	**10,176**	**12,080**	**16,760**	**16,500**

KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Transport Assets		**469**	**337**	**78**	**10,524**	**10,722**	**10,722**	**–**	**–**	**–**
Land		**–**	**7,833**	**–**	**–**	**–**	**–**	**17,000**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Renewal of Existing Assets	**2**	**297,657**	**515,763**	**251,586**	**387,397**	**314,315**	**314,315**	**19,532**	**24,338**	**19,032**
Roads Infrastructure		108,918	98,714	32,198	169,403	142,551	142,551	7,600	5,300	4,500
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		66,802	51,961	44,447	56,974	47,943	47,943	–	–	–
Water Supply Infrastructure		71,046	48,980	–	35,120	29,553	29,553	–	–	–
Sanitation Infrastructure		28,814	–	1,198	54,751	46,072	46,072	–	–	–
Solid Waste Infrastructure		1,057	30,714	19,377	5,856	4,928	4,928	2,000	6,907	7,459
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**276,637**	**230,368**	**97,221**	**322,104**	**271,047**	**271,047**	**9,600**	**12,207**	**11,959**
Community Facilities		910	8,707	3,705	13,771	1,588	1,588	–	–	–
Sport and Recreation Facilities		2,823	28,616	24,871	–	–	–	–	–	–
Community Assets		**3,733**	**37,323**	**28,576**	**13,771**	**1,588**	**1,588**	**–**	**–**	**–**
Heritage Assets		**311**	**16,066**	**15,408**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		13,702	–	–	1,586	1,335	1,335	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**13,702**	**–**	**–**	**1,586**	**1,335**	**1,335**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	49,937	40,346	40,346	–	–	–
Intangible Assets		**–**	**–**	**–**	**49,937**	**40,346**	**40,346**	**–**	**–**	**–**
Computer Equipment		**–**	**1,950**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**2,019**	**5,781**	**–**	**–**	**–**	**–**	**500**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Machinery and Equipment		**300**	**15,350**	**–**	**–**	**–**	**–**	**9,432**	**12,132**	**7,072**
Transport Assets		**954**	**177,628**	**110,382**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**31,297**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Upgrading of Existing Assets	**6**	**–**	**–**	**175,803**	**72,598**	**163,479**	**163,479**	**349,955**	**398,791**	**423,638**
Roads Infrastructure		–	–	90,518	53,201	121,015	121,015	108,700	141,824	147,625
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	6,325	–	–	–	56,290	56,926	67,968
Water Supply Infrastructure		–	–	50,484	4,352	9,527	9,527	19,000	12,000	6,480
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	4,263	8,295	18,160	18,160	14,356	13,000	16,653
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**–**	**–**	**151,590**	**65,848**	**148,701**	**148,701**	**198,346**	**223,749**	**238,725**
Community Facilities		–	–	149	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	1,633	1,000	2,189	2,189	–	–	–
Community Assets		**–**	**–**	**1,782**	**1,000**	**2,189**	**2,189**	**–**	**–**	**–**
Heritage Assets		**–**	**–**	**8,423**	**–**	**–**	**–**	**14,144**	**16,130**	**18,049**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**600**	**–**	**–**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**100**	**–**	**–**
Machinery and Equipment		**–**	**–**	**1,389**	**5,750**	**12,588**	**12,588**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**136,765**	**158,912**	**166,864**
Land		**–**	**–**	**12,620**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure	**4**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
Roads Infrastructure		143,901	101,461	137,819	223,897	265,081	265,081	120,100	148,774	153,775
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		94,638	62,132	99,456	97,828	88,971	88,971	91,490	123,376	134,891
Water Supply Infrastructure		74,458	48,980	50,484	42,761	43,048	43,048	19,000	12,000	6,480
Sanitation Infrastructure		37,191	–	1,198	68,020	59,689	59,689	–	–	–
Solid Waste Infrastructure		1,057	30,863	23,640	14,151	23,088	23,088	33,356	38,008	43,661
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**351,245**	**243,435**	**312,597**	**446,657**	**479,877**	**479,877**	**263,946**	**322,157**	**338,807**
Community Facilities		1,079	8,707	4,191	16,883	5,720	5,720	10,275	29,266	17,496
Sport and Recreation Facilities		37,158	33,723	26,504	11,458	13,573	13,573	–	–	–
Community Assets		**38,236**	**42,429**	**30,695**	**28,341**	**19,293**	**19,293**	**10,275**	**29,266**	**17,496**
Heritage Assets		**7,602**	**40,394**	**42,174**	**4,042**	**4,866**	**4,866**	**26,028**	**26,630**	**29,399**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		18,885	–	2,885	1,586	1,335	1,335	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**18,885**	**–**	**2,885**	**6,709**	**7,236**	**7,236**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	50,219	40,720	40,720	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**50,219**	**40,720**	**40,720**	**16,200**	**19,500**	**19,500**



KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Computer Equipment		–	21,812	34,960	2,325	2,536	2,536	11,283	11,703	15,803
Furniture and Office Equipment		11,168	56,543	4,305	7,118	7,450	7,450	9,787	5,895	5,845
Machinery and Equipment		25,123	26,209	35,228	15,448	22,764	22,764	21,512	28,892	23,572
Transport Assets		1,424	177,966	110,460	10,524	10,722	10,722	136,765	158,912	166,864
Land		–	39,130	12,620	–	–	–	17,000	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		482,969	648,114	594,892	571,382	595,466	595,466	512,795	602,954	617,286
ASSET REGISTER SUMMARY - PPE (WDV)	5	6,198,788	7,170,057	8,003,467	8,011,347	8,011,347	8,011,347	8,299,933	8,461,656	8,627,608
Roads Infrastructure		1,804,593	2,995,368	3,657,550	2,652,089	2,652,089	2,652,089	2,665,951	2,545,975	2,416,143
Storm water Infrastructure		148,613	156,435	164,256	162,997	162,997	162,997	171,147	179,704	188,689
Electrical Infrastructure		700,386	1,275,053	1,338,806	1,256,467	1,256,467	1,256,467	1,319,290	1,385,255	1,454,518
Water Supply Infrastructure		873,333	912,163	957,771	1,149,674	1,149,674	1,149,674	1,207,158	1,267,515	1,330,891
Sanitation Infrastructure		588,640	470,205	493,715	650,125	650,125	650,125	682,632	716,763	752,601
Solid Waste Infrastructure		579,408	15,673	16,457	35,522	35,522	35,522	37,298	39,163	41,121
Rail Infrastructure		27,837	1,408	1,479	–	–	–	1,552	1,630	1,712
Coastal Infrastructure		4,624	4,867	5,110	–	–	–	5,366	5,634	5,916
Information and Communication Infrastructure		4,743	5,022	5,301	5,580	5,580	5,580	5,859	6,152	6,460
Infrastructure		4,732,178	5,836,194	6,640,445	5,912,454	5,912,454	5,912,454	6,096,252	6,147,791	6,198,050
Community Assets		462,387	294,811	309,552	34,508	34,508	34,508	36,234	38,045	39,948
Heritage Assets		119,787	126,091	132,396	247,912	247,912	247,912	260,308	273,323	286,990
Investment properties		282,710	226,212	230,737	720,224	720,224	720,224	756,235	794,047	833,749
Other Assets		246,995	283,455	289,125	334,721	334,721	334,721	351,457	369,030	387,482
Biological or Cultivated Assets										
Intangible Assets		764	804	844	26,539	26,539	26,539	27,866	29,259	30,722
Computer Equipment		47,309	49,799	52,289	1,227	1,227	1,227	1,288	1,352	1,420

KZN225 Msunduzi - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Furniture and Office Equipment		**75,086**	**56,298**	**59,113**	**16,019**	**16,019**	**16,019**	**16,820**	**17,661**	**18,544**
Machinery and Equipment		**161,328**	**222,451**	**211,328**	**577,334**	**577,334**	**577,334**	**606,201**	**636,511**	**668,336**
Transport Assets		**70,244**	**73,941**	**77,638**	**140,259**	**140,259**	**140,259**	**147,272**	**154,635**	**162,367**
Land					**150**	**150**	**150**			
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,198,788**	**7,170,057**	**8,003,467**	**8,011,347**	**8,011,347**	**8,011,347**	**8,299,933**	**8,461,656**	**8,627,608**
EXPENDITURE OTHER ITEMS		**717,997**	**776,766**	**470,370**	**681,043**	**680,098**	**680,098**	**589,370**	**616,751**	**646,505**
Depreciation	**7**	**555,153**	**605,422**	**470,370**	**468,636**	**467,692**	**467,692**	**492,025**	**516,580**	**542,365**
Repairs and Maintenance by Asset Class	**3**	**162,844**	**171,344**	**–**	**212,407**	**212,407**	**212,407**	**97,345**	**100,171**	**104,139**
Roads Infrastructure		47,029	49,483	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		50,160	52,779	–	55,411	55,411	55,411	60,146	61,903	63,750
Water Supply Infrastructure		15,460	16,267	–	8,427	8,427	8,427	–	–	–
Sanitation Infrastructure		6,125	6,445	–	121,923	121,923	121,923	–	–	–
Solid Waste Infrastructure		8,472	8,915	–	1,708	1,708	1,708	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**127,246**	**133,888**	**–**	**187,469**	**187,469**	**187,469**	**60,146**	**61,903**	**63,750**
Community Facilities		17,218	17,639	–	4,043	4,043	4,043	21	67	69
Sport and Recreation Facilities		–	–	–	5,390	5,390	5,390	–	–	–
Community Assets		**17,218**	**17,639**	**–**	**9,433**	**9,433**	**9,433**	**21**	**67**	**69**
Heritage Assets		**18,379**	**19,816**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	3,509	3,509	3,509	20,719	19,918	20,554
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**3,509**	**3,509**	**3,509**	**20,719**	**19,918**	**20,554**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	1,061	1,061	1,061	16,458	18,282	19,766
Transport Assets		–	–	–	10,935	10,935	10,935	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		717,997	776,766	470,370	681,043	680,098	680,098	589,370	616,751	646,505

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.

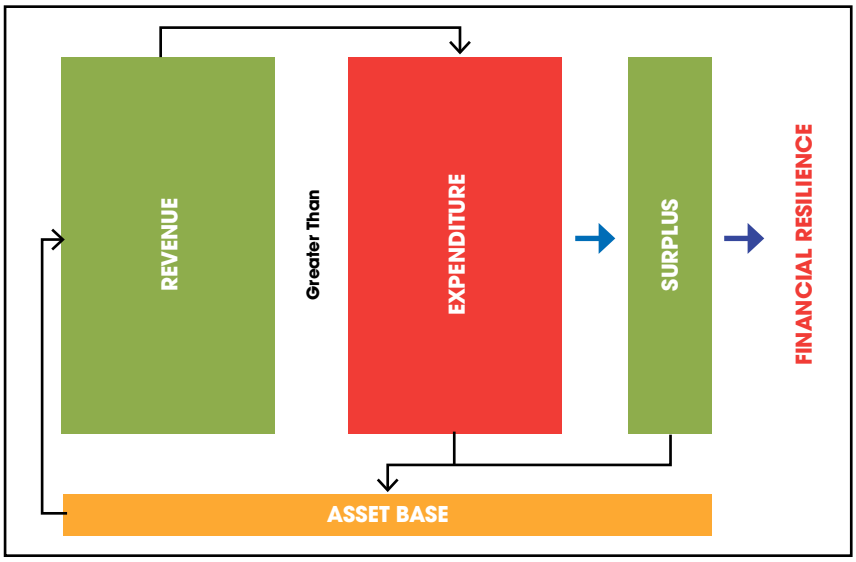
Due to the nature of these assets and the utilisation thereof, they require regular maintenance before eventually being renewed or replaced, and it is therefore important that Msunduzi implements appropriate strategies so that the cost of the asset maintenance and renewal programmes is fairly and equitably

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	**WEAKNESSES**
• 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.	• A limited rates base and high levels of demand for services. • A growing number of debtors. • Under-spending against operations and maintenance budgets.
OPPORTUNITIES	**THREATS**
• 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.	• 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.

3.39 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 39 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 POLICY

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 – it is 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.

(iii) SERVICE DELIVERY CHARTER AND SERVICE STANDARDS

Msunduzi Municipality has developed the Procedure Manual and Service Delivery Charter. The purpose of the Charter is to set out service standards that members of the community can expect to receive when they access our services or contact the municipality and outlines how they can help the organization to meet their expectations in the delivery of first class service standards. The Charter guides the municipality towards reaching its goals of efficient and effective service delivery. The relationship with the people is governed by the constitution and legislation as well as policy obligations.

The Msunduzi Municipality as a Local Government is mandated by the Constitution of the Republic of South Africa to:

- Provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government.

Service Standards

The Msunduzi Municipality commits itself to serve its customers as envisioned by the Batho Pele Principles in the White Paper on the Transformation of the Public Service (1997) as follows:

1. Consultation:

The municipality undertakes to consult customers on the level and quality of services as well as development required to continue to improve living conditions of within communities;
In this regard it must:

a) Commits to consult organised formations of labour unions, ratepayers' associations, business chamber and other such interest groups and the public in general;
b) Holds Mayoral Izimbiso IDP & Budget Roadshows twice a year;
(c) Publish for public comments, the Draft IDP, Draft Budget and Draft Annual Report or any other document that legislation may prescribe for publication or Council deems it necessary for good governance;
(d) Encourage members of the public to attend the Council and the Executive Committee meetings, Izimbizo, Budget and IDP Processes; and
(e) Establish and ensure functionality of Ward Committees.

2. Telephone calls

When phoning the offices of the Msunduzi Municipality or the Customer Services offices, the municipality shall ensure;

- all calls are answered within 5 rings.
- calls are answered identifying ourselves and the office
- that the person answering the call is courteous and helpful at all times.
- that the person answering the call extends themselves to assist, or makes a valuable referral.
- that you be issued with a reference number when logging a request or complaint.
- That you are not subjected to unnecessary telephone referrals. There shall be a maximum of two referrals, thereafter the person will take down your details and get back to you and,
- That we contact you within 24 hours, if a message is left on voicemail.

3. Written Enquiries / Correspondence

The municipality shall:

- acknowledge both internal and external written correspondence within the stated deadline or 5 working days whichever comes first;
- Where detailed response is required, it will strive to respond to enquiries within 10 working days, stating the name of the employee dealing with the enquiry;
- aim to provide clear and accurate information in response to enquiries; and
- In cases of delay, an interim reply acknowledging receipt of the correspondence and explaining the reasons for the delay will be issued within 10 working days.

4. Reports to committees

- Issues that need the approval of any Committee delegated with authority by Council or Executive Committee shall be placed on the agenda of a Committee within 10 working days of notification by the Committee Officer or within 15 working days of the last meeting of that Committee, whichever is shorter.

Any obligations or action items assigned to the municipality by any Committee shall be dealt with within ten working days of such assignment.

5. Access

All Citizens will have equal access to services rendered;

In this regard;

a) All offices will be accessible to the physically challenged;
b) Discrimination on the grounds of culture, race, gender and sexual orientation will not be tolerated;
c) We will strive to make our services equitably available to all citizens including those from disadvantaged communities; and
d) Treat everyone with consideration and respect by showing friendliness and care when serving a customer.

6. Courtesy

The municipality will strive to treat all our customers with courtesy and consideration. In this regard;

a) Customers will be greeted and addressed in a friendly manner;and
b) Rude, impolite and discourteous attitudes and behaviour will not be tolerated.

7. Information

The Msunduzi Municipality recognizes and is committed to fulfilling its constitutional obligation to;

a) Foster a culture of transparency and accountability in its affairs by giving effect to the right of access to information;
b) Actively promote an enabling environment in which requesters have effective access to information;
c) Put such necessary measures in place to render as reasonably possible for requesters of its records; and
d) To publish the approved IDP, Budget, Annual report, SDBIP and customer Service Charter for public information.

Bearing in mind –

That the access to any information held by the City may be limited to the extent that the limitations are reasonable and justifiable in an open and democratic environment based on human dignity, equality and freedom as contemplated in Section 36 of the Constitution and also as specified in Part 2, Chapter 4 of the promotion of access to Information Act.

8. Openness and Transparency

The municipality recognises that openness and transparency are the cornerstones of the democracy. To the effect of the above the municipality will:

a) engage stakeholders / Customers in preparation particularly of our Budget and IDP every year;
b) Run the Municipality within the spirit of openness and transparency; and
c) Hold adhoc meetings with local stakeholders as per need.

9. Value for Money

The municipality will endeavor to use public resources efficiently, effectively and economically. In this regard it will:

a) Simplify systems, processes and procedures to eliminate wastage and inefficiency;
b) Rigorously apply performance management systems to enhance productivity;
c) Identify risk areas and manage them carefully;
d) Endeavour for optimal utilization of resources;
e) Procure goods and services to the best advantage of the Municipality within the applicable statutes;
f) Strengthen management and control to prevent fraud, corruption and mal-administration; and
g) Treat any information on fraud and corruption seriously.

10. Service Delivery Impact

The municipality shall endeavor to assess the impact of its services to the customer on regular intervals and ascertain whether it is achieving its specified objectives. To the effect of the above the municipality will:

a) Evaluate the organizational performance based on an annual performance plan on a quarterly basis;
b) Review the performance of the Municipal Manager and Managers reporting directly to the Municipal manager on an annual basis;
c) Review the Strategic Plan implementation yearly (IDP Review); and
d) Prepare the Annual Report as prescribed.

11. Redress

The municipality respects and acknowledges the right of citizens to complain when its services are interrupted or unsatisfactory. To the effect of the above it will:

a) Make available to customers, a Call Centre to receive and refer complaints to the relevant departments for action;
b) Establish a Rapid Response Team to track redress on service delivery issues and complaints;
c) We undertake to investigate and respond to written complaints submitted via the City Manager's office within 10 days of receipt either confirming action has been take, or committing to attend to the complaint within a particular period or explaining why the municipality is not in a position to attend to the complaint.

11.1 Complaints

- A complaint, in this regard, shall mean an expression of dissatisfaction with a service provided. It shall not be taken to mean fault breakdown of service or other information reports.
- It is the policy of the Msunduzi Municipality that all complaints are dealt with promptly, decisively, in an objective and sympathetic manner following the complaints handling procedure. Any person with a complaint about any of the services is guaranteed that his/her complaint will be taken seriously and promptly investigated.
- The municipality respects the rights of a person to complain if they think they have not received an appropriate level of service.
- The Msunduzi Municipality undertakes that following a complaint, it will acknowledge receipt of the complaint within five (5) days and inform the complainant of the action taken within 30 days.
- If the complexity of the matter requires a longer investigation period, the complainant will be given a revised response time and informed of progress on the matter on an ongoing basis.
- If the complainant is dissatisfied with the response and thinks the complaint needs the attention of higher office, the complainant is urged to make a written or verbal complaint to the relevant General Manager.
- If there is no response within five (5) working days, the complainant is free to address the complaint to the relevant General Manager.
- Complaints handling procedure shall be followed in all cases. Complaints shall be recorded and monitored to assist in improving the quality of service to customers and identify areas needing improvement.
- General Managers shall be responsible for quarterly management reviews of all complaints and feedbacks to identify system discrepancies or bottlenecks and to take appropriate action.

11.2 Call Centre

The Call Centre receives all calls related to service interruptions in Water and Sanitation, Roads and Transportation, and Electricity, 24/7. When customers phone the call centre they are provided a reference number for the reported fault that can be used for any future queries relating to that fault. The call centre refers all reported faults to the relevant departments for action.

In case of major disruptions, voice recordings will serve to inform the public of the fault and the expected restoration time. The call centre also has a voicemail facility, whereby customers can leave clear messages, relating to a fault, the physical address of the fault and their name and contact details so that the message can be acted upon.

Telephone number: 0800 001 868.
Email Address: call.centre@msunduzi.gov.za

11.3 Rapid Response Team

The Msunduzi Municipality has established a Rapid Response Team to help facilitate and fast track the resolution of widespread service delivery complaints and further to liaise with the different and relevant stakeholders in the process of crafting collective solutions to the matters raised.

Chairperson: Lungisani Kunene 033 392 2714.
Speaker of the Council

This office will receive and co-ordinate complaints with respect to the functioning of the ward committees and the councilors. The officials of the Office of the Speaker will direct issues raised at ward committee meetings to the relevant departments.

Postal Address: Private Bag X321, Pietermaritzburg
Contact Number: 033 392 2541

11.4 Ultimate Redress

The Msunduzi Municipality has made it clear that it wishes to be held accountable. To help citizens to do just that, it has made many avenues available through which redress can be sought;

Office of the City Manager

The City Manager is the Accounting Officer of the Organisation and the Head of Administration.

Postal Address: Private Bag X321, Pietermaritzburg
Contact Number: 033 3922002
Email Address: municipal.manager@msunduzi.gov.za

Office of the Mayor

Postal Address: Private Bag X321, Pietermaritzburg
Contact Number: 033 3922036/7
Email Address: Phumlile.Nsele@msunduzi.gov.za

3.40 INTERGOVERNMENTAL AND INTERNATIONAL RELATIONS STRUCTURES

(i) INTERGOVERNMENTAL STRUCTURES

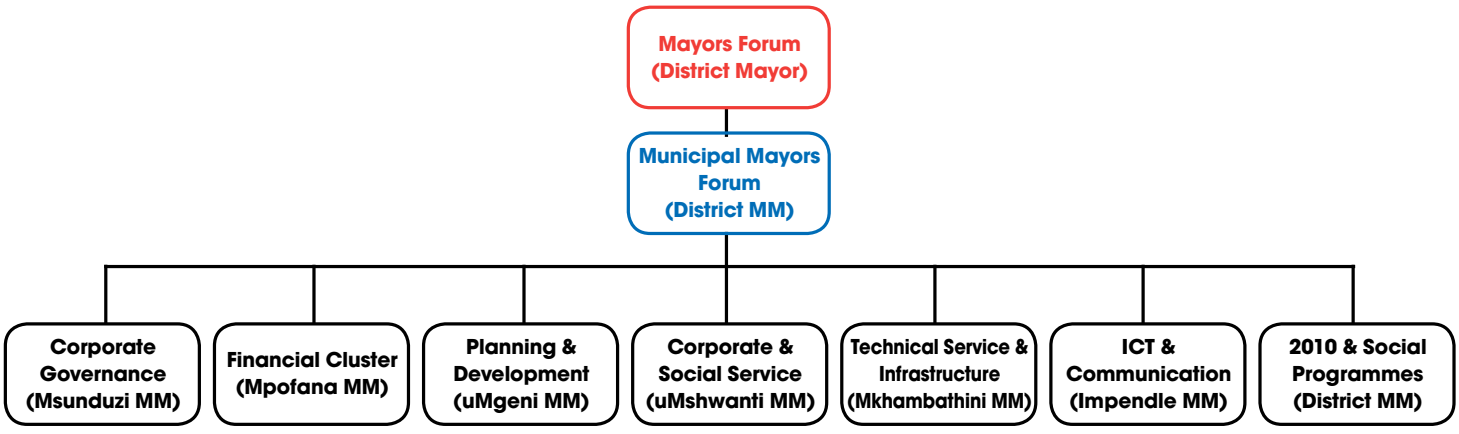
The following table summarises structures that the Msunduzi Municipality participates in:

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).

3.41 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.

3.42 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

3.43 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.

3.44 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.

3.45 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

3.46 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.

3.47 AUDITOR GENERAL'S REPORT AND FINDINGS

The Auditor General has expressed an Adverseopinion with emphasis on matters relating to:

- Property, plant and equipment
- Consumer debtors
- Revenue from exchange transactions – interest from consumer debtors and receivables
- Receivables from exchange transactions
- Payables from exchange transactions
- Related parties
- Statement of comparison of budget and actual amounts
- Cash flow statement
- Unauthorised expenditure
- Additional disclosures in terms of MFMA
- Aggregation of immaterial uncorrected misstatements

3.48 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.

As per the above-mentioned legislative requirements pertaining to the compilation and presentation of the Mid-Year Performance review, this report is produced in accordance.

a. During December 2018 & January 2019, the Organizational Compliance, Performance and Knowledge Management Unit in the Office of the City Manager performed the Mid-Year Performance review having received submissions from the respective Strategic Business Units of Council.

b. Stemming from the submissions; it was noted that several Key Performance Indicators (KPI's) remained unchanged whilst a number of KPI's required amendment, some were to be removed from the SDBIP & OP as well as some new KPI's which needed to be added to the SDBIP & OP. There were also some KPIs that needed to be removed from the Operational Plan 2018/2019 FY and moved to the Service Delivery & Budget Implementation Plan 2018/2019 FY.

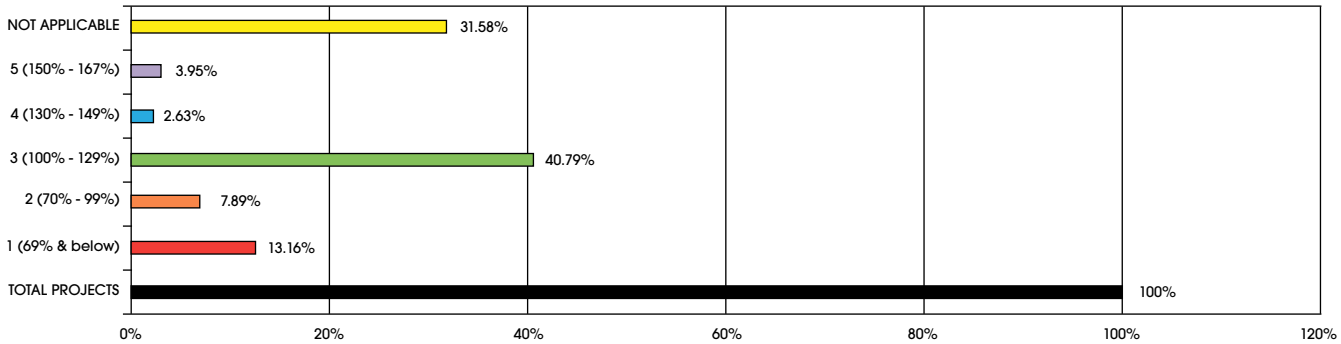
Organizational Overview of Operating and Capital projects on the November 2018 SDBIP& OP 2018/2019 (QUARTER ENDING DECEMBER 2018) PROGRESS REPORT

COLOUR	SCORE	DESCRIPTION	PERCENTAGE	KEY
	N/A	TOTAL PROJECTS	N/A	
	1	NIL ACHIEVED	69% and below	
	2	TARGET PARTIALLY MET	70% - 99%	
	3	TARGET MET	100% - 129%	KEY
	4	TARGET EXCEEDED	130% -149%	
	5	TARGET SIGNIFICANTLY EXCEEDED	150% - 167%	
	NOT APPLICABLE	N/A	N/A	

ORGANISATIONAL OVERVIEW - SDBIP 2018/2019

TOTAL PROJECTS: 110
OPERATING PROJECTS: 73

SDBIP ORGANISATIONAL OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - NOVEMBER 2018 MONTHLY PROGRESS REPORT



	TOTAL PROJECTS	1(69% and below)	2(70% - 99%)	3(100% - 129%)	4(130% - 129%)	5(150% - 167%)	Not Applicable
ANNUAL 16 17	100%	13.16%	7.89%	40.79%	2.63%	3.95%	31.58%

- A total of 73 Operating Projects were reported on the SDBIP for the NOVEMBER 2018 MONTHLY PROGRESS REPORT

- 13.16% of the projects were reported as having achieved a 1
- 7.89% of the projects were reported as having achieved a 2
- 40.79% of the projects were reported as having achieved a 3
- 2.63% of the projects were reported as having achieved a 4
- 3.95% of the projects were reported as having achieved a 5
- 31.58% of the projects were reported as not applicable due to not having any targets on the SDBIP

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 izimbizo held during the month of May 2019. It is important to note that there will always be more needs then available resources. The community needs are further subject to a process of prioritization to ensure their feasibility and alignment to the strategic objectives council prior to actually allocating resources for implementation.

TABLE 72: MUNICIPAL WARD NEEDS FOR 2019-2020

WARD	COMMUNITY NEEDS
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

WARD	COMMUNITY NEEDS
2	**Hall and Sports Facilities** • Rehabilitation of Sweetwaters sports facilities • Maintenance of Mashaka and Mpushini community halls • Ngcebeni Community Sports Complex • Mbutshane sports field • Maintenance Siyanda Sports field • Zayaka sports field **Roads** • Upgrade of access roads • Stadium Road • Upgrade of gravel roads to tarr • D2069 • Mabane Road • Skhakhane Road • Extension of Bhada Road • Masimini Road • Ungcoya Road • Nsika Road and others • Sweetwaters sports ground • Extension of Soul City Road • Installation of streetlights and high master lights • Speed humps • Bus shelters • Installation of new water pipe in Soul city area as well as Mbutshane extension
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 Mgwagwasportsfield • Water supply • Street lights • Construction of library • Construction of playground • Job creation • Access to funding for small businesses • Construction of RDP houses • Electricity

WARD	COMMUNITY NEEDS
4	• Henley dam bridge, • Mgodini hall • D 1138 road for upgrade • TVET college construction • Finish RDP houses Phase 1 • Erection of high master lights • Mpohlweni road upgrade to concrete • D1138 upgrade to tarr • Upgrade Henley dam road to tarr • Ndeleshane road upgrade • Renovation of poultry project • Mvundlweni road upgrade • Fencing and upgrading of halls (Shange, obhaqeni, Etsheni, Ezibovini) • Construction of mgodini footbridge • Construction of Mgodini Hall • Vu Mkhize Rd for concrete • Upgrade of rufaro road • Henley dam bridge (Bhalekani bridge) • Construction of Multi purposecenter • Kwashangecreche • Electrification of houses in all new sites: Henley, kwashange, Ndeleshane, ezibovini, Mvundlweni, • Taylor's eshoweetc • Fencing and upgrading of sportsfield (Rufaroezibovinieshowe) • Construction of swimming pool in Taylors • Housing • Sanitation project • Speed humps • Renovation of basket ball court • Access roads (throughout the ward) Khoza road, Ndumo road, Iushozi road, Bhodweni Rd, dinagwe • rd, nkwalini, skulkey, Merica, ezibovini ground, enhlanenembe, Mdletshe Rd, Lagubha, • Renovation of Eshowe sportsfield • Extension of water main pipes in all new sites like Henley, Shange, Gezubuso, Taylors, Ndeleshane • ezibovini, mbubu • Upgrade kwaRooi roads • Bus Shelters • Stream crossover bridge for Mvundlweni Ngcobo • Recreation park/centre

WARD	COMMUNITY NEEDS
5	• KwaMnyandu • Phase 2 Concrete Jakalase Road • High master lights • Electrification of new households • Upgrade of Makhaye road • Renovation of Ngubane sports field • Upgrade Mbuzemhlophe 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 Gezubusosportsfield • 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 • VIP toilets • Electrification of households • Noshezi • High master lights • Upgrade of Ntombela road • VIP toilets • Regravellingacess 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

WARD	COMMUNITY NEEDS
5	• 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
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

WARD	COMMUNITY NEEDS
7	• 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 • 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

WARD	COMMUNITY NEEDS
7	• 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	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 Maswazini: • Upgrade of access road- Ndlovu Road, Ngola Road, Bhengu Road, Zwane Road, Mwelase Road • Tarr Road: P402 • Shelter • Street Lights and toilet Machobeni: • Upgrade of access road-Mchunu Road Ekhethi Location: • Upgrade of access Rd-Ndlovu Road, HlelaRoad • Shelter • Community Hall • Street light and toilet Ndebeqheke Location • Upgrade of access Rd- MncwabeRoad, MbenseRoad • Shelter • Street light and toilet Madlala Location: • Upgrade of access road – Zimu Road, Ntuli Road • Shelter • Street light and toilet Magwenyane Location: • Upgrade of access road – Sokhela Road, MahlaseRoad • Hall • Sports ground • Electricity • Street and toilet

WARD	COMMUNITY NEEDS
9	Phenduka VD – • Community hall • Bus Shelter • Sportsfield • Access Road • Master light • 24 hours clinic • Electricity • Housing • VIP toilet Mafakatini VD • Access Road • Buthelezi road for upgrade concrete • Side Walks for D1133 • Speed humps for R617 • Taxi Rank • Master lights • Electricity • Housing Dutch VD • Access Road • Primary School • Creche • Sithole Road for concrete upgrade • Community hall • Master light • Water Meter • Electricity • Housing 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 Ngcede Hall VD • Access Road • Electricity • Master light • Toilet • Sportsfield • Shopping Centre Khobongwane VD • Community Hall • Access road • Water meter • Electricity • Sportsfield • Speed humps for D1140

WARD	COMMUNITY NEEDS
9	Silindokuhle VD • Access road • Electricity • Master light • Zondi road for upgrade • Bus Shelter Sbanesihle VD • Sportsfield • Access road • Dladla upgrade (embileni) • Bus shelter • Maintenance for Mweli road potholes (new home) 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 Vubamasi • Upgrade of Foster Road to A Bisley • Upgrade Access roads • Rehabilitate kick about • Bus shelter X 3 – Bekide , Mungu and Mbatha • High Master lights X 3 Mtakyane • Demolish wire walls build new houses • Huge water pump to be installed • Upgrade of access roads • High master lights X 3 • Road construction • School childrens foot bridge Maflethini • Upgrade of access roads • High master lights X 2 • Sewer pipe • Construction of VIP toilets • Gravel road to Mtaliyane E4 • RDP houses • High master lights • Access roads • Gravel road as a connection point

WARD	COMMUNITY NEEDS
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 NEEDS
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 NEEDS
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 NEEDS
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 • RDP houses • Land acquisition • New access gravel road in Motha area • Petrol Filling station
23	• Installation of High Mast Lights • Harewood Housing Project (Ward 23 and Ward 20) • Clearing of illegal dump sites • Herschsohn Road Upgrade • Transit Area Roads Upgrade • Peace Valley 3 Housing Project (Ward 23 and Ward 26) • IRPTN • Wire Wall Rectification Project (Transit Area and Ashdown)

WARD	COMMUNITY NEEDS
23	• Vacant Sites (Residential and Non Residential) • Speed Humps • Peace Valley 2 Hall (Indoor sports centre) • Ashdown Sports Arena • Transit Area Sewer Upgrade • Peace Valley 2 Housing Project • Ashdown Roads Upgrade • Peace Valley 2 Roads Upgrade • Ashdown Storm Water Upgrade • Gomora Housing Relocation • 500 VIP Toilets • Transit Area Creche • Ashdown Midblock Service Eradication (Sewer and Water) • Primary School • Youth Centre • Mobile Clinic • Button Place Social Housing Project • Old Edendale Road Upgrade • Hershesohn Road Upgrade • Transit Área Road Upgrade • Construction of Gaud rails
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 • High School • Primary School • Speed humps • Mobile police station • Multi purpose centre with internet cafe • Better Sport combo courts • Upgrading of Hall • Upgrade parks • Speed Humps ORIBI • Hall maintenance • Sport fields • Community centre with internet cafe • Mobile library • Extension of drainage pipes • Swimming pool • Speed Humps BISLEY • Sport combo courts • Soccer fields/netball field • Small shop cubicles to small businesses • Clinic • Improve storm water drains • Speed humps

WARD	COMMUNITY NEEDS
25	• Roads not in good condition, need rehabilitation and resurfacing (example, Inman Place, Allan Hirst, Connor Road, Taunton, Carter Drive, Mitchell Road and roads in Woodlands Extension and Chasedene) • A 4 way stop or traffic circle needed at the intersection of Twickenham and Chase Valley Roads • Potholes on Carter Drive, Henderson Road, Silverdale Crescent, Craigie Drive, Chase valley Road, Linscott Road and outside Victoria Country Club on Peter Brown • No formal drainage system • Illegal signage and illegal dumping • Speed humps (Neden, Howick Road, Montgomery, Linscott, Old Howick, Sir Percy Spender, Craigie Drive, Dykes Road and Francis Staniland Road) • Uneven roads. Extension and resurfacing of upper Townbush Road • Sewerage spill into Town Bush Stream below African Enterprise, Nonsuch 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 • Old trenches across road in Valbridge Rd/Fenton need repair • On the corner of Davenport Road and Inman Place the road was dug up and needs reinstatement • 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. Bug weed, lantana rampant in Chase Valley Road opposite Valbridge Road turn-off • Severe infestation of noxious vegetation in servitude between northern perimeter fence of Victoria Country Club - opposite Normandy Place intersection • Broken concrete cover at storm water culvert in Caldecott Place • Leaking water pipe underground at corner of Middleton Road and Valbridge Road • Creepers overhanging street light corner of Middleton Road and Valbridge 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 (e.g. overgrown bushes behind 100 Chase Valley Road) • Vacant properties need maintenance-Marriot Road and Francis Staniland Road • Replace fused globes on the street lamps • Street lights needed under the Twickenham Bridge • Street lights on in day time along Valbridge Road and Fenton Place. Replace fused globes • Cut back of the pavement trees along most roads • Verges on freeway side have so much bug weed and alien foliage that the road is being narrowed substantially • The open field in Frances Staniland backs onto a stream. The banks of this stream are overrun with lantana, bug weed. This and the servitude between 46 and 48 Neden Road need to be cleared • Clearing of the storm water drains • Storm water drain outside 53 Linscott has completely collapsed into itself • 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 NEEDS
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
27	• Multi-purpose Disaster and Community Centre • Multi-purpose sports complex Dales park • Pedestrian bridge Alexandra park • 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 NEEDS
28	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. 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. 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 Infront 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. • MaintenanceOf 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 NEEDS
29	• RDP Housing project for +- 20,000 unit • Electrification of housing informal • Maintenance of gravel roads • Clinic • VIP Toilets • Community Children game park • Water miter for Swapo&Pakkies, Areas and Masson • Community Hall • Thusong Centre / Community Centre • Taxi Rank • Speed humps at first Rd Haniville X 2 • Speed humps at Main Rd Haniville X 3 • Speed humps at Gun City Rd Haniville X 2 • Speed humps at Triumph Rd next to Indus Crn X 1 • Speed Humps at Sutarnspar x 2 • Road widening, resurfacing and tarring on all Haniville. • Pavement and walk way from Copesville corner to Clinic. • Pavement and walk way from Gun city corner to Bombastic Rd • Pavement and walk way from Hanniville corner to Table Mountain Dr / Chief Mhlabunzima Rd. • Cleaning of all blocked Drains • High Mast lights • Haniville Roads to be widen its too narrow • Upgrade of Copesville Sports • ground • Library • Water miters to each house in all informal settlement. • Youth Centre • Crèche • Old age home • Building of shopping Centre • Reduce crime / Social ills • Unemployment • Service delivery • Bus shelter • Youth / Skills Development

WARD	COMMUNITY NEEDS
30	• 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 • 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.

WARD	COMMUNITY NEEDS
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
	  • Security
	  • Waste removal
	  • Fencing
	  • Lighting (on premises)
	  • Water 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

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

WARD	COMMUNITY NEEDS	
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. • Industrial hub at Cinderella Park(B). • Rehabilitation of dumping sites & servitudes and develop into play area and gardens. • Develop housing projects/flats in open spaces at Weaver Road/ Kingklip Road, Eastwood • Robots at intersection between Mhlabunzima Road and Birmingham Road. • Youth skills training center. • Relocation of Eastwood garden refuse site out of residential area. • Erection of security wall around Eastwood community center and sport grounds. • Development of children recreational area at corner of Panorama Gardens. • Putting up shelters outside Eastwood Clinic waiting area.	
35	• New development • Construction of a computer hub • Construction of a Heroes park • Housing (Holling wood, sobantu infields) • Shopping centre • Renovations/Revamp • NieRadebe Sports Field precinct/including tennis and basketball courts • Sewer Line rehabilitation • Antony"mfenendalaXaba" 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	BELLEVUE:	A. ROAD INFRASTRUCTURE: 1. ROAD RE-SURFACING (a)The remainder of Crestview Road to be resurfaced. (b)A proper link road between Iris Rd, Cyclamen Rd, Aster Rd and Morgan Rd needs to be designed and built. 2. POTHOLES Dangerous potholes have been identified in Ivy Road and Azalea Avenue. 3. TRAFFIC CALMING MEASURES The erection of speedhumps in Beacon Road, Crestview Road, Southview Road and Bonanza Road 4. MURRAY ROAD - TRAFFIC SIGNAGE & SPEEDHUMPS 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.

WARD	COMMUNITY NEEDS	
36	BELLEVUE:	B. CRIME PREVENTION: 1. 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. 2. STORM WATER DRAINS & GRILLS Storm water drains – repair and replacement of grills and drain covers. 3. FLOODLIGHTING Erection of flood-lighting or high-mast lighting in open spaces
	CLELAND	A. ROAD INFRASTRUCTURE: 1. ROAD RE-SURFACING The resurfacing of the following roads in Cleland is an urgent necessity: (a)Oak Lane (b)Oleander Road (c)Lynroy Road (d)Petrea Avenue 2. POTHOLES In addition to the urgent re-surfacing of the above roads, numerous potholes have been identified in the following roads for urgent interim repair: 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; Cosmos Road, Watsonia Road, Lynroy Avenue. 3. TRAFFIC CALMING MEASURES (a)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 (b)Speed humps in Jasmine Close and Holly Road 4. STORMWATER DRAINS/COVERS Clearing of blocked storm water drains and repair/replacement of broken manhole covers in Hibiscus Road. B. CRIME PREVENTION 1. ERECTION OF SAFETY FENCE The fencing off of the railway tunnel at the bottom end of Petrea, along Watsonia Road. 2. GRASS CUTTING/TREE FELLING (a)The municipal open space off Murray Rd, between Cleland Rd and Varley Rd, needs to be cleared and regularly maintained. (b)The municipal open space bounded by Jasmine Close, Petrea Ave, Holly Rd and Marigold Rd needs to be cleared and regularly maintained C. TRANSPORT & TRAFFIC 1. UPGRADING OF TAXI HOLDING AREA The taxi holding area at the corner of CB Downes and Murray Rd needs urgent upgrading. 2. TRAFFIC CONTROL & SIGNAGE Prominent Yield and Stop traffic signs (as appropriate) where side roads intersect with Jasmine Close, Abelia Road, Fir Tree Avenue and Claveshay Road.
	MEADOWS	A. ROAD INFRASTRUCTURE: 1. RE-SURFACING OF ROADS The road surface in Ayrshire Drive and Hereford Circle is breaking up. 2. POTHOLES Potholes and badly deteriorated spots are scattered throughout Hereford Circle and Ayrshire Drive. B. GRASS CUTTING/TREE FELLING 1. The area behind the properties in Hereford Circle is overgrown with noxious weeds and aliens. 2. Identified problem trees along Hereford Circle need felling.

WARD	COMMUNITY NEEDS
37	ASHBURTON • Rehabilitation of all roads in Ashburton especially Greenpoint Rd. Kingfisher Rd, Newa Ave, Margaret Ave and Lynn Dr including Storm Water Drains • Resurfacing of R103 from Pick 'n Pay up Polly shorts and along Pope Ellis to the N3 • Side Walk (along Pope Ellis and Wally Hayward) • Traffic Lights at intersection of Pope Ellis Dr /Wally Hayward and the R103 • Upgrade on water pipes in Ashburton and Lynnfield Park • Furnishing of Ward Councillors Office EPWORTH • Upgrading and maintenance of sewerage system in Epworth. • Storm water drains along Golf Rd • rehabilitation of Black Burrow Spruit open space • Speed hump Isabel Beardmore Drive HAYFIELDS • Speed calming Hesketh Drive, Rushmore Rd Dennis rd Laurence Cres • Layby at Hayfields Primary school • Traffic Lights at intersection of Foxon Rd And Hesketh Drive • The Island in Blackburrough Road opposite Pick n' Pay and Spar needs to be redesigned and built to accommodate the curved road.Also the pedestrian bridge across the DUZI between ward 37 and 35 in Woodhouse Rd • An overgrown hump and trees at the Varley Road intersection need urgently to be levelled and cut – they are obstructing the view. • Two speed humps in Murray Road between the intersection with Hesketh Drive and the bridge over the N3 • The municipal open space off Murray Rd, between Cleland Rd and Varley Rd, needs to be cleared and regularly maintained. SACCA INFORMAL SETTLEMENT • Housing development at Sacca • Roads at Sacca • Water and Sanitation at Sacca • Electricity at Sacca • Provision of a community Hall at Sacca • War Room Venue • Early Childhood Development Center (ECDC) • Provision of Sports Field in Ashburton • Refuse removal for Sacca • Government Old Age Home
38	• Houses • Walking bridge • Speed humps • Halls renovation and maintenance • sport ground grass planting • Toilets in Zamokhuhle • Access roads • Master light
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

WARD	COMMUNITY NEEDS
39	• 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 • 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.

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:

- 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 75: 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
						B3	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 Bathopele 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	2021/2022	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
					% 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	50%	100%	50%	55%	60%	65%	70%	80%	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	3	4	5	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	15ha	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 Supply Chain Management	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

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	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 Bathopele 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	Implement the Public participation policy	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/Budget/ OPMS process plan.		Number of IDP Rep forums conducted per year	4	4	0	4	4	4	4	4	CBU		N/A
	F2	Improved Community and environmental health and safety. 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	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	200	160	1879	2000	2000	Eco dev		All
				F3.2	Hectors of land acquired for low income housing development									Eco dev		All

4.8 2019/20 ORGANISATIONAL SCORECARD

TABLE 75: TIER ONE: ORGANISATION LEVEL (2019/20 SCORECARD)

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2019/20 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	80%	100%	20%	85%	85%	85%	85%	85%	Corp Services		N/A
				A 1.2	Number of critical posts filled	65	100	35	70	0	0	0	70	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	70%	100%	30%	70%	70%	70%	70%	70%	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	3	3	3	3	3	All		N/A



NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2019/20 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 2: Basic Service Delivery	B1	Increased Provision of Municipal Services	Enhancing existing and future infrastructure	B 1.1	No. of households with access to electricity	160809	163 993	3184	161100	161100	161100	161100	161100	IS		All
				B 1.2	Number of households with access to piped water supply	157855	163 993	6138	157855	157855	157855	157855	157855	IS		All
					Number of households with access to basic sanitation	163336	163 993	657	163336	163336	163336	163336	163336	IS		All
				B 1.3	Number of households with access to refuse removal	125244	163 993	38749	125244	125244	125244	125244	125244	IS		All
				B1.4	Percentage of catalytic projects being implemented	100%	100%	0%	100%	100%	100%	100%	100%	IS		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	22 000	IS		All
	B2	Improved state of Municipal Infrastructure	Back-to-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
				B2.2	% of operations and maintenance budget spent	100%	100%	-	100%	100%	100%	100%	100%	IS, Com Serv, Eco dev		All

NKPA	Code	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2019/20 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 2: Basic Service Delivery	B3			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 within the CBD	40%	100%	60%	65%	62%	63%	64%	65%	IS, Com Serv, Eco dev		All
		Improved provision of Social Development Services	Focused investment on corridor and sustainable urban centres	B 3.1	Number of Mayoral projects co-ordinated	39	39	0	39	39	39	39	39	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	2019/20 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	1000	1000	1000	IS, Com Serv, Eco dev		All
				C1.2	% of LED strategy implemented	75%	100%	25%	75%	0	50%	60%	75%	Eco dec		All
				C1.3	Number of business opportunities created for registered Local Business	20	25	3	22	22	22	22	22	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		2	4	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.	50%	100%	50%	50%	50%	50%	50%	50%	Eco Dev		All

NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2019/20 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
				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

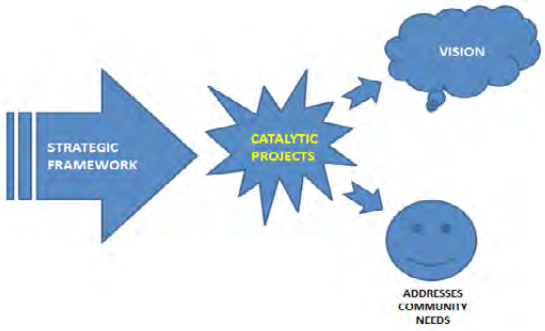
NKPA	ORG REF	Objectives	Strategies	IDP REF	ORGANISATION KPI	Baseline	Demand	Backlog	2019/20 Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Dept	Financial implications	Wards
NKPA 5: Good Governance & Public Participation	E1	Strengthen Governance and reduce risk	Comply with all legislative provisions	E 1.1	% of Council bylaws and policies enforced	50%	100%	50%	50%	50%	50%	50%	50%	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	12	12	0	12	3	3	3	3	CBU		N/A
	E2	Improved the Customer experience & Public participation	Implement the Bathopele principles and Public participation policy	E 2.1	Number of wards with functional war rooms	39	39	0	39	39	39	39	39	Com Serv		N/A
				E 2.2	% of people on the customer satisfactory survey rating the Municipality above satisfactory on service delivery	50%	100%	-	50%		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	2019/20 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	30%	100%	70%	50%	10%	10%	10%	20%	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/budget/ OPMS process plan	F 1.4	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	160	15000	14840	200	160	1879	2000	2000	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

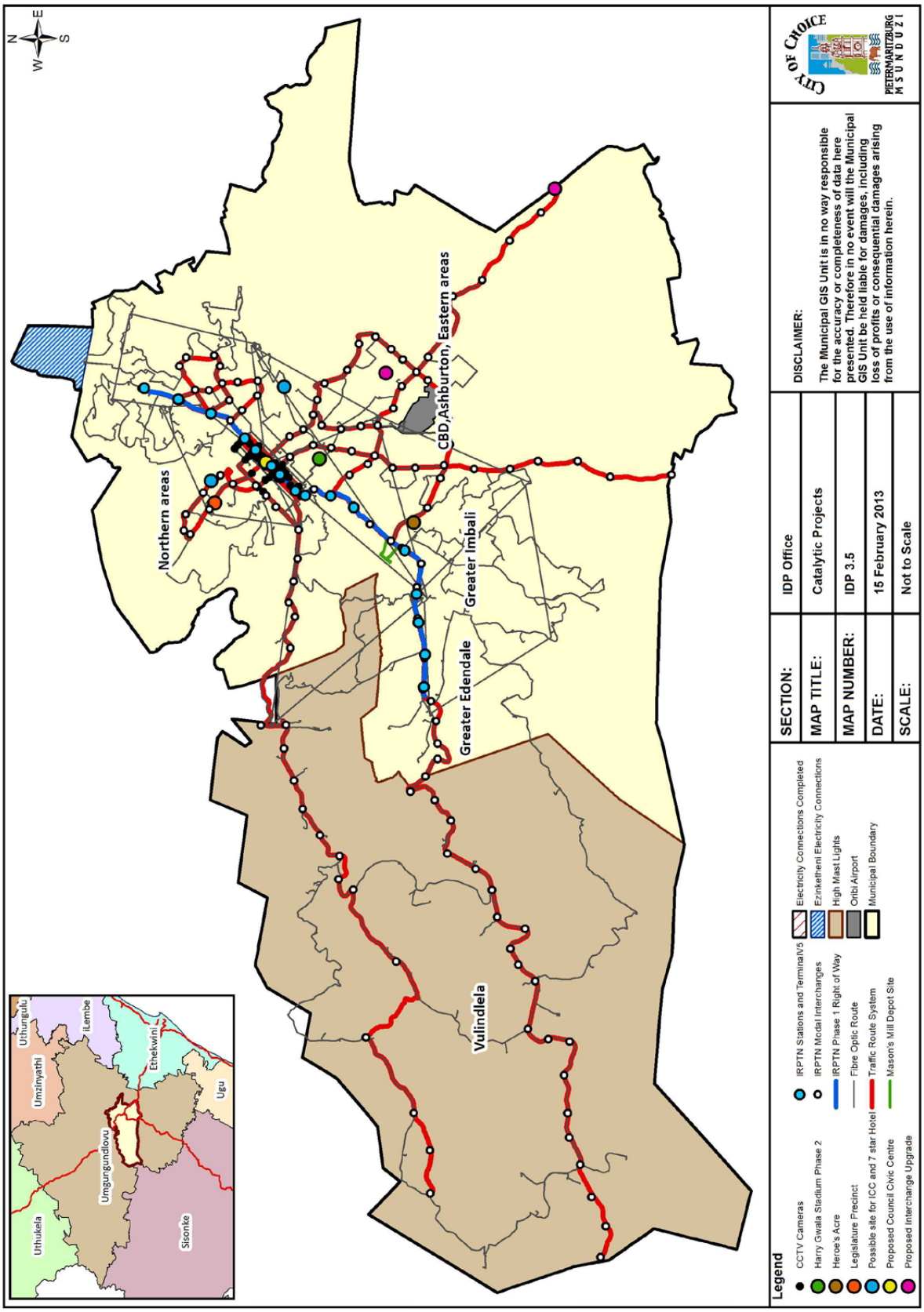


The following catalytic projects that are aimed at revitalising the economy and growth trajectory for the Msunduzi Municipality:

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

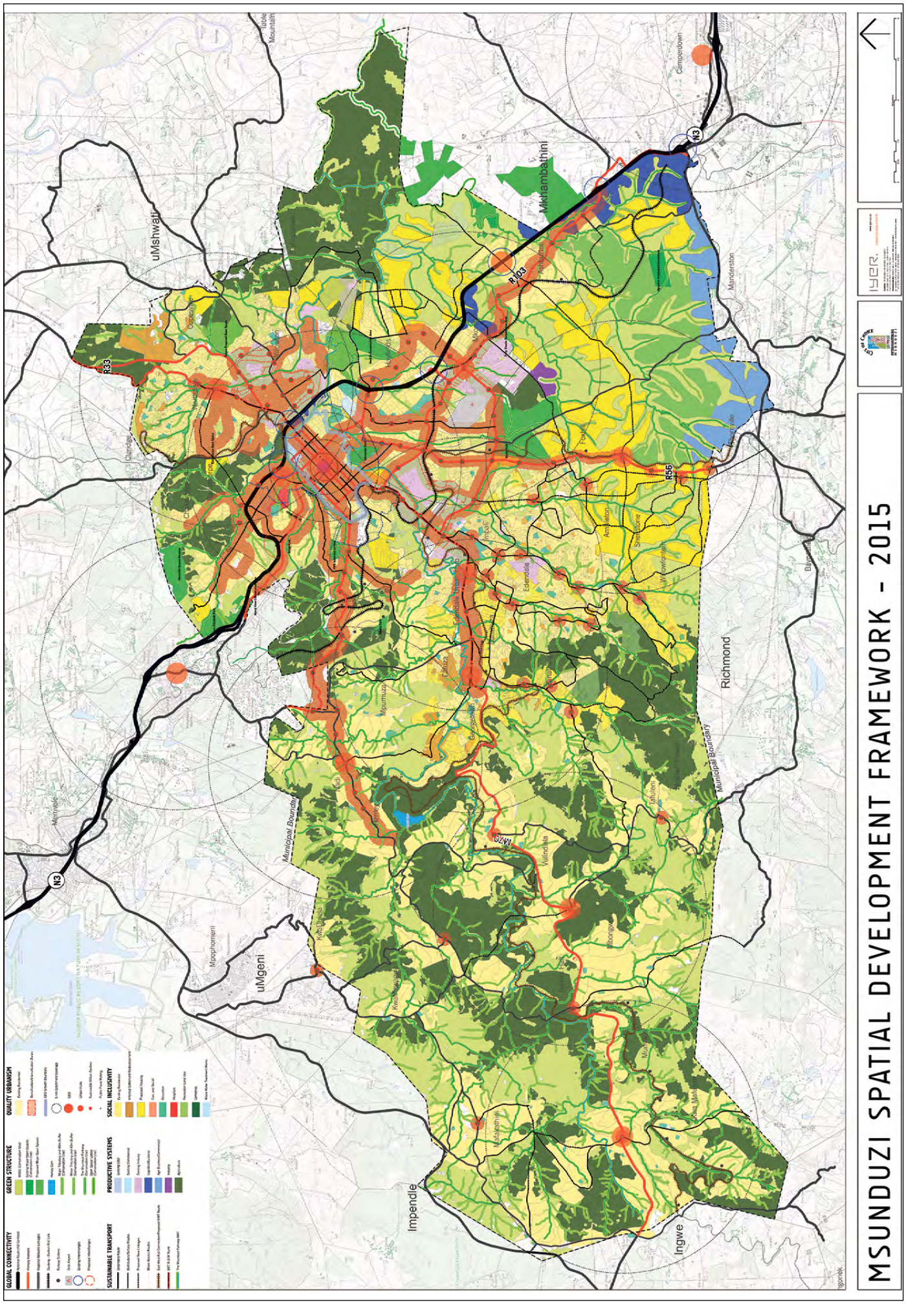
Spatial Structuring elements of the Municipality include:

- 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

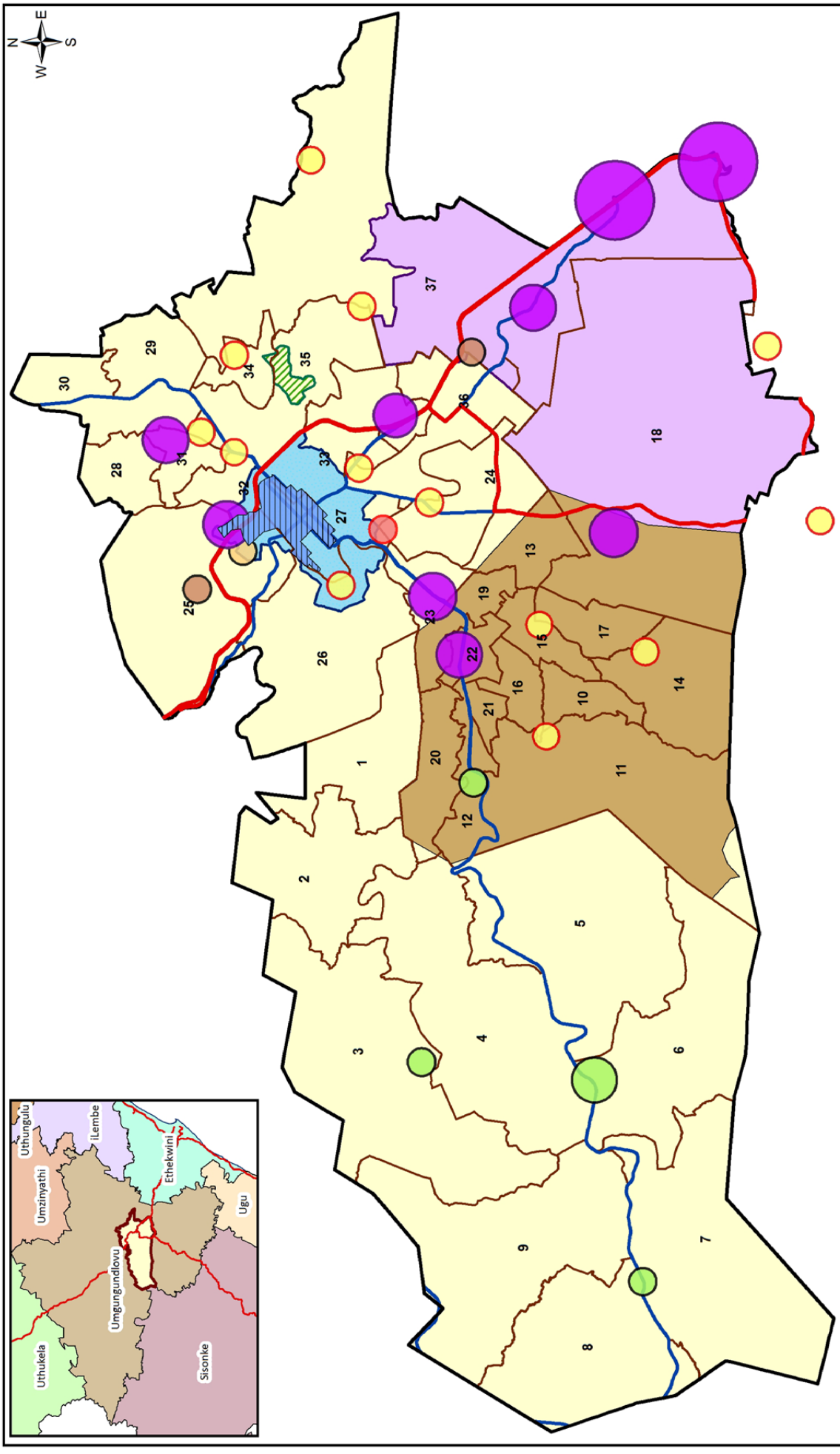
The Long-Term Spatial Development Strategy, adopted in 2015, will inform the refinement and review of the Integrated Development Plan and the Spatial Development Framework, thereby assisting the Municipality in achieving its Constitutional mandate and other legislative obligations. Key outcomes of the strategy include:

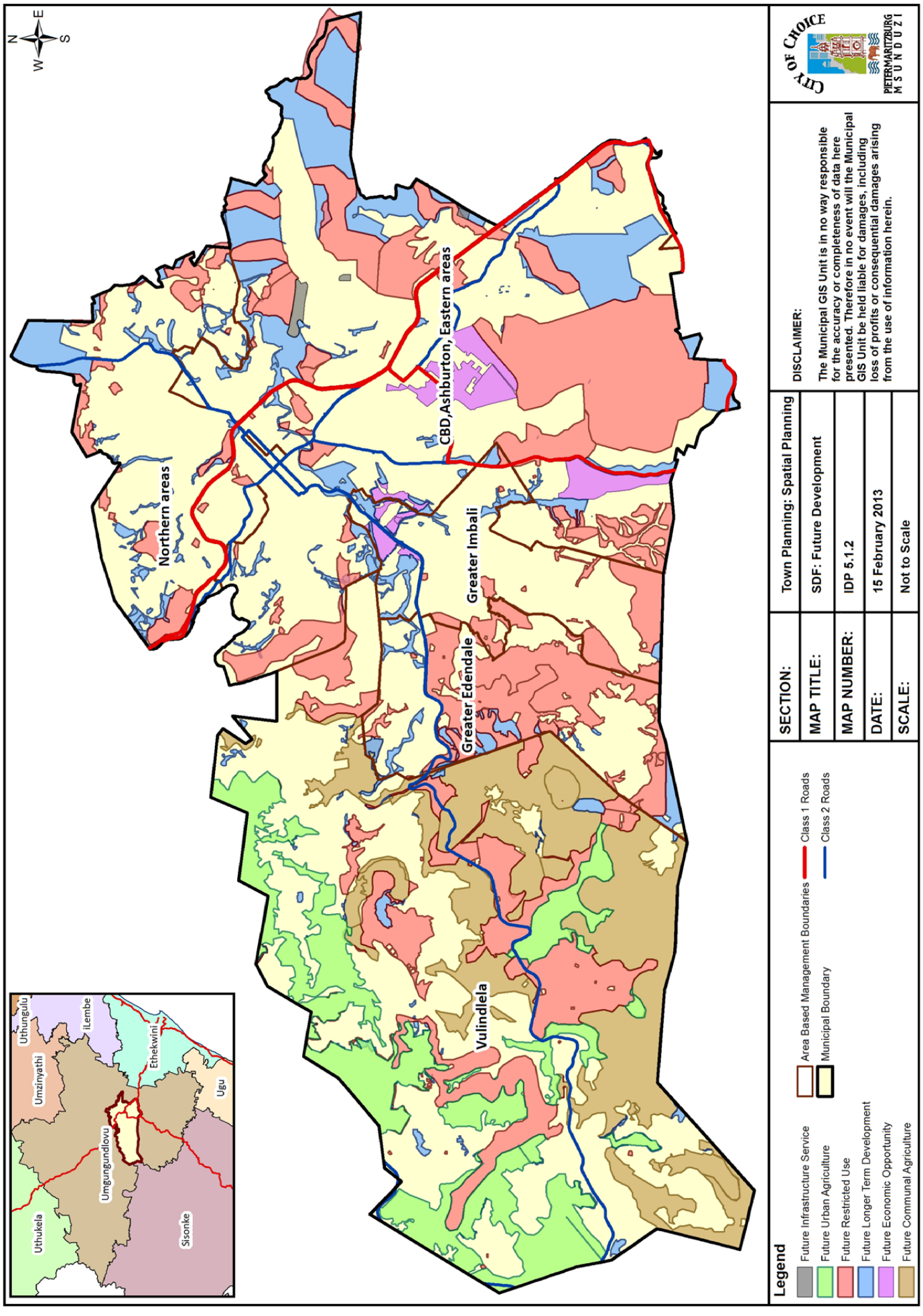
- A description of the desired 2030 outcomes in terms vision, goals, and objectives;
- Agreement on the set of indicators that will be applied to measure the progress being made to achieve the desired outcomes;
- Agreement on the targets and the City growth path in respect of each of the indicators;
- 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.



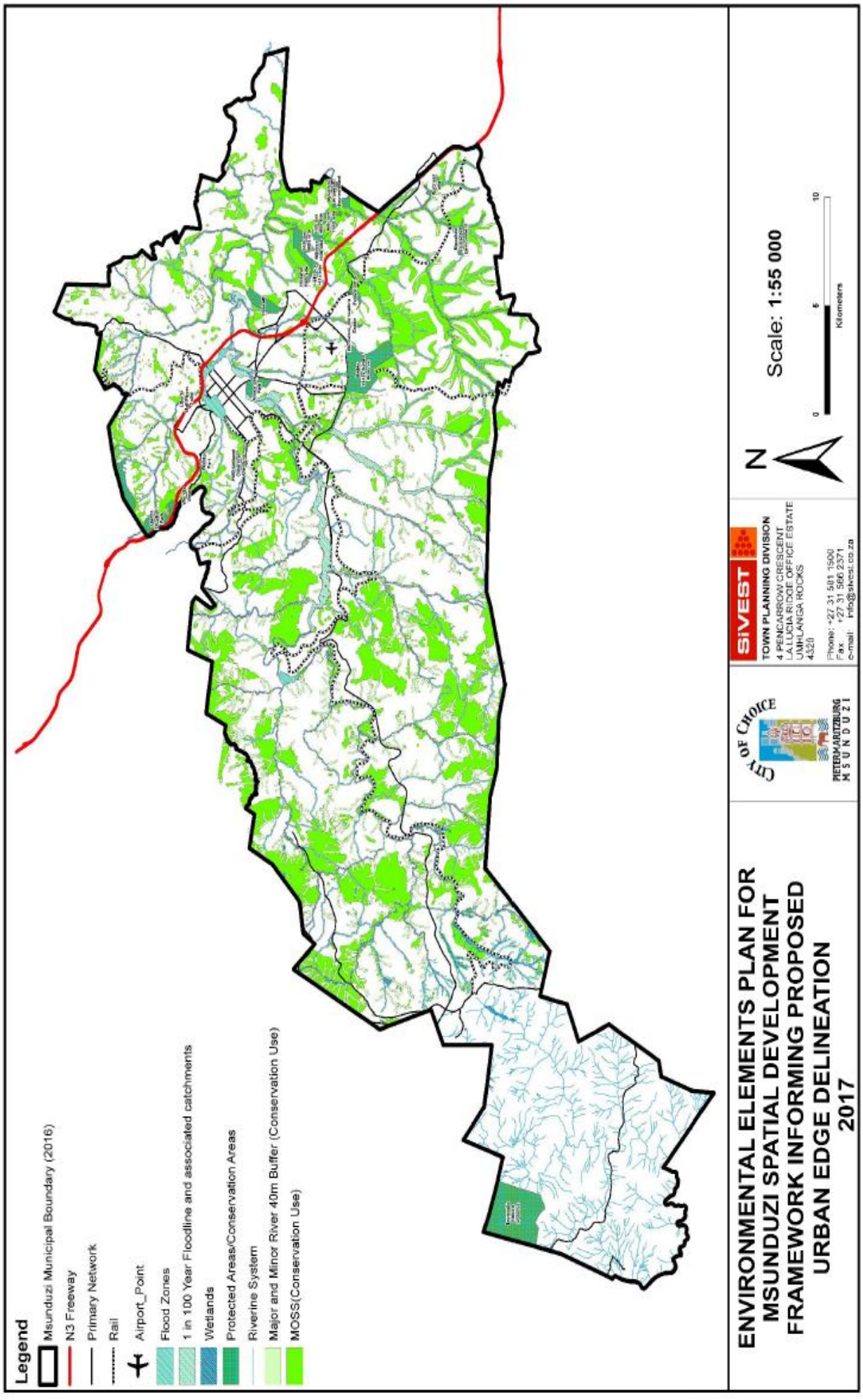
MAP 31: Spatial Development Framework

MAP 32: Town Planning Current Town Planning Projects

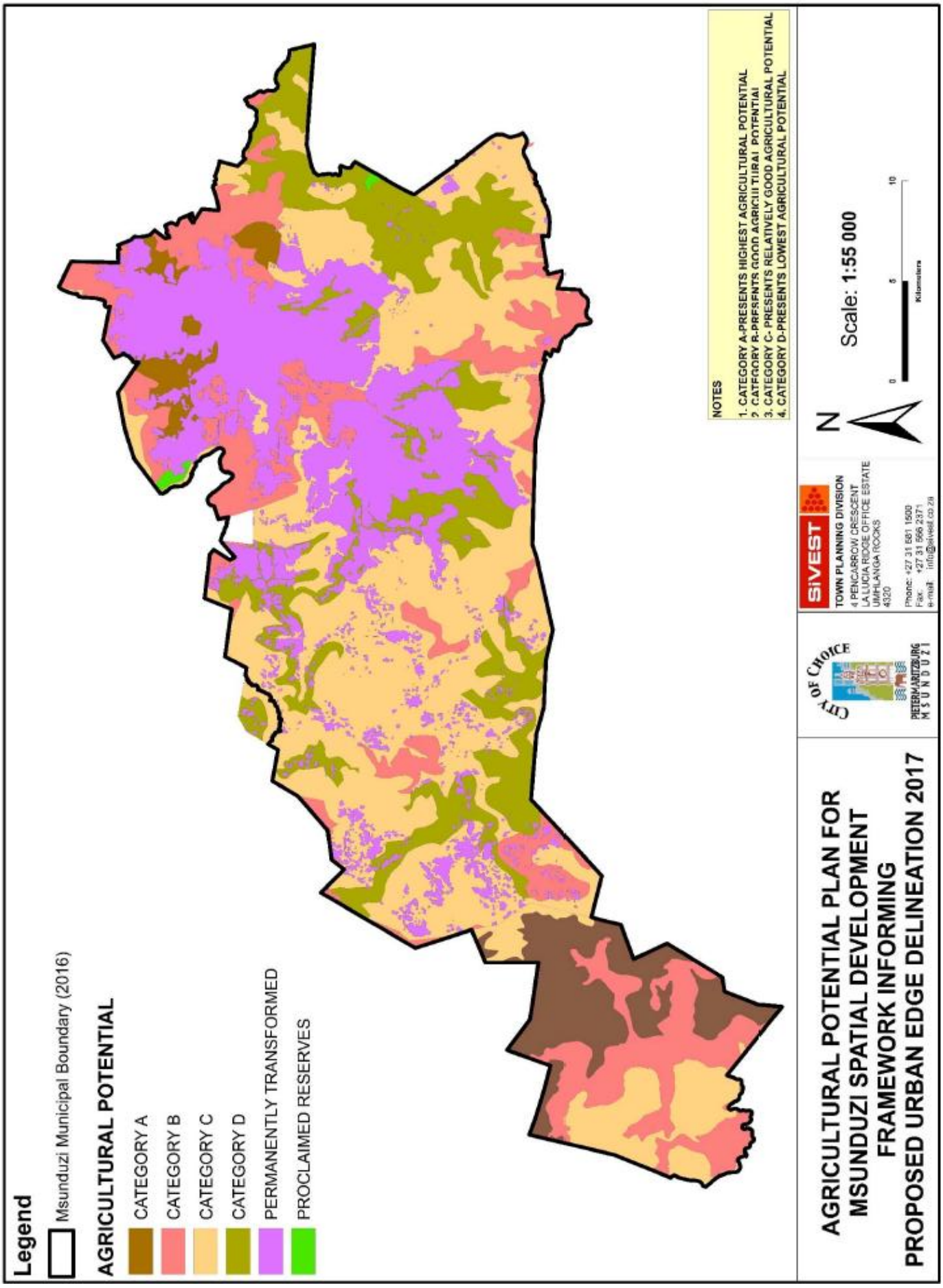




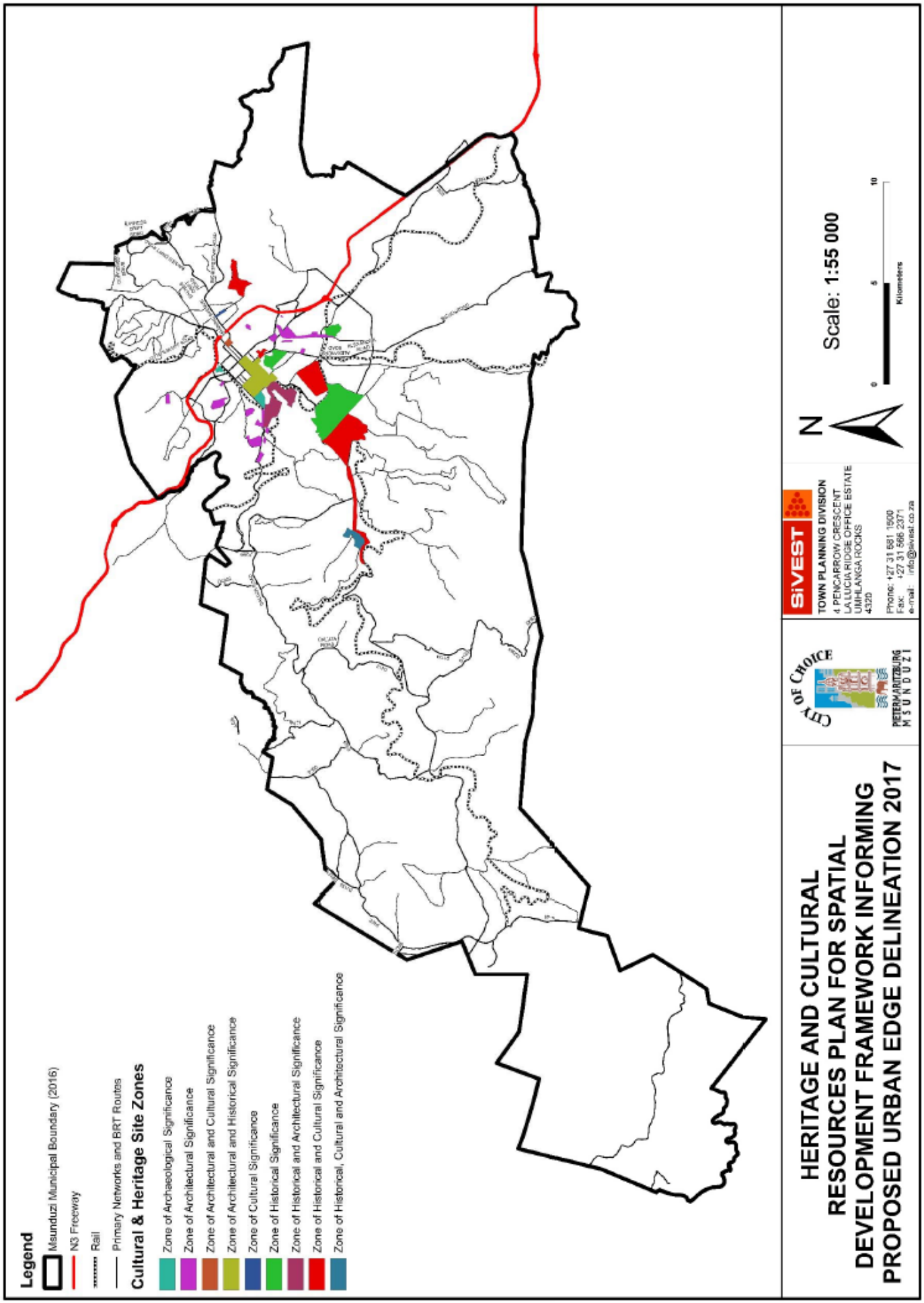
MAP 33: Town Planning: SDF: Future Development



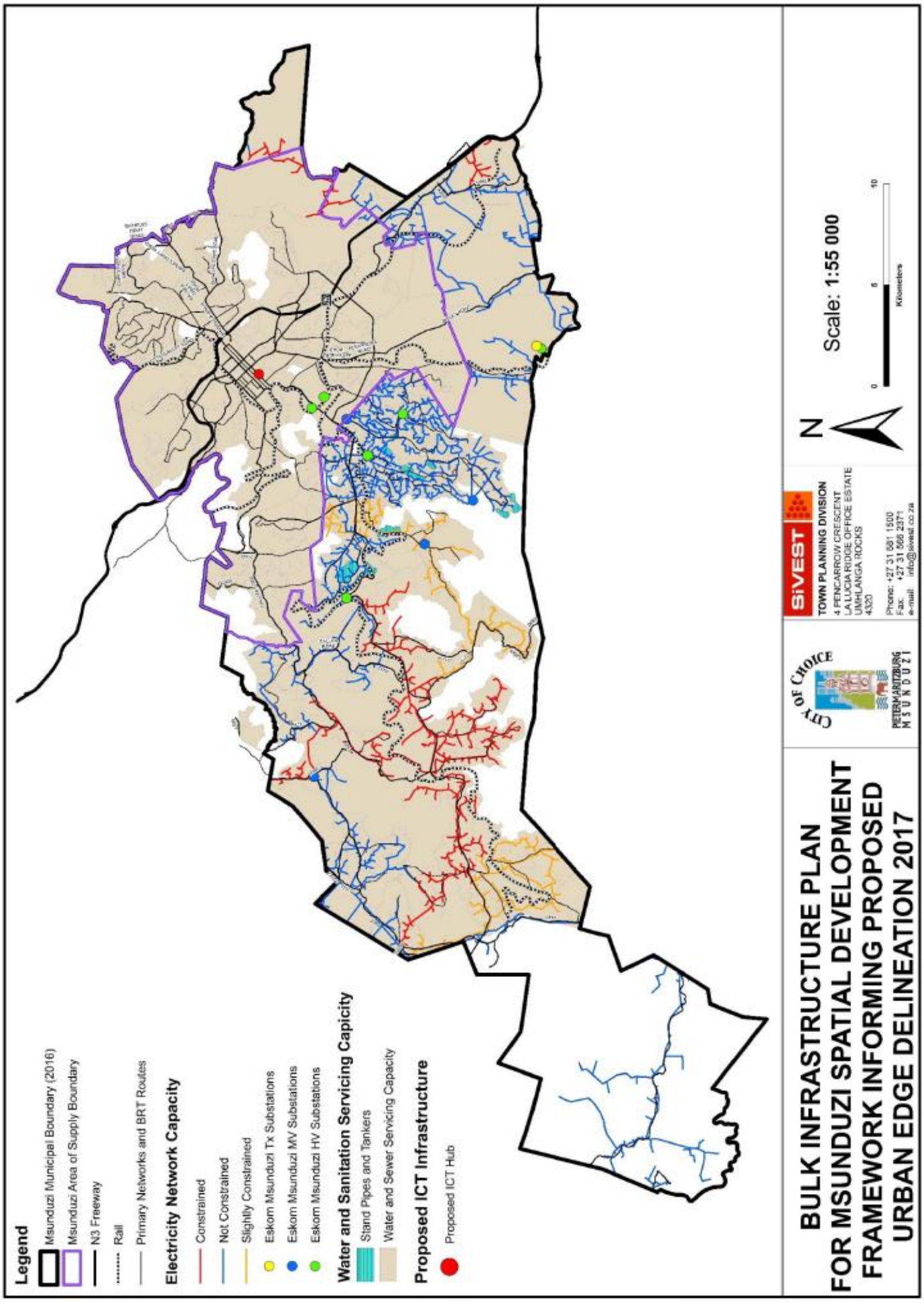
MAP 33 A: Environmental sensitive areas



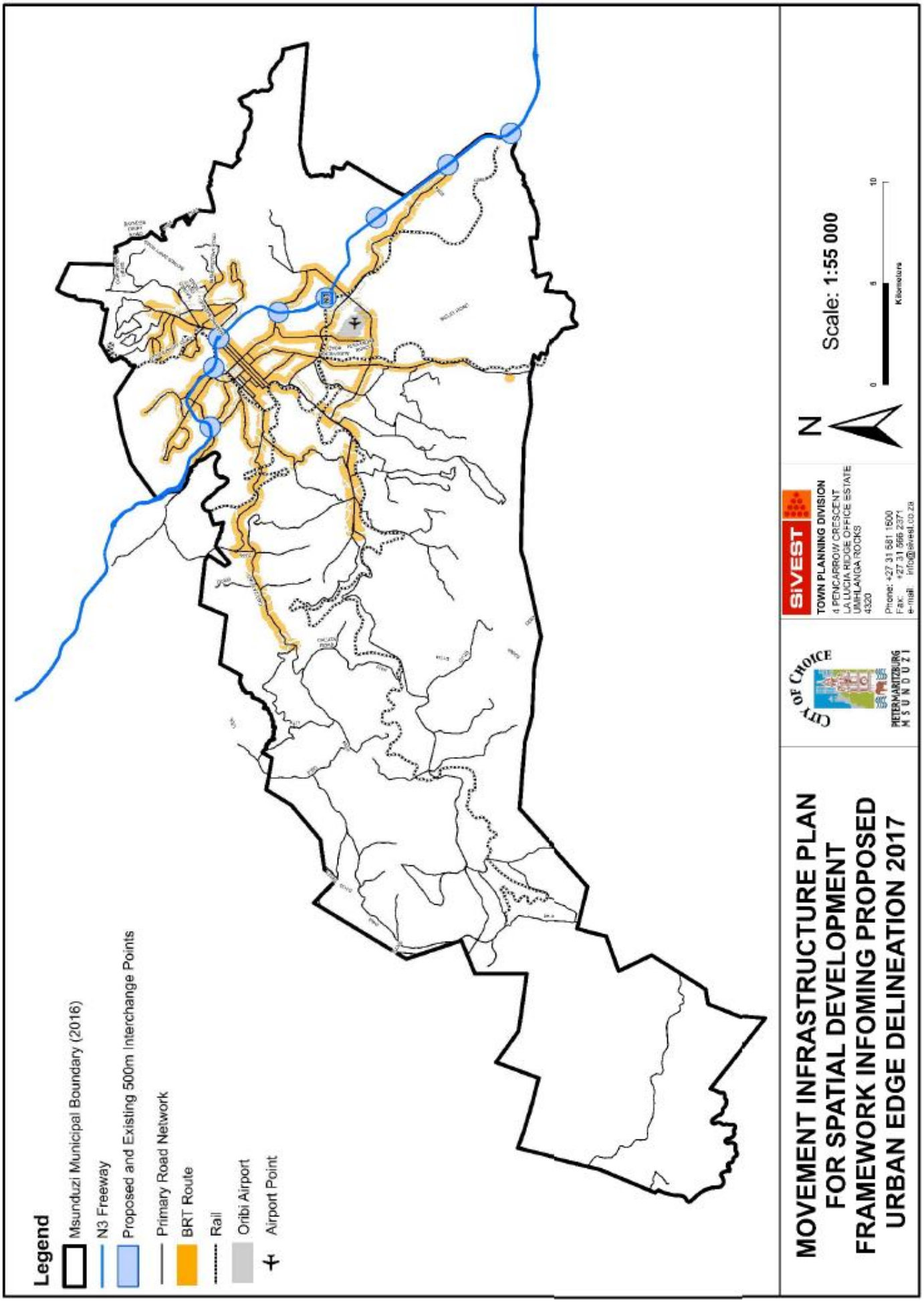
MAP 33 B: Agricultural potential



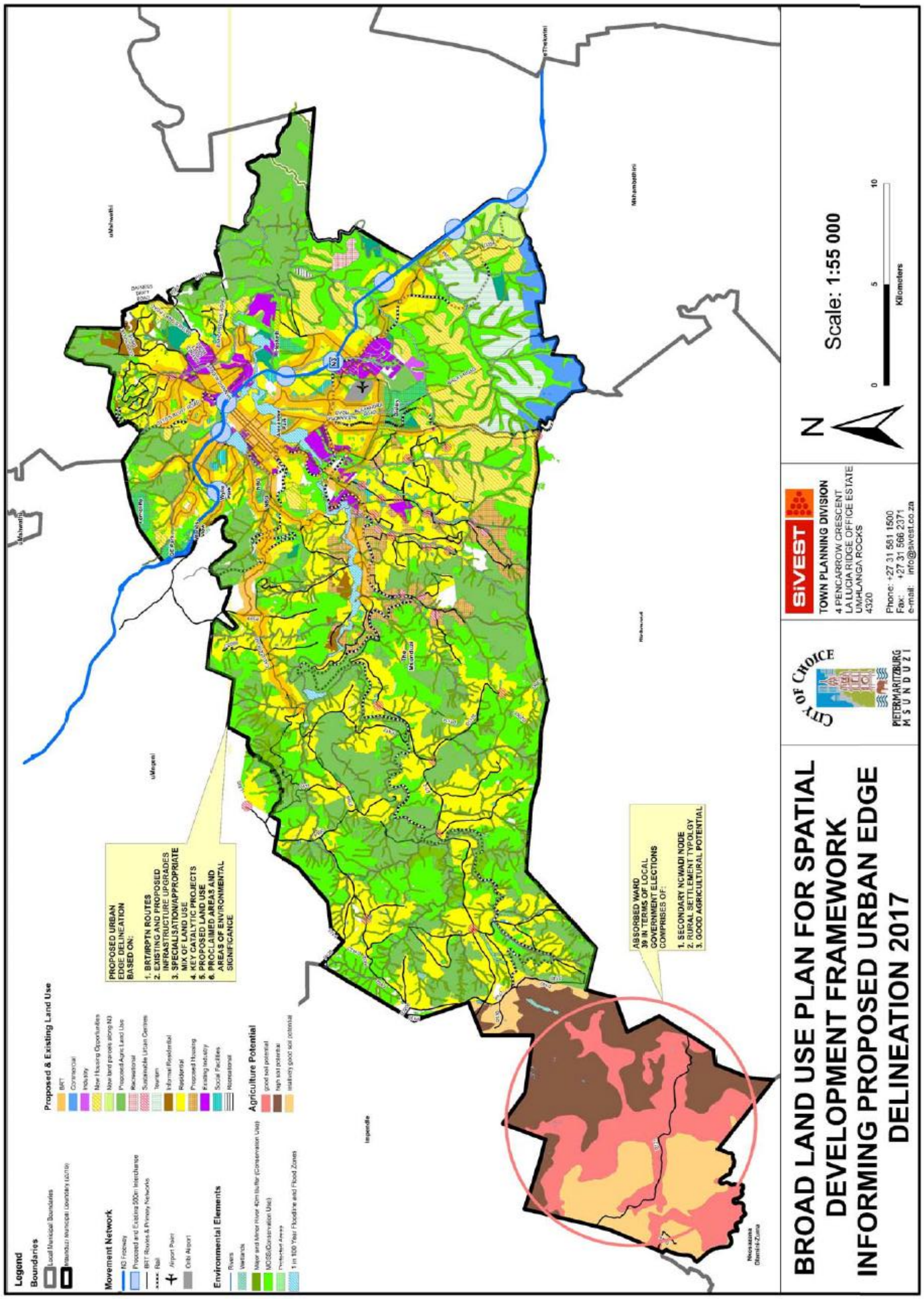
MAP 33 C: Heritage and culture resources

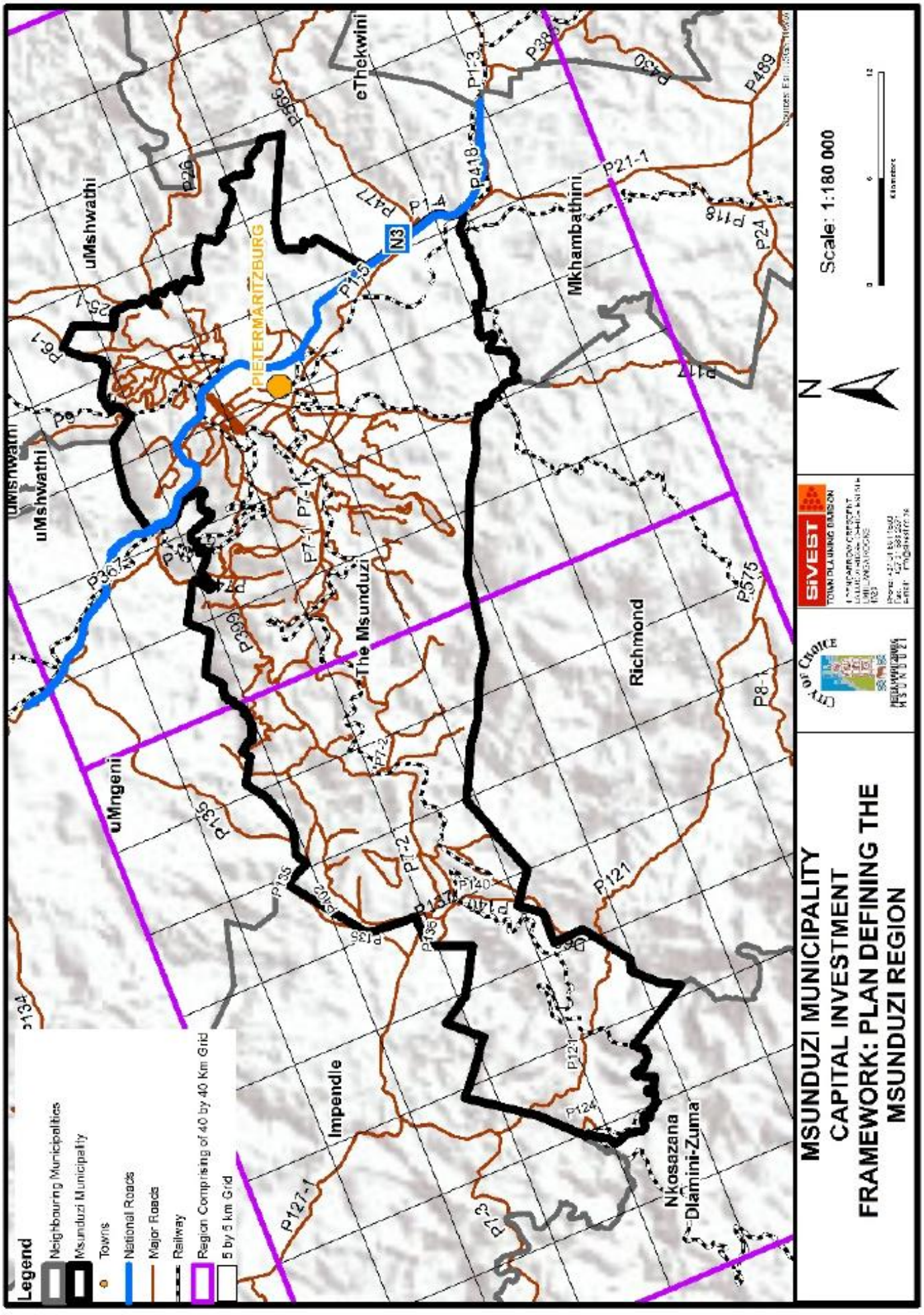


MAP 33 D: Existing Bulk Infrastructural Assets

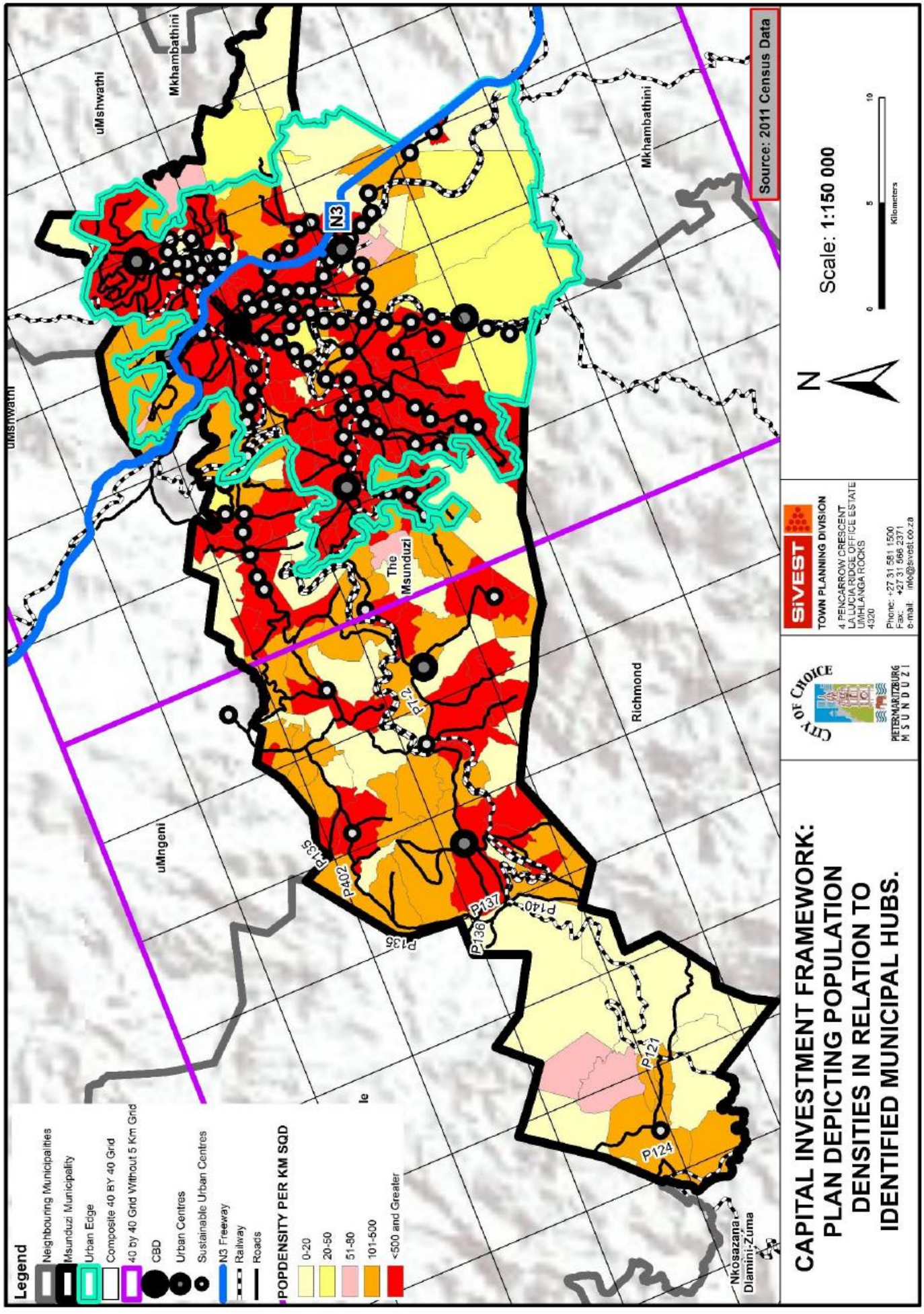


MAP 33 E: Transportation Infrastructure


BROAD LAND USE PLAN FOR SPATIAL DEVELOPMENT FRAMEWORK
INFORMING PROPOSED URBAN EDGE DELINEATION 2017
CITY OF CHOICE
PIETERMARITZBURG
MSUNDUZI
SiVEST
TOWN PLANNING DIVISION
4 PENCARROW CRESCENT
LA LUCIA RIDGE OFFICE ESTATE
UMHLANGA ROCKS
4320
Phone: +27 31 581 1500
Fax: +27 31 566 2371
e-mail: info@sivest.co.za
N
Scale: 1:55 000
0
5
10
Kilometers
Legend
Boundaries
Local Municipal Boundaries
Proposed & Existing Land Use
BRT
Commercial
Industry
New Housing Opportunities
New land parcels along N3
Proposed Agric Land Use
Recreational
Sustainable Urban Centres
Tourism
Informal Residential
Residential
Proposed Housing
Existing Industry
Social Facilities
Restaterial
Movement Network
N3 Freeway
Proposed and Existing 500m Interchange
BRT Routes & Primary Networks
Rail
Airport Point
Oribi Airport
Environmental Elements
Rivers
Wetlands
Major and Minor River 40m buffer (Conservation Use)
NDSS(Conservation Use)
Protected Areas
1 in 100 Year Floodline and Flood Zones
Agriculture Potential
good soil potential
high soil potential
relatively good soil potential
PROPOSED URBAN EDGE DELINEATION BASED ON:
1. BRT/IPTN ROUTES
2. EXISTING AND PROPOSED INFRASTRUCTURE UPGRADES
3. SPECIALISATION/APPROPRIATE MIX OF LAND USE
4. KEY CATALYTIC PROJECTS
5. PROPOSED LAND USE
6. PROCLAIMED AREAS AND AREAS OF ENVIRONMENTAL SIGNIFICANCE
ABSORBED WARD 39 IN TERMS OF LOCAL GOVERNMENT ELECTIONS COMPRISES OF:
1. SECONDARY NCWADI NODE
2. RURAL SETTLEMENT TYPOLOGY
3. GOOD AGRICULTURAL POTENTIAL
uMshwathi
uMngeni
Mpofana
Impendle
Richmond
Mkhambathini
Ndwedwe
Umdloti
Umhlanga
Durban
Pinetown
Westville
Hillcrest
Kloof
Botha's Hill
Inchanga
Thokozisa
Mariannhill
Shongweni
Kwa Dabeka
Cato Ridge
Camperdown
Umlaas Road
Wartburg
Mpumalanga
Mid Illovo
Upper Illovo
Lower Illovo
Illovo Beach
Amanzimtoti
Isipingo
Umbogintwini
Umkomaas
Umzinto
Scottburgh
Ifafa Beach
Pennington
Port Shepstone
Margate
Ramsgate
Kingsburgh
Umdoni Park
Umzumbe
Hibberdene
Southbroom
Port Edward
Uvongo
Shelly Beach
Oslo Beach
Ifafa
Mtwalume
Umtentweni
Gamalakhe
Izotsha
Ixopo
Highflats
Umzimkhulu
Kokstad
Underberg
Himeville
Nkosazana
(Bomvu) Zuma
Mbulwini
Mbulwini
Mbulwini

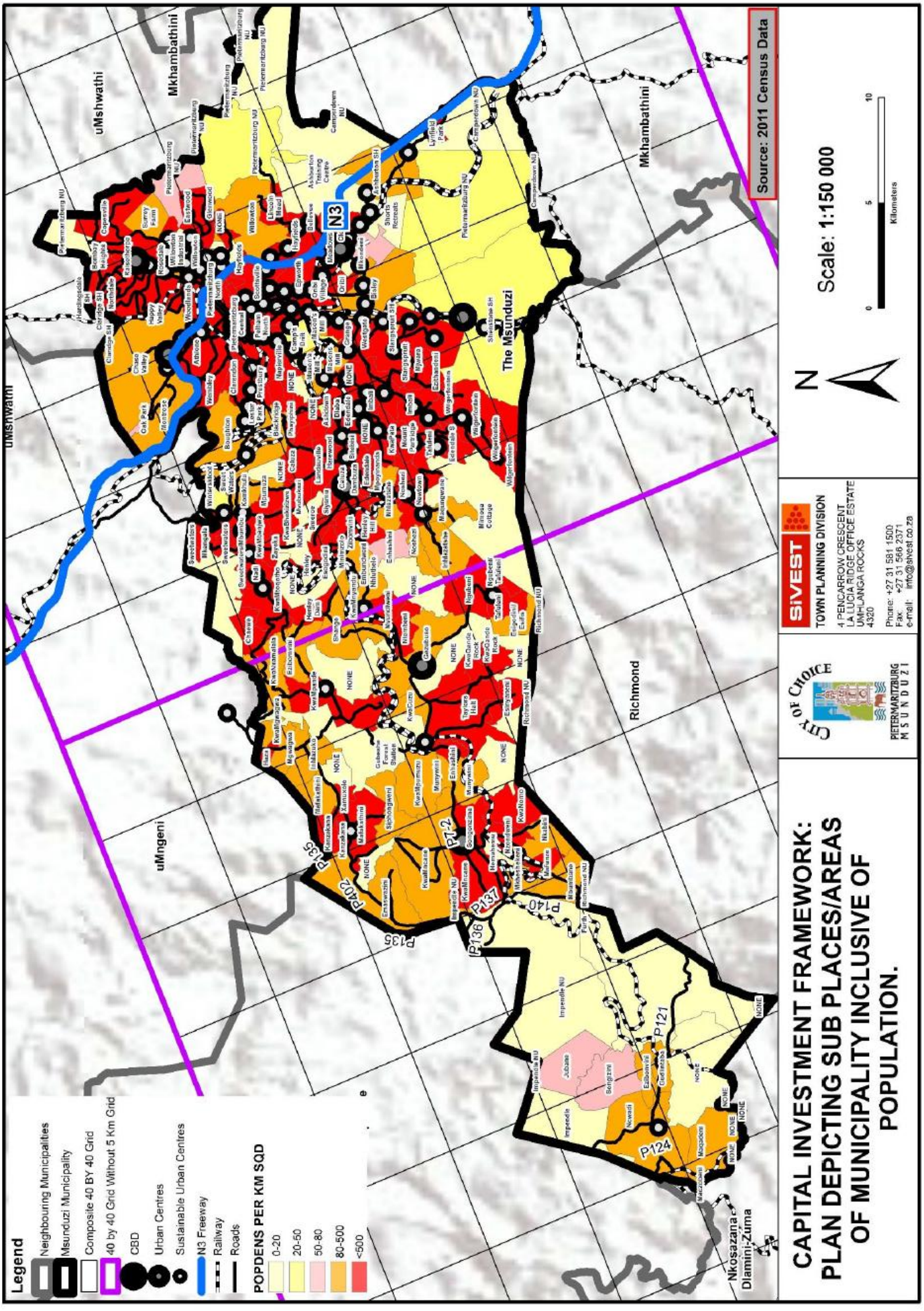


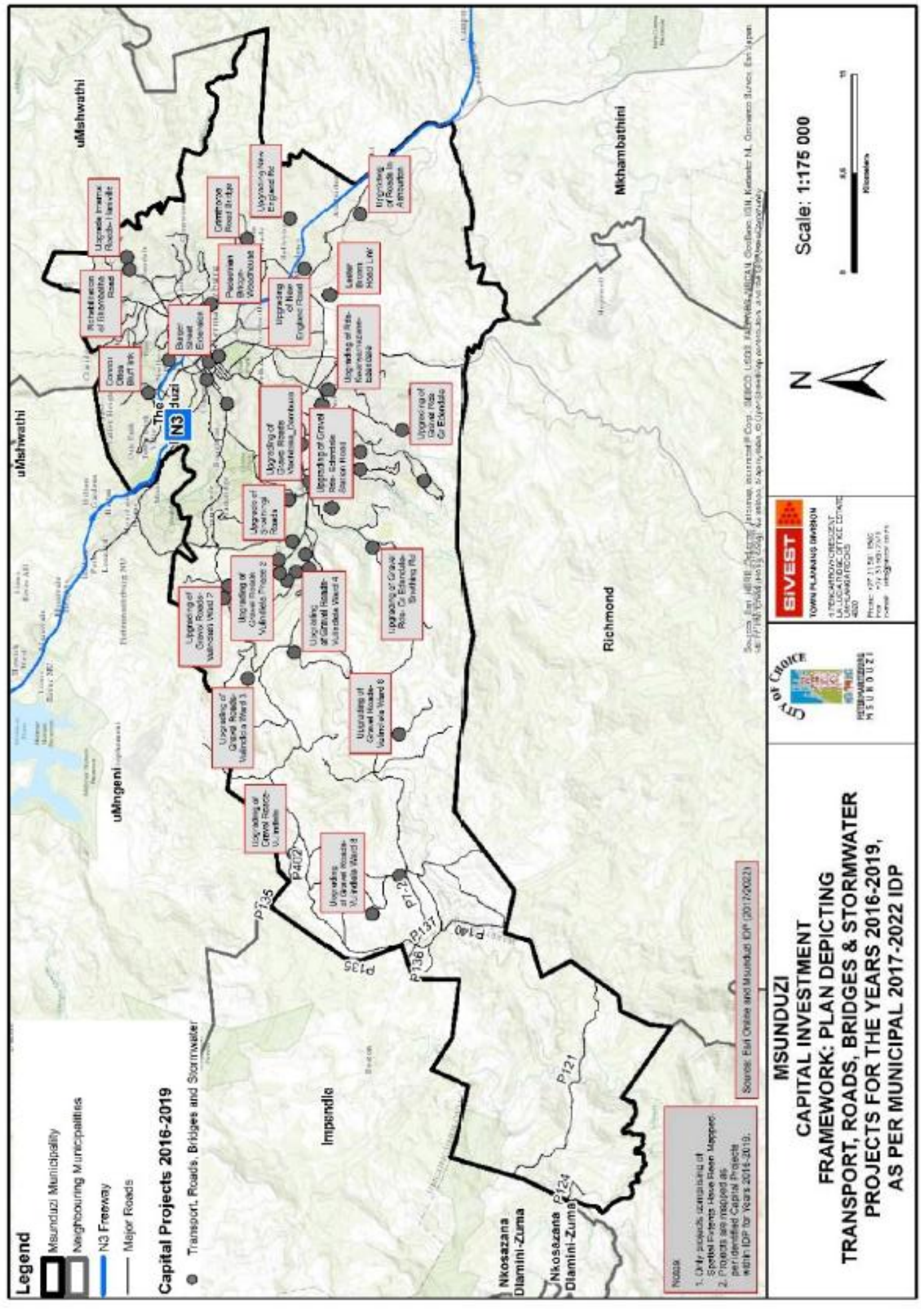
MAP 33 G: Defining the Msunduzi Region

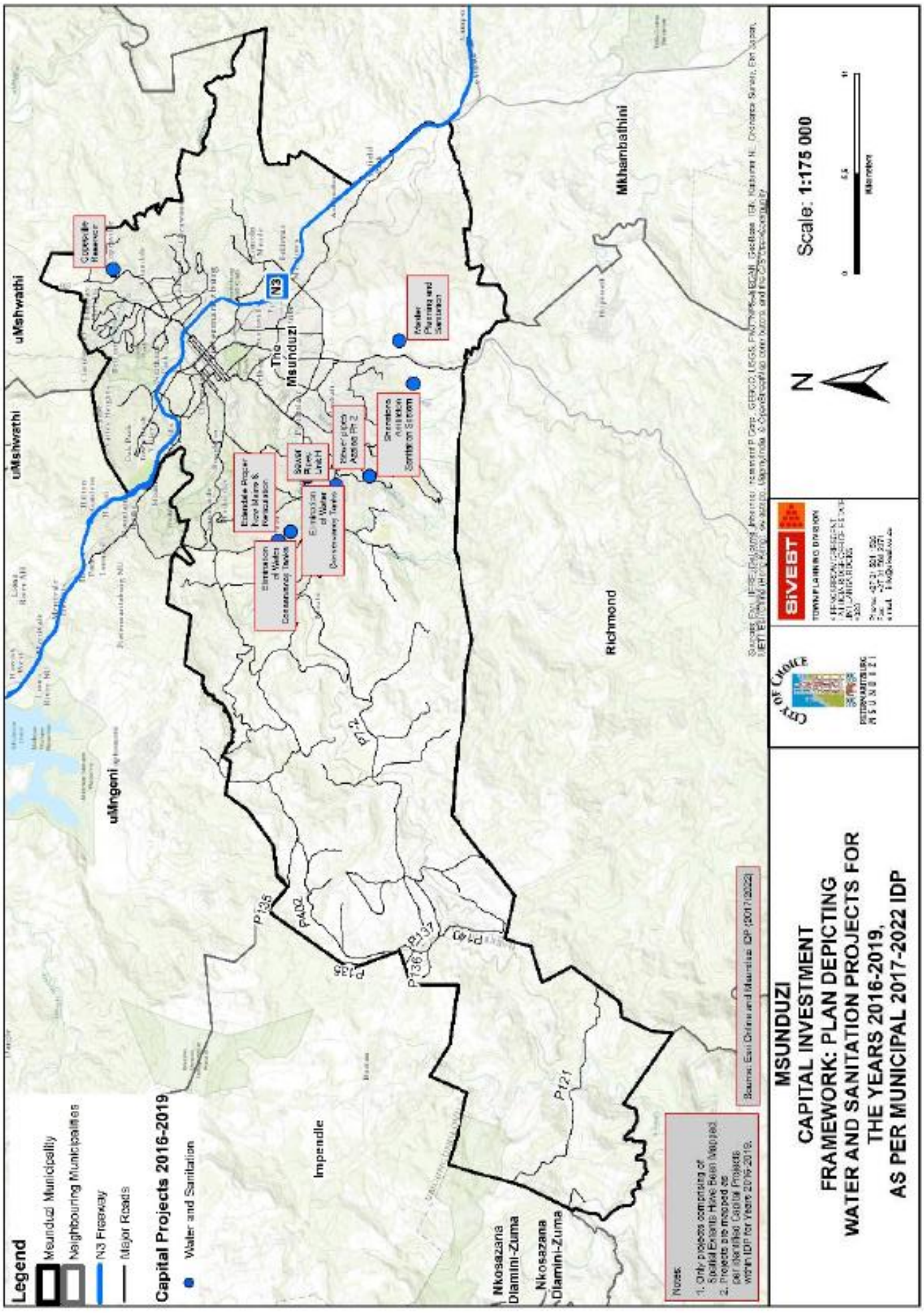


MAP 33 H: Population Densities to Municipal Hubs

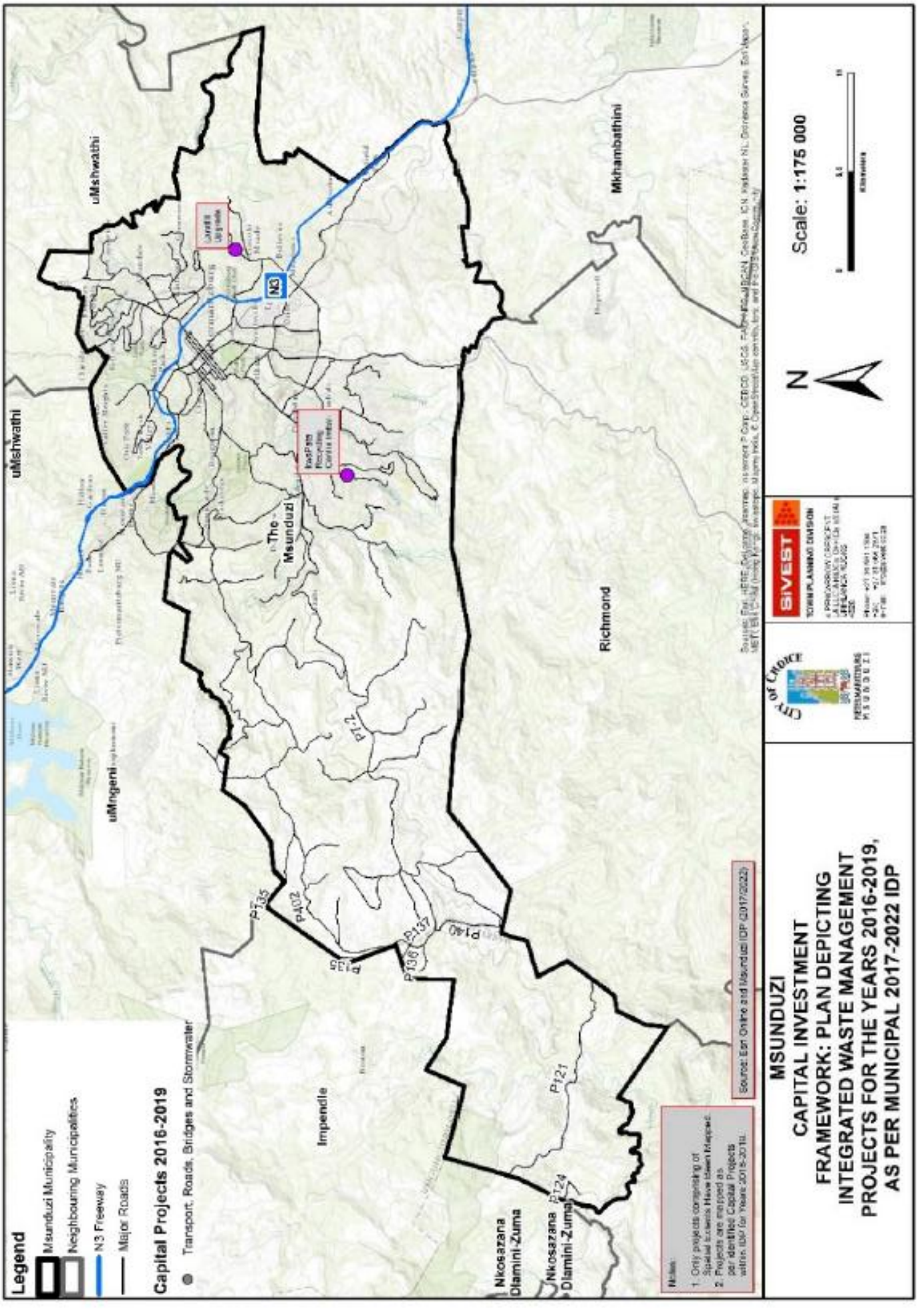
MAP 33 I: Municipal Areas of Need/Sub Places and Population Densities



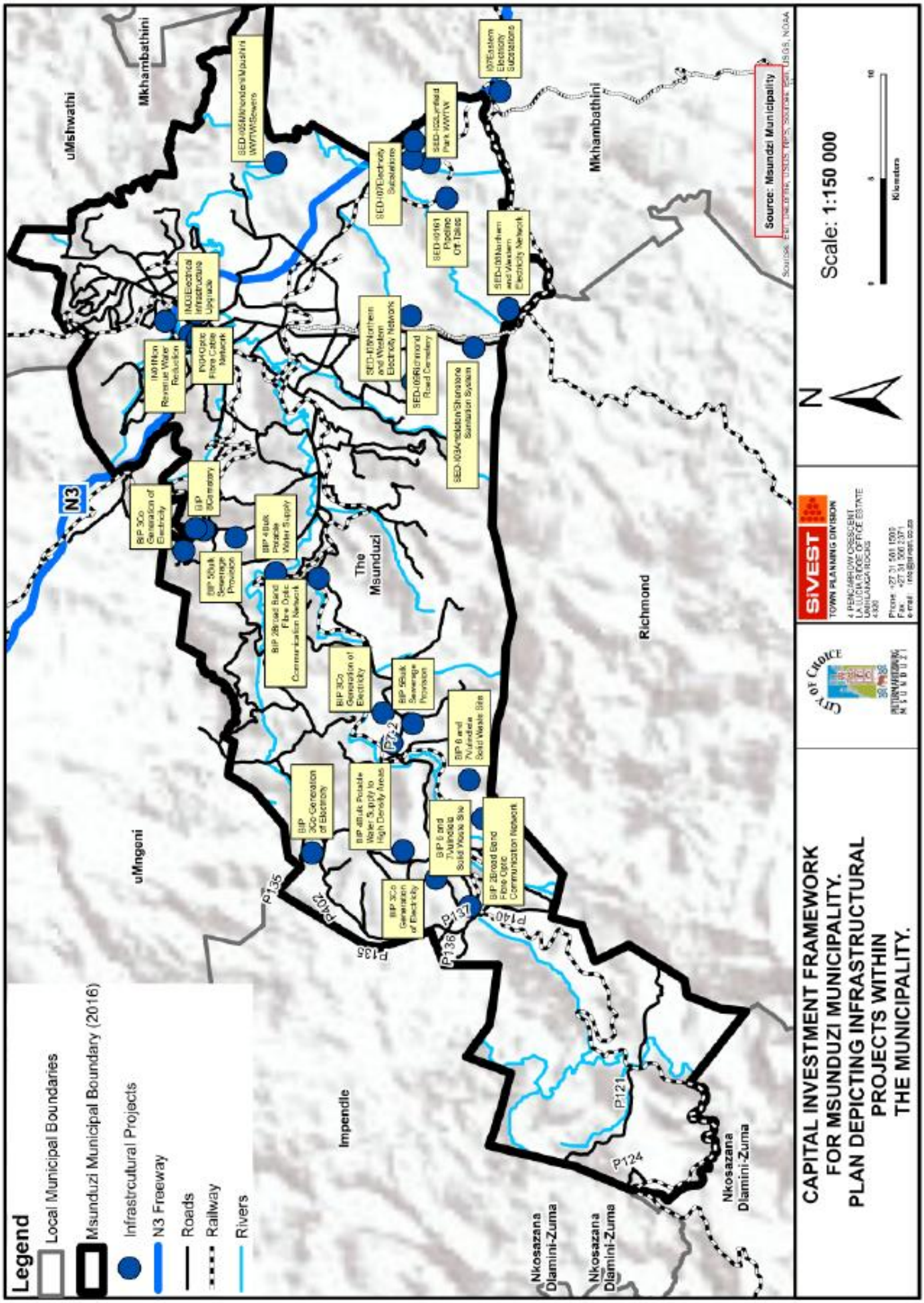

Legend
Msunduzi Municipality
Neighbouring Municipalities
N3 Freeway
Major Roads
Capital Projects 2016-2019
Transport, Roads, Bridges and Stormwater
uMshwathi
uMngeni
Impendle
Nkosazana Dlamini-Zuma
Mkhambathini
Richmond
The Juzi
N3
P135
P402
P127
P136
P121
P124
Upgrading of Gravel Roads-Valmiera Ward 7
Upgrading of Gravel Roads-Valmiera Ward 3
Upgrading of Gravel Roads-Valmiera Ward 8
Upgrading of Gravel Roads-Valmiera Ward 4
Upgrading of Gravel Roads-Valmiera Phase 2
Upgrading of Gravel Roads-Valmiera_Overtoun
Upgrading of Existing Roads
Upgrading of Gravel Roads-Ashdale Baynon Road
Upgrading of Gravel Roads-Swaffield Rd
Upgrading of Gravel Roads-Ashdale Ward 8
Upgrading of Gravel Roads-Ashdale Ward 4
Upgrading of Gravel Roads-Ashdale Phase 2
Upgrading of Gravel Roads-Ashdale Ward 3
Upgrading of Gravel Roads-Valmiera
Upgrading of Gravel Roads-Ashdale Ward 8
Upgrading of Gravel Roads-Ashdale Phase 2
Upgrading of Gravel Roads-Ashdale Ward 7
Upgrading of Gravel Roads-Ashdale Ward 4
Upgrading of Gravel Roads-Ashdale Ward 3



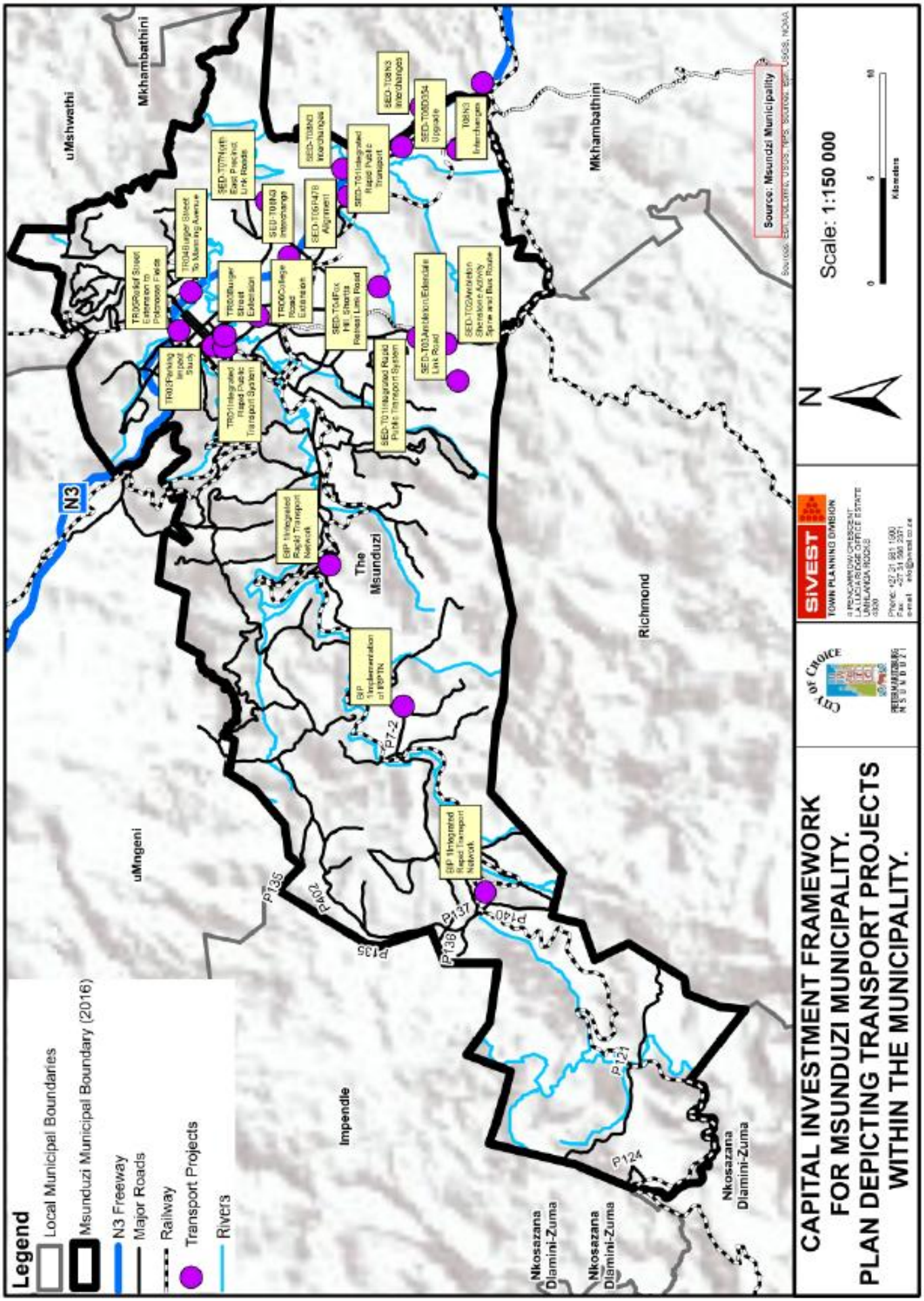
MAP 33 K: Water and Sanitation Projects as per IDP 2017/2022



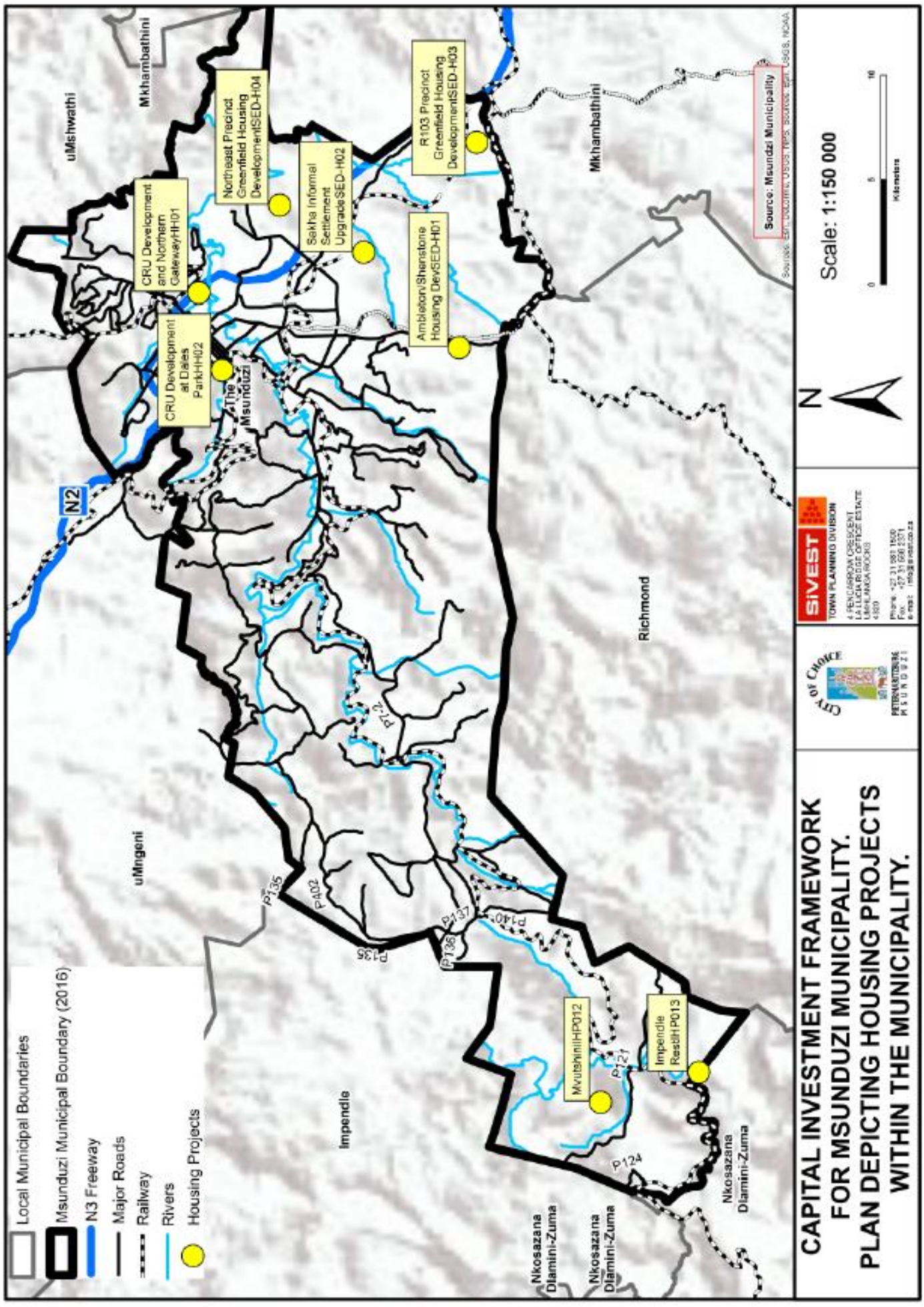
MAP 33 L: Integrated Waste Management Projects as per IDP 2017/2022



MAP 33 M: Infrastructural Projects as Identified within Municipal LAP's



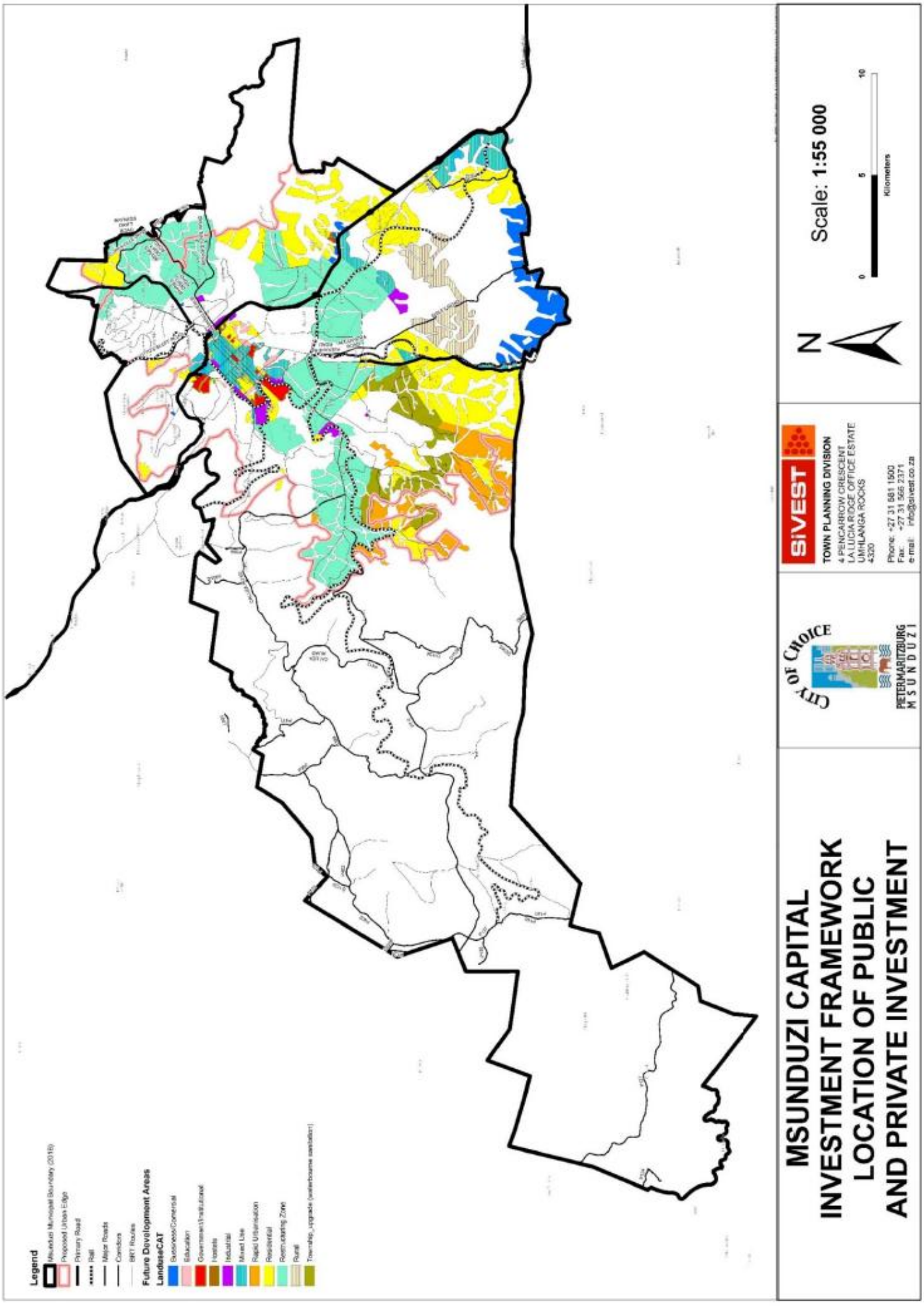
MAP 33 N: Transport Projects as Identified within Municipal LAP's



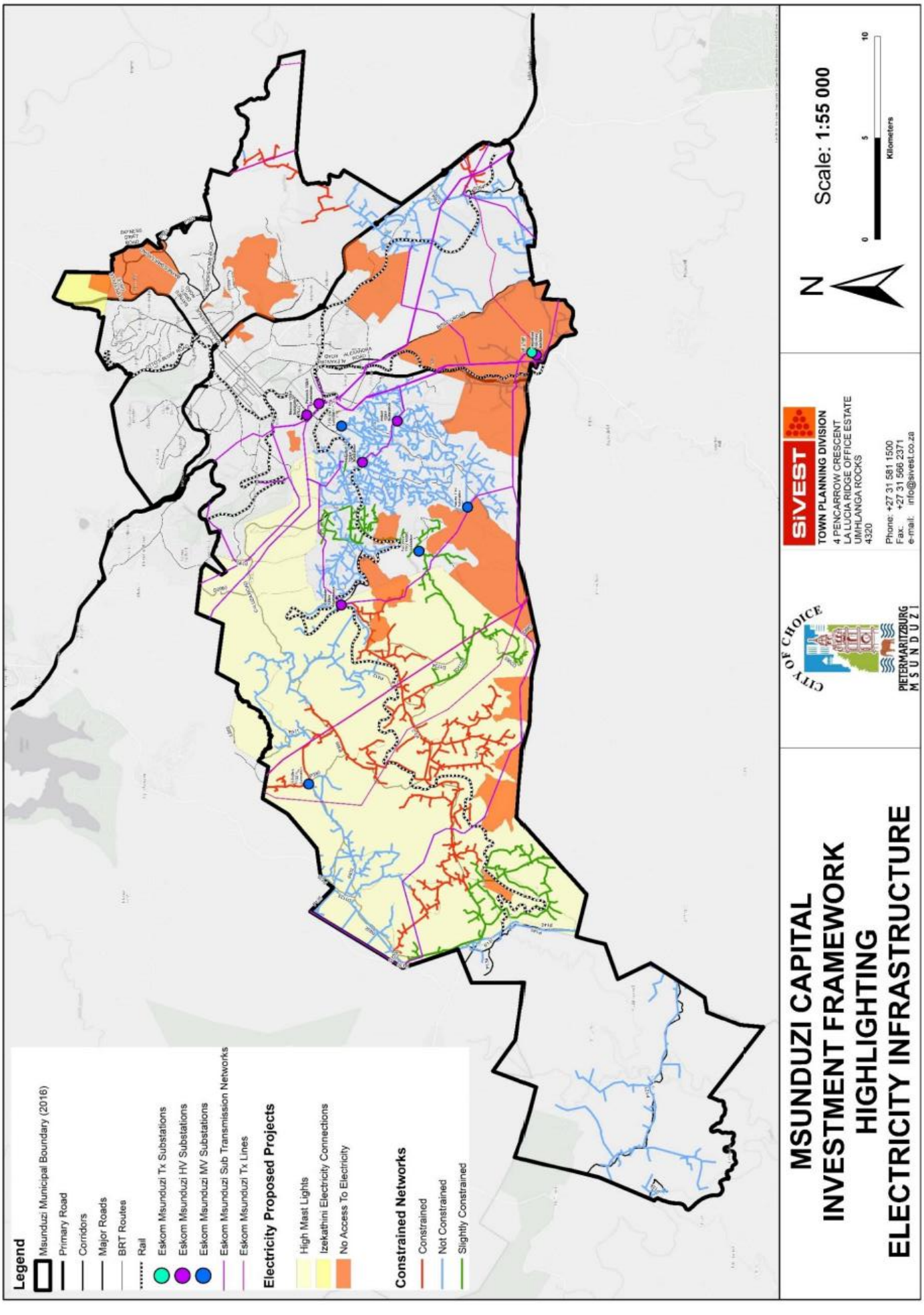
MAP 33 O: Housing Projects as Identified within Municipal LAP's

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



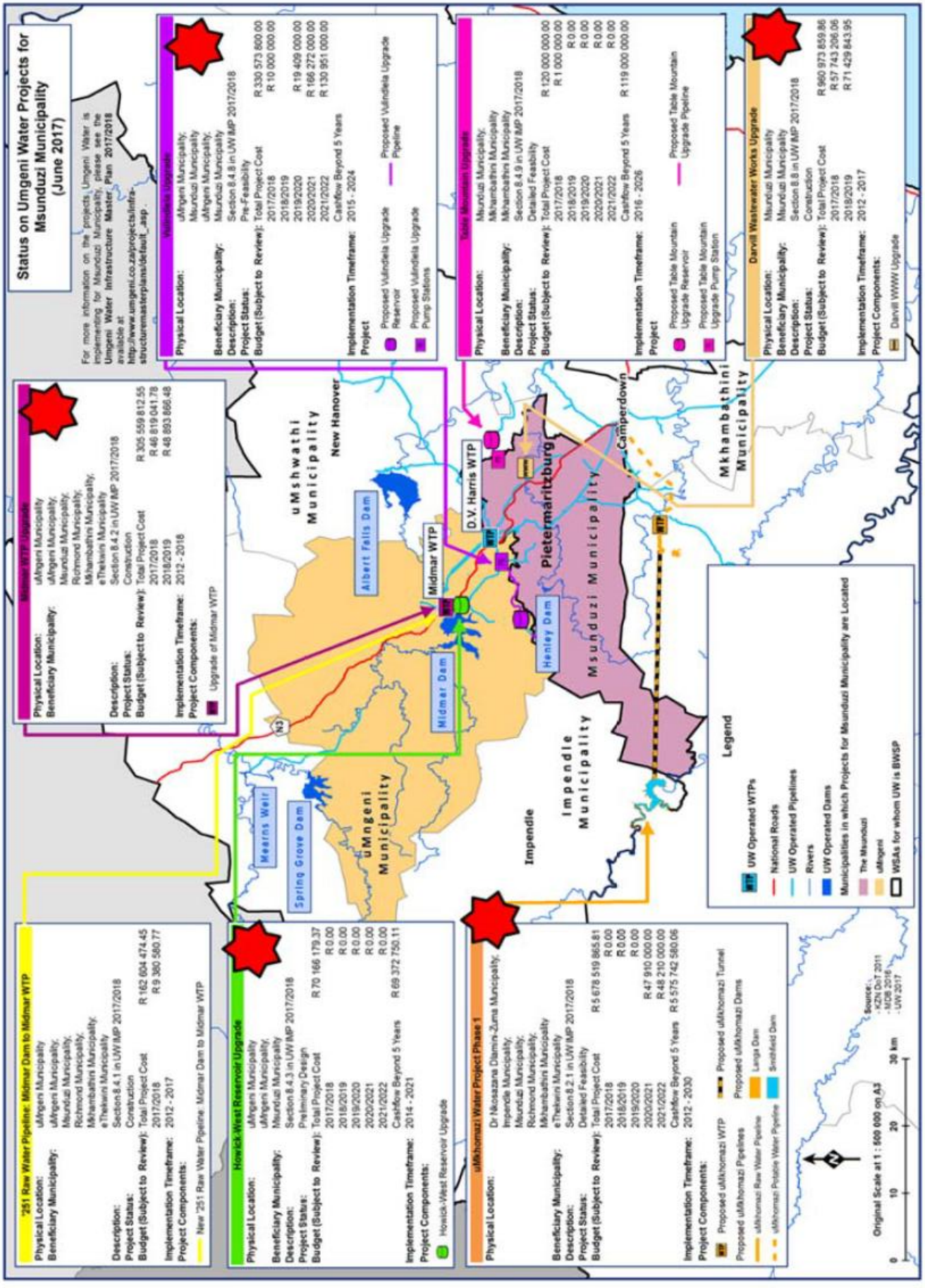
MAP 33 P: Areas identified for private and public investment purposes

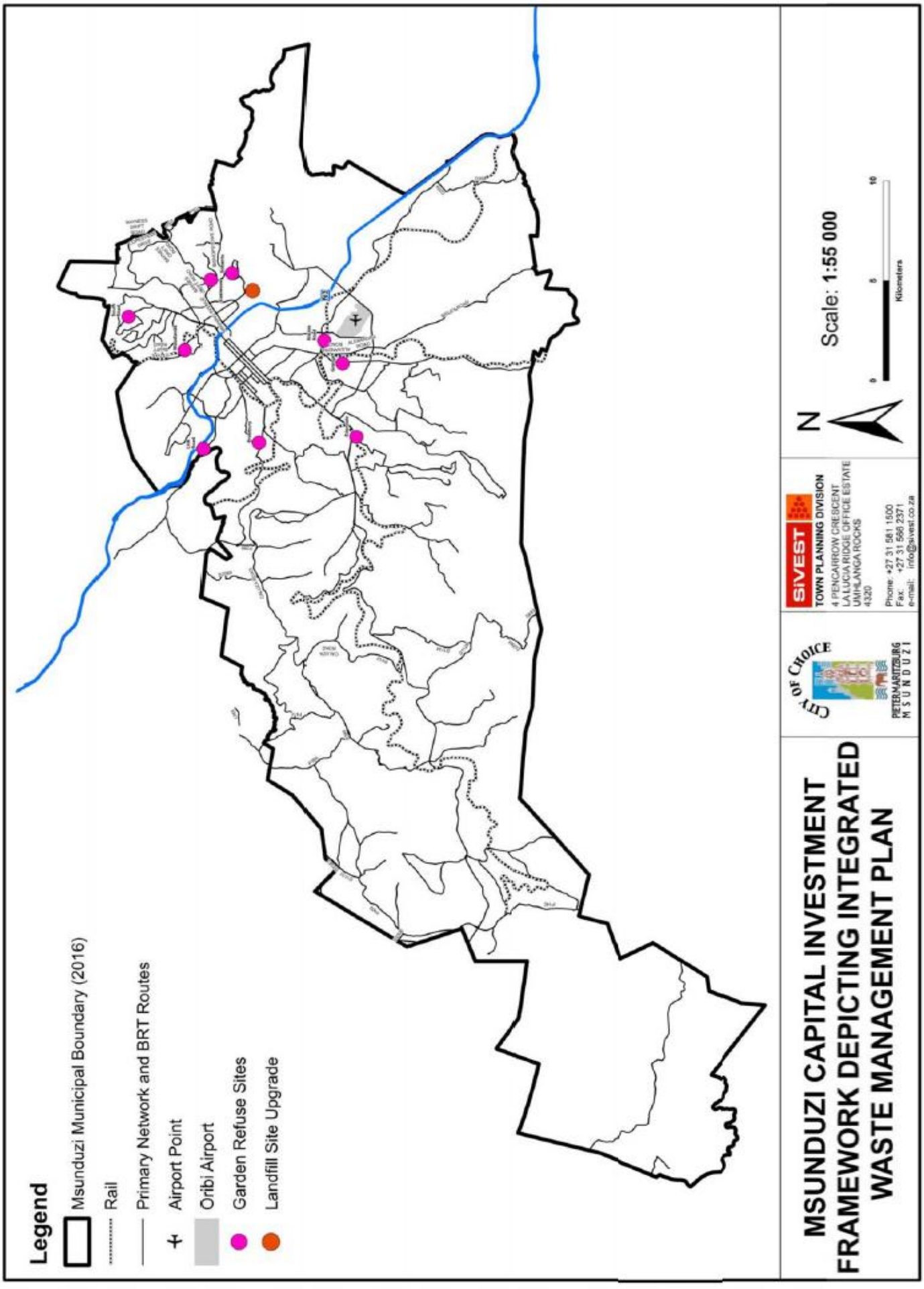


MAP 33 Q: Existing Electrical Infrastructure and Planned Electricity Projects

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 2018/19.

TABLE 80: MSUNDUZI CAPITAL BUDGET 2019-20

KZN225 Msunduzi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 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 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funded by:											
National Government		299,283	270,402	411,530	447,390	364,192	364,192	364,192	404,341	394,145	447,606
Provincial Government		57,176	28,696	24,611	12,867	47,717	47,717	47,717			
District Municipality				–							
Other transfers and grants			4,386	–							
Transfers recognised - capital	4	356,459	303,484	436,141	460,257	411,909	411,909	411,909	404,341	394,145	447,606
Public contributions & donations	5			–							
Borrowing	6	100,000	62,181	40,245	38,800	88,800	88,800	88,800	42,041		
Internally generated funds		72,177	110,621	172,798	199,367	261,882	261,882	261,882	125,000	120,000	120,000
Total Capital Funding	**7**	**528,636**	**476,286**	**649,185**	**698,424**	**762,591**	**762,591**	**762,591**	**571,382**	**514,145**	**567,606**

Business Unit	CnI	Grants (other sources)	Total per BU
Finance	25 709 500	0	25 709 500
Community	27 863 000	20 000 000	47 863 000

TABLE 81: ONE YEAR CAPITAL INVESTMENT FRAMEWORK

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all capital projects grouped by Function																
CITY FINANCE	COMPUTERS											149	60	400	–	–
CITY FINANCE	COMPUTERS											486	20,000	15	–	–
CITY FINANCE	FINANCIAL MANAGEMENT SYSTEM - SAP											96	14	115	115	115
CITY FINANCE	COMPUTERS											46	165	120	–	–
CITY FINANCE	COMPUTERS AND LAPTOP											30	45	480	–	–
CITY FINANCE	NOTE COUNTING MACHINES - CASHIER											20	30	6	–	–
CITY FINANCE	INSTALL MORE CAMERA SYSTEMS STORES											164	30	200	200	200
CITY FINANCE	MOTOR VEHICLE CANOPY											29	200	25	25	25
CITY FINANCE	SECURE FENCING STORES											244	300	383	383	383
CITY FINANCE	SORES CHANGE ROOMS											13	1,000	40	40	40
CITY FINANCE	FUEL MANAGEMENT SYSTEM NCT AND NEW VEHICLES											68	200	85	85	85
CITY FINANCE	VEHICLES incl. Meter Readers											35	40	100	200	200
CITY FINANCE	COMPUTERS											8,968	30	300	–	–
CITY MANAGER	COMPUTERS x 10											35	16	75	75	75
CITY MANAGER	PRINTERS x 10											128	85	10	10	10
CITY MANAGER	PARK HOMES x 3											22	5,000	130	130	130
CITY MANAGER	COMPUTERS x 7											15	80	80	80	80
CITY MANAGER	IP PHONES x7											314	26	65	65	65
CITY MANAGER	TABLETS											41	10	2,000	–	–
CITY MANAGER	PRINTERS x 2											28	700	5,132	5,132	5,132
CITY MANAGER	CAMERAS x 2											6	45	70	70	70
CITY MANAGER	SECURITY SYSTEM											135	500	170	70	70
CITY MANAGER	LAPTOPS x 3											734	3,500	15,000	18,000	18,000
CITY MANAGER	IP PHONES x 2											55	96	350	100	100
CITY MANAGER	LAPTOP											41	16	300	300	300
CITY MANAGER	IP TELEPHONES											36	96	200	100	50

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CITY MANAGER	COMPUTERS x 10											1,851	44	65		
CITY MANAGER	SEWING MACHINES											5,300	40	300	100	100
CITY MANAGER	PALISIDE FENCING											4,654	30	1,000		
CITY MANAGER	STREET FURNITURE											986	3	100	50	50
CITY MANAGER	COMPUTER											37	50	300	300	
CITY MANAGER	LAPTOPS X 3											56	55	80	50	50
CITY MANAGER	VOICE RECORDING SOFWARE											11	44	20	10	
CITY MANAGER	FURNITURE											18	13	60		
COMMUNITY SERVICES	LEVS:AH:NEW:FURNITURE & OFFICE EQUIP											146	422	500	200	100
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											2,008	10	80		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											20	500	150		
COMMUNITY SERVICES	LEVS:ZA:NEW:TRANSPORT ASSETS											38	1,680	100		
COMMUNITY SERVICES	OPERATION SUKUMA SAKHE											566	50	50		
COMMUNITY SERVICES	TUSONG CENTER											2,649	100	8,250	9,300	10,400
COMMUNITY SERVICES	PARK HOMES											3,675	3,500	500	550	600
COMMUNITY SERVICES	TRANSPORT ASSETS											307	750	80		
COMMUNITY SERVICES	Critical Fire Fighting Equipment											297	2,000	150		
COMMUNITY SERVICES	PABX WITH VOICE RECODER											46	902	200		
COMMUNITY SERVICES	RADIO EQUIPMENT											11	3,300	100		
COMMUNITY SERVICES	SHOOTING RANGE 2ND PHASE											314	341	50		
COMMUNITY SERVICES	RENOVATION FOR MARKET OFFICES											633	600	42		
COMMUNITY SERVICES	REFURBISHMENT OF ECC											324	400	10		
COMMUNITY SERVICES	RADIO EQUIPMENT											2,748	200	50		
COMMUNITY SERVICES	TRANSPORT ASSETS											144	950	50		
COMMUNITY SERVICES	TRANSPORT ASSETS											65	2,900	4		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											146	750	500		
COMMUNITY SERVICES	REFURBISHMENT OF DISASTER MANAGEMENT											14,004	8,500	110		

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COMMUNITY SERVICES	MULTI CENTRE PUBLIC SAFETY											4,649	8,000	200		
COMMUNITY SERVICES	PROTECTIVE EQUIPMENT COMPLIANCE WITH LEGISLATION											69	5,010	100		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											5,143	900	40		
COMMUNITY SERVICES	LEVS:ZA:NEW:TRANSPORT ASSETS											4,609	300	70		
COMMUNITY SERVICES	NEW BUILDING											671	300	20		
COMMUNITY SERVICES	MACHINERY & EQUIPM											877	300	404	1,000	1,000
COMMUNITY SERVICES	WASTE : NEW MACHINERY											4,497	300	50		
COMMUNITY SERVICES	DEVELOPMENT OF NEW CEMETERY: LAMONTVILLE											612	2,000	1,000	1,000	1,000
COMMUNITY SERVICES	UPGRADE AND MAINTENANCE OF POOLS (Alexandra, Olympic, Eastwood, Pilditch, Berg((Turn styles)											18	5,332	1,000	1,500	1,500
COMMUNITY SERVICES	MODIFY CONTAINERS / PARK HOMES AS TOILET FACILITIES											3,130	4,900	1,200	1,500	1,500
COMMUNITY SERVICES	ESSENTIAL EQUIPMENT FOR SPORT FACILITIES (goal post, marking machine, arerovator, amazon, ride-on mowers)											135	750	200	200	200
COMMUNITY SERVICES	FENCING OF BISLEY NATURE RESERVE											1,428	450	600		
COMMUNITY SERVICES	UPGRADING OF BUCHANNAN SWIMMING POOL											3	250	4,816	3,000	–
COMMUNITY SERVICES	MIG - LANDFILL UPGRADE											–	300	300	3,000	5,000
COMMUNITY SERVICES	MIG - WARD 15 COMMUNITY HALL											–	9	2,000	6,000	–
COMMUNITY SERVICES	MIG - WARD 38 COMMUNITY HALL											8,929	11	2,000	4,000	2,200
COMMUNITY SERVICES	MIG - KWAQANDA COMMUNITY HALL											161	13	300	3,000	5,000
COMMUNITY SERVICES	MIG - Ward 18 COMMUNITY HALL											309	3	300	3,000	5,000

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COMMUNITY SERVICES	MIG - UNIT BB COMMUNITY HALL											3,855	155	300	7,000	–
COMMUNITY SERVICES	MIG - WARD 7 COMMUNITY HALL											2,883	50	300	3,000	5,000
COMMUNITY SERVICES	MIG - WARD 29 COMMUNITY HALL											3,875	3	400	200	200
COMMUNITY SERVICES	MIG - WARD 24 COMMUNITY HALL											9,183	71	800	800	800
COMMUNITY SERVICES	MIG - WARD 8 COMMUNITY HALL											470	13	300		
COMMUNITY SERVICES	MIG - WARD 13 COMMUNITY HALL											–	35	1,000	1,000	1,000
COMMUNITY SERVICES	MIG - MADIBA COMMUNITY HALL											261	73	200	200	300
COMMUNITY SERVICES	MIG - SWEETWATERS DUAL PURPOSE SPORT CENTRE											13	275	5,000	5,500	6,000
CORPORATE SERVICES	STITCHING MACHINE											689	500	1,000	1,000	5,000
CORPORATE SERVICES	1X LAPTOP											5,463	522	800	800	
CORPORATE SERVICES	COMPUTERS											321	9	800	4,500	
CORPORATE SERVICES	DIGITAL RECORDERS											731	11			500
CORPORATE SERVICES	COMPUTER											119	13	3,000		
CORPORATE SERVICES	DOCUMENT MANAGEMENT SYSTEM											1,190	3			500
CORPORATE SERVICES	DIGITAL RECORDER											3,431	155	1,500	1,300	1,500
CORPORATE SERVICES	NETWORK REFRESH/ REPLACING SERVERS											9,549	50	2,300	1,300	1,500
CORPORATE SERVICES	COMPUTERS											2,632	3	2,300	2,000	1,430
CORPORATE SERVICES	FIBRE REPLACEMENT											824	71	2,300	1,000	1,000
CORPORATE SERVICES	LAN/WAN - CABLING											565	13	1,300	1,430	1,430
CORPORATE SERVICES	IP TELEPHONES											1,633	35	2,300	1,100	1,100
CORPORATE SERVICES	LAPTOPS/ DESKTOPS											4,263	73	2,300	2,200	2,200
INFRASTRUCTURE	ALNS:ZA:DBSA - NETWORK 132KV REHAB PLAN											13,989	275	700	–	1,000
INFRASTRUCTURE	I P Phones											6,500	500	10,000		



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INFRASTRUCTURE	Computers											5,366	522	4,800	5,000	4,637
INFRASTRUCTURE	Capital equipment											1,807	100	2,300	2,200	3,041
INFRASTRUCTURE	Network Refurbishment											(0)	100	2,300	2,200	3,041
INFRASTRUCTURE	Computers											2,187	2,276	2,300	2,200	3,041
INFRASTRUCTURE	Air conditioner											6,304	3,224	2,300	2,200	3,041
INFRASTRUCTURE	Workshop Tools											308	4,390	4,800	3,779	4,619
INFRASTRUCTURE	Rudimentary Water Scheme											3,805	100	6,000	2,500	6,000
INFRASTRUCTURE	Reservoir Fencing											7,291	200	2,300	5,500	6,841
INFRASTRUCTURE	Telemetry and Control Upgrades											1,253	30	3,800	2,200	3,041
INFRASTRUCTURE	Vehicles											7,605	218	7,000	5,000	8,211
INFRASTRUCTURE	Plant and Equipment											926	300	2,300	2,200	3,041
INFRASTRUCTURE	Sanitation Pump Stations											3,515	1,000	2,300	4,000	3,000
INFRASTRUCTURE	Vulindela Satellite office											3,098	500	2,300	7,000	1,941
INFRASTRUCTURE	ED 2 and ED 4 system Upgrade											7,716	79	2,300		
INFRASTRUCTURE	Water Pump Stations											5,791	21	2,400	1,500	–
INFRASTRUCTURE	TRAFFIC CALMING MEASURES											4,178	1,200	3,000	–	–
INFRASTRUCTURE	PMS											414	2,800	1,544	1,500	1,698
INFRASTRUCTURE	Lester Brown											149	300	1,500	1,650	1,650
INFRASTRUCTURE	SMALL PLANTS (PEDESTRIAN ROLLERS, BRUSH CUTTERS AND CHAINSAW)											1,775	1,171	6,000		
INFRASTRUCTURE	TRAFFIC SIGNAL SPARES											437	200	8,000		
INFRASTRUCTURE	NEW:COMPUTER EQUIPMENT											1,583	1,442	136,765	158,912	166,864
INFRASTRUCTURE	INSTALLAT OF NEW GUARD RAILS											2,389	2,907	70		
INFRASTRUCTURE	NEW CONRETE CASTING YARD CHANGE ROOMS											104,863	2,105	2,000	6,907	7,459
INFRASTRUCTURE	UPGRADING OF GRAVEL ROAD -VULINDLELA - WARD 1											1,008	772	8,000	9,500	10,260
INFRASTRUCTURE	MIG - REHABILITATION OF ROADS IN ASHDOWN											477	400	9,000	8,601	9,289
INFRASTRUCTURE	MIG - UPGRADING OF ROADS IN PEACE VALLEY - 10km											325	175	9,356	7,500	10,653
INFRASTRUCTURE	MIG - REHABILITATION OF ROADS IN IMBALI UNIT 18											47	1,500	8,500	8,000	9,500

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INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS											1,198	7,500	6,500	8,000	8,640
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 12											338	1,000	500	500	550
INFRASTRUCTURE	MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS											14,885	1,300	1,000	3,000	3,240
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16											3,921	2,400	100	100	100
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD											233	2,900	3,000	2,000	3,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design											1,670	900	1,000	1,000	1,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)											2,607	3,500	6,000	9,680	10,164
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade - Ward 21											3,846	2,039	8,700	9,570	9,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase 3											1,380	3,321	–	400	–
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds											2,633	2,274	2,000	1,000	900
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS											4,301	2,806	1,000	1,000	1,100
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA											153	2,000	100	100	150

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INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS											198	8,569	150	150	–
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS											38,369	6,000	–	600	300
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 5 ROADS											688	5,510	15,000	30,000	30,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS											6,078	2,039	10,000	6,000	–
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS											44,449	4,906			
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS											4,235	62	9,000	6,000	6,480
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS											2,959	200	8,000	6,500	14,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 39 ROADS											3	4,440	1,000	4,326	5,418
INFRASTRUCTURE	MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini											2,107	2,714	40,000	39,000	40,000
INFRASTRUCTURE	MIG - WOODHOUSE PEDESTRIAN BRIDGE											22	1,500	500	350	300
INFRASTRUCTURE	MIG - MABANE BRIDGE PROJECT											399	18,000	10,700	10,000	–
INFRASTRUCTURE	MIG - BUS STOP SHELTERS											200	6,398	5,927	10,000	15,000
INFRASTRUCTURE	MIG - NON MOTORISED TRANSPORT											866	4,019	15,115	25,645	2,240
INFRASTRUCTURE	MIG - REHABILITATION OF SANITATION INFRASTRUCTURE											6,181	3,700	7,220	14,600	17,180
INFRASTRUCTURE	MIG - SEWER PIPES UNIT H											7	11,152	6,538	29,000	42,462

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INFRASTRUCTURE	MIG - SEWER PIPES AZALEA - PHASE 2											117	6,000	1,000	–	–
INFRASTRUCTURE	MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)											62	4,400	1,000	–	–
INFRASTRUCTURE	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)											66	42,041	2,500	12,000	18,500
INFRASTRUCTURE	MIG - SHENSTONE AMBLETON SANITATION SYSTEM											5	5,416		2,000	2,500
INFRASTRUCTURE	MIG -REDUCTION OF NON REVENUE WATER											22	3,213	250		
INFRASTRUCTURE	MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER)											50	2,400	110		250
INFRASTRUCTURE	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)											10	15,654	250		250
INFRASTRUCTURE	MIG - COPESVILLE RESERVOIR											86	40,000		1,500	
INFRASTRUCTURE	MIG - HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE											60	22,300	200	300	
INFRASTRUCTURE	PUBLIC TRANSPORT SYSTEM											283	1,500	6,540	6,600	8,000
INFRASTRUCTURE	WSIG:ZA:REDUCTION OF NON REVENUE WATER											701	4,000	400	450	500
INFRASTRUCTURE	WSIG:ZA:BASIC WATER SUPPLY											5	8,000	250	300	350
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	AIR POLLUTION STATION(EDN)											75	150,330	4,000	12,100	13,560
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	COMPUTERS											2,885	50	1,500	1,600	1,700
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	FLEET											38	294	180	180	201



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SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	LAB EQUIPMENT											44	140	48	53	59
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	COMPUTERS											82	58	30	33	36
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	COMPUTERS											30,277	217			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	COLD ROOM											(3,063)	560			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	EQUIPMENT											1,186	750			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	FENCING											6,325	75			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	COMPUTERS											(404)	45			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	LIGHT INDUSTRIAL HUB											2,054	791			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	FLEET											–	2,780			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	OSS INFRASTRUCTURE											625	42			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	MIG - JIKA JOE CRU											11,821	153			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	NDPG:EDENDALE TOWN CENTRE: Promenade 2											2,295	750			

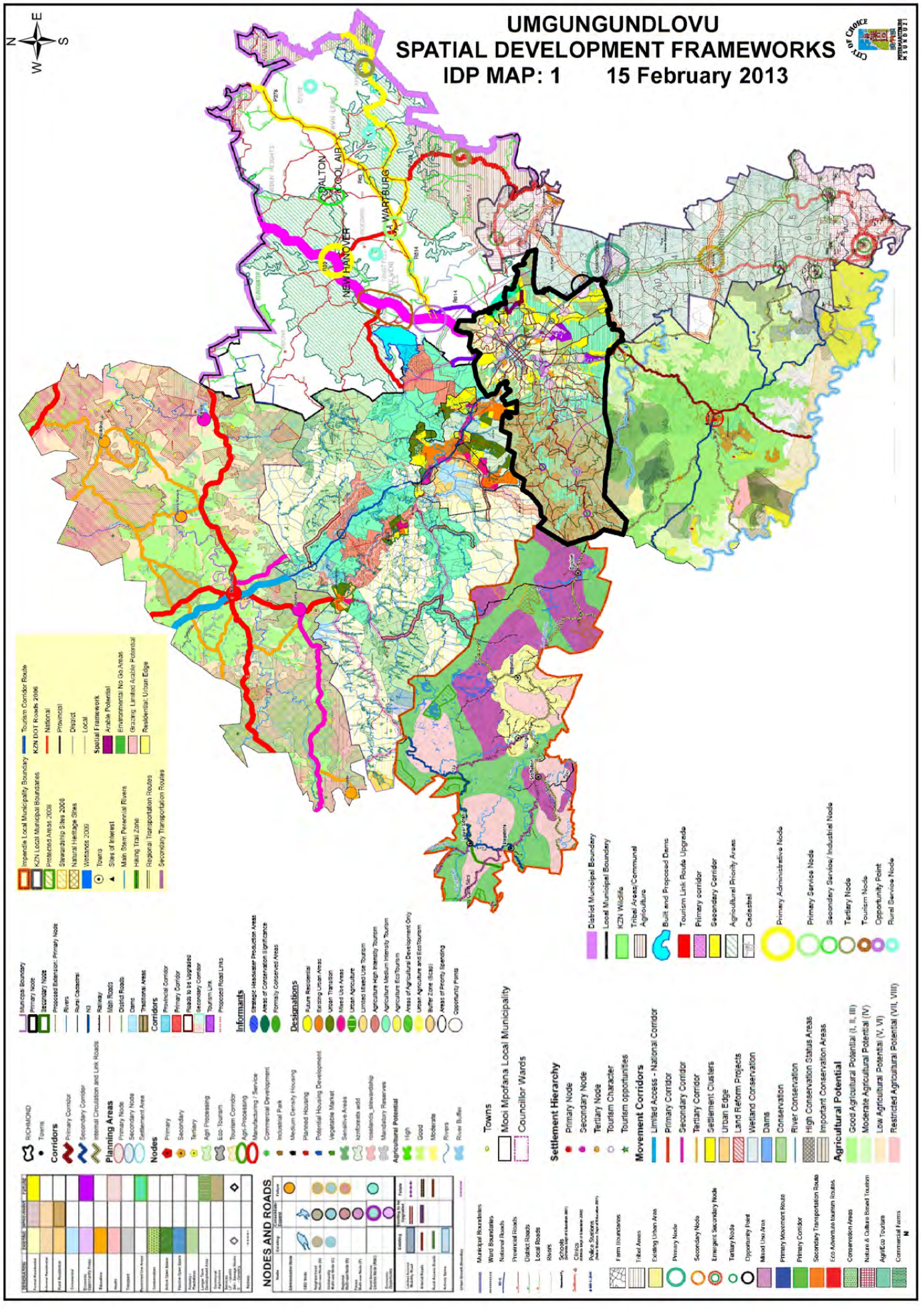
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SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	NDPG:EDENDALE TOWN CENTRE: Civic Building,Informal Trading Stalls & Piazza											0	25			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	NDPG:EDENDALE TOWN CENTRE: Civic Building,Informal Trading Stalls & Piazza											3,142	291			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	NDPG:EDENDALE TOWN CENTRE: stage 4											10,615	6,780			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: NEIGHBOURH DEV PARTNERSHP GRANT											19	5,220			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: NEIGHBOURH DEV PARTNERSHP GRANT											64	9,329			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	PROVINCIAL GOVERNMENT: KZN: CAPITAL											12	1,000			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	PROVINCIAL GOVERNMENT: KZN: CAPITAL											23	1,000			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: NEIGHBOURH DEV PARTNERSHP GRANT											22	400			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: NEIGHBOURH DEV PARTNERSHP GRANT											59	19			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: LIBR, ARCH, MUSEUMS											26	37			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: LIBR, ARCH, MUSEUMS											(89)	8,386			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: LIBR, ARCH, MUSEUMS											17	2,924			

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SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: COGTA											158	6,612			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: COGTA											158	2,000			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: MUNICIPAL INFR GRANT											29	603			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING DEVELOPMENT											66	2,500			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: COGTA											210	2,500			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											62	500			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											10,036	1,700			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											337	54			
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											3,239				
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											18				
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											–				
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											26,692				

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											4,739				
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											239				
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	CAPITAL: PROV GOV: HOUSING ACCREDITATION											78				
Parent Capital expenditure												594,892	595,466	512,795	602,954	617,286



MAP 34: Spatial Development Framework

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

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget														2019/20 Medium Term Revenue & Expenditure Framework		
R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all capital projects grouped by Function																
INFRASTRUCTURE	I P Phones											6,500	500	10,000		
INFRASTRUCTURE	Computers											5,366	522	4,800	5,000	4,637
INFRASTRUCTURE	Capital equipment											1,807	100	2,300	2,200	3,041
INFRASTRUCTURE	Network Refurbishment											(0)	100	2,300	2,200	3,041
INFRASTRUCTURE	Computers											2,187	2,276	2,300	2,200	3,041



KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
INFRASTRUCTURE	Air conditioner											6,304	3,224	2,300	2,200	3,041
INFRASTRUCTURE	Workshop Tools											308	4,390	4,800	3,779	4,619
INFRASTRUCTURE	Rudimentary Water Scheme											3,805	100	6,000	2,500	6,000
INFRASTRUCTURE	Reservoir Fencing											7,291	200	2,300	5,500	6,841
INFRASTRUCTURE	Telemetry and Control Upgrades											1,253	30	3,800	2,200	3,041
INFRASTRUCTURE	Vehicles											7,605	218	7,000	5,000	8,211
INFRASTRUCTURE	Plant and Equipment											926	300	2,300	2,200	3,041
INFRASTRUCTURE	Sanitation Pump Stations											3,515	1,000	2,300	4,000	3,000
INFRASTRUCTURE	Vulindela Satellite office											3,098	500	2,300	7,000	1,941
INFRASTRUCTURE	ED 2 and ED 4 system Upgrade											7,716	79	2,300		
INFRASTRUCTURE	Water Pump Stations											5,791	21	2,400	1,500	–
INFRASTRUCTURE	MIG - REHABILITATION OF SANITATION INFRASTRUCTURE											6,181	3,700	7,220	14,600	17,180
INFRASTRUCTURE	MIG - SEWER PIPES UNIT H											7	11,152	6,538	29,000	42,462
INFRASTRUCTURE	MIG - SEWER PIPES AZALEA - PHASE 2											117	6,000	1,000	–	–
INFRASTRUCTURE	MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)											62	4,400	1,000	–	–
INFRASTRUCTURE	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)											66	42,041	2,500	12,000	18,500
INFRASTRUCTURE	MIG - SHENSTONE AMBLETON SANITATION SYSTEM											5	5,416		2,000	2,500
INFRASTRUCTURE	MIG -REDUCTION OF NON REVENUE WATER											22	3,213	250		
INFRASTRUCTURE	MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER)											50	2,400	110		250
INFRASTRUCTURE	MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)											10	15,654	250		250
INFRASTRUCTURE	MIG - COPESVILLE RESERVOIR											86	40,000		1,500	
INFRASTRUCTURE	WSIG:ZA:REDUCTION OF NON REVENUE WATER											701	4,000	400	450	500

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
INFRASTRUCTURE	WSIG:ZA:BASIC WATER SUPPLY											5	8,000	250	300	350
Parent Capital expenditure												70,785	159,535	79,018	107,329	135,486

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 SITE BUDGET

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all capital projects grouped by Function																
COMMUNITY SERVICES	LEVS:AH:NEW:FURNITURE & OFFICE EQUIP											146	422	500	200	100
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											2,008	10	80		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											20	500	150		
COMMUNITY SERVICES	TRANSPORT ASSETS											144	950	50		
COMMUNITY SERVICES	TRANSPORT ASSETS											65	2,900	4		
COMMUNITY SERVICES	MIG - LANDFILL UPGRADE											–	300	300	3,000	5,000
Parent Capital expenditure												2,382	5,082	1,084	3,200	5,100

5.6.3 COMMUNITY FACILITIES

TABLE 84: COMMUNITY FACILITIES BUDGET FOR 2019-20 TO 2020-21

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all capital projects grouped by Function																

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
COMMUNITY SERVICES	LEVS:AH:NEW:FURNITURE & OFFICE EQUIP											146	422	500	200	100
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											2,008	10	80		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											20	500	150		
COMMUNITY SERVICES	LEVS: ZA: NEW: TRANSPORT ASSETS											38	1,680	100		
COMMUNITY SERVICES	OPERATION SUKUMA SAKHE											566	50	50		
COMMUNITY SERVICES	TUSONG CENTER											2,649	100	8,250	9,300	10,400
COMMUNITY SERVICES	PARK HOMES											3,675	3,500	500	550	600
COMMUNITY SERVICES	TRANSPORT ASSETS											307	750	80		
COMMUNITY SERVICES	Critical Fire Fighting Equipment											297	2,000	150		
COMMUNITY SERVICES	RADIO EQUIPMENT											11	3,300	100		
COMMUNITY SERVICES	SHOOTING RANGE 2ND PHASE											314	341	50		
COMMUNITY SERVICES	RENOVATION FOR MARKET OFFICES											633	600	42		
COMMUNITY SERVICES	REFURBISHMENT OF ECC											324	400	10		
COMMUNITY SERVICES	RADIO EQUIPMENT											2,748	200	50		
COMMUNITY SERVICES	TRANSPORT ASSETS											144	950	50		
COMMUNITY SERVICES	TRANSPORT ASSETS											65	2,900	4		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											146	750	500		
COMMUNITY SERVICES	REFURBISHMENT OF DISASTER MANAGEMENT											14,004	8,500	110		
COMMUNITY SERVICES	MULTI CENTRE PUBLIC SAFETY											4,649	8,000	200		
COMMUNITY SERVICES	PROTECTIVE EQUIPMENT COMPLIANCE WITH LEGISLATION											69	5,010	100		
COMMUNITY SERVICES	LEVS: ZA: NEW: MACHINERY & EQUIPM											5,143	900	40		
COMMUNITY SERVICES	LEVS:ZA:NEW:TRANSPORT ASSETS											4,609	300	70		
COMMUNITY SERVICES	NEW BUILDING											671	300	20		

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
COMMUNITY SERVICES	MACHINERY & EQUIPM											877	300	404	1,000	1,000
COMMUNITY SERVICES	WASTE : NEW MACHINERY											4,497	300	50		
COMMUNITY SERVICES	DEVELOPMENT OF NEW CEMETERY: LAMONTVILLE											612	2,000	1,000	1,000	1,000
COMMUNITY SERVICES	UPGRADE AND MAINTENANCE OF POOLS (Alexandra, Olympic, Eastwood, Pilditch, Berg((Turn styles)											18	5,332	1,000	1,500	1,500
COMMUNITY SERVICES	MODIFY CONTAINERS / PARK HOMES AS TOILET FACILITIES											3,130	4,900	1,200	1,500	1,500
COMMUNITY SERVICES	ESSENTIAL EQUIPMENT FOR SPORT FACILITIES (goal post, marking machine, arerovator, amazon, ride-on mowers)											135	750	200	200	200
COMMUNITY SERVICES	FENCING OF BISLEY NATURE RESERVE											1,428	450	600		
COMMUNITY SERVICES	UPGRADING OF BUCHANNAN SWIMMING POOL											3	250	4,816	3,000	–
COMMUNITY SERVICES	MIG - WARD 15 COMMUNITY HALL											–	9	2,000	6,000	–
COMMUNITY SERVICES	MIG - WARD 38 COMMUNITY HALL											8,929	11	2,000	4,000	2,200
COMMUNITY SERVICES	MIG - KWAQANDA COMMUNITY HALL											161	13	300	3,000	5,000
COMMUNITY SERVICES	MIG - Ward 18 COMMUNITY HALL											309	3	300	3,000	5,000
COMMUNITY SERVICES	MIG - UNIT BB COMMUNITY HALL											3,855	155	300	7,000	–
COMMUNITY SERVICES	MIG - WARD 7 COMMUNITY HALL											2,883	50	300	3,000	5,000
COMMUNITY SERVICES	MIG - WARD 29 COMMUNITY HALL											3,875	3	400	200	200
COMMUNITY SERVICES	MIG - WARD 24 COMMUNITY HALL											9,183	71	800	800	800
COMMUNITY SERVICES	MIG - WARD 8 COMMUNITY HALL											470	13	300		
COMMUNITY SERVICES	MIG - WARD 13 COMMUNITY HALL											–	35	1,000	1,000	1,000
COMMUNITY SERVICES	MIG - MADIBA COMMUNITY HALL											261	73	200	200	300

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
COMMUNITY SERVICES	MIG - SWEETWATERS DUAL PURPOSE SPORT CENTRE											13	275	5,000	5,500	6,000
Parent Capital expenditure												83,878	56,454	33,376	51,950	41,800

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: HUMAN SETTLEMENTS BUDGET FOR 2019-20 TO 2020-21

WARD	PROJECT NAME	PROJECT TYPE	FUNDING SOURCE	2018/19	2019/20	2020/21
1	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
2	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
3	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
4	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
5	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
6	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
7	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
8	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		

WARD	PROJECT NAME	PROJECT TYPE	FUNDING SOURCE	2018/19	2019/20	2020/21
9	Vulindlela Rural Housing Project	Housing	DOHS	35,000,000		
10	Edendale Unit S Phase 8 Ext.	Housing - Construction	DOHS	11,250,000	15,000,000	15,000,000
10	Kwa 30	Housing - Feasibility	DOHS	1,200,000	10,000,000	15,000,000
11	Lot 182 Snating	Housing - Construction	DOHS	3,000,000		
11	Snating Phase 1	Housing - Feasibility	DOHS	1,000,000	7,500,000	15,000,000
11	Snating Phase 2	Housing - Feasibility	DOHS	0	2,500,000	500,000
12	Khalanyoni	Housing - Feasibility	DOHS	2,500,000	10,000,000	20,000,000
14	Willowfountrain - Bulwer	Housing - Feasibility	DOHS	800,000	7,500,000	15,000,000
14	Willowfountrain - Terminus	Housing - Feasibility	DOHS	0	1,000,000	3,000,000
14	Willowfountrain - Phupha	Housing - Feasibility	DOHS	0	1,000,000	3,000,000
15	Edendale T2 & T3	Housing - Construction	DOHS	90,000	3,000,000	12,000,000
15	Edendale J2 and Quarry	Housing - Feasibility	DOHS	1,000,000	7,500,000	15,000,000
17	Edendale EE - Phase 1	Housing - Construction	DOHS	8,352,000	0	0
17	Edendale EE - Phase 3	Housing - Feasibility	DOHS	0	1,000,000	3,000,000
18	Shenstone / Ambleton	Housing - Feasibility	DOHS	2,000,000	7,500,000	15,000,000
19	Imbali Hostel	Housing - Planning	DOHS	0	5,000,000	7,500,000
20	Harewood	Housing - Feasibility	DOHS	800,000	3,000,000	12,000,000
20	Caluza / Smero	Housing - Feasibility	DOHS	800,000	3,000,000	12,000,000
20	Bhobhonono / Masomini	Housing - Feasibility	DOHS	800,000	3,000,000	12,000,000
21	Edendale 5 Priority Project	Housing - Land Acq.	DOHS	7,000,000	7,000,000	0
22	Land Acquisition	Urban Improvement	DOHS	15,000,000	0	0
23	Peace Valley 2	Housing - Planning	DOHS	2,000,000	7,000,000	15,000,000
24	Oribi Village	Housing - Planning	DOHS	0	10,000,000	25,000,000
25	OSS Phase 2	Housing - Construction	DOHS	12,000,000	5,000,000	0
26	Signal Hill / Peace Valley 3	Housing - Planning	DOHS	7,000,000	25,000,000	30,000,000
27	Railway Precinct - Baverstock - Rental	Housing - Planning	DOHS	0	5,000,000	15,000,000
29	Copesville	Housing - Planning	DOHS	2,500,000	10,000,000	15,000,000
30	Bakerville	Land Acquisition	DOHS	0	20,000,000	0
32	Happy Valley	Housing - Construction	DOHS	3,000,000	10,000,000	10,000,000
32	Site 11	Housing - Construction	DOHS	3,000,000	10,000,000	10,000,000
32	Yellowood Place	Housing - Feasibility	DOHS	500,000	3,000,000	12,000,000
33	Jika Joe CRU	Construction	DOHS	10,000,000	20,000,000	40,000,000
33	Jika Joe CRU	Construction	DOHS	64,000,000	90,000,000	120,000,000
35	Sobantu Infill	Housing - Planning	DOHS	0	5,000,000	15,000,000

WARD	PROJECT NAME	PROJECT TYPE	FUNDING SOURCE	2018/19	2019/20	2020/21
37	Ethembeni - IRDP	Housing - Feasibility	DOHS	1,000,000	20,000,000	30,000,000
37	Mkondeni / SACCA	Housing - Interim	DOHS	50,000,000	30,000,000	30,000,000
38	Tamboville	Housing - Construction	DOHS	3,000,000	10,000,000	10,000,000
38	Thembalihle	Housing - Construction	DOHS	3,000,000	10,000,000	10,000,000
38	Q Section	Housing - Construction	DOHS	3,000,000	10,000,000	10,000,000
38	Glenwood South East Sector	Housing - Feasibility	DOHS	800,000	3,000,000	7,500,000
39	OSS	Housing - Feasibility	DOHS	1,000,000	28,000,000	20,000,000
10, 13, 17 & 23	Msunduzi Wirewall	Housing - Construction	DOHS	9,000,000	25,000,000	25,000,000

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 AND TRANSPORTATION BUDGET FOR 2019-20 TO 2020-21

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
INFRASTRUCTURE	TRAFFIC CALMING MEASURES											4,178	1,200	3,000	–	–
INFRASTRUCTURE	PMS											414	2,800	1,544	1,500	1,698
INFRASTRUCTURE	Lester Brown											149	300	1,500	1,650	1,650
INFRASTRUCTURE	SMALL PLANTS (PEDESTRIAN ROLLERS, BRUSH CUTTERS AND CHAINSAW)											1,775	1,171	6,000		
INFRASTRUCTURE	TRAFFIC SIGNAL SPARES											437	200	8,000		
INFRASTRUCTURE	NEW:COMPUTER EQUIPMENT											1,583	1,442	136,765	158,912	166,864
INFRASTRUCTURE	INSTALLAT OF NEW GUARD RAILS											2,389	2,907	70		
INFRASTRUCTURE	NEW CONRETE CASTING YARD CHANGE ROOMS											104,863	2,105	2,000	6,907	7,459
INFRASTRUCTURE	UPGRADING OF GRAVEL ROAD -VULINDLELA - WARD 1											1,008	772	8,000	9,500	10,260
INFRASTRUCTURE	MIG - REHABILITATION OF ROADS IN ASHDOWN											477	400	9,000	8,601	9,289
INFRASTRUCTURE	MIG - UPGRADING OF ROADS IN PEACE VALLEY - 10km											325	175	9,356	7,500	10,653
INFRASTRUCTURE	MIG - REHABILITATION OF ROADS IN IMBALI UNIT 18											47	1,500	8,500	8,000	9,500
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS											1,198	7,500	6,500	8,000	8,640
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 12											338	1,000	500	500	550
INFRASTRUCTURE	MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS											14,885	1,300	1,000	3,000	3,240
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16											3,921	2,400	100	100	100
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD											233	2,900	3,000	2,000	3,000

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design											1,670	900	1,000	1,000	1,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)											2,607	3,500	6,000	9,680	10,164
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade - Ward 21											3,846	2,039	8,700	9,570	9,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase 3											1,380	3,321	–	400	–
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds											2,633	2,274	2,000	1,000	900
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS											4,301	2,806	1,000	1,000	1,100
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA											153	2,000	100	100	150
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS											198	8,569	150	150	–
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS											38,369	6,000	–	600	300
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 5 ROADS											688	5,510	15,000	30,000	30,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS											6,078	2,039	10,000	6,000	–

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS											44,449	4,906			
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS											4,235	62	9,000	6,000	6,480
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS											2,959	200	8,000	6,500	14,000
INFRASTRUCTURE	MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 39 ROADS											3	4,440	1,000	4,326	5,418
INFRASTRUCTURE	MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini											2,107	2,714	40,000	39,000	40,000
INFRASTRUCTURE	MIG - WOODHOUSE PEDESTRIAN BRIDGE											22	1,500	500	350	300
INFRASTRUCTURE	MIG - MABANE BRIDGE PROJECT											399	18,000	10,700	10,000	–
INFRASTRUCTURE	MIG - BUS STOP SHELTERS											200	6,398	5,927	10,000	15,000
INFRASTRUCTURE	MIG - NON MOTORISED TRANSPORT											866	4,019	15,115	25,645	2,240
INFRASTRUCTURE	PUBLIC TRANSPORT SYSTEM											283	1,500	6,540	6,600	8,000
Parent Capital expenditure												255,665	112,769	345,567	384,090	376,955

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 MANAGEMENT BUDGET 2019-20 TO 2020-21

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	"IDP Goal code 2"	"Individually Approved (Yes/No)"	"Asset Class"	"Asset Sub-Class"	"GPS co-ordinates"	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4		Audited Actual		6	3	3	5		Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
CITY FINANCE		MOTOR VEHICLE CANOPY										30			ADM & HO	NEW
CITY FINANCE		FUEL MANAGEMENT SYSTEM NCT AND NEW VEHICLES										1,000	200	200	ADM & HO	NEW
CITY FINANCE		VEHICLES incl. Meter Readers										5,000	5,000	5,000	ADM & HO	NEW
INFRASTRUCTURE		Vehicles										1,000	1,000	1,500		UPGRADING
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES		FLEET										540	540	540	various	NEW
SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES		FLEET										300	300	300	various	NEW
												7870000	7040000	7540000		

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 FOR 2019-20 TO 2020-21

KZN225 Msunduzi - Supporting Table SA36 Detailed capital budget																
R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all capital projects grouped by Function																
INFRASTRUCTURE	ALNS:ZA:DBSA - NETWORK 132KV REHAB PLAN											13,989	275	700	–	1,000
INFRASTRUCTURE	I P Phones											6,500	500	10,000		
INFRASTRUCTURE	Computers											5,366	522	4,800	5,000	4,637
INFRASTRUCTURE	Capital equipment											1,807	100	2,300	2,200	3,041
INFRASTRUCTURE	Network Refurbishment											(0)	100	2,300	2,200	3,041
INFRASTRUCTURE	Computers											2,187	2,276	2,300	2,200	3,041
INFRASTRUCTURE	Air conditioner											6,304	3,224	2,300	2,200	3,041
INFRASTRUCTURE	Workshop Tools											308	4,390	4,800	3,779	4,619
INFRASTRUCTURE	Vulindela Satellite office											3,098	500	2,300	7,000	1,941
INFRASTRUCTURE	ED 2 and ED 4 system Upgrade											7,716	79	2,300		
INFRASTRUCTURE	MIG - HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE											60	22,300	200	300	
Parent Capital expenditure												47,335	34,265	34,300	24,879	24,361

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: 2019-20 TO 2020-21 MUNICIPAL OPERATING BUDGET

KZN225 Msunduzi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	**Ref**	**2015/16**	**2016/17**	**2017/18**	**Current Year 2018/19**				**2019/20 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 2019/20**	**Budget Year +1 2020/21**	**Budget Year +2 2021/22**
Revenue By Source											
Property rates	2	739,501	797,305	863,435	900,837	915,564	915,564	915,564	970,498	1,028,728	1,090,451
Service charges - electricity revenue	2	1,784,415	1,863,573	2,317,228	2,177,873	2,138,443	2,138,443	2,138,443	2,339,671	2,529,184	2,661,208
Service charges - water revenue	2	598,990	464,242	569,323	603,661	604,896	604,896	604,896	662,966	726,611	796,366
Service charges - sanitation revenue	2	126,183	121,806	135,950	137,072	126,057	126,057	126,057	145,475	154,204	163,456
Service charges - refuse revenue	2	84,201	88,928	100,293	106,276	116,206	116,206	116,206	111,324	118,003	125,083
Rental of facilities and equipment		20,264	26,144	19,799	35,220	26,252	26,252	26,252	27,827	29,496	31,266
Interest earned - external investments		68,435	54,664	39,130	39,956	26,857	26,857	26,857	14,702	15,442	16,220
Interest earned - outstanding debtors		60,214	96,347	164,249	118,141	182,773	182,773	182,773	193,740	205,364	217,686
Dividends received						–	–	–			
Fines, penalties and forfeits		72,894	18,046	280	75,203	15,154	15,154	15,154	16,064	17,028	18,050
Licences and permits		90	341	126	100	1,011	1,011	1,011	1,071	1,136	1,204
Agency services		28,531	16,051			543	543	543	576	611	647
Transfers and subsidies		466,156	497,277	458,535	672,679	669,406	669,406	669,406	685,677	737,688	796,471
Other revenue	2	62,910	83,984	73,015	165,019	132,212	132,212	132,212	140,145	148,554	157,467
Gains on disposal of PPE		21,665	213,080	54,889							
Total Revenue (excluding capital transfers and contributions)		**4,134,447**	**4,341,789**	**4,796,251**	**5,032,038**	**4,955,375**	**4,955,375**	**4,955,375**	**5,309,735**	**5,712,048**	**6,075,574**
Expenditure By Type											
Employee related costs	2	942,876	990,111	1,120,868	1,274,330	1,267,167	1,267,167	1,267,167	1,380,869	1,491,352	1,610,604
Remuneration of councillors		41,763	43,574	45,020	48,573	48,573	48,573	48,573	51,488	54,577	57,852
Debt impairment	3	92,508	505,131	350,124	110,178	110,280	110,280	110,280	116,891	123,901	131,332
Depreciation & asset impairment	2	555,153	605,422	470,370	468,636	467,692	467,692	467,692	492,025	516,580	542,365
Finance charges		75,095	68,463	63,181	50,688	50,672	50,672	50,672	41,660	31,793	24,371

KZN225 Msunduzi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Bulk purchases	2	1,799,214	1,866,283	1,956,999	2,050,322	2,034,195	2,034,195	2,034,195	2,226,570	2,415,196	2,567,749
Other materials	8	156,434	46,025	69,227	63,797	56,400	56,400	56,400	55,756	57,943	59,990
Contracted services		170,156	556,503	622,403	606,222	600,899	600,899	600,899	595,211	623,129	657,361
Transfers and subsidies		238	36,447	25,891	45,328	58,437	58,437	58,437	46,379	36,741	39,680
Other expenditure	4, 5	412,697	201,572	167,375	210,837	218,719	218,719	218,719	198,552	198,907	207,000
Loss on disposal of PPE		13,658	99,923	41,015		43	43	43	43	45	46
Total Expenditure		**4,259,793**	**5,019,454**	**4,932,474**	**4,928,912**	**4,913,078**	**4,913,078**	**4,913,078**	**5,205,446**	**5,550,164**	**5,898,351**
Surplus/(Deficit)		**(125,346)**	**(677,666)**	**(136,223)**	**103,126**	**42,297**	**42,297**	**42,297**	**104,290**	**161,884**	**177,223**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		303,484	441,231	146,625	404,341	429,010	429,010	429,010	417,689	443,290	478,225
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		**178,139**	**(236,435)**	**10,402**	**507,467**	**471,307**	**471,307**	**471,307**	**521,978**	**605,175**	**655,448**
Taxation											
Surplus/(Deficit) after taxation		**178,139**	**(236,435)**	**10,402**	**507,467**	**471,307**	**471,307**	**471,307**	**521,978**	**605,175**	**655,448**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**178,139**	**(236,435)**	**10,402**	**507,467**	**471,307**	**471,307**	**471,307**	**521,978**	**605,175**	**655,448**
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		**178,139**	**(236,435)**	**10,402**	**507,467**	**471,307**	**471,307**	**471,307**	**521,978**	**605,175**	**655,448**

TABLE 90: TRANSFERS AND GRANTS RECEIPTS

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	**Ref**	**2015/16**	**2016/17**	**2017/18**	**Current Year 2018/19**			**2019/20 Medium Term Revenue & Expenditure Framework**		
R thousand		**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2019/20**	**Budget Year +1 2020/21**	**Budget Year +2 2021/22**
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**437,999**	**467,989**	**520,105**	**580,856**	**580,856**	**580,856**	**617,444**	**664,187**	**720,584**
Local Government Equitable Share		395,786	432,307	468,430	505,853	505,853	505,853	546,052	593,281	645,960
Finance Management		1,600	1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,964
Municipal Systems Improvement		482								
EPWP Incentive		4,032	3,913	8,022	2,867	2,867	2,867	4,200		
Water Services Operating Subsidy										
Public Transport Infrastracture		27,408	15,108	21,001	48,773	48,773	48,773	43,830	46,460	48,776
Energy Efficiency and Demand Management										
Operating costs-MIG		8,690	15,036	20,951	21,663	21,663	21,663	21,663	22,746	23,883
Neighbourhood Development Partnership Technical ass										
Provincial Government:		**28,157**	**29,288**	**69,167**	**28,281**	**28,281**	**28,281**	**68,337**	**73,182**	**75,110**
Provincial Government:			1,075							
Expanded Public Works Grant										
Sport and Recreation										
Human Settlements		11,225	11,655	53,499	8,281	8,281	8,281	26,369	29,010	29,050
Arts and Culture- Community Library Services		6,618		612	643	643	643	20,052	21,587	22,786
Arts and Culture- Provincialisation		9,940	15,386	14,636	18,916	18,916	18,916			
Arts and Culture-Museum Subsidies		268	27	420	441	441	441	463	488	515
COGTA		106	1,145					21,453	22,097	22,760
District Municipality:		–	–	–	–	–	–	–	–	–
(insert description)										
Other grant providers:		–	–	–	–	–	–	–	–	–
(insert description)										
Total Operating Transfers and Grants	**5**	**466,156**	**497,277**	**589,271**	**609,137**	**609,137**	**609,137**	**685,781**	**737,368**	**795,694**
Capital Transfers and Grants										
National Government:		**270,402**	**411,530**	**447,390**	**404,344**	**404,344**	**404,344**	**417,689**	**443,290**	**478,225**
Municipal Infrastructure Grant (MIG)		182,668	174,517	180,188	171,653	171,653	171,653	175,853	186,390	201,969

KZN225 Msunduzi - Supporting Table SA18 Transfers and grant receipts										
Description	**Ref**	**2015/16**	**2016/17**	**2017/18**	**Current Year 2018/19**			**2019/20 Medium Term Revenue & Expenditure Framework**		
R thousand		**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2019/20**	**Budget Year +1 2020/21**	**Budget Year +2 2021/22**
Public Transport and Systems		18,140	184,923	189,012	150,331	150,331	150,331	150,835	158,900	171,986
Neighbourhood Development Partnership		10,231	1,955	40,000	42,360	42,360	42,360	50,000	55,000	59,271
Dept of Mineral/Electricty										
Intergrated National Electrification Porgramme		8,771	4,115							
Municipal Systems Improvement										
Municipal Water Infrastructure Grant		415	38,021	38,191	40,000	40,000	40,000	41,000	43,000	45,000
Energy Efficiency and Demand Manaagement		50,176	8,000							
Provincial Government:		**17,710**	**23,144**	**12,867**	**–**	**–**	**–**	**–**	**–**	**–**
Airport Development Project										
Sport and Recreation										
KZNPA		1,004								
Arts and Culture-Museum Subsidies		3,635	8,598	5,467						
COGTA		2,466		1,000						
Human Settlement		10,605	14,546	6,400						
		–	–	–	–	–	–	–	–	–
(insert description)										
Other grant providers:		**4,386**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
SANEDI		4,386								
Total Capital Transfers and Grants	**5**	**292,498**	**434,674**	**460,257**	**404,344**	**404,344**	**404,344**	**417,689**	**443,290**	**478,225**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**758,654**	**931,951**	**1,049,529**	**1,013,481**	**1,013,481**	**1,013,481**	**1,103,470**	**1,180,659**	**1,273,919**

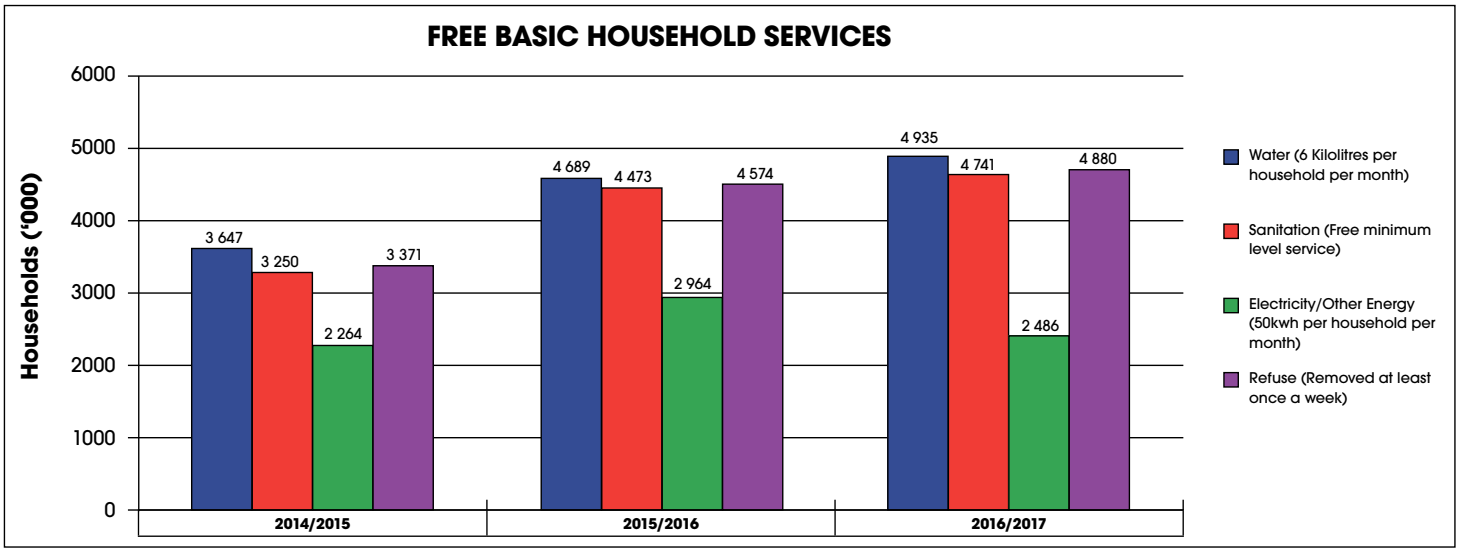
6.3 COST OF BASIC SERVICES

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: FREE BASIC SERVICES SUBSIDIES FOR 2019-2020

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	**1**									
Water:										
Piped water inside dwelling		80,873	81,128	81,490	84,782	84,782	84,782	84,782	84,782	84,782
Piped water inside yard (but not in dwelling)		63,301	63,899	63,899	67,481	67,481	67,481	67,481	67,481	67,481
Using public tap (at least min.service level)	2	3,116	4,710	6,396	6,654	6,654	6,654	6,654	6,654	6,654
Other water supply (at least min.service level)	4	6,352	4,758	3,072	3,196	3,196	3,196	3,196	3,196	3,196
Minimum Service Level and Above sub-total		153,642	154,495	154,857	162,113	162,113	162,113	162,113	162,113	162,113
Using public tap (< min.service level)	3	6,396	6,396	6,396	6,654	6,654	6,654	6,654	6,654	6,654
Other water supply (< min.service level)	4	3,955	2,740	2,740	1,851	1,851	1,851	1,851	1,851	1,851
No water supply		10,351	9,136	9,136	9,136	9,136	9,136	9,136	9,136	9,136
Below Minimum Service Level sub-total		20,702	18,272	18,272	17,641	17,641	17,641	17,641	17,641	17,641
Total number of households	**5**	**174,344**	**172,767**	**173,129**	**179,754**	**179,754**	**179,754**	**179,754**	**179,754**	**179,754**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		84,973	85,096	85,149	91,589	91,589	91,589	91,589	91,589	91,589
Flush toilet (with septic tank)		8,372	8,372	8,319	8,655	8,655	8,655	8,655	8,655	8,655
Chemical toilet		7,076	7,076	7,076	7,362	7,362	7,362	7,362	7,362	7,362
Pit toilet (ventilated)		58,695	58,695	59,427	61,828	61,828	61,828	61,828	61,828	61,828
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		159,116	159,239	159,971	169,434	169,434	169,434	169,434	169,434	169,434
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		4,877	4,754	4,022	1,184	1,184	1,184	1,184	1,184	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		4,877	4,754	4,022	1,184	1,184	1,184	1,184	1,184	–
Total number of households	**5**	**163,993**	**163,993**	**163,993**	**170,618**	**170,618**	**170,618**	**170,618**	**170,618**	**169,434**
Energy:										
Electricity (at least min.service level)		127,123	126,487	123,471	135,271	135,271	135,271	135,271	135,271	135,271
Electricity - prepaid (min.service level)		24,203	24,839	26,285	27,347	27,347	27,347	27,347	27,347	27,347
Minimum Service Level and Above sub-total		151,326	151,326	149,756	162,618	162,618	162,618	162,618	162,618	162,618

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Electricity (< min.service level)		–	–	1,570	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	8,000	–	–	–	–	–
Other energy sources		12,667	12,667	12,667	–	–	–	–	–	–
Below Minimum Service Level sub-total		12,667	12,667	14,237	8,000	–	–	–	–	–
Total number of households	**5**	**163,993**	**163,993**	**163,993**	**170,618**	**162,618**	**162,618**	**162,618**	**162,618**	**162,618**
Refuse:										
Removed at least once a week		120,000	120,000	120,000	129,848	129,848	129,848	129,848	129,848	129,848
Minimum Service Level and Above sub-total		120,000	120,000	120,000	129,848	129,848	129,848	129,848	129,848	129,848
Removed less frequently than once a week		43,993	43,993	43,993	40,770	40,770	40,770	40,770	40,770	40,770
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		43,993	43,993	43,993	40,770	40,770	40,770	40,770	40,770	40,770
Total number of households	**5**	**163,993**	**163,993**	**163,993**	**170,618**	**170,618**	**170,618**	**170,618**	**170,618**	**170,618**
Households receiving Free Basic Service	**7**									
Water (6 kilolitres per household per month)		25,099	23,884	23,884	39,476	–	–	–	–	–
Sanitation (free minimum level service)		25,099	23,884	23,884	39,476	39,476	39,476	39,476	39,476	39,476
Electricity/other energy (50kwh per household per month)		2,800	2,800	2,800	3,265	3,265	3,265	3,265	3,265	3,265
Refuse (removed at least once a week)		5,182	5,182	5,182	6,078	6,078	6,078	6,078	6,078	6,078
Cost of Free Basic Services provided - Formal Settlements (R'000)	**8**									
Water (6 kilolitres per indigent household per month)		126,943	134,410	141,878	149,345	149,345	149,345	163,682	179,395	196,617
Sanitation (free sanitation service to indigent households)		9,507	10,066	10,625	11,184	11,184	11,184	11,855	12,567	13,321
Electricity/other energy (50kwh per indigent household per month)		1,562	1,654	1,745	1,837	1,837	1,837	2,009	2,159	2,233

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Refuse (removed once a week for indigent households)		5,082	5,381	5,680	5,979	5,979	5,979	6,338	6,718	7,121
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**143,094**	**151,511**	**159,928**	**168,346**	**168,346**	**168,346**	**183,884**	**200,840**	**219,293**
Highest level of free service provided per household										
Property rates (R value threshold)		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		115	122	136	115	122	136	136	136	136
Electricity (kwh per household per month)		70	70	70	70	70	70	70	70	70
Refuse (average litres per week)		**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		15	15	15	15	15	15	15	15	15
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		401,640	410,961	411,958	441,681	441,681	441,681	468,182	496,273	526,050
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)		625	661	698	735	735	735	805	883	968
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									

KZN225 Msunduzi - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other										
Total revenue cost of subsidised services provided		**402,279**	**411,638**	**412,671**	**442,431**	**442,431**	**442,431**	**469,003**	**497,171**	**527,032**

6.4 ALIGNMENT OF THE MUNICIPAL BUDGET WITH THE MUNICIPAL GOALS AND OBJECTIVES

The table below indicates budget per strategic objective.

TABLE 92: ALIGNMENT OF BUDGET AND IDP OBJECTIVES

KZN225 Msunduzi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	"Goal Code"	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Viability and Management	Financially viable and well governed City			1,205,095	1,277,400	1,354,044	1,357,043	1,357,043	1,357,043	1,438,466	1,524,774	1,616,260
Basic Service Delivery	Improved the state of municipal infrastructure			2,869,975	3,120,985	3,181,119	3,567,523	3,515,530	3,515,530	3,746,542	4,055,173	4,327,186
Local Economic Development	An economically prosperous city			10,573	11,207	11,880	29,586	29,586	29,586	31,361	33,243	35,238
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.			224,326	237,785	252,053	320,757	320,757	320,757	339,898	360,722	382,804

KZN225 Msunduzi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	"Goal Code"	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.			81,806	86,714	91,917	71,297	71,297	71,297	75,575	80,110	84,916
Municipal Transformation and Institutional Development	Improved customer experience & public participation			46,157	48,927	51,862	90,171	90,171	90,171	95,582	101,317	107,396
Allocations to other priorities			**2**									
Total Revenue (excluding capital transfers and contributions)			**1**	**4,437,932**	**4,783,020**	**4,942,876**	**5,436,379**	**5,384,385**	**5,384,385**	**5,727,424**	**6,155,338**	**6,553,799**

TABLE 93: ALIGNEMENT OF THE OPERATING EXPENITURE WITH THE MUNICIPAL IDP OBJECTIVES

KZN225 Msunduzi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	"Goal Code"	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Viability and Management	Financially viable and well governed City			343,629	364,247	386,102	549,888	582,881	617,854	654,925	694,221	735,874
Basic Service Delivery	Improved the state of municipal infrastructure			1,076,728	1,645,405	1,355,982	915,644	866,817	831,844	879,338	964,489	1,037,536
Local Economic Development	An economically prosperous city			381,841	404,751	429,036	526,568	526,568	526,568	558,162	591,652	627,151

KZN225 Msunduzi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	"Goal Code"	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.			138,196	146,488	155,277	141,065	141,065	141,065	149,529	158,501	168,011
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.			2,310,161	2,448,771	2,595,697	2,781,421	2,781,421	2,781,421	2,948,307	3,125,205	3,312,717
Municipal Transformation and Institutional Development	Improved customer experience & public participation			9,238	9,792	10,380	14,325	14,325	14,325	15,185	16,096	17,062
Allocations to other priorities												
Total Expenditure			**1**	**4,259,793**	**5,019,454**	**4,932,474**	**4,928,912**	**4,913,078**	**4,913,078**	**5,205,446**	**5,550,164**	**5,898,351**

TABLE 94: ALIGNMENT OF IDP OBJECTIVES WITH THE CAPITAL EXPENDITURE

KZN225 Msunduzi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Viability and Management	Financially viable and well governed City	A		74,980	79,479	84,248	76,232	76,232	76,232	80,806	85,655	90,794
Basic Service Delivery	Improved the state of municipal infrastructure	B		78,069	221,224	144,385	166,483	190,567	190,567	83,602	148,010	135,044
Local Economic Development	An economically prosperous city	C		57,570	61,024	64,686	69,042	69,042	69,042	73,185	77,576	82,230

KZN225 Msunduzi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Good governance and Public Participation	To develop strong welcoming, caring & diverse communities living in a variety of friendly.	D		13,944	12,476	11,229	14,678	14,678	14,678	15,559	16,492	17,482
Gross Cutting Issues	Reduce housing backlogs and eliminate spatial separation by racial categories.	E		183,426	194,432	206,098	181,599	181,599	181,599	192,495	204,045	216,288
Municipal Transformation and Institutional Development	Improved customer experience & public participation	F		74,980	79,479	84,248	63,347	63,347	63,347	67,148	71,177	75,448
Allocations to other priorities			**3**									
Total Capital Expenditure			**1**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total New Assets	**1**	**185,312**	**132,351**	**167,503**	**111,387**	**117,672**	**117,672**	**143,308**	**179,824**	**174,616**
Roads Infrastructure		34,983	2,747	15,103	1,293	1,516	1,516	3,800	1,650	1,650
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		27,836	10,171	48,684	40,854	41,028	41,028	35,200	66,450	66,924

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Water Supply Infrastructure		3,412	–	–	3,290	3,968	3,968	–	–	–
Sanitation Infrastructure		8,377	–	–	13,269	13,617	13,617	–	–	–
Solid Waste Infrastructure		–	149	–	–	–	–	17,000	18,101	19,549
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**74,607**	**13,068**	**63,787**	**58,706**	**60,129**	**60,129**	**56,000**	**86,201**	**88,122**
Community Facilities		169	–	337	3,112	4,132	4,132	10,275	29,266	17,496
Sport and Recreation Facilities		34,335	5,106	–	10,458	11,384	11,384	–	–	–
Community Assets		**34,504**	**5,106**	**337**	**13,570**	**15,516**	**15,516**	**10,275**	**29,266**	**17,496**
Heritage Assets		**7,290**	**24,329**	**18,344**	**4,042**	**4,866**	**4,866**	**11,884**	**10,500**	**11,350**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		5,183	–	2,885	–	–	–	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**5,183**	**–**	**2,885**	**5,123**	**5,902**	**5,902**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	282	374	374	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**282**	**374**	**374**	**16,200**	**19,500**	**19,500**
Computer Equipment		**–**	**19,862**	**34,960**	**2,325**	**2,536**	**2,536**	**10,683**	**11,703**	**15,803**
Furniture and Office Equipment		**9,149**	**50,762**	**4,305**	**7,118**	**7,450**	**7,450**	**9,187**	**5,895**	**5,845**
Machinery and Equipment		**24,823**	**10,859**	**33,840**	**9,698**	**10,176**	**10,176**	**12,080**	**16,760**	**16,500**
Transport Assets		**469**	**337**	**78**	**10,524**	**10,722**	**10,722**	**–**	**–**	**–**
Land		**–**	**7,833**	**–**	**–**	**–**	**–**	**17,000**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Renewal of Existing Assets	**2**	**297,657**	**515,763**	**251,586**	**387,397**	**314,315**	**314,315**	**19,532**	**24,338**	**19,032**
Roads Infrastructure		108,918	98,714	32,198	169,403	142,551	142,551	7,600	5,300	4,500
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		66,802	51,961	44,447	56,974	47,943	47,943	–	–	–
Water Supply Infrastructure		71,046	48,980	–	35,120	29,553	29,553	–	–	–
Sanitation Infrastructure		28,814	–	1,198	54,751	46,072	46,072	–	–	–
Solid Waste Infrastructure		1,057	30,714	19,377	5,856	4,928	4,928	2,000	6,907	7,459

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**276,637**	**230,368**	**97,221**	**322,104**	**271,047**	**271,047**	**9,600**	**12,207**	**11,959**
Community Facilities		910	8,707	3,705	13,771	1,588	1,588	–	–	–
Sport and Recreation Facilities		2,823	28,616	24,871	–	–	–	–	–	–
Community Assets		**3,733**	**37,323**	**28,576**	**13,771**	**1,588**	**1,588**	**–**	**–**	**–**
Heritage Assets		**311**	**16,066**	**15,408**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		13,702	–	–	1,586	1,335	1,335	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**13,702**	**–**	**–**	**1,586**	**1,335**	**1,335**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		**–**	**–**	**–**	**49,937**	**40,346**	**40,346**	**–**	**–**	**–**
Intangible Assets		**–**	**–**	**–**	**49,937**	**40,346**	**40,346**	**–**	**–**	**–**
Computer Equipment		**–**	**1,950**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**2,019**	**5,781**	**–**	**–**	**–**	**–**	**500**	**–**	**–**
Machinery and Equipment		**300**	**15,350**	**–**	**–**	**–**	**–**	**9,432**	**12,132**	**7,072**
Transport Assets		**954**	**177,628**	**110,382**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**31,297**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Upgrading of Existing Assets	**6**	**–**	**–**	**175,803**	**72,598**	**163,479**	**163,479**	**349,955**	**398,791**	**423,638**
Roads Infrastructure		–	–	90,518	53,201	121,015	121,015	108,700	141,824	147,625
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	6,325	–	–	–	56,290	56,926	67,968
Water Supply Infrastructure		–	–	50,484	4,352	9,527	9,527	19,000	12,000	6,480
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	4,263	8,295	18,160	18,160	14,356	13,000	16,653
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Infrastructure		**–**	**–**	**151,590**	**65,848**	**148,701**	**148,701**	**198,346**	**223,749**	**238,725**
Community Facilities		–	–	149	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	1,633	1,000	2,189	2,189	–	–	–
Community Assets		**–**	**–**	**1,782**	**1,000**	**2,189**	**2,189**	**–**	**–**	**–**
Heritage Assets		**–**	**–**	**8,423**	**–**	**–**	**–**	**14,144**	**16,130**	**18,049**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**600**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**100**	**–**	**–**
Machinery and Equipment		**–**	**–**	**1,389**	**5,750**	**12,588**	**12,588**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**136,765**	**158,912**	**166,864**
Land		**–**	**–**	**12,620**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure	**4**	**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
Roads Infrastructure		143,901	101,461	137,819	223,897	265,081	265,081	120,100	148,774	153,775
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		94,638	62,132	99,456	97,828	88,971	88,971	91,490	123,376	134,891
Water Supply Infrastructure		74,458	48,980	50,484	42,761	43,048	43,048	19,000	12,000	6,480
Sanitation Infrastructure		37,191	–	1,198	68,020	59,689	59,689	–	–	–
Solid Waste Infrastructure		1,057	30,863	23,640	14,151	23,088	23,088	33,356	38,008	43,661
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**351,245**	**243,435**	**312,597**	**446,657**	**479,877**	**479,877**	**263,946**	**322,157**	**338,807**
Community Facilities		1,079	8,707	4,191	16,883	5,720	5,720	10,275	29,266	17,496
Sport and Recreation Facilities		37,158	33,723	26,504	11,458	13,573	13,573	–	–	–

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Community Assets		**38,236**	**42,429**	**30,695**	**28,341**	**19,293**	**19,293**	**10,275**	**29,266**	**17,496**
Heritage Assets		**7,602**	**40,394**	**42,174**	**4,042**	**4,866**	**4,866**	**26,028**	**26,630**	**29,399**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		18,885	–	2,885	1,586	1,335	1,335	–	–	–
Housing		–	–	–	5,123	5,902	5,902	–	–	–
Other Assets		**18,885**	**–**	**2,885**	**6,709**	**7,236**	**7,236**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		29,287	195	8,968	50,219	40,720	40,720	16,200	19,500	19,500
Intangible Assets		**29,287**	**195**	**8,968**	**50,219**	**40,720**	**40,720**	**16,200**	**19,500**	**19,500**
Computer Equipment		**–**	**21,812**	**34,960**	**2,325**	**2,536**	**2,536**	**11,283**	**11,703**	**15,803**
Furniture and Office Equipment		**11,168**	**56,543**	**4,305**	**7,118**	**7,450**	**7,450**	**9,787**	**5,895**	**5,845**
Machinery and Equipment		**25,123**	**26,209**	**35,228**	**15,448**	**22,764**	**22,764**	**21,512**	**28,892**	**23,572**
Transport Assets		**1,424**	**177,966**	**110,460**	**10,524**	**10,722**	**10,722**	**136,765**	**158,912**	**166,864**
Land		**–**	**39,130**	**12,620**	**–**	**–**	**–**	**17,000**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE - Asset class		**482,969**	**648,114**	**594,892**	**571,382**	**595,466**	**595,466**	**512,795**	**602,954**	**617,286**
ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,198,788**	**7,170,057**	**8,003,467**	**8,011,347**	**8,011,347**	**8,011,347**	**8,299,933**	**8,461,656**	**8,627,608**
Roads Infrastructure		1,804,593	2,995,368	3,657,550	2,652,089	2,652,089	2,652,089	2,665,951	2,545,975	2,416,143
Storm water Infrastructure		148,613	156,435	164,256	162,997	162,997	162,997	171,147	179,704	188,689
Electrical Infrastructure		700,386	1,275,053	1,338,806	1,256,467	1,256,467	1,256,467	1,319,290	1,385,255	1,454,518
Water Supply Infrastructure		873,333	912,163	957,771	1,149,674	1,149,674	1,149,674	1,207,158	1,267,515	1,330,891
Sanitation Infrastructure		588,640	470,205	493,715	650,125	650,125	650,125	682,632	716,763	752,601
Solid Waste Infrastructure		579,408	15,673	16,457	35,522	35,522	35,522	37,298	39,163	41,121
Rail Infrastructure		27,837	1,408	1,479	–	–	–	1,552	1,630	1,712
Coastal Infrastructure		4,624	4,867	5,110	–	–	–	5,366	5,634	5,916
Information and Communication Infrastructure		4,743	5,022	5,301	5,580	5,580	5,580	5,859	6,152	6,460
Infrastructure		**4,732,178**	**5,836,194**	**6,640,445**	**5,912,454**	**5,912,454**	**5,912,454**	**6,096,252**	**6,147,791**	**6,198,050**
Community Assets		**462,387**	**294,811**	**309,552**	**34,508**	**34,508**	**34,508**	**36,234**	**38,045**	**39,948**
Heritage Assets		**119,787**	**126,091**	**132,396**	**247,912**	**247,912**	**247,912**	**260,308**	**273,323**	**286,990**

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Investment properties		**282,710**	**226,212**	**230,737**	**720,224**	**720,224**	**720,224**	**756,235**	**794,047**	**833,749**
Other Assets		**246,995**	**283,455**	**289,125**	**334,721**	**334,721**	**334,721**	**351,457**	**369,030**	**387,482**
Biological or Cultivated Assets										
Intangible Assets		**764**	**804**	**844**	**26,539**	**26,539**	**26,539**	**27,866**	**29,259**	**30,722**
Computer Equipment		**47,309**	**49,799**	**52,289**	**1,227**	**1,227**	**1,227**	**1,288**	**1,352**	**1,420**
Furniture and Office Equipment		**75,086**	**56,298**	**59,113**	**16,019**	**16,019**	**16,019**	**16,820**	**17,661**	**18,544**
Machinery and Equipment		**161,328**	**222,451**	**211,328**	**577,334**	**577,334**	**577,334**	**606,201**	**636,511**	**668,336**
Transport Assets		**70,244**	**73,941**	**77,638**	**140,259**	**140,259**	**140,259**	**147,272**	**154,635**	**162,367**
Land					**150**	**150**	**150**			
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**5**	**6,198,788**	**7,170,057**	**8,003,467**	**8,011,347**	**8,011,347**	**8,011,347**	**8,299,933**	**8,461,656**	**8,627,608**
EXPENDITURE OTHER ITEMS		**717,997**	**776,766**	**470,370**	**681,043**	**680,098**	**680,098**	**589,370**	**616,751**	**646,505**
Depreciation	7	555,153	605,422	470,370	468,636	467,692	467,692	492,025	516,580	542,365
Repairs and Maintenance by Asset Class	**3**	**162,844**	**171,344**	**–**	**212,407**	**212,407**	**212,407**	**97,345**	**100,171**	**104,139**
Roads Infrastructure		47,029	49,483	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		50,160	52,779	–	55,411	55,411	55,411	60,146	61,903	63,750
Water Supply Infrastructure		15,460	16,267	–	8,427	8,427	8,427	–	–	–
Sanitation Infrastructure		6,125	6,445	–	121,923	121,923	121,923	–	–	–
Solid Waste Infrastructure		8,472	8,915	–	1,708	1,708	1,708	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		**127,246**	**133,888**	**–**	**187,469**	**187,469**	**187,469**	**60,146**	**61,903**	**63,750**
Community Facilities		17,218	17,639	–	4,043	4,043	4,043	21	67	69
Sport and Recreation Facilities		–	–	–	5,390	5,390	5,390	–	–	–
Community Assets		**17,218**	**17,639**	**–**	**9,433**	**9,433**	**9,433**	**21**	**67**	**69**
Heritage Assets		**18,379**	**19,816**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	3,509	3,509	3,509	20,719	19,918	20,554

KZN225 Msunduzi - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	3,509	3,509	3,509	20,719	19,918	20,554
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	1,061	1,061	1,061	16,458	18,282	19,766
Transport Assets		–	–	–	10,935	10,935	10,935	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		717,997	776,766	470,370	681,043	680,098	680,098	589,370	616,751	646,505

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.

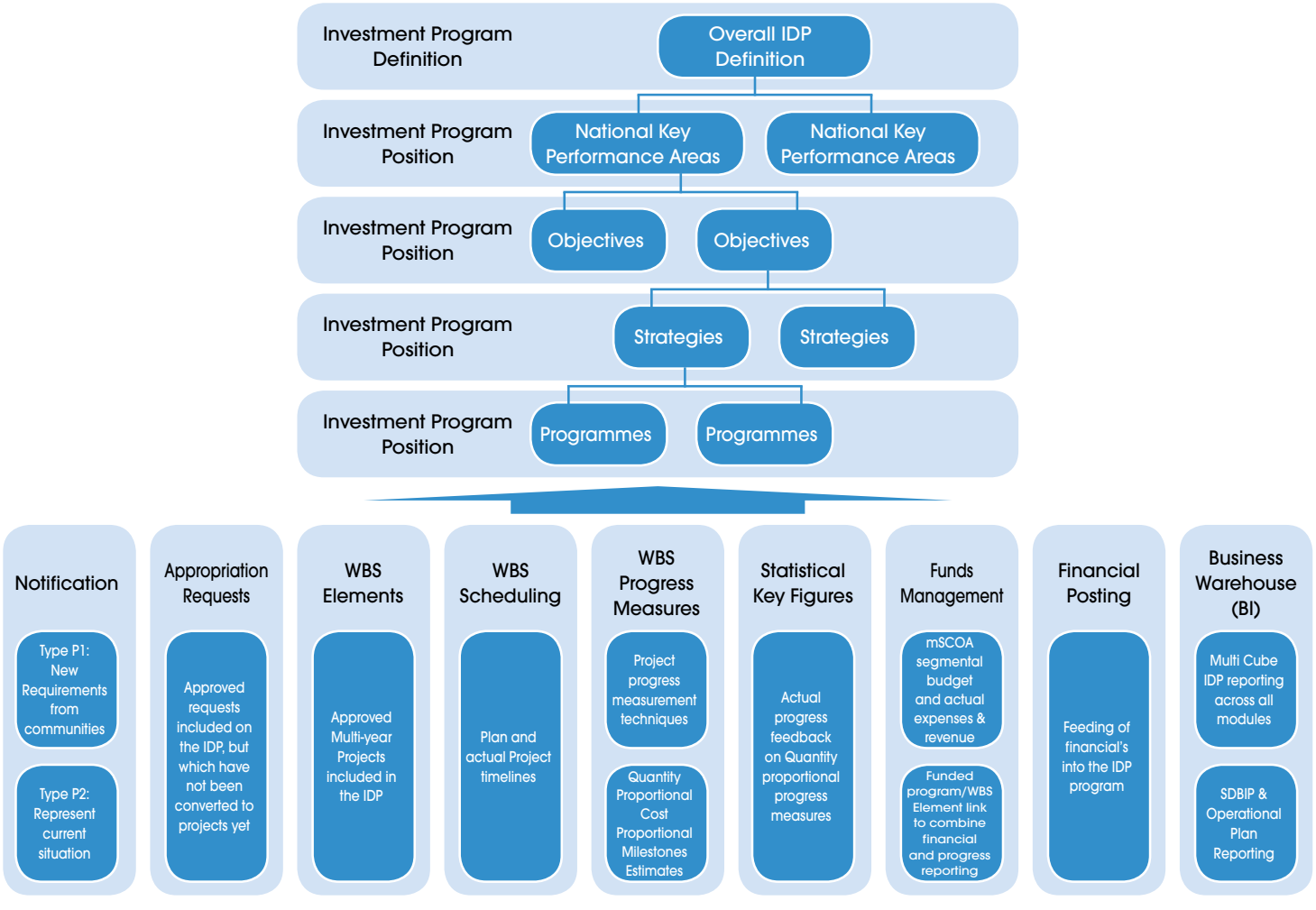
These "projects" does not only refer to projects as defined in the traditional sense of the word, but they include all types of work areas relating to the municipality:

- 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	2017/2018	2018/2019	2019/2020	TOTAL COST
1	Education	refurbishment and rehabilitation of zuzulwazi secondary school					234	234
2	Education	new /replacement infrastructure assets at new woodlands primary school					1924	1924
3	Education	new /replacement infrastructure assets at umvuzo secondary school						
4	Education	maintenance and repair of m l sultan secondary school						
5	Education	maintenance and repair of nkabini primary school						
6	Education	Major Repairs & Renovations at Mehlokazulu Sec						
7	Social development	Child Care and Protection at Inkululeko Creche		Ward 1	R 157 080.00			R 157 080.00
8	Social development	Child Care and Protection at iSibukosezwe Creche		ward 1	R 192 984.00			R 192 984.00
9	Social development	Child Care and Protection at Qalokusha Creche		Ward 1	R 45 492.00			R 45 492.00
10	Social development	Child Care and Protection at Superkids Montesory		Ward 1	R 71 689.00			R 71 689.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
11	Social development	Child Care and Protection at KwaNomusa Creche		Ward 2	R 94 809.00			R 94 809.00
12	Social development	Child Care and Protection at Mbubu Creche		Ward 2	R 102 306.00			R 102 306.00
13	Social development	Child Care and Protection at St Raphaels Creche		Ward 2	R 134 640.00			R 134 640.00
14	Social development	Child Care and Protection at Umkhuleko		Ward 2	R126 616.00			R126 616.00
15	Social development	Child Care and Protection at Uthando Creche		Ward 2	R128 418.00			R128 418.00
16	Social development	Child Care and Protection at Harmony Creche		Ward 3	R 102 187.00			R 102 187.00
17	Social development	Child Care and Protection at uMzamo Creche		Ward 3	R 92 939.00			R 92 939.00
18	Social development	Child Care and Protection at Mpumelelo Educare Community Centre		Ward 3	R 44 880.00			R 44 880.00
19	Social development	Child Care and Protection at Press Pre-School		Ward 3	R 62 084.00			R 62 084.00
20	Social development	Child Care and Protection at Siyakhula Creche		Ward 3	R 85 833.00			R 85 833.00
21	Social development	Child Care and Protection at Gezubuso Creche		Ward 4	R 118 711.00			R 118 711.00
22	Social development	Child Care and Protection Senzokuhle Creche		Ward 4	R 201 960.00			R 201 960.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
23	Social development	Child Care and Protection at Thuthuka Pre-School		Ward 4	R 96 662.00			R 96 662.00
24	Social development	Child Care and Protection at Sunshine Creche and Preschool		Ward 5	R 65 229.00			R 65 229.00
25	Social development	Child Care and Protection at Amen Day Care Centre		Ward 5	R 78 744.00			R 78 744.00
26	Social development	Child Care and Protection at Siyafunda Creche		Ward 5	R 125 664.00			R 125 664.00
27	Social development	Child Care and Protection at Siyaqoqa Creche		Ward 5	R 95 574.00			R 95 574.00
28	Social development	Child Care and Protection at Sizamiseni Creche		Ward 5	R 104 890.00			R 104 890.00
29	Social development	Child Care and Protection at Sizanokuhle crèche		Ward 5	R 125 800.00			R 125 800.00
30	Social development	Child Care And Protection at Ngubeni Creche (New Structure)		Ward 5	R 5,7 Million			R 5,7 Million
31	Social development	Child Care and Protection at Buhlebethu Creche		Ward 6	R 96 118.00			R 96 118.00
32	Social development	Child Care and Protection at Dindi Creche		Ward 6	R137 479.00			R137 479.00
33	Social development	Child Care and Inkanyiso Creche Protection at		Ward 6	R 72 216.00			R 72 216.00
34	Social development	Child Care and Protection at Masibumbane Creche		Ward 6	R 63 121.00			R 63 121.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
35	Social development	Child Care and Protection at Nyakazani Creche		Ward 6	R 89 420.00			R 89 420.00
36	Social development	Child Care and Protection at Poland Creche		Ward 6	R134 373.00			R134 373.00
37	Social development	Child Care and Protection at Zamani Creche		Ward 6	R126 174.00			R126 174.00
38	Social development	Child Care and Protection at Zamelamanadi Creche		Ward 6	R 63 682.00			R 63 682.00
39	Social development	Child Care and Protection at Kusile Community Centre		Ward 7	R131 648.00			R131 648.00
40	Social development	Child Care and Protection at Mamboza Creche		Ward 7	R 58 310.00			R 58 310.00
41	Social development	Child Care and Protection at Nzondweni Creche		Ward 7	R154 105.00			R154 105.00
42	Social development	Child Care and Protection at Siyakhanya Creche		Ward 7	R143 616.00			R143 616.00
43	Social development	Child Care and Protection at Thandokuhle Creche		Ward 7	R 45 883.00			R 45 883.00
44	Social development	Child Care and Protection at Thembalihle Crèche		Ward 7	R128 248.00			R128 248.00
45	Social development	Child Care and Protection at Ikusasa Elihle Youth Organisation		Ward 7	R300.000.00			R300.000.00
46	Social development	Child Care and Protection at Inhlosenhle Creche		Ward 8	R 86 887.00			R 86 887.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
47	Social development	Child Care and Protection at Khombindlela Creche		Ward 8	R 77 979.00			R 77 979.00
48	Social development	Child Care and Protection at Mahlobo Creche		Ward 8	R 78 370.00			R 78 370.00
49	Social development	Child Care and Protection at Qalokuhle Creche		Ward 8	R125 188.00			R125 188.00
50	Social development	Child Care and Protection at Thandabantu Creche		Ward 8	R 48 688.00			R 48 688.00
51	Social development	Child Care and Protection at Imbalenhle Creche		Ward 9	R 73 134.00			R 73 134.00
52	Social development	Child Care and Protection at Inadi Creche		Ward 9	R112 200.00			R112 200.00
53	Social development	Child Care and Protection at Othandweni Creche		Ward 9	R130 373.00			R130 373.00
54	Social development	Child Care and Protection at Siyathuthuka Creche		Ward 9	R 59 874.00			R 59 874.00
55	Social development	Child Care and Protection at Thinasonke Creche		Ward 9	R225 760.00			R225 760.00
56	Social development	Child Care and Protection at Ikhwezi Creche		Ward 10	R108 936.00			R108 936.00
57	Social development	Child Care and Protection at Vulamehlo Creche		Ward 10	R149 056.00			R149 056.00
58	Social development	Child Care and Protection at Thandokuhle Creche		Ward 10	R137 802.00			R137 802.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
59	Social development	Child Care and Protection at Tholulwazi Creche		Ward 10	R93 925.00			R93 925.00
60	Social development	Child Care and Protection at Tholulwazi Creche		Ward 11	R90 865.00			R90 865.00
61	Social development	Child Care and Protection at Thubalethu Creche		Ward 11	R89 658.00			R89 658.00
62	Social development	Child Care and Protection at Fudumele Creche		Ward 12	R269 280.00			R269 280.00
63	Social development	Child Care and Protection at Sbongumusa Creche		Ward 12	R142 375.00			R142 375.00
64	Social development	Child Care and Protection at Mthuthuzeli Creche		Ward 12	R246 840.00			R246 840.00
65	Social development	Child Care and Protection at Zenzele Creche		Ward 12	R121 142.00			R121 142.00
66	Social development	Child Care and Protection at Selby Msimang Creche		Ward 12	R196 554.00			R196 554.00
67	Social development	Child Care and Protection at Buhlebuyeza Creche		Ward 13	R157 352.00			R157 352.00
68	Social development	Child Care and Protection at Buthokuhle Creche		Ward 13	R127 449.00			R127 449.00
69	Social development	Child Care and Protection at Endumisweni Creche		Ward 13	R45 339.00			R45 339.00
70	Social development	Child Care and Protection at Sindisiwe Creche		Ward 13	R106 046.00			R106 046.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
71	Social development	Child Care and Protection at Siyakhana Creche		Ward 13	R100 725.00			R100 725.00
72	Social development	Child Care and Protection at Zamimpilo Dropping Centre		Ward 13	R96 390.00			R96 390.00
73	Social development	Child Care and Protection at Siyacathula Creche		Ward 13	R125 664.00			R125 664.00
74	Social development	Child Care and Protection at Siyajabula Creche		Ward 13	R56 933.00			R56 933.00
75	Social development	Child Care and Protection at Sizamokuhle Creche		Ward 13	R84 014.00			R84 014.00
76	Social development	Child Care and Protection at Vukuzakhe Creche		Ward 13	R52 241.00			R52 241.00
77	Social development	Child Care and Protection at Manzini Creche		Ward 14	R90 916.00			R90 916.00
78	Social development	Child Care and Protection at Masihambisane Creche		Ward 14	R148 104.00			R148 104.00
79	Social development	Child Care and Protection at Masijabule Creche		Ward 14	R148 104.00			R148 104.00
80	Social development	Child Care and Protection at Thandokuhle Creche		Ward 14	R179 520.00			R179 520.00
81	Social development	Child Care and Protection at Zamukuphila Creche		Ward 14	R80 155.00			R80 155.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
82	Social development	Child Care and Protection at Ekuthuleni Creche		Ward 15	R201 960.00			R201 960.00
83	Social development	Child Care and Protection at Isu Elihle Creche		Ward 15	R125 664.00			R125 664.00
84	Social development	Child Care and Protection at Senzokuhle Creche		Ward 15	R82 144.00			R82 144.00
85	Social development	Child Care and Protection at Unit J Community Creche		Ward 16	R246 840.00			R246 840.00
86	Social development	Child Care and Protection at Ezizamele Creche		Ward 17	R134 640.00			R134 640.00
87	Social development	Child Care and Protection at Sbongumusa Creche		Ward 17	R201 960.00			R201 960.00
88	Social development	Child Care and Protection at Sbonguthando Creche		Ward 17	R70 210.00			R70 210.00
89	Social development	Child Care and Protection at Siyanda Creche		Ward 17	R182 270.00			R182 270.00
90	Social development	Child Care and Protection at Sizakahle Creche		Ward 17	R129 455.00			R129 455.00
91	Social development	Child Care and Protection at Thuthukani Creche		Ward 17	R153 850.00			R153 850.00
92	Social development	Child Care and Protection at Siyabonga Creche		Ward 18	R224 400.00			R224 400.00
93	Social development	Child Care and Protection at Ikusasa Elihle		Ward 19	R61 625.00			R61 625.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
94	Social development	Child Care and Protection at Vusumuzi Creche		Ward 19	R188 496.00			R188 496.00
95	Social development	Child Care and Protection at Mirriam Zulu Creche		Ward 20	R103 989.00			R103 989.00
96	Social development	Child Care and Protection at Zamani Day Care Centre		Ward 20	R336 600.00			R336 600.00
97	Social development	Child Care and Protection at Duduzile Creche		Ward 21	R106 777.00			R106 777.00
98	Social development	Child Care and Protection at Funokuhle Creche		Ward 21	R157 080.00			R157 080.00
99	Social development	Child Care and Protection at Machibisa Creche		Ward 21	R98 753.00			R98 753.00
100	Social development	Child Care and Protection at Malungelo Creche		Ward 21	R267 920.00			R267 920.00
101	Social development	Child Care and Protection at Nqoba Pre-primary School		Ward 21	R291 720.00			R291 720.00
102	Social development	Child Care and Protection at Sakhokwethu Creche		Ward 21	R80 393.00			R80 393.00
103	Social development	Child Care and Protection at Sbonginhlanhla Creche		Ward 21	R80 393.00			R80 393.00
104	Social development	Child Care and Protection at Sphembokuhle Creche		Ward 21	R117 317.00			R117 317.00
105	Social development	Child Care and Protection at Zenzeleni Creche		Ward 21	R205 717.00			R205 717.00

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
106	Social development	Child Care and Protection at Phumelela Creche		Ward 22	R96 917.00			R96 917.00
107	Social development	Child Care and Protection at Surtherlands Tunnary Creche		Ward 22	R134 555.00			R134 555.00
108	Social development	Child Care and Protection at Ukuhlakanipha Creche		Ward 22	R87 737.00			R87 737.00
109	Social development	Child Care and Protection at Sibalukhulu Creche		Ward 22	R44 880.00			R44 880.00
110	Social development	Child Care and Protection at Zuzulwazi Creche		Ward 22	R112 642.00			R112 642.00
111	Social development	Child Care and Protection at Ashdown Creche		Ward 23	R489 192.00			R489 192.00
112	Social development	Child Care and Protection at Ashdown Zinhle Creche		Ward 23	R179 520.00			R179 520.00
113	Social development	Child Care and Protection at SAVF Kalinka Educare Centre		Ward 24	R314 160.00			R314 160.00
114	Social development	Child Care and Protection at Masakhane Creche		Ward 34	R269 280.00			R269 280.00
115	Social development	Child Care and Protection at Sobantu Village Creche		Ward 35	R314 160.00			R314 160.00
116	Public works	new admin wing: completion contract no 2 (038518)	design stage		R1m			R1m

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
117	Public works	refurbishment of existing buildings and conversion into new kzn construction development centre and new confirence centre	Design stage		R2,5m			R2,5m
118	Public works	day to day maintance	on going		R2,5m			2,5m
119	Mngeni water	251 raw water pipeline: midma dam to midmar WTP.	completed		R 9 380 580			R162 604 474
120	Mngeni water	Midmar WTP up-grade	construction		R 46 819 041	R 48 893 866		R305 559 812
121	Mngeni water	Vulindlela up-grade	Pre-feasibility		RO.00	R0.00		R 330 573 800
122	Mngeni water	Howick-reservoir up-grad	tender		R0.OO	R0.00		R 70 166 179
123	Mngeni water	Umkhomazi water up-grade	Detailed feasibility		R0.00	R0.00		R 5 678 519 865
124	Mngeni water	Darville wastewater	construction		R57 743 206	R71 429 843		R 960 973 859
125	Mngeni water	Table mountain up-grade	Detailed feasibility		R 0.00	R 0.00		R 120 000 000
127	SANRAL	N3: New England – Twickenham Rd	Tender/Design		1 billion			1 billion
128	SANRAL	N3: PMB Bypass	Planning and Design		10 billion			10 billion
129	SANRAL	N3: Asburton I/C – Murray Road	Tender/Design		TBC			
130	SANRAL	N3: Twickenham - Cedara	Project Identification		TBC			
131	SANRAL	N3: Sanctuary Rd I/C - Cedara	Construction (0-20%)		1,7 million			1,7 million
132	SANRAL	N3: Sanctuary Rd I/C - Cedara	Tender/Design		TBC			
133	SANRAL	N3: New England Road I/C to Twickenham Underpass	tender design		337 million (subject to available funding			337 million (subject to available funding

NO.	DEPARTMENT	PROJECT NAME	STATUS (Completed, In progress Planned)	Ward/ location	2017/2018	2018/2019	2019/2020	TOTAL COST
134	SANRAL	N3: Lynnfield Park – Ashburton I/C, Improvements and Upgrades	tender/design		TBC			

1 Budget Subject to Review.

TABLE 97: DRAFT 2019-2020 SDBIP

INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019						
											B2B REPORTING 2018 / 2019						
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
E	E2	2 - BACK TO BASICS	B2B 1	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of Ward committee meetings held	468 X Monthly Reports on the functioning/ status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019	468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019	351 X Monthly Reports on the functioning/ status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 31st of March 2019	312 X Monthly Reports on the functioning/ status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 28th of February 2018						
E	E2	2 - BACK TO BASICS	B2B 2	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of Ward Committee meetings held per month in the past quarter (per ward)?	3 meeting per quarter	468 X Ward Committee meetings to be held	351 X Ward Committee meetings to be held	312 X Ward Committee meetings to be held		.				
E	E2	2 - BACK TO BASICS	B2B 3	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Percentage attendance at ward committee meetings:	50% + 1	100% attendance of all ward committee members at ward committee meetings scheduled for the respective month	100% attendance of all ward committee members at ward committee meetings scheduled for the respective quarter	100% attendance of all ward committee members at ward committee meetings scheduled for the respective month		.				
E	E2	2 - BACK TO BASICS	B2B 4	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of ward reports submitted per ward?	3 meeting per quarter	468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019	351 X Monthly Reports on the functioning/ status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 31st of March 2019	312 X Monthly Reports on the functioning/ status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 28th of February 2019		.				



INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019							
											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
E	E2	2 - BACK TO BASICS	B2B 5	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of sectoral reports submitted per ward committee per month	N/A	As when required	As when required	As when required		.				
E	E2	2 - BACK TO BASICS	B2B 6	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of community report back meetings	N/A	0	351 X Ward Committee meetings to be held	312 X Ward Committee meetings to be held		.				
E	E2	2 - BACK TO BASICS	B2B 7	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of wards where Community meetings were held (list wards)	1 meeting per quarter	As when required	351 X Ward Committee meetings to be held	312 X Ward Committee meetings to be held		.				
E	E2	2 - BACK TO BASICS	B2B 8	MM / M:MKT & COM	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Does the Municipality have a Complaint Management System	Yes or No	Yes or No	Yes or No	Yes or No		.				
E	E2	2 - BACK TO BASICS	B2B 9	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Number of Public participation reports submitted	N/A	Minutes of ward and community meetings from each of the 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2018	Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 31st of March 2018	Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 28th of February 2018		.				
E	E2	2 - BACK TO BASICS	B2B 10	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Is the report on public participation a standing item on Council Agenda?	N/A	As when required	As when required	As when required		.				
E	E2	2 - BACK TO BASICS	B2B 11	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	No. of community protests that occurred during the quarter?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E2	2 - BACK TO BASICS	B2B 12	MM / M:OTS	(MONTHLY / QUARTERLY)	.	1 - PUTTING PEOPLE FIRST	No. of protests that became violent?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E2	2 - BACK TO BASICS	B2B 13	MM / M:OTS	(MONTHLY / QUARTERLY)	.	1 - PUTTING PEOPLE FIRST	List three top causes of community protests during the quarter:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E2	2 - BACK TO BASICS	B2B 14	MM / M:OTS	(MONTHLY / QUARTERLY)	.	1 - PUTTING PEOPLE FIRST	What actions has the Municipality taken to address such protests?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E2	2 - BACK TO BASICS	B2B 15	MM / M:OTS	(MONTHLY / QUARTERLY)	.	1 - PUTTING PEOPLE FIRST	How many protests have been sufficiently addressed?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				

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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
E	E1	2 - BACK TO BASICS	B2B 16	MM / M:OMM	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	SDBIP quarterly progress report Submitted to Council	N/A	N/A	3 X SDBIP & OP 2017/2018 quarterly reports submitted to the OMC (Q4 of 16/17 FY & Q1 & Q2 of 16/17 FY) by the 31st of January 2018	N/A		.				
								Date submitted to Council (Indicate which quarterly progess has been submitted)	N/A	Date submitted to Council	Date submitted to Council	Date submitted to Council		.				
								Does the SDBIP accurately reflect budget implementation progress for the previous quarter?	N/A	YES	YES	YES		.				
								What challenges exists in submission of SDBIP report to Council?	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Was SDBIP progress report information audited by Internal Audit?	N/A	YES	YES	YES		.				
								Was the quarterly progress report considerd by the Audit Committee/ Performance Audit Committee prior to submission to Council?	N/A	YES	YES	YES		.				
E	E1	2 - BACK TO BASICS	B2B 17	MM / M:OMM	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Are IGR structures in place and functioning effectively	District Mayors Forum, MM's forum and District technical forums	Yes	Yes	Yes		.				
								Number of structures (Mayors forum, MMs forum, Speakers forum)	N/A	Attendance at all Structture meetings as per invites received	Attendance at all Structure meetings as per invites received	Attendance at all Structure meetings as per invites received		.				
								Number of functional forums	N/A	Cannot plan target	Cannot plan target	Cannot plan target		.				
								Number of meetings held per forum per quarter	N/A	Cannot plan target	Cannot plan target	Cannot plan target		.				
								Percentage of functional IGR Structures	N/A	Cannot plan target	Cannot plan target	Cannot plan target		.				
E	E3	2 - BACK TO BASICS	B2B 18	MM / M:OTS	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Number of Traditional Leadership participating in Council meetings	As per Gazette	6 traditional councils in the municipal boundary	6 traditional councils in the municipal boundary	6 traditional councils in the municipal boundary		.				
								Number of Traditional leaders participating in municipal council	N/A	4 Traditional Leaders participating in Council meetings	4 Traditional Leaders participating in Council meetings	4 Traditional Leaders participating in Council meetings		.				
								Percentage participation	N/A	100%	100%	100%		.				



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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								What are the main reasons for the gazetted Traditional leaders not participating in Municipal Council Meetings	N/A	List Reasons	List Reasons	List Reasons		.				
E	E1	2 - BACK TO BASICS	B2B 19	MM / EXECUTIVE MANAGER: INTERNAL AUDIT	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Is there an Anti-Corruption Policy in place	Yes or No	Yes	Yes	Yes		.				
								What are the main reasons for lack of adopted policy/ strategy?	N/A	N/A	N/A	N/A		.				
								Is there a risk register in plance?	N/A	Yes	Yes	Yes		.				
								Policy/strategy in draft from, not yet adopted?	N/A	No	No	No		.				
								Number of instances of fraud and corruption reported in the municipality in the past quarter?	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
								Number and list status of forensic investigations in the past quarter (initiated/conducted)?	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
								Number of forensic Investigation in the previous Month/ Quarter	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 20	MM / EXECUTIVE MANAGER: INTERNAL AUDIT	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Percentage of Audit Queries dealt with as per the AG action plan	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
								What were the challenges experienced durring the audit?	N/A	List Challenges	List Challenges	List Challenges		.				
								Number of Audit findings:	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
								Additional measures in place (state action taken against fraud and corruption);	N/A	List Additional measures	List Additional measures	List Additional measures		.				
								What were the key findings:	N/A	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable	Target cannot be planned for as incidence unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 21	MM / M:OMM	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Performance Assessments conducted for each manager: (Yes/No)	N/A	Yes	Yes	Yes		.				

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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Have all Performance Agreements been signed and signed and submitted to the MEC for Local Government?	N/A	Yes	Yes	Yes		.				
								List of Managers assessed	N/A	List number of Managers	List number of Managers	List number of Managers		.				
								Period assessed:	N/A	Individual Quarterly reviews conducted as per Approved Assesment Schedule	Individual Quarterly reviews conducted as per Approved Assessment Schedule	Individual Quarterly reviews conducted as per Approved Assessment Schedule		.				
								Date of assessment:	N/A	Individual Quarterly reviews conducted as per Approved Assesment Schedule	Individual Quarterly reviews conducted as per Approved Assessment Schedule	Individual Quarterly reviews conducted as per Approved Assessment Schedule		.				
								If No, state the reasons why performance assessments have not been done:	N/A	Target cannot be planned	Target cannot be planned	Target cannot be planned		.				
								Has PMS been cascaded to any other level of staff (provide details)?	N/A	Target cannot be planned	Target cannot be planned	Target cannot be planned		.				
E	E1	2 - BACK TO BASICS	B2B 22	MM / M:OMM	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Has the municipality paid performance bonuses (list manager and amount)?	N/A	N/A	N/A	N/A		.				
								Quarterly assessment of MM and section 56 managers conducted (State which Quarter was conducted)	Individual Quarterly reviews conducted as per LG : Municipal Performance Regulations	Quarterly assessment of MM and section 56 managers conducted (State which Quarter was conducted)	Quarterly assessment of MM and section 56 managers conducted (State which Quarter was conducted)	Quarterly assessment of MM and section 56 managers conducted (State which Quarter was conducted)		.				
E	E1	2 - BACK TO BASICS	B2B 23	MM / MANAGER: IDP	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Integrated DeveloSMent Plan Credibility Score	Improved % of IDP credibility scores	Improved % of IDP credibility scores	Improved % of IDP credibility scores	Improved % of IDP credibility scores		.				
B	B3	2 - BACK TO BASICS	B2B 24	GM: ECONOMIC DEVELOSMENT / SM: HUMAN SETTLEMENTS	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Housing Provision Level/Backlog	N/A	N/A	N/A	N/A		.				
B	B3	2 - BACK TO BASICS	B2B 25	GM: ECONOMIC DEVELOSMENT / SM: HUMAN SETTLEMENTS	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Houses Required	N/A	N/A	N/A	N/A		.				
B	B3	2 - BACK TO BASICS	B2B 26	GM: ECONOMIC DEVELOSMENT / SM: HUMAN SETTLEMENTS	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Number of Houses provided	N/A	N/A	N/A	N/A		.				



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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
B	B3	2 - BACK TO BASICS	B2B 27	GM: ECONOMIC DEVELOSMENT / SM: HUMAN SETTLEMENTS	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	What are blockages challenge it terms of backlog alleviation?	N/A	N/A	N/A	N/A		.				
								Funding	N/A					.				
								SMU Capacity	N/A					.				
								SCM Delays	N/A	N/A	N/A	N/A		.				
B	B1	2 - BACK TO BASICS	B2B 28	GM: ECONOMIC DEVELOSMENT / SM: HUMAN SETTLEMENTS	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Do you have an approved Housing Sector Plan?	Yes or No	Yes or No	Yes or No	Yes or No		.				
B	B3	2 - BACK TO BASICS	B2B 29	GM: COMMUNITY SERVICES / SM: COMMUNITY DEVELOPMENT	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Refuse Removal	• Calculation : number of households provided with a refuse collection service divided by total number of households in the municipal area X 100	120 000	120 000	120 000		.				
								Households	Number of Households	120 000	120 000	120 000		.				
								Frequency of refuse removal?	Weekly	Weekly	Weekly	Weekly		.				
								How many households receive other forms of refuse removal, define (rural areas)	N/A	120 000	120 000	120 000		.				
								What are blockages and challenges in terms refuse removal?	N/A	List blockages and Challenges	List blockages and Challenges	List blockages and Challenges		.				
E	E2	2 - BACK TO BASICS	B2B 30	CFO / SM: REVENUE	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	How many households registered on the indigent Register	8000	7000	7000	7000		.				
								How regulary does the municipality update the indigent register?	Monthly	Monthly	Monthly	Monthly		.				
								Number of beneficiaries receiving free basic water?	Monthly	5000	5000	5000		.				
								Number of beneficiaries receiving free basic electricity?	Monthly	3000	3000	3000		.				
								Number of beneficiaries receiving Free Property rates	Monthly	9000	9000	9000		.				
								Number of beneficiaries receiving free refuse removal?	Monthly	5000	5000	5000		.				

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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
D	D3	2 - BACK TO BASICS	B2B 31	CFO / SM: REVENUE	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	% spend of the Municipality's operating budget on free basic services in the past quarter. Formula: actual spent on free basic services/allocation in terms of the equitable share formula.	% spend of the Municipality's operating budget on free basic services in the past quarter / month	100%	100%	90%		.				
								Actual:	N/A	N/A	N/A	N/A		.				
								Budget:	N/A	N/A	N/A	N/A		.				
D	D3	2 - BACK TO BASICS	B2B 32	CFO / SM: SCM	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Number of tenders above R200 000 that were awarded and the value of each?	N/A	number of tenders awarded	number of tenders awarded per quarter	number of tenders awarded for the month		.				
								What was the longest length of time taken to award a bid?	N/A	90 days turnaround time for the processing of tenders	90 days turnaround time for the processing of tenders	90 days turnaround time for the processing of tenders		.				
								What was the total value of all tenders awarded in the past month	N/A	Total Value of tenders awarded	Total value of tenders awarded per quarter	Total value of tenders awarded for the month		.				
								How many section 36 awards were made in the past month?	N/A	Number of Section 36 awarded	Number of Section 36 awards per quarter	Number of Section 36 awards for the month		.				
								What was the total value of section 36 awards made in the past month?	N/A	Total Value of Section 36 awards	Total Value of Section 36 awards per quarter	Total Value of Section 36 awards for the month		.				
								What was the reason for the delay?	N/A	List Reasons for Delays	List Reasons for Delays	List Reasons for Delays		.				
								Has the issue been resolved, if not what actions have been implemented?	N/A	Yes or No	Yes or No	Yes or No		.				
								Is the SCM component fully staffed and has the capacity?	N/A	Yes or No	Yes or No	Yes or No		.				
D	D3	2 - BACK TO BASICS	B2B 33	CFO / SM: BUDGET & TREASURY	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Percentage of the annual operating budget spent in the past quarter. Formula : Operating Expenditure Budget ; Formula : Actual Operating Expenditure/Budgeted Operating Expenditure × 100 The indicator measures the extent to which budgeted operating expenditure has been spent during the financial year. It assesses the effectiveness of controls over the budget.	N/A	100%	75%	65%		.				



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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Allocation:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Budget:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Actual % of budget spent:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								SCM Delays	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
D	D3	2 - BACK TO BASICS	B2B 34	CFO / SM: BUDGET & TREASURY	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Actual Repairs and Maintenance as a % of budgeted Repairs and Maintenance expenditure Formula: (actual R&M/ Budgeted R&M)*100	100%	100%	100%	100%		.				
D	D3	2 - BACK TO BASICS	B2B 35	CFO / SM: REVENUE	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	DEBTORS MANAGEMENT - Collection Rate Formula : (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue) x 100 - The Ratio indicates the collection rate; i.e. level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. The indicator reflects the percentage of debtors that has been collected in relation to billed revenue.	N/A	90%	90%	90%		.				
								Reasons for under expenditure	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								SCM Delays	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
D	D3	2 - BACK TO BASICS	B2B 36	CFO / SM: REVENUE	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Percentage of debtors outstanding for more than 120 days. Formula: (Debtors over 120 days/ Total debtors)*100	% of debtors outstanding for more than 120 days to be calculated on a monthly basis	% of debtors outstanding for more than 120 days to be calculated on a monthly basis	% of debtors outstanding for more than 120 days to be calculated on a monthly basis	% of debtors outstanding for more than 120 days to be calculated on a monthly basis		.				
								Actual	N/A	To be inserted on a monthly basis	To be inserted on a monthly basis	To be inserted on a monthly basis		.				

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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Budget	N/A	N/A	N/A	N/A		.				
								Reasons for variation of the budget and actual	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
D	D3	2 - BACK TO BASICS	B2B 37	CFO / SM: FG & PM	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	SUSTAINABILITY - Level of Cash Backed Conditional grants. Formula : (cash and cash equivalents-bank overdraft+short term investment (cash)+long term investment(cash))-unspent conditional grants	2:1	2:1	2:1	2:1		.				
								Actual	N/A					.				
								What are the challenges being experienced?	N/A	State Challenges if any	State Challenges if any	State Challenges if any		.				
								Reasons for challenges	N/A	State Challenges if any	State Challenges if any	State Challenges if any		.				
D	D1	2 - BACK TO BASICS	B2B38	CFO / SM: EXPENDITURE	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	EXPENDITURE MANAGEMENT -Irregular, Fruitless and Wasteful and Unauthorized Expenditure / Total Operating Expenditure. Formula: (Irregular, Fruitless and Wasteful and Unauthorized Expenditure) / Total Operating Expenditure x100	N/A	0%	0%	0%		.				
								Total value of Expenditure	N/A	N/A	N/A	N/A		.				
								What is the value of the grants unspent from the previous financial year:	N/A	N/A	N/A	N/A		.				
								Is the municipality reporting against conditional grants	Yes or No	Yes	Yes	Yes		.				
D	D1	2 - BACK TO BASICS	B2B 39	CFO / SM: BUDGET & TREASURY	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Budget implementation - Capital Expenditure Budget Implementation Indicator. Formula - Actual Capital Expenditure / Budget Capital Expenditure x 100 . Indicates the extent to which the capital budget has been implemented. Indicates effectiveness of budgetary control.	N/A	100%	75%	65%		.				
								Actual CAPEX	N/A	N/A	N/A	N/A		.				
								Budget	N/A	N/A	N/A	N/A		.				
								Actual OPEX	N/A	N/A	N/A	N/A		.				
								Budget	N/A	N/A	N/A	N/A		.				



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											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Reasons for deviations from actual	N/A	N/A	N/A	N/A		.				
E	E2	2 - BACK TO BASICS	B2B 40	GM: INFRASTRUCTURE SERVICES	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	1 - PUTTING PEOPLE FIRST	Fuctionality of Rapid Response teams	N/A	N/A	N/A	N/A		.				
B	B3	2 - BACK TO BASICS	B2B 41	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Water Service Delivery Level/ Backlog	Norm/Standard: NDP target of 90% access by 2019 – with minimum water standards	100 x New Water connections completed by the 30th of June 2017 (Aplication Driven)	60 x New Water Connections Completed by the 31st of March 2017	50 x New Water Connections Completed by the 28th of February 2017		.				
								How many households received water?	N/A	Water to insert numbers	Water to insert numbers	Water to insert numbers		.				
								How many water stoppages there were in the previous month?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								The average time taken to fix water stoppages?	1 week	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of households which had their water restricted in the last quarter / month for non-payment	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many households were connected for the first time to the water system?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
B	B3	2 - BACK TO BASICS	B2B 42	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	List Campaigns ro reduce water losses	Norm/Standard: NDP target of 90% access by 2019 – with minimum water standards	92,86% of households to have access to drinking water by the 30 June 2019	92,85 % have access to drinking water by the 30 March 2019.	92,85 % have access to drinking water by the 28 February 2019.		.				
B	B3	2 - BACK TO BASICS	B2B 43	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Sanitation Delivery Level/Backlog	Norm/Standard: NDP target of 90% access by 2019 – with minimum water standards	152290 households to have access to drinking water by the 30 June 2019	152270 have access to drinking water by the 30 March 2019.	152265 have access to drinking water by the 28 February 2019.		.				
B	B1	2 - BACK TO BASICS	B2B 44	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	.	2 - SERVICE DELIVERY	Number of Households	The current average is 150 main line burst pipes per month.	Reduce the average burst pipe frequency to below 150 main line burst month.	Reduce the average burst pipes to below 150 per month	Reduce the average burst pipe frequency to below 150 main line burst month.		.				
B	B3	2 - BACK TO BASICS	B2B 45	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	.	2 - SERVICE DELIVERY	Number of Households with access to Sanitation	Restore all water outages within 1 week	Restore all water outages within 1 week	Restore all water outages within 1 week	Restore all water outages within 1 week		.				
B	B3	2 - BACK TO BASICS	B2B 46	GM: INFRASTRUCTURE / SM: WATER & SANITATION	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	What are blockages challenge it terms of backlog alleviation?	Restrict consumers on request from credit control for non payment	Restrict at least 960 consumers accumulatively by 30 June 2019	Restrict at least 720 consumers accumulatively by March 2019	Restrict at least 640 consumers accumulatively by February 2019		.				

INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019							
											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Funding	Norm/Standard: NDP target of 90% access by 2019 – with minimum water standards	Connect 100 new households to water by the 30 July 2019	Connect at least 40 households to water by the 30 March 2019 (Application Driven)	Target cannot be planned for as it is unpredictable		.				
								SMU Capacity	N/A	Reduced Total Water Losses to maintain below 30% by 30 June 2019.	Total Water Losses = 32.5% by the 31st of March 2019	Total Water Losses = 32.5% by the 28th of February 2018		.				
								SCM Delays	88496(53,96%) of residents have access to sanitation	1200 x VIPs constructed by the 30th of June 2019	700 x VIPs constructed by the 31st of March 2019	600 x VIPs constructed by the 28th of February 2018		.				
								Number of sewer spillages per quarter	N/A	N/A	N/A	N/A		.				
								Number of unplanned water interruptions	N/A	89696 have access to water by the 30 June 2019.	89296 have access to sanitation by the 30 March 2019.	89196 have access to sanitation by the 28 February 2019.		.				
								Average time taken to fix spillages	N/A	N/A	N/A	N/A		.				
B	B3	2 - BACK TO BASICS	B2B 47	GM: INFRASTRUCTURE / SM: ELECTRICITY	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Electricity Provision Level/Backlog	N/A	N/A	N/A	N/A		.				
					(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Number of Households Receiving Electricity (Including Eskom Areas)	N/A	N/A	N/A	N/A		.				
								How many households had their electricity disconnected for non-payment?	N/A	N/A	N/A	N/A		.				
								How many households were connected for the first time to the electricity system?	Reduce mainline sewer blockages to below 4015 per annum(May 2018 report)	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of Households with access to Electricity (Msunduzi Area)	Reduce mainline water burst mains to below 1825 per annum(May 2018 report)	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								What are blockages challenge it terms of backlog alleviation?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Funding	N/A	Electricity To submit numbers	Electricity To submit numbers	Electricity To submit numbers		.				
								SMU Capacity	N/A	List Challenges and Blockages	List Challenges and Blockages	List Challenges and Blockages		.				
								SCM Delays	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				

INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019						
											B2B REPORTING 2018 / 2019						
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
B	B3	2 - BACK TO BASICS	B2B 48	GM: INFRASTRUCTURE / SM: ELECTRICITY	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	Number of unplanned interruptions (outages in the previous quarter/month)	Number of unplanned interruptions (outages in the previous quarter/month)	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								% of electricity losses incurred	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								List Campaigns ro reduce electricity losses	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of land-fill sites.	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of land-fill sites registered?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
B	B3	2 - BACK TO BASICS	B2B 49	GM INFRASTRUCTURE / SM: ROADS & TRANSPORTATION	(MONTHLY / QUARTERLY)	NKPA 2 - BASIC SERVICE DELIVERY	2 - SERVICE DELIVERY	m2 of repairs to potholes on municipal tarred roads as a % of planned m2	N/A	List Campaigns	List Campaigns	List Campaigns		.				
								Total number of kms of road managed by municipality	N/A	1 land-fill sites.	1 land-fill sites.	1 land-fill sites.		.				
								Does municipality have an approved maintanance plan?	Yes or No	1 land-fill sites registered?	1 land-fill sites registered?	1 land-fill sites registered?		.				
								How does municipality address the issue of potholes	N/A	No specific targets set. Potholes are dealt with as and when recorded by members of the public and call centre reports. Team is sent to assess pothole and Repairs re done by internally or the external service provider	No specific targets set. Potholes are dealt with as and when recorded by members of the public and call center reports. Team is sent to assess pothole and Repairs re done by internally or the external service provider	No specific targets set. Potholes are dealt with as and when recorded by members of the public and call center reports. Team is sent to assess pothole and Repairs re done by internally or the external service provider		.				
								Access roads built by Municipality	N/A	14.5	10.5	8		.				
								New gravel roads built: Actual/ Budget	N/A	N/A	N/A	N/A		.				
								New tarred roads built: Actual/ Budget	N/A	14.5	10.5	8		.				
								Kms bladded: Actual/Budget	N/A	Assumed Target: 45km R Value (Assumed Value:) R24 000 000	Assumed Target: 31,5km R Value (Assumed Value:) R18,9000 000	Assumed Target: 28,Km R Value (Assumed Value:) R16,8 000 000		.				

INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019							
											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Kms regravelled: Actual/Budget	N/A	Assumed Target: 45km R Value (Assumed Value:) R24 000 000	Assumed Target: 31,5km R Value (Assumed Value:) R18,9000 000	Assumed Target: 28,Km R Value (Assumed Value:) R16,8 000 000		.				
D	D3	4 - BUILDING FINANCIAL SUSTAINABILITY	B2B 50	GM INFRASTRUCTURE / SM: PMU	(MONTHLY / QUARTERLY)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	4 - SOUND FINANCIAL MANAGEMENT	Percentage of MIG Expenditure	N/A	100%	83.20%	75.50%		.				
								What are blockages and challenges in terms of MIG Expenditure?	N/A	List blockages and Challenges	List blockages and Challenges	List blockages and Challenges		.				
								SMU Capacity:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								SCM Delays:	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 51	GM: CORPORATE SERVICES / SM: SOUND GOVERNANCE	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Number of Council meetings held over the past quarter/ Month	N/A	12 Council meetings held over the past quarter/ Month	9 Council meetings held over the past quarter/Month	8 Council meetings held over the past quarter/ Month		.				
								What are the main reasons for Council not meeting?	Quorums not reached	N/A	N/A	N/A		.				
								Number of EXCO meetings held over the past quarter:	N/A	41 EXCO meetings held over the past quarter:	30 EXCO meetings held over the past quarter:	25 EXCO meetings held over the past quarter:		.				
								Number of Portfolio Committee meetings held over the past quarter (List Committees):	N/A	90 Portfolio Committee meetings held over the past quarter/ month	65 Portfolio Committee meetings held over the past quarter/month	55 Portfolio Committee meetings held over the past quarter/ month		.				
								Reasons for EXCO and Portfolio Committee meeting not being held:	Quorums not reached	N/A	N/A	N/A		.				
								Number of Audit Committee meetings held in the quarter?	N/A	6 Audit Committee meetings held in the quarter/ month	4 Audit Committee meetings held in the quarter/ month	4 Audit Committee meetings held in the quarter/ month		.				
								Number of Audit Committee reports to Council?	N/A	As per meetings of Audit Committee	As per meetings of Audit Committee	As per meetings of Audit Committee		.				
								Number of MPAC meetings held over the past quarter	Cancellation or No Quorum	9	6 MPAC meetings held over the past quarter	5 MPAC meetings held over the past quarter		.				
								What are the main reasons for MPAC not meeting?	Number of SMC and OMC meetings for the month/ quarter	N/A	N/A	N/A		.				



INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019						
											B2B REPORTING 2018 / 2019						
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								How many formal (minuted) meetings – to which all senior managers were invited – were held over the past month?	N/A	Number of SMC and OMC meetings for the month/quarter	Number of SMC and OMC meetings for the month/quarter	Number of SMC and OMC meetings for the month/ quarter		.				
								How many formal (minuted) meetings were held with organised labour in the past month?	N/A	As per meetings of LLF Committee	As per meetings of LLF Committee	As per meetings of LLF Committee		.				
E	E1	2 - BACK TO BASICS	B2B 52	SM: OFFICE OF THE CITY MANAGER / LEGAL ADVISOR (LELANI)	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Number of disciplinary cases for fraud and corruption in the past quarter?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of dismissals for fraud and corruption in the past quarter?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 53	GM: CORPORATE SERVICES MANAGER LEGAL SERVICES; JOHAN VAN DER MERWE	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	How many litigation cases were instituted by the municipality in the past month?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many litigation cases were instituted against the municipality in the past month?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 54	GM: CORPORATE SERVICES / SM: SOUND GOVERNANCE	(MONTHLY / QUARTERLY)	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	3 - GOOD GOVERNANCE	Number of Portfolio Committee meetings held over the past quarter (List Committees):	• Critical posts vacant – Section S54 & S56 posts filled within 3quarters after post is vacant • Critical posts filled in terms of Municipal Systems Act Regulations Calculation : % of filled S54 – S56 posts	List Committees	List Committees	List Committees		.				
E	E1	2 - BACK TO BASICS	B2B 55	GM: CORPORATE SERVICES / SM: HUMAN RESOURCES	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Number of MM and Senior Managers reporting to the MM (section 56) filled	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 56	GM: CORPORATE SERVICES / SM: HUMAN RESOURCES	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Number of vacant post?	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Reasons for vacancy	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				

INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019							
											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Period of vacancy (provide details for each post):	• Approved and funded organizational structure Calculation : Vacancy rate should be less than 10% of the entire staff establishment	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number of permanent employees employed (provide total number of employees)	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number approved posts	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Number filled	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								Vacancy rate	N/A	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many disciplinary cases were RESOLVED in the last month?	N/A	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many officials are presently on suspension, and for how long?	N/A	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many permanent employees are there employed?	N/A	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many temporary employees are there employed?	N/A	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
								How many days of sick leave were taken by employees in the past month?	100% (R7 598392) spent on WSP by the 30th of June 2018	N/A	Target cannot be planned for as it is unpredictable	Target cannot be planned for as it is unpredictable		.				
E	E1	2 - BACK TO BASICS	B2B 57	GM: CORPORATE SERVICES / SM: HUMAN RESOURCES	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	The percentage of a municipality's budget actually spent on implementing its workplace skill plan.	N/A	100% (R7 598392) spent on WSP by the 30th of June 2018	25% (R1 899 598,00) pent on WSP by the 31st of March 2018	N/A		.				
E	E1	2 - BACK TO BASICS	B2B 58	GM: CORPORATE SERVICES / SM: HUMAN RESOURCES	(MONTHLY / QUARTERLY)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOSMENT	5 - BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	State the actual number of Councillors (versus target) that underwent training:	HR to supply figures	HR to supply figures	HR to supply figures	HR to supply figures		.				
								Target:	HR to supply reasons	HR to supply figures	HR to supply figures	HR to supply figures		.				
								Actual:	HR to supply figures	HR to supply reasons	HR to supply reasons	HR to supply reasons		.				
								State the actual number of officials (versus target) that underwent training:	HR to supply reasons	HR to supply figures	HR to supply figures	HR to supply figures		.				



INDEX	IDP REFERENCE	CDS REFERENCE	SDBIP REFERENCE	RESPONSIBLE MANAGERS	REPORTING FREQUENCY (MONTHLY / QUARTERLY)	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	OUTPUT	NORM	ANNUAL TARGET	PERFORMANCE REPORTING - B2B MONTHLY/QUARTERLY REPORTING 2018 / 2019							
											B2B REPORTING 2018 / 2019							
											QUARTER 3 TARGET	FEBRUARY 2019 TARGET	FEBRUARY 2019 ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
								Target:	HR to supply figures	HR to supply reasons	HR to supply reasons	HR to supply reasons		.				
								Actual:	HR to supply reasons	HR to supply figures	HR to supply figures	HR to supply figures		.				
								If targets were not met, state reasons for under-achievement:		HR to supply reasons	HR to supply reasons	HR to supply reasons		.				

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.

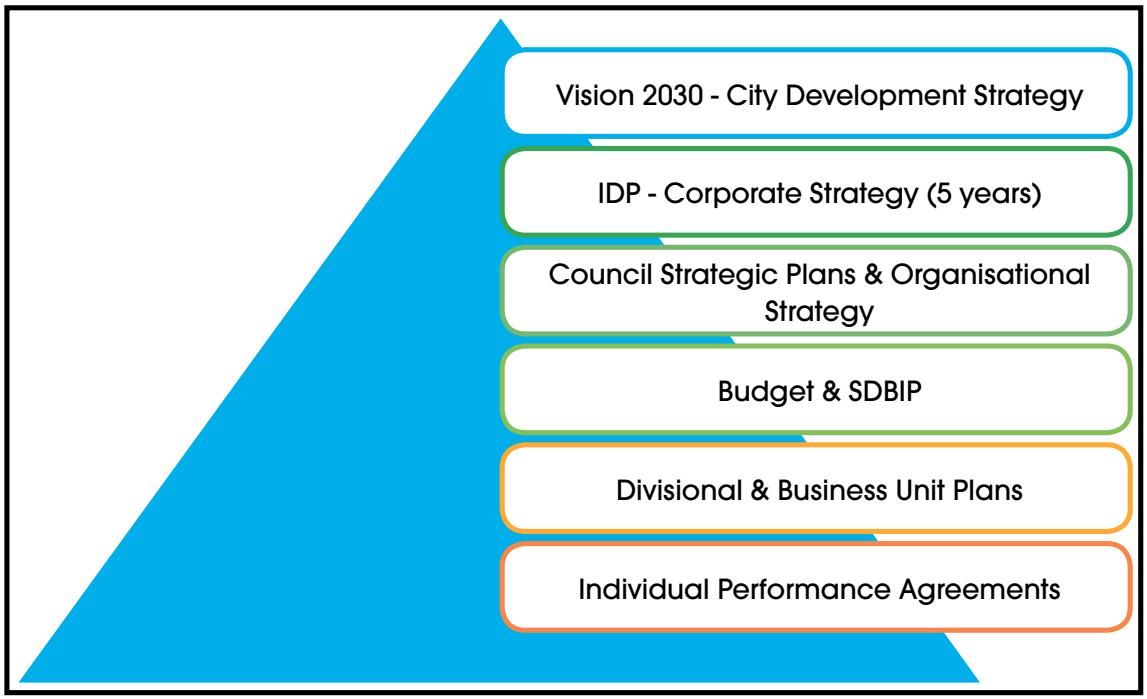
7.4 LINKING OF OUTPUTS IN PERFORMANCE AGREEMENTS WITH ACTIVITIES IN THE OPERATIONAL PLANS AND INDICATORS

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.

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

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Msunduzi Municipality

Report on the audit of the consolidated and separate financial statements

Adverse opinion

I have audited the consolidated and separate financial statements of the Msunduzi Municipality set out on pages ... to ..., which comprise the consolidated and separate statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, because of the significance of the matters described in the basis for adverse opinion section of this auditor's report, the consolidated and separate financial statements do not present fairly, in all material respects, the consolidated and separate financial position of the Msunduzi Municipality as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora).

Basis for adverse opinion

Property, plant and equipment

The municipality did not appropriately account for property, plant and equipment in accordance with SA Standard of GRAP 17, Property, plant and equipment. Property, plant and equipment which the municipality did not own were incorrectly recognised and additions thereto were incorrectly recognised as operational expenditure. Capital assets under construction and additions included in note 14 to the consolidated and separate financial statements did not also agree to the reconciliation of property, plant and equipment included in the note. I was also unable to obtain sufficient appropriate audit evidence for additions and capital assets under construction capitalised to property, plant and equipment due to the municipality not effectively implementing and maintaining adequate asset management systems. I could not confirm the additions to property, plant and equipment by alternate means. Consequently, I was unable to determine whether any further adjustments to property, plant and equipment stated at R7,22 billion (2017: R7,08 billion) in note 14 to the consolidated and separate financial statements was necessary.

Consumer debtors

The municipality did not calculate impairments on consumer debtors in accordance with SA Standard of GRAP 104, Financial instruments. The estimated future cash flows were not present valued when determining the recoverable amounts for consumer debtors. Allowances for impairments included in note 4 to the consolidated and separate financial statements did not also agree the underlying supporting documentation and allowance for impairment reconciliations. In addition, I was unable to obtain sufficient appropriate audit evidence that debtors from other service charges included as consumer debtors had been properly accounted for, as the municipality did not allocate these debtors to their respective categories of service charges. I was unable to confirm the consumer debtors by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to consumer debtors stated at R1,35 billion (2017: R1,01 billion) in note 4 to the consolidated and separate financial statements.

Revenue from exchange transactions – interest from consumer debtors and receivables

The municipality did not account for interest from consumer debtors and receivables in accordance with SA Standard of GRAP 9, Revenue from exchange. Interest was not charged on all overdue accounts and where interest was charged on consumer accounts it was incorrectly computed. I was unable to determine the full extent

of the misstatement as it was impractical to do so. Consequently, interest from consumer debtors and receivables stated at R192,22 million included in note 30 to the consolidated and separate financial statements was misstated by an unknown amount.

Receivables from exchange transactions

During 2017, I was unable to obtain sufficient appropriate audit evidence and confirm by alternative means the Independent Development Trust receivable. Consequently, I was unable to determine whether any adjustment was necessary to receivables from exchange transactions stated at R81,97 million. My audit opinion on the consolidated and separate financial statements for the period ended 30 June 2017 was modified accordingly. My opinion on the current year consolidated and separate financial statements was also modified because of the possible effect of this matter on the comparability of the receivables from exchange transactions for the current period.

Payables from exchange transactions

I was unable to obtain sufficient appropriate audit evidence that unallocated deposits included in trade and other payables from exchange transactions had been properly accounted for, as the municipality did not allocate payments received from debtors. I was unable to confirm the unallocated deposits by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the payables from exchange transactions disclosed at R945,20 million in note 19 to the consolidated and separate financial statements. In addition, this could have an impact on consumer debtors, revenue and accumulated surplus.

I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for payables and accruals included payables from exchange transactions. As described in note 65 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement. However, the restatement could not be substantiated by supporting evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the payables from exchange transaction corresponding figure stated at R745,20 million in the consolidated and separate financial statements.

Related parties

The municipality did not correctly disclose related party transactions as required by SA Standard of GRAP 1, Presentation of financial statements. The municipality did not disclose comparative information for related party transactions. Consequently, the comparative information relating to related party information disclosed in note 63 to the consolidated and separate financial statements was misstated. I was unable to determine the value of the misstatement as it was impractical to do so.

Statement of comparison of budget and actual amounts

The municipality did not correctly disclose budget and actual information as required by SA Standard of GRAP 24, Presentation of budget information in financial statements. The municipality did not disclose the final budget amounts for impairment of consumer and traffic fines. Consequently, the expenditure information disclosed in the statement of comparison of budget and actual amounts in note 28 to the consolidated and separate financial statements was misstated by an amount, which was impractical to determine.

Cash flow statement

The municipality did not prepare and disclose the cash flow statement on a cash basis as required by SA Standard of GRAP 2, Cash flow statements. Amounts included in the cash flow statement for the sale of goods and services, government grants and subsidies, interest revenue, employee costs, finance costs, payments to suppliers, purchase of property, plant and equipment, increase in capital work in progress as well as purchase of intangible assets, were disclosed on an accrual basis. Consequently, the cash flow statement presented in the consolidated and separate financial statements was misstated by an amount, which was impractical to determine.

Unauthorised expenditure

I was unable to obtain sufficient appropriate audit evidence as the amount disclosed for unauthorised expenditure differed from the underlying records. I was unable to confirm the balance of unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to unauthorised expenditure stated at R361,22 million (2017: R361,22 million) in note 70 to the consolidated and separate financial statements.

Additional disclosures in terms of MFMA

The municipality did not correctly disclose pension and medical aid deductions, as required by section 125(1)(c) of the MFMA due to the poor status of the accounting records The amount relating to pension and medical aid deductions differed from the supporting documents by R50,12 million. Consequently, the amount relating to pension and medical aid deductions disclosed in note 59 to the consolidated and separate financial statements was understated by R50,12 million.

Aggregation of immaterial uncorrected misstatements

In addition to the individually material uncorrected misstatement in the disclosure notes, disclosure notes were materially misstated due to the cumulative effect of individually immaterial uncorrected misstatements in the following items.

Change in estimate – Property, plant and equipment

The municipality reviewed and changed the useful lives of property, plant and equipment in the current year, however; no disclosure of the impact of the change in estimate was made in the consolidated and separate financial statements as required by SA Standard of GRAP 3, Accounting policies, changes in accounting estimates and errors. It was impractical to determine the full extent of the misstatement for the change in estimate.

Commitments

The municipality did not properly account for commitments, as required by SA Standard of GRAP 17, Property, plant and equipment due to inadequate systems and processes to account for this disclosure. Resultantly, I was unable to determine the full extent of the misstatement.

Irregular expenditure

The municipality did not include irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of the supply chain management (SCM) regulations, resulting in irregular expenditure of R11,68 million. Consequently, irregular expenditure disclosed in note 67 to the consolidated and separate financial statements was understated by R11,68 million.

Operating leases

The municipality did not account for operating lease commitments, as required by SA Standard of GRAP 13 Leases. The municipality made payments relating to operating leases, however, no disclosure relating to future minimum lease payments, as required by SA Standard of GRAP 13, Leases was made in the consolidated and separate financial statements. I was unable to determine the full extent of the misstatement as it was impractical to do so.

Context for the opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.

I am independent of the municipality 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

As disclosed in note 65 to the financial statements, the corresponding figures for 30 June 2017 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2018.

Material losses - electricity

As disclosed in note 71 to the financial statements, material electricity losses of R256,90 million (2016-2017: R279,12 million) were incurred, which represents 15% (2016-2017: 16%) of total electricity purchased. Losses were as a result of illegal connections, infrastructure vandalism and unmetered usage.

Material losses – water

As disclosed in note 71 to the financial statements, material water losses of R138,72 million (2016-2017: R109,21 million) were incurred, which represents 29% (2016-2017: 29%) of total water purchased. Losses were as a result of ageing water pipeline infrastructure.

Other matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, we do not express an opinion on it.

Unaudited supplementary schedules

The supplementary information set out on pages ... to ... does not form part of the consolidated and separate financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the Msunduzi 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 appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

I am independent of the municipality 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 of the financial statements 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

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priority presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My 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, my findings do not extend to these matters.

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 development priority presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priority	Pages in the annual performance report
Development priority B – Basic service delivery	x – x

I performed procedures to determine whether the reported performance information was properly presented and whether performance 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. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

Development priority B – Basic service delivery

Various indicators

The reported achievements were inconsistent with the planned targets for the following indicators:

Indicator description	Planned target	Reported achievement
Kms of gravel roads to surfaced/ concrete standard upgraded	0,4km of gravel roads to surfaced/ concrete sidewalk at Siyahlomula Road upgraded by 30 June 2018	Completed sidewalks at Siyahlomula School and Ashdown Primary School by 30 June 2018

Indicator description	Planned target	Reported achievement
Date on which concrete bridge substructure, river embankment protection, and 0,26 km of gravel roadway completed	Concrete bridge substructure, river embankment protection, and 0,26 km of gravel roadway completed by 30 June 2018	Concrete substructure complete, reinforcement to deck partially complete, 0,26 subgrade of gravel roadway complete, embankment protection partially complete
Metres of berm constructed and metre height	250 x metres of berm constructed to 2,5m height by 31 May 2018	246,5 x metres of berm constructed by 31 May 2018

Various indicators

The reported measures taken to improve performance against the planned target did not agree to the supporting evidence provided for the indicators listed below. Based on the supporting evidence provided, the measures taken to improve performance could not be verified as the evidence submitted for audit did not show any evidence of the corrective measure.

Indicator description	Planned target	Reported achievement
Kilometres of water pipe replaced	2 km of water pipe replaced by 30 June 2018	1,7 km of water piped replaced by the 30th of June 2018
Kilometres of water pipe replaced	Four stream crossings completed by 30 June 2018	50% of Three stream crossings completed by 30 June 2018.
Date Phase 2 of Draft Sanitation Master Plan and Draft WSDP submitted to SMC for consideration	Phase 2 of Draft Sanitation Master Plan and Draft WSDP submitted to SMC for consideration by 30 June 2018	72% of review of the Draft Water Master Plan and WSDP was completed by 30 June 2018.

Various indicators

The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators listed below. The supporting evidence provided indicated that the achievements of these indicators was as follows:

Indicator description	Reported achievement	Audited value
Km of gravel roads to surfaced/ concrete standard upgraded	Completed sidewalks at Siyahlomula School and Ashdown Primary School by 30 June 2018	2 meters of concrete road completed
Km of gravel roads upgraded to black top surface in Harewood Ward 20	Currently busy with provision of drainage of 0,7km (4200m sqm) of gravel roads upgraded to asphalt surface standard by 30 March 2018	The overall achievement on the project was 46%
Sqm of landfill site reshaped	0 sqm of landfill site reshaped by 30 June 2018	An area of 88 224 square metres was levelled
% completion of base course	0 % completion of base course by 31 December 2017	100% completion of base course

Number of households with access to refuse removal at least once per week (wards 10 - 37)

The reported achievement of "64 813 with access to refuse removal at least once per week by 30 June 2018 (wards 10 -37)" for the target "Approximately 120 000 households with access to refuse removal at least once per week by 30 June 2018 (wards 10 - 37)" is not reliable as the municipality did not have an adequate performance management system to maintain records to enable reliable reporting on the achievement of the target. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustment was required to the reported achievement.

Other matters

I draw attention to the matters below.

Achievement of planned targets

The annual performance report on pages ... to ... includes information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 39 to 42 of this report.

Adjustment of material misstatements

I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information on the basic service delivery development priority. 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

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.

The material findings on compliance with specific matters in key legislation are as follows:

Financial statements

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving an adverse audit opinion.

Procurement and contract management

Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by Municipal Supply Chain Management Regulations GNR 868 OF 30 May 2005 (MSCMR) 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of MSCMR 36(1).

Expenditure management

Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for adverse paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with MSCMR.

Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R10,97 million, as disclosed in note 69 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. Most of the disclosed fruitless and wasteful expenditure was caused by investigations into employees on suspension that were not finalised on time.

Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(c) of the MFMA. Revenue management

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.

An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Asset management

An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Consequence management

Unauthorised expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(a) of the MFMA.

Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Strategic planning and performance management

Annual performance objectives and indicators were not included in the municipal entity's multi-year business plan, as required by section 93B(a) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA).

The performance of the municipal entity was not monitored and reviewed as part of the annual budget process, as required by section 93B(b) of the MSA.

Human resource management

Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and that selected development priority presented in the annual performance report that have been specifically reported in this auditor's report.

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.

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 development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information and, I conclude that it contains a material misstatement, 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 withdraw 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

I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for adverse opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

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 did not implement a proper records management system to maintain documents supporting reported performance information, assets, revenue and expenditure.

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 did not conduct appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks, are performed adequately and that a risk strategy is sufficiently monitored to address the risks.

Other reports

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 financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

The internal audit unit performed numerous investigations at the request of the accounting officer and senior management, regarding allegations received from the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, recruitment, mismanagement and supply chain management irregularities. During the 2017-18 financial year, thirty-six investigations were conducted. Of the thirty-six investigations conducted, twenty-nine were concluded and reported to council. Seven cases relating to recruitment, corruption, misconduct and theft were still in progress at the date of this report.

Pietermaritzburg
07 February 2019

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

CONCLUSION:

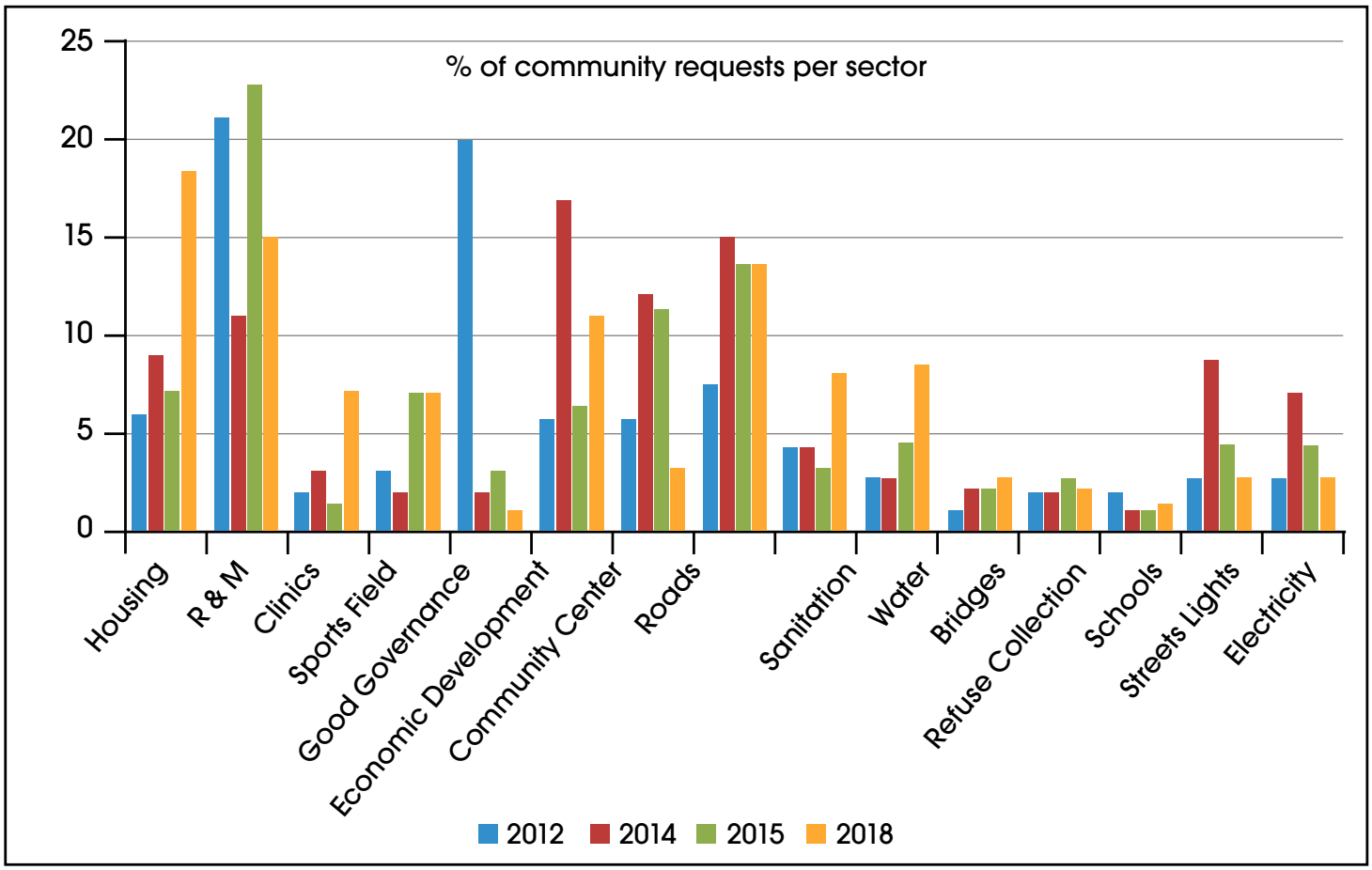
The municipality has engaged the services of KPMG to assist in addressing all the disclaimer items, management letter items, and prior year items. An action plan has been developed in consultation with the relevant officials to resolve all reported matters within specific deadlines.

History of the Audit Outcome

Financial Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Outcome	Qualified	Unqualified	Unqualified	Clean Audit	Qualified	Disclaimer	Adverse

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 four 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 2018. The community seems to be satisfied with the delivery of street lights&electricity however it is the repairs and maintenance on this infrastructure that has been identified as a challenge.



2018 Mayoral Izimbizo

The IDP representative's forums have been held 12 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%

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
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%
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

No.	Ward Number (submitted/ Not Submitted)	Date of the review	Level of alignment to the IDP out of 5
30	Submitted	11/12/2017	3
31	Submitted	22/02/2018	3
32	Submitted	15/12/2017	3
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: 2017/18 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
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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