



# **NQUTHU MUNICIPALITY**

**2021/22 FINAL IDP**

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## SECTION A: EXECUTIVE SUMMARY

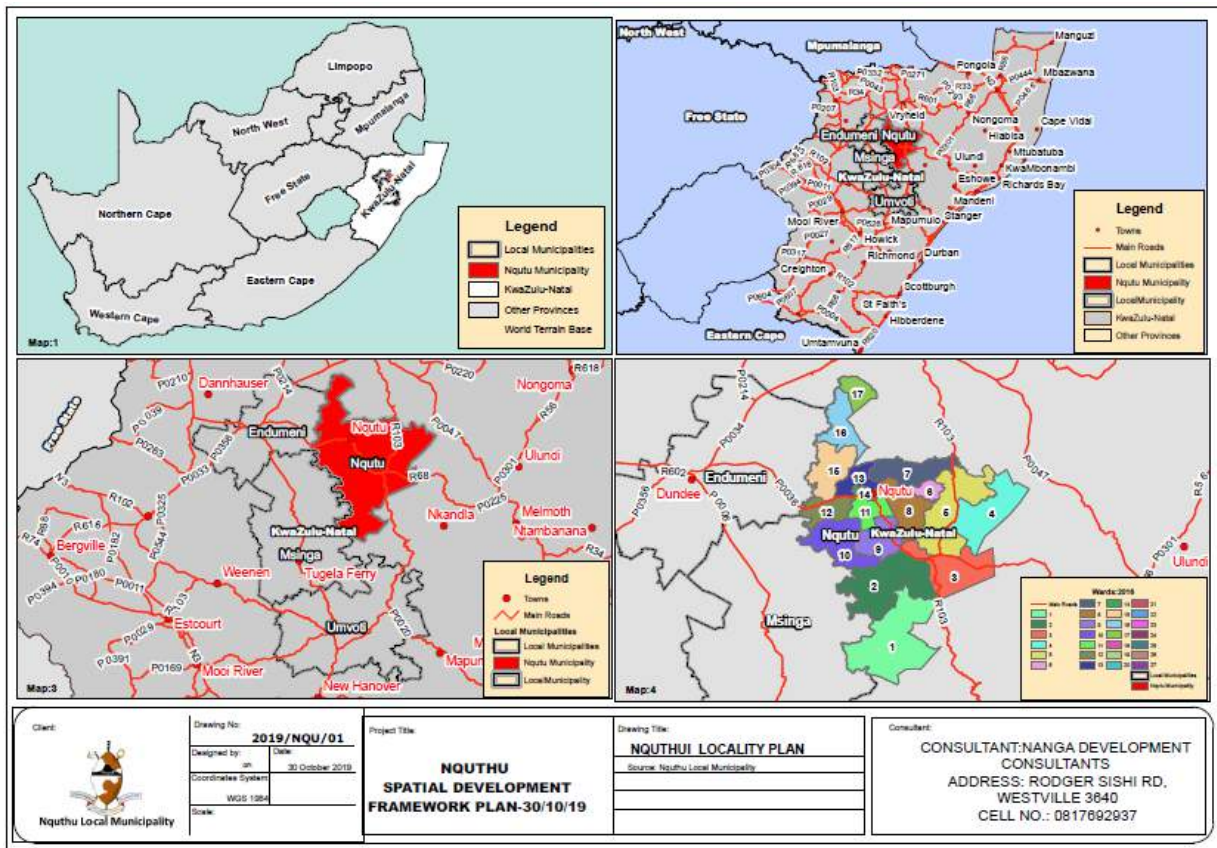
This section summarizes the contents of this IDP and briefly explains who and/or what Nquthu Local Municipality is in terms of its municipal category, location, vision, mission, values, development plans and; challenges and opportunities. This section also outlines what the municipality aims to achieve and how its performance shall be measured.

### A.1 WHO WE ARE?

#### (a) Municipal category and geographical location

Nquthu LM is a category B municipality located north east of the province of the Province of KwaZulu-Natal and seats at the north eastern boundary of Umzinyathi DM and share borders with the following local municipalities:

- eMadlangeni and Abaqulusi local municipalities on the North. Abaqulusi LM is located within Zululand DM while eMadlangeni is located within Uthukela DM;
- Ulundi LM on the East which is also located within Zululand DM;
- Nkandla LM on the South which is located within King Cetshwayo DM; and
- Msinga LM and Endumeni LM to the West both of which are located within Umzinyathi DM.

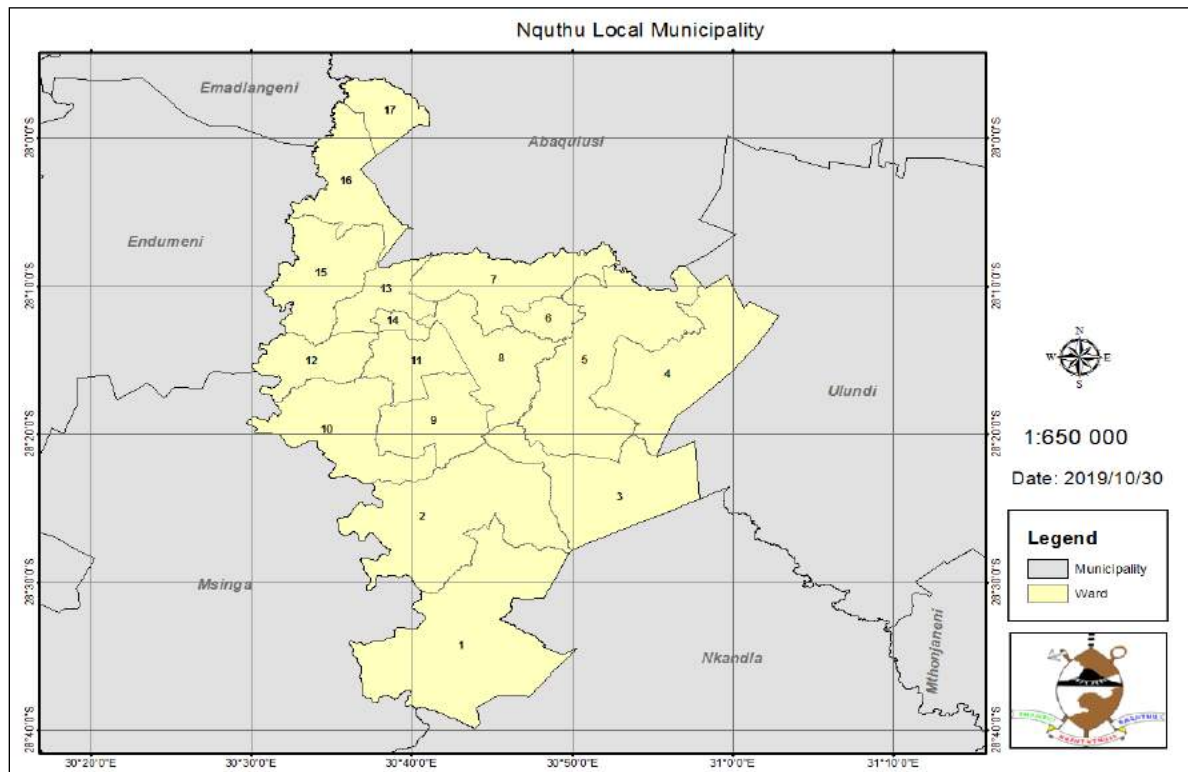


## (b) Municipal powers and functions

Section 152 of the Constitution sets out the objects of municipalities and Section 153 determines the developmental duties of municipalities. In light of this constitutional mandate, the Municipal Structures Act assigns specific powers and functions to district and local municipalities in a manner that allows an effective system of local government. The Umzinyathi DM is responsible for water and sanitation while Nquthu LM has the following powers:

- Access roads and storm water construction and maintenance;
- Billboards and outdoor advertising regulation;
- Street cleaning;
- Local amenities;
- Local tourism;
- Public facilities and spaces;
- Municipal planning and building regulations, and
- Local economic development.

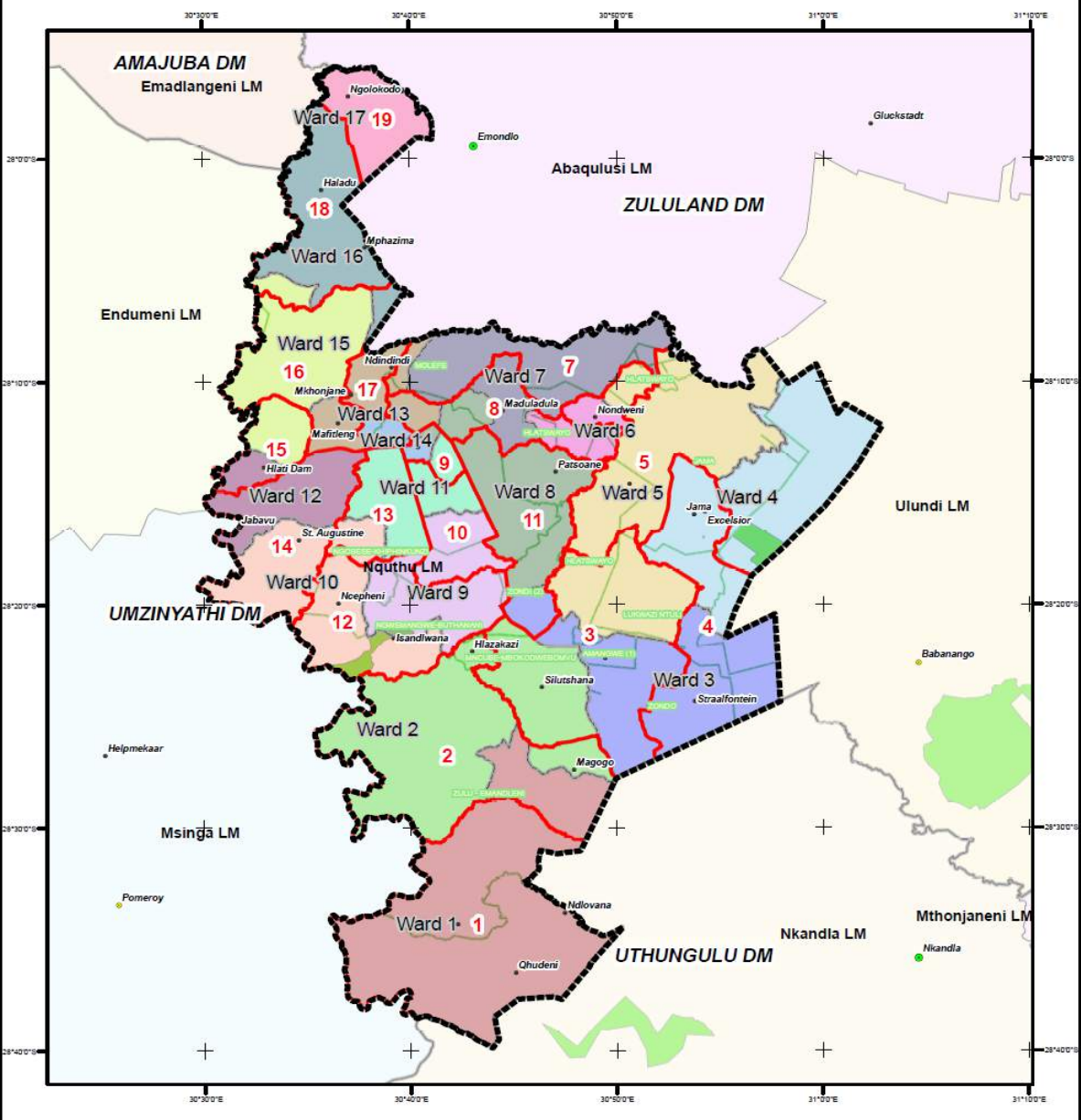
## (c) Municipal wards and Ward Councilors



<b>No.</b>	<b>Name and Surname</b>	<b>Ward</b>	<b>Gender</b>
1.	Cllr. ME Mnguni	3	Male
2.	Cllr. IL Shabalala	5	Male
3.	Cllr. Z Sithole	1	Female
4.	Cllr. RS Langa	2	Male
5.	Cllr. EM Mkhwanazi	4	Male
6.	Cllr. MSK Gumbi	6	Male
7.	Cllr. NM Buthelezi	7	Male
8.	Cllr. SM Buthelezi	8	Male
9.	Cllr. SP Khumalo	9	Male
10.	Cllr. FA Hlatshwayo	10	Male
11.	Cllr. JN Khoza	12	Male
12.	Cllr. JZ Ndimba	13	Female
13.	Cllr. SD Masimula	14	Male
14.	Cllr MC Mnguni	15	Male
15.	Cllr. GF Molefe	16	Male
16.	Cllr. SMC Zikode	17	Male
17.	Vacant	11	N/A

The municipality is currently demarcated into 17 wards after the Demarcation Board increased them from 15 wards in May 2011 before local government elections. From 2021 the municipality will have 19 wards and processes for that increase are underway. Ward delimitation is the responsibility of the Municipal Demarcation Board (MDB) which is identified by the Local Government: Municipal Structures Act, 1998 as an independent authority which performs its functions impartially, and without fear, favour or prejudice. The aim of ward delimitation is to ensure that all wards in the municipality have approximately the same number of voters. The process of ward delimitation occurs just before local government elections and involves rigorous consultation between the role players. The intention of the consultative process is to allow municipalities to show the people in their areas what the MDB is proposing with respect to wards in their Municipalities. The proposed ward boundaries for Nquthu LM have been issued for consultation purposes. The proposed ward delimitation reveals that the number of wards in Nquthu LM will increase from 17 to 19 wards. The Map in the following page shows the proposed changes under discussion in red lines and numbers.

# NQUTHU LOCAL MUNICIPALITY - SPATIAL DEVELOPMENT FRAMEWORK: WARD CHANGES (2016 - 2019)



**CONSULTANT:**  
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Consultants  
Address: Rodger Sishi Rd,  
Westville 3640  
Cell No.: 0817692937

**LEGEND:**

- Lower order small towns
- Very small hamlets/Villages
- Other
- Proposed New Wards
- Nquthu Wards
- Traditional Authorities
- Protected Areas

Data Source: Nquthu IDP

**SCALE:**  
0 2 4 6 8 10 Kilometers  
1:400,000

**DATE:** December 2019

**DRAWING REFERENCE NO.:** 2019INDUSDP/00

**COORDINATE SYSTEM:** Munisipal WGS84 (S27)

**MUNICIPALITY:**  
NQUTHU LOCAL MUNICIPALITY  
65110 Makhosini Street  
Nquthu 3135  
Private Bag x 5521  
Nquthu 3135  
Nquthu Local Municipality Fax: +27 (0)34 271 6111  
Tel: +27(0)34 271 6100  
E-mail: plan@nquthu.gov.za

#### (d) Proportional/Party representative Councillors

Sixteen (16) Councillors are elected on a proportional basis through political party lists as they are listed in the table below:

	<b>NAME OF COUNCILLOR</b>	<b>GENDER</b>	<b>PARTY</b>
<b>1.</b>	<i>CT Buthelezi</i>	<i>F</i>	<i>ANC</i>
<b>2.</b>	<i>LS Hoffman</i>	<i>F</i>	<i>ANC</i>
<b>3.</b>	<i>CN Xulu</i>	<i>F</i>	<i>ANC</i>
<b>4.</b>	<i>MN Khanye</i>	<i>F</i>	<i>ANC</i>
<b>5.</b>	<i>NS Mkhize</i>	<i>F</i>	<i>ANC</i>
<b>6.</b>	<i>TJ Motloung</i>	<i>M</i>	<i>ANC</i>
<b>7.</b>	<i>LC Moloji</i>	<i>M</i>	<i>ANC</i>
<b>8.</b>	<i>BI Zwane</i>	<i>M</i>	<i>DA</i>
<b>9.</b>	<i>HM Shelembe</i>	<i>M</i>	<i>EFF</i>
<b>10.</b>	<i>PP Ntombela</i>	<i>F</i>	<i>IFP</i>
<b>11.</b>	<i>NG Mdlalose</i>	<i>F</i>	<i>IFP</i>
<b>12.</b>	<i>MR Ngobese</i>	<i>F</i>	<i>IFP</i>
<b>13.</b>	<i>NM Zungu</i>	<i>F</i>	<i>IFP</i>
<b>14.</b>	<i>TA Dlamini</i>	<i>M</i>	<i>IFP</i>
<b>15.</b>	<i>ET Nhlebelala</i>	<i>F</i>	<i>NFP</i>
<b>16.</b>	<i>TZ Buthelezi</i>	<i>F</i>	<i>ANC</i>

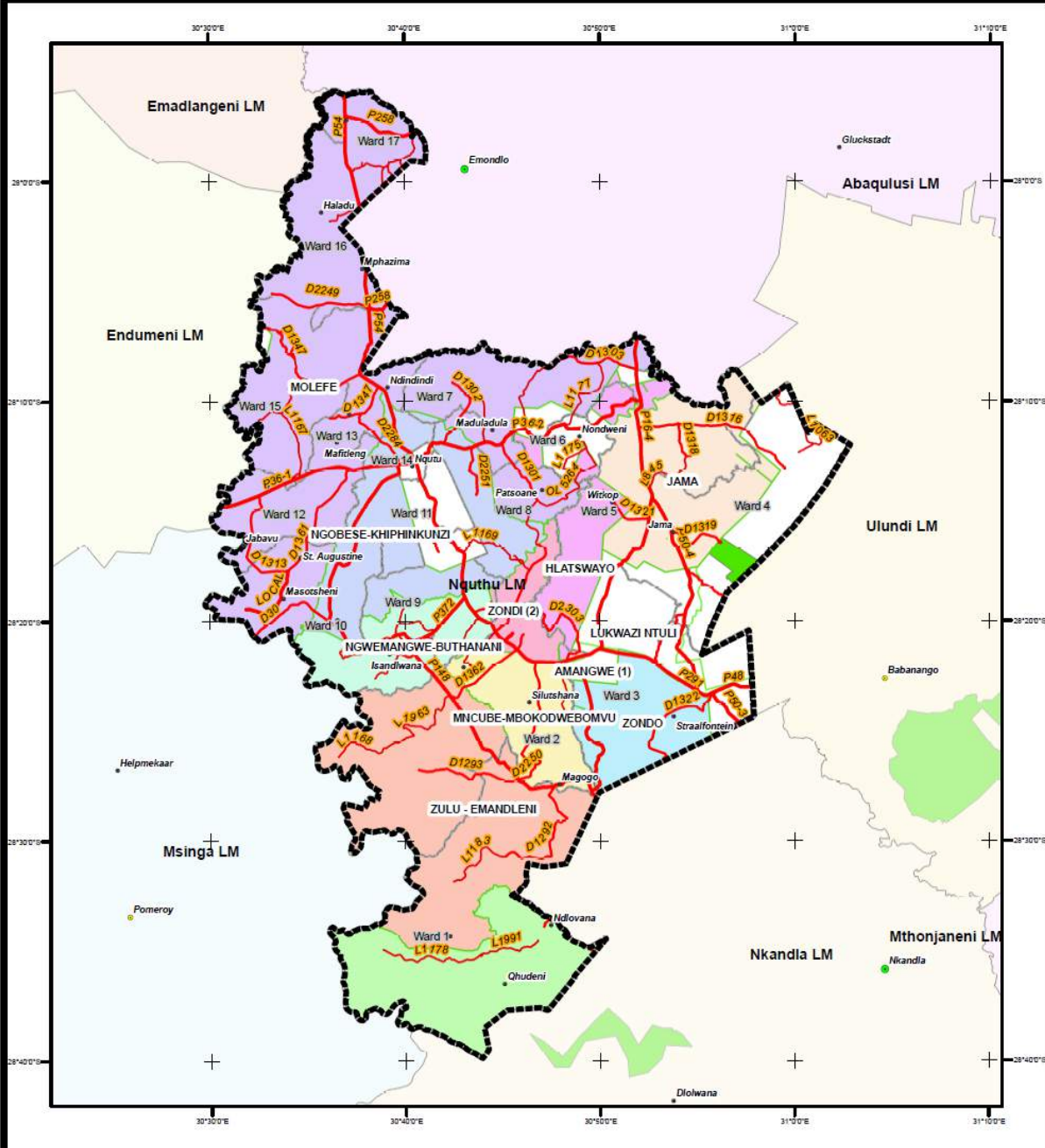
#### (e) Traditional Councils in Nquthu

Nquthu LM has a good working relationship with traditional leadership and the vast majority of Nquthu falls under the control of traditional leaders. Nquthu has nine (9) Traditional Council areas; namely:

- Sizamile
- Jama
- Khiphinkunzi
- Emandleni
- Mbokodebomvu
- Vulindlela
- Mangwe-Buthanani
- Molefe
- KwaZondi



# NQUTHU LOCAL MUNICIPALITY - SPATIAL DEVELOPMENT FRAMEWORK: TRADITIONAL AUTHORITIES



**NOTE:**  
 1:500 existing townships are within a 2.5km radius from a health facility  
 1:250 existing townships are within a 5km radius from a health facility  
 1:100 existing townships are within a 10km radius from a health facility  
 1:50 existing townships are within a 25km radius from a health facility  
 1:25 existing townships are within a 50km radius from a health facility  
 1:10 existing townships are within a 100km radius from a health facility

**CONSULTANT:**  
**NANGA Development Consultants**  
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NOT TO SCALE

**LEGEND:**

- Lower order small towns
- Very small hamlets/villages
- Other
- Provincial Road
- District Road
- Local Access Road
- Traditional Authorities
- HLATSWAYO
- JAMA
- MNCUBE-MBOKODWEBOMVU
- MOLEFE
- NGOBESE-KHIPHINKUNZI
- NGWEMANGWE-BUTHANANI
- SITHOLE-VULINDLELA
- ZONDI (2)
- ZONDO
- ZULU - EMANDLENI
- Nquthu Boundary

Data Source: Ingonyama Trust

**SCALE:**  
 1:100,000  
 0 2 4 6 8 10 Kilometers

**DATE:** December 2019

**DRAWING REFERENCE NO.:** 2019INGUSDF00

**COORDINATE SYSTEM:** Muroc WGS84 (L03)

**MUNICIPALITY:**  
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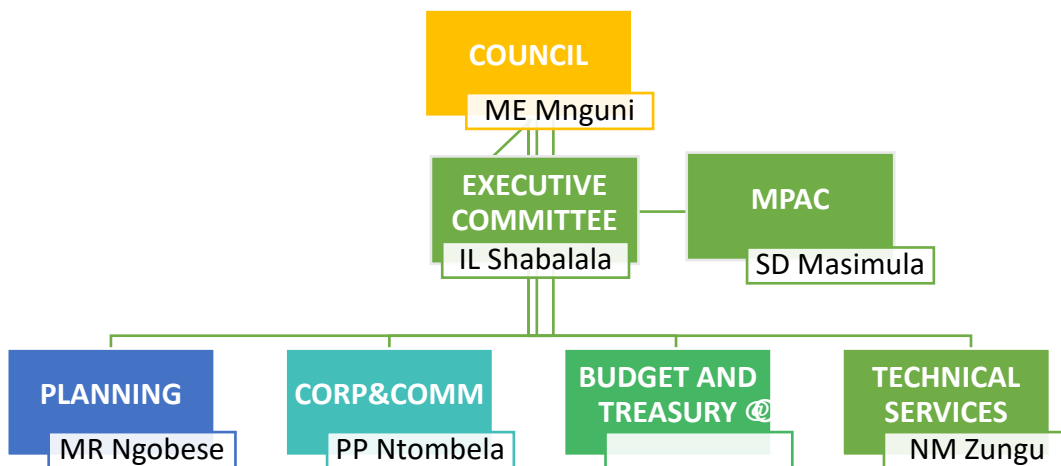
**(f) AmaKhosi sitting in Nquthu LM Council**

The following AmaKhosi were elected by their structure to sit in Nquthu LM Council:

- INkosi FP Hlatshwayo
- INkosi JZ Ngobese
- INkosi MPM Mazibuko
- INkosi PBN Molefe
- INkosi SK Sithole
- INkosi ND Mncube (Deceased)

**A.2 POLITICAL STRUCTURE**

The municipality’s highest decision making structure is Council which is presided over by the Speaker. The structure which looks into the day to day business of the municipality is the Executive Committee which is presided over by the Mayor and has subcommittees which are generally referred to as ‘portfolio committees’. All chairpersons of portfolio committees are EXCO members and report and/or make recommendations to EXCO which subsequently reports to Council through the Mayor. MPAC is the primary oversight arm of Council and play an oversight role over EXCO and reports directly to Council.



**(a) Municipal political office bearers/full-time councillors**

MAYOR	SPEAKER	DEPUTY MAYOR
<ul style="list-style-type: none"> <li>• Cllr IL Shabalala</li> <li>• Ward 05</li> </ul>	<ul style="list-style-type: none"> <li>• Cllr ME Mnguni</li> <li>• Ward 04</li> </ul>	<ul style="list-style-type: none"> <li>• Cllr NM Zungu</li> <li>• PR Councillor</li> </ul>



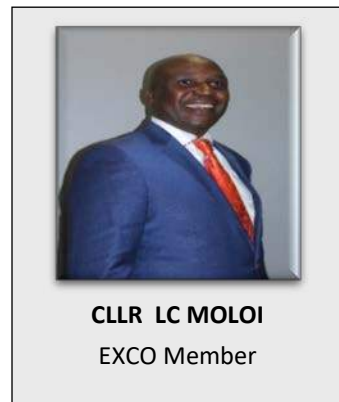
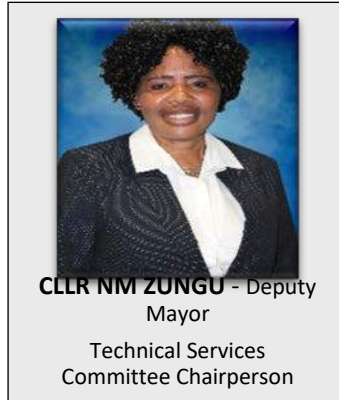
**(b) Structures of the municipality and their functions**

The legislative and the highest decision making body of Nquthu LM is Council which is made up of thirty three (33) Councillors and is chaired by the Speaker. Council has an Executive Committee which is a day to day committee and attends to the everyday business of the municipality and is directly accountable to Council; this committee is chaired by the Mayor who is the political face of the municipality. Council also has portfolio committees which are arranged in line with municipality’s own internal departments, these committees, except the MPAC, report to the Executive Committee.

<b>STRUCTURE/COMM</b>	<b>FUNCTIONS</b>
<b>Municipal Council</b>	<ul style="list-style-type: none"> <li>• Highest decision making body of the municipality.</li> <li>• Pass by-laws and policies of the municipality.</li> <li>• Appoint the Municipal Manager and HODs.</li> <li>• Approve the IDP and Budget of the municipality.</li> <li>• Play an oversight role in the municipality.</li> <li>• Represent the views and aspirations of the public.</li> </ul>
<b>Executive Committee</b>	<ul style="list-style-type: none"> <li>• Supervise the work of Portfolio Committees.</li> <li>• Receive reports form Portfolio Committees and report to and/or make recommendations to Council.</li> <li>• Assist the Mayor in the performance of his/her duties.</li> </ul>
<b>Municipal Public Accounts Committee</b>	<ul style="list-style-type: none"> <li>• Play an oversight role on the Executive Committee and municipal administration and report directly to Council.</li> <li>• Make a draft oversight report and table it to Council.</li> <li>• Investigate matters refereed to it by Council.</li> </ul>
<b>Financial Services Committee</b>	<ul style="list-style-type: none"> <li>• Play an oversight role on the management of the municipal finances.</li> <li>• Make recommendations to the Executive Committee on financial matters.</li> </ul>
<b>Technical Services Committee</b>	<ul style="list-style-type: none"> <li>• Play an oversight role on al technical services matters, especially project implementation progress.</li> <li>• Make recommendation to the Executive Committee on matters related to technical services.</li> </ul>
<b>Corporate and Community Services Committee</b>	<ul style="list-style-type: none"> <li>• Play an oversight role on all matters pertaining corporate and community services in the municipality.</li> <li>• Make recommendations to the Executive Committee on all corporate and community services matters.</li> </ul>
<b>Planning, Local Economic Development and Housing Committee</b>	<ul style="list-style-type: none"> <li>• Play an oversight role on all matters concerning planning, local economic development and housing.</li> <li>• Report to and make recommendations to the Executive Committee on all matters relating to its sphere of operation.</li> </ul>

### (c) Members of the Executive Committee

Members of the Executive Committee of the municipality are shown below.



### (d) Members of MPAC

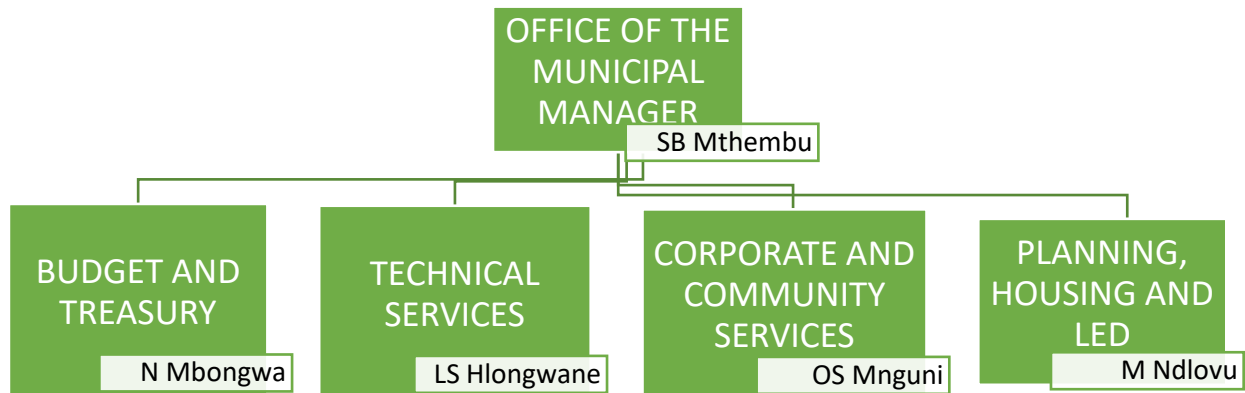
MPAC Members	
1.	Cllr SD Masimula (Chairperson)
2.	Inkosi SK Sithole
3.	Cllr FA Hlatshwayo
4.	Cllr NG Mdlalose
5.	Cllr BI Zwane
6.	Cllr ET Nhlebelala
7.	Cllr TZ Buthelezi
8.	Cllr Z Sithole
9.	Cllr JN Khoza
10.	Cllr SP Mathe
11.	Cllr HM Shelembe

**(e) Members of portfolio committees**

<b>FINANCIAL SERVICES</b>	<b>PLANNING, LED AND HOUSING</b>	<b>CORPORATE AND COMMUNITY SERVICES</b>	<b>TECHNICAL SERVICES</b>
<b>Chairperson:</b> <b>IL Shabalala</b>	<b>Chairperson:</b> <b>MR Ngobese</b>	<b>Chairperson:</b> <b>PP Ntombela</b>	<b>Chairperson:</b> <b>NM Zungu</b>
Inkosi ND Mncube	Inkosi MPM Mazibuko	Inkosi PBN Molefe	Inkosi FP Hlatshwayo
Cllr IL Shabalala	Cllr Z Sithole	Cllr EM Mkhwanazi	Cllr FA Hlatshwayo
Cllr NM Buthelezi	Cllr RS Langa	Cllr MSK Gumbi	Cllr JZ Ndima
Cllr SP Mathe	Cllr EM Mkhwanazi	Cllr SP Mathe	Cllr SMC Zikode
Cllr MC Mnguni	Cllr SM Buthelezi	Cllr JN Khoza	Cllr CN Xulu
Cllr LS Hoffman	Cllr CT Buthelezi	Cllr MC Mnguni	Cllr LC Moloi
Cllr NM Khanye	Cllr TJ Motloung	Cllr GF Molefe	Cllr TA Dlamini
Cllr NS Mkhize	Cllr XS Dlamini	Cllr RS Langa	Cllr ET Nhlebelá
	Cllr BI Zwane	Cllr BI Zwane	Cllr JN Khoza
	Cllr TA Dlamini		Cllr SM Buthelezi

**A.3 ADMINISTRATIVE STRUCTURE**

All the municipality’s administrative powers are vested in the MM and duly delegated to all lower levels of administration which has different departments dealing with specific municipal functions and each headed its own HOD. The structure of municipal administration is structured as depicted below:



Senior managers listed in the structure above constitute MANCO and sits regularly to attend to all administrative matters of the municipality. This committee is fully functional and execute all its responsibilities quite effectively.

*The Office of the Municipal Manager*

SECTION	FUNCTIONS
<b>Office of the Mayor</b>	<ul style="list-style-type: none"> <li>• Integration and coordination of the Mayor’s programs.</li> <li>• General administration of the Mayor’s office.</li> <li>• Mayor’s security.</li> <li>• Mayor’s protocol.</li> </ul>
<b>Youth Development</b>	<ul style="list-style-type: none"> <li>• Youth development (educational, skills development, economic and social aspect).</li> <li>• Early Childhood Development.</li> <li>• Advocacy and coordination of youth development programmes provided by government and other stakeholders.</li> </ul>
<b>IDP/PMS</b>	<ul style="list-style-type: none"> <li>• Manage all IDP related activities.</li> <li>• Compile the municipal IDP.</li> <li>• Compile the municipal Annual Report.</li> <li>• Ensuring compliance with PMS regulations.</li> </ul>
<b>Communications</b>	<ul style="list-style-type: none"> <li>• Media and community liaison.</li> <li>• Complaints management and promotion of Batho Pele principles.</li> <li>• Intergovernmental relations.</li> <li>• Event management.</li> </ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>• Monitor compliance with legislation.</li> <li>• Identifying gaps in internal controls.</li> <li>• Develop an audit plan and perform internal audit function.</li> </ul>
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>• Stimulate risk awareness.</li> <li>• Conduct risk assessments.</li> <li>• Risk mitigation.</li> <li>• Produce risk management reports.</li> </ul>

*Finance Department (Budget and Treasury)*

SECTION	FUNCTIONS
<b>Supply Chain Management</b>	<ul style="list-style-type: none"> <li>• Manages the procurement of products and services</li> <li>• Ensure value for money for products and services procured</li> <li>• Ensures the empowerment of local enterprises</li> </ul>
<b>Budget Planning and Statutory reporting</b>	<ul style="list-style-type: none"> <li>• Ensure compliance with Municipal Budget and Reporting Regulations and other applicable laws</li> <li>• Coordinate budgeting processes within the municipality</li> </ul>
<b>Revenue and Debt Management</b>	<ul style="list-style-type: none"> <li>• Ensures that billable municipal services are paid for</li> <li>• Issue bills to municipal debtors and coordinate the rate/bill collection activities of the municipality</li> </ul>
<b>Expenditure and Asset Management</b>	<ul style="list-style-type: none"> <li>• Ensure adherence to procurement plans and/or budget.</li> <li>• Keep record of municipal assets (number, type, condition and value of municipal assets).</li> </ul>

*Planning, Local Economic Development and Housing*

SECTION	FUNCTIONS
<b>Development Planning</b>	<ul style="list-style-type: none"> <li>• Development Control- maintaining town planning scheme (wall to wall), Spluma by-laws, SDF, etc.</li> <li>• Development Facilitation- processing of development applications.</li> <li>• Land Use Management- enforcing of legislation and by-laws.</li> </ul>
<b>Local Economic Development and Tourism</b>	<ul style="list-style-type: none"> <li>• LED project management.</li> <li>• LED programmes- SMME development, Informal Traders development, agriculture and commercial activities.</li> <li>• Tourism Promotion- arts and culture, heritage and community tourism.</li> </ul>
<b>Housing and Land Administration</b>	<ul style="list-style-type: none"> <li>• Development and implementation of the Housing Sector Plan.</li> <li>• Planning for housing projects.</li> <li>• Implementation and/or management of housing project.</li> <li>• Land Administration- implementation of land disposal policy.</li> </ul>
<b>Building Inspectorate</b>	<ul style="list-style-type: none"> <li>• Submission and approval of building plans.</li> <li>• Inspecting new and existing buildings.</li> <li>• Enforcing building regulations and by-laws.</li> <li>• Condemning and/or mitigating illegal developments.</li> </ul>
<b>Government Information Systems</b>	<ul style="list-style-type: none"> <li>• Policy development and implementation.</li> <li>• Data capturing, analysis, manipulation and integration.</li> <li>• Provision of mapping services.</li> </ul>

*Corporate Services Department*

SECTION	FUNCTIONS
<b>Administration</b>	<ul style="list-style-type: none"> <li>• Promotion of service delivery through Back 2 Basics.</li> <li>• Ensuring effective Registry services (record management).</li> <li>• Council support services (minutes taking, bookings, etc.).</li> <li>• Management of municipal facilities.</li> <li>• Ensuring public participation and ensuring effective Ward Committees.</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• Formulation and review of HR related policies.</li> <li>• Ensuring compliance with labour laws and collective agreements.</li> <li>• Recruitment and selection of staff.</li> <li>• Drafting of employment contracts for employees.</li> <li>• Employee benefits administration.</li> <li>• Occupational Health and Safety- ensuring a safe working environment.</li> <li>• Coordinate and facilitate employee training.</li> </ul>
<b>Information Technology</b>	<ul style="list-style-type: none"> <li>• Upgrading and maintenance of IT infrastructure for MSCOA purposes.</li> <li>• Develop and implement IT Disaster Recovery Plan.</li> <li>• Ensuring connectivity, data integrity and information security.</li> <li>• Ensure back-up power supply to IT systems.</li> <li>• Monitoring access control (through biometric finger print reader) in Server room, Registry and Cashier.</li> </ul>

## Community Services

SECTION	FUNCTIONS
<b>Law Enforcement</b>	<ul style="list-style-type: none"> <li>• Traffic management- enforcement of traffic legislation and municipal by-laws.</li> <li>• Driver's License unit- eye tests, learner's application, driver's license renewals, professional driving permits, etc.</li> </ul>
<b>Library Services</b>	<ul style="list-style-type: none"> <li>• Provision of library services including, out-flung areas.</li> <li>• Free basic computer training.</li> <li>• Free computer and internet access.</li> <li>• Career guidance to learners.</li> </ul>
<b>Priority Programmes</b>	<ul style="list-style-type: none"> <li>• HIV/AIDS awareness campaigns and support.</li> <li>• Disability and albinism support programmes.</li> <li>• Gender programmes (women, men and widows).</li> <li>• Senior citizens programmes.</li> <li>• Sports and recreation (organizing SALGA games, etc.)</li> </ul>
<b>Disaster Management</b>	<ul style="list-style-type: none"> <li>• Disaster awareness and mitigation campaigns.</li> <li>• Disaster incident response.</li> <li>• Scuba diving (search and rescue).</li> <li>• Provision of fire-fighting services.</li> </ul>

## Technical Services

SECTION	FUNCTIONS
<b>Infrastructure Development</b>	<ul style="list-style-type: none"> <li>• Planning and management of infrastructure development project as outlined in the municipality's IDP</li> </ul>
<b>Waste Management</b>	<ul style="list-style-type: none"> <li>• Conduct awareness campaigns to promote safe and responsible disposal of waste</li> <li>• Promotion of recycling</li> <li>• Maintenance of land fill site</li> <li>• Waste collection and disposal</li> </ul>
<b>Public convenience</b>	<ul style="list-style-type: none"> <li>• Monitoring and maintenance of public ablutions</li> </ul>
<b>Electricity</b>	<ul style="list-style-type: none"> <li>• Management of electrification projects</li> <li>• Maintenance of electricity reticulation networks</li> <li>• Household electrification</li> <li>• Street lights and high mast light installation and maintenance</li> <li>• Identification or monitoring of illegal connections</li> </ul>
<b>Parks, Gardens and Cemetery</b>	<ul style="list-style-type: none"> <li>• Administer or control the utilization by the public</li> <li>• Perform cleaning/maintenance work</li> </ul>
<b>Buildings and Maintenance</b>	<ul style="list-style-type: none"> <li>• Monitor the condition of municipal building</li> <li>• Maintain buildings where necessary</li> </ul>
<b>Roads and Strom water Management</b>	<ul style="list-style-type: none"> <li>• Installation and maintenance of storm water infrastructure</li> <li>• Maintaining municipal road infrastructure (closing potholes, fixing pavements, gravel road blading, etc.)</li> </ul>

## A.4 KEY CHALLENGES

KPA	KEY CHALLENGE	DEVELOPMENT IMPLICATIONS
Municipal Institutional Development and Transformation	<i>Insufficient internal capacity to perform some of the local government functions to the desired levels.</i>	<ul style="list-style-type: none"> <li>• Unnecessary reliance on consultants which divert financial resources which should be ideally invested in service delivery.</li> <li>• Inability to reach the municipality's true potential.</li> </ul>
Service Delivery and Infrastructure Development	<i>Huge infrastructure and services backlog and insufficient financial resources.</i>	<ul style="list-style-type: none"> <li>• Limited access to public facilities and/or services.</li> <li>• Poor telecommunications infrastructure and therefore poor network receptions/signal.</li> <li>• Poor road network drive up transportation costs and limits economic activity.</li> <li>• Huge capital investment negatively affects other development areas and limit resources available for maintaining existing infrastructure.</li> </ul>
Local Economic Development and Social Development	<ul style="list-style-type: none"> <li>➤ <i>High unemployment rate and non-inclusive economic growth.</i></li> <li>➤ <i>High levels of social inequality</i></li> </ul>	<ul style="list-style-type: none"> <li>• High dependency ratio and indigence rate resulting in low revenue base for the municipality.</li> <li>• Youth unemployment may result in high levels of crime, drug abuse and unplanned pregnancy.</li> <li>• Inequality results in high social vulnerability for particular sections of society who are the bottom of the social ladder.</li> </ul>
Good Governance and Public Participation	<i>Inability to reach real municipal potential in terms of good governance and public participation.</i>	<ul style="list-style-type: none"> <li>• Failure to attain a clean audit outcome as a result of irregular expenditure and performance related issues.</li> <li>• Inadequate public participation may result in an unnecessary community unrest which may disrupt service delivery or vandalism.</li> </ul>
Financial Management and Viability	<i>Lack of sufficient revenue base and grant dependency.</i>	<ul style="list-style-type: none"> <li>• Limited financial resources available to invest in service delivery and infrastructure development.</li> <li>• Grant dependency.</li> </ul>
Cross Cutting	<ul style="list-style-type: none"> <li>• <i>Unplanned sprawling rural settlements which impacts on negatively on proper planning and cost-effective delivery of services.</i></li> <li>• <i>Insufficient capacity to manage disasters within the municipality.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unplanned development undermines the economic viability of the municipality since such development does not align to economic opportunities and potential.</li> <li>• Service delivery also becomes unplanned and become intervention orientated.</li> <li>• Nquthu is disaster prone and the some out-flung areas cannot be reached on time in cases of disaster incidents.</li> </ul>



## A.5 OPPORTUNITIES THAT NQUTHU

<b>OPPORTUNITY</b>	<b>DESCRIPTION</b>
<b><i>Rich heritage and tourism potential</i></b>	<i>Nquthu is very rich in heritage. As such, there is a lot of untapped into potential in the tourism sector despite the good work that the municipality has done in promoting tourism in Nquthu which is hampered by limited resources. Tourism is one of the economic sectors with the potential of becoming the economic drivers of Nquthu.</i>
<b><i>Underdeveloped agriculture</i></b>	<i>While Nquthu has a challenge of soil erosion and water shortage, it has some arable tracts of land that has an agricultural potential and can be utilized for food production for commercial purposes, especially in maize production and livestock farming. In most cases, communal land is freely available for use.</i>
<b><i>Controlled development</i></b>	<i>The municipality's proper spatial planning, implementation and enforcement of laws can result in a more equitable development of all nodes which can results in more economic opportunities.</i>
<b><i>Positive entrepreneurial spirit</i></b>	<i>Nquthu has no local industries; most economic activity is centered on retail, services, taxis industry, informal sector and government procurement. The informal sector is a very important component of the local economy of Nquthu because of the positive entrepreneurial spirit of the locals. There are many people who thrive on participating in this sector of the economy to make living. The survival and self-reliance mindset of the people of Nquthu represents an opportunity for local economic growth if the informal sector is properly developed through training of informal traders and exposing them to variety of business capacity so that they can branch out other forms of trading other than buying and selling.</i>
<b><i>Labour supply</i></b>	<i>Due to high unemployment rate especially among the youth, there is a huge supply of low skill and semi-skilled labour suitable to work in the agriculture, services and manufacturing sectors.</i>
<b><i>Investor friendly environment and potential</i></b>	<i>Nquthu LM is open to investors and ready to work with them to establish a mutually beneficial relationship to unlock the economic potential of Nquthu. Densely populated areas like Nondweni have immense investment potential especially in the retail and services sector.</i>
<b><i>Suitable geographical position and accessibility</i></b>	<i>Nquthu is strategically located between Dundee and Vryheid with a road infrastructure which enhances its ability to supply neighboring areas like should it improve its production/manufacturing capacity. There is also sufficient road network to facilitate transportation of goods to and from Nquthu.</i>



## **A.6 MUNICIPAL VISION, MISSION, CORE VALUES AND SPATIAL VISION**

### ***Vision***

*“Seeking to build a people centered and developmental municipality that is financially stable, responsive, and efficient and is capable of meeting people’s needs and aspirations and, ultimately; deliver on the NDP vision”*

### ***Mission***

We are a municipality committed to service delivery and working for the development and economic empowerment of all our people.

### ***Core values***

We subscribe to the value system inspired by and premised on the principles of Batho Pele, which are:

- Accountability.
- Responsiveness.
- Customer focus.
- Innovation.
- Efficiency.
- Transparency.
- Self-help and self-reliance.
- Integrity.
- Ubuntu.

### ***Spatial Vision***

*“By 2040 the Nquthu Municipality will have changed its spatial and socio-economic landscape through innovative spatial planning principles of justice, sustainability, efficiency, resilience and good administration that will position the municipality as a destination of choice for tourism and investment”.*

### ***Spatial development principles***

The development principles for Nquthu Municipality are informed by the SPLUMA principles as set out in the Act and apply to all stakeholders (government and private sector) responsible for the implementation of legislation regulating the use and development of land. The following table illustrates. These principles are detailed in the following page.

SPLUMA PRINCIPLES	APPLICATION TO THE MUNICIPALITY
<b>Spatial justice</b>	Integrate Low Income residential areas to high order centers and new economic opportunities in growth area and adjacent to major roads and redressing imbalances with improved infrastructure and new economic opportunities.
<b>Spatial sustainability</b>	Protecting environmentally sensitive areas, coherent and reinforcing infrastructure, protecting agriculture potential areas and upgrade residential areas with appropriate infrastructure.
<b>Efficiency</b>	Intensity of development on the periphery of CBD, adjacent major nodes, limited mixed-use activity spines between focus points, new and Infill development focused to create coherent system, mainly in urban and peri-urban areas of Nqutu, Nondweni and Ngolokodo
<b>Spatial resilience</b>	Planning of human settlements in such a manner that they are more resilient to climate change impacts.
<b>Good administration</b>	Alignment of programmes with sector departments, facilitating processes which deal with Development Applications from lodgment to decision making by MPTs and Authorized Officers and Appeal process within the legislated timeframes.

## A.7 DEVELOPMENT GOALS, OBJECTIVES AND STRATEGIES

### National KPA 01: Municipal Institutional Development and Transformation

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	
Insufficient internal capacity to performance of some of the local government functions to desired levels.	<b>National Development Plan:</b> Goal 7 - Building a capable state.  <b>Provincial Growth and Development Strategy:</b> Goal 2 – Build government capacity.  <b>Municipal Goal:</b> Ensure human capital development and improve institutional capacity.	1.1 To improve municipal capability.	1.1.1 Implementation of WSP by ensuring the training of staff and councillors as per the WSP.	
			1.1.2 Ensure that appointments for advertised posts are finalized on time.	
			1.1.3 Ensuring that critical posts and all budgeted vacant posts are filled.	
			1.1.4 Provide in-service training to students who have completed their degrees/diplomas.	
			1.2 To enhance institutional development.	1.2.1 Strive to attain demographic equity in municipal workforce.
			1.3 To ensure an effective municipal ICT	1.3.1 Monitor the ICT systems by ensuring a functional IT

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
		system.	Steering Committee.
		1.4 To ensure effective management of municipal performance.	1.4.1 Table performance reports to enable Council to monitor performance.
		1.6 To ensure effective fleet management system.	1.6.1 Implementation of Fleet Management Policy.

### National KPA 02: Service Delivery and Infrastructure Development

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
Huge infrastructure and services backlog and insufficient financial resources.	<p><b>National Development Plan:</b> Goal 2 - Expanding infrastructure.</p> <p><b>Provincial Growth and Development Strategy:</b> Goal 2 – Infrastructure development.</p> <p><b>Municipal Goal:</b> Improved access to Basic services.</p>	2.1 Ensure quality of municipal road network and expansion of access road network.	2.1.1 To ensure improved quality of municipal road network.
			2.1.2 To ensure improved quality of municipal road network.
			2.1.3 To ensure the expansion of access road network.
		2.2 Improvement of electricity services, affordability, access, connection, and energy sustainability.	2.2.1 Improved affordability of electricity.
			2.2.2 To ensure improved access to electricity.
			2.2.3 Improved energy sustainability.
		2.3 To improve access to network connectivity.	2.3.1 To improve access to network connectivity.
		2.4 Improve access to public facilities in terms of community halls, Sport fields, and ECDs.	2.4.1 Ensuring access to public facilities by construction of community halls.
			2.4.2 Expanding access to Early Childhood Development facilities.
			2.4.3 Expanding access to Sport field facilities.
			2.4.4 Improvement of residential development.

**National KPA 03: Local Economic Development and Social Development**

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
High unemployment rate and non-inclusive economic growth.	<p><b>National Development Plan:</b> Goal 1 - Creating jobs and livelihoods.</p> <p><b>Provincial Growth and Development Strategy:</b> Goal 2 – Inclusive economic growth.</p> <p><b>Municipal Goal:</b> Achieve inclusive Economic growth and development to alleviate poverty.</p>	3.1 Ensure growing the local economy.	3.1.1 Development and implementation of Agricultural Strategy.
			3.1.2 Average time taken to process business license applications
			3.1.3 Promote the formalization of SMMEs.
			3.1.3 Build the capacity of local SMMEs to make them competitive and sustainable.
			3.1.4 Use local procurement and sub-contracting as an instrument to grow SMMEs.
			3.1.5 Support local youth enterprises to unleash their potential and innovation.
			3.2 To ensure growing the tourism sector in the municipality.
	3.3 Promotion of Social cohesion through Arts and Culture development programmes.	3.3.1 Facilitate and participate in all art, culture and heritage activities.	
	3.4 To ensure more effective poverty alleviation.	3.4.1 Creation of jobs to alleviate poverty by implementing EPWP, CWP, Waste Ambassadors.	
High levels of social inequality.	<p><b>National Development Plan:</b></p> <ul style="list-style-type: none"> <li>• Goal 5 - Improving education and training.</li> <li>• Goal 9 - Transforming society and uniting the nation.</li> </ul> <p><b>Provincial Growth and Development Strategy:</b> Goal 3 – Human and community development.</p>	11.1 Promotion of all sports codes in the municipality.	11.1.1 Ensure the implementation of all sports development and plans.
		11.2 To ensure the welfare of vulnerable groups within the municipality.	12.2.1 Establish and ensure the functionality of representative forums for the targeted social groups.
		11.3 Ensuring Early Childhood Development in Nquthu.	11.3.1 Providing support to ECD centres.
		11.4 Ensuring youth development in Nquthu.	11.4.1 Initiating and implementing youth development initiatives.

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
	<b>Municipal Goal:</b> Ensure accelerated social development of the people of Nquthu.		

#### National KPA 04: Good Governance and Public Participation

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
Inability to reach real municipal potential in terms of good governance and public participation.	<b>National Development Plan:</b> Goal 8 - Fighting corruption and enhancing accountability.	4.1 Improved municipal responsiveness.	4.1.1 Ensure that all complaints received are attended to on time.
			4.2.1 Ensure that all ward committees are functional.
	<b>Provincial Growth and Development Strategy:</b> Goal 6 – Governance and policy.	4.3 More effective municipal administration.	4.3.1 Prevent recurrence of AG findings.
			4.3.2 Ensure that councillors declare their interests.
	<b>Municipal Goal:</b> To attain a well governed and accessible municipality that is rooted in the will of the people.	4.5 Improved council functionality.	4.5.1 Prevent disruption of council meetings to ensure smooth functioning of council.
		4.6 To ensure the municipality maintains a functional Back to Basics status.	4.6.1 Back to Basics programme implementation.
		4.7 To ensure improved communication with communities.	4.7.1 Engaging communities about all development or infrastructure projects.
		4.8 To ensure effective risk management.	4.8.2 Implement the municipality's risk management policy and strategy.
		4.9 Strive to attain a clean audit.	4.9.1 Ensure that the AG Action Plan is implemented and that Audit Committee sits and reports to Council.
		4.10 To ensure effective records management system.	4.10.1 Awareness of staff on the implementation of records management system.

KEY CHALLENGES	GOALS	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
		6.1 Ensure effective strategic planning by developing a credible IDP.	6.1.1 Ensure that the IDP is compliant and meet all prescribed timelines.

#### National KPA 05: Financial Management and Viability

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
Lack of sufficient revenue base and grant dependency.	<p><b>National Development Plan:</b></p> <ul style="list-style-type: none"> <li>• Goal 8 - Fighting corruption and enhancing accountability.</li> <li>• Goal 7 - Building a capable state.</li> </ul> <p><b>Provincial Growth and Development Strategy:</b> Goal 6 – Governance and policy.</p> <p><b>Municipal Goal:</b> To attain a well governed and accessible municipality that is rooted in the will of the people. Improved and sound financial management and viability.</p>	5.1 To ensure effective expenditure management.	5.1.1 Ensuring that the municipality execute its procurement plan.
		5.2 Ensure municipal financial sustainability.	5.2.1 Maintain proper municipal financial sustainability.
		5.3 To ensure improved municipal liquidity position.	5.3.1 Ensure that the municipality is in a good position to meet its short-term liabilities by maintaining a set current ratio.
			5.3.2 Ensure municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.
			5.3.3 Prudent management of municipal finances to ensure sustainability Liquidity Ratio.
		5.4 To ensure improved debt management.	5.4.1 Improve debt collection by billing of all municipal debtors.
5.4.2 Keep municipal assets in good state by efficient spending of maintenance budget.			

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
			5.4.3 Invest optimally in infrastructure by spending budgeted capital expenditure.
		5.5 To ensure improved financial management.	5.5.1 Ensure proper budget implementation and that expenditure is incurred in acceptable standards.
			5.5.2 Ensure effective procurement management by adhering a set average turn-around time for awarding of bids.
			5.5.3 Ensure that electricity distribution losses does not exceed 10%.
			5.5.4 Ensure effective and consistent reporting.

**National KPA 06: Cross Cutting**

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<p>Unplanned sprawling rural settlements which impacts on negatively on proper planning and cost-effective delivery of services.</p> <p>Insufficient capacity to manage disasters</p>	<p><b>National Development Plan:</b> Goal 4 - Transforming urban and rural spaces.</p> <p><b>Provincial Growth and Development Strategy:</b> Goal 7 – Spatial equity.</p> <p><b>Municipal Goal:</b> Improved strategic planning and municipal spatial planning.</p>	6.1 To ensure effective land use management and development planning.	6.1.1 Reviewing of Urban Design Framework (UDF) and SDF to address spatial challenges in Nquthu Town.
		6.2 To ensure provision of gathering, managing, and analysing spatially related data through GIS.	6.2.1 Implementation of GIS Policy.
		6.3 Ensure compliance with National building Regulations Act and Building Standards and Bylaws.	6.3.1 Creating awareness to local community National Building Regulations Act and building standards.

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
within the municipality			
	<b>Provincial Growth and Development Strategy:</b> Goal 5 – Environmental sustainability. <b>Municipal Goal:</b> Achieve improved response to disaster.	7.1 Improve mitigation effects of emergencies and disasters.	7.1.1 Improve disaster response time and Alertness to the community.
	<b>Provincial Growth and Development Strategy:</b> Goal 3 – Human and community development. <b>Municipal Goal:</b> Safe municipal environment.	8.1 Ensure a secure and safe internal municipal environment.	8.1.1 Implementation of municipal safety plan.
		8.1 To ensure safer local roads.	8.1.1 Maximum enforcement of road traffic laws and municipal bylaws.
	<b>Provincial Growth and Development Strategy:</b> Goal 5 – Environmental sustainability. <b>Municipal Goal:</b> Sustainable development and environmental management.	10.1 To ensure effective environmental protection.	10.1.2 Initiating and implementation of all municipal environmental management programmes.

## A.8 HOW WAS THIS IDP DEVELOPED?

### (a) Public consultations

The municipality has adopted a continuous consultation approach whereby WBPs are identified as strategic tool for a more effective public consultation process whereby Councillors use their meetings to gather the views of the public about their needs and priorities. WBPs then becomes the basis for the IDP review as it specifically identifies community needs, backlog and priorities at a ward level and then align and consolidate that information into the IDP. However, after the municipality approved its draft IDP, it was put on the municipal website and notices



were published in newspaper and also communicated on the municipality’s social page. All direct public engagements were cancelled due to lockdown.

**(b) Input by Councillors**

Councillors are the main representatives of the people and they understand the needs of the people better. Inputs are continuously received from Councilors during the process.

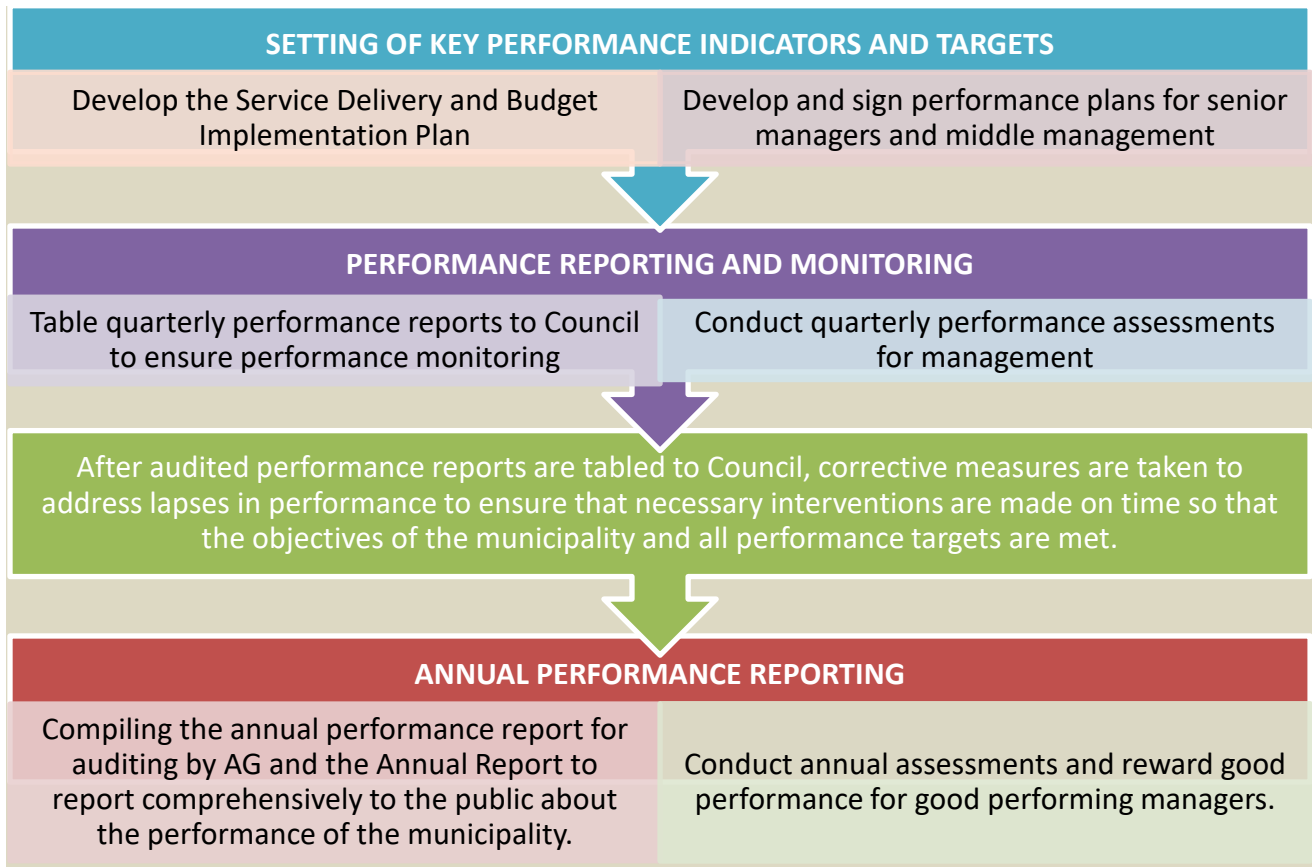
**(c) Strategic planning resolutions**

The strategic planning made recommendations which eventually adopted by Council. Such recommendations provide a strategic direction and define the development trajectory for the municipality upon which the IDP is based.

**(e) Approval by Council**

The IDP was duly approved by Council and a resolution to approve the IDP is herein attached as an annexure to this IDP.

**A.9 HOW WILL MUNICIPAL PERFORMANCE BE MEASURED?**



## **SECTION B: LEGISLATIVE FRAMEWORK AND DEVELOPMENT PRINCIPLES AND STRATEGIES**

The Constitution of the Republic of South Africa establishes three (3) spheres of government; the national, provincial and local sphere of government. The Constitution requires all these spheres to work in a cooperative and complementary manner. The local sphere of government is the most closest to the people and is at a coalface of service delivery. As such, the local sphere of government has to take into account national and provincial policy imperatives and programmes in the planning and implementation of all its projects and programmes while at the same time paying attention in pursuing the global and continental development agenda. This section outlines the principles that informed and guided Nquthu LM in compiling this IDP, the manner in which it determines its development priorities as well as the manner in which it conducts its business as it endeavors to develop Nquthu.

For purposes of compiling a well informed and aligned IDP, the municipality will be informed and guided by the following:

- Legislative provisions;
- Sustainable Development Goals;
- The African Union 2063 Agenda;
- The National Development Plan;
- The Medium Term Strategic Framework;
- The Provincial Growth Development Plan;
- The District Growth Development Plan;
- The State of the Nation Address;
- The State of the Province Address;
- The Integrated Urban Development Framework;
- The Back to Basics programme;
- The municipality's Spatial Development Framework;
- The Local Economic Development Strategy and,
- The municipality's Vision, Mission and Development Priorities.

Moreover, it is very important to keep a constant eye on all plans and/or programmes of government, private sector and non-profit sector that are aimed to support the development aspirations of municipalities and communities in general in a variety of ways. These plans or programmes should then be taken into account in municipal plans to identify areas of cooperation between the municipality and all stakeholders and also to prevent duplication.

## B.1 LEGISLATIVE PROVISIONS

Our mandate and our processes are governed by different pieces of legislation that give effect to Section 152 of the Constitution which establish the objects of local government and Section 153 which defines the exact functions of local government. Such legislative is listed and briefly explained in the table below, especially as it relates to integrated development planning:

### **Constitution of the Republic of South Africa (Act No. 108 of 1996)**

*The Constitution requires municipalities to undertake developmental orientated planning to ensure that it:*

- *Strives to achieve the objectives of local government as indicated in Section 152;*
- *Gives effect to its developmental duties as required by Section 153, and*
- *Together with other organs of state it contributes to the progressive realization of fundamental rights contained in Section 24, 25, 26, 27 and 29.*

### **Municipal Structure Act (Act No. 117 of 1998)**

*The Municipal Structures Act No 117 of 1998 makes provision for the powers and functions between the Metro, Districts and Local Municipalities. It mandates district wide functions to the district municipalities and critical day to day functions to the local municipalities.*

### **Municipal Systems Act (Act No. 32 Of 2000)**

*According to Chapter 5, Section 32 of the Municipal Systems Act of 2000, all municipalities (i.e. Metros, District Municipalities and Local Municipalities) are required to undertake an integrated development planning process to produce integrated development plans (IDPs). A credible IDP is a single, inclusive strategic plan for the municipality. That:*

- *Is based on up to date and accurate statistics and empirical data that can inform strategic decision making;*
- *Integrates, co-ordinates and facilitates service delivery, local economic development and wise land use management within the municipal area of jurisdiction;*
- *Forms the general basis on which annual budgets are developed;*
- *Aligns the resources and capacity of the municipality with the implementation of the plan;*
- *Assists a municipality in fulfilling its constitutional mandate as developmental local government; and*
- *Facilitates the processes of democratization and sustainability through vigorous public participation.*

### **Municipal Finance Management Act (Act No. 56 of 2003)**

*The annual Budget and the IDP have to be linked to one another and that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act indicates that at least 10 months before the start of the budget year, table in the municipal Council a time schedule outlining key deadlines for:*

- *The preparation, tabling and approval of the annual Budget;*
- *The annual review of the integrated development plan in terms of Section 34 of the*

*Municipal Systems Act, and the Budget related policies*

- *The tabling and adoption of any amendments to the integrated development plan and budget related policies, and*
- *The consultative processes forming part of the processes referred above.*

### ***Disaster Management Act (Act No. 53 of 2002)***

*The Disaster Management Act No 53 of 2002, Section 25 requires each municipality must, within the applicable municipal disaster management framework, to:*

- *Prepare a disaster management plan for its area according to the circumstances prevailing in the area;*
- *Co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;*
- *Regularly review and update its plan: and*
- *Through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.*

### ***Municipal Planning and Performance Management Regulations, 2001***

*In 2001, the Municipal Planning and Performance Management Regulations were issued to further provide guidelines and clarity on the issues of IDP and PMS. The Municipal Planning and Performance Management Regulations provide details on the requirements of the IDP and Performance Management System.*

### ***Intergovernmental Relations Act***

*The Intergovernmental Relations Act is a very important piece of legislation because it establishes a legal obligation on all spheres and organs of government to work in a manner that is cooperative and complimentary.*

### ***Promotion of Access to Information Act (PAIA)***

*Section 32 of the Constitution provides for a right of everyone to have access to information that concerns him/her and/or he/she requires to exercise his/her rights. PAIA gives effect to this constitutional right and outline all procedures that should be put in place by government organs in giving effect to this right and also determine the extent or limits to which this right can be exercised.*

### ***Promotion of Administrative Justice Act (PAJA)***

*PAJA is a piece of legislation that ensures that the actions of all government organs are just and establishes a principle of consultation with affected parties. This is very important and relevant to a local municipality because laws, decisions and processes of the municipality should be open to the public and be subjected to a consultation process. The public is entitled to a just and fair administration.*

### ***Division of Revenue Act***

*This Act is a legal instrument to distribute and/or allocate revenue collected nationally to all spheres of government to fund different government programmes and outline the following:*

- *Explain the formula used to allocate funds to different spheres of government, especially*

*local government;*

- *Prescribe conditions upon which these funds shall be utilised and how they shall be accounted for;*
- *Determine intergovernmental principles and/or obligations applicable between different levels and organs of government in planning and spending of funds allocated;*
- *Determine the role of transferring and receiving officers especially national departments and municipalities, and*
- *Provide for any related matters.*

## **B.2 POLICY DIRECTIVES**

### **(a) Sustainable Development Goals**

On the 25<sup>th</sup> of September 2015, hundred and ninety three (193) countries under the United Nations banner adopted Sustainable Development Goals (SDGs) with a shared goal of ending poverty, protect the planet and ensure prosperity for all.

While these goals are quite ambitious and a mammoth task to achieve, Nquthu LM believes that they can be achieved and are achievable if everyone put maximum effort in realizing them. These goals are:

1. End extreme poverty in all forms by 2030.
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
3. Ensure healthy lives and promote well-being for all at all ages.
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
5. Achieve gender equality and empower all women and girls.
6. Ensure availability and sustainable management of water and sanitation for all.
7. Ensure access to affordable, reliable, sustainable and modern energy for all.
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
10. Reduce inequality within and among countries.
11. Make cities and human settlements inclusive, safe, resilient and sustainable.
12. Ensure sustainable consumption and production patterns.
13. Take urgent action to combat climate change and its impacts.
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
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.
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.
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

#### **(a) The African Union 2063 Agenda**

This agenda is essentially an instrument to achieve the vision of the African Union which says “An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena”. In pursuit of this noble vision, the AU set seven (7) aspirations that seek to define the kind of Africa we want, these are:

1. A prosperous Africa based on inclusive growth and sustainable development.
2. An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of African Renaissance.
3. An Africa of good governance, democracy, respect for human rights, justice and the rule of law.
4. A peaceful and secure Africa.
5. An Africa with a strong cultural identity, common heritage, values and ethics.
6. An Africa where development is people-driven, unleashing the potential of its women and youth.
7. Africa as a strong, united and influential global player and partner.

#### **(b) The National Development Plan (Vision 2030)**

This is the blueprint for South Africa's long term development vision. The NDP identifies and focuses on solutions and strategies to attain the following goals:

1. Creating jobs and livelihoods;
2. Expanding infrastructure;
3. Transitioning to a low carbon economy;
4. Transforming urban and rural spaces;
5. Improving education and training;
6. Providing quality health care;
7. Building a capable state;
8. Fighting corruption and enhancing accountability, and
9. Transforming society and uniting the nation.

### **(c) The Medium Term Strategic Framework (MTSF)**

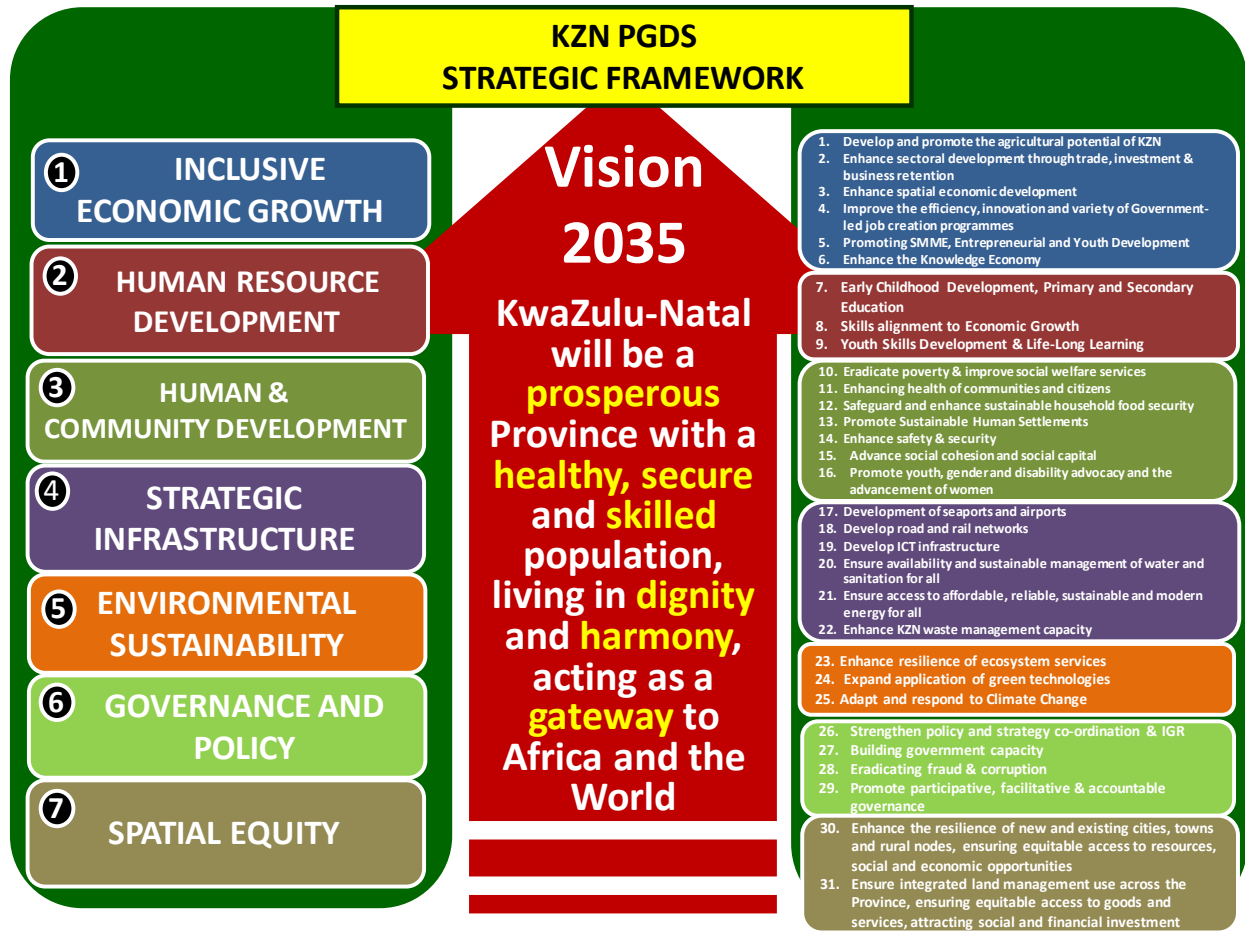
This MTSF is a national strategic plan for the 2014-2019 national government electoral term that is inspired by and/or based on the vision of the NDP. The MTSF focuses on fourteen (14) priority outcomes, which are:

1. Quality 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 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, sustainable rural communities contributing towards food security for all;
8. Sustainable human settlements and improved quality of household life;
9. Responsive, accountable, effective and efficient local government (**Outcome 09**);
10. Protect and enhance our environmental assets and natural resources;
11. Create a better South Africa and contribute to a better Africa and a better world;
12. An effective, efficient and development-orientated public service;
13. A comprehensive, responsive and sustainable social protection system, and

14. A diverse, socially cohesive society with a common national identity.

**(d) The Provincial Growth Development Plan (PGDP)**

The KZN PGDP is inspired by the vision of the NDP and encapsulates all the principles and aspirations of the people of KwaZulu-Natal of which Nquthu is part.



**Figure 03: KZN PGDS Strategic Framework**

**(e) The District Growth Development Plan (DGDP)**

The Umzinyathi DM is in the process of developing its plan together with local municipalities under it. When the plan has been developed and adopted it will be incorporated into this IDP.





**Figure 03:** UDM Strategic Goals

### **(f) The State of the Nation Address (SONA)**

In his State of the Nation Address delivered to the Nation on 07 February 2019, the President of the Republic of South Africa, His Excellency President CR Ramaphosa, cajoled the nation to work together around the following ideals:

- Accelerating economic growth and job creation;
- Improving education and skills development to endow our nation, especially the youth, with the skills that are required by a modern economy that will inevitable have to grapple with the demands of the fourth industrial revolution;
- Improving the living condition of all South Africans, especially the poor and the vulnerable groups in our society;
- Stepping up the fight against corruption in all its forms and also working to prevent the abuse of state resources and fighting state capture, and
- Strengthening the capacity of the state to best serve its people.

### **(g) The State of the Province Address (SOPA)**

On 27 February 2019, the Premier of KwaZulu-Natal, Hounorable TW Mchunu, delivered the State of the Province Address in which he reflected on the progress that has been made thus far and also outlined the plans of the provincial government going forward. The key message of

the Premier was the drive of government and all sectors or stakeholders in KZN to work towards realizing the provincial government's eight priorities, which are:

- Building an inclusive economy that creates jobs;
- Developing and transforming our rural areas to address challenges of poverty and urban migration;
- Ensuring decent living conditions and sustainable human settlements;
- Improving and expanding education and training;
- Ensuring quality health care for all people;
- Expanding comprehensive social security;
- Fighting crime and corruption, and
- Building a united nation and promote social cohesion.

The State of the Province address highlighted focus areas in the province which are of relevance to municipal strategic planning.

#### **(h) The Integrated Urban Development Framework (IUDF)**

South Africa is faced by a serious challenge of rapid and uncontrolled urban migration as people move to urban areas in pursuit of economic opportunities. The IUDF's main objective is to ensure spatial transformation whereby development in our towns and cities is planned in a manner that gives effect to four (4) strategic goals, which are:

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

#### **(i) The Back to Basics programmes (B2B)**

The B2B is a national initiative aimed at promoting and ensuring good governance, public participation, sound financial management, accountability and delivery of services to communities at local government level. This initiative put emphasis on existing local

government laws and programmes and put in place reporting requirements with a sole aim of monitoring and evaluating the actual performance of municipalities.

The Nquthu LM B2B implementation approach is herein outlined in the implementation plan section of this IDP.

#### **(j) The Spatial Development Framework (SDF)**

The SDF is a very important planning instrument for the municipality because it outlines and analyses the challenges and opportunities of the municipality in terms of its environmental situation, water scarcity and access, agricultural potential, biodiversity, climate, socio-economic conditions, settlement patterns and other related information that is central to allow the municipality to develop proper plans and programmes.

Nquthu LM has reviewed its SDF in March 2017 and used it extensively in compiling this IDP as it provide a very important data and analysis for purposes of planning (*See Situational Analysis section*).

#### **(k) The Local Economic Development Strategy (LED Strategy)**

Local economic development is one of the foremost developmental priorities of Nquthu LM. In this light, the LED strategy becomes a very strategic facts gathering and planning tool that guides the municipality to enable it to develop economic development projects and programmes that are economically feasible and sustainable.

Nquthu LM has a LED strategy that was adopted back in 2014 but could not be reviewed annually due to financial constraints. However, the existing strategy is a good base and framework that can be reviewed internally since the fundamental aspects of a credible LED strategy are already incorporated into that strategy.

#### **(m)The municipality's Vision, Mission and Development Priorities**

Council, at its Strategic Planning Session, resolved to review vision, mission and development priorities of the municipality to give effect to the new electoral mandate of Council that was inaugurated on 06 June 2017.

The revised vision, mission and development priorities takes into account political direction of new Council and also take into account the new policy direction of government as a whole, especially with regard to the emphasis that is put in economic redistribution through procurement and local enterprise development. The revised vision also put emphasis on a dynamic and transformational political leadership that is conscious of the current political,

social and economic environment and is capable of steering the municipality in a correct growth path.

### **B.3 COMMONALITIES AND RELATIONSHIP BETWEEN POLICY DIRECTIVES**

A careful analysis of these policy directives as expressed at a global, continental, national and provincial levels reveal a particular pattern by which there is a broad convergence of ideas and aspirations between all of them. Even though the wording may differ, but the principles, objectives and goals remain the same. In essence, there is a clear unity of purpose between all these policy directives which makes them inherently aligned in principle and in essence. Such unity of purpose is summarized below as follows:

- **Sustainable development:** emphasis that development should be planned and implemented in such a way that it can be sustained in the long term. This means that all development programmes must be financially feasible, cost effective, consistent and continuous for as long as they are necessary.
- **Fighting poverty:** there is broad consensus that every effort must be put in fighting and eliminating poverty. Poverty is a broad phenomenon that can take many forms, including; lack of income, hunger, lack of shelter, lack of access to proper health care, etc.
- **Inclusive growth and job creation:** while economic growth is a prerequisite for any society to prosper, economic growth that is not inclusive and which does not benefit the majority of citizens can never produce a prosperous nation. As such, emphasis is put on the need to ensure that all people, especially the previously disadvantaged or the former oppressed, do participate in the economy and reap the benefits of economic growth through employment opportunities and also through enterprise development and ownership.
- **Environmental protection and conservation:** development, especially infrastructure development and industrialization, can be a very resource intensive process that can endanger our environment either through natural resource depletion or environmental pollution. In light of this reality, government, the private sector and anyone else should be environmentally conscious and follow a prescribed protocol and also take all necessary measures to protect and preserve our environment for future generations, especially as we are faced with a challenge of climate change which result in terrible natural disasters like floods and drought.
- **Democracy, good governance, peace, justice, human rights and the rule of law:** these are the fundamental requirements for any nation to be economically, political and socially stable and prosperous, as such; all governments are expected to meet these requirements without fail.

- **Redress and social cohesion:** in order for any nation to attain social cohesion, there has to be a concerted effort to redress the imbalances of the past so that the former oppressed and the former oppressor have same access to opportunities and share equally in the wealth on the nation. Social cohesion shall always be a product of equality; it can never be an isolated phenomenon.
- **Social justice, equality and transformation:** undoing the social injustices and discriminatory practices of the past especially in respect of race and gender in order to effect a change of mindset and undo unjust social norms and practices.
- **Infrastructure development and access to basic services:** infrastructure development and access to services goes together since services are dispersed to the community through infrastructure that is a conduit for them to be delivered. Infrastructure and access to services is central in changing the daily lives of the people for the better.
- **Spatial planning and integration:** development that is unplanned can produce unintended and undesirable outcomes. Hence, emphasis is put on a well planned development that takes into account a variety of factors, including; environmental considerations, integrating settlements to critical public facilities, proximity to places of work, anticipated or potential future developments, eliminating racial and economic segregation and also take into account other related factors.

#### **B.4 ALIGNMENT STRATEGY AND APPROACH**

The commonalities and relationship between these policy mandates, as explained above; means that they talk to each other and are interrelated and complementary. As such, we are of the view that the NDP, PGDP and DGDP are inherently aligned to policy mandate at a continental and global level. Therefore; this IDP will be directly aligned to the NDP, PGDP, DGDP and Back to Basics. It was noted in the 2020 MEC IDP Assessment letter that the Back to Basics indicators were not properly incorporated into the SDBIP; this IDP addresses that factor so that Back to Basic indicators also inform the targets for PMS purposes.

The alignment table is attached to this IDP in the addendum of annexures.

#### **B.5 MEC RESPONSES AND CORRECTIVE MEASURES**

##### **Matters raised in the MEC letter**

Arising from 2020/21 IDP assessment, the MEC for COGTA in KZN identified a number of gaps and made recommendations as to how those gaps should be closed. All the issues that were

raised in the MEC Letter have been taken into account and form part of the municipality's planning processes. MEC responses are attached as an annexure.

## SECTION C: SITUATIONAL ANALYSIS

This section provides an assessment of Nquthu LM in terms of its demographics, infrastructure backlog, socio-economic conditions, access to services and the municipality's institutional capacity to deliver on its development mandate.

### C.1 Overall population

Municipality	Census 2011			CS 2016		
	N	%	Households	N	%	Households
Endumeni	64 862	12.7	16,852	76639	13.8	21134
<b>Nquthu</b>	<b>165 307</b>	<b>32.4</b>	<b>31,613</b>	<b>171325</b>	<b>30.9</b>	<b>32622</b>
Msinga	177 577	34.8	37,723	184494	33.3	38372
Umvoti	103 093	20.2	27,282	122423	22.1	34664
Umzinyathi	510 838	100	113,470	554 882	100	126791

**Table C.1:** Overall population (CS 2016)

Key findings and developmental implications:

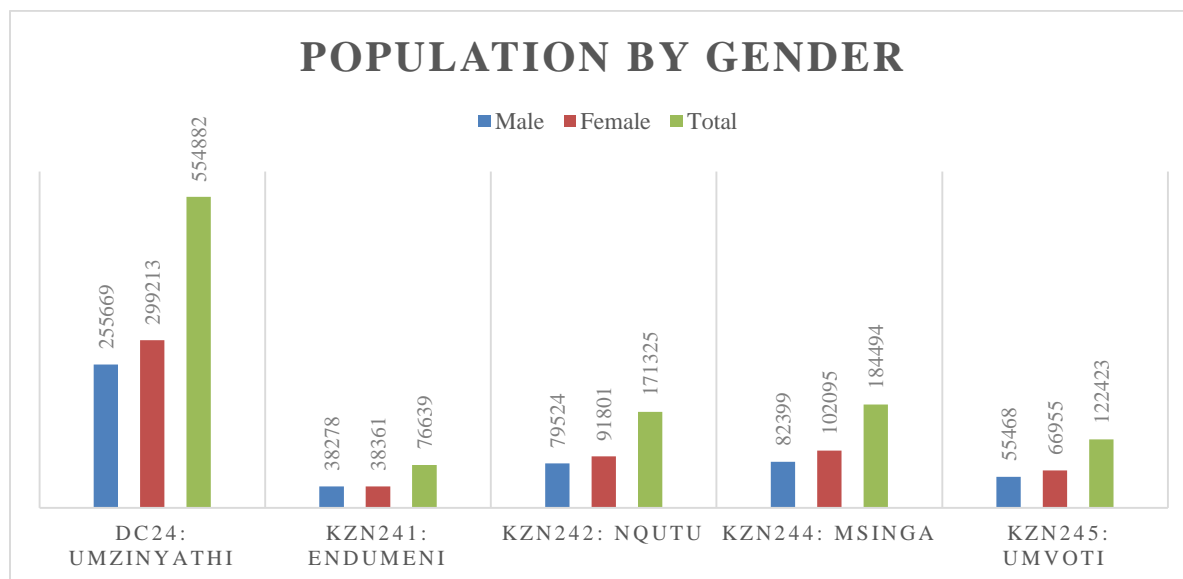
- The population of Nquthu is growing as it grew by around 6000 people between 2011 and 2016, meaning that the fertility rate is more than the mortality rate, therefore; every development plans made must take population growth factor into account.
- While population growth has a positive effect on equitable share allocation, such growth is undermined by the persistent economic dependency ratio of the growing population, especially the youth.

### C.1.2 Population by gender

Municipalities	Male	Female	Total
DC24: Umzinyathi	255669	299213	554882
KZN241: Endumeni	38278	38361	76639

<b>KZN242: Nqutu</b>	<b>79524</b>	<b>91801</b>	<b>171325</b>
KZN244: Msinga	82399	102095	184494
KZN245: Umvoti	55468	66955	122423

**Table C.1.2: Population by gender (CS 2016)**



**Stats SA:** Community Survey 2016

Key findings and developmental implications:

- Women population is more than that of man in Nquthu by a sizeable margin in the municipality.
- Births are given to more males than women, therefore; there are more males than women from 0 to 24 years. From 24 to 34 years there is equilibrium in numbers between males and females, but from 35 years upwards male numbers decreases dramatically which means that the mortality rate of males is higher than that of females.
- Generally, single parents are single mothers, and even in co-parenting situations; men pass away first. This means there are many women headed households and that women generally have more dependents than men.
- Moreover, women are mostly behind men in terms of income levels and social status, therefore; the inevitable implication of this reality is that women should become the priority in terms of empowerment in every respect, that is; educationally, socially and economically. This is so because improving the social and economic conditions will trickle down to most households and directly result in improved living conditions in society.

### C.1.3 Population by race

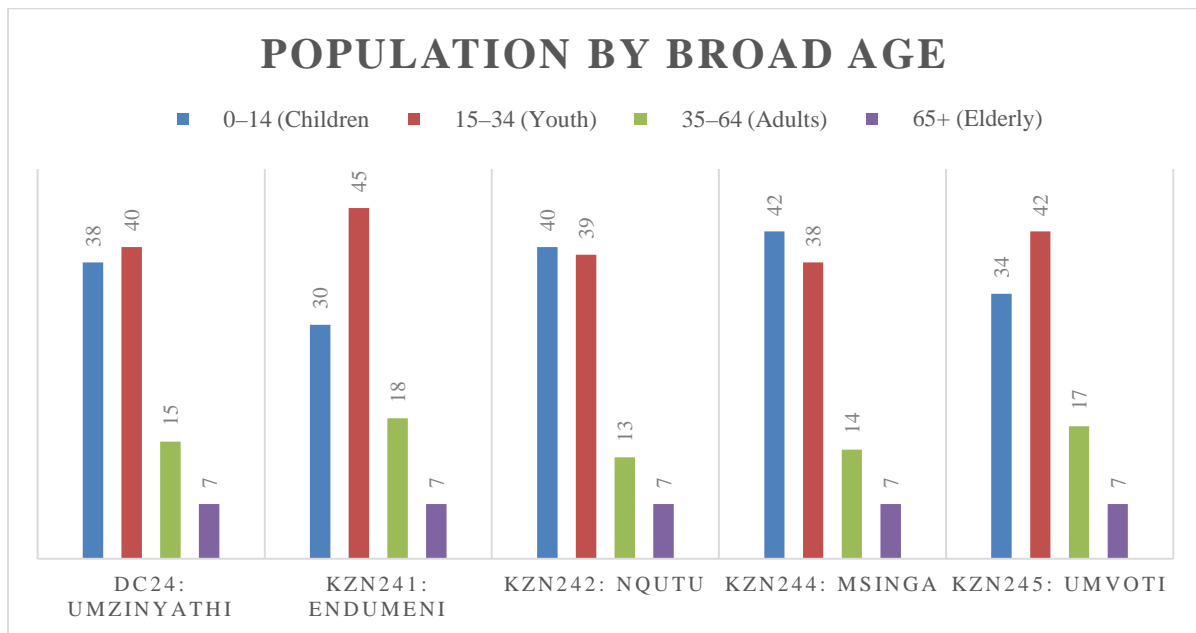
Black Africans	Coloured	Indian/Asian	White	Other
99.7%	0.1%	0.1%	0.1%	0.1%

Table C.1.3: Population by race (CS 2016)

Key findings:

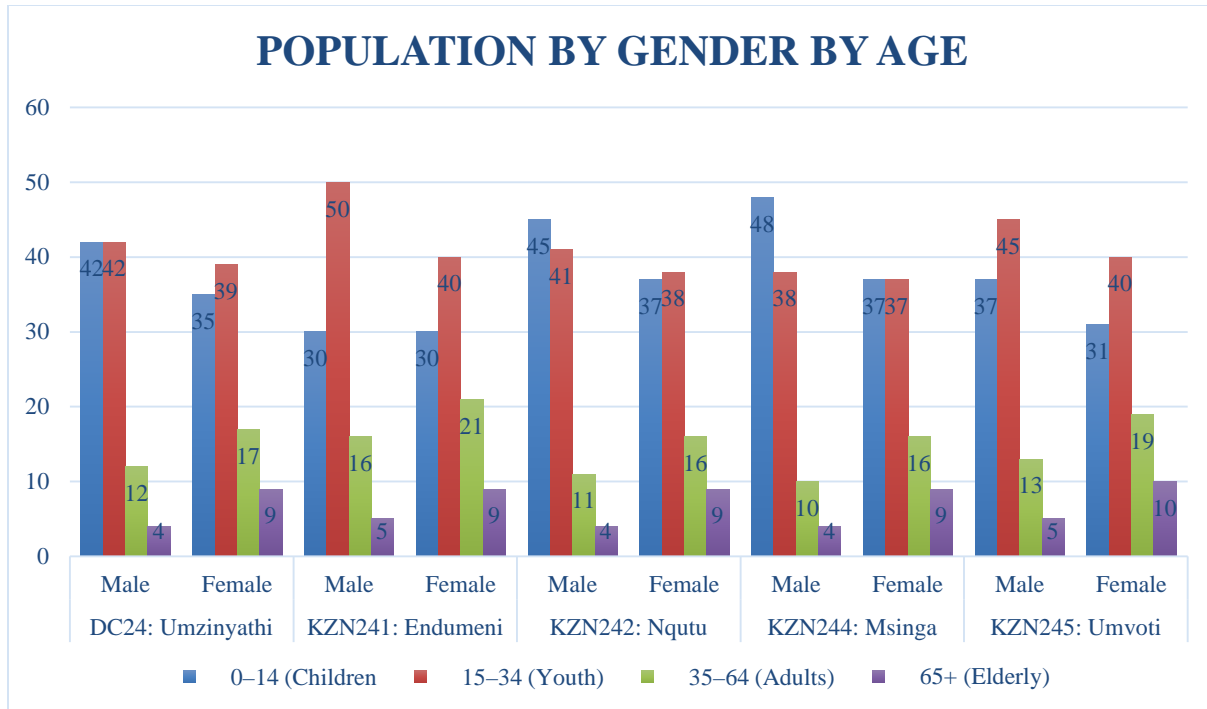
- The table above shows that Black Africans constitute an overwhelming and almost absolute majority of the population in the municipality.
- All development plans, especially empowerment initiatives, should take this factor into account because to only way to develop the majority of the people of Nquthu is ensure social and economic transformation in favor of Black Africans who are in majority.

### C.1.4 Population by broad age



Stats SA: Community Survey 2016





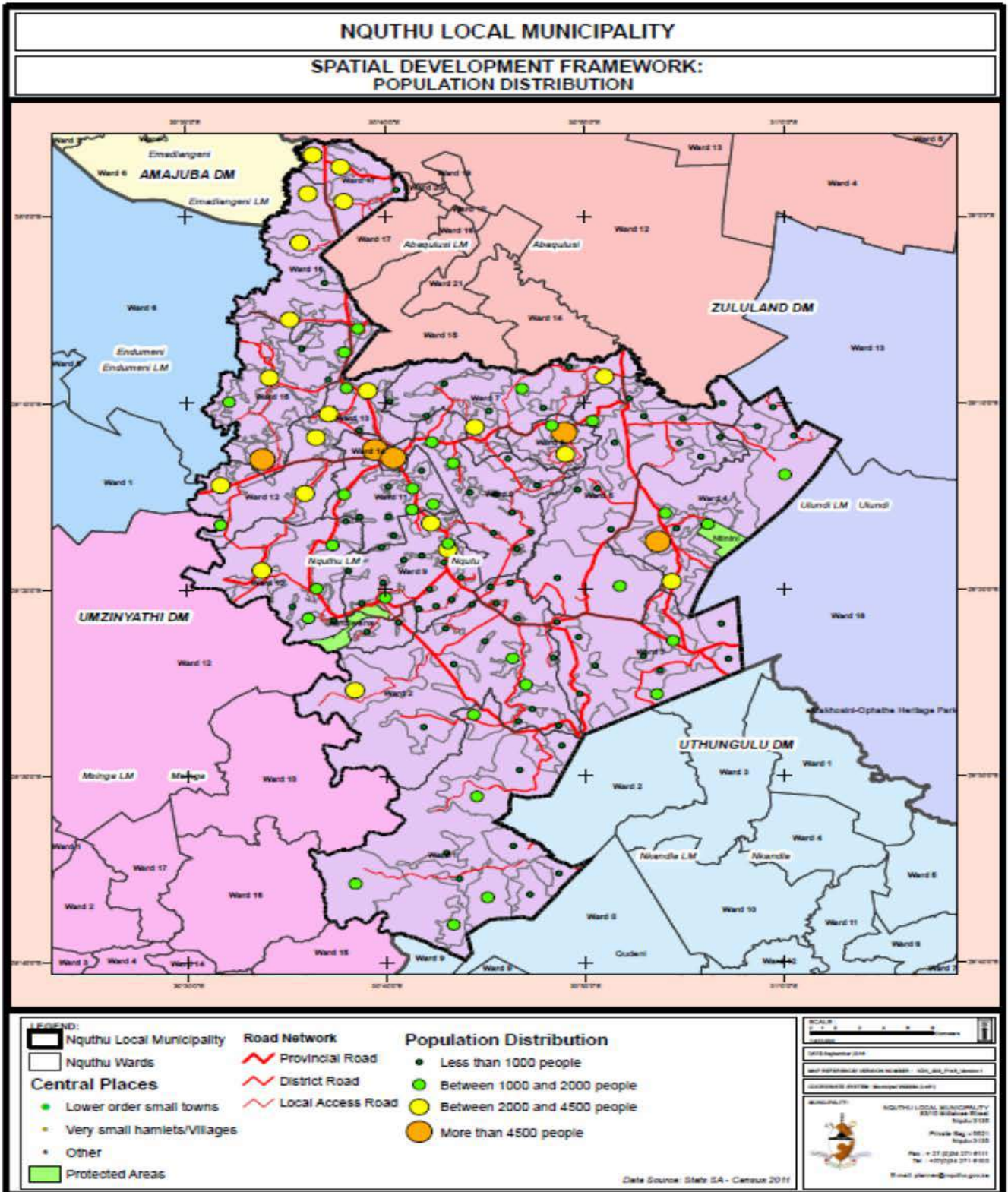
**Stats SA:** Community Survey 2016

Key findings and developmental implications:

- The youth constitute the largest majority in terms of population size.
- This has direct development implications for the municipality in terms of development strategies and programmes that it has to initiate and implement.
- Working with all other stakeholders and social partners, the municipality must ensure that there are youth development programmes addressing issues of education and training, skills development, social ills, sports and recreation, arts and culture, unemployment/job creation, enterprise development and all other related issues that affect our youth.

#### C.1.5 Population distribution

The map below shows population distribution in Nquthu between different wards. It is quite evident from the map below that urban or semi urban wards have more people clustered together than wards which comprises of completely rural areas.



Map C.1.5: Population distribution (Nquthu SDF)

Key findings and developmental implications:

- Six (6) wards have a population over ten thousand while ten other wards have a population of between eight to ten thousand, with one ward having a population below one thousand.
- Population is denser in areas where settlements take a form of settlement villages and communal grazing areas.
- It is much easier to develop and provide services in densely populated areas than in those with thinly spread settlement patterns.

### C.1.1 Socio-economic conditions

#### (a) Unemployment rate

Unemployment rate		Youth unemployment rate		Unemployed Household Head
2001	2011	2001	2011	2011
81.6%	44.4%	87.9%	53.3%	66%

**Table C.1.1(a):** Unemployment rate (CS 2016)

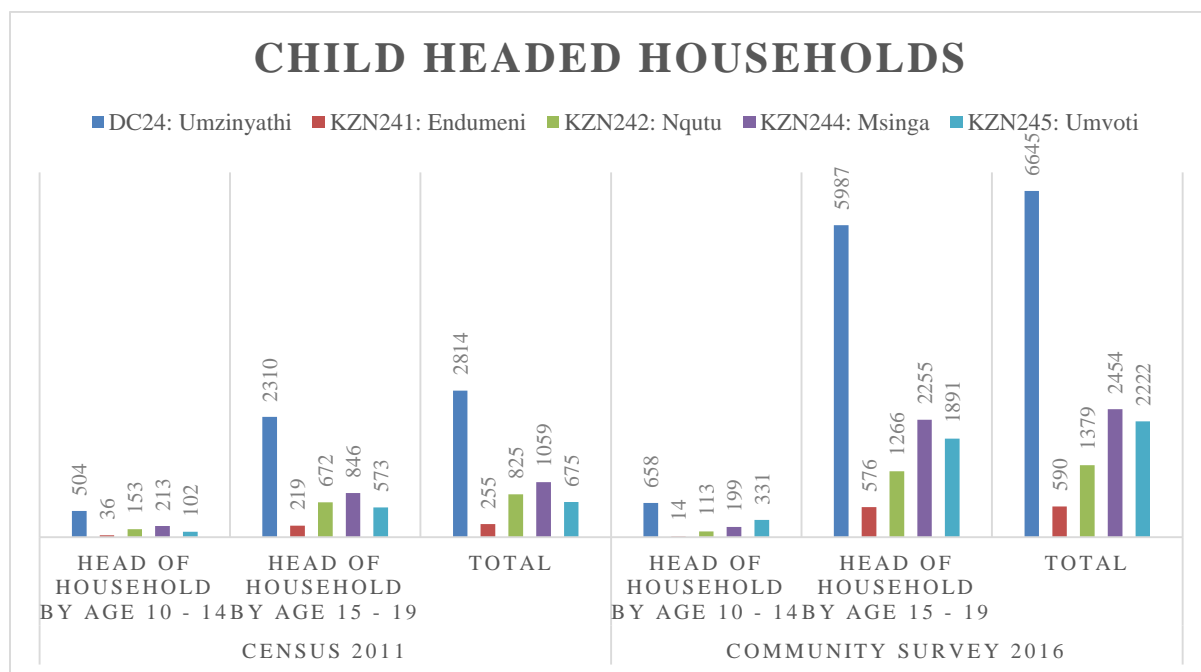


Unemployment is the biggest challenge that faces the people of Nquthu. Unemployment figures above paint a gloomy picture for people since all needs of people require money. Unemployment is even higher among the youth and women, which make matters even worse.

Key findings and developmental implications:

- There a high economic dependency rate which results in a high number of indigent households which negatively affect the municipality’s revenue raising capacity since most people can’t pay for municipal services.
- Decreased buying power of the people which hampers economic development because businesses rely on selling products and services.
- Low income resulting in poor nutrition and lack of choice to education and private health services.
- Poor living conditions and increased criminality.
- There is a great need to invest more in employment creating programmes and also invest in enterprise development especially in the agricultural sector and tourism which have better potential in Nquthu.
- There is also a need to utilize municipal procurement of services and product to benefit most local people as revised PPPFA regulations allow ring-fencing.

**(b) Child headed households**



**Table C.1.1 (b) : Child headed households (CS 2016)**

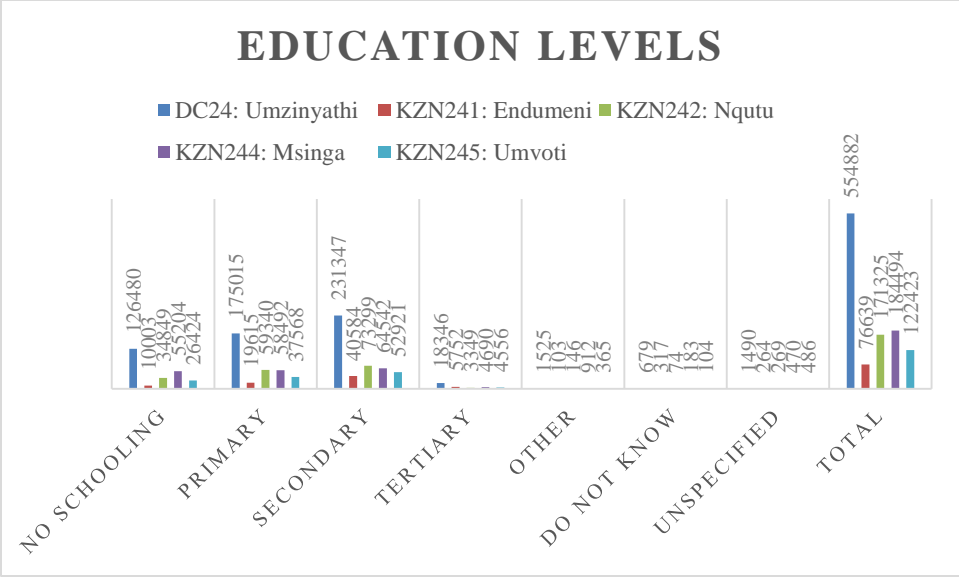
Key findings and developmental implications:

- While the number of child headed households has decreased by 40 households in the category of 10 to 14 years between 2011 and 2016, it has increased by a whopping 594 households in the category of 15 to 19 years in the same period, resulting in a combined increase of 554 child headed households between 2011 and 2016.
- The numbers above indicate that the challenge of child headed households is growing which may be a result of coincidental misfortune, HIV/AIDS related deaths, or both.
- This requires a concerted effort by the municipality, government departments and all stakeholders to initiate clear interventions to provide consistent support to child headed households.

**(c) Level of education**

Level of Education	DC24: Umzinyathi	KZN241: Endumeni	KZN242: Nqutu	KZN244: Msinga	KZN245: Umvoti
No schooling	126480	10003	34849	55204	26424
Primary	175015	19615	59340	58492	37568
Secondary	231347	40584	73299	64542	52921
Tertiary	18346	5752	3349	4690	4556
Other	1525	103	146	912	365
Do not know	679	317	74	183	104
Unspecified	1490	264	269	470	486
<b>Total</b>	<b>554882</b>	<b>76639</b>	<b>171325</b>	<b>184494</b>	<b>122423</b>

*Table C.1.1 (c): Level of education (CS 2016)*

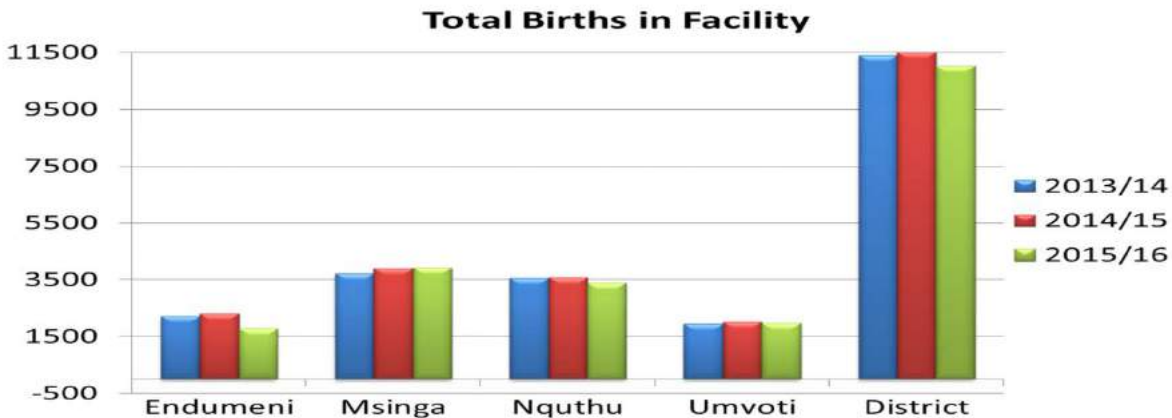


**Key findings and developmental implications:**

- Of the total population of 171 325 people, 34 849 have no schooling which represent a high illiteracy rate.
- The numbers show that most people have primary education and secondary education, which means most people do not have trading skills that can enhance their job finding opportunities.
- Only a tiny minority have tertiary qualifications which are quite low relative which is a course for concern.
- There is a strong need to improve access and also improve education levels in Nquthu especially with regard to post school education and skills development.

## (d) Health

### Birth rate



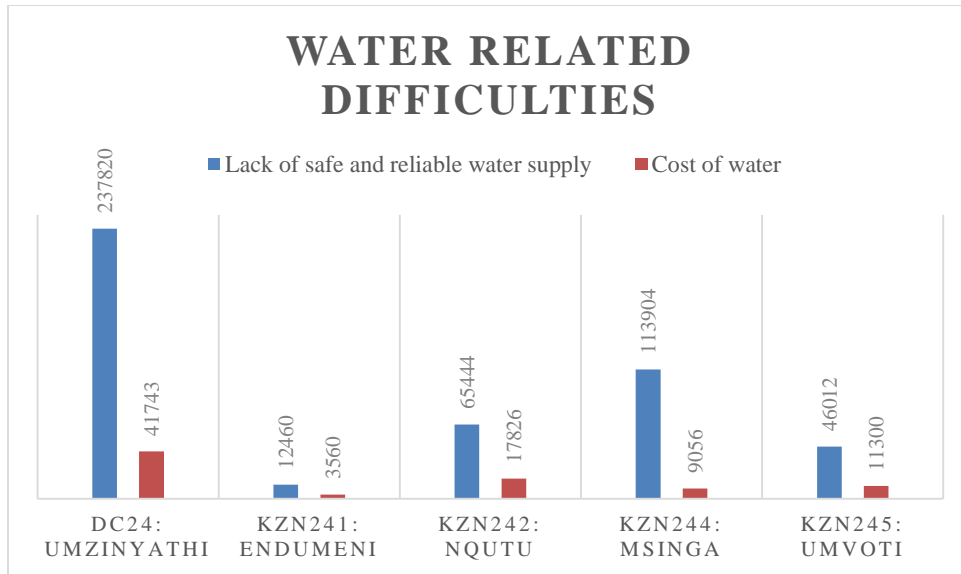
Source: UDM IDP (KZN DOH figures)

## C.1.2 Access to basic services

### (a) Water

Source Water	DC24: Umzinyathi	KZN241: Endumeni	KZN242: Nqutu	KZN244: Msinga	KZN245: Umvoti
Piped (tap) water inside the dwelling/house	16917	10433	1401	669	4415
Piped (tap) water inside yard	30496	6440	13322	4024	6709
Piped water on community stand	24618	1617	8293	9252	5457
Borehole in the yard	2360	138	397	298	1527
Rain-water tank in yard	2843	257	117	1574	895
Neighbours tap	1094	61	442	131	459
Public/communal tap	6605	102	2180	1103	3220
Water-carrier/tanker	7322	1244	443	3057	2578
Borehole outside the yard	11364	506	2899	6496	1463
Flowing water/stream/river	17795	30	2157	9422	6186
Well	707	-	-	-	707
Spring	3613	78	614	2200	721
Other	1057	228	357	146	326
<b>Total</b>	<b>126791</b>	<b>21134</b>	<b>32622</b>	<b>38372</b>	<b>34664</b>

Table C.1.2 (a): Water access (CS 2016)



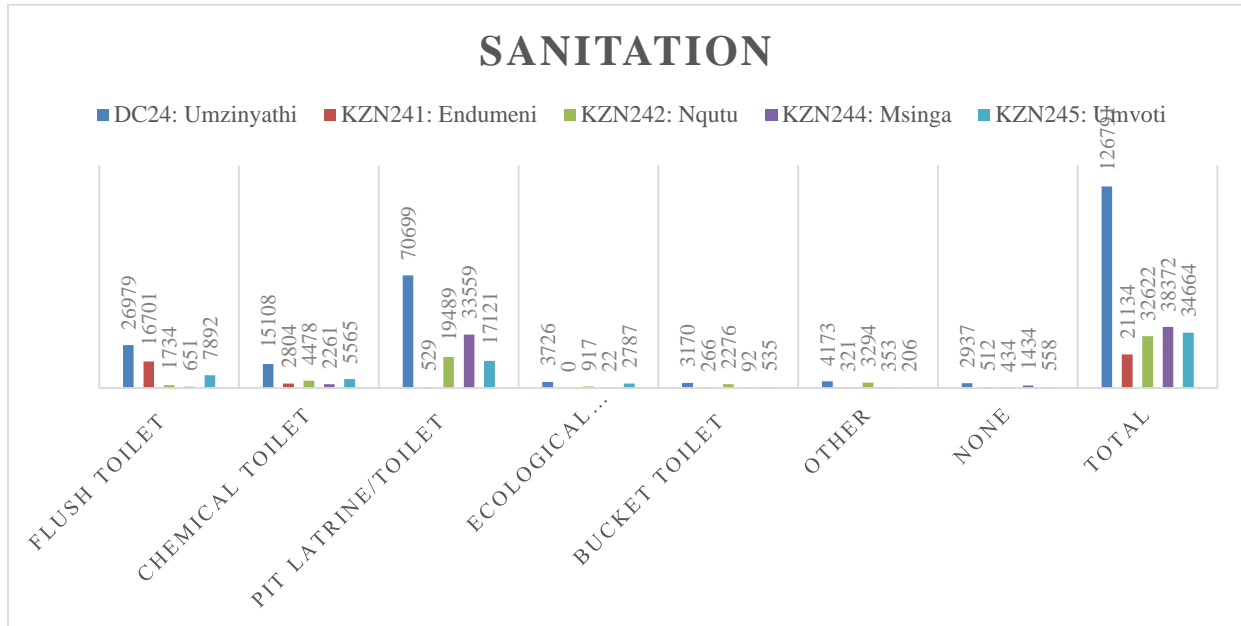
**Stats SA:** Community Survey 2016

Key findings and developmental implications:

- While there is still much to be done in terms of water infrastructure, it is clear that main challenge is not so much water infrastructure, but the main challenge is water scarcity.
- Nquthu is very prone to draught which exacerbates water scarcity even in areas where there is water infrastructure.
- While water provision is the function of Umzinyathi DM, people expect Nquthu LM to play a key role in ensuring that water is provided to them as it is the main basic need.
- There is a need to identify innovative ways to source and save water, including; water catchment during rainy seasons, combating leakages, water saving campaigns, etc.



**(b) Sanitation**

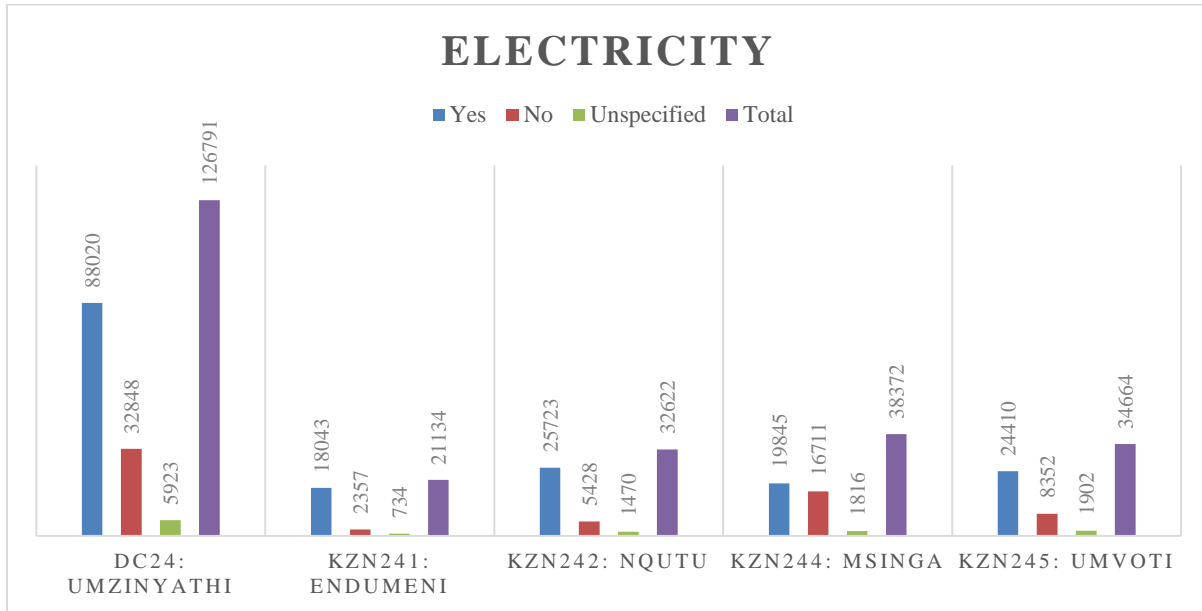


Stats SA: Community Survey 2016

Key findings and developmental implications:

- The overwhelming number of households does have sanitations with pit toilets being the dominant form of sanitation.
- There are still a sizeable number of bucket system toilets that has to be attended to and eliminated.
- While the amount of households that do not have toilets is too small in relation to a total number of households, such situation is undesirable and is very unhealthy and may cause water contamination and break out of diseases.

### (c) Electricity



Stats SA: Community Survey 2016

#### Key findings and developmental implications:

- With an overwhelming number of households being already electrified in 2016, it is clear that improving access to electricity is one area where Nquthu LM has performed very well, especially taking into account the fact that there were electrification projects that were implemented after the Community Survey.
- Despite tremendous progress that has been made, there is a strong need to move with speed to electrify more households as a total electrification of Nquthu has become a possibility should there be sufficient funding.

### (d) Refuse removal

Municipalities	Removed by local authority/private company/community members at least once a week	Removed by local authority/private company/community members less often than once a week	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total
DC24: Umzinyathi	23730	1844	5450	3802	76463	10140	5362	126791
KZN241: Endumeni	15579	402	377	15	3105	849	807	21134
<b>KZN242: Nqutu</b>	<b>1867</b>	<b>456</b>	<b>1990</b>	<b>1496</b>	<b>20042</b>	<b>4923</b>	<b>1848</b>	<b>32622</b>
KZN244: Msinga	113	47	2482	74	32839	484	2333	38372
KZN245: Umvoti	6171	939	601	2217	20478	3884	374	34664

Table C.1.2 (d): Refuse removal (CS 2016)

Nquthu LM is doing its utmost best to grapple with the challenge of waste management despite capacity challenges. A total of 3 228 households are serviced with refuse collection as per the schedule in the table below:

PLACE	MON.	TUES.	WED.	THURS.	FRI.	SAT.	SUN.
NQUTHU TOWNSHIP		ONCE per day		ONCE per day	ONCE per day		
NONDWENI			ONCE per day				
NQUTHU TOWN	DAILY – TWICE per day	DAILY – TWICE per day	DAILY – TWICE per day	DAILY – TWICE per day	DAILY – TWICE per day	DAILY – TWICE per day	DAILY – TWICE per day

### C.1.3 Access to public facilities

#### (a) Access to health facilities

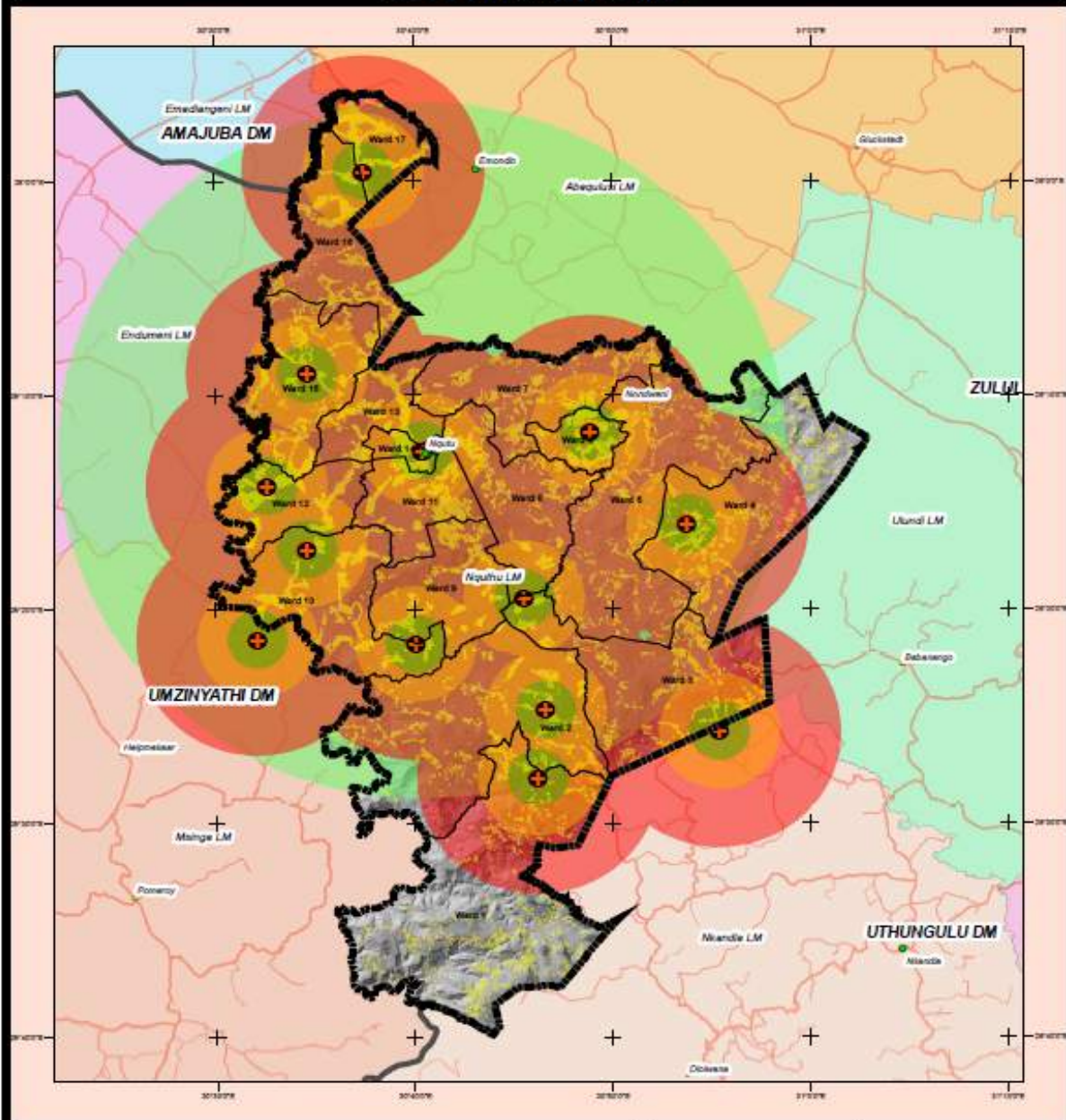
Nquthu has 01 hospital, 15 clinics and 04 mobile clinics to attend to far flung areas. These health facilities are listed in the figure below and shown in map ? further down:

Endumeni	Msinga	Nquthu	Umvoti
1. Dundee Gateway	1. COSH Gateway	1. CJM Gateway	1. Greytown Gateway
2. Empathe Clinic	2. Collessie Clinic	2. Clinic Felani Clinic	2. Amakhabela Clinic
3. Glenridge Clinic	3. Cwaka Clinic	3. Hlathi Dam Clinic	3. Amatimatolo Clinic
4. Sakhimpilo Clinic	4. Douglas Clinic	4. Isandlwana Clinic	4. Ehlanzeni Clinic
5. Siphimpilo Clinic	5. Elandskraal Clinic	5. KwaNyezi Clinic	5. Eshane Clinic
6. Wasbank Clinic	6. Ethembeni Clinic	6. Mangeni Clinic	6. Kranskop Clinic
	7. Gunjana Clinic	7. Manxili Clinic	7. KwaSenge Clinic
	8. Mandleni Clinic	8. Masotsheni Clinic	8. Muden Clinic
	9. Mawele Clinic	9. Mhlungwane	9. Ntembisweni Clinic
	10. Mazabeko Clinic	10. Mkhonjane Clinic	10. Pine St Clinic
	11. Mbangweni Clinic	11. Nkande Clinic	11. Sibuyane Clinic
	12. Mhlangana Clinic	12. Nondweni Clinic	12. Ukuthula Clinic
	13. Mumbe Clinic	13. Ntinini Clinic	
	14. Ngubevu Clinic	14. Thathezakhe Clinic	
	15. Ngabayena Clinic	15. Zamimpilo Clinic	
	16. Nocomboshe Clinic		
	17. Qinelani Clinic		
	18. Rorkes Drift Clinic		
	19. Mkhuphula Clinic (to be opened)		
	20. Msizini Clinic (to be opened)		

Source: Umzinyathi DM: 2017

# NQUTHU LOCAL MUNICIPALITY

## SPATIAL DEVELOPMENT FRAMEWORK: ACCESS TO HEALTH FACILITIES



**LEGEND:**

- Nquthu Local Municipality
- KZN District Municipalities
- Nquthu Wards (2016)
- Central Places**
  - Lower order small towns
  - Very small hamlets/Villages
  - Other
- Health Facilities
- Eskom Imuzi's
- 2.5 Km Buffer of Health Facilities
- 5 Km Buffer of Health Facilities
- 10 Km Buffer of Health Facilities
- 30 Km Buffer of District Hospital

Data Source: SA Explorer

**NOTE:**

9 019 existing households are within a 2.5km radius from a health facility.  
 28% existing households are within a 2.5km radius from a health facility.

19 050 existing households are within a 5km radius from a health facility.  
 80% existing households are within a 5km radius from a health facility.

30 103 existing households are within a 10km radius from a health facility.  
 94% existing households are within a 10km radius from a health facility.

SCALE: 1:50 000

DATE: 15 September 2015

PROJECT: SPATIAL DEVELOPMENT FRAMEWORK

PROJECT MANAGER: [Name]

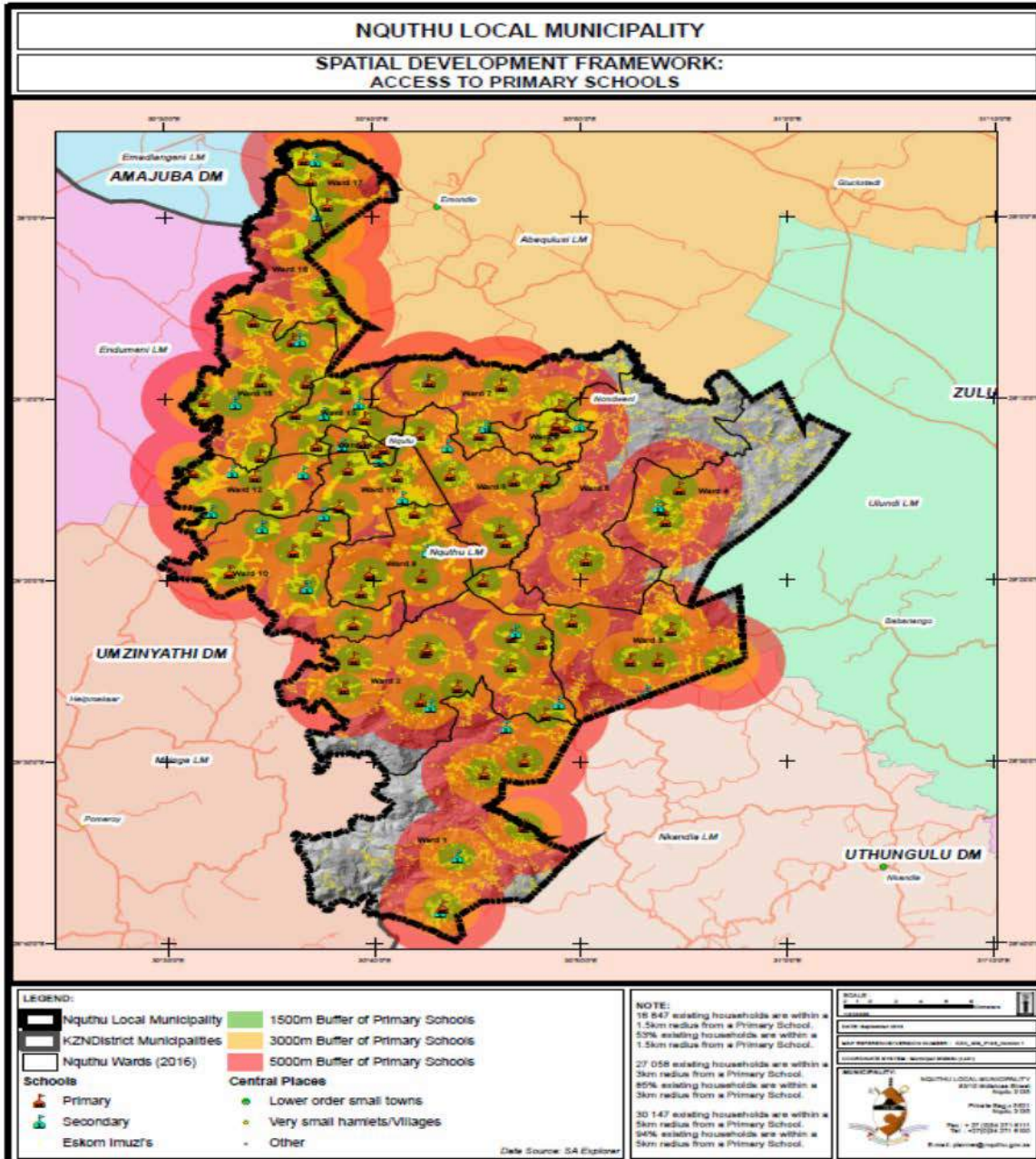
PROJECT COORDINATOR: [Name]

**MUNICIPALITY:** NQUTHU LOCAL MUNICIPALITY  
 8570 Nkandla Road  
 Nkandla, 3100

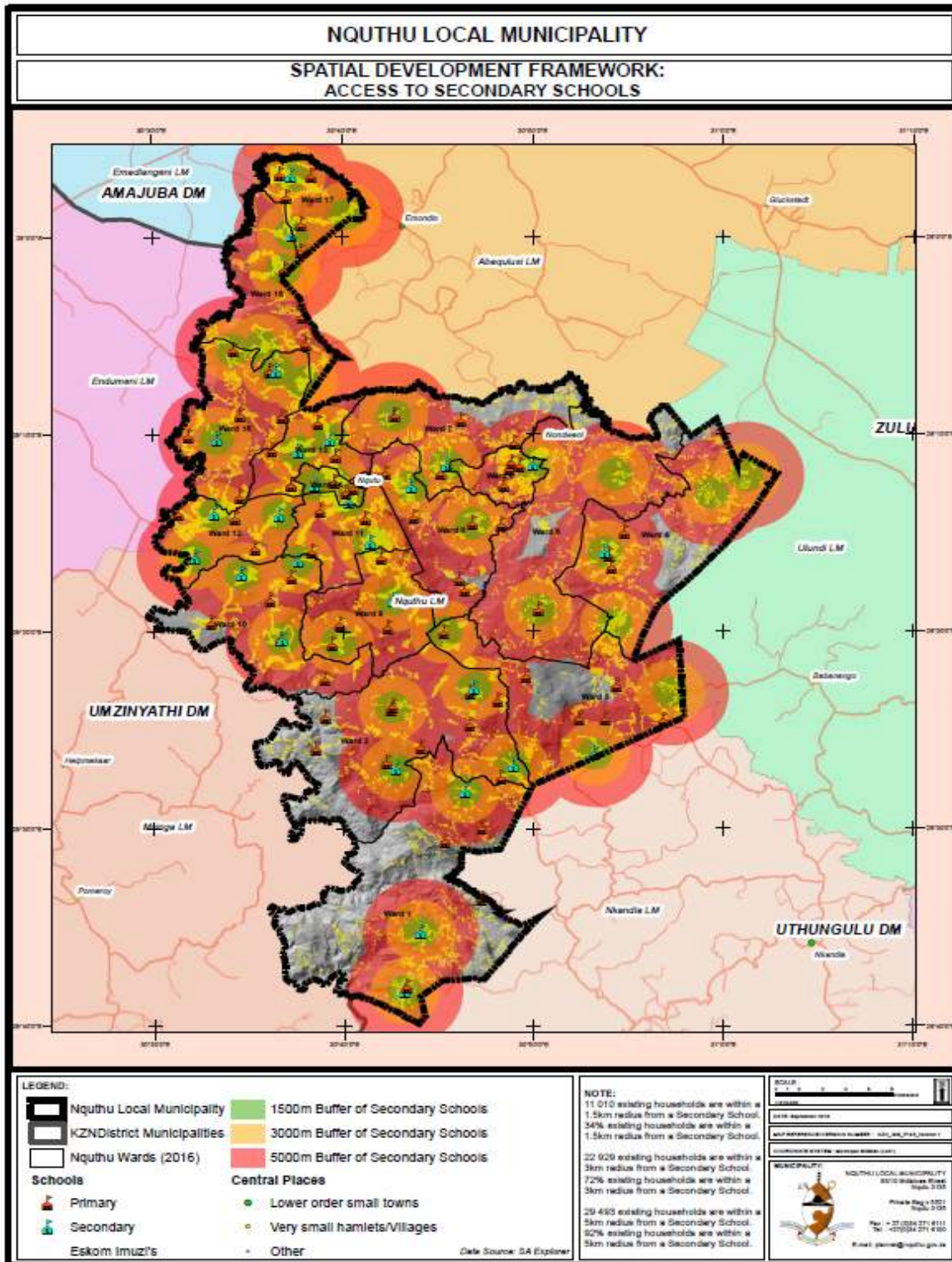
Phone: 033 310 0000  
 033 310 0100  
 Fax: +27 033 310 0111  
 Tel: +27 033 310 0100  
 Email: info@nquthu.gov.za



(b) Access to public schools

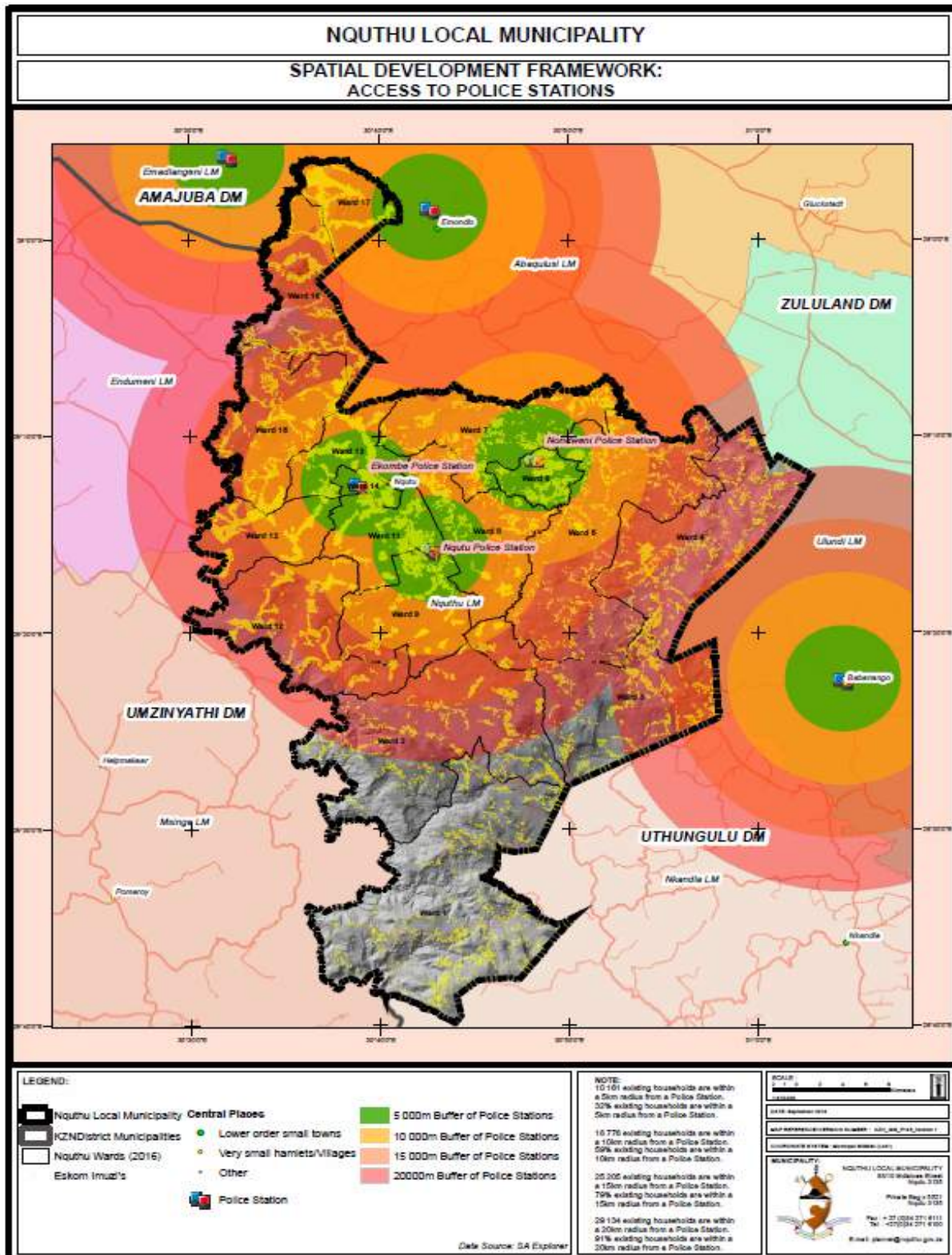


Map





(c) Police stations







### (e) Sports fields

Nquthu area has a number of sport facilities namely; Nondweni Sports field (ward 6), Nquthu Stadium(ward 14), Isilojana Sports field (ward16) Nkande Sportfield . The municipality have completed the upgrade of the Nquthu stadium in ward 14 and the indoor sport facility.

### (f) Libraries

Libraries are very important community service centres aimed at servicing the communities with a vast range of their information needs. Municipal libraries are co-funded by Department of Arts and Culture which complement in-house funding. Nquthu LM has two main libraries, namely Nquthu Public Library that is in Nquthu Township (ward 14) and Nondweni Public Library in Ward 6. Due to vastness of our Municipal wards, 06 centres were identifies in order to house books and other reading material and six volunteers were employed to run the service.The centres are at Isandlwana Tribal court, Mhlungwane community hall, Ntanyandlovu Primary school, Kwa-Nyezi Primary school, Msimbu secondary school and S'celimfundo combined school.

Currently we are in a process of opening a modular library in ward 17 (Ngolokodo area) which will provide all the services as the main libraries. A library has been build and electrified, furniture is already at Nquthu library and the staff will be recruited in April 2018. Another modular library will be constructed in ward 8 (Patsoana area) in 2018/19 financial year.

Among other services and activities, our libraries provides the following:

- **Study area with furniture:** learners & students are provided with quiet space and furniture conducive for studying.
- **Free Computer & internet access:** library users are offered an opportunity to book computers to type their activities / correspondences. They also are provided with computers with internet to search for themselves whatever they need.
- **Free basic computer training:** our libraries are also assisting the communities on how to use computer & search on the internet. This is done through classes that are conducted for 3 weeks. Once they are competent, certificates of attendance are issued for them to prove that they can use computers.They produce these certificates when proving that they can use computers when applying for work.
- **Wide range of books:** Our libraries provide books on different subjects and genre. We provide non-fictions (books on learning areas) and fictions (books on stories / leisure). These books are free circulating to members for 14 days except reference books and study guides. We only charges members for late returns of material (overdue) and if they lost our material or requesting to replace membership cards.
- **Newspapers & Magazines:** we subscribes to number of newspapers (local &national) for community to use them for their interests. Magazines are also being provided for community utilization.

- **Discussion / meeting space:** our libraries have group activities rooms for members of community to use for their gatherings and library related activities.
- **Scanning & emailing:** we provide free scanning facilities for the public to scan their documents. Communities have access to email their documents using our equipment.
- **CAO Forms & application:** we ensure to avail CAO forms for learners to apply for access to tertiary institutions. In addition, we assist them when applying online using library facilities.
- **Career guidance assistance:** we also assist learners in choosing their career paths. We also provide books on different careers for learners to make informed decisions.
- **Projects / assignments assistance:** we give assistance to learners and students with their projects and assignments. We also do Inter Library loans for more specific information when required. Inter library loans are loans that we do from other libraries outside the Provincial Library Services.
- **Library orientation:** we orientate new people / patrons on how to use our services and introduce them to the services that we provide. Schools usually make appointments for their learners to come and get orientated.
- **School Visits:** we also visit schools in promoting our library services and ensuring that learners understand what our library offers. We receive many invites from schools to come and encourage learners on the importance of education and reading in general.

Key findings and implications:

- There are currently 2 main libraries and 6 satellite libraries that are aimed at improving accessibility for out-flung areas. The construction of a third main library has been completed and plans to start operations it are well under way.
- Access to libraries remain a challenge in far-flung wards that have not nearby libraries as users of library services from these areas have to use public transport and incur costs to reach libraries.
- Expansion of municipal library network will greatly improve community access to libraries especially in and around the ward where it will be located.

The map below show the access to libraries in Nquthu:



## **C.2 CROSS CUTTING ISSUES**

### **C.2.1 SPATIAL AND ENVIRONMENT MATTERS**

#### **(a) Structuring elements**

Nquthu Municipality boundaries were determined in terms of the Municipal Demarcation Act, Act number 27 of 1998 taking into account sections 24 and 25 of the act. As such, the municipal boundaries are not simple administrative, but also planning and developmental boundaries.

#### **(b) Densification and the urban edge**

Nquthu Municipality identified an urban boundary/urban edge for each of the identified development nodes which has been clearly defined and has been taken further through the municipality's Land use management scheme. The urban boundary facilitates a planned environment while protecting the natural environment so as to promote sustainable development. The urban boundary intends to ensure that *ad hoc* development will not have a negative impact on planned development. Further, it facilitates the efficient delivery of services and infrastructure. It is proposed that future urban uses are contained within the existing urban areas and development first seeks to densify and infill the existing urban areas. The land use management scheme is not adopted as yet, and although the concept urban boundary is relatively correct, it will be incorporated into the SDF on final adoption of the LUMS by the municipality.

#### **(c) Residential areas**

Various areas have been earmarked for Urban Infill through the identification of developable land with the following characteristics,

- Land that is Unoccupied;
- Land that is not cultivated or used for any agricultural purposes;
- Land that is classified as undisturbed by the "2005 land cover data from Ezemvelo Wildlife", should enjoy protection. This is mitigated by only earmarking land adjacent to existing residential areas.
- Land larger than 25ha (accommodate 100 families)
- Situated adjacent to existing residential areas.
- Land with slopes of less than 1:3.

Please refer to Figure below for Future Residential Areas, for a depiction of the localities of the existing and proposed residential areas.

The most significant areas for infill are situated in Ward 7 and 8 to the north of Nquthu & Nondweni, as well as in the west around Mkonjane and Mkanjane. Various other settlements have potential for expansion as far as land potential is concerned. It must be kept in mind that although the land potential allows for residential expansion, infill development and compact residential areas is preferable over wide expanding residential areas. This allows for more cost effective implementation of infrastructure. As mentioned in the previous section, the municipality is busy developing an urban edge which will be considered as soon as it is adopted. The goals of compact residential areas and urban infill developments are to promote sustainable functional and integrated settlement patterns in order to:

- Discourage low density urban sprawl;
- Generate social and economic opportunities for people; and
- Promote easy accessibility to opportunities.

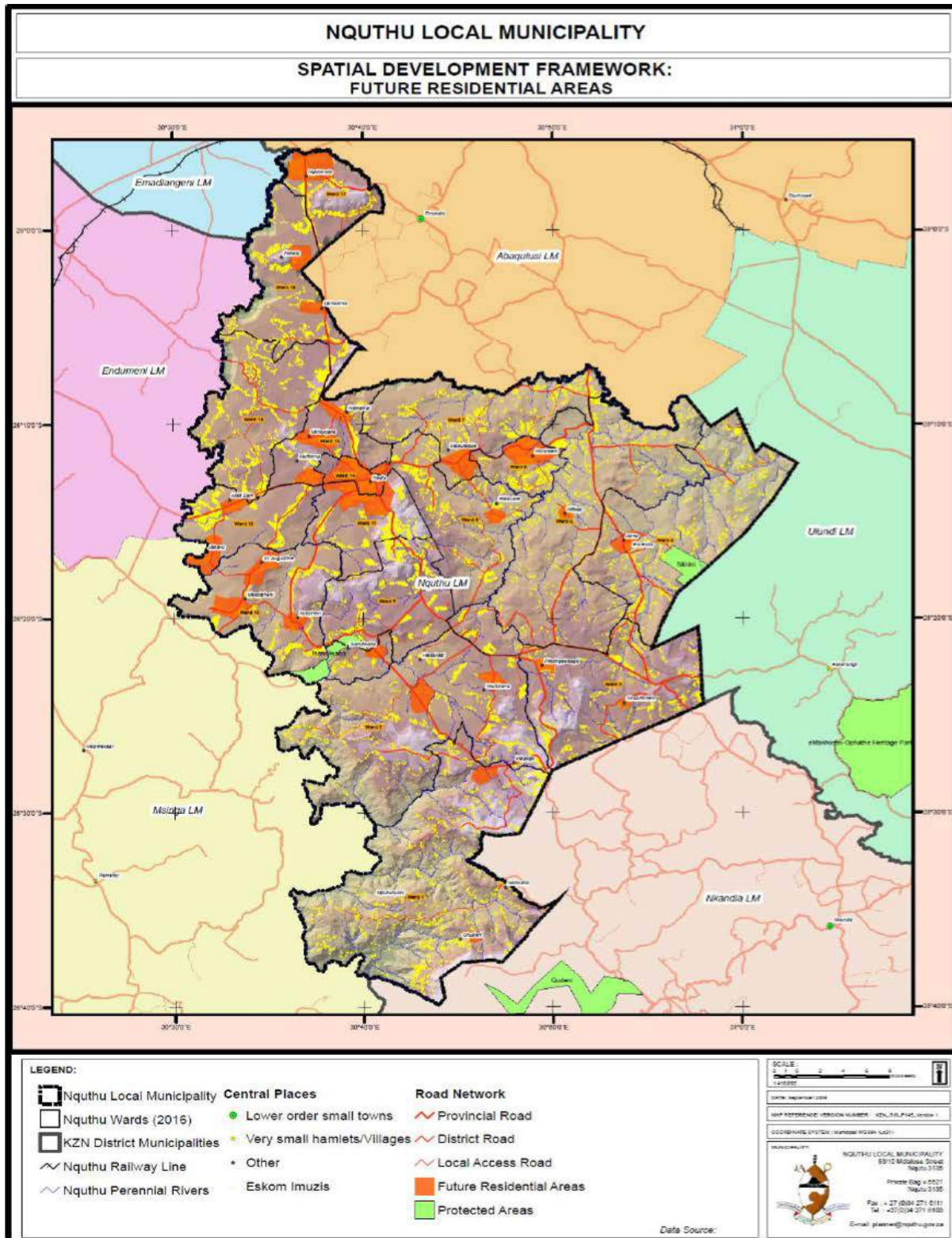
In turn it also has an effect on maximizing resources efficiency through:

- Ensuring the protection of the available environmental resources within a municipality, and
- Protection of productive land for agricultural purposes.

As discussed in the previous section, only land in excess of 25ha is identified for residential infill. The department of housing will seldom, if ever, fund projects less than 100 units. Traditional standards for erf sizes are 2,500m<sup>2</sup> which is large enough to accommodate the traditional extended families. These portions of land also need to be situated in close proximity to current settlements with existing infrastructure, or in an area where the new development will create densities in the existing settlement which will justify the provision of services.



**Future residential areas**



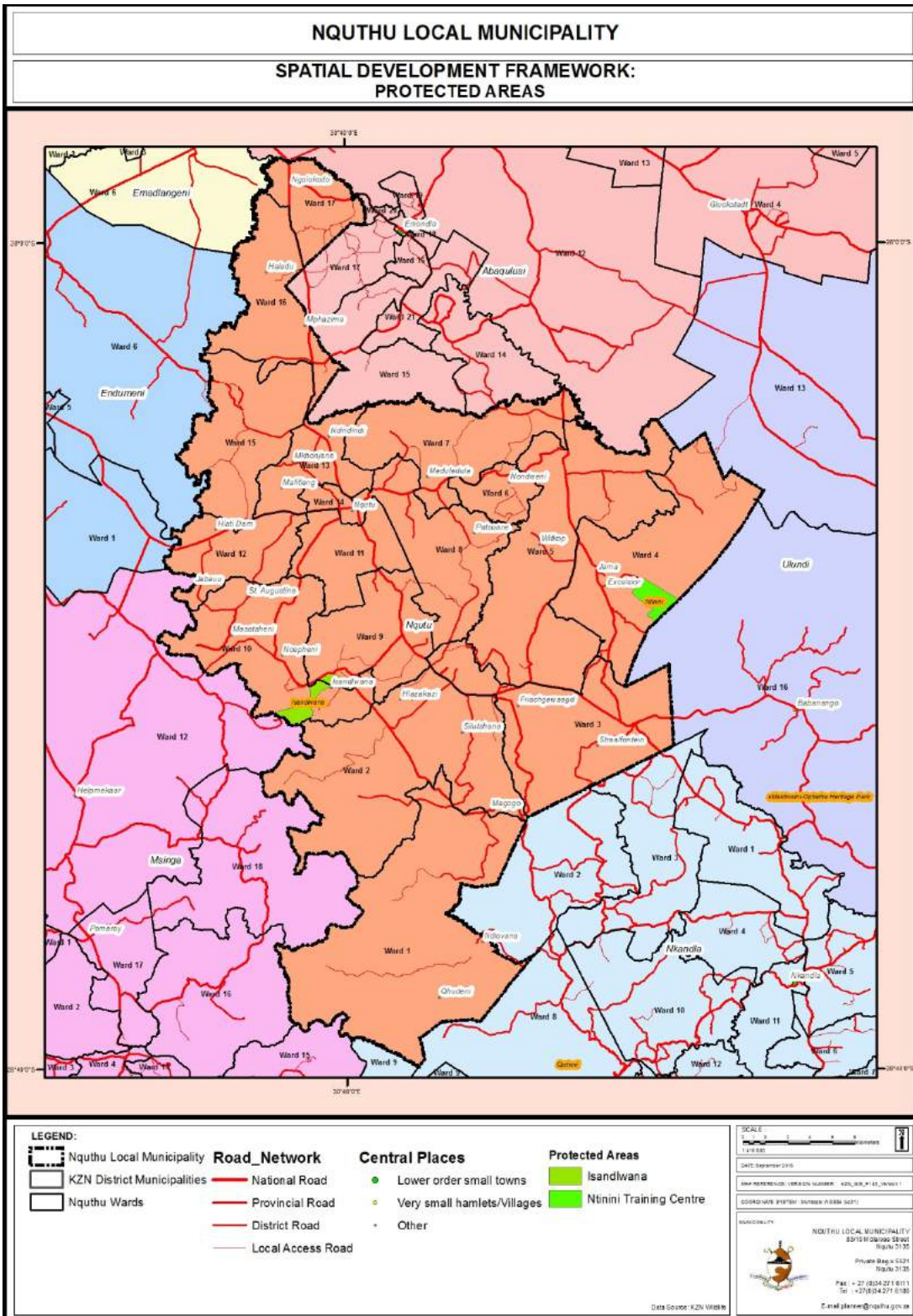
#### **(d) Protected and Conservation areas**

As indicated in a Map below, there are 2 protected areas within the Nquthu Local Municipality which fall under the Provincial Nature Reserve Category. The Isandlwana covers 780.7ha (0.4% of municipality) of land and the Ntinini Training Centre covers 747.2ha (0.38% of municipality). Isandlwana is located in Ward 4 and the Ntinini Training Centre is located in Ward 14.

According to the Protected Area Management Plan, The Isandlwana Heritage Reserve is strategically situated in the midst of well-known Anglo-Zulu war and Anglo-Boer war sites of central KwaZulu-Natal. It is situated approximately 15 km directly south of the town of Nqutu and approximately 47 km south east of Dundee. The reserve was first proclaimed as a National Monument in 1969, several further proclamations led to the latest proclamation as a nature reserve in terms of the Protected Areas Act. Although the reserve was initially proclaimed for its historical and cultural importance it also conserves portions of the KwaZulu-Natal Highland Thornveld and the Thukela Thornveld. It is also important to note that recent discovery of new invertebrates species are a good indication of the important and potentially undiscovered biodiversity present in the reserve (Ezemvelo, 2015).

Isandlwana Heritage Reserve also forms part of a corridor that includes Ntinini Nature Reserve to the North East and Ophathe Nature Reserve which is a broad scale landscape corridor that links Ophathe Nature Reserve, Ntinini Nature Reserve and Chelmsford. This corridor is also called the Chelmsford corridor and links two of the main corridors namely the Berg Corridor and the Northern Interior Corridor. As illustrated on the attached thematic map, the Chelmsford Corridor traverses Wards 4 and 14 of Nquthu Local Municipality (Ezemvelo, 2015).

Protected Areas





### **(e) Land ownership**

Apart from the towns of Nquthu and Nondweni, and selected farm portions on the eastern side of the municipality, about 93% of land within the Municipality is owned by Ingonyama Trust and managed on day-to-day basis by the respective traditional councils. Depending on existing communication structures between the local authority and the Traditional Authority, there is a need for careful, strategic and co-ordinated planning to ensure that proper and effective provision of services in the areas administered by the Traditional Authorities is done in harmony.

The underlying title of Erf 100 Nquthu and Erf 17144 Nondweni has been transferred to the municipality, and this will enable the municipality to transfer individual erfes to their respective owners. However, there are land invasions within these erf numbers due to directives from the traditional authority. This has a negative impact to urban form and consumes the space that may be effectively used for future developments.

The municipality is not substantially affected by the general land reform issues such as land restitution and land redistribution since most of the land within the area falls under Ingonyama Trust. However, there is a need to address the land tenure rights of people who occupy state land in Nondweni and erf 100 Nquthu. Furthermore, as indicated on the attached thematic map, there are some areas in the East and central sections of the Municipality that are subject to re-distributional land claims and gazette restitutional land claims.



**(g) Monitoring, Evaluation and Review of Environmental Impacts**

The Monitoring and Evaluation Framework to gauge the Municipality's progress in terms of environmental aspects are indicated in Table below. This table is an extract from the Umzinyathi District Municipality's EMF.

**KPI's for Municipal Prioritised Environmental Issues**

<b>Objectives</b>	<b>Strategies</b>	<b>KPI's</b>
<b>CLIMATE</b>		
Ensure UDM's preparedness for climate change risks	Develop Climate Change Strategy	<ul style="list-style-type: none"> <li>○ % implementation of Climate Change Strategy</li> </ul>
<b>SURFACE WATER</b>		
Protection of regulated areas for watercourses (i.e. 1:100 year floodline or delineated riparian / wetland habitat, whichever is greatest)	Control development alongside watercourses.	<ul style="list-style-type: none"> <li>○ Number of encroachments</li> <li>○ Specific provision in LUMS</li> </ul>
<b>SOIL</b>		
Management of erodible areas.	Establish an understanding of the areas susceptible to erosion.	<ul style="list-style-type: none"> <li>○ Identification of priority areas with high erodibility factor</li> </ul>
<b>HERITAGE RESOURCES</b>		
Protection of UTDM's heritage resources	Identify and preserve heritage resources located in the district.	<ul style="list-style-type: none"> <li>○ Inventory developed</li> <li>○ % of classification completed</li> <li>○ Specific provision in LUMS</li> <li>○ Number of tourism opportunities identified</li> <li>○ Designation of responsibilities at a municipal level for heritage management</li> <li>○ Convening of District Heritage Forum</li> </ul>
<b>AGRICULTURE</b>		
Optimal protection and utilisation of land with high agricultural	Identify and protect high agricultural potential land.	<ul style="list-style-type: none"> <li>○ Inventory developed</li> <li>○ Sustainable land use practices developed</li> </ul>

potential		<ul style="list-style-type: none"> <li>○ Specific provision in LUMS</li> </ul>
Decline in land degradation from overgrazing.	Establish programme to manage overgrazing.	<ul style="list-style-type: none"> <li>○ Education programme developed</li> <li>○ % implementation of education programme</li> <li>○ Number of farmers assisted</li> <li>○ Level of support provided</li> </ul>
<b>INFRASTRUCTURE &amp; MUNICIPAL SERVICES</b>		
Landfills to be operated according to legal requirements.	IWMP for UDM.	<ul style="list-style-type: none"> <li>○ % implementation of IWMP</li> <li>○ Number of monitoring events</li> <li>○ % compliance achieved</li> </ul>
<b>INSTITUTIONAL ENVIRONMENT</b>		
100% compliance with enviro-legal obligations	Establish system to ensure compliance of municipal activities with enviro-legal requirements.	<ul style="list-style-type: none"> <li>○ Number of municipal projects for which legal screening has been undertaken</li> <li>○ Number of municipal projects that have been screened against the EMF</li> <li>○ Number of municipal officials trained on the EMF</li> <li>○ Environmental Managers for DM and LMs appointed</li> </ul>
Alignment of municipal functions with requirements for IEM	Provide enabling environment to municipal officials to adopt and implement IEM.	<ul style="list-style-type: none"> <li>○ IEM Implementation Plan developed</li> <li>○ Training needs assessment conducted</li> <li>○ Number of municipal officials that have undergone environmental training</li> <li>○ Environmental Awareness Programme developed</li> <li>○ % implementation of Environmental Awareness</li> </ul>

		Training <ul style="list-style-type: none"> <li>○ EMF incorporated into IDP and SDF</li> <li>○ Number of municipal projects that have been screened against the sustainability criteria</li> <li>○ Co-operative environmental governance forum established</li> <li>○ Public communication channels established</li> </ul>
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#### (h) Municipal Projects and EMF Zones

The available municipal projects have been map in terms of the identified EMF Zones to highlight any spatial impacts the various projects could have in terms of the identified zones (See Map below). The EMF Zones and land use compatibility is summarised in Table below.

#### EMF Zones & Land Use Compatibility

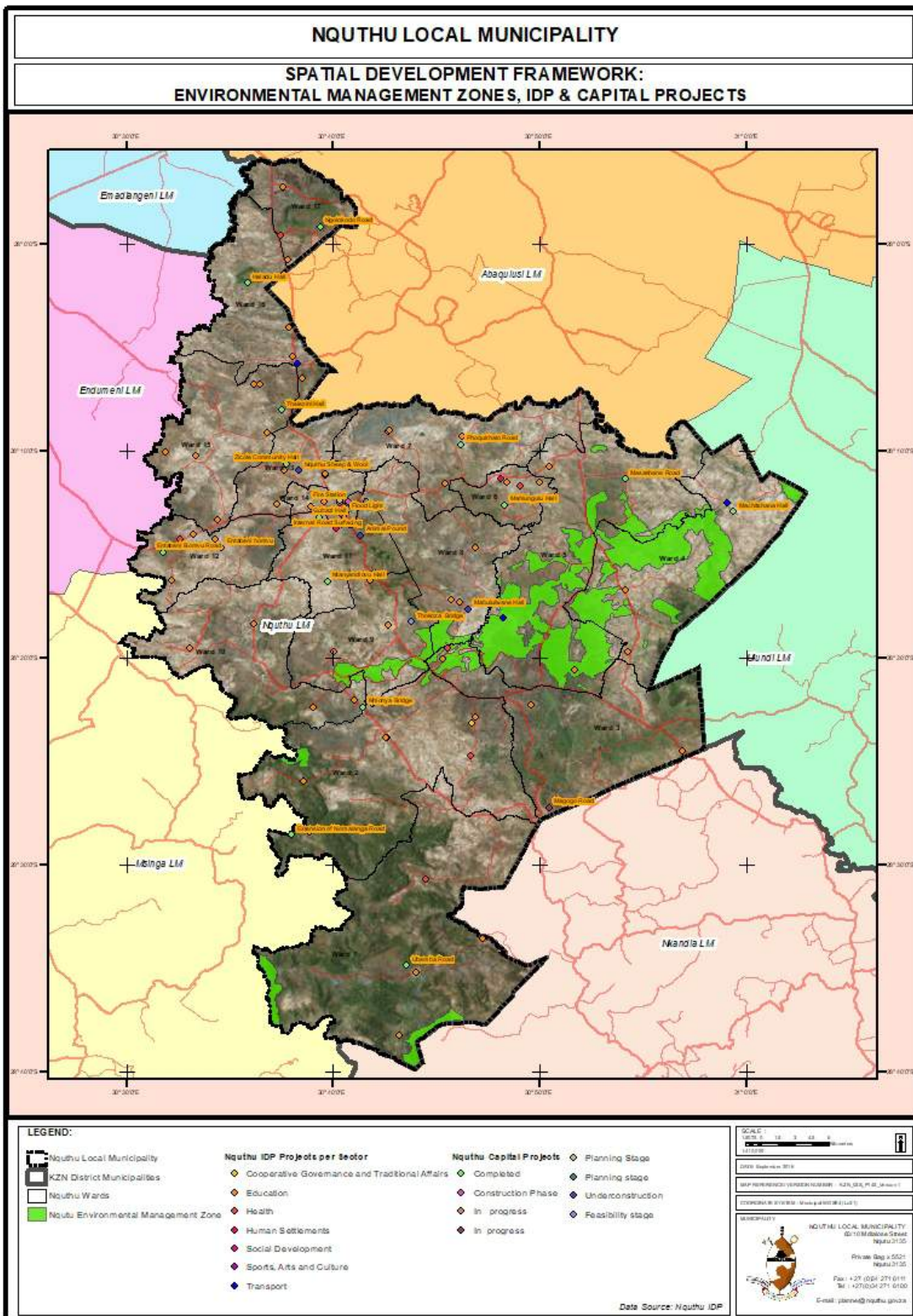
Environmental Management Zone	Compatible Activities	Incompatible Activities
<b>Formally Protected Areas EMZ</b>	<ul style="list-style-type: none"> <li>○ Adhere to Zoning Plan of IMPs (where relevant).</li> <li>○ Comply with EKZNW's Biodiversity Sector Plan.</li> </ul>	<ul style="list-style-type: none"> <li>○ Activities that compromise the integrity of the Protected Area.</li> <li>○ No un-authorised development in Protected Areas..</li> </ul>
<b>Terrestrial Biodiversity EMZ</b>	Comply with EKZNW's CBAs and Biodiversity Sector Plan, including compliance with Land Use Management Objectives for the Terrestrial and Aquatic Conservation Categories, as well as Land Use Management Practices, Controls and Guidelines.	
<b>Aquatic Biodiversity EMZ</b>	Comply with EKZNW's CBAs and Biodiversity Sector Plan, including compliance with Land Use Management Objectives for the Terrestrial and Aquatic Conservation Categories, as well as Land Use Management Practices, Controls and Guidelines.	
<b>Agriculture EMZ</b>	<ul style="list-style-type: none"> <li>○ Activities that support primary</li> </ul>	<ul style="list-style-type: none"> <li>○ Any activity which poses a threat to land with high</li> </ul>

	<p>agricultural production (including associated infrastructure).</p> <ul style="list-style-type: none"> <li>○ Agricultural supplies and services, including agri-industrial facilities.</li> <li>○ Private residential use associated with farming activities.</li> <li>○ Farm worker villages.</li> <li>○ Tourism (regulated and agriculture-focused).</li> </ul>	<p>agricultural potential.</p> <ul style="list-style-type: none"> <li>○ Poor farming practices, especially related to water conservation, soil degradation and water pollution.</li> <li>○ Mining.</li> <li>○ Heavy industries.</li> <li>○ Dense settlements.</li> </ul>
<b>Heritage EMZ</b>	<ul style="list-style-type: none"> <li>○ Conservation.</li> <li>○ Tourism (regulated; low impact).</li> <li>○ Ecological Corridors.</li> <li>○ Open space (regulated; low impact; excluding any permanent structures).</li> </ul>	<ul style="list-style-type: none"> <li>○ Any activity that poses a threat to cultural and heritage resources.</li> <li>○ Illegal activities (i.e. not authorised).</li> </ul>
<b>Urban Areas EMZ</b>	<b>Urban - General</b>	
	<ul style="list-style-type: none"> <li>○ Development complementary to the LUMS.</li> <li>○ <input type="checkbox"/> Infill development.</li> <li>○ <input type="checkbox"/> Commensurate infrastructure and utility services.</li> </ul>	<ul style="list-style-type: none"> <li>○ Development that clashes with the LUMS.</li> <li>○ Mining.</li> <li>○ Heavy industry.</li> <li>○ Agriculture (including agri-industry).</li> <li>○ Activities that threaten cultural and historical resources.</li> <li>○ Activities that encroach upon open space corridors.</li> </ul>
	<b>Mining &amp; Industry</b>	
	<ul style="list-style-type: none"> <li>○ Development complementary to the LUMS.</li> <li>○ Permissible activities include the authorised mining activities that adhere to conditions of</li> </ul>	<ul style="list-style-type: none"> <li>○ Development that clashes with the LUMS.</li> <li>○ Development that compromises mineral resources.</li> <li>○ Illegal mining activities (i.e. not authorised).</li> <li>○ Activities that are in conflict with desired state and</li> </ul>

	<p>authorisation, Environmental Management Plan / Programme and mining best practices.</p> <ul style="list-style-type: none"> <li>○ Infrastructure and activities associated with mining and industry.</li> <li>○ Engineering and utility services and infrastructure.</li> <li>○ Solid waste disposal facilities.</li> <li>○ Sub-stations and electrical infrastructure.</li> <li>○ Sewage treatment facilities.</li> <li>○ Tourism (regulated and mining-focused).</li> </ul>	<p>after use plans.</p> <ul style="list-style-type: none"> <li>○ Urban and infrastructure development prior to mineral extraction.</li> <li>○ Intensive agriculture.</li> </ul>
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## EMF Zones and Municipal Projects



From the Map above it is clear that some of the identified projects within the Municipality are located within environmental sensitive areas and cognizance needs to be take in terms of the list of incompatible activities to ensure the projection of the environment.



## (i) Climate Change

As the dominant driver of biodiversity loss by the end of the 21st century (Millennium Ecosystem Assessment, 2005), climate change impacts, such as increased severity and unpredictability of droughts, storms, and floods, and altered rainfall patterns, higher temperatures and higher evaporation and transpiration will place more pressure on biodiversity assets and ecosystems. Increased spread of diseases, increased fire risk and spread of exotic species are amongst the secondary impacts of climate change placing increased pressure on biodiversity. As a result, biodiversity and ecosystem support areas need to be managed in such a way that their resilience to extreme events is maintained and enhanced. Resilience enables ecosystems to absorb both expected and unforeseen change, in order to retain ecological functioning (Cadman, Petersen, Driver, Sekhran, Maze, & Munzhedzi, 2010).

The healthier and more biodiverse an ecosystem, and the better the maintenance of biodiversity patterns, connectivity and ecosystem processes, the more resilient the biodiversity and ecological support areas will be to climate change impacts. As a result, biodiversity planning and management needs to take account of the findings of climate change risk assessments (Laros & Jones, 2010). Ecological corridors and habitat buffer areas are important mechanisms for maintaining ecological networks, allowing plants and animals to migrate, disperse and adapt to the pressures of changing habitat conditions and climate (Cadman, Petersen, Driver, Sekhran, Maze, & Munzhedzi, 2010).

- **Impacts of climate change on biodiversity and ecosystem services**

The White Paper on the National Climate Change Response (DEA, 2011a) details the following findings regarding the impacts of climate change on biodiversity and ecosystem services in South Africa:

- Biodiversity: impacts of climate change
  - Up to 30% of endemic species may be at an increasingly high risk of extinction by the latter half of this century if climate change is unmitigated.
  - Marine ecosystems and species are at risk from changes in water temperature, ocean acidification and changes in ocean current.
  - Changes in rainfall patterns and temperatures, and rising atmospheric carbon dioxide levels could shift the distribution of terrestrial biomes with many

- implications for species diversity, ecosystem processes such as wildfires, and critical ecosystem services such as water yield and grazing biomass.
- Increasing frequency of extreme rainfall events will influence runoff quality and quantity in complex ways, significantly affecting the marine and estuarine environment. Reduced water flow will increase the salinity of estuaries, affecting the breeding grounds and nursery areas of many marine species. Coastal estuaries will also be vulnerable to long-term sea-level rise.
  - Rising atmospheric carbon dioxide has poorly known direct effects on ecosystems. It may be increasing the cover of shrubs and trees in Grassland and Savannah Biomes, with mixed effects on biodiversity and possible positive implications for carbon sequestration.
  - Additional stresses to biodiversity resulting from climate change include wildfire frequency (which appears to already show climate change-related increases in the Fynbos Biome), and the prevalence of invasive alien species. These stresses combined with reduced and fragmented habitats will further increase the vulnerability of biodiversity to climate change.
  - Water resources: impacts of climate change
    - Based on current projections South Africa will exceed the limits of economically viable land-based water resources by 2050. The adequate supply of water for many areas can be sustained only if immediate actions are taken to stave off imminent shortages. The water sector must balance the allocation of limited water resources amongst major users (agriculture, domestic urban use and industry), whilst addressing the need to ensure fair access to water for all South Africa's people as well as a sufficient ecological allocation to maintain the integrity of ecosystems and thereby the services they provide.
    - Rainfall is expected to become more variable, with an increase of extreme events such as flooding and droughts resulting in a much more variable runoff regime.
    - Increased rainfall intensity will exacerbate scouring in rivers and sedimentation in dams, potentially impacting on water supply and treatment infrastructure.
    - Higher temperatures, combined with higher carbon dioxide levels, will contribute to increased growth of algae as well as faster evaporation rates negatively impacting water resources.

- Downscaled climate modelling suggests that the western and interior parts of the country are likely to become drier, and the eastern parts of the country wetter.

- **Mitigation of climate change impacts on biodiversity and ecosystem services**

The climate change impact mitigation strategies proposed in the White Paper on the National Climate Change Response (DEA, 2011a) and which have relevance to activities at a municipal level, include the following:

- **Biodiversity: mitigation of climate change impacts**
  - Conserve, rehabilitate and restore natural systems that improve resilience to climate change impacts or that reduce impacts. For example, mangrove forests reduce storm surge impacts and riparian vegetation and wetland ecosystems reduce the potential impact of floods.
  - Opportunities to conserve biodiversity and extend the conservation estate through the development of carbon off-set programmes to be actively developed.
  - Expand the protected area network (in line with the National Protected Area Expansion Strategy) where it improves climate change resilience, and manage threatened biomes, ecosystems, and species in ways that will minimise the risks of species extinction.
  - Encourage partnerships for effective management of areas not under formal protection, especially freshwater ecosystem priority areas, critical biodiversity areas, ecological support areas and threatened ecosystems.
  - Enhance existing programmes to combat the spread of terrestrial and marine alien and invasive species, especially in cases where such infestations worsen the impacts of climate change.
- **Water resources: mitigation of climate change impacts**
  - Integrating climate change considerations in the short-, medium- and long-term water planning processes across relevant sectors such as agriculture, industry, economic development, health, science and technology.
  - Ensuring that water adaptation measures are managed from a regional perspective given the transboundary nature of our major rivers.

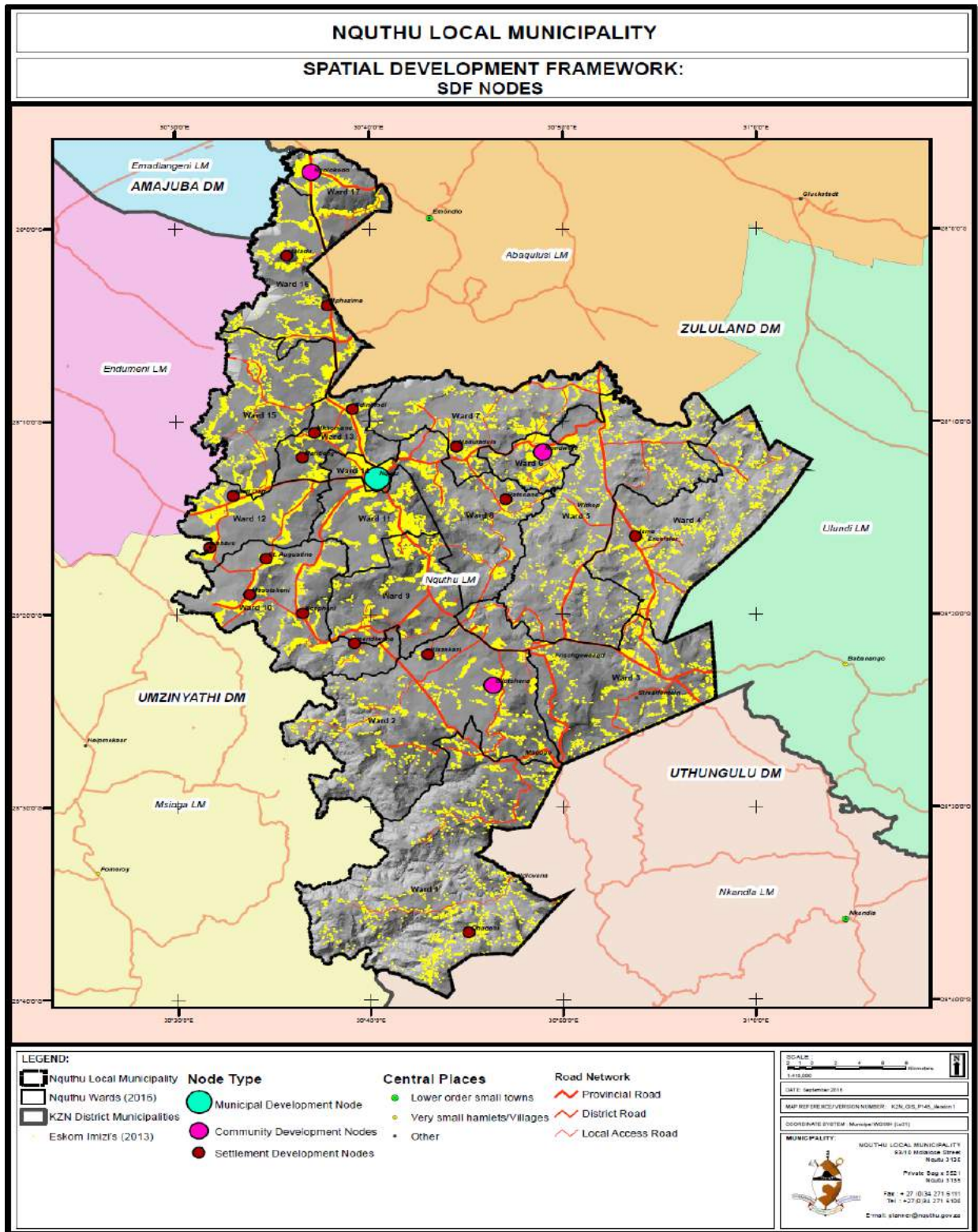
- Implementing best catchment and water management practices to ensure the greatest degree of water security and resource protection under changing climatic conditions and, in particular, investment in water conservation and water demand management.
- Exploring new and unused resources, particularly groundwater, re-use of effluent, and desalination.
- Reducing the vulnerability and enhancement of the resilience to water-related impacts of climate change in communities and sectors at greatest risk.

#### **(j) Nodes and corridors**

The economy of Nquthu Local Municipality, as is the case with most rural municipalities in KwaZulu-Natal, operates on a marginalized economic level, and cannot be compared to larger municipal areas with large population numbers, and stronger more vibrant economies. The classification of nodal areas in terms of Primary, Secondary, and tertiary nodes might therefore be misleading in terms of describing the character of the specific nodal area. Main nodal areas are assisted by various lower order nodes to distribute and provide essential services to the population groupings in their vicinity.

The major structuring element for determining the existing and future concentration of development, activity and investment in the Nquthu Municipality consists of an access and movement hierarchy that has been established through the major internal and external national and provincial linkages.

Nquthu Nodes



## **I.Municipal Primary Nodes**

Nquthu Town has been identified as the Municipal Primary Node, providing much needed services to the total extend of the municipal area. It has a strong service component and plays a role as a commercial and community service centre for an extended rural settlement area.

As a small rural town, Nquthu experiences an exclusion and underdevelopment conditions which is the result of the complex apartheid bureaucracy in terms of administration. The infrastructure and services in the town is not in good condition and this affects an effort by Municipality to promote and attract investments.

## **II.Municipal Secondary Nodes**

Nondweni which is located to the east of Nquthu Town within Ward 6 has been identified as a Municipal Secondary Node. A Local Development Framework has been prepared for this node inclusive of an Urban Edge/Development Boundary. The area has a potential to be developed into a smaller service area since it is the only semi-urban area within Nquthu.

The area is fairly well organised with a well-defined boundary although it is affected by river areas. A large amount of the area is owned by government with high amount of land invasions through the directive from traditional leadership.

### **(k) Rural service centres and Points**

These centres perform a variety of functions including administration, service delivery and limited commercial activity. Being service centres, they serve as focus points for a range of services, which is provided to the adjacent rural areas, and typically have basic engineering infrastructure, together with community facilities, schools, commercial facilities, local markets, transportation nodes and basic public administrative functions and small scale industrial and administrative activities. These centres are growing and should be encouraged to develop. It is therefore necessary to encourage the implementation of capital projects within these areas.

There are two rural service centres that have been identified and they are:

- Ngolokodo located within Ward 17 towards the northern boundary of the municipality, and
- Silutshane which provide access to supporting facilities for the community residing in the southern portion of the municipality.



**Ngolokodo** is situated in the most northern parts of the municipality and is the third largest settlement after Nquthu and Nondweni. A very large number of people is serviced and it serves as the main service node for the northern areas. A development boundary has been proposed for this settlement.

**Silutshana** is an important node specifically for the community residing in the access restricted southern portion of the municipality.

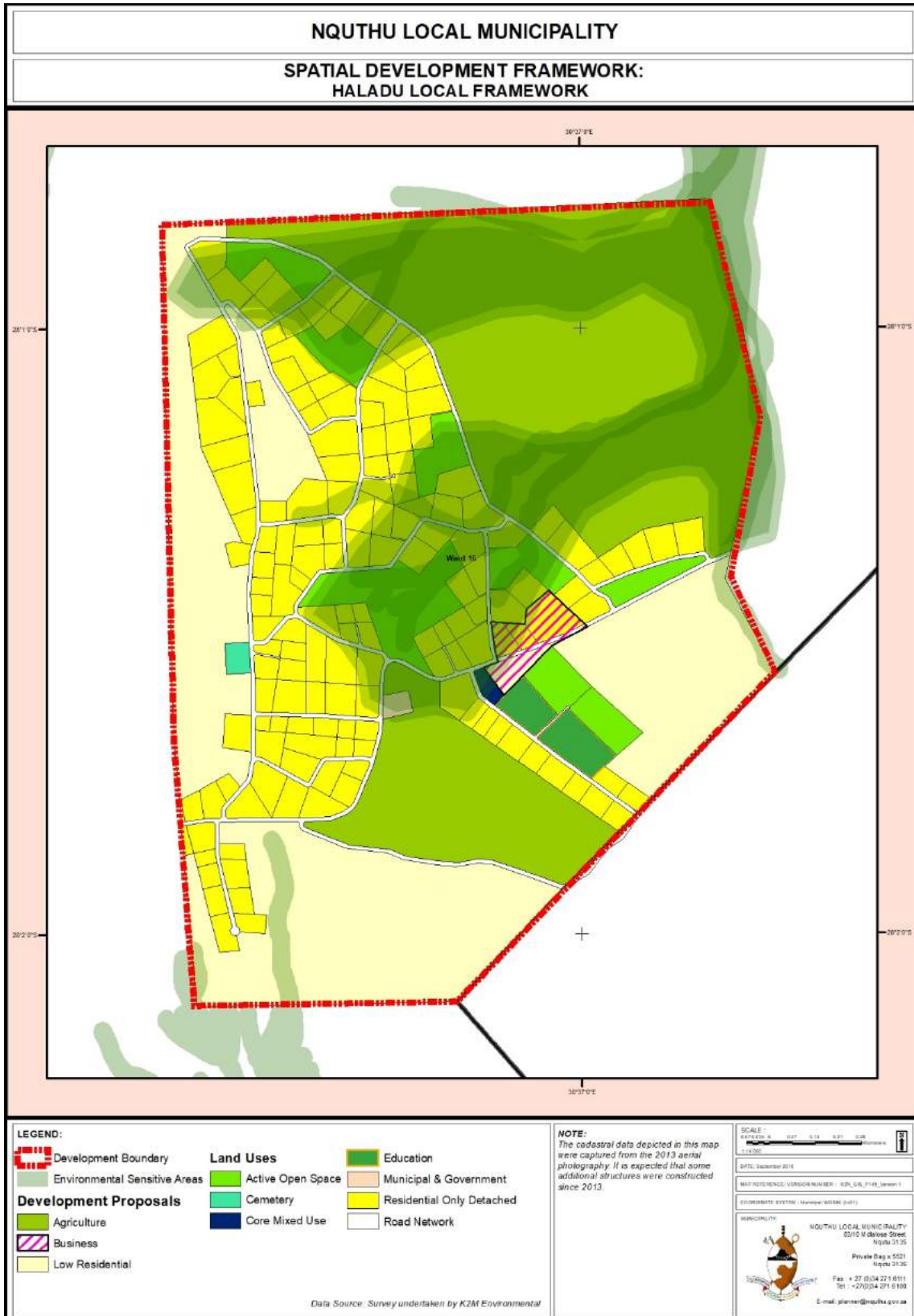
### **(I) Rural service Points**

A number of rural service points has been identified throughout the municipal area. These settlement development nodes service areas are limited to the surrounding settlements and include low order public, shopping and small business enterprise facilities. It serves as a link between the local communities and Nquthu Town. The settlements identified as Rural Service Points within the Nquthu Municipal SDF include:

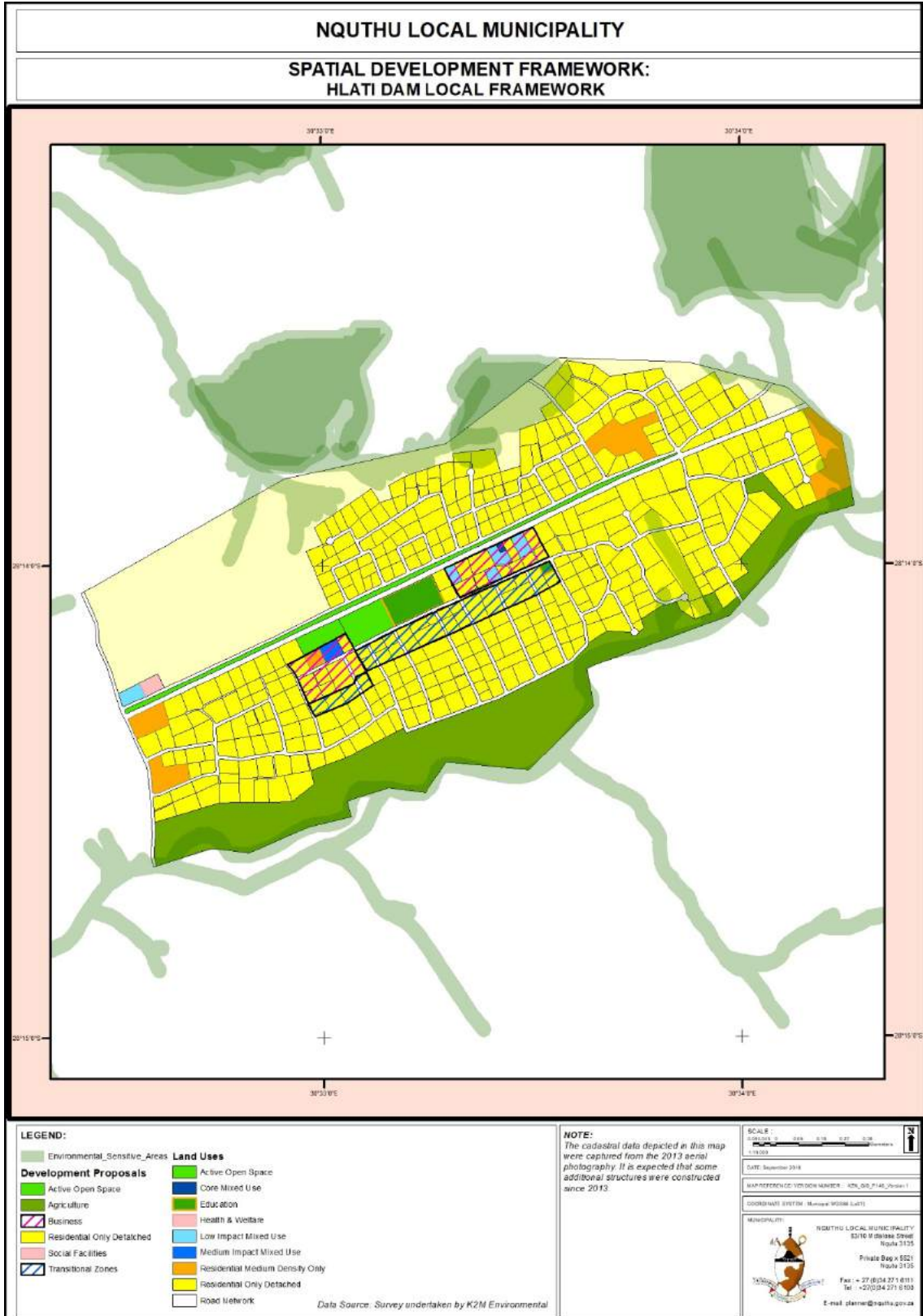
- **Haladu** is situated in the north of the Nquthu town along the mobility spine that is connecting Nquthu and to Vryheid in ward 16.
- **Hlati Dam** is situated on the Western Boundary of the Municipality on the R66 leading from Nuthu to De Jagers Drift in Endumeni Local Municipality. This node contains quite a large number of populations, and has a very urbanized and organized character as can be seen from the image below.
- **Hlajakazi** is situated in ward 2 in the way to Qhudeni. The area is on the Nquthu rural areas with service centers that have a potential of being developed as a node.
- **Isandlwana** is situated on the south of the Nquthu town. It is one of the main tourism attractions within the municipality. The area still needs to be developed to be a well-established tourism node.
- **Jabavu** is situated in ward 12 along the mobility spine that is connecting Nquthu and St. Augustine.
- **Jama** is situated in ward ward 4.
- **Maduladula** is situated in ward 7 and ward 8 along the mobility spine to Nondweni. The area is vibrant with different government service institutions.
- **Mafitleng** is situated in the north west of the Nquthu town in ward 15.

- **Masotsheni** is situated near the western regions of Nquthu LM near the St. Augustines Missionary. In relation to most other service centers,
- **Mkhonjane** is situated in the north of the Nquthu town in ward 15. The area has a potential for agriculture.
- **Mphazima** is situated in the north of the Nquthu town in ward 16.
- **Ncepheni** is situated along the mobility spine towards Isandlwa in ward 10. The area has business potential linked to tourism since it is along the route that is used by the tourists.
  - **Ndindindi** is situated on the P54 leading from Nquthu in a northerly direction connection Nquthu Town with Abaqulusi and Emadlangeni Municipalities. This node is situated to the east of Mkhonjane near the Abaqulusi LM border. Please refer to Plan 40 Spatial Development Framework (attached at back of report) for a depiction of the locality of the node. This node serves a fairly large number of residents which are all spread out along the P54 main thoroughfare. A densification boundary has been proposed for this node and is included in the SDF.
- Patsoane is situated in ward 8.
- **Qhudeni** is situated in the south of the Nquthu town in the municipal boundary of Msinga in the West and Nkandla in the East. The area is one of deep rural areas of Nquthu. There are service areas with a potential of being developed as a node.
- **St. Augustine** is fairly well- serviced. This centre serves a relatively small number of people who are situated along the road leading in a western direction. A very spread-out settlement is situated just to the east of Masotsheni on large plots where land use activities mimics Urban Agriculture. The node serves more than the direct population and also services a community on the road to Rourke's drift.

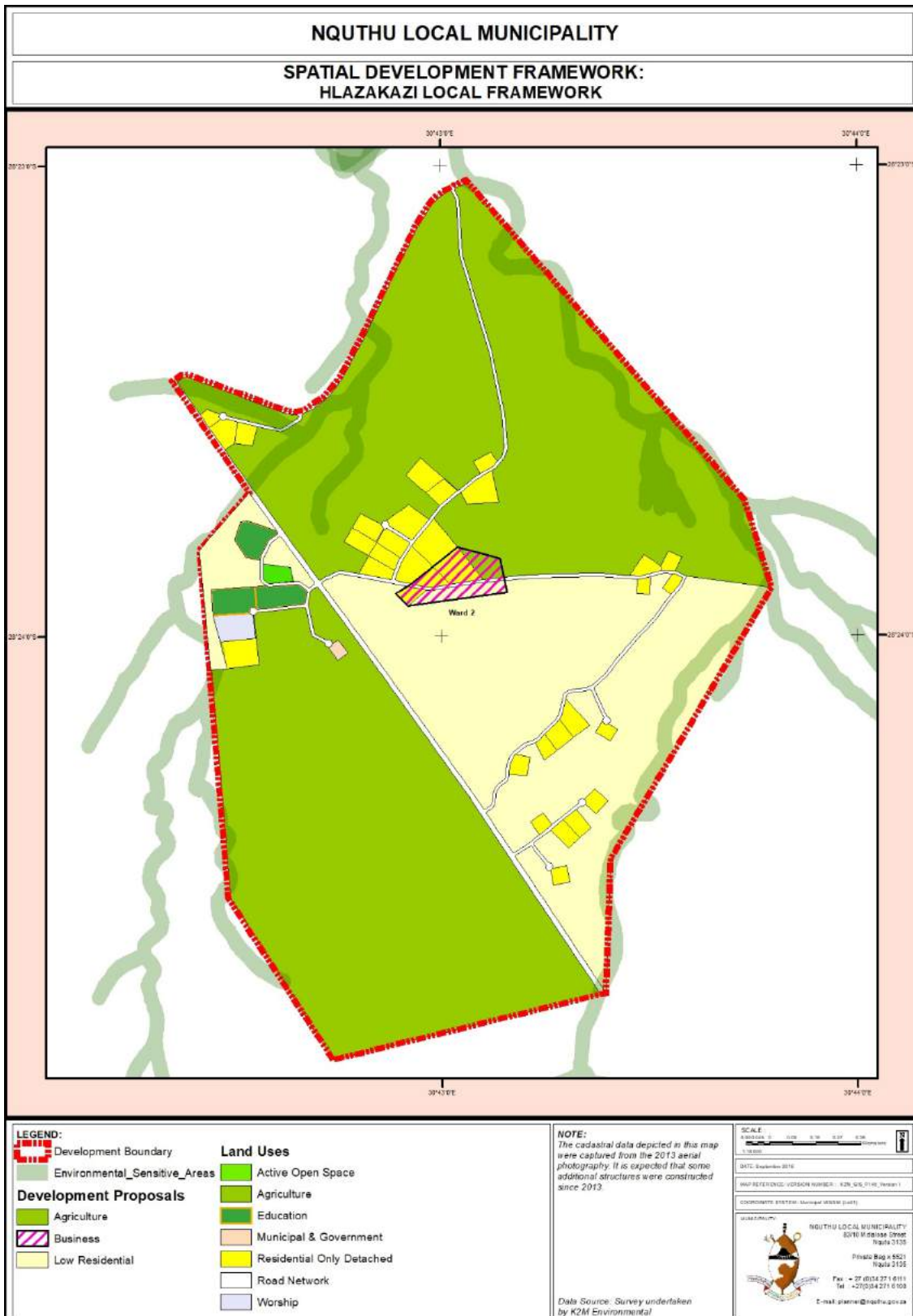
Local frameworks have been prepared for each of the abovementioned settlement development nodes, which include proposed land uses as well as a proposed development boundary to encourage densification and combat further urban sprawl. The maps below depicts the local framework for the settlements above:



Hlathi Dam Local Framework

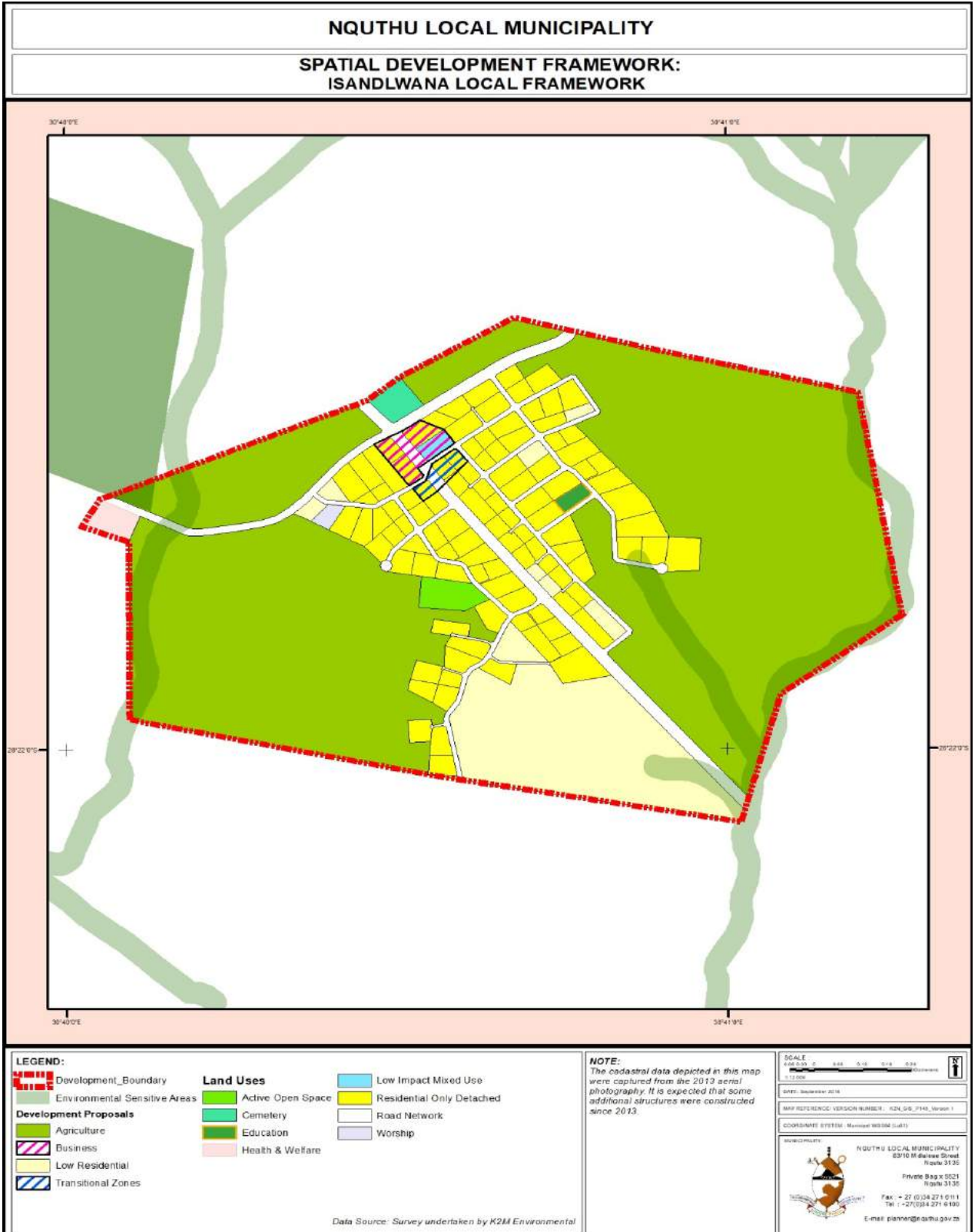


Hlazakazi Local Framework

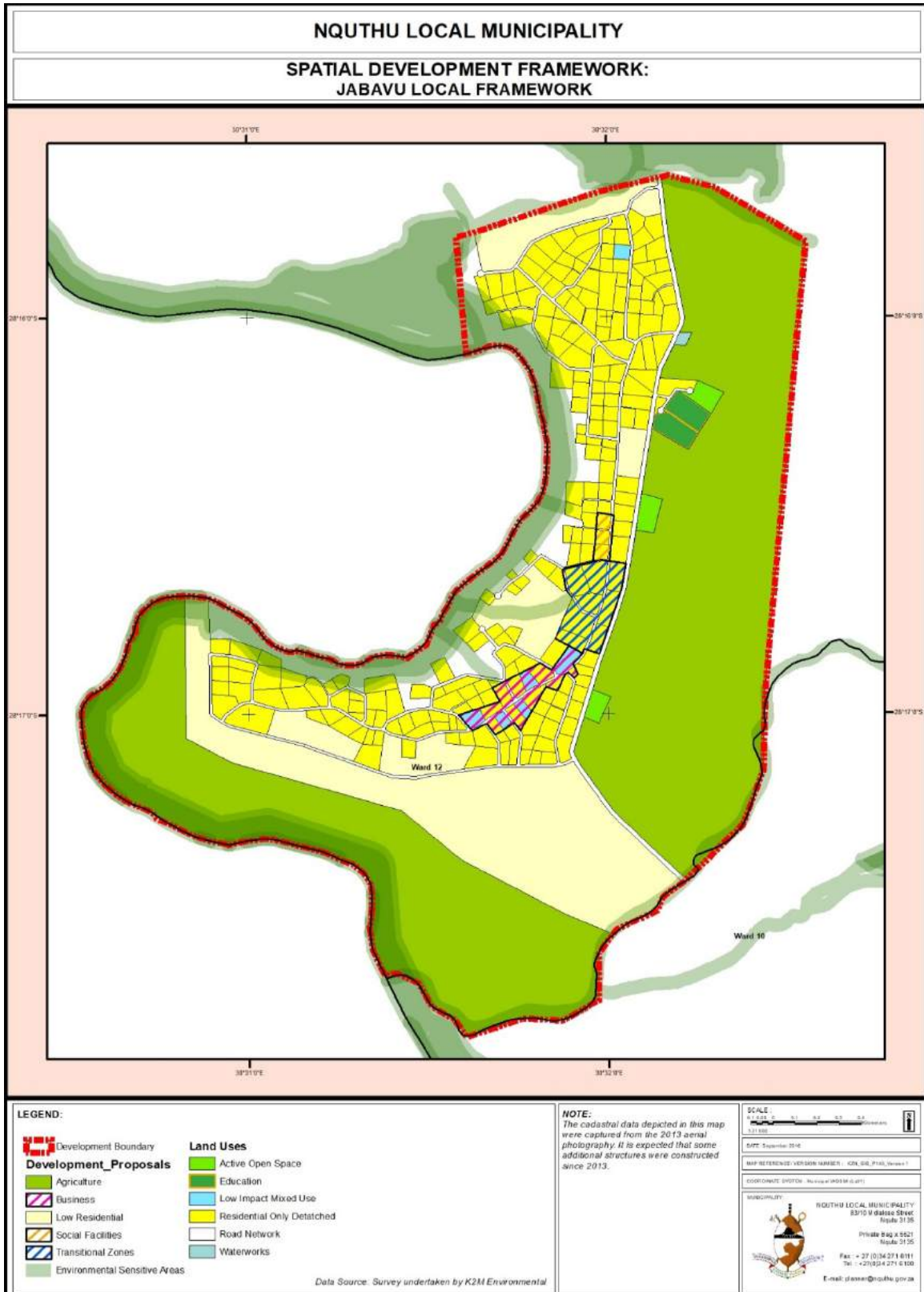




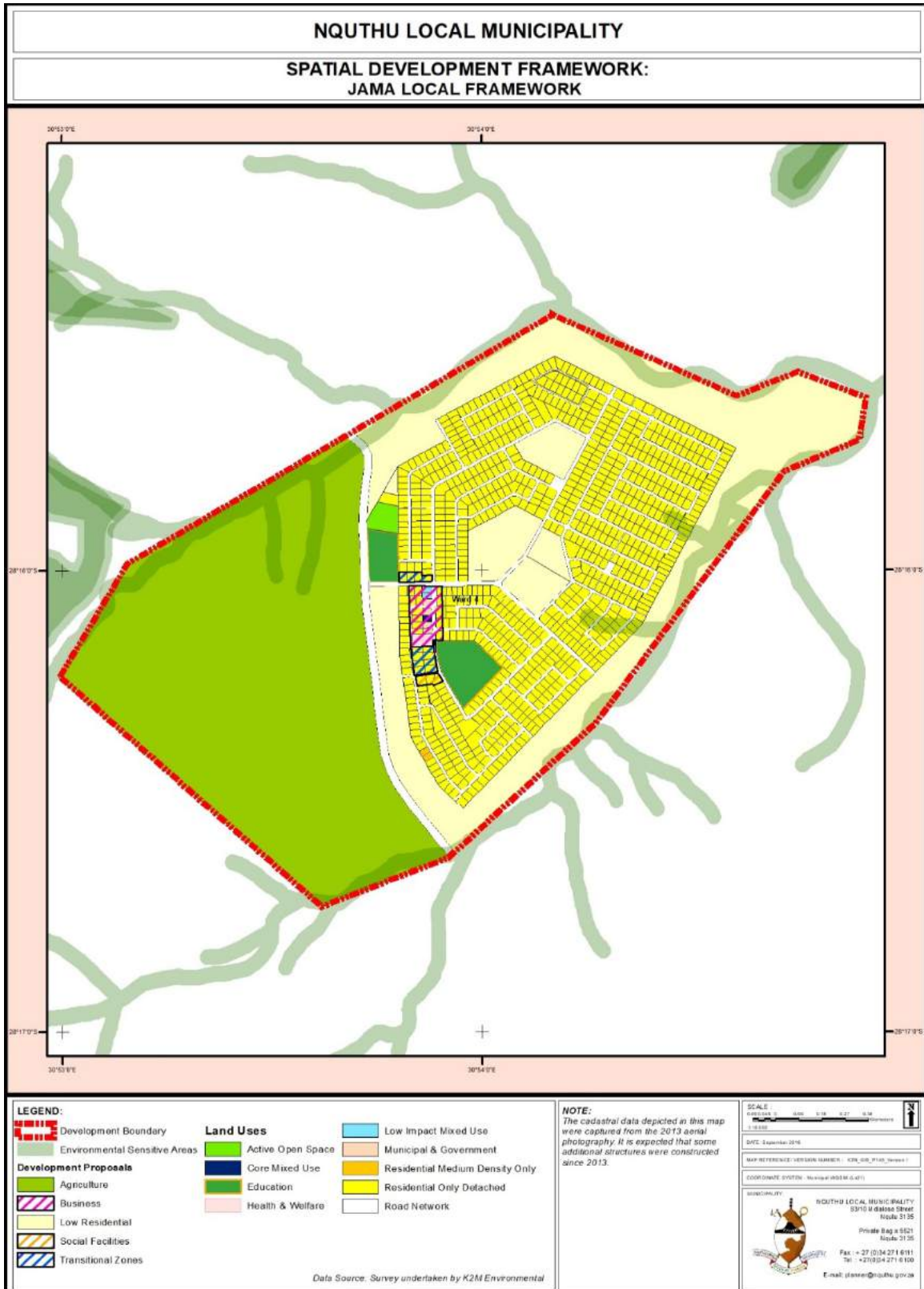
Isandlwana Local Framework



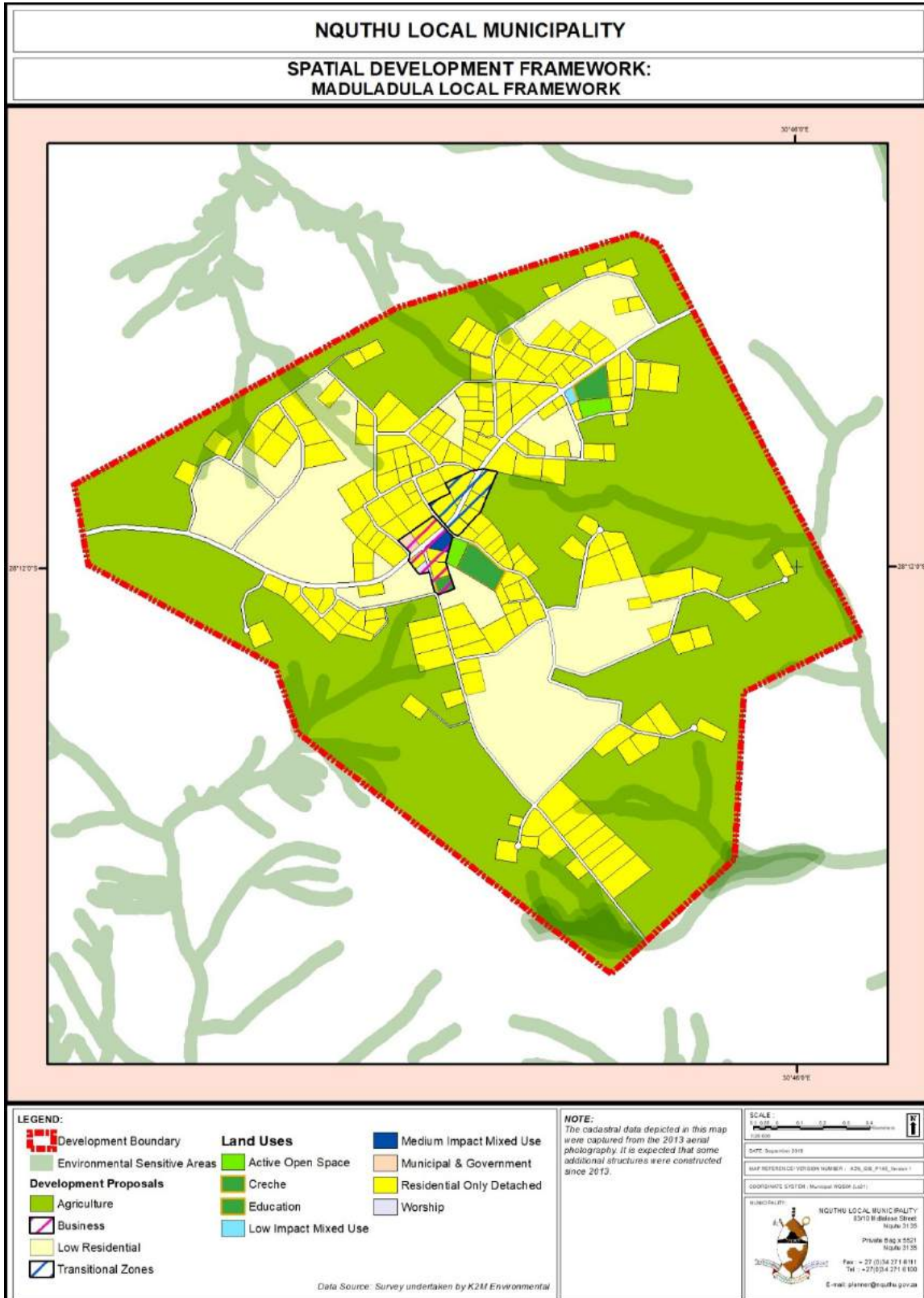




Jama Local Framework

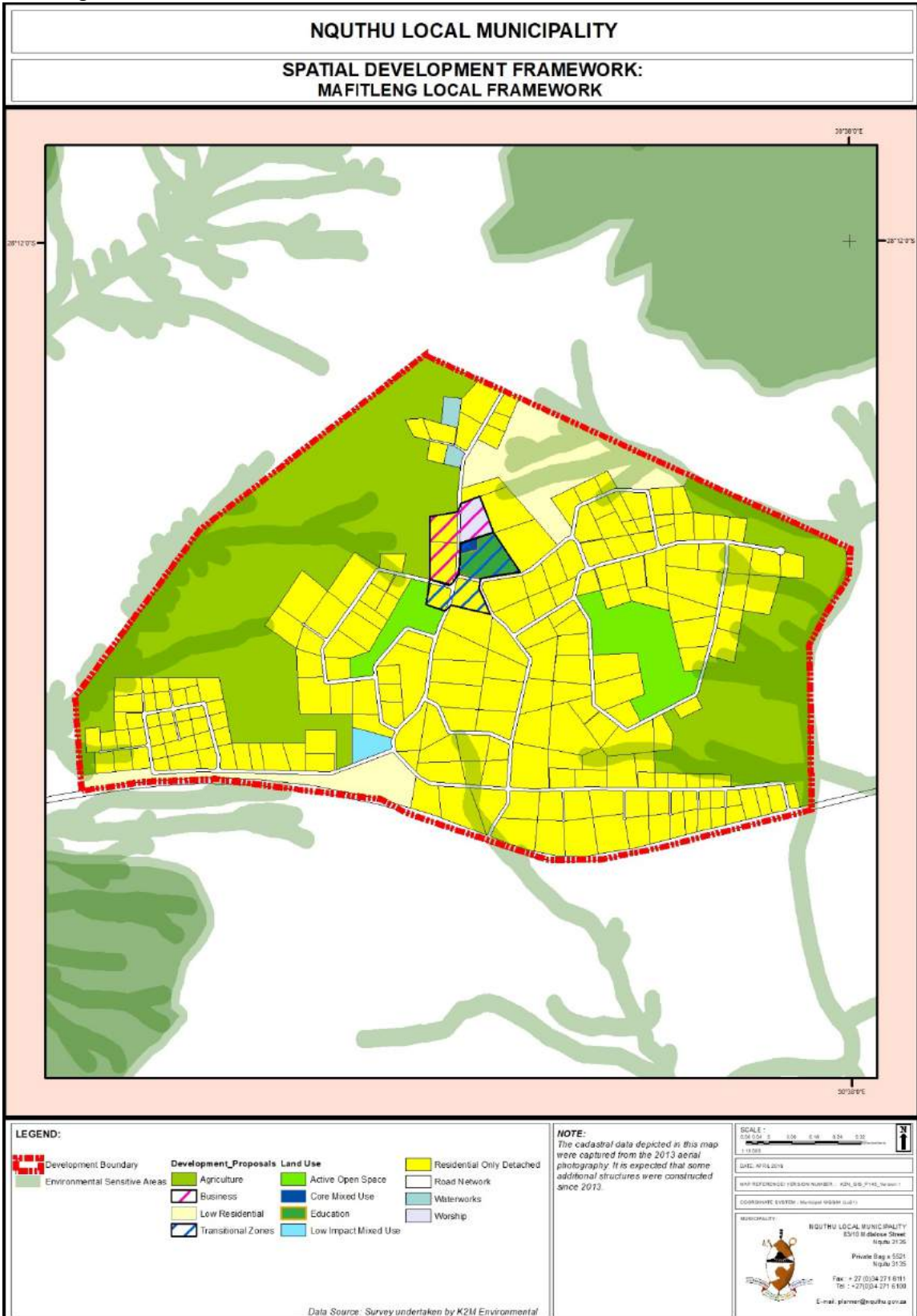


Maduladula Local Framework

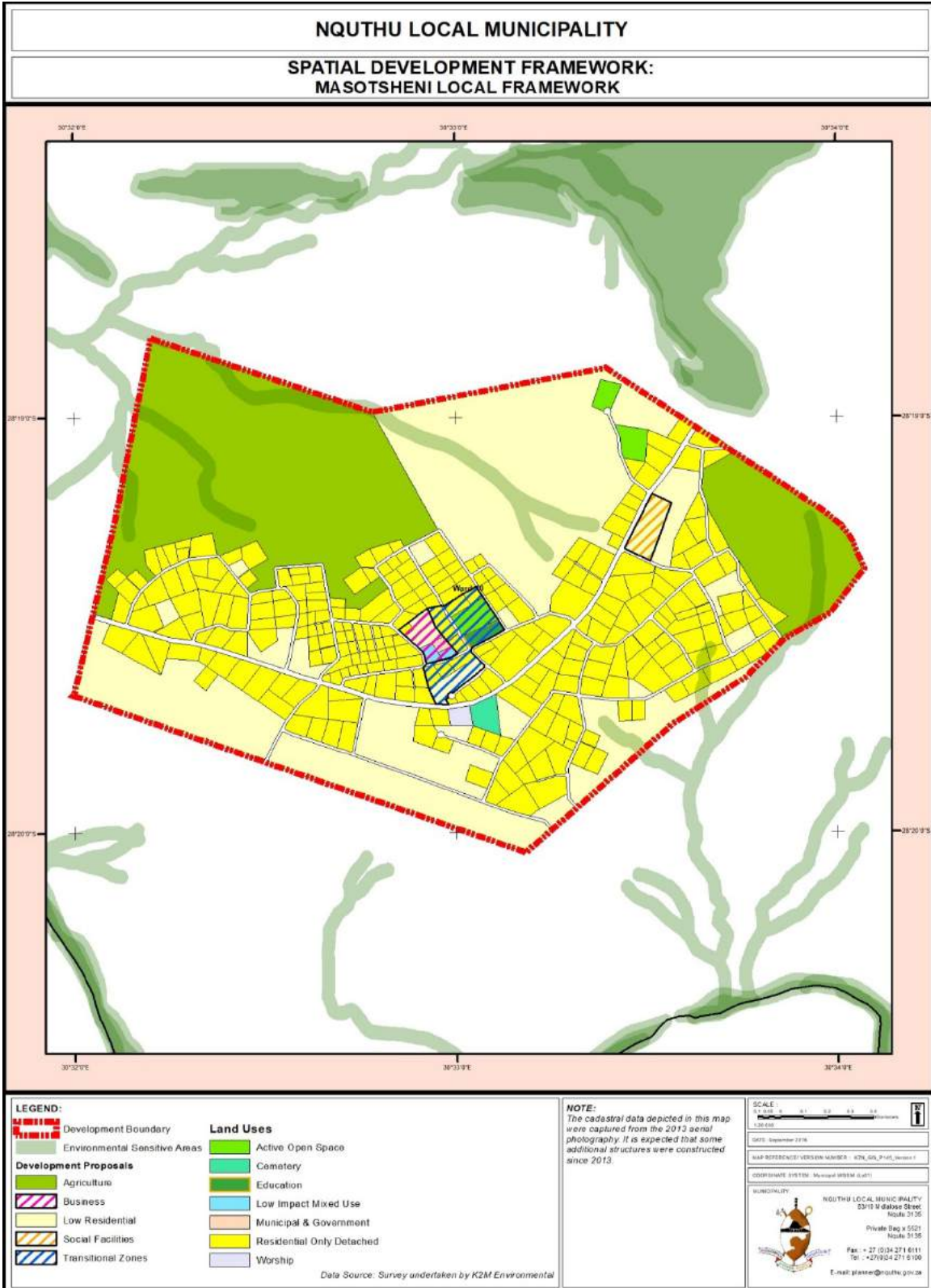




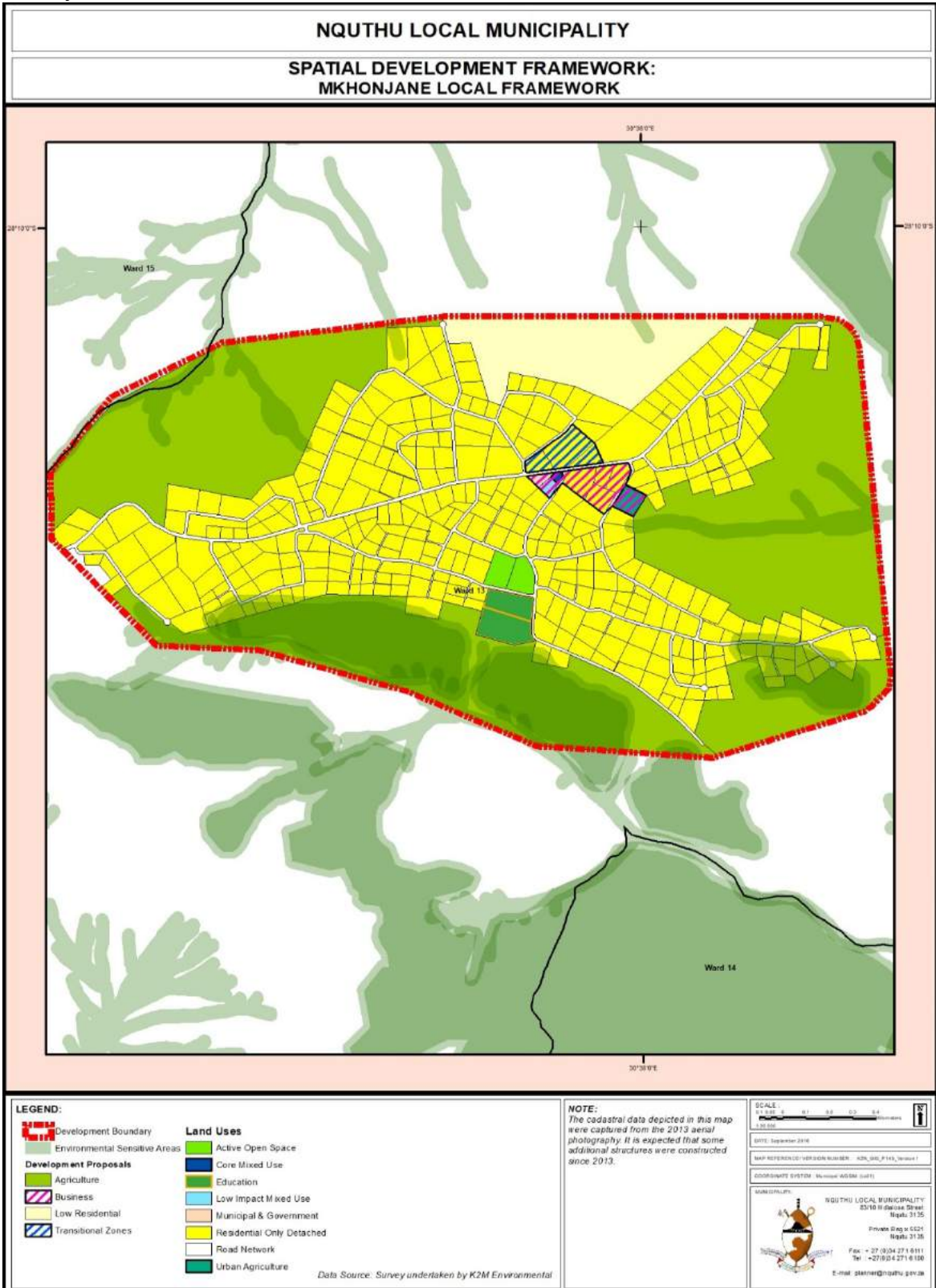
Mafitleng Local Framework



Masotsheni Local Framework

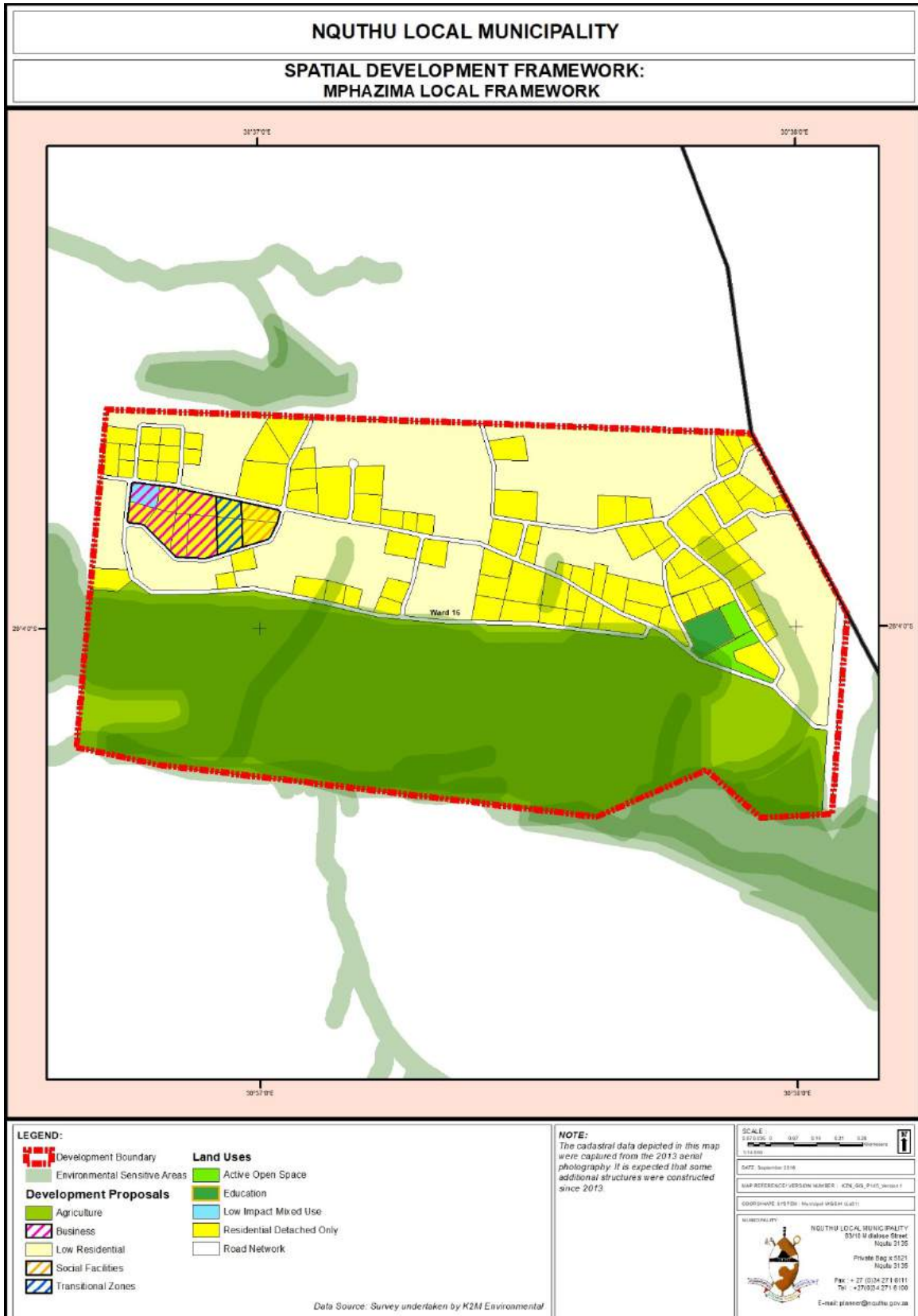


Mkhonjane Local Framework



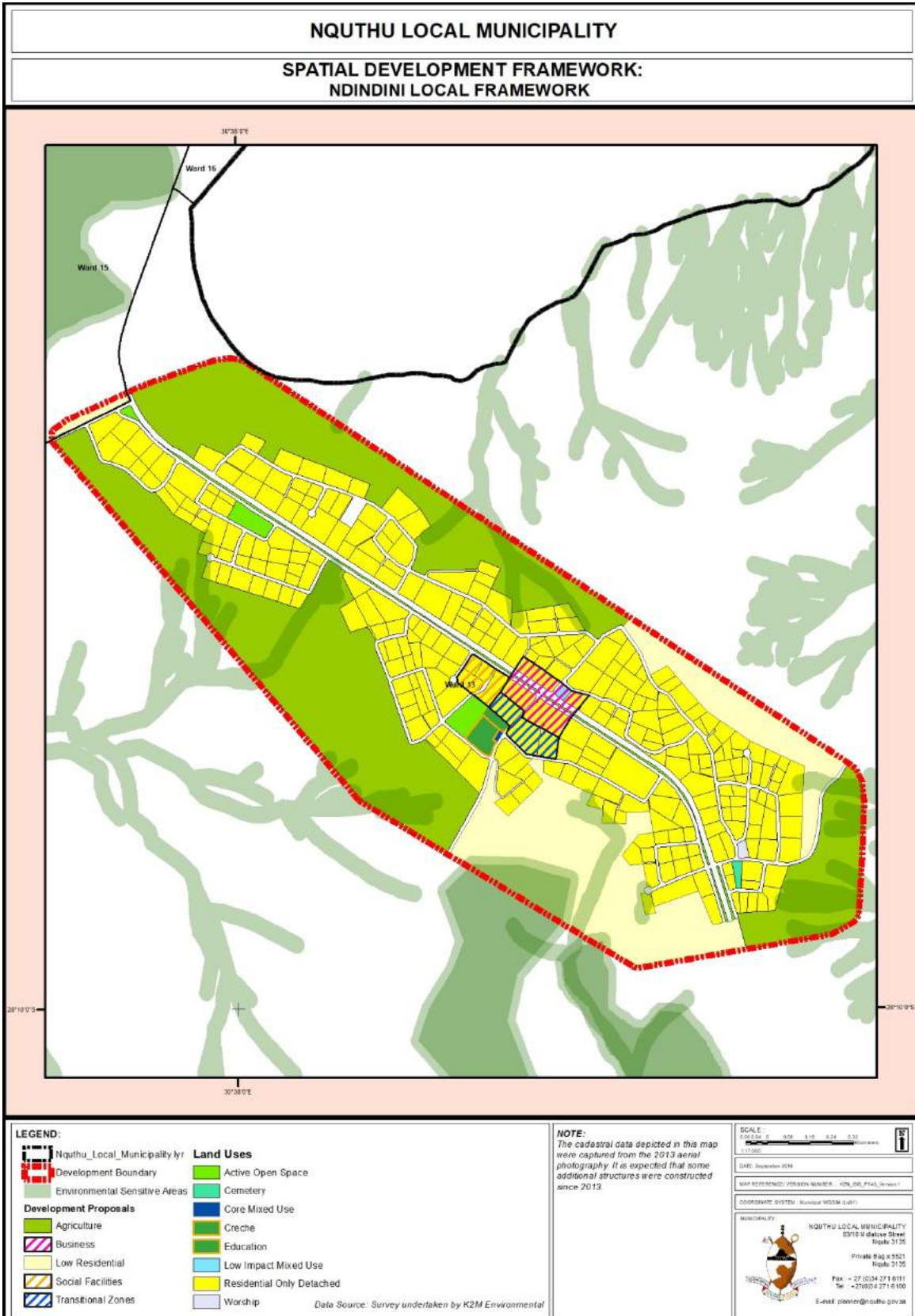


Mphazima Local Framework



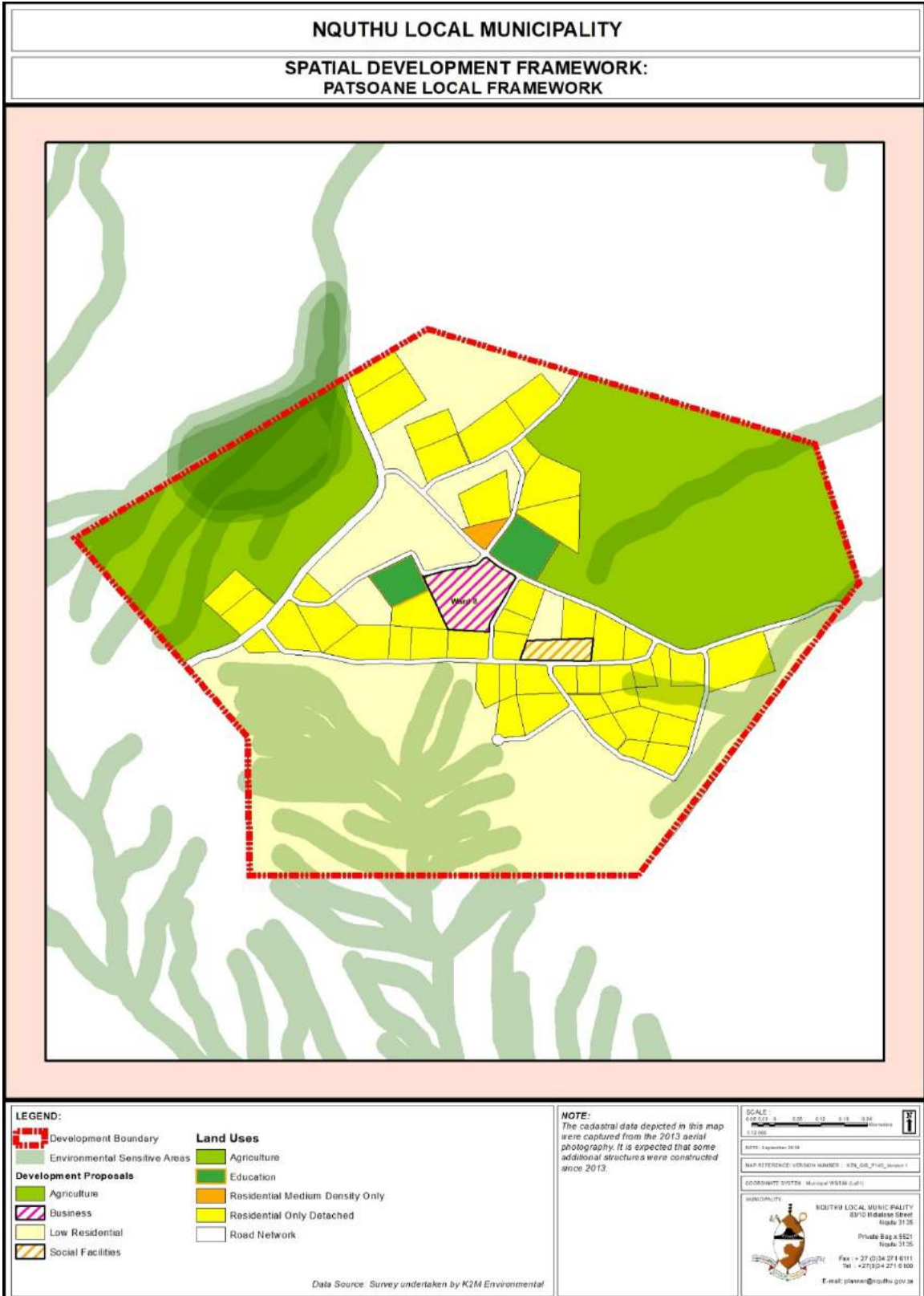


Ndindindi Local Framework

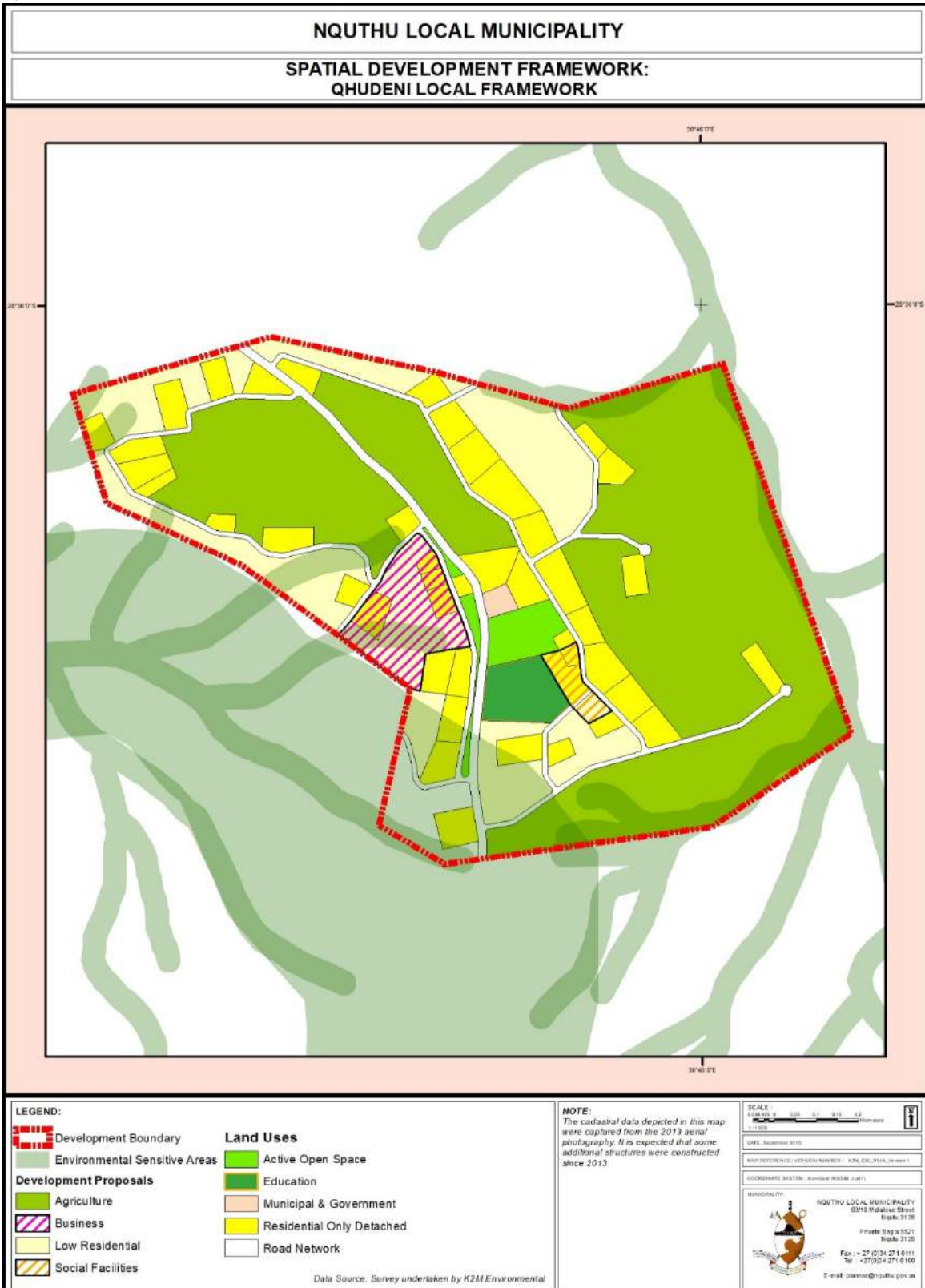




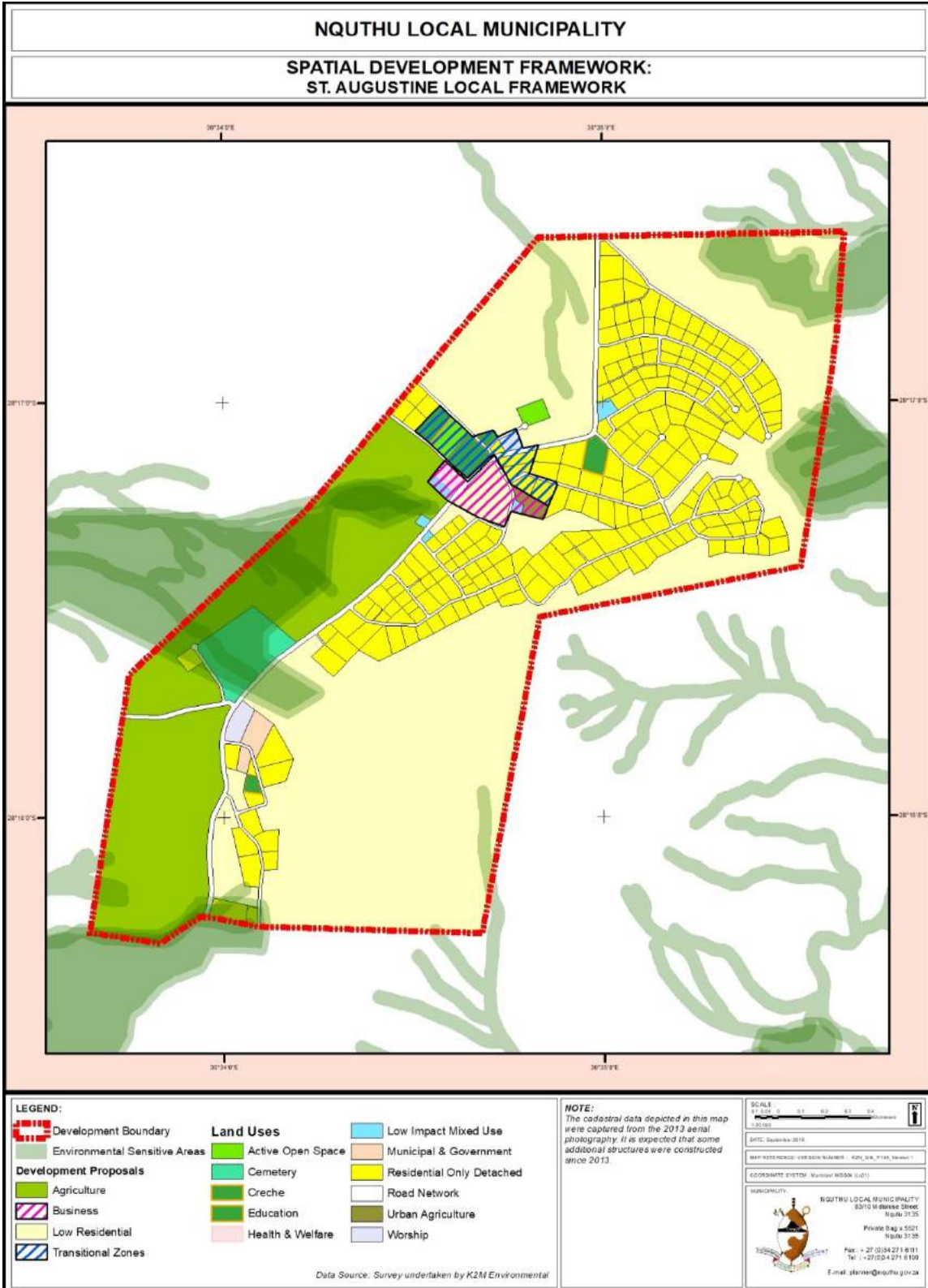
Patsoane Local Framework



**Qhudeni Local Framework**



St. Augustine Local Framework





### **(m) Development corridors**

The major structuring element for determining the existing and future concentration of development, activity and investment in the Nquthu Municipality consists of an access and movement hierarchy that has been established through the major internal and external national and provincial linkages.

#### **➤ Secondary corridors**

The Nquthu SDF 2017 identifies the secondary corridors are as follows:

P36-1

P291

P48

The P36-1 links Nquthu town and Dundee whilst the P48 links Nquthu to Babanango and Melmoth. The primary focus of these corridors is long distance traffic movement within the DM and these corridors link places of economic opportunity with places of residence. Development can be encouraged at appropriate locations along these corridors.

Public interventions envisaged in this area relate to:

- Tarring of roads which will provide transport services access to the remote regions, and open up additional economic opportunity in opening the areas. Accessibility is of key importance;
- Developing a localised Corridor Development Strategies which will focus on spatial structure, infrastructure provision and attracting both public and private sector investment, and
- Ensuring multimodal transport integration occur along these roads at key points.

#### **➤ Tertiary corridors**

The Nquthu SDF 2017 identifies the tertiary corridors are as follows:

P16-4

P50-4

P54

Tertiary corridors link areas and lower order settlements within the municipalities to the secondary and tertiary nodes. These are generally slower moving corridors in terms of social interaction and economic activities.

➤ **Lower order corridors**

These corridors ensure linkages between settlements and serve as strategic areas for the location of public facilities and webs of settlement. They are not demarcated on the maps as there are a large number of such access routes, which do not provide vital strategic information, or require to be strategically evaluated within this spatial development framework.

➤ **Agricultural corridors**

Nquthu Local Municipality has much potential for agricultural development. This is evident from the fact that the Provincial Spatial Economic Development Strategy (PSEDS) identified an important regional Agricultural Corridor traversing the Municipality.

The components of the identified corridor consist of the following roads:

P36-1

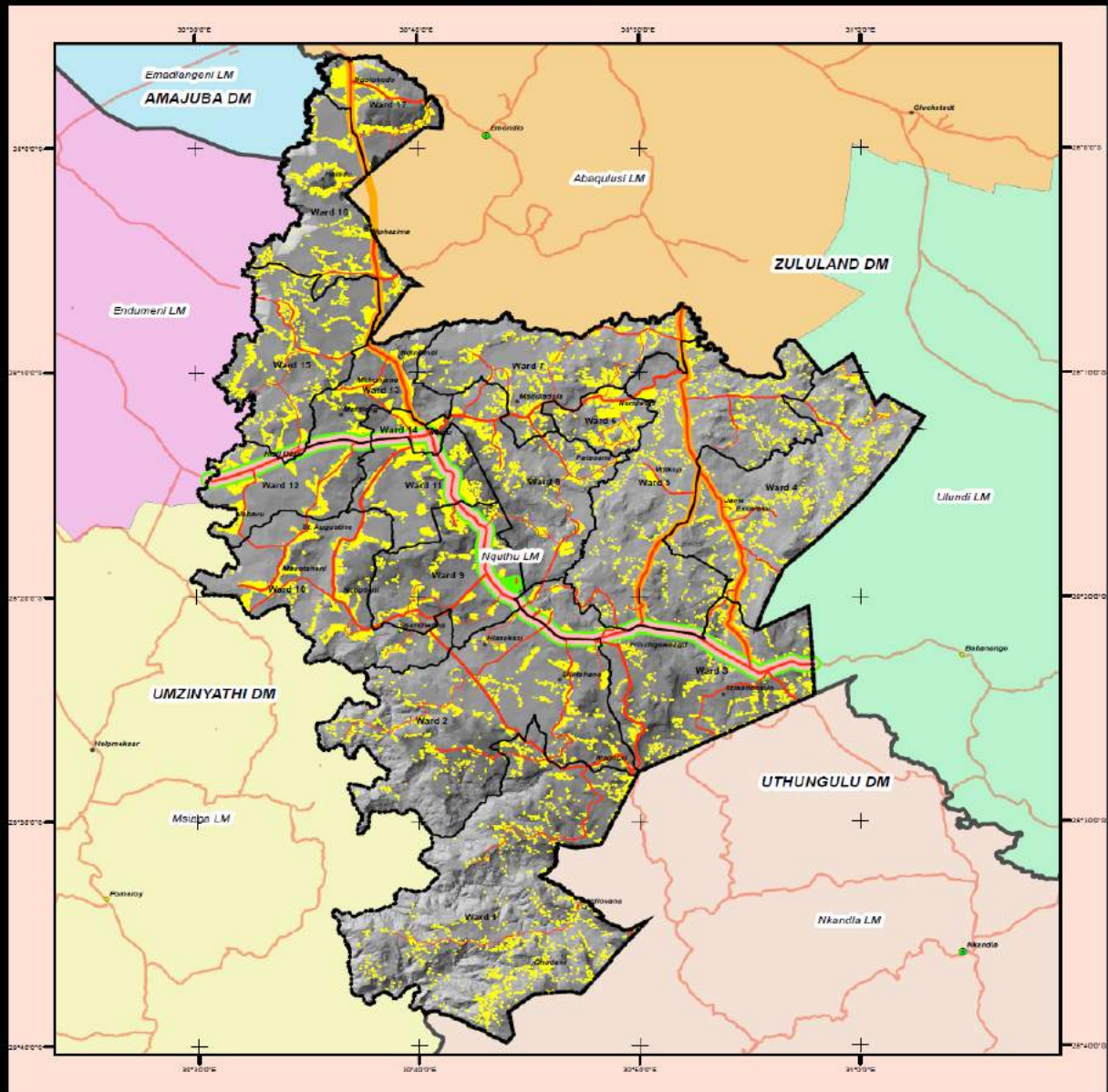
P291

P48

Public interventions envisaged in this area relate to-

- Establishing agro-processing facilities. Additional income generating opportunities are needed within areas of economic need. Agro processing, especially within an area situated on an agricultural corridor provides the potential for additional income. Agro Processing entails the turning of primary agricultural products into other commodities for market, in other words, beneficiation of primary agricultural commodities.
- To involve communities in agro processing the following option can be considered: Establishing small-scale, appropriate and sustainable processing businesses that are flexible require little capital investment and can be carried out in the home without the need for sophisticated or expensive equipment.
- Expansion of trade opportunities – formal and informal

**NQUTHU LOCAL MUNICIPALITY**  
**SPATIAL DEVELOPMENT FRAMEWORK:**  
**SDF CORRIDORS**



**LEGEND:**

- |  |                                    |  |                             |  |                     |  |                           |
|--|------------------------------------|--|-----------------------------|--|---------------------|--|---------------------------|
|  | <b>Nquthu Local Municipality</b>   |  | <b>Central Places</b>       |  | <b>Road Network</b> |  | <b>Secondary Corridor</b> |
|  | <b>Nquthu Wards (2016)</b>         |  | Lower order small towns     |  | Provincial Road     |  | Agricultural Corridor     |
|  | <b>KZN District Municipalities</b> |  | Very small hamlets/Villages |  | District Road       |  | Tertiary Corridor         |
|  | <b>Eskom Imizis (2013)</b>         |  | Other                       |  | Local Access Road   |  |                           |

SCALE: 1:50,000

DATE: September 2014

MAP REFERENCE/PROJECT NUMBER: KZN\_2014\_1001\_0001

COORDINATE SYSTEM: Municipal (S2003 UTM)

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 Nquthu 3104  
 Fax: +27 (0)33 271 4111  
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 E-mail: planner@nquthu.gov.za



## **(n) Land use management Systems**

In terms of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), and the KwaZulu-Natal Planning and Development Act, 2008 (Act No. 6 of 2008), (PDA), each municipality is required to prepare a Land Use Scheme for the whole municipality. A key component of Integrated Development Plans is the requirement to prepare a Spatial Development Framework together with a Land Use Management System (LUMS) which can be applied to the whole municipality. In terms of the new Land Use Management System for KwaZulu-Natal, a system of wall-to-wall Planning Schemes is proposed as forming the basis for the single LUMS required for municipalities.

Nquthu Municipality has an urban land use scheme and Urban Development Framework in place that are also adopted which guides the development within Nquthu jurisdiction. The municipality is currently at the verge for completing its single land use scheme. This is a response to the requirement in terms of the Spatial Planning and Land Use Management Act, 2013 which requires every municipality to have single land use schemes in place. The Nquthu single land use scheme was prepared in year 2013 but not completed because after being assessed it was discovered that there were aspects which were not SPLUMA compliant and not covered in the scope of the project. The project was placed on hold due to the lack of funds. The traditional leadership was involved in the process of Wall to Wall Scheme development.

A Rural Component of a Scheme should primarily be applied to manage land:

- Outside defined urban areas;
- So as to promote the general principles of sustainability, efficiency and integration;
- To ensure that prime agricultural land is protected, and
- To ensure that important areas of environmental significance and bio-diversity are protected

## CROSS CUTTING ISSUES SWOT ANALYSIS

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• Town Planning and GIS posts have been filled</li> <li>• Land use management systems in place</li> <li>• Functional JMPT</li> <li>• Availability of a planning compliant committee</li> <li>• Receive land use applications</li> </ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• Lack of good working relationship between the municipality and the traditional authority.</li> <li>• No single land use scheme</li> <li>• Scattered settlements, public facilities and services.</li> <li>• Lack of effective distribution routes and link roads to corridors.</li> <li>• Lack of effective economic investment in the rural service nodes.</li> <li>• Prevention of worthy and sensitive areas not done efficiently.</li> <li>• Reliance on external resource for environmental compliance (no internal capacity)</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Credible spatial development framework has been adopted.</li> <li>• The single land use scheme is almost complete.</li> <li>• Developments along the main road networks</li> <li>• Functional tourism attraction zones</li> <li>• Part of the land is owned by the municipality</li> <li>• There are chiefs who show interest in using municipal expertise to enhance development in their areas.</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• Poor infrastructure</li> <li>• Climate change</li> <li>• Dispersed settlements</li> <li>• Difficult terrains</li> <li>• Droughts</li> <li>• Migration</li> </ul>

## **C.2.2 Disaster Management**

### **C.2.2.1 Status of municipal disaster related institutional capacity**

#### **(a) Municipal disaster management centre**

Nquthu Disaster Management Centre was established in January 2013, the centre is manned 15 officials working on a shift system. The centre uses 24/7 system and respond to all disastrous incidents. Even though there the structure is not yet built to accommodate disaster management function, the park homes are used to accommodate such function. However, the municipality has planned for the construction of a fully-fledged fire station from which the disaster management unit will operate from. The municipality designated 034 271 6102 as the call centre number. The number has been disseminated to communities through disaster awareness campaigns and through Councillors, Ward Committees, CDWs and Traditional Leadership.

#### **(b) Staffing**

The municipality appointed Disaster Management Manager to implement its disaster management plan. Fourteen qualified fire-fighters are serving the Municipality on a permanent basis. Station Officer, Disaster Management Officer, and four Fire Fighter positions are vacant. There are no volunteers recruited currently.

#### **(c) Vehicles**

Nquthu Disaster Management Centre has six specialized vehicles allocated to it. Three of these vehicles fall under specialised categories which are 1 Fire Engine, 1 Fire Tanker and 1 Rapid Intervention Vehicle. The other three are skid unit bakkies which specialise in wild fire fighting and disaster response.

#### **(d) Other equipment**

The municipality has also procured a life-saver boat since Nquthu has a lot of water catchment areas and our disaster unit is required to respond to drowning cases quite often.



### **C.2.2.2 Municipal Disaster Management Policy Framework**

The policy framework for disaster management was developed and adopted by the council in 2012.

#### **(a) Municipal Disaster Management Sector Plan**

The Disaster Management plan for Nquthu Municipality has been reviewed for 2019/2020 financial year and is attached in the addendum of annexures.

#### **(b) Municipal Disaster Management Inter-Departmental Committee**

The inter-departmental committee is not yet established but through the strengthening of OSS functionality this committee is going to be established before the end of September 2019.

#### **(c) Municipal Disaster Management Advisory Forum**

The municipality established the advisory forum through OSS for consultation purposes and technical advice.

### **C.2.2.3 Disaster Risk Assessment**

#### **(a) List of Priority Risks (Hazards)**

Nquthu faces increasing levels of disaster risk. It is exposed to a wide range of weather hazards, including lightning, thunderstorms; strong winds, hailstorms, veld fires, structural fires, land degradation, drought, and heavy rains that result in flooding that can trigger widespread hardship and devastation. In addition to these natural and human-induced threats and despite ongoing progress to extend essential services to poor urban and rural communities, large numbers of people live in conditions of chronic disaster vulnerability in underserved, ecologically fragile or marginal areas where they face recurrent natural and other threats.

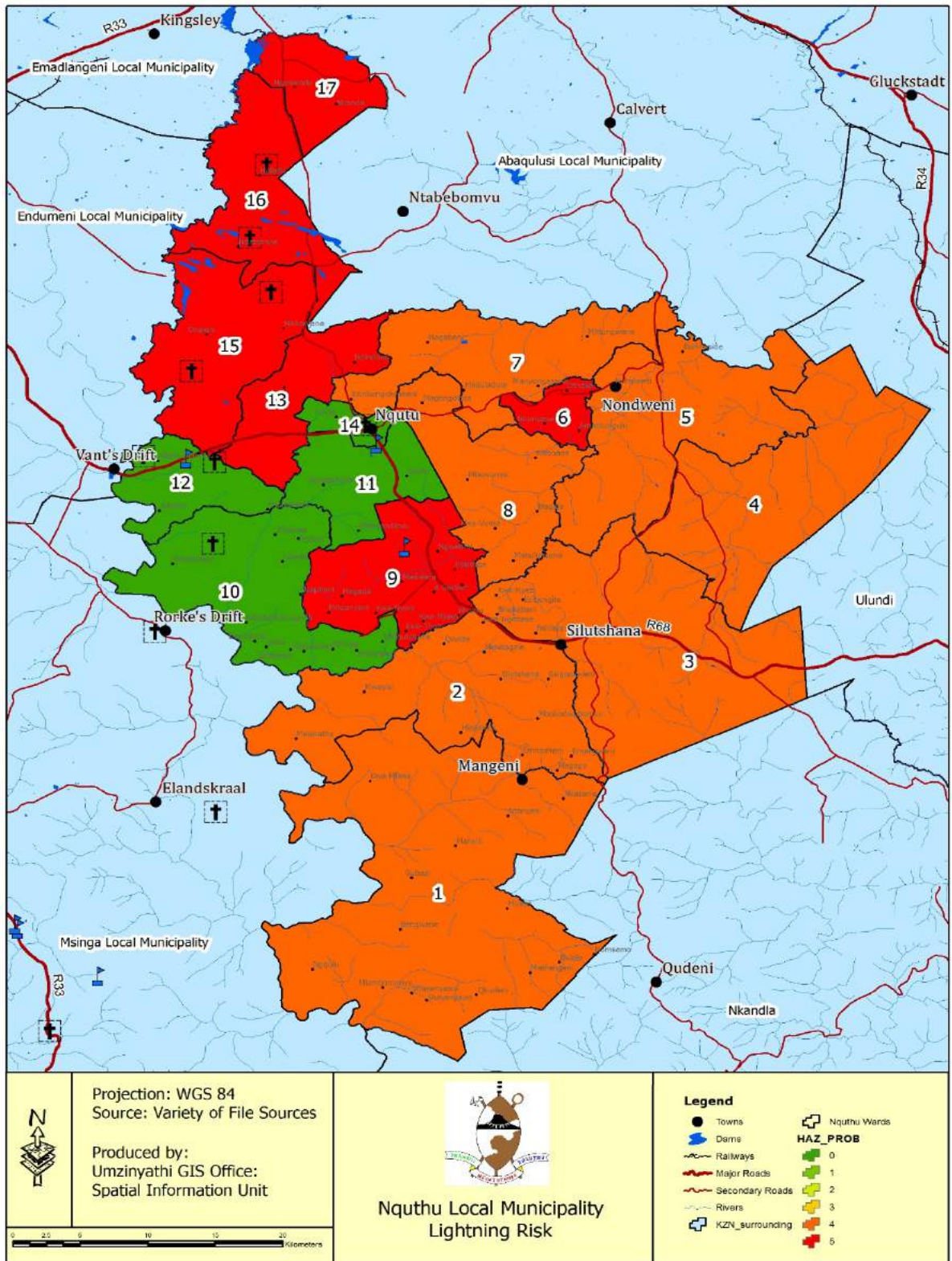
The risk profile is tabled below. The municipal disaster management officials in partnership assessed the disaster risk with ward committees to public participation programmes.

Type of hazards	Potential Consequence		
	Moderate	Major	Extreme
Thunderstorm and Lightning			All wards
Heavy rain and floods		Ward 10, 2, 1, 14,16, 17	
Structural fires		All wards	
Veld fires			Ward 1-17 <i>except</i> Ward 14
Drought	All Wards		
Epidemics	All wards		
Hailstorm and strong winds		Ward 2, 10, 4, 12	
Land degradation		All wards	

Event	Likelihood	Consequence	Overall risk rating comments	Controls	Mitigations
Thunderstorm & Lightning	Almost certain	Major	Very High	<ul style="list-style-type: none"> <li>Educational awareness.</li> <li>Issue warning orders.</li> </ul>	<ul style="list-style-type: none"> <li>Installation of lightning prevention devices.</li> <li>Nquthu Ready Summer Campaign.</li> </ul>
Heavy rain & Floods	Almost certain	Moderate	High	<ul style="list-style-type: none"> <li>Educational awareness.</li> <li>Issue warning orders.</li> <li>Floods awareness maps</li> </ul>	<ul style="list-style-type: none"> <li>Relocation to safer sites</li> <li>Weather forecast</li> </ul>

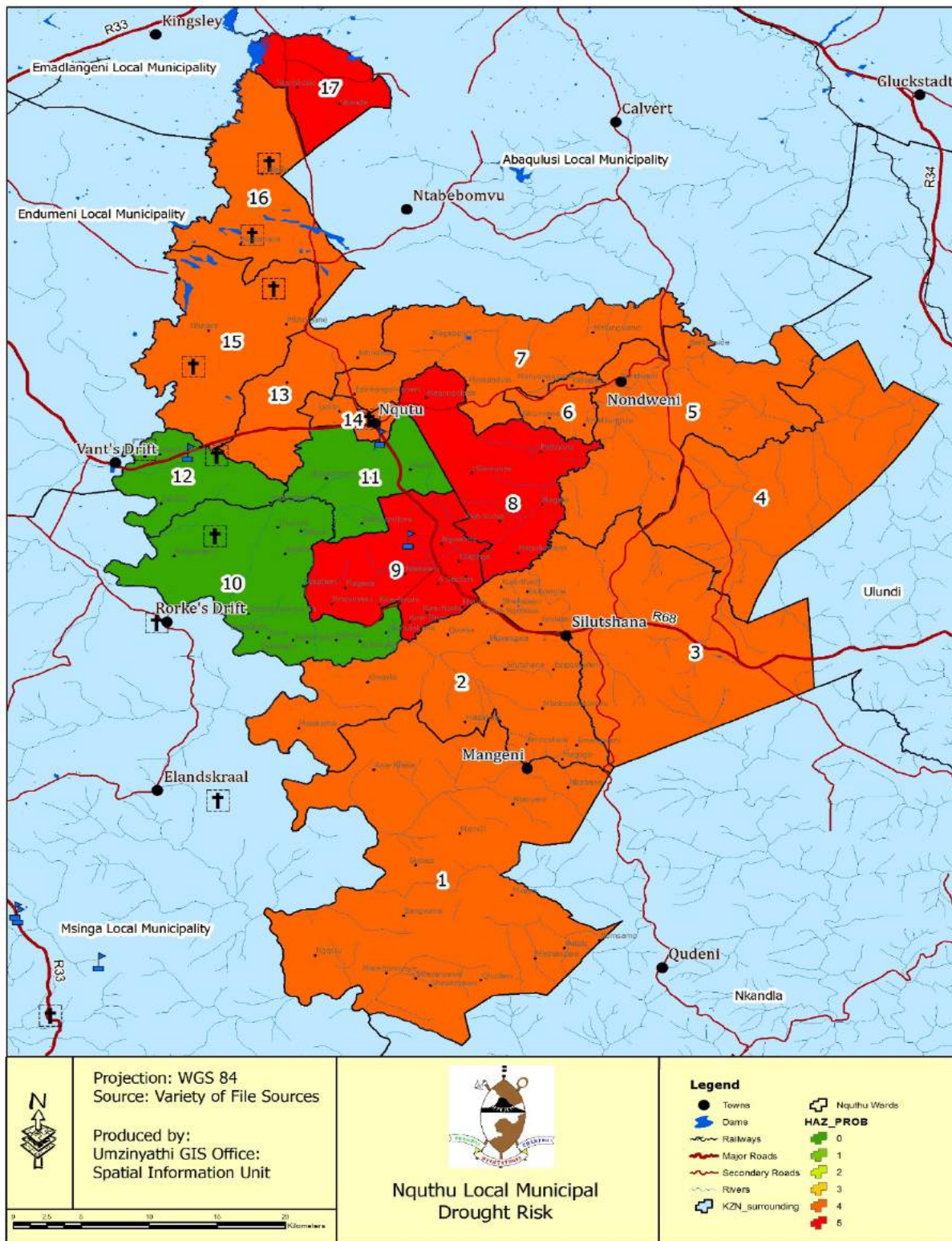
Road network floods	Almost certain	Moderate	High	<ul style="list-style-type: none"> <li>• Flood awareness maps</li> <li>• Signage</li> <li>• Educational awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Floodwise education</li> <li>• Operational preparedness and response</li> </ul>
Veldfires	Almost certain	Major	Very high	<ul style="list-style-type: none"> <li>• Bushfire hazard risk map.</li> <li>• Pre-burning.</li> </ul>	<ul style="list-style-type: none"> <li>• Resourced and trained fire staff.</li> <li>• Community and stakeholder engagement.</li> <li>• Fire-fighting vehicles.</li> <li>• Fire breaks maintained.</li> </ul>
Structural fires	Possible	Major	Very high	<ul style="list-style-type: none"> <li>• Issue warning orders.</li> <li>• Continuous inspections.</li> </ul>	<ul style="list-style-type: none"> <li>• Awareness creation.</li> <li>• Fire-fighting equipment and vehicles.</li> </ul>
Major transport accidents	Possible	Major	Medium	<ul style="list-style-type: none"> <li>• Issue warning orders.</li> <li>• Network Coordination Centre.</li> </ul>	<ul style="list-style-type: none"> <li>• Planning in effect.</li> </ul>

## Hazard Maps



**Figure 1: Lightning hazard map**





**Figure 2: Map depicting drought hazards in Nquthu**

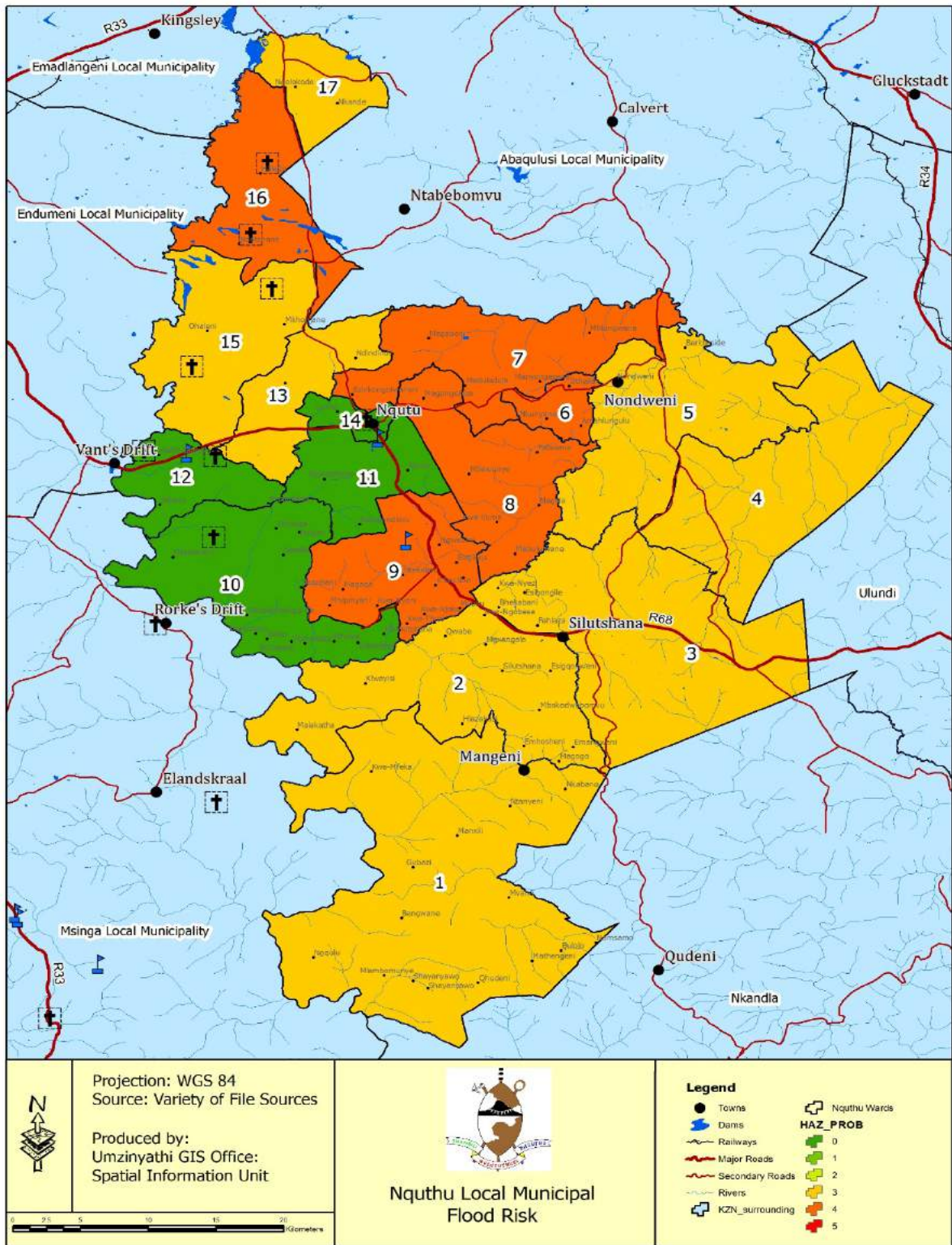


Figure 3: Map depicting flooding hazards in Nquthu



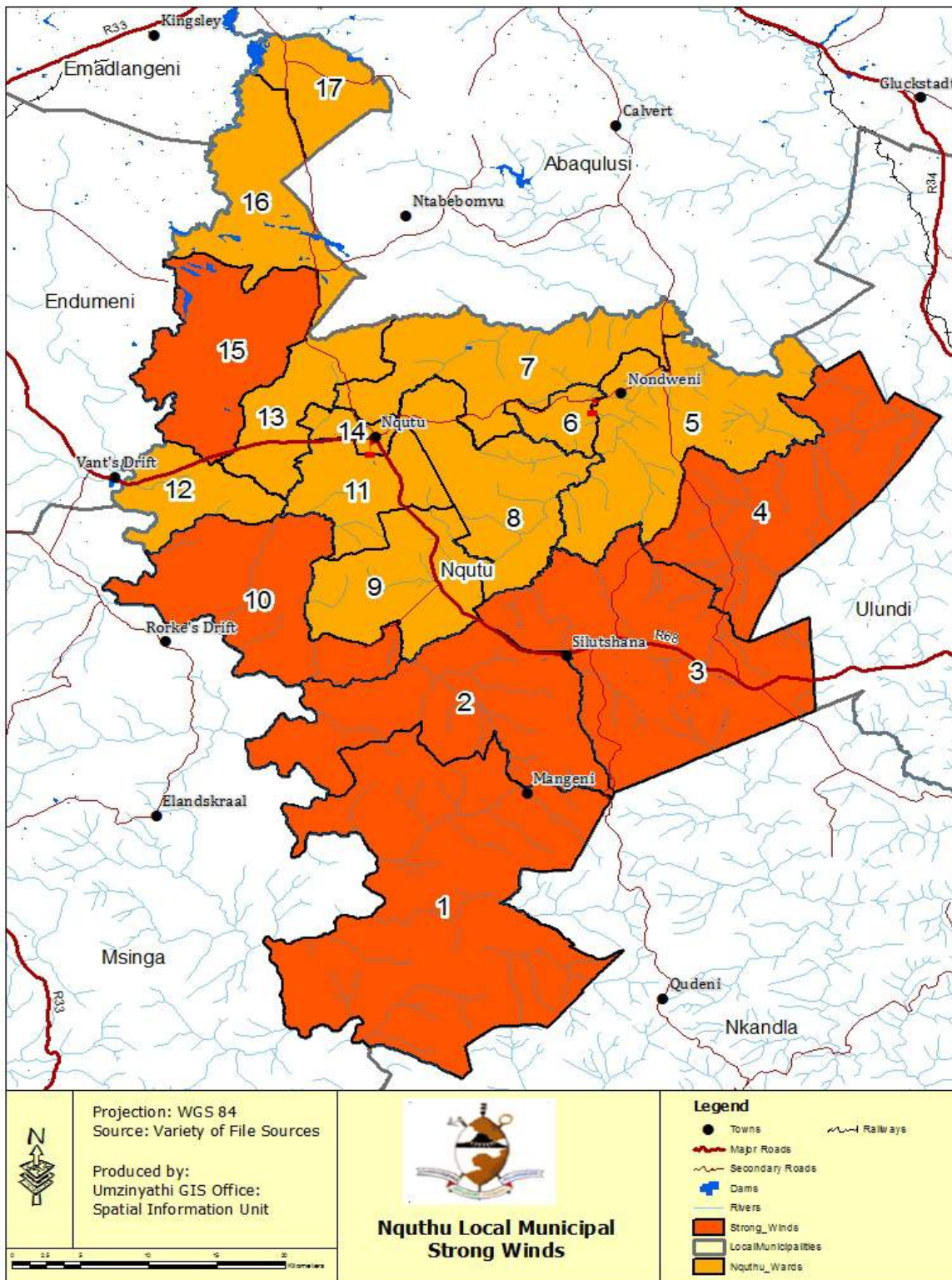


Figure 4: Map depicting strong winds hazards in Nquthu

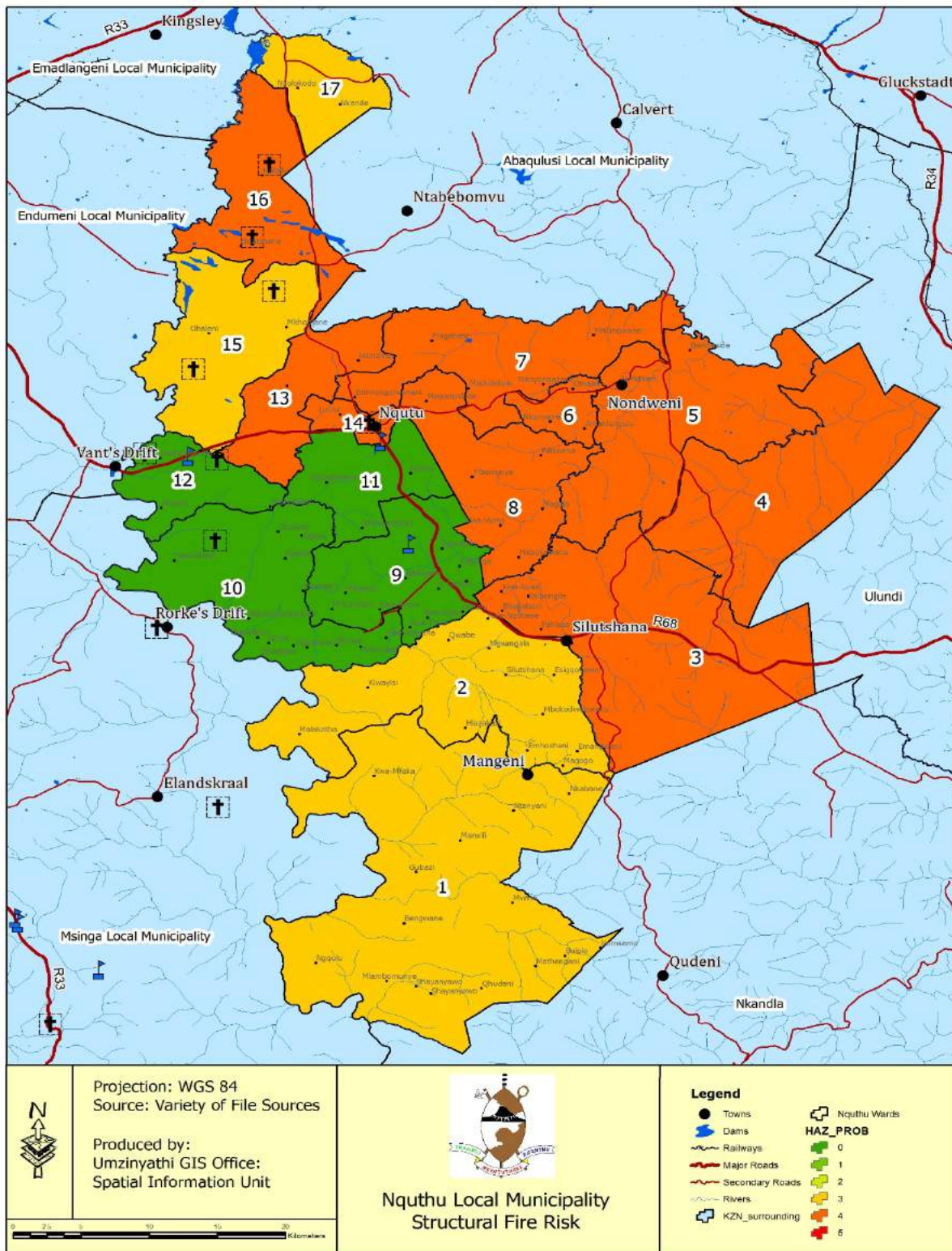


Figure 5: Map depicting structural fire hazards in Nquthu



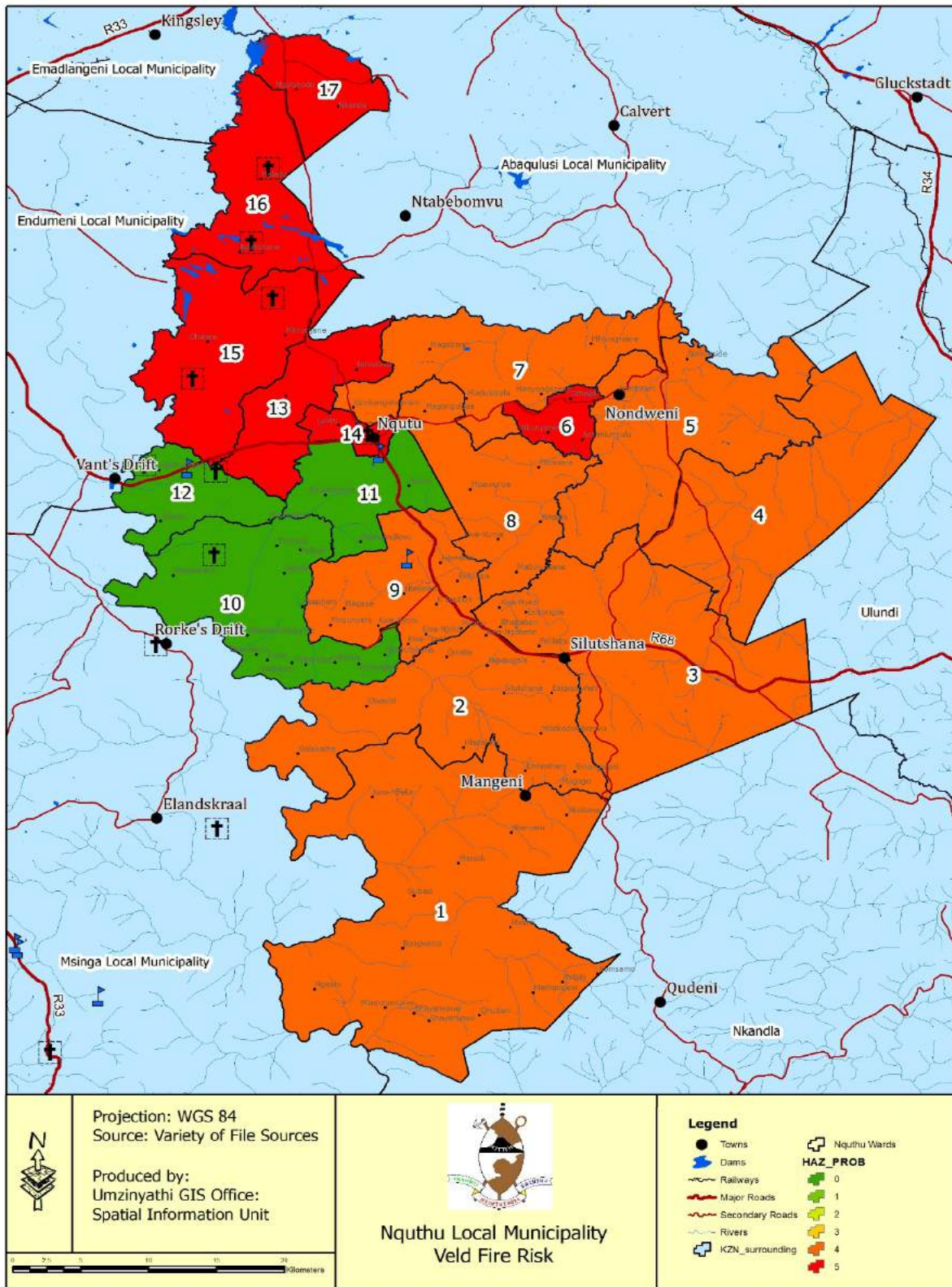


Figure 6: Map depicting veldfire hazards in Nquthu

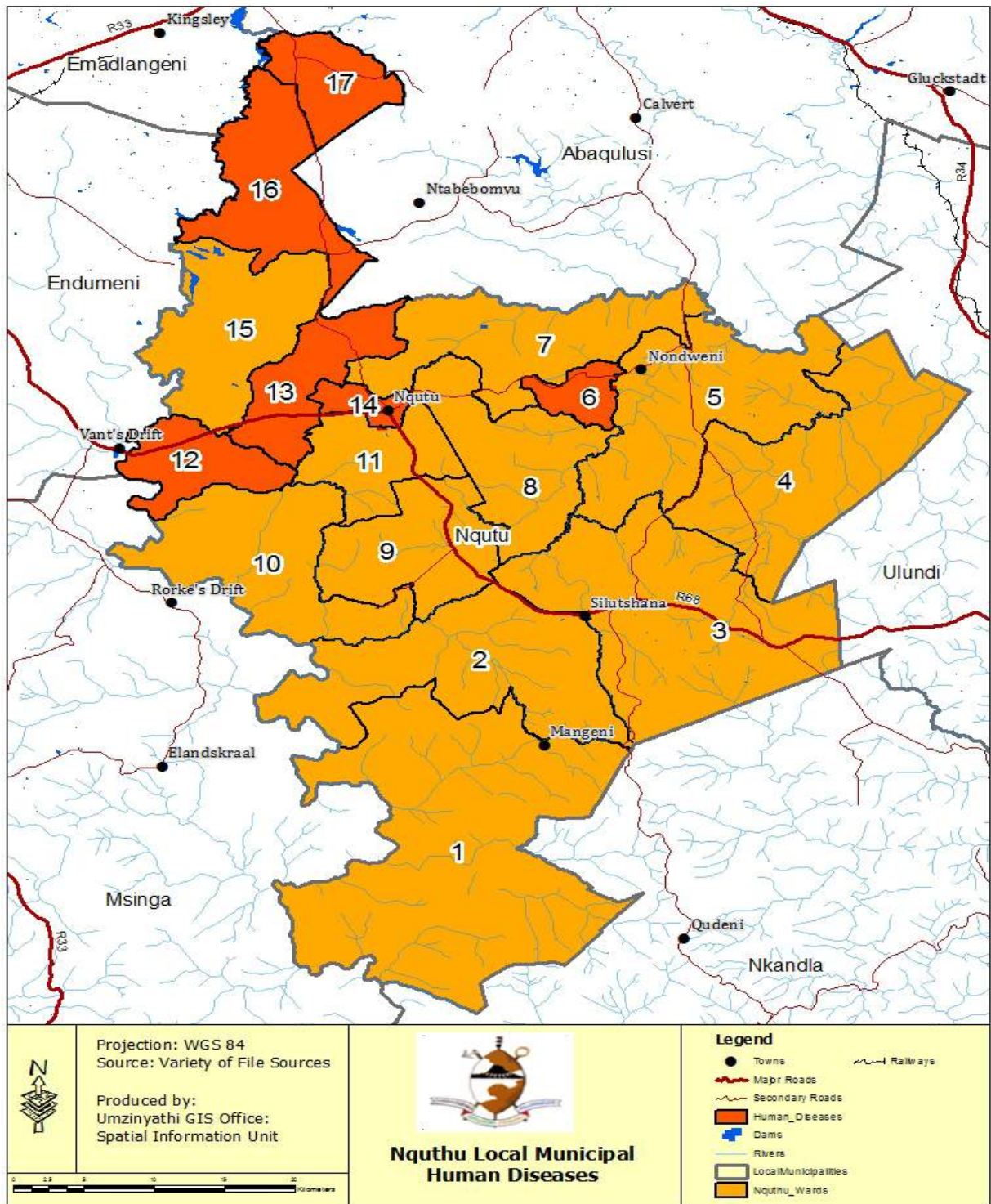
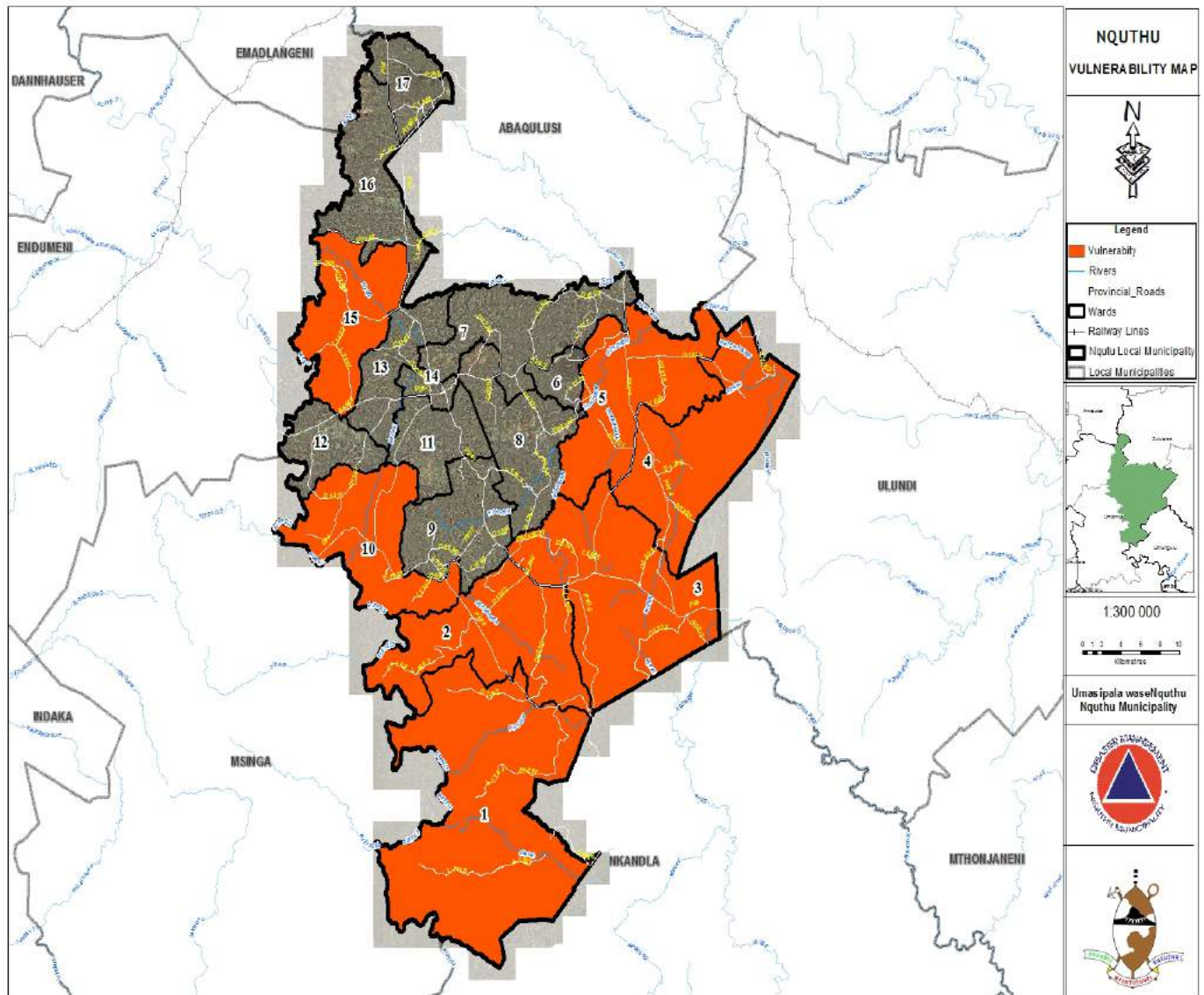


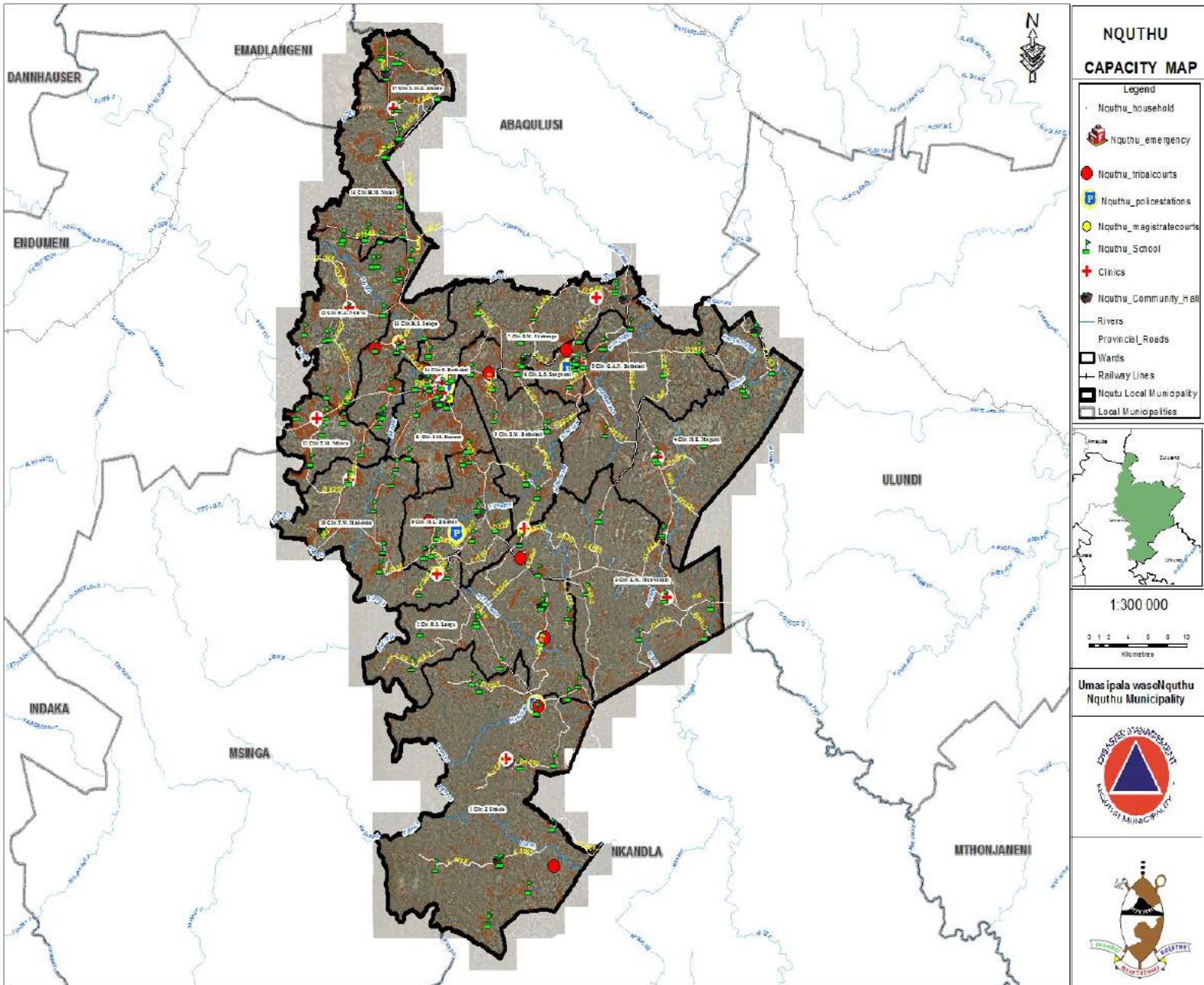
Figure 7: Map depicting Human diseases in Nquthu

### Vulnerability Maps





**Figure 9: Map depicting vulnerability in Nquthu**

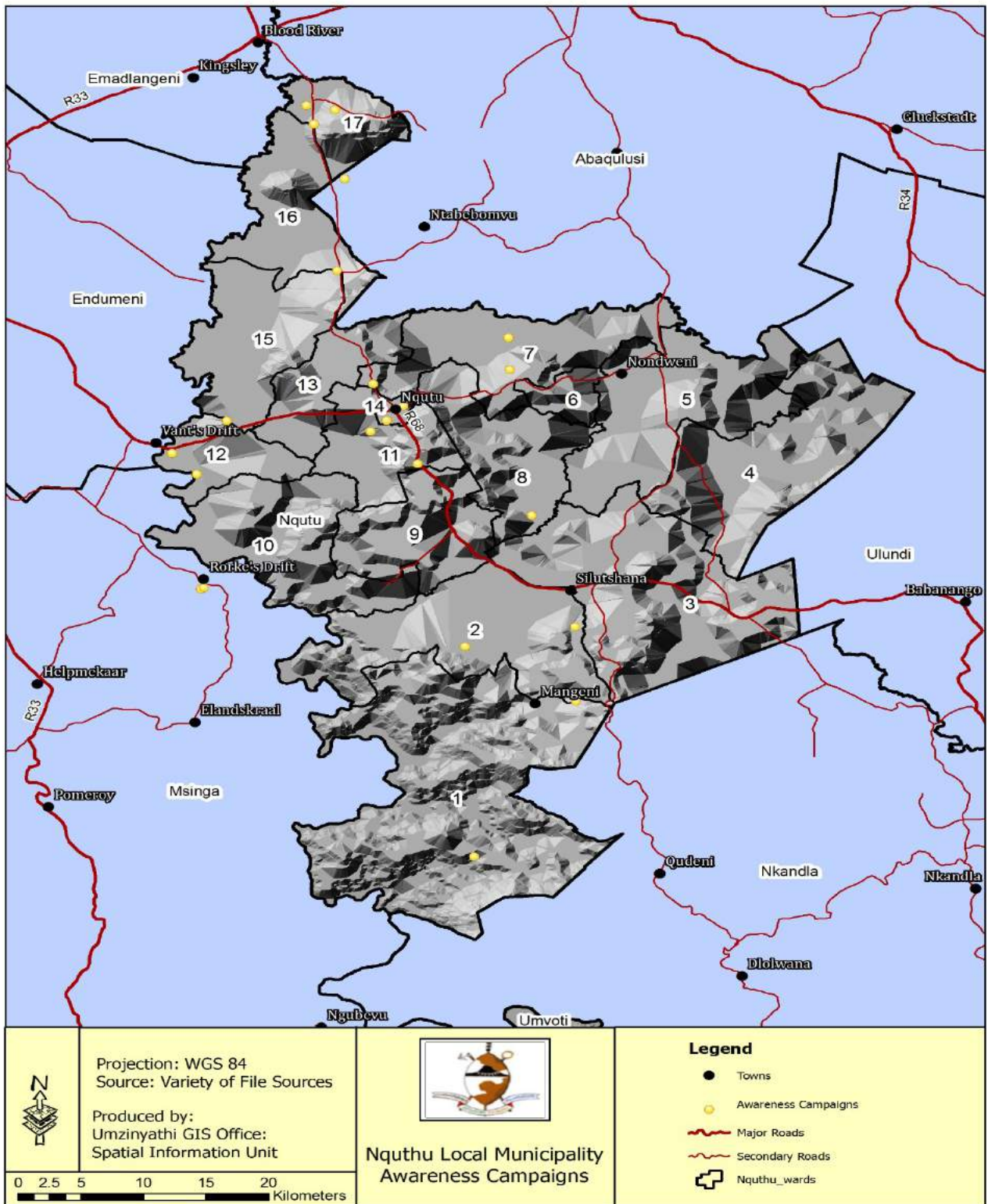


**Capacity Maps**

*Figure 10: Map depicting capacity in Nquthu*

**C.2.2.4 Disaster Risk Reduction**





**Figure 12: Map showing disaster risk management awareness coverage**

### **C.2.2.5 Disaster response and recovery**

#### **(a) Municipal capacity in terms of response and recovery**

The municipality makes budget provision every financial year to procure disaster relief stock in a form of food parcels, blankets, plastic sheets, and sponges. The relief stock gets distributed to victims when assessments and needs are identified. The municipality responds to all disastrous incidents in partnership with relevant stakeholders.

### **C.2.2.6 Information management and communication**

#### **(a) Early warning strategy**

The municipality receives early warnings messages from PDMC and SAWS. The municipality has developed a SMS system to disseminate early warnings or to communicate any other critical information to all linked stakeholders.

### **C.2.2.6 Education, training, public awareness and research**

#### **(a) Capacity building programmes**

The municipality aims to train Ward Committees and other community structures on disaster management programmes 2-3 times a year.

#### **(b) Public awareness campaigns**

The municipality aims to conduct more than 45 disaster risk reduction awareness campaigns every year. Through war rooms, public events, schools visits, and OSS, the municipality shares disaster risk reduction messages with attendees.

### C.2.2.8 DISASTER MANAGEMENT SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Fully functional disaster management unit</li> <li>• Disaster management sector plan</li> <li>• Fire station budgeted for</li> <li>• Support from district and provincial government</li> <li>• Big budget for lightning conductors</li> <li>• Consistent disaster awareness campaigns</li> <li>• Committed disaster management personnel</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient satellite stations for far flung areas</li> <li>• Insufficient funding for disaster management unit</li> <li>• Under staffed disaster management unit</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Establishing satellite stations for far flung areas</li> <li>• Recruiting disaster management volunteers from communities to assist the municipality</li> <li>• Improving response times</li> </ul>	<ul style="list-style-type: none"> <li>• Nquthu is vulnerable to lightning strikes</li> <li>• Climate change make natural disasters more unpredictable</li> </ul>

### **C.3 KPA: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

#### **C.3.1 Human resources strategy and human resource related policies**

The municipality has adopted a Human Resource Strategy and reviewed all its human resource related policies to ensure a stable, well-managed and motivated workforce. The human resource strategy and policies are contained in the policy addendum (See Table C.3.1 below).

<b>NO.</b>	<b>POLICY</b>	<b>REVIEW/ADOPTION DATE</b>
1.	Recruitment, selection and appointment policy	28 May 2021
2.	Induction policy	28 May 2021
3.	Placement policy	28 May 2021
4.	Promotion, transfer and secondment policy	28 May 2021
5.	Relocation policy	28 May 2021
6.	Acting allowance policy	28 May 2021
7.	Job evaluation policy	28 May 2021
8.	Termination of service policy	28 May 2021
9.	Overtime, stand-by, shift and night work allowance policy	28 May 2021
10.	Leave policy	28 May 2021
11.	Training and skills development policy	28 May 2021
12.	Experiential training policy	28 May 2021
13.	Succession plan policy	28 May 2021
14.	Internal bursary policy	28 May 2021
15.	Disciplinary code and procedure	28 May 2021
16.	Grievance policy	28 May 2021
17.	Diversity management policy	28 May 2021
18.	Employment equity policy	28 May 2021
19.	HIV and AIDS policy	28 May 2021

NO.	POLICY	REVIEW/ADOPTION DATE
20.	Occupational health policy	28 May 2021
21.	Sexual harassment policy	28 May 2021
22.	Smoking in the workplace policy	28 May 2021
23.	Employee assistance policy	28 May 2021
24.	Work attendance policy	28 May 2021
25.	Bereavement policy	28 May 2021
26.	Dress-code, uniform and protective clothing policy	28 May 2021
27.	Information and communication usage policy	28 May 2021
28.	Housing allowance policy	28 May 2021
29.	Remuneration policy	28 May 2021
30.	Payroll management and administration policy	28 May 2021
31.	Performance management policy	28 May 2021
32.	Human Resource strategy and Plan	28 May 2021

**Table C.3.1:** Human resource policies

### **C.3.2 Municipal administrative organizational structure**

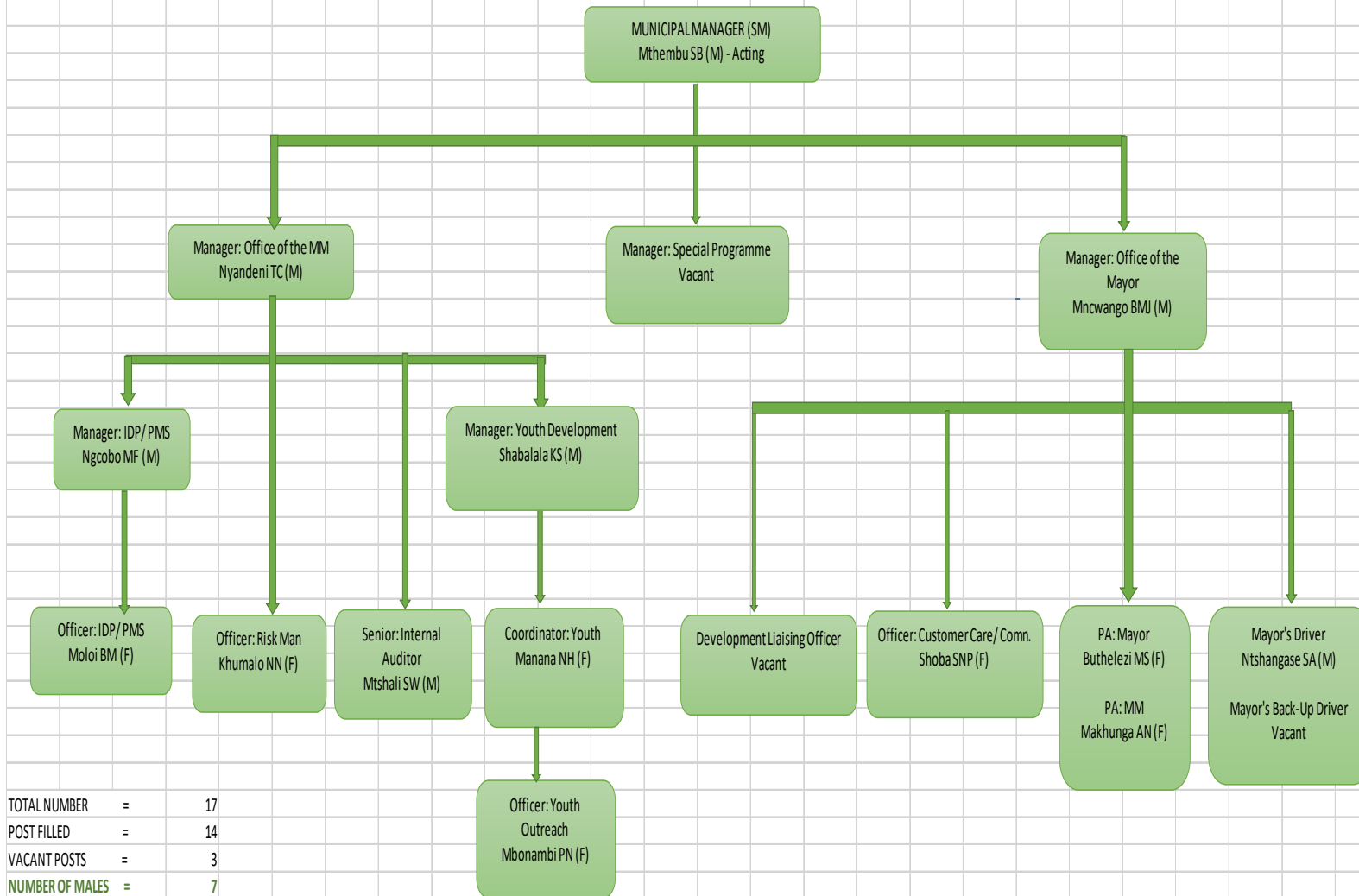
The final organizational structure was reviewed and adopted by Council on the 28 May 2021, as it is reviewed on an annual basis. The below structure has been considered appropriate for the Nquthu Municipality, to achieve its mandate assigned in terms of Municipal Structures Act. The Municipality's organizational structure has six administrative components that are managed and headed by the Municipal Manager as follows:

- Office of the Municipal Manager
- Budget and Treasury
- Technical Services
- Corporate Services and Community Services
- Planning, Local Economic Development, Housing and Tourism

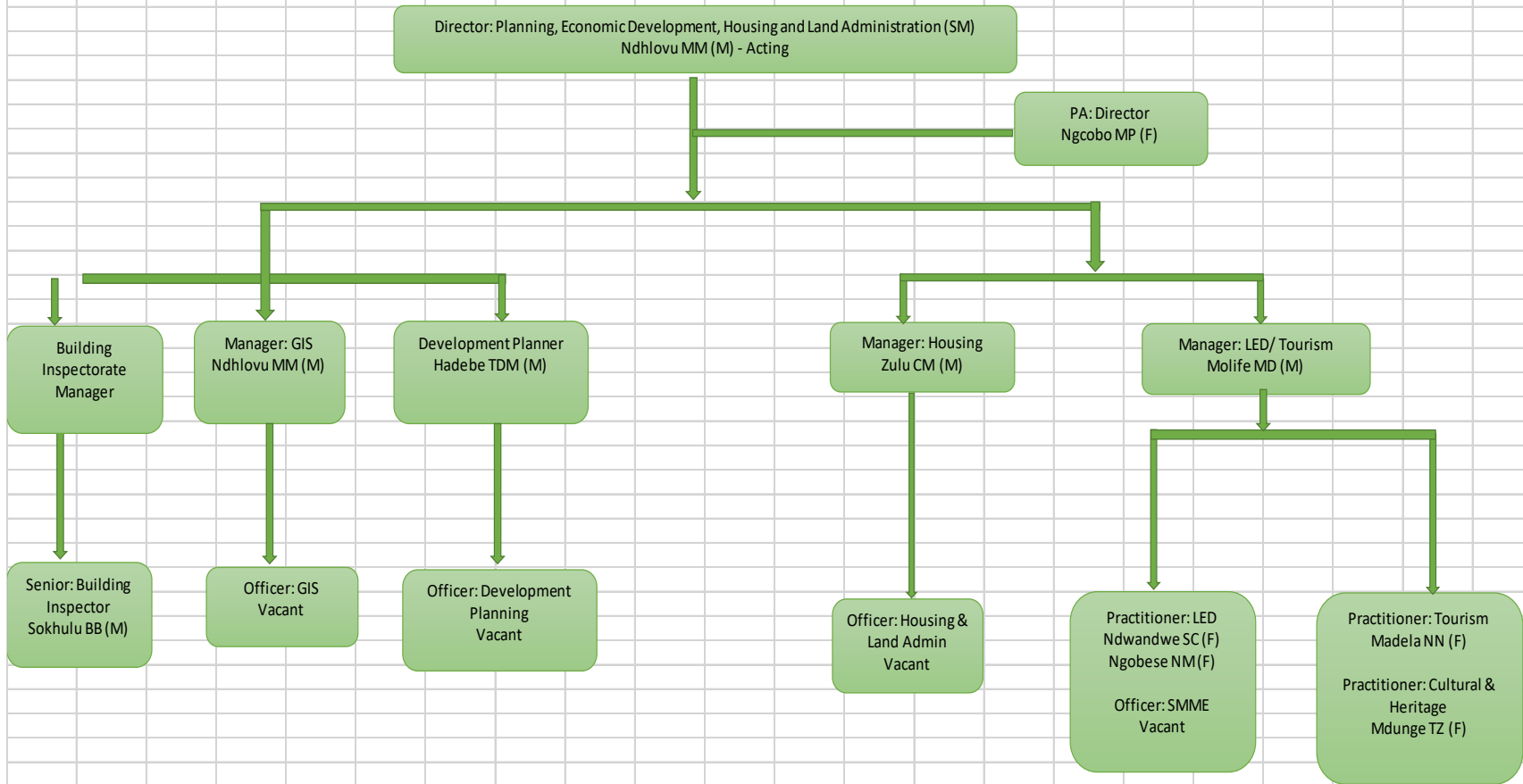
The diagram depicting this organizational structure per each department is attached in the addendum of annexures.



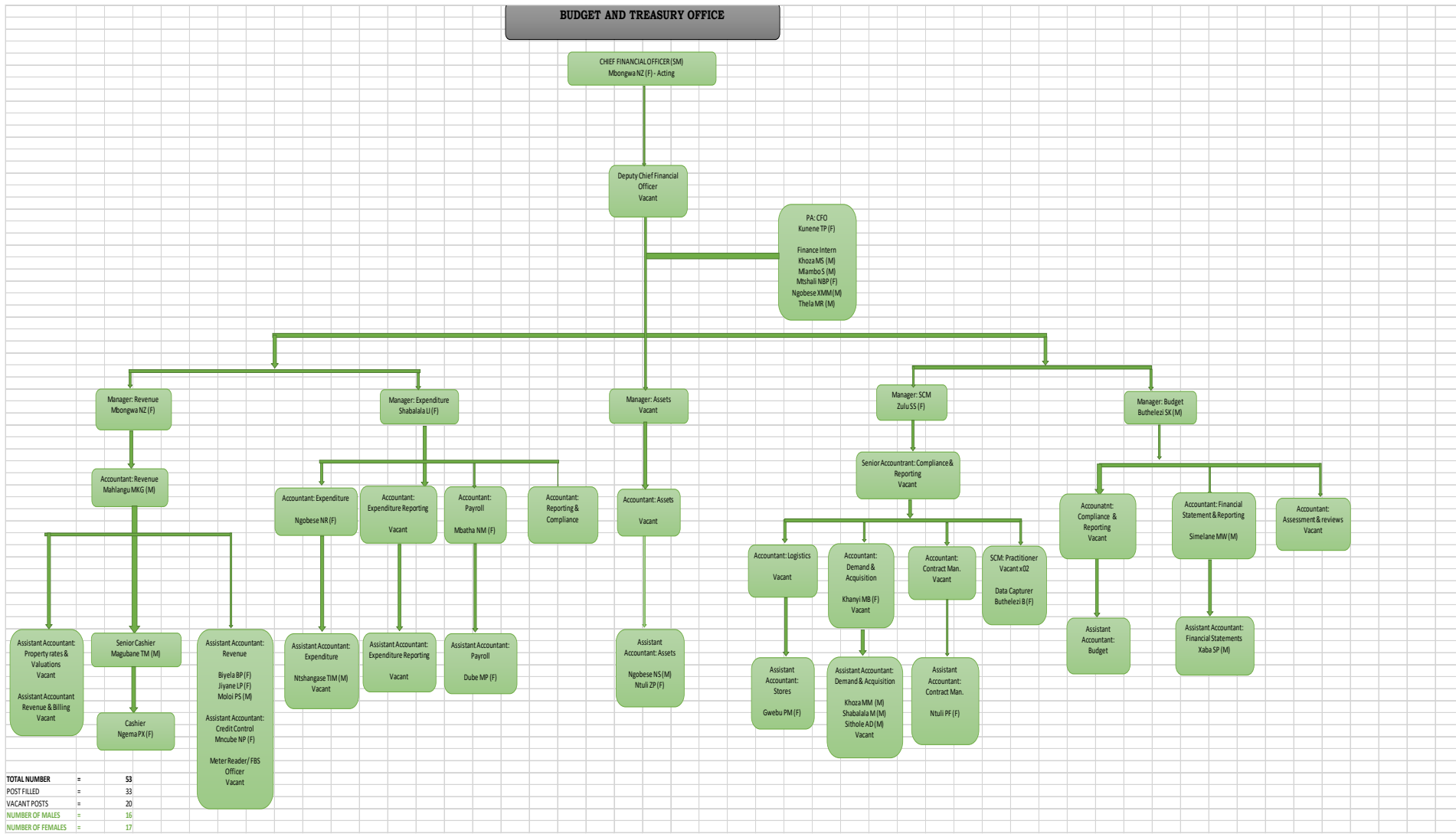
## OFFICE OF THE MUNICIPAL MANAGER

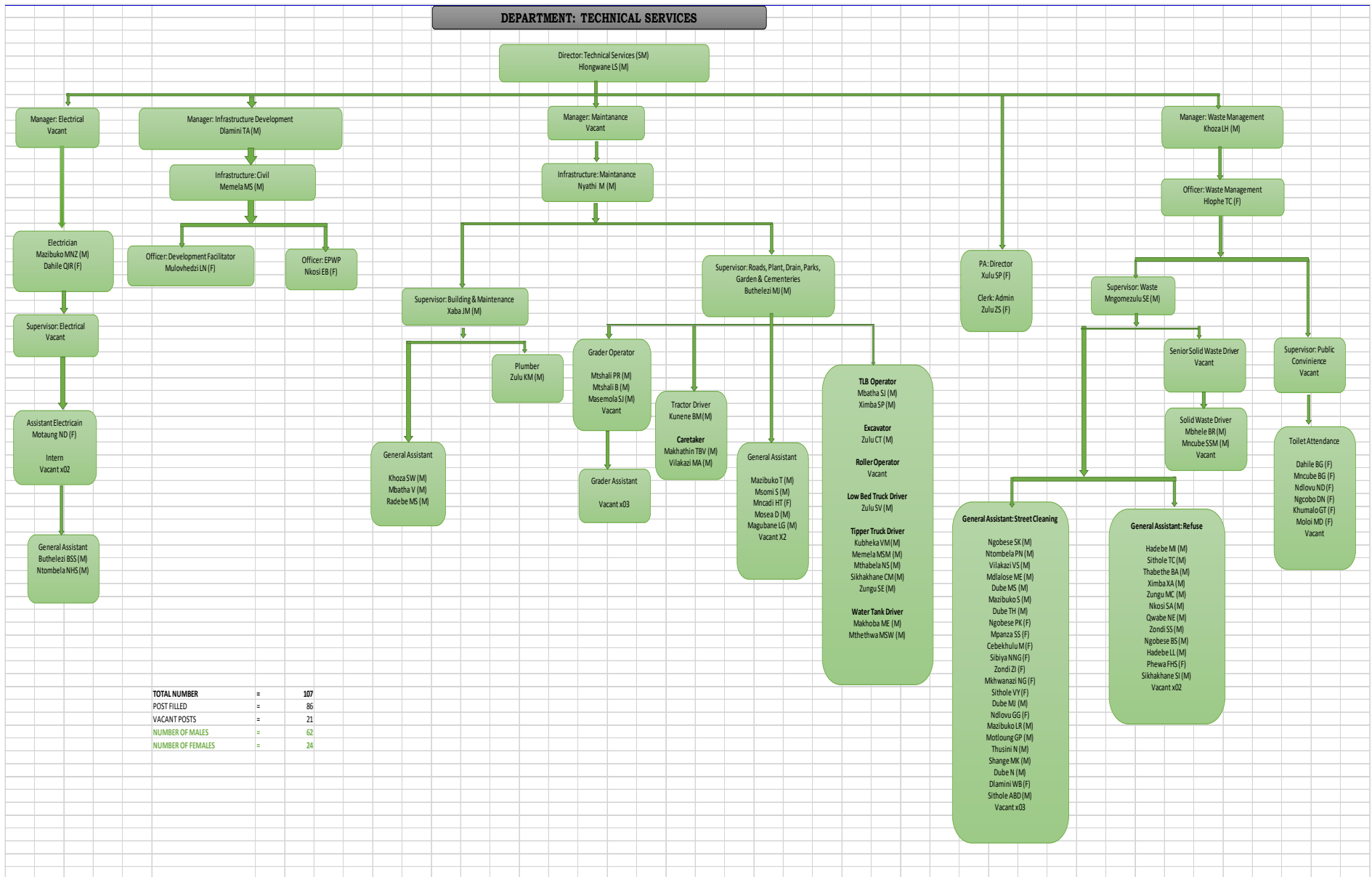


**DEPARTMENT: PLANNING, ECONOMIC DEV., HOUSING AND LAND ADMIN**

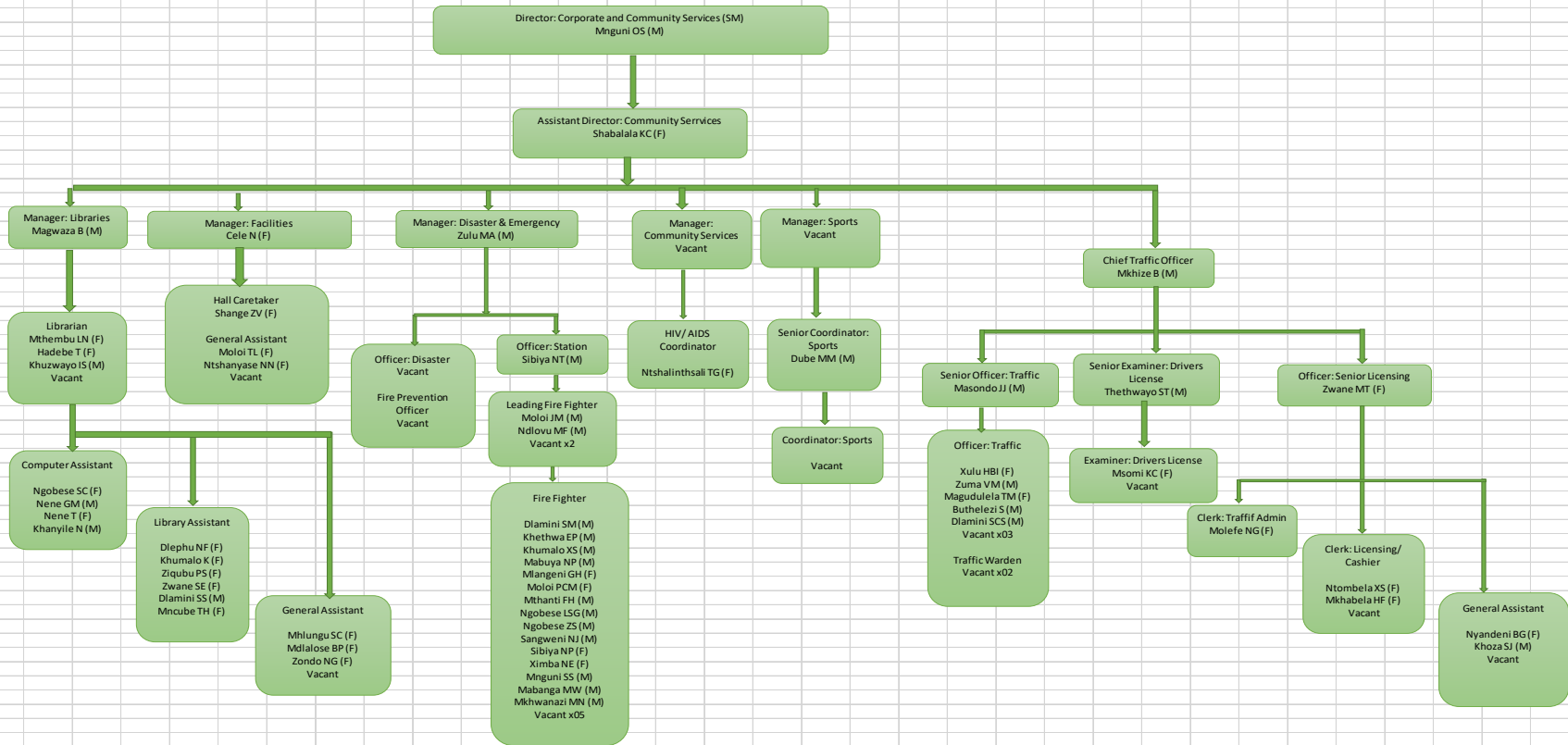


<b>TOTAL NUMBER</b>	=	<b>16</b>
POST FILLED	=	10
VACANT POSTS	=	6
<b>NUMBER OF MALES</b>	=	<b>5</b>
<b>NUMBER OF FEMALES</b>	=	<b>5</b>





**DEPARTMENT: CORPORATE AND COMMUNITY SERVICES**

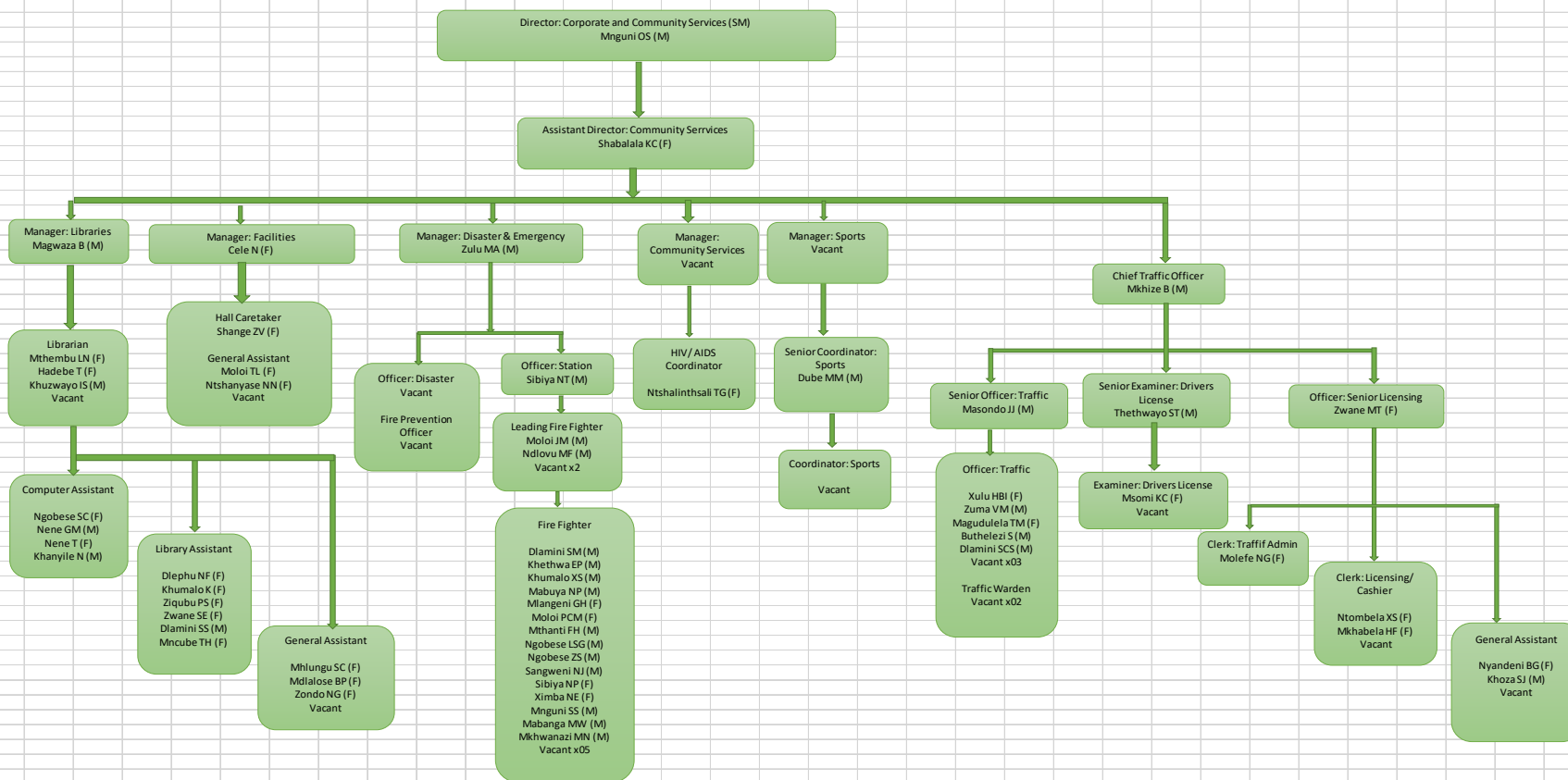


**COMMUNITY SERVICES**

TOTAL NUMBER	=	81
FILLED POSTS	=	58
VACANT POSTS	=	23
NUMBER OF MALES	=	28
NUMBER OF FEMALES	=	30



**DEPARTMENT: CORPORATE AND COMMUNITY SERVICES**



**COMMUNITY SERVICES**

TOTAL NUMBER	=	81
FILLED POSTS	=	58
VACANT POSTS	=	23
NUMBER OF MALES	=	28
NUMBER OF FEMALES	=	30

### C.3.3 Vacancy Rate

The municipality is working to build internal capacity as far as human resources are concerned. In this light, most vacancies have been filled and remaining vacancies have been budgeted for and will be filled next financial year. The current vacancy rate for 2021 is illustrated in the table below and represents an overall increase from 17.56% vacancy rate of 2020 to 40% vacancy rate in 2021.

DEPARTMENTS	Filled	Vacancies	Vacancy Rate
OFFICE OF THE MUNICIPAL MANAGER	14	3	21,43%
PLANNING, LED, HOUSING AND TOURISM	10	6	60%
CORPORATE SERVICES	74	12	16,22%
COMMUNITY SERVICES	58	23	39,66%
BUDGET AND TREASURY	33	20	60,61%
TECHNICAL SERVICES	86	21	24%
<b>OVERALL VACANCY RATE AS AT 28 MAY 2021</b>			<b>40%</b>

*Table C.3.3: Vacancy rate*

### C.3.4 Filling of critical posts

In regards to Section 54 and 56 manager's positions, there are 5 positions on the organogram since Corporate and Community Services departments is merged with a purpose of attaining a lean management structure. The vacant positions are still on recruitment process. There are three vacancies and three filled positions. The status of critical positions is as follows:

NO	POSITION	ACTING/FILLED	STATUS
1	Municipal Manager	Filled	N/A
2	Chief Financial Officer	Acting Basis	Still in recruitment process
3	Director Corporate & Community Services	Filled	N/A
4	Director Planning and LED	Acting basis	Still in recruitment process
5	Director Technical Services	Filled	N/A

### **C.3.5 Municipal powers and functions**

Section 152 of the Constitution sets out the objects of municipalities and Section 153 determines the developmental duties of municipalities. In light of this constitutional mandate, the Municipal Structures Act assigns specific powers and functions to district and local municipalities in a manner that allows an effective system of local government. The Umzinyathi DM is responsible for water and sanitation while Nquthu LM has and exercises its powers and functions on the following matters:

- Access roads and storm water construction and maintenance;
- Billboards and outdoor advertising regulation;
- Street cleaning;
- Local amenities;
- Local tourism;
- Public facilities and spaces;
- Municipal planning and building regulations, and
- Local economic development.

However, the municipality performs other functions as part of its developmental agenda, even though those functions may not be actually assigned to the municipality in terms of law; the municipality intervenes wherever there is a need and is possible.

### **C.3.6. Policy implementation status**

#### **C.3.6.1. Employment equity Plan**

Employment Equity Plan has been reviewed and adopted by Council on the 28 May 2021. Nquthu Municipality is an equitable employer with targeted groups represented in various layers of the municipal structure. However, there is still a lot to be achieved so that the municipality can fulfil the provisions of its Employment Equity Plan and also meet transformational requirements especially with regard to gender equity. On the positive, three disabled workers and one councillor in total, but disabled worker was employed during 2017/18 financial year and the municipality is committed to improving its equity status. The municipality has not yet meet the racial demographic in terms of appointment of whites, coloureds and Indians because no interest of application have been shown on advertised vacancies. However, the municipality is committed in meeting racial demographic in terms its employment equity.

#### **C.3.6.2 Workplace skills plan**

The municipality seeks to empower its staff by enhancing their skills in order that the services they render are effective, efficient and sustainable. To achieve this, the Municipality's annual Workplace Skills Plan (WSP) is developed as per the LGSETA guidelines. The WSP and ATR will

be submitted to LG Seta on the 31 April 2021 and it will be implemented vigorously and also report on its implementation to Council on a quarterly basis. The implementation of WSP is prescribed by Municipal Planning and Performance Management Regulations as one of general KPIs that has been prescribed and it is accordingly included in the municipality's SDBIP for purposes of monitoring and evaluations. The municipality is committed in providing in-service training to students who have completed their degrees/diplomas in order for them to gain work experience.

The following policies relevant to Human Resource Development are in place in the Nquthu Municipality: -

- Training and skills development policy;
- Experiential OTraining Policy;
- Internal Bursary Policy;
- Induction Policy;
- Succession plan policy

#### **C.3.6.3 Recruitment and selection policy**

The selection and recruitment policy is in place and recruitment processes are conducted as per the provisions of this policy. The municipality fully adheres to and implements this policy. The vacancies outlined in the organizational structure will be filled according to the Recruitment and Selection Policy.

#### **C.3.6.4 Retention Policy**

As part of its skills retention strategy, the municipality employs different strategies contained in other policies to ensure that people with skills are retained in the municipality. The municipality does offer incentives benefits such as pension or provident fund, medical aid, car allowance and staff development leave. Further to that, the municipality has implemented job evaluation and as from 01 July 2019 performance management has been cascaded to middle management level with a view to reward good performers and promote a culture of outstanding performance. The municipality is developing a retention policy aiming to guide the municipality in implementing all of its strategies that has been put in place.

### **C.3.7 IT related policies and IT Steering Committee**

The municipality has developed a number of policies and procedures to ensure that the municipality's IT infrastructure and systems are constantly developed and adapted to new developments while also ensuring the effectiveness and security of the systems. Currently, the policies that are in place are as follows:

- Corporate Governance of Information and Communication Technology Policy;
- Information and Communication Technology Policy;
- Information Technology Security Policy;
- Information Technology Disaster Recovery Plan;
- Antivirus, Firewall and Patch Management Control Policy;
- Backup and Restore Policy;
- Activity Monitoring Policy and Procedures;
- Backup and Restore Procedures, and
- Change Management Procedure.

The IT Steering Committee has also been established to monitor the implementation of these policies and procedures and also attend to all IT related matters that arises. This committee is chaired by the Corporate and Community Services Director and the IT Manager is providing secretarial services to ensure that this committee is effective and represented at top management level.

The municipality is working to fill in all the vacancies in the IT unit to ensure that it is adequately capacitated to perform all its function optimally.

### **C.3.8 Human Resources Strategy**

The Human Resources Strategy acts as an instrument which provides the foundation for the achievement of organizational goals through comprehensive planning of human resources. The Human Resource Strategy was formulated and approved on the 28 May 2021 together with a Human Resource Plan. The action plans that were set were for short-term and long-term goals. The aim of the strategy was to highlight the current strategies the municipality has in place in as far as the Human Resource Management policies and practises, and what needs to be done by the department to achieve the overall organizational goals.



### C.3.8 SWOT analysis on Municipal Transformation and Institutional Development

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>• Policies and By-Laws in place.</li> <li>• Employment Equity Plan in place.</li> <li>• Human Resource Policies and Strategy in place and implemented.</li> <li>• Job Evaluation implemented.</li> <li>• OPMS Framework in place and filled positions in PMS unit.</li> <li>• Functional Local Labour Forum.</li> <li>• Continuous Councillors Capacity Development</li> <li>• Functional and effective Risk Management.</li> </ul>	<ul style="list-style-type: none"> <li>• Poor achievement of set EEP targets, especially with regard to representation of women in senior management.</li> <li>• Insufficient Human Resources development budget/ resources</li> <li>• Exposure to fraudulent practices on recruitment of staff (qualifications vetting)</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Grading of the municipality to a higher grade.</li> <li>• Properly skilling the workforce to eliminate unnecessary reliance on consultants.</li> <li>• Investing more in internships and in-service training to build a skills base to recruit from.</li> <li>• Acquisition of SAQA services to eliminate fraudulent and complete vetting of applicants</li> <li>• COGTA funded Human Resources Development programmes</li> <li>• Cascading performance management to all employees.</li> <li>• Linking PMS to Job Evaluation outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>• Escalating wage bill exceeding 40%.</li> <li>• Insufficient WSP funding to properly train employees resulting in avoidable spending on consultants.</li> <li>• Industrial Actions due to Categorization and Wage Curves</li> <li>• Reputational damage due to fraudulent jobs for money scam that arises from time to time conducted by fraudsters masquerading as municipal officials.</li> </ul>

## **C.4 BASIC SERVICE DELIVERY**

### **C.4.1 Water and sanitation**

#### **C.4.1.1 Water**

##### ***C.4.1.1.1 Water Services Authority (WSA)***

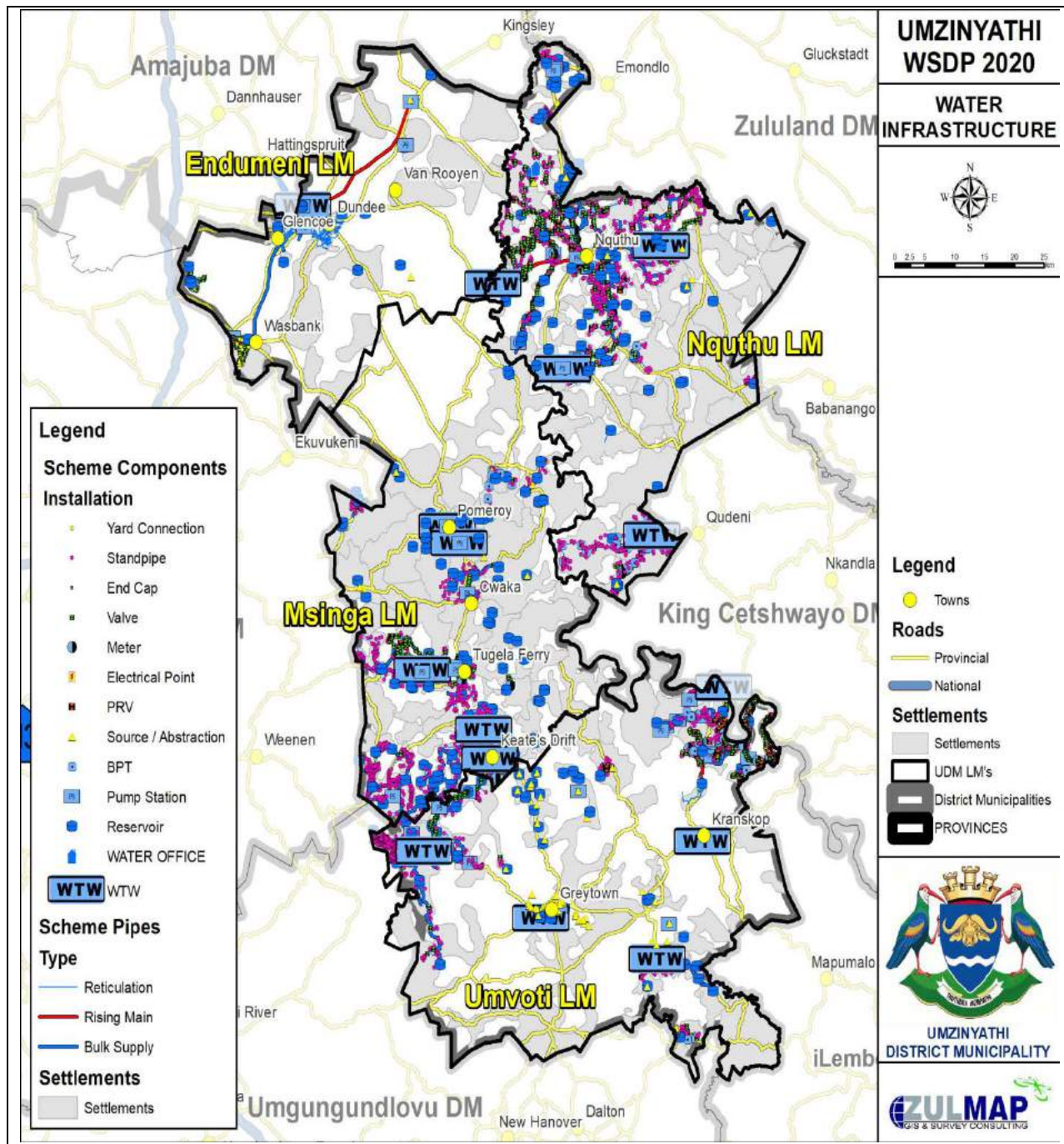
Nquthu LM is not a WSA municipality but the Umzinyathi DM that is the WSA in the municipality and is responsible for water provision and sanitation within its area of jurisdiction under which Nquthu LM falls. All water and sanitation related services are the function of Umzinyathi DM. However, Nquthu LM also plays a critical role in terms of intergovernmental planning and providing feedback on the services provided by UDM within Nquthu.

##### ***C.4.1.1.2 Water Services Development Plan (WSDP)***

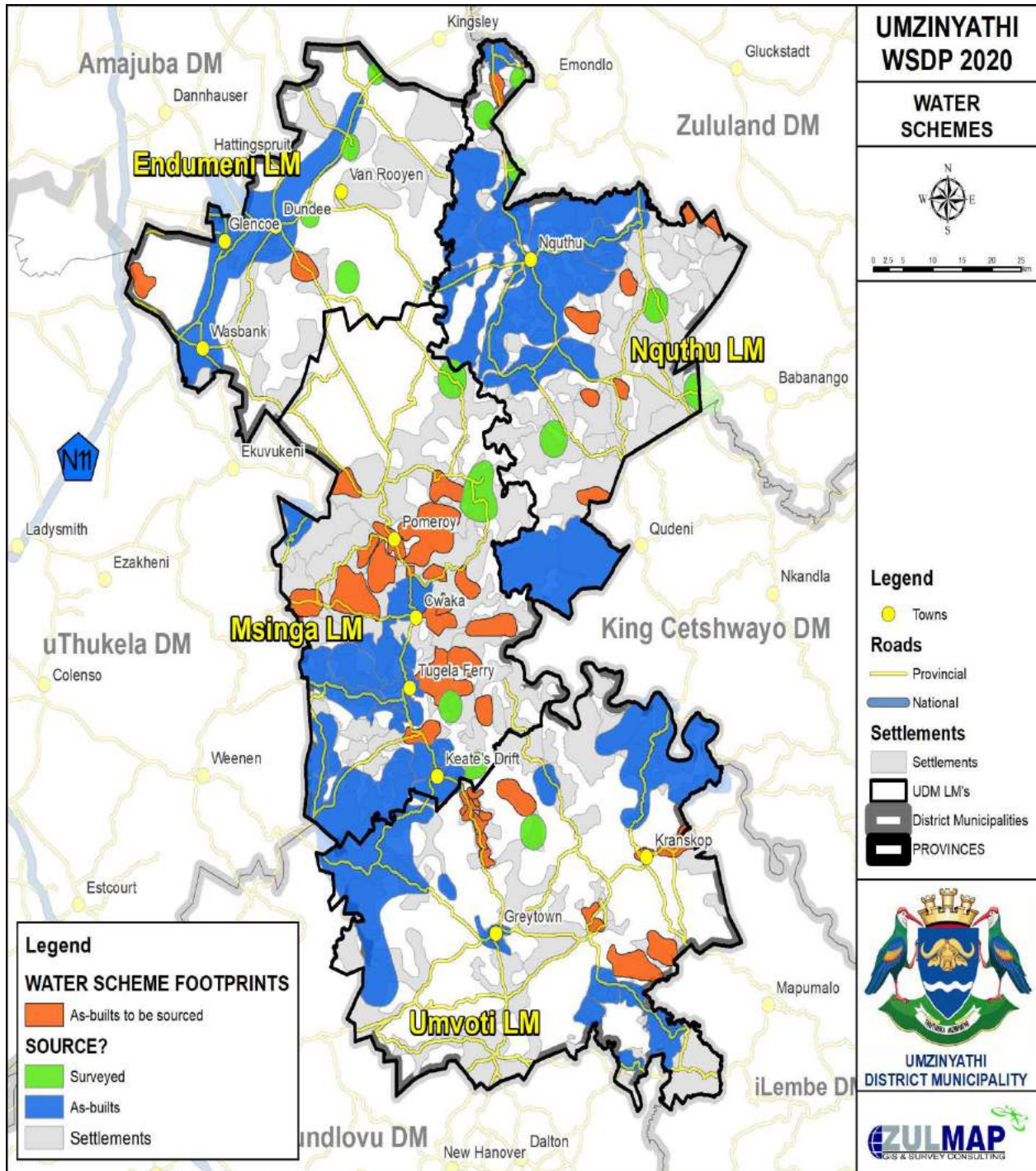
Umzinyathi DM has developed a WSDP for the whole district. This WSJP is found on the website of the Umzinyathi DM.

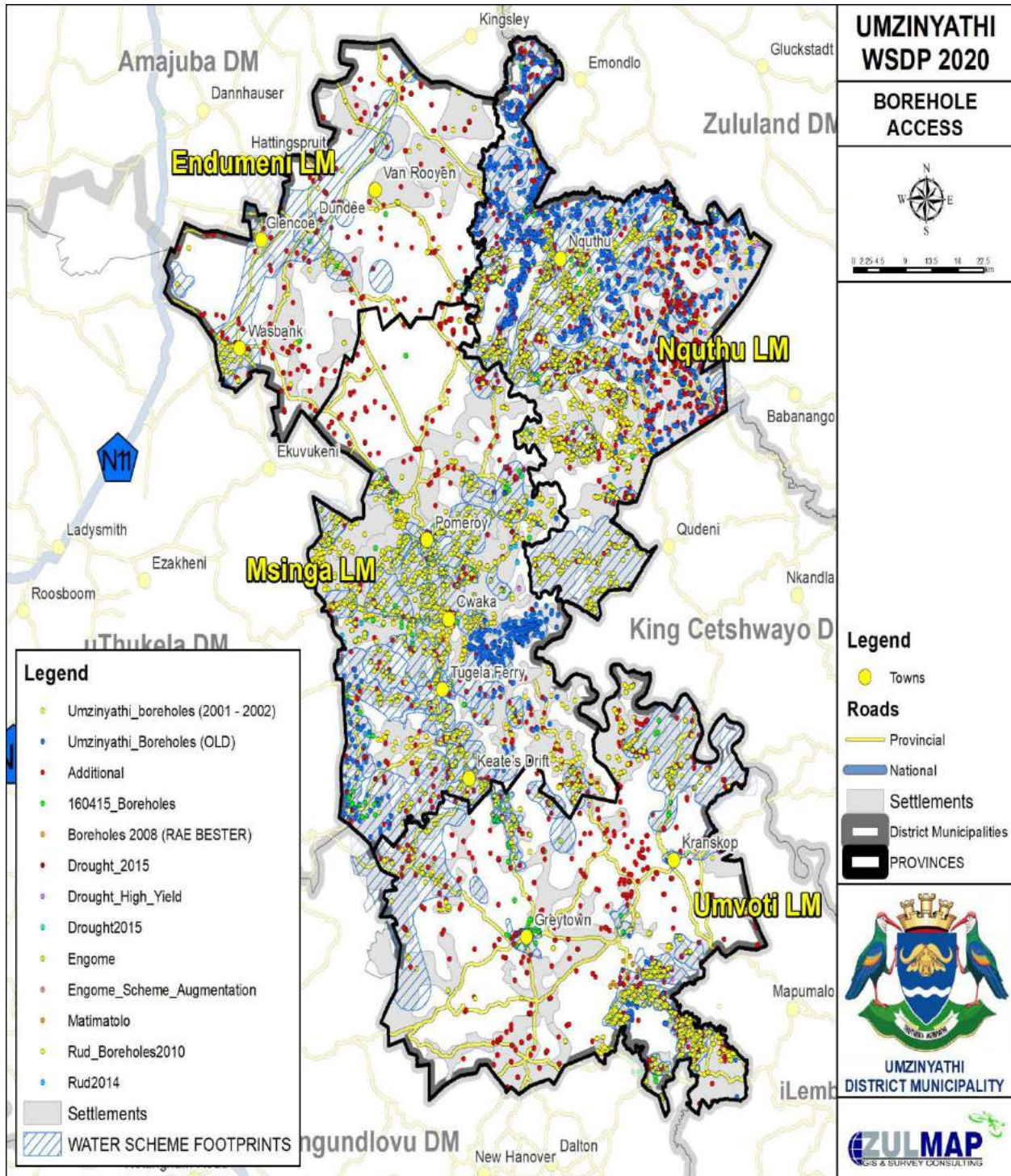
##### **C.4.1.1.3 Existing water infrastructure**

Umzinyathi DM has in the past put water supply infrastructure in Nquthu in the form of water schemes. But this infrastructure is, in some areas; either decaying or poorly maintained resulting in huge water loss or complete dysfunctionality. There seems to be no clear plan to maintain existing water infrastructure which results in high levels of water shortage in Nquthu. The maps in the following pages show water and sanitation infrastructure, including existing water schemes.





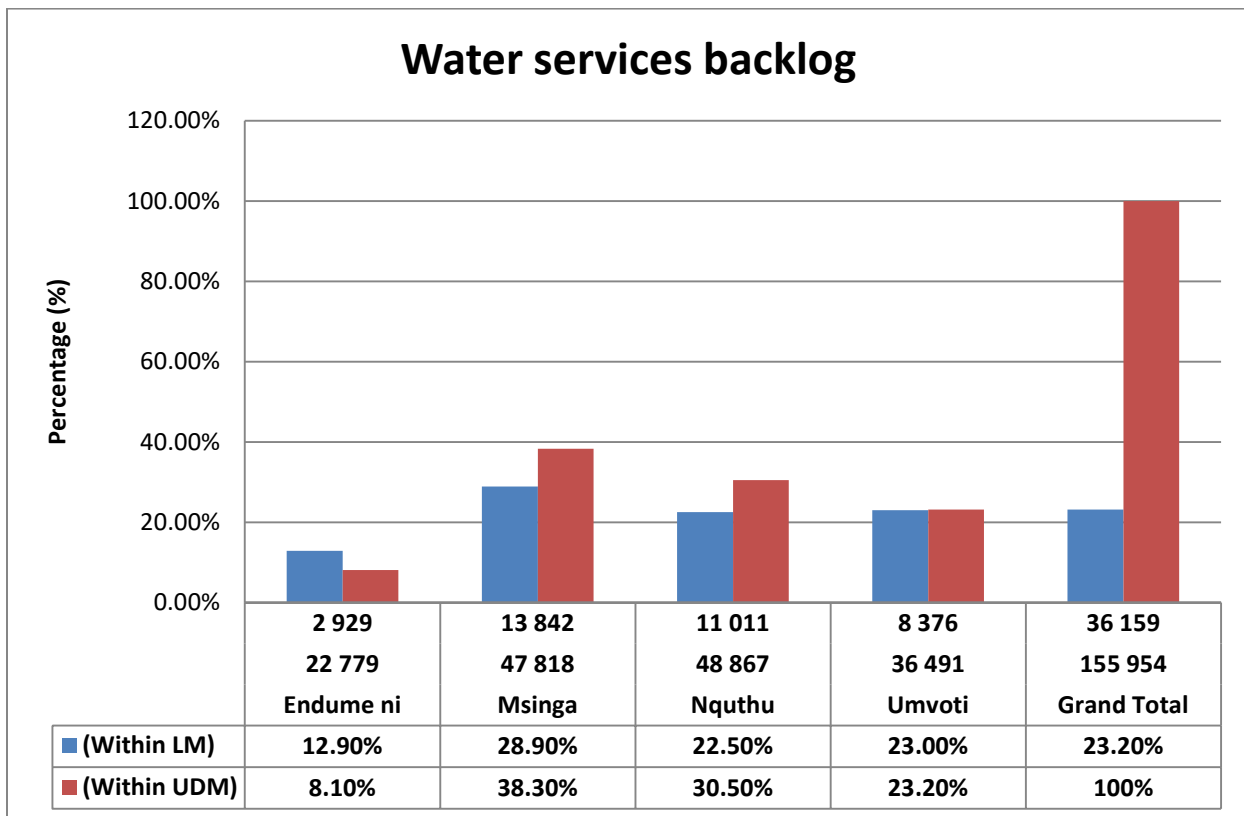






#### C.4.1.1.4 Water provision backlog

Nquthu has a serious water supply problem due to a variety of factors, including; lack of adequate water supply infrastructure, poor water infrastructure maintenance, insufficient water tankers areas without water infrastructure, poor water usage practices or lack of water conservation and lack of funding. Even where there is water supply infrastructure, the reliable water supply remains a very big challenge. There are areas where there is a water supply infrastructure but there is no water. The map and pictures below clearly illustrate this challenge. And due to unreliable water provision and decayed or neglected infrastructure, it is very difficult to accurately assess the levels of water backlog but, if water related complaints and dissatisfaction is to be considered, the water delivery backlog is alarmingly serious.



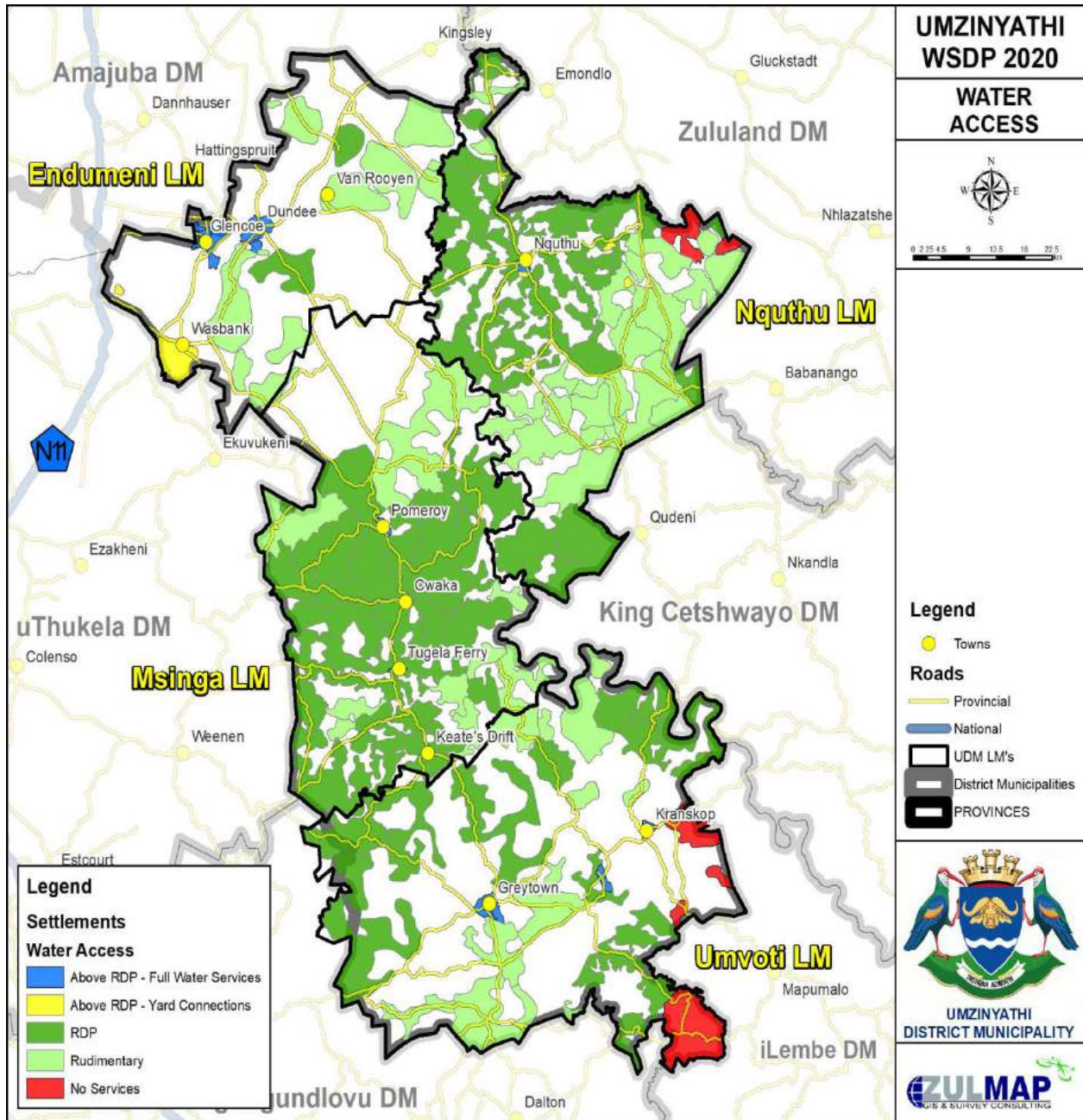


#### C.4.1.1.5 Water access

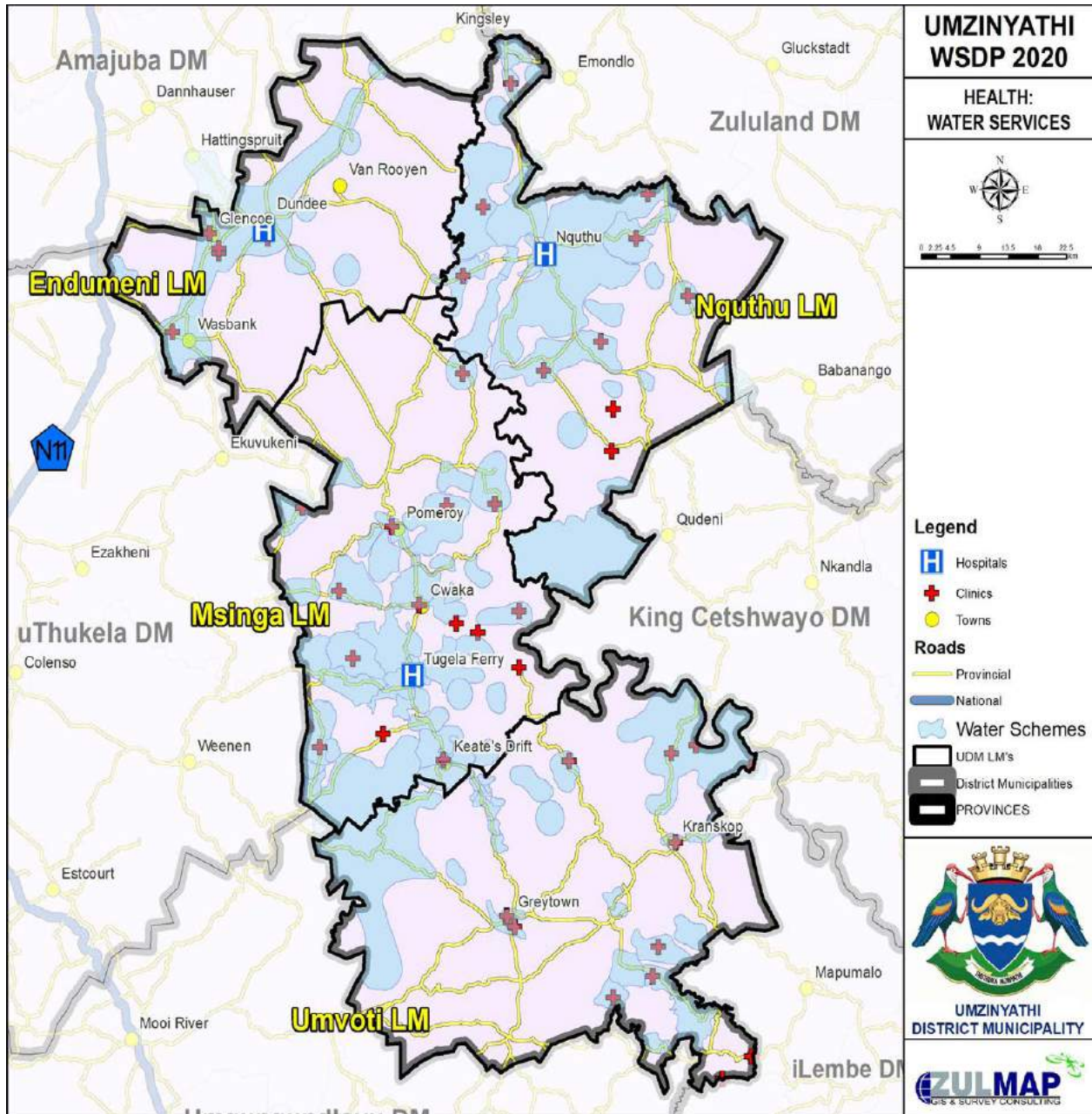
The table and map below shows levels of access per ward within the municipality as contained in Umzinyathi's WSDP.

										BACKLOGS						
LM	Above RDP - Full Water Services			Above RDP - Yard Connections			RDP			Rudimentary			Not Served			Grand Total 2020
	2013	2016	2020	2013	2016	2020	2013	2016	2020	2013	2016	2020	2013	2016	2020	
<b>Nquthu</b>	<b>991</b>	<b>1 161</b>	<b>1 411</b>	<b>1 434</b>	<b>3 370</b>	<b>4 096</b>	<b>24</b>	<b>26 613</b>	<b>32</b>	<b>7 637</b>	<b>8 611</b>	<b>10</b>	<b>366</b>	<b>448</b>	<b>545</b>	<b>48</b>
1	4	4	5			-	1 203	1 490	1 811	756	897	1 090	4	4	5	2 911
2	5	5	6			-			-	2 016	2 283	2 775	1	1	1	2 782
3	5	5	6			-	533	577	701	1 302	1 500	1 823			-	2 531
4	1	1	1			-	151	169	205	1 380	1 521	1 849	105	128	156	2 211
5	5	5	6	151	268	326	543	570	693	922	1 000	1 216	234	255	310	2 550
6			-	952	1 631	1 982	940	1 025	1 246			-	2	5	6	3 234
7			-			-	1 782	1 866	2 268			-			-	2 268
8		1	1	181	297	361	1 730	1 814	2 205			-	1	3	4	2 571
9			-			-	1 863	2 035	2 474	69	79	96			-	2 570
10	12	12	15			-	2 173	2 467	2 999	2	2	2	3	6	7	3 023
11			-	150	1 173	1 426	2 726	2 960	3 598			-	6	12	15	5 038
12			-			-	2 045	2 277	2 768			-	7	15	18	2 786
13			-		1	1	2 368	2 631	3 198			-	1	1	1	3 200
14	958	1 126	1 369			-	1 488	1 488	1 809			-			-	3 177
15	1	1	1			-	2 381	2 574	3 129			-			-	3 130
16		1	1			-	1 198	1 348	1 639	567	628	763	2	18	22	2 425
17			-			-	1 161	1 322	1 607	623	701	852			-	2 459

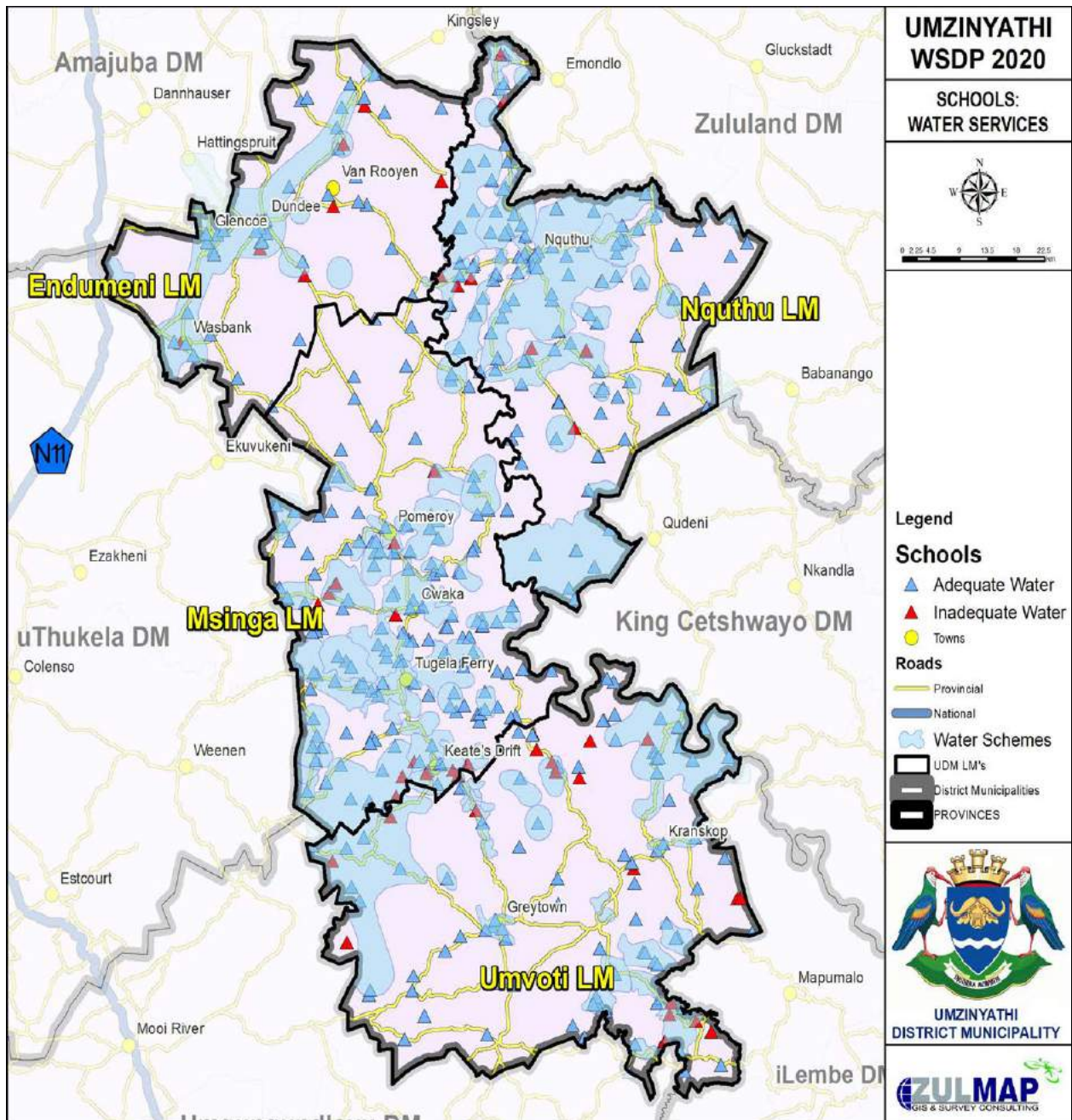




**Access to water by public facilities**







#### **C.4.1.1.6 Water sources**

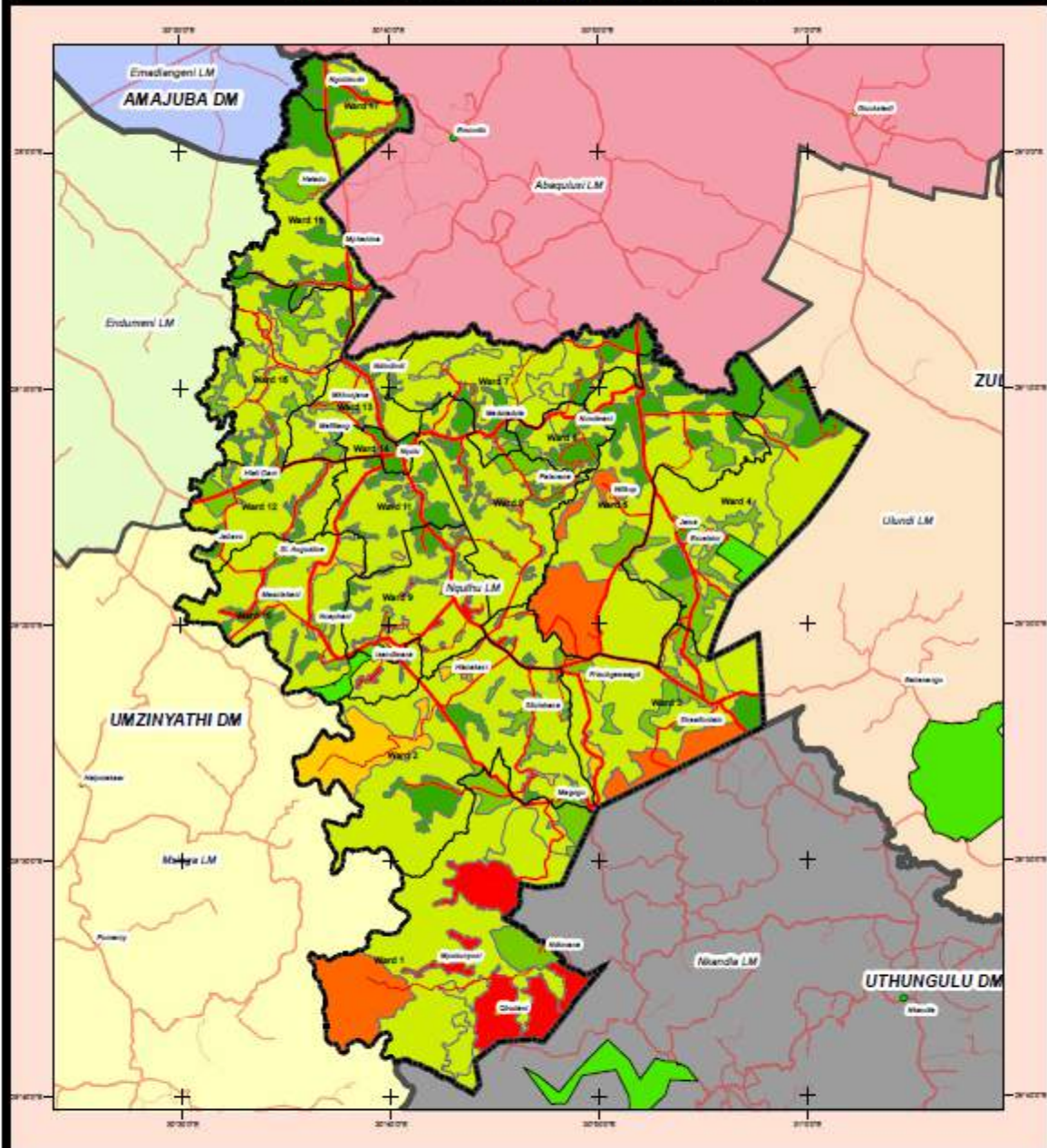
##### ***Surface***

The WSDP describe the ground water situation as follows:

*The major source of supply is the raw water abstraction from the Buffalo River below the confluence of the Bloodmand Buffalo Rivers. The cumulative natural Mean Annual Run-off (MAR) in the Buffalo River catchment system up to the last quaternary catchment V32F at the abstraction point at Vants Drift weir, but excluding the quaternary catchment upstream of Ntshingwayo Dam and Zaaihoek Dam is 505.25 Mm<sup>3</sup>/a. This MAR was adopted to determine the available water at the abstraction point for the scheme. The MAR determined does not take into account the uptake of water by commercial forestry and alien vegetation as well as upstream abstraction by the agricultural sector. The irrigation agriculture upstream was found to be approximately 24.35 Mm<sup>3</sup>/a, at low assurance of supply.*

# NQUTHU LOCAL MUNICIPALITY

## SPATIAL DEVELOPMENT FRAMEWORK: WATER SOURCE: SPRING, DAM, POOL AND RIVER



**LEGEND:**

- Nquthu\_Local\_Municipality/yr
  - Local Municipal Boundaries
  - ZN\_District\_Municipalities
  - Nquthu\_Wards\_2016
- Central\_Places**
- Lower order small towns and equivalent metro nodes
  - Other
  - Very small hamlets/villages

**Road\_Network Clip Layer**

- Provincial Road
- District Road
- Local Access Road
- Protected\_Areas

**Percentage\_Households\_with\_access\_to\_a\_Spring\_Dam\_Pool\_and\_River**

- Less than 5%
- Between 5% - 20%
- Between 20% - 35%
- Between 35% - 50%
- Between 50% - 75%
- More than 75%

**SCALE**  
0 1 2 3 4 5 Kilometres

DATE: 14/08/2018  
14/08/2018

PROJECT: SPATIAL DEVELOPMENT FRAMEWORK: WATER SOURCE: SPRING, DAM, POOL AND RIVER

PROJECT NO: 2018/08/01

**MUNICIPALITY:** NQUTHU LOCAL MUNICIPALITY  
8370 Wilshire Road  
Nquthu 3155

Phone: +27 (0)31 271 8111  
Fax: +27 (0)31 271 8100  
Email: plans@nquthu.gov.za

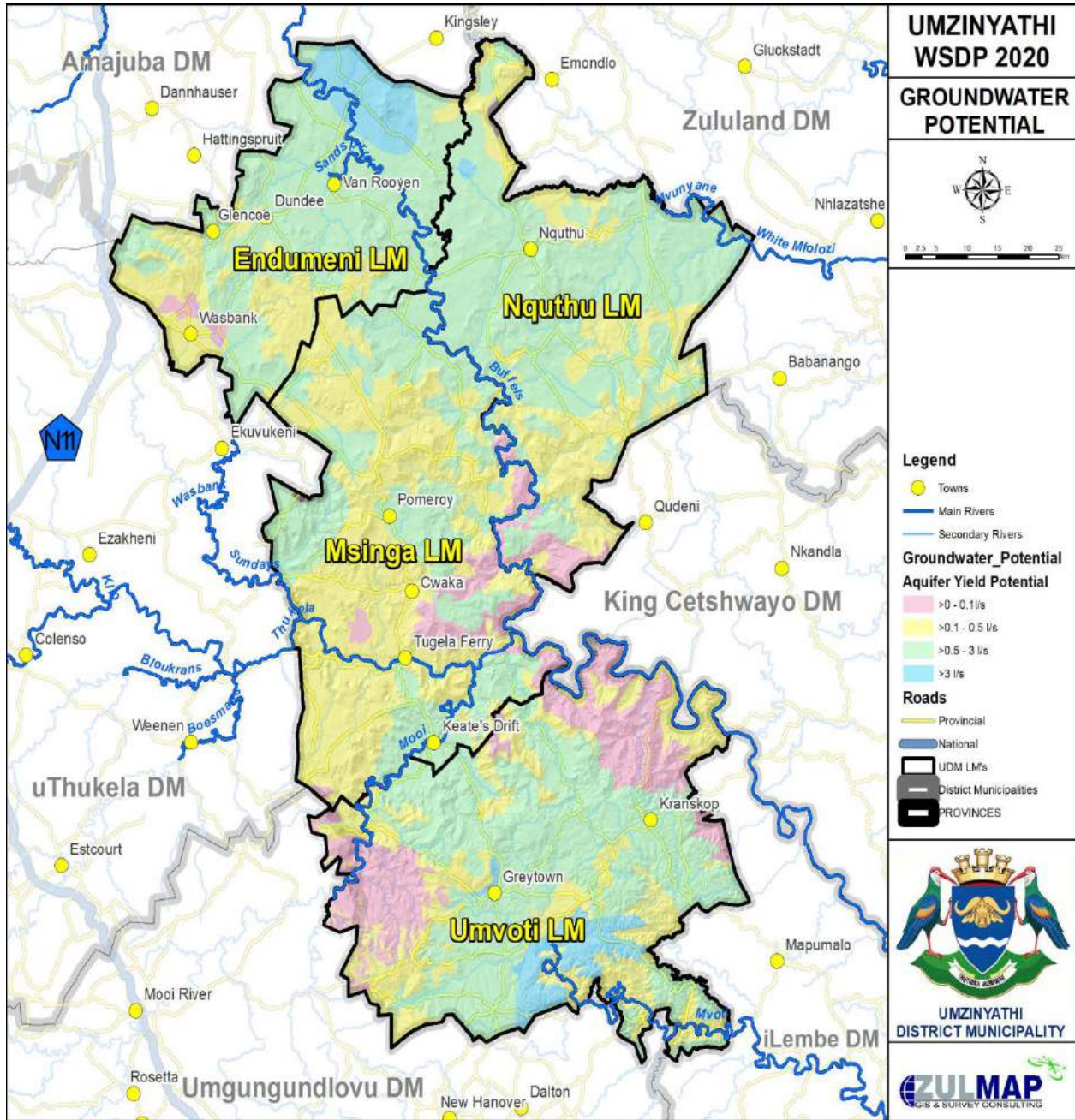
Date Source: SA Explorer

**Treatment plant(s)**

<b>Scheme Area</b>	<b>Source</b>	<b>WTP</b>
<b>Dundee Glencoe</b>	Buffalo River	Biggarsberg WTP - 16.00 Mℓ/day conventional plant
<b>Tugela Ferry</b>	Thukela River	Tugela Ferry WTP - 2.00 Mℓ/day conventional plant
	Borehole	Borehole – 1.42Mℓ/day
<b>Nqutu</b>	<b>Buffalo River</b>	<b>Vants Drift WTP - 9.00Mℓ/day conventional plant</b>
<b>Greytown</b>	Lake Merthley	Greytown WTP - 7.00 Mℓ/day, Conventional plant
<b>Kranskop</b>	Groundwater	Kranskop WTP - 0.92Mℓ/day, Conventional plant
<b>Muden</b>	Mooi River	Muden WTP – 3.00Mℓ/day, Conventional plant
	Boreholes	Borehole – 1.58Mℓ/day



**Ground water potential**



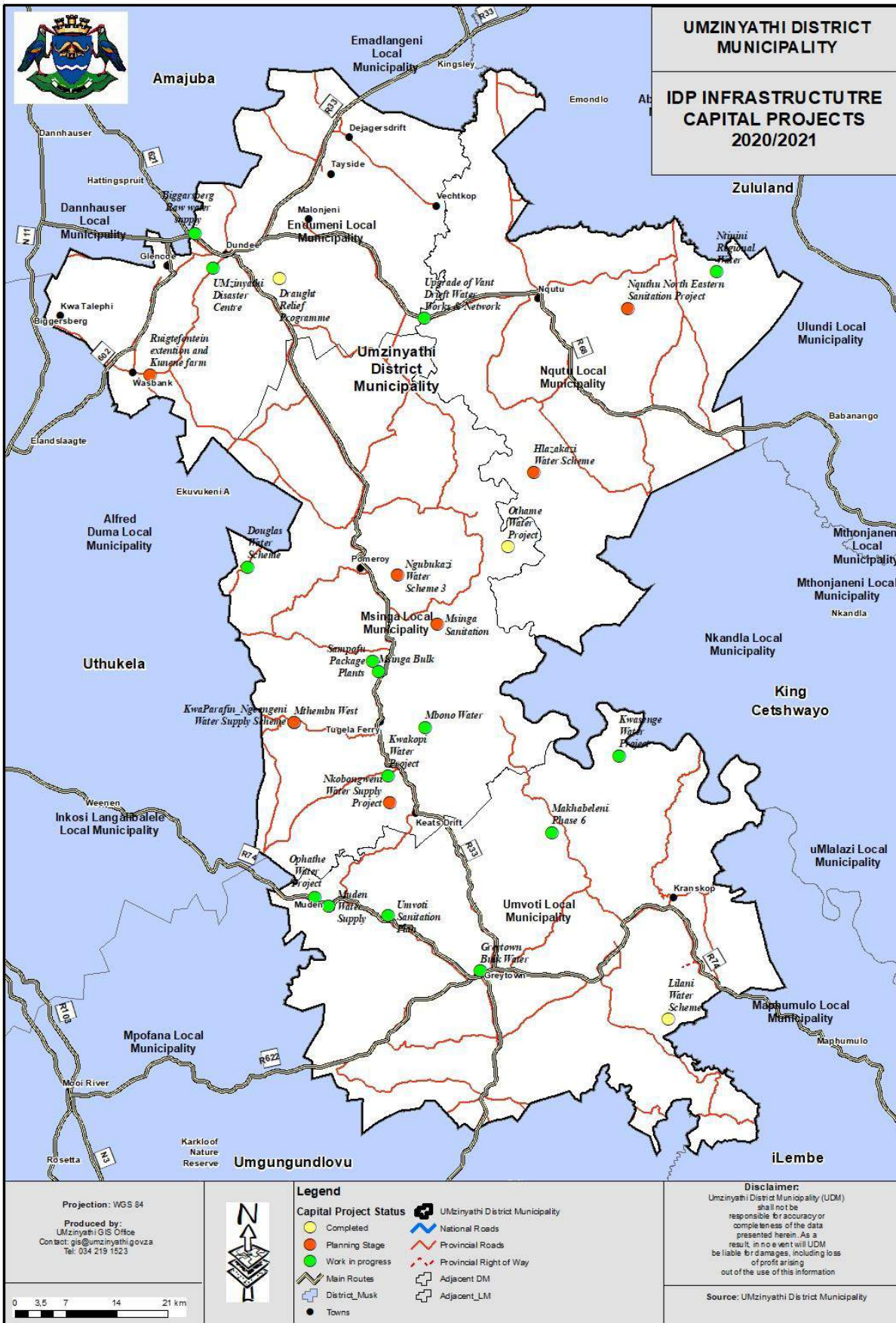


### C.4.1.1.7 Water projects planned for Nquthu LM

Umzinyathi DM has the following water projects planned for Nquthu LM as part of a continue drive to address the water challenge:

Provincial Reference Number	Project Title (as per MIG 1 form)	Project Status	2020/21		2021/22		2022/23		2023/2024		2024/2025		>2025
			Project Budget	Total Expenditure to	Total Remaining Projected	Balance against Approved MIG Funding cost	Total Projected	Balance	Total Projected	Balance	Total Projected	Balance	Total Projected
2005MIGF DC240010	Hlazakazi Water Scheme Phase 1 - Isandlwana	Practical Completion	22 332 097	20 300 504	-	2 031 593	2 031 593	-	-	-	-	-	-
2009MIGF DC241788 97	Ntinini Water Project Geohydrological Drilling and Testing Survey	Construct. 20%	306 639	146 398 519	54 190 594	106 050 293	39 095	66 954	30 621	36 332	33 683 965	2 648 919	-
2012MIGF DC242028 16	Refurbishment of Vant's Drift Water Treatment Plant	Construct. 80%	3 784 344	3 039 266	-	745 078	745 078	-	-	-	-	-	-
2019MIGF DC243630 50	Nquthu Regional Water Supply Scheme	Registered	306 421	-	13 458 418	292 963 395	107 200	185 763	102 990	82 772	82 772 414	-	-
To be registered	Hlazakazi AFA	Technical Report Submitt	162 000 000	-	-	162 000 000	10 000 000	152 000 000	10 000 000	142 000 000	10 000 000	-	-

					2020/21		2021/22	2022/23	2023/2024	2024/2025	>2025				
Provincial Reference Number	Project Title (as per MIG 1 form)	Project Status	Project Budget	Total Expenditure to	Total Remaining Projected	Balance against Approved MIG Funding cost	Total Projected	Balance	Total Projected	Balance	Total Projected	Balance			
To be registered	Ntinini phase 2	Future Project	250 000	-	-	250 000	10 000	240 000	20 000	220 000	40 000	180 000	80 000	100 000	80 000
New WSDP Project	UZ002 - Nquthu Regional Scheme Intervention	Proposed	152 028	-		152 028		152 028		152 028		152 028		152 028	152 028
New WSDP Project	UZ003 - Nondweni Regional Scheme Intervention	Proposed	1 118 697	-		1 118 697		1 118 697		1 118 697		1 118 697		1 118 697	1 118 697
New WSDP Project	UZ004 - Ngolokolo Regional Scheme Intervention	Proposed	211 410	-		211 410		211 410		211 410		211 410		211 410	211 410
New WSDP Project	UZ005 - Nquthu Regional Scheme Intervention	Proposed	35 074	-		35 074		35 074		35 074		35 074		35 074	35 074
New WSDP Project	UZ014 - Upgrading of Nondweni Scheme from Nquthu Bulk Water	Proposed	91 068	-		91 068		91 068		91 068		91 068		91 068	91 068



**UMZINYATHI DISTRICT MUNICIPALITY**  
**IDP INFRASTRUCTURE CAPITAL PROJECTS 2020/2021**

Projection: WGS 84  
 Produced by:  
 Umzinyathi GIS Office  
 Contact: gis@umzinyathi.gov.za  
 Tel: 034 219 1523



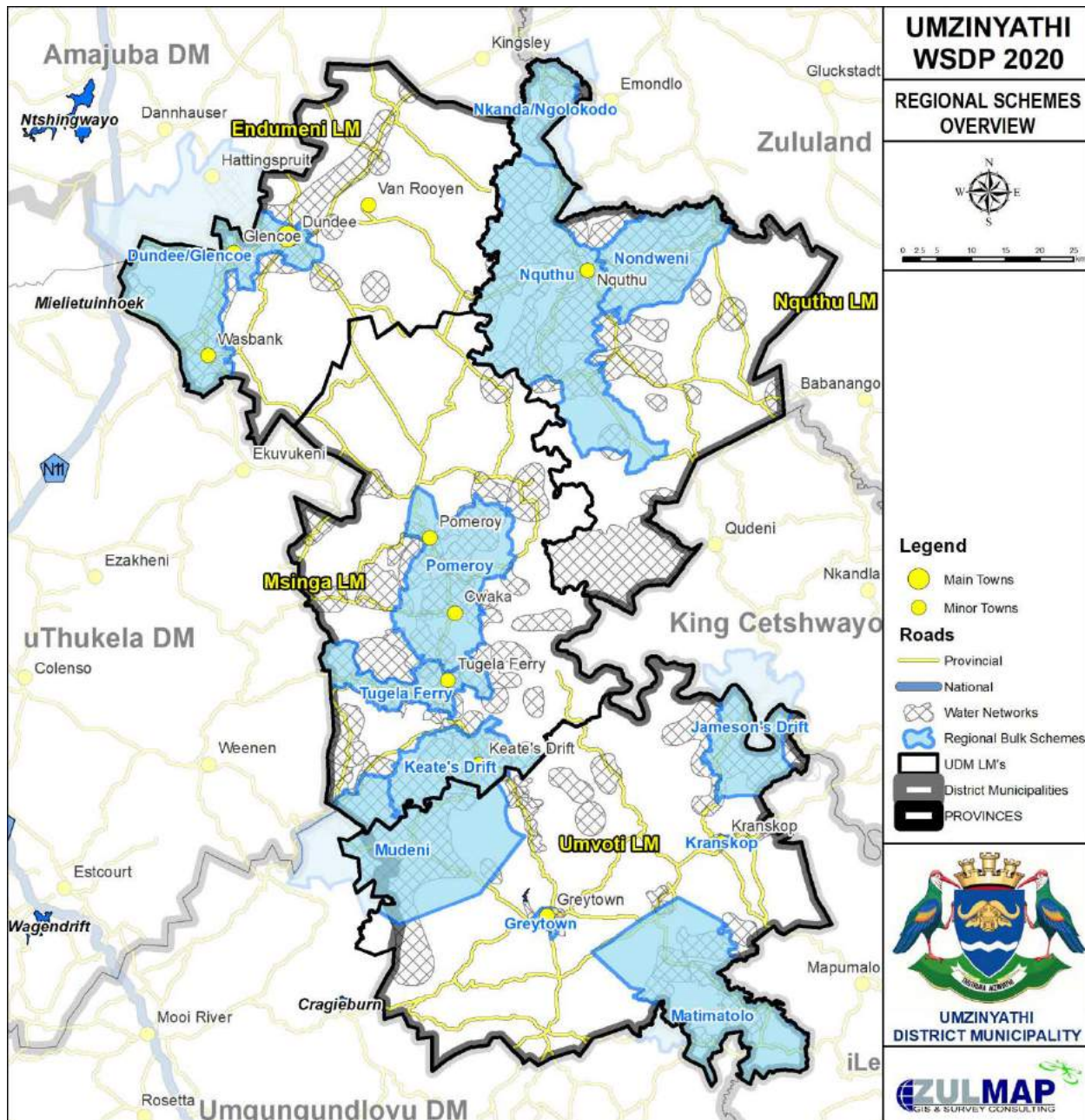
Legend	
<span style="color: yellow;">●</span> Completed	Umzinyathi District Municipality
<span style="color: orange;">●</span> Planning Stage	National Roads
<span style="color: green;">●</span> Work in progress	Provincial Roads
Main Routes	Provincial Right of Way
District_Musk	Adjacent DM
District_LM	Adjacent LM
Towns	

**Disclaimer:**  
 Umzinyathi District Municipality (UDM) shall not be responsible for accuracy or completeness of the data presented herein. As a result, in no event will UDM be liable for damages, including loss of profit arising out of the use of this information.

Source: Umzinyathi District Municipality

### C.4.1.1.8 Proposed water schemes

**NB:** These are long-term plans which are subject to availability funding.



New water schemes are proposed within Umzinyathi DM as shown above. In the pages below two water schemes proposed for Nquthu LM are discussed in details as extracted from Umzinyathu DM WSDP.



## NQUTHU SCHEME (UZ002 WSIA)

### Scheme Gap Analysis

<i>Criteria</i>	<i>Existing Capacity</i>	<i>Planned Additional</i>	<i>Total</i>	<i>Desired 2050</i>	<i>Additional Requirements</i>
<i>Water Treatment (Mℓ/d)</i>	10	2.56	12.56	31.0	18.44
<i>Storage (Mℓ)</i>	20.98	2.56	23.54	31.0	6.87
<i>Bulk conveyance - Raw Water (Mℓ/d)</i>	-	-	-	31.0	31.0
<i>Bulk conveyance - Clear Water (Mℓ/d)</i>	10	2.56	12.56	31.0	18.44

### Water demand

<i>Population</i>	<i>Population 2020</i>	<i>Population 2050</i>
	195 118	272 548
<i>Water Demand</i>	<i>Demand 2020 (Mℓ/day)</i>	<i>Demand 2050 (Mℓ/day)</i>
	20.99	30.41

### Proposed interventions

In the UAP Phase II study a proposed intervention to extend the Dundee Bulk Supply was investigated to abstract raw water from the Ntshingwayo Dam to feed the Biggarsburg WTP. The Biggarsburg WTP will then be able to supply raw water to the Vants Drift WTP. The details of the proposed intervention are as follows:

- A proposed 40 km, 600mm  $\varnothing$  raw water pipeline from the Ntshingwayo Dam on the Buffalo River to the Biggarsberg WTP to supply Glencoe and Dundee;
- Upgrade of Biggarsberg WTP to 65 Mℓ/day; and
- A proposed 47 km, 450mm  $\varnothing$  raw water pipeline from Biggarsberg to Vants Drift to supply Nquthu LM.

### Financial requirements

The total bulk cost requirement for the Nquthu Scheme is R 1 118 697 060.85 (excl VAT) as set out below. The scheme development cost per household is approximately R 27 600.

	<i>Capital Cost</i>	<i>10% Contingencies</i>	<i>Total Cost (excl VAT)</i>
<i>Primary</i>	R649 575	R64 957	R714 532
<i>Secondary</i>	R335 177	R33 517	R368 695
<i>Tertiary</i>	R32 244	R3 224	R35 469
<i>Total</i>	<b>R1 016 997</b>	<b>R101 699</b>	<b>R1 118 697</b>



## NONDWENI SCHEME (UZ003 WSIA)

### Scheme gap analysis

Criteria	Existing Capacity	Planned Additional	Total	Desired 2050	Additional Requirements
Water Treatment (ME/d)	4.8	5	9.8	13.0	3.2
Storage (ME)	8.63	-	8.63	13.0	3.87
Bulk conveyance - Raw Water (ME/d)	0.54	8	8.54	13.0	4.46
Bulk conveyance - Clear Water	2.7	-	2.7	13.0	10.3

### Water demand

Population	Population 2020	Population 2050
	49 416	69 027
Water Demand	Demand 2020 (ME/day)	Demand 2050 (ME/day)
	8.62	12.50

### Proposed intervention

A proposed supply from the Ekucabangeni command reservoir (1 336m) to the Nondweni WTP reservoir (1 102m) will require investigation as an option to increase supply within the Nondweni scheme. The proposed Jojosi Dam, at (28.135312 S; 30.794724 E), can supply raw water via a proposed 400mm  $\phi$  rising main pipeline from the proposed dam to the Nondweni WTP. A water resource assessment needs to be undertaken to determine if the dam can yield the 2050 demand.

### Financial requirements

	Capital Cost	10% Contingencies	Total Cost (excl VAT)
Primary	R102 771 383.47	R10 277 138.35	R113 048 521.81
Secondary	R58 046 803.72	R5 804 680.37	R63 851 484.09
Tertiary	R31 373 256.15	R3 137 325.62	R34 510 581.77
<b>Total</b>	<b>R192 191 443.34</b>	<b>R19 219 144.33</b>	<b>R211 410 587.67</b>

## NGOLOKODO (UZ004 WSIA)

### Gap analysis

Criteria	Existing Capacity	Planned Additional	Total	Desired 2050	Additional Requirements
Water Treatment (Mℓ/d)	-	-	-	4.01	4.01
Storage (Mℓ)	-	-	-	4.01	4.01
Bulk conveyance - Raw Water (Mℓ/d)	-	-	-	4.01	4.01
Bulk conveyance - Clear Water	-	-	-	4.01	4.01

### Water demand

Population	Population 2020	Population 2050
	15 590	21 777
Water Demand	Demand 2020 (Mℓ/day)	Demand 2050 (Mℓ/day)
	2.76	4.01

### Proposed intervention

The following infrastructure upgrades will be required in order to adequately supply the Ngolokodo WSIA:

- A proposed supply from Thelezini reservoir (1 412m) to Ntshangase Reservoir (1109m) via a 160mm Ø pipeline to Nkanda which will thereafter supply Ngolokodo, St Mathews, Kwa-Mbunda, Esigqumeni and Haladu.
- Supply to Haladu reservoir (1 116m) from Ntshangase reservoir via a 110mm Ø.
- Upgrade of the Thelezini reservoir to 3 Mℓ to supply the Ntshangase Reservoir via a 160mm ø pipeline, 14 km long.
- The Ntshangase reservoir is proposed to be a command reservoir for the area and needs to be upgraded to 1 Mℓ.
- The Ngolokodo, Nkanda, St Mathews, Kwa-Mbunda, Esigqumeni and Haladu reservoirs also need to be upgraded to 200 kℓ. The existing reservoir capacities are unknown.

### Financial requirements

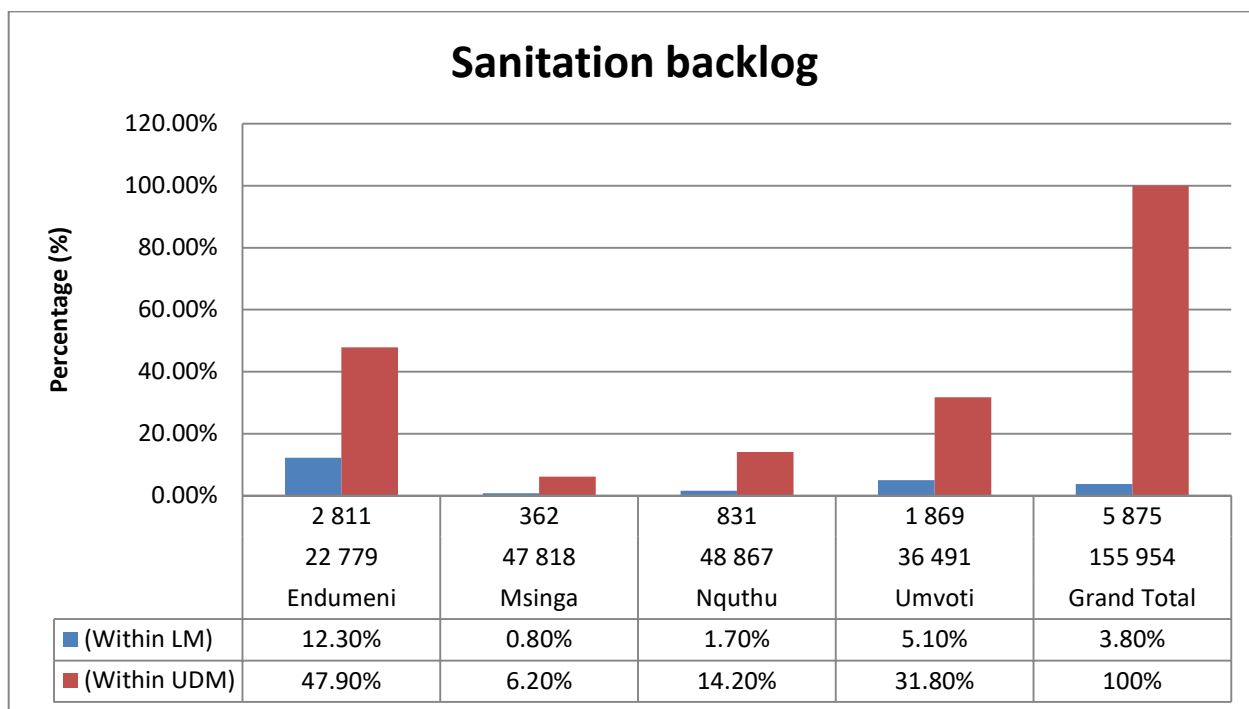
	Capital Cost	10% Contingencies	Total Cost (excl VAT)
Primary	-	-	-
Secondary	R18 914 020.21	R1 891 402	R20 805 422
Tertiary	R12 971 891.39	R1 297 189	R14 269 081
<b>Total</b>	<b>R31 885 912</b>	<b>R3 188 591</b>	<b>R35 074 503</b>

### C.4.1.2 Sanitation

#### C.4.1.2.1 Sanitation backlog, infrastructure and access to sanitation

##### Infrastructure

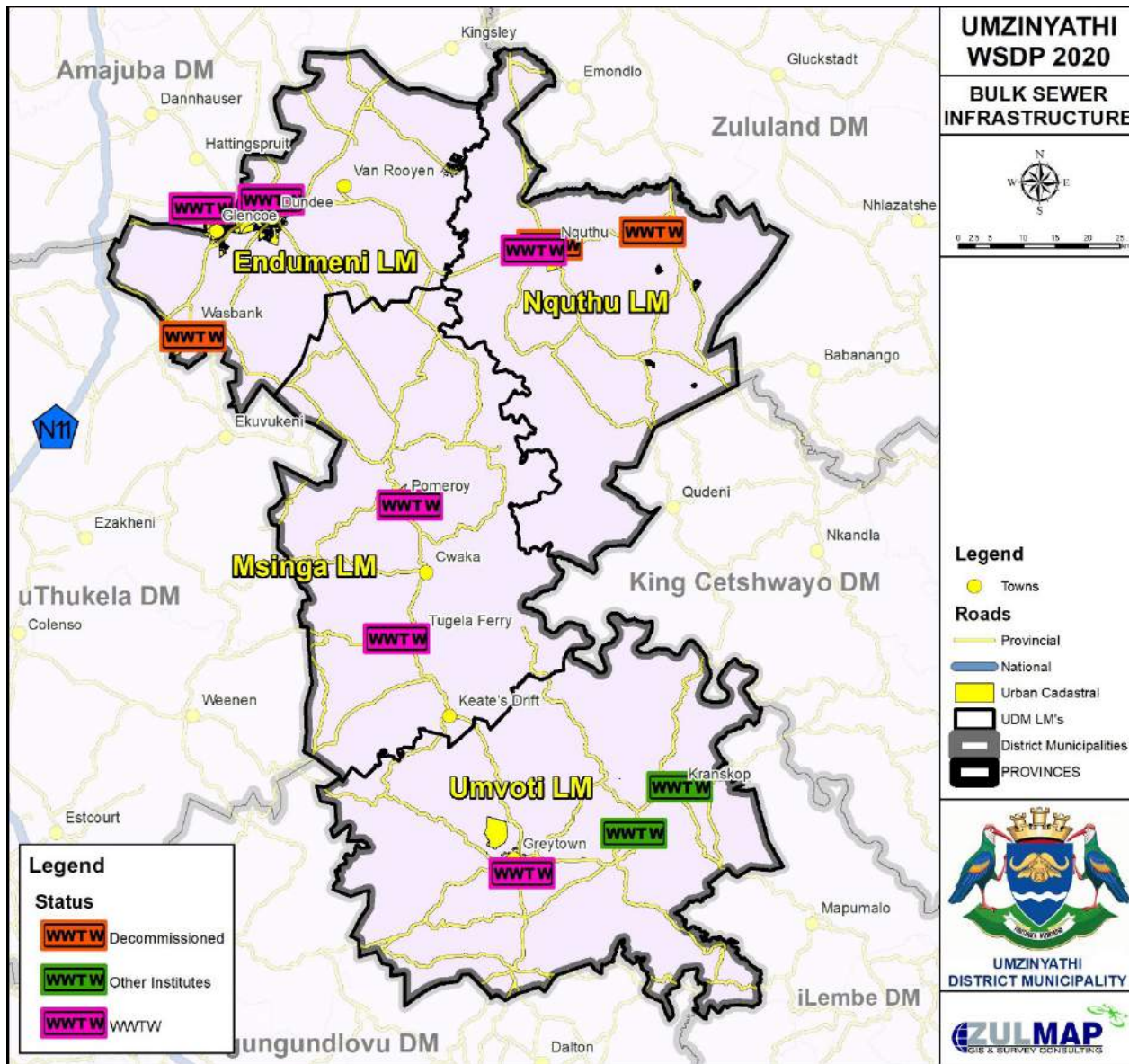
Although Nquthu does have a sanitation backlog, it is less severe than the water backlog. But there is a huge backlog in terms of flush toilet system, mainly due to lack of sewerage infrastructure and water scarcity. In actual fact, the increasing shortage of water requires that an alternative and sustainable sanitation model be investigated for long term purposes because the water guzzling flush toilets will unavoidably put more pressure on the already scarce water supply.



Nquthu is dominated by VIP type sanitation model and there obviously is a challenge that quite a number of households do not have a proper way of preventing these units from being prematurely full or are not able to treat them when they are full. Therefore, in the main, the backlog is calculated on the basis of households that have been serviced, not the actual levels of sanitation pre household.

##### Bulk sewer infrastructure

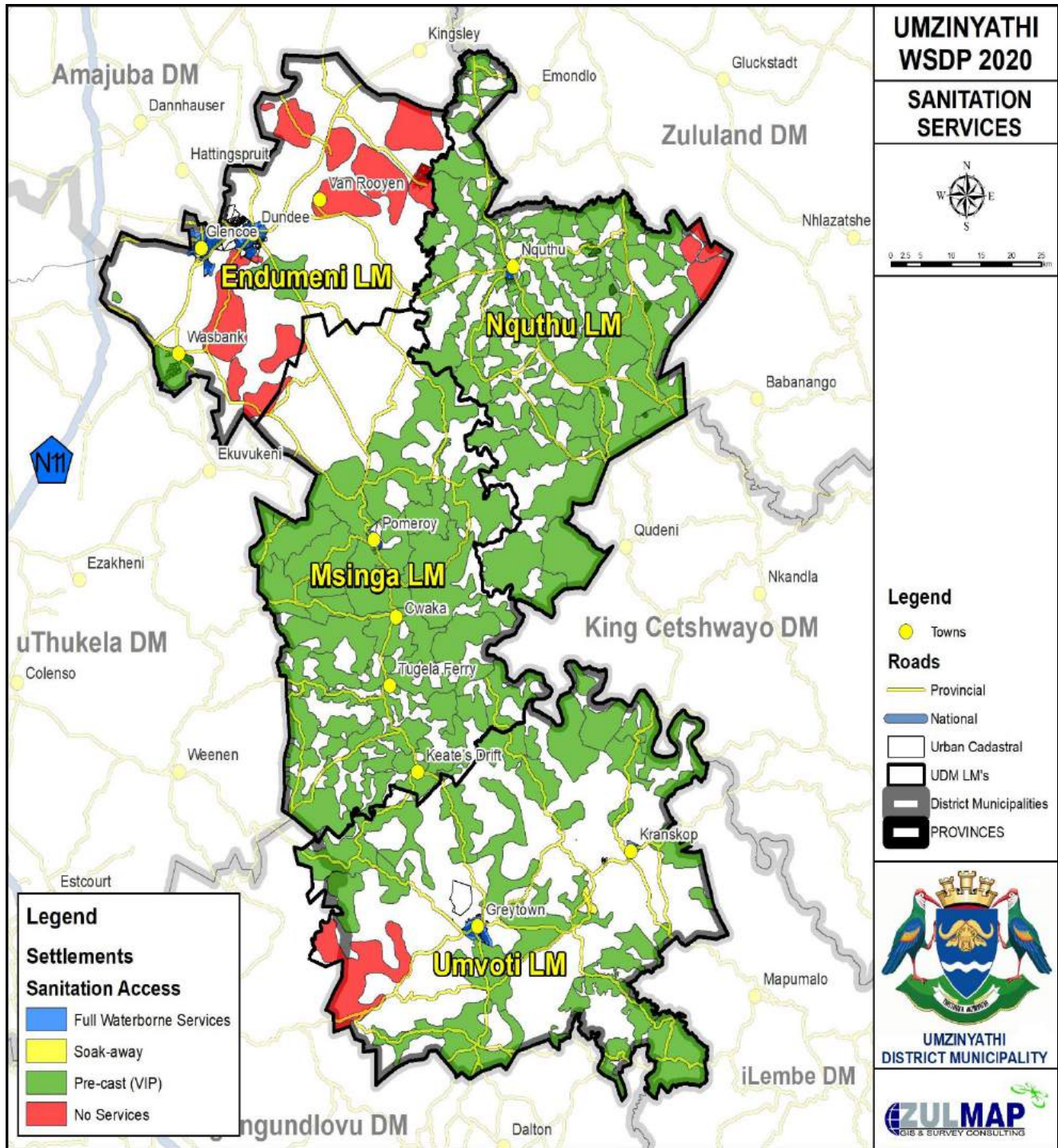
The map in the following page shows bulk sewer infrastructure which actually limited to Nquthu Town and surroundings. This infrastructure will obviously have to be upgraded in future especially because there is a big residential development project that is underway that will put even more pressure on the existing infrastructure.



### Access to sanitation

Access to sanitation in rural areas is dependent on VIP units which target each household. While good progress is being made in servicing the backlog, the number of households is also growing and the nature of VIP is that it become filled at some stage. The map in the following page shows access to different forms of sanitation services.











### **C.4.1.3 Operations and maintenance**

Proper maintenance of infrastructure is key to ensuring that it is in a good condition to enable the WSA to deliver water and sanitation services optimally.

#### **C.4.1.3.1 Budget**

The Umzinyathi DM has set aside a budget of R196, 453, 040.00 for 2021/22 financial year for water services operational costs.

#### **C.4.1.3.2 Operations and maintenance policy**

The WSDP says “UDM does have an **Operational and Maintenance Policy** which was developed in 2016, as well as O&M Manuals in place for plant maintenance. The major challenge experienced by UDM in the WSA functions is adequate staff to perform the M&E and O&M functions. This is a critical component of the DM’s functionality to perform its duties and responsibilities as a WSA, and it is recommended that these services be outsourced to external service providers. During 2020 UDM has compiled an Operation and Maintenance Plan where the focus was to propose a plan for proper water and sanitation O&M. This document provides most of its focus on operational issues because that is where most value can be added to the operations of the municipality. This plan focuses on operations and maintenance only and not the development of new infrastructure.”

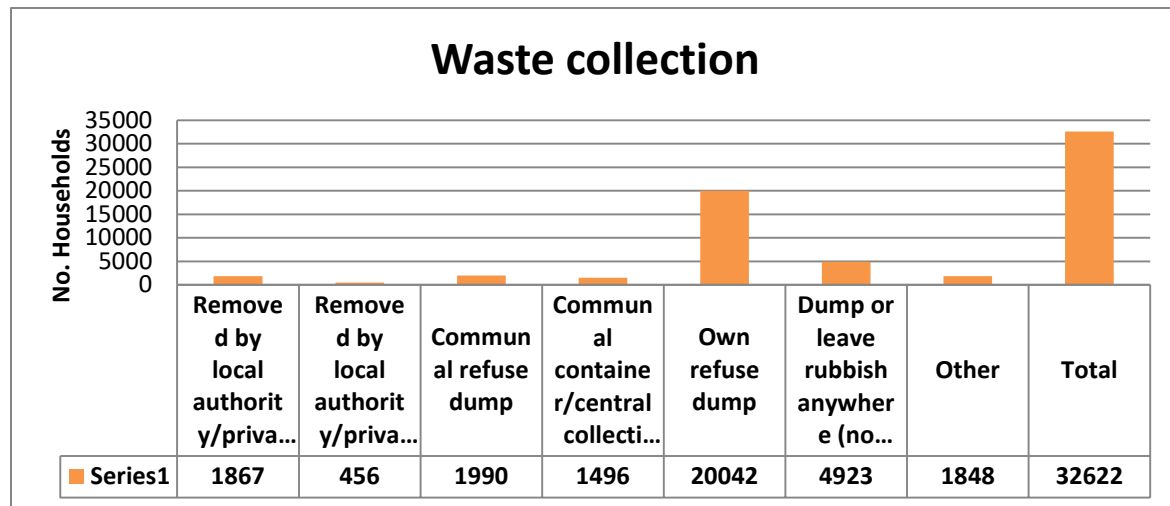
#### C.4.1.3.3 Current status and proposed intervention in Nquthu

PLANT	WATER/ SEWER	CAPACITY/ DAY	CHALLENGES/REMARKS	PROPOSED PLAN OF ACTION
Vant's drift	WATER	7.6ML	<ul style="list-style-type: none"> <li>Vant's drift plant needs a clarifier urgently in order to decommission the temporary reservoir/clarifier.</li> <li>Isandlwana phase 2 and the entire Nquthu region is not getting enough water because of the above.</li> <li>Tenders sourced for the construction of a coffer dam could not be awarded because of limited funds.</li> <li>Terminal and service reservoirs need urgent structural</li> </ul>	<ul style="list-style-type: none"> <li>A water balance is required in order to identify possible leaks.</li> <li>The clarifier to be financed under the WSIG programme</li> <li>The structural integrity of the command and service reservoirs to be assessed.</li> <li>uMzinyathi DM to source funding for the repair of the reservoirs and long term water supply</li> </ul>
Isandlwana	WATER	249KL	<ul style="list-style-type: none"> <li>Water is not meeting quality standards. uThukela Water is unable to rectify the problems.</li> </ul>	<ul style="list-style-type: none"> <li>uMzinyathi DM to attend to the problem and ensure the water is treated properly.</li> </ul>
Nondweni	WATER	1.8ML	<ul style="list-style-type: none"> <li>There is urgent need for refurbishment of the plant.</li> </ul>	<ul style="list-style-type: none"> <li>The project to be funded under MWIG in the next financial year.</li> </ul>
Qhudeni	WATER	353KL	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>
Nquthu waste water plant	SEWER	2.0ML	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

### C.4.2 Solid waste management

The last few years have seen South Africa taking significant steps towards improved waste management at a policy, legislation and planning level; most significantly with the promulgation of the National Environmental Management: Waste Act 59 of 2008 (hereafter Waste Act), the revised National Waste Management Strategy GN 344 of 2011 (NWMS) and a number of guidelines which have been published. In terms of Schedule 5B of the Constitution of South Africa, 1996 Constitution (Act 108 of 1996) (the Constitution) waste management is a local government competency that must be executed to protect human and environmental health. Hence it is largely at the local authority level where waste policies and plans are physically implemented and hence it is vital that waste planning at this level receives the attention it deserves.

#### C.4.2.1 Level of service provided



#### C.4.2.2 Waste management unit capacity

The municipality has a dedicated waste management unit located in the Technical Services department. However, the municipality does not have enough capacity to deal with waste management as best as it wishes due to financial constraints. On the meager funding that it has, the municipality's waste management unit is resourced as follows:

##### *Funding*

Waste management is funded mostly from equitable share grant. But in addition to own funding, the municipality has a partnership with a Belgian Bornem Municipality which funded the municipality of which a portion was used for the municipality's recycling programme.

##### *Personnel*

Waste management unit has a staff compliment of forty-four employees. Temporal employees



are hired to accommodate the December rush. Furthermore, a Waste Management Manager has been appointed to improve planning, implementation and monitoring capacity within this unit.

### Equipment

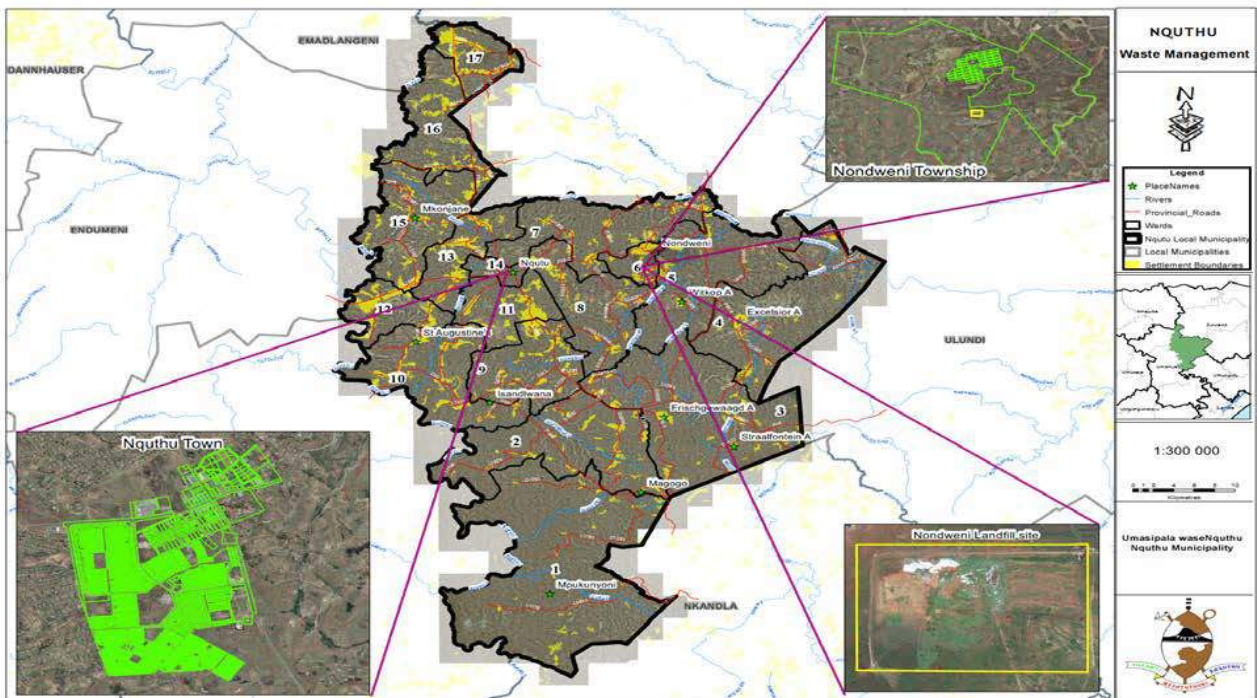
There are three waste collection trucks but is in poor condition and therefore not in a working order and is due for disposal. There is also one bakkie used for administrative purposes. The municipality procured a new refuse truck which was delivered in December 2018 with a capacity of 15 tons in order to further improve waste collection services.

### C.4.2.3 Integrated Waste Management Plan (IWMP)

The municipality has developed an Integrated Waste Management Plan (IWMP) and it was adopted by the council on June 2015, and this plan is undergoing a review that was supposed to be completed in the 2020/21 financial year but will now be completed before the end of 2021. For now, the current IWMP remains the municipality’s waste management blueprint until the review is completed to ensure that the municipality is compliant and better manages its waste.

The plan will address the following:

- An environmental impact assessment of waste management options;
- An evaluation of environmentally friendly practices for re-cycling and land fill sites; and
- The identification of economic opportunities associated with recycling.



#### **C.4.2.4 Landfill site**

The municipality has a formal landfill site situated at Nondweni in Ward 05. This site is approved and licensed by the sector department responsible for environmental affairs, EDTEA. This is the main waste disposal site in Nquthu and also feeds the recyclable waste to the Buy Back Center in order to reduce waste accumulation at the site and also extract economic benefits from that waste recycling processes.

#### **C.4.2.5 Recycling**

The municipality has a functional Buy Back Centre that is dedicated to sorting, measuring, packaging and storing recyclable waste for selling in bulk big to recyclers. This facility is properly equipped and employs seven staff excluding fifty (50) waste ambassadors who are located in all seventeen municipal wards. At this facility, waste is collected sorted, and packaged for ease of measuring and transportation.

The municipality already has the following equipment for the Buy Back Centre to run its operations:

- Recyclable waste collection truck;
- Five (5) Ton forklift for moving around heavy loads at the centre;
- Bailing machine;
- Waste compacting machine, and
- Other recycling related equipment.

#### **C.4.2.6 Awareness campaigns**

Littering and illegal dumping is partly due to a lack of waste management awareness campaigns. Public awareness on the issues of illegal dumping needs to be improved and the public needs to be informed of who to contact should they witness illegal dumping and what details should be recorded. The municipality normally conducts clean-ups and awareness campaigns at least once per quarter, but we need more in order to achieve positive results. The municipality has an intensive waste management related campaigns in order to inform communities about the role they can play to ensure a cleaner Nquthu.

#### **C.4.2.7 Challenges**

While the municipality is doing its best to improve waste management within Nquthu, there are still challenges that need to be addressed going forward, including:

- Non-compliance with waste management and related municipal by-laws;
- Lack of adequate environmental/waste management education especially in rural areas;
- Animals in town they contribute in polluting our city e.g. cattle's, pigs because they eat at the dustbin of which is not allowed;

- Street vendors are continuing with burning of waste in Nqutu CBD;
- Busting of water pipes and blocked storm water drains seems to be the problem in polluting the environment especially near the old bus rank/old market stalls (commonly referred to as 'ezindlini ezibomvu');
- Illegal dumping seems to be the problem especially along the river banks, and
- Insufficient capacity in terms of equipment and financial resources.

The municipality is utilizing the Development Compliance Committee which a municipality multidisciplinary committee that make recommendations and take collective actions to address challenges of this nature. There are also other measures like the municipality's animal pound that is put in place to address stray animals.

#### **C.4.3 Animal pound**

In the past, Nquthu has had a serious problem of stray animals obstructing traffic and causing problems in the road and Nquthu Town. To address this challenge, an animal pound was constructed to safely keep pounded animals. There are by-laws regulating animal pounding and stray animals are pounded and fines are imposed to owners. Initially, there was a serious push back by members of the community but that misunderstanding was eventually resolved. This has made a huge improvement although there is still room for improvement. Where necessary or if there is resistance, the municipality's Traffic Unit intervenes to enforce pounding by-laws.

#### **C.4.5 Transportation infrastructure**

The role of function of the municipality as far as transport is concerned is currently limited to issuing of operating permits and approval of routes to taxi operators and also the maintenance of taxi ranks in terms of ablution facilities and refuse collection and also transport planning.

##### **C.4.5.1 Roads**

###### **C.4.5.1.1 Roads network**

Nquthu is strongly linked to the surrounding town of Dundee, Melmoth, Vryheid and Newcastle. Dundee is linked to Nquthu via a tarred road R68, and provides most of the administrative and institutional needs. It serves as the commercial core for Nquthu residents particularly those in the southern portion of the Municipality. The main transportation route through Nquthu Local Municipality is R68 linking Ulundi and Newcastle/Dundee. Other important roads in the area are the R33 passing through the northern part of the Municipality, the road passing east of Nondweni linking Vryheid with the R68 and the gravel road linking Nquthu with Kranskop road.

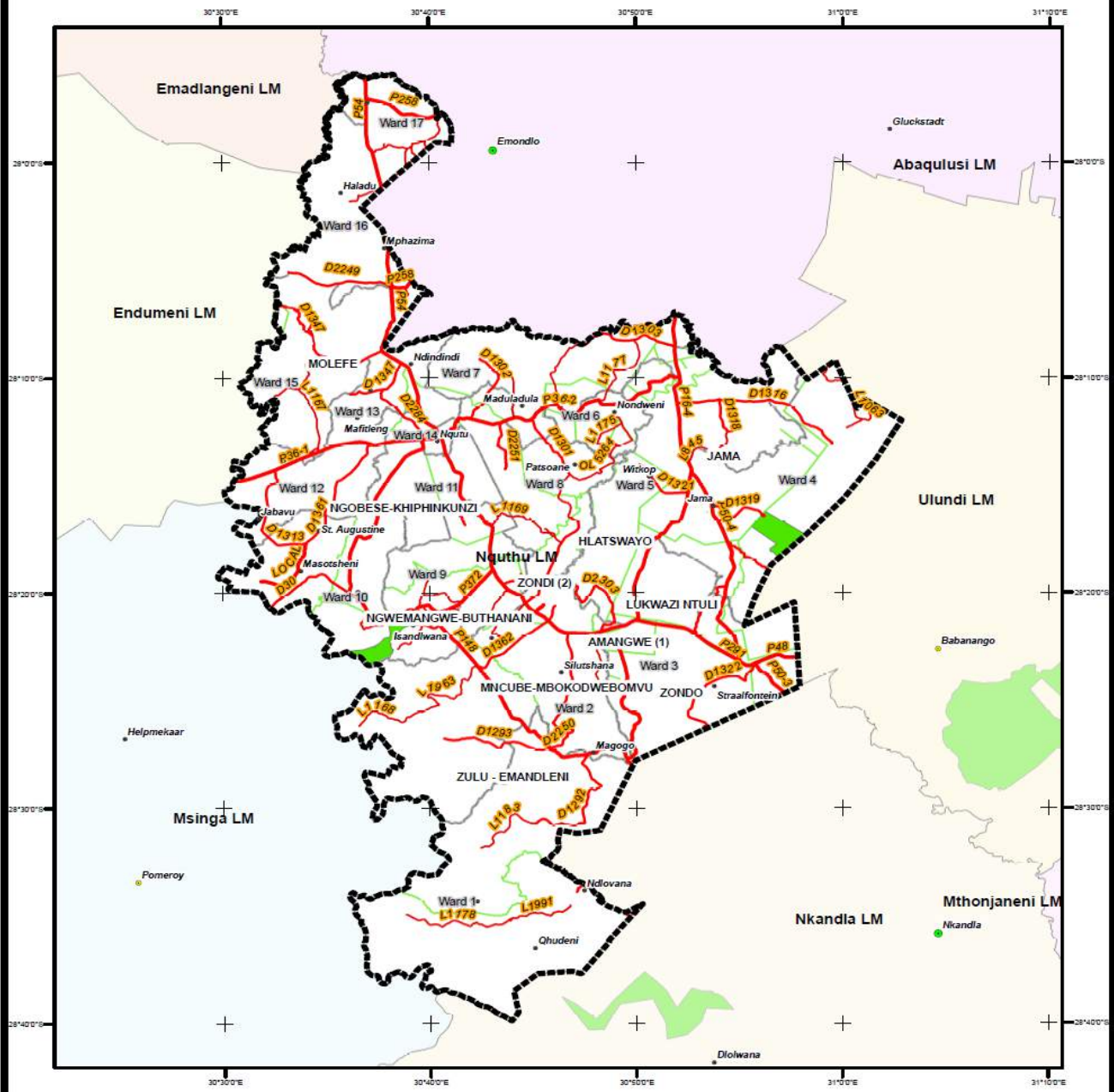
Due to these routes passing through the Municipality, Nquthu is fairly accessible, with the route

from Dundee to Melmoth being the shortest route from Newcastle/Ladysmith and Ulundi and the KwaZulu Natal north coast.

A link road that would pass through Nkandla is nearing its completion and is fully funded and constructed by the Provincial Department of Transport and Road. In addition to this, the National Department of Roads commissioned the upgrade of D1566, which forms one of the potential economic links to the development a nature conservation, multi-purpose center as well as grape farming at Qhudeni. Nquthu in general has great potential for growth and development in terms of agricultural produce and tourism at has the heritage sites i.e. Isandlwana and Ncome that are annually visited and only require a good infrastructure and strategy to unlock this untapped potential.

Nquthu has improved the accessibility of roads within the jurisdiction. The area has five taxi ranks of which four are well established and one is an informal ranks. This taxi rank connects and distributes to different places of the area. This has made good connectivity from Nquthu to various neighboring town. The Nquthu Municipality is slowly improving its infrastructure, due to its high volume of rural area which is scattered in the mountainous areas, it is difficult to undertake all infrastructure projects and be completed at a given timeframe. The municipality thus has a number of projects to address the road infrastructure. There are no railways in Nquthu but they exist within the District.

# NQUTHU LOCAL MUNICIPALITY - SPATIAL DEVELOPMENT FRAMEWORK: ROAD NETWORK



NOTE:  
 1) 100m existing households are within a 200m catchment for a health facility.  
 2) 200m existing households are within a 400m catchment for a health facility.  
 3) 400m existing households are within a 600m catchment for a health facility.  
 4) 600m existing households are within a 800m catchment for a health facility.  
 5) 800m existing households are within a 1000m catchment for a health facility.  
 6) 1000m existing households are within a 1200m catchment for a health facility.



**CONSULTANT:**  
**NANGA Development Consultants**  
 Address: Rodger Sishi Rd,  
 Westville 3640  
 Cell No.: 0817692937

- LEGEND:**
- Lower order small towns
  - Very small hamlets/Villages
  - Other
  - Provincial Road
  - District Road
  - Local Access Road

*Data Sources: Chief Directorate, Surveys and Mapping and Department of Water and Sanitation*

**SCALE:**  
 2 4 6 8  
 Kilometers

**DATE:** December 2016

**DRAWING REFERENCE NO:** 2016NGUDSP/03

**COORDINATE SYSTEM:** NAD2000 WGS84 (LCS)

**MUNICIPALITY:**  
 NQUTHU LOCAL MUNICIPALITY  
 83/10 Midlacos Street  
 Nquthu 3135

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 Nquthu 3135  
 Fax: +27 (0)34 271 6111  
 Tel: +27(0)34 271 6100  
 Email: planner@nquthu.gov.za



#### C.4.5.1.2 Road construction

##### *Municipality*

Roads network is constantly growing as a direct result of a continuous road construction by both the Department of Transport and the municipality. The municipality is responsible for the construction of access roads and has set aside R 25 982 644.43 as set out below. Road construction is divided into two, i.e. (1) roads that are started from scratch and (2) converting informal roads into proper roads that are registered as municipal assets.

PROJECT NAME	WARD/s	FUNDING SOURCE	PROPOSED BUDGET
OPHINDO ROAD	3	MIG	R 4,046,413.83
MBILANE ROAD	8	MIG	R 5,160,790.02
NTUZUMA ROAD	7	MIG	R 3,100,000.00
GUBAZI ROAD	11	MIG	R 2,608,696.00
SLONJANA ROAD	16	MIG	R 3,100,000.00
NSUBENI ROAD	4	MIG	R 3,004,677.34
HWANQANA ROAD	5	MIG	R 3,100,000.00
MPHUNYUKA GRAVEL ROAD	9	MUNICIPALITY	R 1,862,067.24
<b>TOTAL</b>			<b>R 25,982,644.43</b>

##### *Department of Transport (DOT)*

DOT is also responsible for the construction and maintenance of district and provincial roads within Nquthu Municipality. The list below shows road construction/maintenance planned by DOT for 2021/22 financial year.

Project name	Ward Name	Road Number	Start Km	End Km	Unit	Planned Output 2021_22	Planned Start Date	Planned End Date	Budget
Blading Contract	Various	ZONE 2(JS)	-	-	km	160	01 January 2022	31 March 2022	R 960,000
Blading Contract	Various	ZONE 3(EM)	-	-	km	160	01 January 2022	31 March 2022	R 960,000
Minor Structure repair on D2250	Ward 2	D2250	8.5	8.5	Number	1	01 November 2021	28 February 2022	R 1,000,000
Regravelling of L877	Ward 1	L 877	0	4	km	4	01 September 2021	30 November 2021	R 2,800,000
Regravelling of L1168	Ward 2	L1168	2	9	km	7	01 September 2021	30 November 2021	R 4,900,000
Regravelling of D30B	Ward 10	D30B	7.2	9	km	1.8	01 September 2021	30 November 2021	R 1,260,000
Regravelling of P16-4	Ward 5	P16-4	14	21	km	7	01 September 2021	30 November 2021	R 4,900,000

Project name	Ward Name	Road Number	Start Km	End Km	Unit	Planned Output 2021_22	Planned Start Date	Planned End Date	Budget
Regravelling of L2626	Ward 1	L2626	0	4	km	4	01 September 2021	30 November 2021	R 2,800,000
Regravelling of D1322	Ward 3	D1322	4	11	km	7	01 September 2021	30 November 2021	R 4,900,000
Regravelling of D1293	Ward 2	D1293	0	2.5	km	2.5	01 September 2021	30 November 2021	R 1,750,000
Regravelling of L2038	Ward 15	L2038	0	5	km	5	01 September 2021	30 November 2021	R 2,000,000
Blacktop Patching & Rut Repair on P291 & P54, P36/1/2,	Various	P291 & P54, P36/1/2,	-	-	m2	4000	01 October 2021	30 January 2022	R 6,000,000
D1322 Causeway	Ward 3	D1322	8	8	Number	1	01 June 2021	30 November 2021	R 6,000,000
Regravelling of P752	Ward 1	P752	42	47	km	5	01 September 2021	30 November 2021	R 3,500,000
Regravelling of L1176	Ward 2	L1176	4.1	6.1	km	2	01 September 2021	30 November 2021	R 1,400,000
Regravelling of L1177	Ward 7	L1177	0	5	km	5	01 September 2021	30 November 2021	R 3,500,000
Road Marking of P291 & P54, P36/1/2,	Various	P291 & P54, P36/1/2,	-	-	km	80	01 February 2022	31 March 2022	R 1,000,000
VRRM tools Nquthu	Various	Various	-	-			01 May 2021	30 May 2021	R 500,000
Zibambele Contractors Nquthu	Various	Various	-	-	Number	1400	01 April 2021	31 March 2022	R 5,000,000
FUEL : Blading NQUTHU/DUNDEE	Various	Various	-	-	km	1300	01 April 2021	31 March 2022	R 2,500,000
Grass cutting on Various Roads	Various	P291, P54, P36-1, P36-2	-	-	m2	120000	01 February 2022	31 March 2022	R 500,000
Minor Structure repaire on L2409	Ward 11	L2409	1	1	Number	1	01 November 2021	28 February 2022	R 2,000,000
Minor Structure repaire on D1313	Ward 12	D1313	0.8	0.8	Number	1	01 November 2021	28 February 2022	R 2,000,000
D1321 Extension	Ward 5	D1321	5.2	7.7	km	2.5	01 September 2021	30 November 2021	R 3,000,000
Installation of Signs on various roads	Various	P291,P36-1, P34-1, P356, P33-1	-	-	Number	150	01 July 2021	30 September 2021	R 500,000
Desilting of Pipes on various roads	Various	P16-4, P50, D1303,L2410	-	-	m	200	01 July 2021	30 September 2021	R 500,000

Project name	Ward Name	Road Number	Start Km	End Km	Unit	Planned Output 2021_22	Planned Start Date	Planned End Date	Budget
Installation of gaurdrails on various roads	Various	P36-1, P356, P291, P54	-	-	m	200	01 July 2021	30 September 2021	R 500,000
Installation of killometre makers on various roads	Various	P291, P36-1, P36-2, P54, P372	-	-	Number	150	01 July 2021	30 September 2021	R 500,000
<b>TOTAL</b>									<b>R 67, 130, 000.00</b>

#### C.4.5.1.2 Road maintenance

##### *Road and Sormwater Maintenance Plan*

The municipality has a Road and Sormwater Maintenance Plan that is reviewed annually to align with available capacity and determine maintenance priorities. This plan is attached as annexure to the IDP.

##### *Nquthu Town*

The municipality through its Technical Services department does conduct maintenance work in all roads of Nquthu Town, especially with regard to fixing potholes, storm-water cleaning/unblocking, fixing faulty traffic signals and keeping pavements in a good state.

##### *Access roads maintenance*

The municipality has the following equipment/plant that it depends on as the backbone of its access roads maintenance and the municipality has added its road maintenance equipment to increase its capacity. The municipality has the following equipment:

- **Two graders:** used to blade gravel roads to keep them in a usable state.
- **Five tipper trucks:** used to transport gravel used to maintain roads.
- **One compactor roll:** used to compact the roads that has been bladed.
- **One excavator:** used to do heavy duty digging or removing big rocks.
- **Low-bed truck:** used to transport all the plant to working sites.
- **Tow water tankers:** used to ensure proper compacting of roads.

All the plant mentioned above is used by the municipality to continuously maintain all the roads that are under the control of the municipality in all wards. The Technical Services department has a maintenance plan that informs how this plant is deployed to different wards to keep roads in a usable state. The municipality is not a transport authority as that is the function of the provincial government. However, the municipality is responsible for the construction and maintenance of access roads within its area of jurisdiction and also conducts road maintenance in Nquthu Town. Furthermore, the municipality works hand in hand with the Department of Transport in identifying road infrastructure gaps and planning through IGR structures.

### C.4.5.2 Transportation matters

#### *Coordination with other stakeholders (Transport Committee)*

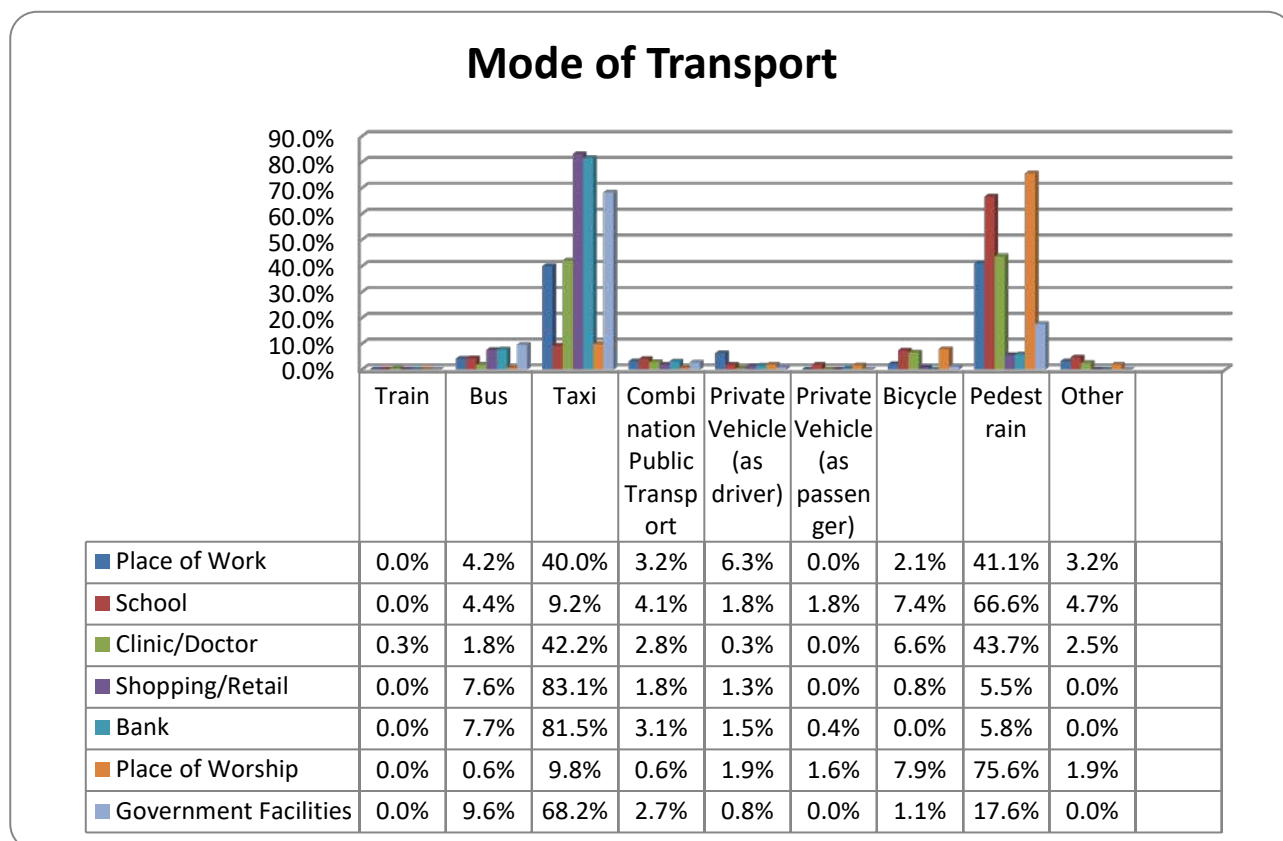
In addition to Operation Sukuma Sakhe programme where all developmental matters are discussed, there is a Nquthu Transport Committee where all stakeholders including, but not limited to; Department of Transport, Taxi associations, Ward Transport representatives, the municipality and all other stakeholders meet regularly to discuss road maintenance needs and other transport related matters.

#### *Integrated Local Transport Plan (ILTP)*

The municipality has developed the ILTP internally due to the lack of financial resources. This plan will be further developed and reviewed annually with the support of the Department of Transport and other relevant role-players. This plan will be approved before the end of 2020/21 financial year.

#### *Transport mode*

The public transport of Nquthu is dominated by the taxi industry which is mainly made up of 15 seater mini buses and few 22 seater mini buses. These taxis are categorized into many routes, local and away, which makes it easier for travelers to reach their destinations. This kind of transport is meant for passengers and their light luggage, larger loads like building material and other heavy goods are transported through pickups/bakkies which deals specifically with heavy or bulky loads which cannot be transported by taxis. The taxi industry in Nquthu is fairly stable and free from violence, which is a good thing. The Nquthu Socio-Economic and Housing Survey conducted in 2018 shows that transport mode usage is as follows:



### *Taxi ranks*

Nquthu has two main taxi ranks. One taxi rank is positioned next to the Nquthu Plaza which is the main retail hub of Nquthu and is viewed by many as a one stop shopping complex. This makes it easier for community members to ferry their shopping luggage to the taxis. The second taxi rank is also conveniently located nearby government departments and another smaller shopping complex and it is also easily accessible. Both taxi ranks have trading shelters and/or huts that are rented by local informal traders to do their different businesses and make a living while also providing convenience to taxi users. There are ablution facilities in both these ranks that are maintained by municipal personnel, but they do require further improvements to ensure tidiness and ease of use.

### **C.4.6 Energy/electricity**

The municipality is doing a sterling work when it comes to connecting households to the grid and, in this regard; attaining a status of universal connection in the next term is not a far-fetched target.

#### **C.4.6.1 Electricity unit capacity**

The electricity unit is one of the most under resourced in the municipality in terms of personnel. However, the municipality has added few more positions in this unit, including a manager, but these positions are yet to be filled. Moreover, a study that was conducted found that the existing personnel do not have the requisite skills to perform their functions optimally. As a response to that finding, the municipality has prioritized all electricity personnel for training through the municipality's Worker Skills Programme (WSP).

In terms of tools and equipment, the municipality would require just over R 17 million which is currently not available.

#### **C.4.6.2 Role of municipality and Eskom**

##### *Municipal licensed area*

The municipality is responsible for the electricity in Ward 14/Nquthu Town. The municipality buys electricity in bulk from Eskom as the power utility and distributes it to all connected households through the municipality infrastructure. The municipality is also responsible for the maintenance of electricity infrastructure in Ward 14.

##### *Eskom areas*

All areas outside of Ward 14 are the responsibility of Eskom, working in partnership with the municipality with regard to the identification of electricity needs and determination of electricity projects. The maintenance of infrastructure in these areas is the responsibility of Eskom.



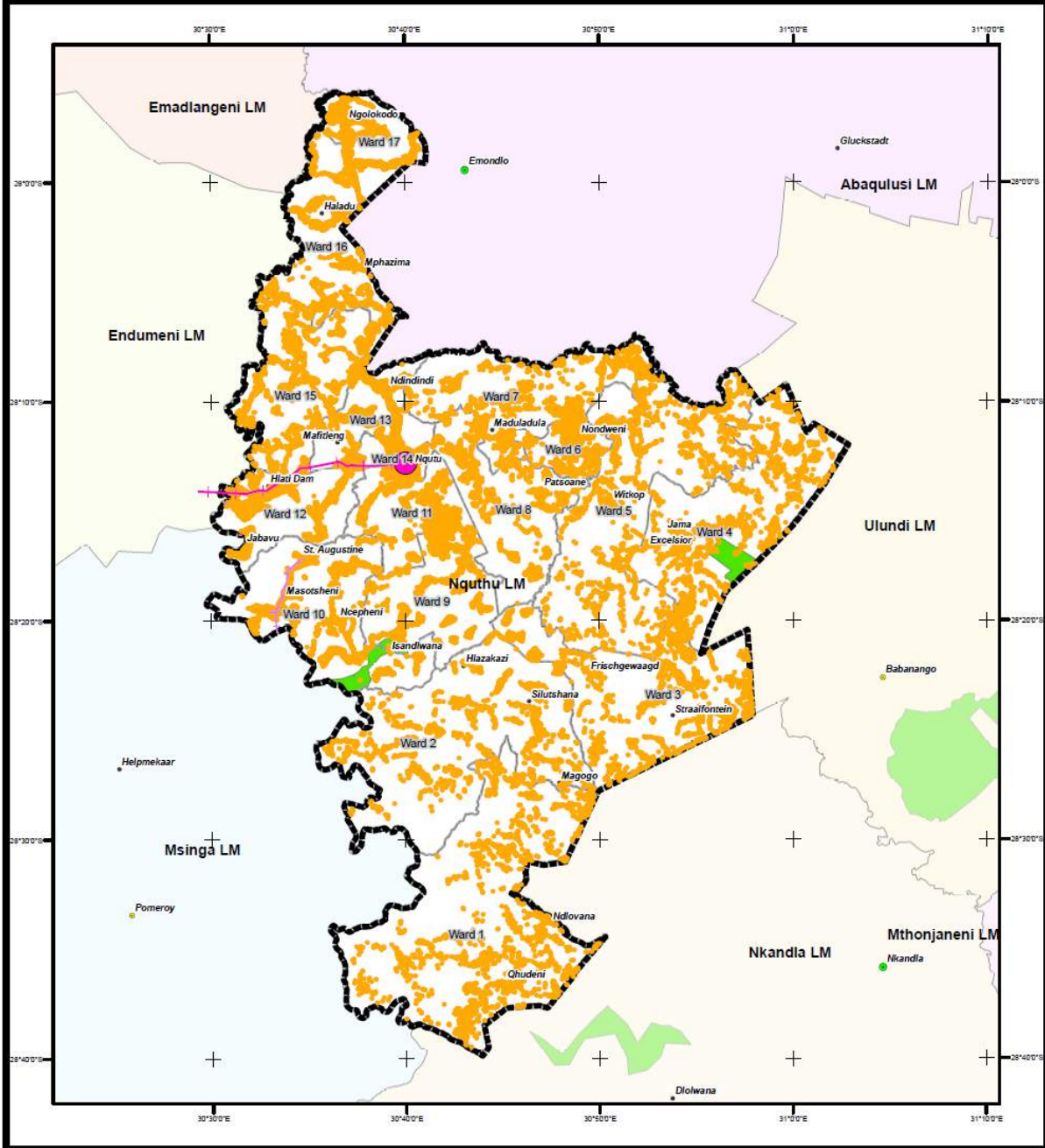
#### *Free basic electricity (FBE)*

The municipality directly provides FBE to all customers in the municipal licensed area and also provides FBE to the rest of Nquthu through Eskom which submit invoices accompanied by a list of beneficiaries every month.

#### **C.4.6.3 Electricity infrastructure**









Electricity infrastructure in Nquthu is divided to municipal infrastructure (Nquthu Town) and Eskom infrastructure which constitutes the majority of electricity infrastructure in Nquthu since Eskom is responsible for 16 out of seventeen wards in Nquthu. The municipality has a serious challenge of ageing infrastructure that requires an upgrade. The municipality appointed a service provider who did an extensive technical assessment of this infrastructure and made necessary recommendations in this regard. The purpose was identify upgrades that are required and also to determine the causes of electricity losses. The recommendations are already being implemented, subject to available financial resources. The map in the following page shows electricity infrastructure in Nquthu.

# NQUTHU LOCAL MUNICIPALITY - SPATIAL DEVELOPMENT FRAMEWORK: ELECTRICITY INFRASTRUCTURE



  
**CONSULTANT:**  
**NANGA Development Consultants**  
 Address: Rodger Sishi Rd,  
 Westville 3640  
 Cell No.: 0817692937

**LEGEND:**

-  Sub Transmission Network
-  Powerlines
-  St James 88kV Substation
-  Eskom-Imizi
-  Lower order small towns
-  Very small hamlets/Villages
-  Other
-  Nquthu Boundary

Data Sources: Umzimnyathi District and Eskom

**SCALE:**  
 0 2 4 6 8  
 Kilometers  
 1:440,000

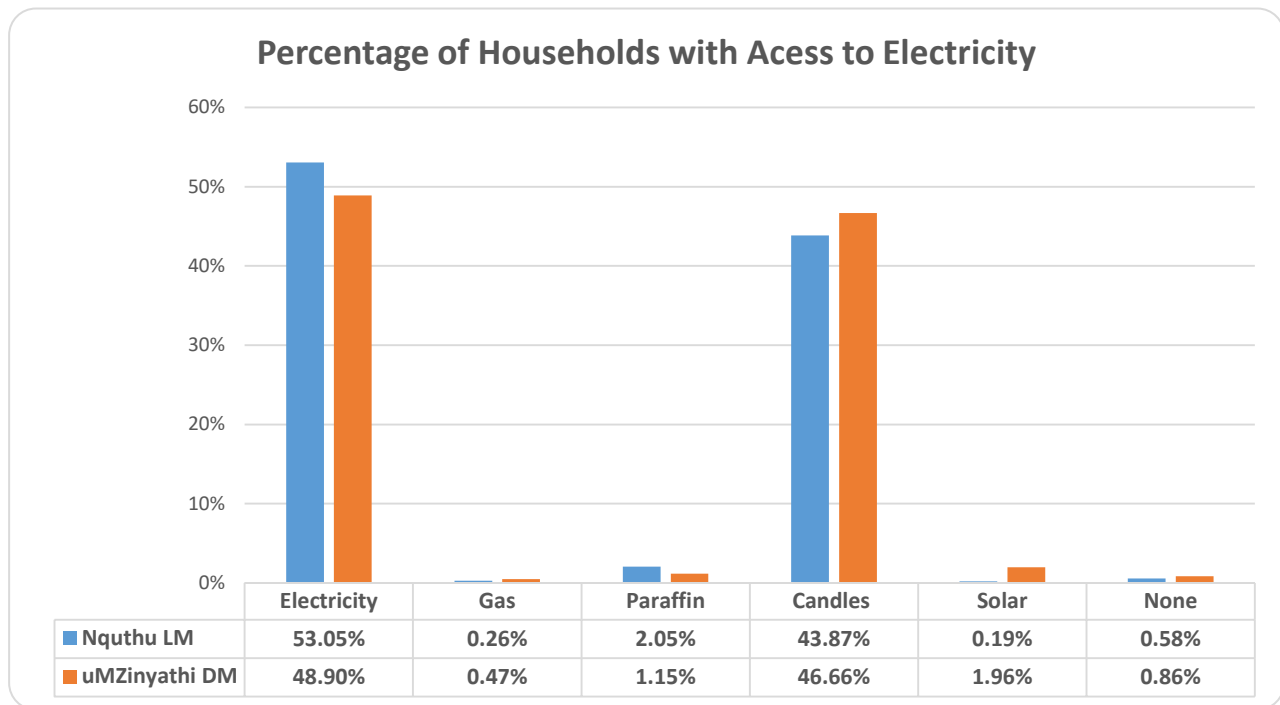
DATE: December 2019  
 DRAWING REFERENCE NO.: 2019NQU007/00  
 COORDINATE SYSTEM: Munkopje WGS84 (L403)

**MUNICIPALITY:**  
 NQUTHU LOCAL MUNICIPALITY  
 83/10 Makosop Street  
 Nquthu 3136  
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 Nquthu 3136  
 Fax: + 27 (0)34 271 6111  
 Tel: + 27 (0)34 271 6100  
 Email: planner@nquthu.gov.za



#### C.4.6.4 Access to electricity and energy sources

Nquthu has made serious strides when it comes to connecting households to the grid. The chart below shows official figures, although there have been a number of electrification projects since these figures and, despite growing number of households; the electricity is declining rapidly through a continuous “in-fills” programme. The chart shows electricity access levels and energy sources as per the 2016 Community Survey:



#### C.4.6.5 Electricity projects (Implementation of Schedule 5 funding)

##### *Municipal licensed area*

The municipality did connect all Low Cost houses built in Ward 14 in the two previous financial years and any other household make an application to the municipality and the municipality make the connection within 14 days after the approval of the connection.

##### *Eskom areas*

The Department of Energy does provide grants to municipalities on an annual basis through the Integrated National Electrification Programme (INEP) of which the smaller portion goes the municipality and the rest goes to Eskom which implement projects in all Eskom areas in consultation with the municipality. This financial year, the municipality has prioritized Qhudeni area in Ward 01 to because that is the only ward which still has huge electricity backlog.

#### **C.4.6.6 Electricity Master Plan**

The municipality developed and approved an Electricity Master Plan that will be reviewed annually and serve the following purposes:

- Annually assess the municipality's electricity grid connection levels especially with regards to backlogs and need analysis and make projections in this regard;
- Determine the municipality's electricity projects, and
- Determine electricity infrastructure operations and maintenance needs.

This plan shall be reviewed annually to ensure that it is always up to date and respond properly to electricity needs. Furthermore, this plan shall be improved on an annual basis to ensure that it covers all technical factors as is practically possible. The Electricity Master Plan is attached as an annexure.

#### **C.4.6.7 Operations and maintenance**

The Operations and Maintenance Plan is in place but limited only applicable to Ward 14 which is the municipal licensed area. All other wards in the municipality are Eskom areas and reticulation and maintenance of electricity in those areas is the responsibility of Eskom. When the consulting engineer was appointed to help the municipality to deal with electricity losses, all operations and maintenance requirements were identified and the municipality is attending to those matters, subject to available budget.

#### **C.4.6.8 Coordination with other departments**

Eskom makes a presentation to the district alignment sessions organized by KZN COGTA whereby it presents all plans within the district. Moreover, Eskom and Nquthu LM hold bilateral meetings to specifically engage and agree on all electrification needs and priority projects. The municipality has a good working relationship with Eskom. But there is a room for improvement especially with regard to how Eskom its INEP portion which, in principle, belongs to the municipality.

### **C.4.7 Housing (human settlements)**

#### **C.4.7.1 Settlement patterns**

Current settlement patterns Nquthu is composed largely of rural areas whereby people use land communally and own it collectively through Ingonyama Trust. The Housing Sector Plan summarises the settlement patterns of Nquthu as follows *“Nquthu is a rural municipality with people's homes built along the road. This linear pattern makes it easier for provision of water and other bulk infrastructure services. The residents have enough space to build or further sub-divide the land for their sons and grandchildren. However, there are other residents who still have homes built on the hilltop, which might be difficult for the contractor to move his material during construction.”*



#### **C.4.7.2 Housing backlog**

In terms of the Housing Sector Plan, the initial backlog was 12 464 and has been reduced to 3 593 if housing projects that are under implementation and those that have been approved for implementation are regarded as having a backlog reducing effect.

#### **C.4.7.3 Funding**

Funding for planning and implementation of housing projects is provided by the Department of Human Settlements. However, the municipality has a fulltime official dedicated to the all administrative, coordination and facilitation of all housing related programmes and projects.

#### **C.4.7.4 Bulk infrastructure**

Bulk infrastructure is not, in the main, a direct responsibility of the municipality in terms of funding and implementation. However, through integrated planning and intergovernmental systems and structures; the municipality play a key role in identifying bulk infrastructure needs together with relevant authorities like sector departments, district municipality, power utility Eskom and other relevant stakeholders.

#### **C.4.7.5 Housing Sector Plan**

The municipality is classified as the housing developer for human settlements and it has adopted a Housing Sector Plan in 2012 (and it was reviewed in 2020) which form the basis upon which the municipality plans and execute all its housing projects. The Housing Social Survey was conducted to inform the review of the Housing Sector Plan to be aligned to the KZN Master Spatial Plan as recommended by successive MEC IDP Assessment letters and also update housing backlog figures and update all statistical figures. As mentioned above, the Housing Sector Plan was reviewed and approved by Council in 2020.

#### **C.4.7.6 Housing projects status**

The KZN Department of Settlement did provide a detailed presentation on the status of housing projects in Nquthu as detailed below.

## **ISANDLWANA RURAL HOUSING PROJECT**

### **I.PROJECT DETAILS**

Project Name : Isandlwana Rural Housing Project

Ward No. : 09 & 10

Project Type : Rural

Project No. : K191000051

Implementing Agent : KaMawewe Developments

Project Yield : 1 000 units

Project Value(Planning Stage) : R3 086 740.00

Project Expenditure : R 1 100 000.00

Total Balance Remaining : R 1 986 740 (2021/22)

Financial Year Budget : R460 000.00 (2021/22)

Project approval granted. Stage 1 milestones currently ongoing.

## **NDATSHANA RURAL HOUSING PROJECT**

### **I.PROJECT DETAILS**

Project Name : Ndatshana Rural Housing Project

Ward No. : 15 & 16

Project Type : Rural

Project No. : K16010003

Implementing Agent : Z.D Project Management

Project Yield : 1 000 units

Project Value(Planning Stage) : R3 086 740.00

Project Expenditure : R 2 498 909.00

Total Balance Remaining : R 587 831.00 (2021/22)

Financial Year Budget: R 440 000.00 (2021/22)

I.A currently concluding and consolidating all remaining tranche 1 milestones and preparing close out stage 1.

**NQUTHU LOCAL MUNICIPALITY  
2021/22 FINANCIAL YEAR (ACTIVE PROJECTS)**

**QHUDENI RURAL HOUSING PROJECT**

**PROJECT DETAILS**

Project Name : Qhudeni Rural Housing Project

Ward No. : 01

Project Type : Rural

Project No. : K16010002

Implementing Agent : Fezeka Business Services

Project Yield : 1 000 units

Project Value(Planning Stage) : R3 086 740.00

Project Expenditure : R 2 231 000.00

Total Balance Remaining: R855 740.00 (2021/22)

Financial Year Budget: R650 (2021/22)

I.A currently concluding and consolidating all remaining tranche 1 milestones and preparing to close out stage 1

**UMZINYATHI OPERATION SUKUMA SAKHE: NQUTHU LOCAL MUNICIPALITY**

**PROJECT DETAILS**

Project Name : OSS for 96 beneficiaries at Nquthu Municipality

Project Type : Emergency Program

Project No. : K14020017/47

Implementing Agent : Brocon Miands JV

No. of beneficiaries : 96

Project Value : R10 650 312.00

Project Expenditure : R 7 336 188,52

No. of Units Completed : 64

Financial Year Budget : R 3 520 000 (2021/2022)

**APPROVED BENEFICIARIES TO DATE:**

## **NONDWENI HOUSING PROJECT**

### **PROJECT DETAILS**

Project Name	: Nondweni Housing Project
Project Type	: IRDP
Project No.	: K19970075
Implementing Agent	: Metroprojects Developments
No. of Sites	: 500
No. of Beneficiaries	: 393
Project Value	: R 46 657 152,16
Project Expenditure	: R 34 504 677,72
No. of Units Completed	: 380
Financial Year Budget	: R 0 (2021/2022)

- Project is not budgeted for in 2020/21 but a virement will be done to complete the project.
- The 500 new units will close at 393 units due to missing beneficiaries.
- The project is active.

## **NQUTHU PHASE 2 HOUSING PROJECT**

### **PROJECT DETAILS**

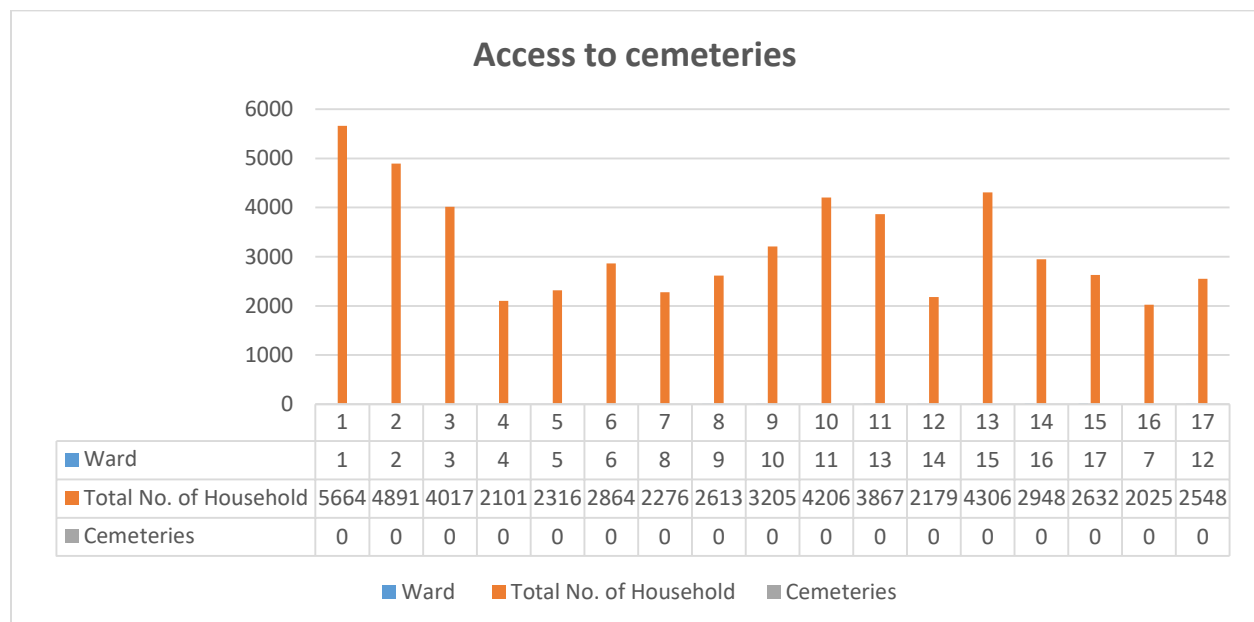
Project Name	: Nquthu Phase 2 Housing Project
Project Type	: IRDP
Project No.	: K19970131
Implementing Agent	: Sarkum Housing
No. of Sites	: 1223
No. of Beneficiaries	: 1196
Project Value	: R 115 327 570.60
Project Expenditure	: R110 748 159.51
No. of Units Completed	: 1196
Financial Year Budget	: R 0(2021/2022)

- The project was approved as a Project Linked subsidy by the MEC for Housing in 1997.
- The project is completed at 1196 due to missing beneficiaries.

## C.4.8 Community facilities

### C.4.8.1 Cemeteries

The municipality does have an authorized cemetery site in Ward 14 on the outskirts on Nquthu Town but this cemetery is running out of space due to a rocky surface that is quite difficult to excavate for burial purposes. In this regard, burial space for households who are using this cemetery will run out if the municipality does not find alternative land for this purpose. However, in almost all wards/areas in Ingonyama Trust land there is land specifically allocated for burial, so burial is actually not a challenge for the largest part of Nquthu. But there are indeed challenges in that most such places are not fenced and some are located in potential flood areas or in areas that are vulnerable to soil erosion. But be that as it may, there is no ward with no access to burial space. The table shows the levels of access to cemeteries in terms of CSIR norms of 25km.

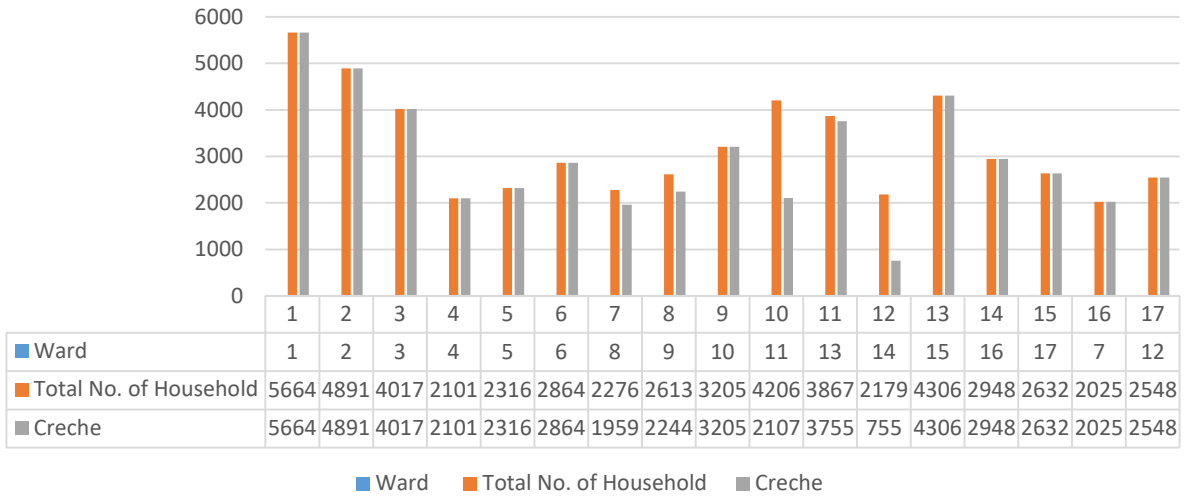


### C.4.8. Access to Early Childhood Centers (Crèches)

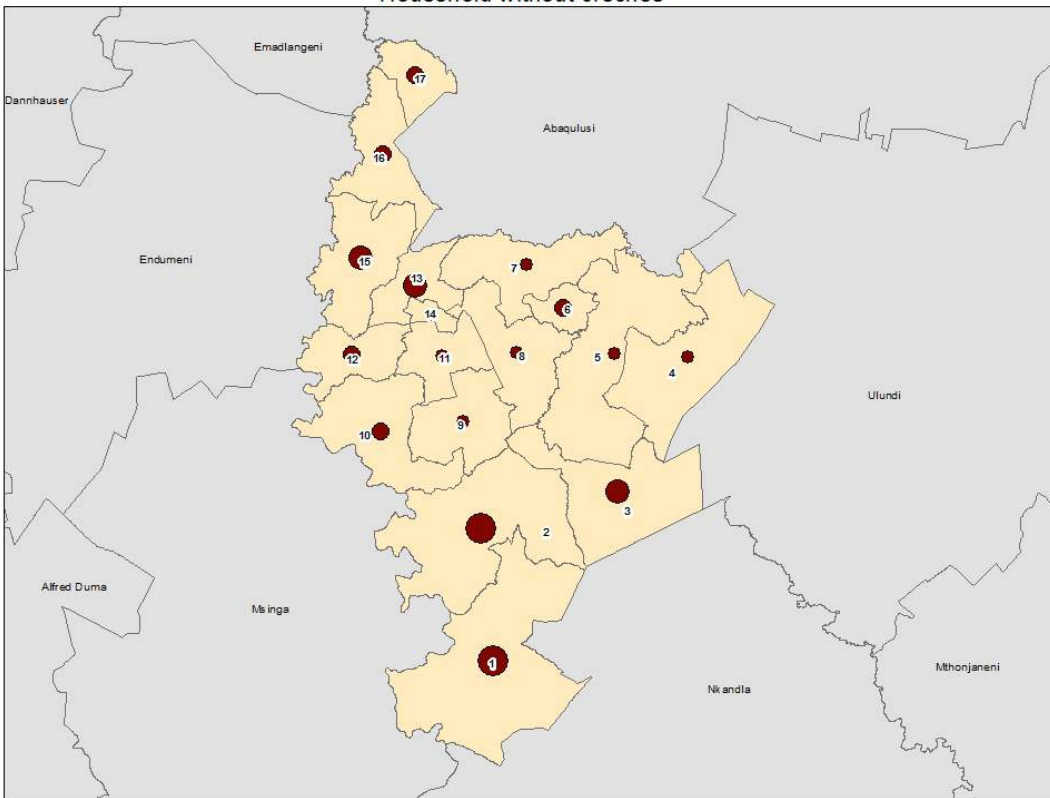
In terms of CSIR norms, ECDs should cover communities within a 2km radius, which is expected given the fact that are not expected to travel or be transported for long distances. The chart and map below clearly shows that there is a serious lack of access to ECDs in Nquthu because almost all wards have a very high number of households without an ECD facility within a 2km radius. Over 92% of households do not have an ECD facility within 2km.



### Access to ECDs



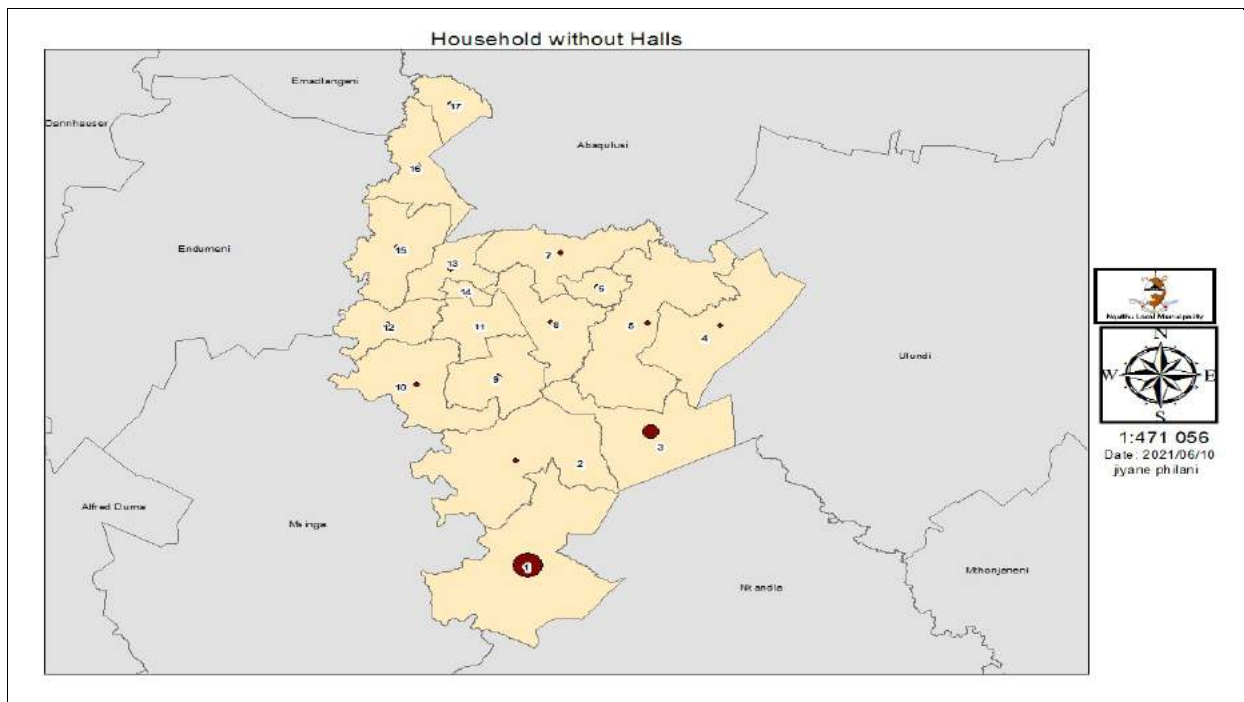
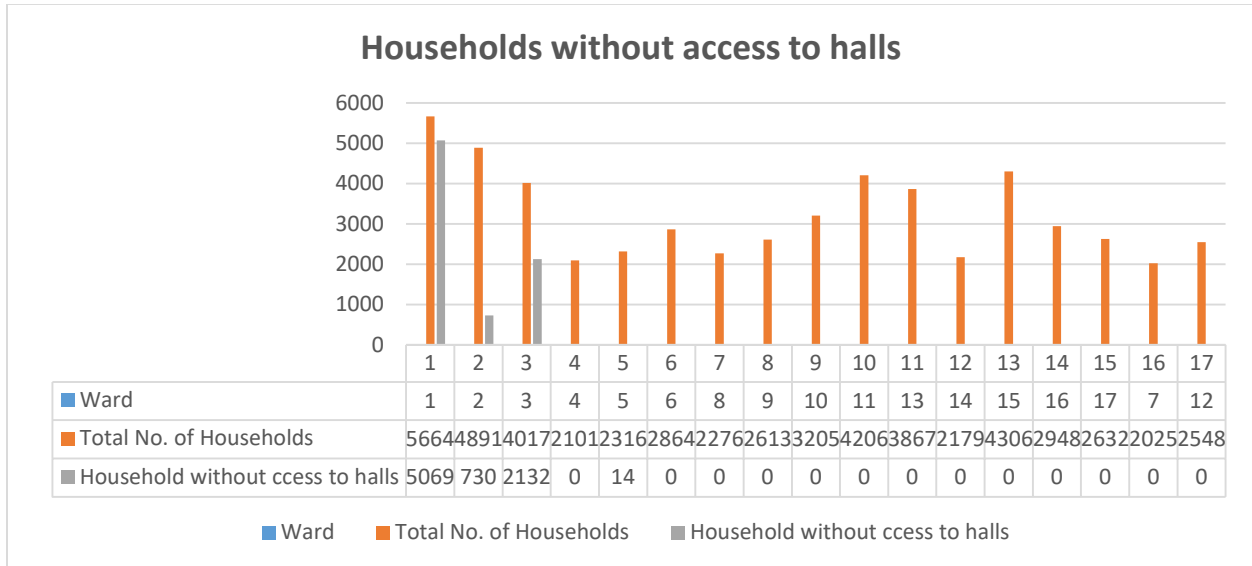
### Household without creches



1:471 056  
Date: 2021/06/10  
jyane philani

### C.4.8.3 Community halls

The municipality has invested immensely in constructing community halls due to relentless demand by communities. However, an overwhelming majority of households meet, and actually exceed the CSIR norm of 25km radius. Only wards 1, 2, 3 and 5 have households do not have a hall within a 25km radius, ward 01 is the most affected.



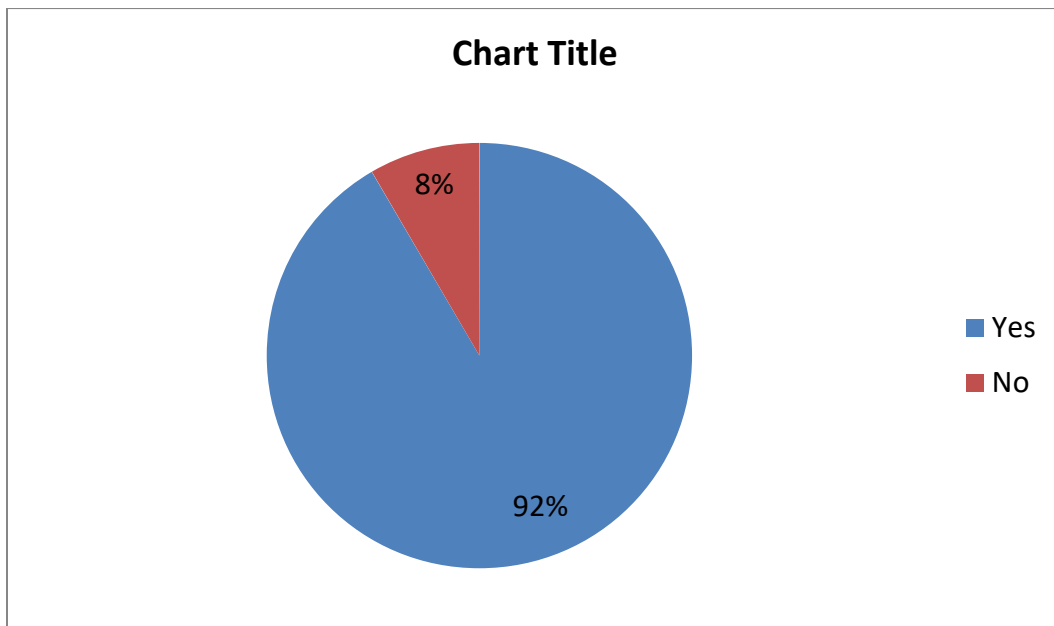
#### C.4.8.4 Telecommunications

Telecommunications has become one of the most important needs in modern society and to the economy. Most services that were previously rendered manually and/or directly can now be performed digitally in a self-service fashion using communication gadgets and devices. Communication has become very easy and seamless. In Nquthu, network signal remains a challenge which makes communication a bit of a challenge. The issue of network signal was sharply

The statistics figures below show the level of telecommunications accessibility in Nquthu. It is quite clear from the figures below that the cellphone remains the most accessible and used communication tool. But overall, Nquthu remains challenge with a very poor signal and the municipality is engaging relevant authorities to address this challenge. raised by the community during IDP consultations.

##### *Cellphone ownership*

A Cellphone has become an essential gadget that almost all adults do have cellphones. Those who do not have cellphones are mostly kids. The Chart below shows the levels of cellphone ownership per household weight.



## Radio

Geography by Radio			
for Household weighted			
	Yes	No	Total
52402001: Ward 1	1443	930	2373
52402002: Ward 2	1113	582	1701
52402003: Ward 3	1476	489	1968
52402004: Ward 4	1050	399	1452
52402005: Ward 5	1362	378	1740
52402006: Ward 6	1158	393	1554
52402007: Ward 7	1230	405	1635
52402008: Ward 8	1068	465	1533
52402009: Ward 9	1269	462	1728
52402010: Ward 10	1503	561	2067
52402011: Ward 11	1641	642	2283
52402012: Ward 12	1209	450	1659
52402013: Ward 13	1335	570	1905
52402014: Ward 14	1953	474	2427
52402015: Ward 15	1521	633	2154
52402016: Ward 16	1224	435	1659
52402017: Ward 17	1254	525	1782

## Satellite television

Geography by Satellite television			
for Household weighted			
	Yes	No	Total
52402001: Ward 1	9	2361	2373
52402002: Ward 2	27	1674	1701
52402003: Ward 3	39	1926	1968
52402004: Ward 4	39	1410	1452
52402005: Ward 5	111	1629	1740
52402006: Ward 6	186	1368	1554
52402007: Ward 7	54	1584	1635
52402008: Ward 8	21	1512	1533
52402009: Ward 9	21	1707	1728
52402010: Ward 10	75	1989	2067
52402011: Ward 11	69	2214	2283
52402012: Ward 12	81	1575	1659
52402013: Ward 13	84	1824	1905
52402014: Ward 14	480	1944	2427
52402015: Ward 15	51	2103	2154
52402016: Ward 16	54	1605	1659
52402017: Ward 17	96	1683	1782

## Television

Statistics South Africa			
Household Goods_Electoral_Wards			
Geography by Television			
for Household weighted			
	Yes	No	Total
52402001: Ward 1	249	2124	2373
52402002: Ward 2	663	1038	1701
52402003: Ward 3	666	1299	1968
52402004: Ward 4	585	864	1452
52402005: Ward 5	960	777	1740
52402006: Ward 6	1161	390	1554
52402007: Ward 7	834	804	1635
52402008: Ward 8	669	864	1533
52402009: Ward 9	672	1059	1728
52402010: Ward 10	828	1239	2067
52402011: Ward 11	1122	1161	2283
52402012: Ward 12	1047	615	1659
52402013: Ward 13	1140	765	1905
52402014: Ward 14	1950	477	2427
52402015: Ward 15	1272	879	2154
52402016: Ward 16	1029	630	1659
52402017: Ward 17	1284	495	1782

### C.4.9 Infrastructure related to Local Government Election

The Independent Electoral Commission (IEC) operates from municipal offices wherein facilities are provided to enable it to conduct their work, including meetings and workshops. For election conducting purposes, the IEC uses mostly public facilities like schools, libraries, ECD centers, etc. These facilities are mostly suited to conducting elections and contain ablution facilities. Water provision is the responsibility of the district, Nquthu LM most important responsibility in this regard is to do its utmost best to ensure that access roads to and from voting districts are in a usable condition to enable easy and safe movement. The municipality has invested a lot in road maintenance equipment and will liaise with the IEC to identify priority areas where the municipality's intervention is required especially with regard to access roads.

### C.4.10 Alignment with KZN Integrated Infrastructure Master Plan

The municipality's Infrastructure Plan has been aligned to the KZN Infrastructure Master Plan as far as is practically possible. The Infrastructure Plan is an annexure to this IDP.



## C.5 LOCAL ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT

### C.5.1 Local Economic Development

Nquthu Local Municipality is one of the economically underdeveloped municipalities in the Province of KwaZulu-Natal. Therefore, the municipality needs to take a leading role in ensuring that there is a proper assessment of the economic challenges, opportunities and potential in Nquthu so that correct economic programmes and projects are implemented to turn the economic situation of Nquthu around for the better. Most importantly, economic development and transformation is one of the foremost priorities of government, therefore; Nquthu LM as the local sphere of government which represent the economic interests and aspirations of the people of Nquthu has an obligation to give effect to all national, provincial and district economic programmes through a clear, coherent and realistic economic programmes and projects.

#### C.5.1.1 The municipality's LED unit capacity

The municipality's LED unit is located within the department of Planning, Local Economic Development and Housing. To ensure effective implementation of LED programmes, this unit is staffed by a team of four (4) suitably qualified personnel who consist of an LED Manager, LED Practitioner, Projects Management Officer and Tourism Practitioner.

#### C.5.1.2 LED related policies

<b>By-law/Policy</b>	<b>Objectives</b>
<i>Informal Economy Policy</i>	<ul style="list-style-type: none"><li>• Promote co-operation between all departments of the municipality; between private sector and public sector and between informal economy actors and local government officials;</li><li>• Develop guiding principles that can be applied in supporting and developing the informal economy, and</li><li>• Create support mechanisms or an enabling environment for the informal economy since the existing by-laws mainly been geared towards policing, regulation and taxation.</li></ul>
<i>Informal Traders Policy</i>	This policy is meant to regulate the informal trading by prescribing the rights and responsibilities of informal traders.
<i>Investor Policy</i>	To facilitate an enabling environment for investment by eliminating unnecessary red tape and providing incentives to investors.

<i>Property Encroachment Policy</i>	To prescribe rules to regulate how public and private property owners impose restrictions to their properties and also protect them from unauthorized entry or improper property blockage or invasion.
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### **C.5.1.3 Nquthu LM LED Strategy**

In 2015, Nquthu LM adopted an LED Strategy which is the blueprint upon which the approach of the municipality is based as far as economic development and transformation is concerned. The strategy was developed by the service provider due the lack of adequate internal capacity in the municipality. While some of the provisions of this strategy have become outdated due to the rapidly changing socio-economic environment, especially with regard to statistics; the fundamental findings, objectives, principles and the general economic situation remain relevant and applicable. So while the strategy shall undergo a review in due course, the strategy remains relevant and credible especially because the municipality is also utilizing the support and guidance of the district and provincial governments. This section shall extract important sections of this strategy and demonstrate through existing and planned programmes how this strategy is implemented. The LED Strategy is attached in the addendum of annexures.

### **C.5.1.4 The national, provincial and district policy framework and its application to Nquthu**

The box below provides an extract from Nquthu LED Strategy clearly detailing the implications of government policies of Nquthu local economic development:

#### ***THE NATIONAL POLICY FRAMEWORK***

#### ***The National Development Plan (NDP)***

*The NDP 2030 Vision spells out the following key development areas, which require focus:*

- *Creating jobs and livelihoods;*
- *Expanding infrastructure;*
- *Transition to a low-carbon economy;*
- *Transform urban and rural spaces;*
- *Improving education and training;*
- *Providing quality health care;*
- *Building a capable state;*
- *Fighting corruption and enhancing accountability;*
- *Transforming society and uniting the nation.*

#### ***Implication of NDP to Nquthu LED***

*The policy gives Nquthu Municipality a framework to set its own target in terms of poverty alleviation, job creation and inequality reduction. The municipality is also provided with a foundation to generate LED projects that are geared towards addressing the aforementioned NDP key development areas which is not only a compliance issue but addresses the socioeconomic wellbeing of the Nquthu society.*

### ***New Growth Path (NGP)***

*The emphasis of New Growth Path is to address unemployment, inequality and poverty. The policy is principally reliant on creating a significant increase in the number of new jobs in the economy, mainly in the private sector. The New Growth Path sets a target of creating five million jobs by 2020. This target is projected to reduce unemployment from 25% to 15%. The government acknowledges that this employment target can only be achieved if the social partners and government work together to address key structural challenges in the economy.*

*The government will focus on unlocking the employment potential in the following six key sectors:*

- 1) Infrastructure, through the massive expansion of transport, energy, water, communications capacity and housing, underpinned by a strong focus on domestic industry to supply the components for the build-programmes;*
- 2) The agricultural value chain, with a focus on expanding farm-output and employment and increasing the agri-processing sector;*
- 3) The mining value chain, with a particular emphasis on mineral beneficiation as well as on increasing the rate of minerals extraction;*
- 4) The green economy, with programmes in green energy, component manufacture and services;*
- 5) Manufacturing sectors in IPAP2 and;*
- 6) Tourism and certain high-level services*

### ***Implication of NGP to Nquthu LED***

*The NDP provides Nquthu LM with guidelines that allow incorporation of programmes and projects focused on key critical development areas / sectors such as agriculture, mining, manufacturing and green economy, and the improvement of bulk infrastructures in the municipal area.*

### ***Strategic Infrastructure Programme (SIP)***

*The government recently adopted an infrastructure plan that is to reshape the infrastructure landscape of South Arica. The infrastructure development focuses on provision of basic services and economic support infrastructure such as water, sanitation, logistics, electricity*

*and other sources of energy. The plan goes beyond the provision of the basic infrastructure services that affect the South African population but integrate the economies of Africa through the improvement and construction of road, railway network and sea ports. The plan sets out 18 strategic programmes that the Presidential Infrastructure Coordinating Commission (PICC) Team is integrating and coordinating the infrastructure build. These infrastructure programmes are to be rolled out in strategic areas within the South African borders.*

### ***Implication of SIP to Nquthu LED***

*Among all the 11 SIPs, SIP 11 (Agri-logistics and rural infrastructure) focuses on improving investment in agricultural and rural infrastructure that supports expansion of production and employment, smallscale 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 R&D on rural issues (including expansion of agricultural colleges), processing facilities (abattoirs, dairy infrastructure), aquaculture incubation schemes and rural tourism infrastructure. The Municipality should take advantage of this programme given that the municipality is rural and agriculture is the potential sector that can drive the municipality to economic prosperity.*

### ***Industrial Policy Action Plan***

*The Industrial Policy Action Plan (IPAP) was introduced as an overarching approach to industrial development, and is essentially a means to:*

- Facilitate diversification beyond the current reliance on traditional commodities and non-tradable services;*
- Facilitate the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy;*
- Promote a more labour-absorbing industrialisation path with a particular emphasis on tradable labour-absorbing goods and services and economic linkages that catalyse employment creation;*
- Promote a broader-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy; and*
- Contribute to industrial development on the African continent, with a strong emphasis on building its productive capacity.*
- The key sectors of this programme are clustered into three (3) areas, with a key action programme developed for each sector. Clusters 1 and 2 are the most relevant for the Nquthu Local Municipality.*
- Cluster 1 relates to new areas of focus such as 'green' and energy-saving industries, and*

*agroprocessing linked to food security.*

- *Cluster 2 is intended to broaden interventions in existing IPAP sectors such as automotive, pharmaceuticals and chemicals, clothing and textiles, bio-fuels and forestry, paper, pulp and furniture. It also seeks to strengthen linkages between traditional industries and tourism.*

#### ***Implication of IPAP to Nquthu LED***

*Nquthu does not have a manufacturing base but can promote agro-processing given its potential in its agriculture sector. The municipality can also align to the policy by:*

- *Facilitating financing for the expansion of real economic sectors;*
- *Leveraging both public and private procurement; and*
- *Aligning skills towards sectoral priorities and industry demand*

#### ***National Tourism Sector Strategy (NTSS)***

*The strategy seeks to reposition South Africa to the top 20 tourist destinations in the world by 2020, and it outlines the following strategic framework for a progressive shift towards this goal:*

- *Growing the tourism industry and improving its contribution to the national economy;*
- *Enhancing both local and international visitor experience;*
- *Promoting sustainable tourism and good governance across spheres of government.*

*The NTSS allocates functions such as development of tourism attractions, tourism infrastructure support and the general maintenance of the environment. It also requires local government to facilitate the establishment of duly accredited Local Tourism Boards as stakeholder representative structures.*

#### ***Implication of NTSS to Nquthu LED***

*The NTSS lays a framework for the municipality to promote tourism in its area of jurisdiction. It encourages municipality to provide infrastructure that support tourism and facilitate the development of tourism. There are renowned historical sites and an array of tourism products that the municipality can enhance. The improvement or development of the tourism sector can improve job creation and economic growth of Nquthu.*

#### ***The National Framework for LED***

*The framework outlines the following as the primary areas of focus for municipalities in facilitating LED:*

- *Provision of infrastructure and quality and reliable services;*
- *Managing spatial policies;*
- *Land-use regulation and development applications;*
- *Managing service tariff policies;*



- *Managing a progressive property tax system;*
- *Marketing the territory*

***Implication of National Framework for LED***

*The framework directs Nquthu to offer quality infrastructure, encourages it to provide good land use regulations, service tariffs and progressive property tax systems which are all key components to economic growth and development of Nquthu Municipality. The municipality is therefore expected to develop an LED Strategy that enhances the aforementioned key areas.*

***PROVINCIAL POLICY FRAMEWORK***

***Provincial Growth and Development Strategy (PGDS)***

*The KZN PGDS which is aligned to the NDP sets out short and medium term programmes and projects for the province that are geared towards the attainment of the vision 2030. The strategy summed up the attainment of the vision through seven (7) goals and thirty (30) strategic objectives.*

***Implication of PGDS to Nquthu LED***

*The reviewed Nquthu LED strategy should integrate the principles and strategic goals outlined within the PGDS, and tailor them to the local context. By doing so, the LED Strategy will not just be a tool for coordinating development locally, but also a means for the practical implementation of government’s economic development programmes. The achievement of the PGDS objectives and goals however, depends on the nature and extent of collaboration and partnership between the various LED Stakeholders.*

***Provincial Growth and Development Plan (PGDP)***

*The Provincial Growth and Development Plan (PGDP) provides for the implementation of the Provincial Growth and Development Strategy (PDGS). It outlines activities to be undertaken towards the attainment of each of the strategic goals and objectives. Therefore it clearly stipulates indicators and targets, strategic interventions and catalytic projects in support of the interventions. The aim of the PGDP is therefore to translate the strategy into a detailed implementation plan, inclusive of a detailed activity level framework with targets and responsibilities assigned to the appropriate government department.*

*In addition to the more detailed focus on the interventions identified, the PGDP proposes specific milestones/targets that will have to be achieved in priority sectors. It proposes indicators by which to measure success in achieving the goals and objectives of the PGDP and in doing this, also proposes how the growth trajectory could be shaped with targets to the year 2020 and 2030.*

### **Implication of PGDS to Nquthu LED**

*The LED should generate projects / programmes aligned to the goals and objectives of the PDGS. The LED Strategy should also set targets that can be translated into indicators to measure achievement of the LED Strategy towards the PGDS goals and objectives.*

### **KZN Investment Strategy (KIS)**

*The KZN Investment Strategy was introduced with the aim of attracting foreign and domestic investors to the province. The objective of the strategy is to create a conducive environment that can allow the private and public sectors work together in investing in productive industries thereby promoting the provincial economy and job creation. The key areas of focus of the strategy are:*

- *Improving structures and systems of investment promotion and facilitation, and working together;*
- *Attracting investment to meet job targets;*
- *Channelling resources to where they have the greatest impact (i.e. foreign countries, geographic areas, economic sectors);*
- *Ensuring that competitive advantages are utilised to the fullest and building on these;*
- *Alignment and integration with national, provincial and local policies, strategies and programmes (incl. Richards Bay IDZ, DTP);*
- *Maximisation of job creation and retention through business retention & expansion;*
- *Gaining optimal benefit from incentives such as DTI sector-based Incentives and service & utility incentives;*
- *Public sector investment into infrastructure to lead the private sector (incl. rural and small towns).*

### **Implication of KZN Investment Strategy to Nquthu LED**

*The Provincial Investment Strategy gives direction on how municipalities can participate in attracting investment in the province. The Nquthu LED Strategy should therefore facilitate attraction of investment in Nquthu. The strategy can do this by:*

- *Making firm suggestions on improving the business environment in Nquthu;*
- *Seeking to improve coordination between key stakeholders who are required to work together to promote and facilitate investment;*
- *Identifying key sectors and focus areas for inward investment (based on comparative advantages); and*
- *Promoting the sharing and development of research and information.*

### **KZN Export Strategy (KES)**

*The KZN Export Strategy was undertaken to identify the major challenges facing the province in terms export promotion and present implementable solutions to these challenges. In response*

to this, the

Strategy presents five key programmes:

- Programme No. 1: Enhancing the Export Climate and Competiveness;
- Programme No. 2: Improving Market Penetration;
- Programme No. 3: Exporter Development;
- Programme No. 4: Export Promotion;
- Programme No. 5: Export Strategy Performance Measurement, Management & Review

#### **Implication of KZN Export Strategy to Nquthu LED**

The municipality can achieve the objectives and goals of the strategies by:

- Ensuring there is a conducive business environment (minimise red-tape);
- Provision of the required bulk infrastructure;
- Efficient road and rail network;
- SMME and business development;
- Skills development and training;
- Promotion and facilitation of local exporters.

#### **KZN Small Enterprise Development Strategy (KSEDS)**

The KZN Small Enterprise Development Strategy (KSEDS) was developed to provide a framework for coordinating, orientating and guiding all small enterprise development programmes and related activities in the province of KwaZulu-Natal. The key objective of the strategy are as follows:

- Developing entrepreneurship skills;
- Facilitating easy access to local and international markets;
- Facilitating access to finance;
- Providing relevant and effective training to small enterprise operators; and
- Facilitating a mentoring and incubation programme for all small enterprises in KZN

#### **Implication of KSEDS to Nquthu LED**

The strategy offers a platform for the municipality to thrive towards growing its SMMEs. The LED Strategy is expected to generate precise interventions that enhance the growth and development of SMMEs in the municipal area.

### **UMZINYATHI DISTRICT POLICY FRAMEWORK**

#### **UMzinyathi Local Economic Development Strategy**

uMzinyathi District Municipality developed its LED Strategy in 2008/2009 and reviewed it in 2013/14.

The primary aims and objectives of the LED strategy are:

- To provide facilitation for partnership initiatives that exploit the district's

*competitive advantage;*

- *To develop a practical and implementable LED Strategy and Programme for the District; and*
- *To provide institutional support to the District and local LED units within the municipalities and to strengthen networking and co-ordination between local government, business chambers and sector business networks through a process of mentorship and support for institutional development.*

*To get the economy rolling, the District Municipality established or intends to establish the following:*

- *Economic Development Agency;*
- *Establish Economic services Zones (to create a vibrant economy);*

*The district further intends to support implementation of the following programmes:*

- *Agricultural development and diversification;*
- *Tourism Development;*
- *Infrastructure Development;*
- *Mining Development;*
- *SMME development;*
- *Skills Development (establishment of small business support centres in partnership with SEDA and other institutions)*

#### ***Implications of UDM LED Strategy to Nquthu LED***

*Nquthu Municipality has a role to play in the District's economy. The municipality has some of the key sectors that the District LED is pursuing. The LED should therefore consider programmes that are aligned to the District LED Strategy (i.e. tourism, infrastructure, SMME Development and agriculture projects).*

#### ***UMzinyathi Spatial Development Framework***

*The District SDF points out the following as the fundamental purpose of the SDF:*

- *To improve the physical environment of the community as a setting for human activities- to make it more functional, beautiful, decent, healthful, interesting, and efficient;*
- *To promote the public interest, the interest of the community at large, rather than the interests of individuals or special groups within the community;*
- *To facilitate the democratic determination and implementation of community policies on physical development;*
- *To effect political and technical coordination in community development; and*
- *To inject long-range considerations into the determination of short-range actions.*

#### ***Implication of Umzinyathi DM SDF to Nquthu LED***

*The municipal LED will consider the fundamental purposes of the District SDF when proposing*

#### **C.5.1.5 Nquthu LM perspective on radical socio-economic transformation**

South Africa is witnessing an intensive debate around the issue of an accelerated socio-economic transformation especially to the benefit of the previously oppressed groups, Africans in particular. This debate is necessary and important.

First and foremost, the concept of radical socio-economic transformation is not new, the difference now is that it has been placed firmly in the public discourse and is debated vigorously, which is a good thing. In terms of policy, BBBEE, PPPFA and other related policies reflect a radical approach in designing policy instruments to drive economic transformation in South Africa, what has been lacking is the debate about how these policies can be best implemented to produce the desired results. In terms of implementation, there have been pockets of successes although the overall outcome has been that of poor economic transformation or redistribution, reflecting poor implementation. The Ithala SOC (previously KwaZulu Finance Corporation) also demonstrates that the empowerment of the previously disadvantaged groups is an old concept. Secondly, this debate should be viewed as a national interest and transformation issue that goes beyond political orientation. Thirdly, it should be viewed beyond public procurement and equity ownership. Indeed, public procurement and equity ownership are strategic levers of economic transformation and wealth distribution that are at the disposal of government and should be utilized fully; but focus must also be put firmly on the productive side of business whereby people produce the product or design the services that are procured, not just be the middlemen between the procuring state and those who owns the means of production. And lastly, this debate should be used as a platform to produce innovative and practical ideas and/or approaches that can be used to bring about real economic development and socio-economic transformation. And therefore; every sphere of government and/or organ of government should clearly define their role and ensure that they implement clear, coherent, pragmatic and relentless economic development and transformation programmes within their sphere of influence, without hesitation and without fail.

The local sphere of government occupies a very strategic position because it is closer to the people and clearly understands the economic dynamics of a particular locality. Municipalities have at their disposal adequate instruments to effect economic development and transformation, especially through innovative and transformational public procurement practices and also aggressively supporting local enterprises.

Nquthu LM believes that the following approaches may yield the desired results in a drive to develop and transform the economy of Nquthu moving forward:

- **Subcontracting programme:** Nquthu LM is already implementing a 30% subcontracting programme on all construction projects. In terms of PPPFA regulations, subcontracting is

compulsory for all tenders above R30million, most of local tenders are much lower since Nquthu is a low capacity municipality. So the municipality resolved to use the subcontracting as one of the conditions of tender since the R30million threshold is too high for a low capacity municipality.

- **Cooperatives formation and training:** Nquthu LM has also embarked on an aggressive cooperative registration and training programme that is the first phase in creating a framework for spreading the benefits of public procurement to as many people as possible. Nquthu LM has a partnership with the Durban University of Technology Business development Unit through the support of Umzinyathi DM. This unit conduct competency training to endow small and aspirant business people with the required skills to run their businesses.
- **Market and/or opportunity identification:** there is ample economic opportunity within the value chain of products and services that the municipality and other organs of government require through public procurement processes. With the right support and long term contracts, some of the products and services procured can be sourced from emerging local enterprises so that they can establish themselves before they venture into the open business environment of serious competition. This is especially important for products and services that do not require specialized skills and/or expertise to provide like, for example; building materials, work-wear/uniforms, bulk fuel supply for government fleet, furniture, etc.
- **Trading among and between SMMEs:** local SMMEs at a district and local levels must engage and determine the kind of products and services that each business require to conduct business and thereafter determine how can they trade among themselves by providing services to each other. One example of this potential cooperation and/or trade among SMMEs unemployed graduates in the district can form a cooperative whereby they provide financial management services to local SMMEs to ensure that their financial systems and management practices are solid and sound. Another example of potential trade practice among local SMMEs can take place within the taxi industry whereby local small enterprises can provide maintenance work to the taxi industry while other supply maintenance products like tyres, brakes, etc.
- **Innovative procurement practices:** public procurement is the most accessible and effective instrument of local economic development and transformation at a local level. But such instrument needs to be utilized effectively and wisely to extract real economic benefit for local enterprises. Among the alternatives that Nquthu LM will explore in this regard, are the following; (1) including the objective criteria as a condition for all tender whenever and wherever possible, (2) publishing procurement plans so that local businesses prepare and plan their bids in advance and (3) train local service providers about means to source funding from institutions like Ithala whenever the municipality has awarded a contract.



- **Encouraging joint ventures:** the municipality shall encourage emerging businesses to partner with experienced businesses to ensure that they also grow and acquire field experience, especially in construction.
- **Worker cooperatives as a form of outsourcing:** for low skill outsourced services like security, the municipality shall introduce a concept whereby people with security qualifications form worker cooperatives so that they benefit both as workers and also shareholders. If such worker cooperatives do not meet the minimum requirements they should embark on joint ventures.

### Economic profile of Nquthu

#### (a) Economic drivers of Nquthu

While the figures used by the LED Strategy dates back to 2013, a closer observation reveal that there has not been much changes in terms of economic structure, what is progressively changing are economic figures in terms of growth and inflation. The contribution to the economy in terms of GVA remains more or less the same. The tables illustrate Nquthu economic drivers in terms of GVA contribution and employment creation.

Sector	uMzinyathi	Endumeni	Nquthu	Msinga	uMvoti
Agriculture	10,5	8,2	10,9	7,6	13,2
Mining and quarrying	3,6	6,1	2,7	1,1	2,8
Manufacturing	13,1	11,9	10,0	10,5	15,9
Electricity	2,9	4,4	0,6	1,4	3,1
Construction	4,0	6,4	1,4	9,1	1,2
Wholesale & retail trade	18,4	13,9	27,2	15,9	19,5
Transport	8,7	9,2	6,8	13,6	7,2
Finance	12,5	11,5	12,4	10,0	14,3
Community	7,7	5,2	8,5	10,0	8,4
Government	18,7	23,1	19,6	20,6	14,3

Source: Calculation based on Quantec data 2013

#### (GVA contribution in %)

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Sector	uMzinyathi	Endumeni	Nquthu	Msinga	uMvoti
Agriculture	10,7	7,9	11,0	7,0	13,8
Mining and quarrying	2,0	4,2	1,3	0,7	1,3
Manufacturing	7,4	7,5	6,2	7,0	8,0
Electricity	0,2	0,4	0,0	0,1	0,2
Construction	7,0	11,3	3,9	12,2	3,3
Wholesale & retail trade	23,7	20,8	30,0	19,9	24,7
Transport	4,8	5,6	4,1	7,5	3,5
Finance	7,7	6,9	8,1	6,0	8,7
Community	20,1	16,5	16,7	20,5	23,5
Government	16,5	18,8	18,8	19,3	13,2

Source: Calculation based on Quantec data 2013

### (Employment contribution in %)

(b) Potential and/or competitiveness of different economic sectors in Nquthu

This section, based on competitiveness assessment extracted for the LED Strategy, illustrate the potential and/or competitiveness of different economic sectors of Nquthu to provide a clear picture of the current economic situation, identify challenges or weakness and also identify opportunities.

POSITIVE FACTORS (+)	NEGATIVE FACTORS (-VE)
<b>FACTOR CONDITIONS</b>	
+ Abundant land; + Access roads; + Abundant grazing land	- Poor soil type (not viable for vegetable farming); - Lack of water / rainfall; - Lack of river / streams
<b>FIRM STRUCTURE &amp; RIVALRY (+/-)</b>	
+ New opportunities (sisal, groundnut, sheep farming, cattle farming, etc.);	- Lack of adoption of knowledge by the farmers; - Small scale farmers and not competitive; - Farming not considered as a business - A good number of "non-commercial" producers;
<b>DEMAND CONDITIONS (MARKETS) (+)</b>	
+ Large local population; + Opportunities to supply local retailers; + Immense value chain opportunities; + Relatively easy access to regional markets	- Lack of fresh produce market; - Lack of livestock market
<b>RELATING AND SUPPORTING INDUSTRIES (-)</b>	
+ Existence of farmers association (livestock association, agriculture forum);	- Associations not effectively used to grow the sector;
+ Existence of business chamber	- Business Chamber not effectively in operation
<b>GOVERNMENT (-)</b>	
+ Technical support; + Financial Support; + KZN (PSEDS 2009), identified an agricultural corridor traversing Nquthu Municipality	- Understaffed Extension Officers; - Delay in repairs on broken farm equipment (department of agriculture)

Source: Nquthu LED Strategy

## Agricultural sector

POSITIVE FACTORS (+)	NEGATIVE FACTORS (-VE)
<b>FACTOR CONDITIONS</b>	
<ul style="list-style-type: none"> <li>+ Hundreds of recorded archaeological sites;</li> <li>+ Many heritage sites;</li> <li>+ Anglo Zulu War Monuments;</li> <li>+ Anglo-Boer War Monuments;</li> <li>+ Nquthu sites falls within the battlefields route</li> </ul>	<ul style="list-style-type: none"> <li>- Products not well packaged;</li> <li>- Lack of tour guides;</li> <li>- Lack of information centre</li> </ul>
<b>FIRM STRUCTURE &amp; RIVALRY (+/-)</b>	
<ul style="list-style-type: none"> <li>+ Opportunities exist (accommodation, cultural tourism, arts &amp; crafts, food, etc.);</li> <li>+/- Well established lodge;</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of accommodation facilities;</li> <li>- Products included as Dundee's</li> </ul>
<b>DEMAND CONDITIONS (MARKETS) (+)</b>	
<ul style="list-style-type: none"> <li>+ Increase in local tourism;</li> <li>+ Relatively easy access to regional markets</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of / poor marketing of the products;</li> <li>- Limited attention to skills development;</li> <li>- Seasonal nature of demand (and specific periods in season);</li> <li>- Lack of international tourists;</li> </ul>
<b>RELATING AND SUPPORTING INDUSTRIES (-)</b>	
<ul style="list-style-type: none"> <li>+ Community Tourism Organization;</li> <li>+ Tourism Centre</li> </ul>	<ul style="list-style-type: none"> <li>- Tourism Association not functioning;</li> <li>- Tourism Centre not yet in operation</li> </ul>
<b>GOVERNMENT (-)</b>	
<ul style="list-style-type: none"> <li>+ Existence of Municipal Tourism Practitioner;</li> <li>+ Clear National Tourism Strategy</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of tourism budget from municipality;</li> <li>- Little focus has been directed to the tourism sector;</li> </ul>

**Source:** Nquthu LED Strategy

## Tourism sector

POSITIVE FACTORS (+)	NEGATIVE FACTORS (-VE)
<b>FACTOR CONDITIONS</b>	
<ul style="list-style-type: none"> <li>+/- High pedestrian movements in Nquthu Town;</li> <li>+ Growing informal trading</li> </ul>	<ul style="list-style-type: none"> <li>- Pressure for municipality to provide services in town;</li> </ul>
<b>FIRM STRUCTURE &amp; RIVALRY (+/-)</b>	
<ul style="list-style-type: none"> <li>+ Informal traders sale a range of products;</li> </ul>	<ul style="list-style-type: none"> <li>- Informal trading concentrated in Nquthu Town;</li> <li>- Majority of traders are survivalists;</li> </ul>
<b>DEMAND CONDITIONS (MARKETS) (+)</b>	
<ul style="list-style-type: none"> <li>+ Good population buying goods from informal traders;</li> </ul>	<ul style="list-style-type: none"> <li>- Majority of rural population is of low income;</li> </ul>
<b>RELATING AND SUPPORTING INDUSTRIES (-)</b>	
<ul style="list-style-type: none"> <li>+ Existence of business chamber;</li> <li>+ Existence of other business associations</li> <li>+ Taxi rank in Nquthu Town;</li> <li>+ Nquthu Plaza</li> </ul>	<ul style="list-style-type: none"> <li>- Narrow view of informal economy;</li> </ul>
<b>GOVERNMENT (-)</b>	
<ul style="list-style-type: none"> <li>+ LED and other related capacity in Nquthu;</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of trading facilities;</li> </ul>

<p>+ Existence of Informal Traders Strategy;</p>	<ul style="list-style-type: none"> <li>- Poor drainage systems;</li> <li>- Lack of / poor refuse removal services;</li> <li>- Lack of ablution facilities;;</li> <li>- Lack of trading regulations;</li> <li>- Lack of water and electricity;</li> <li>- Lack of business support (capacity building, marketing, information);</li> <li>- Difficulties in obtaining trading licence/permit;</li> <li>- Lack of synergies between municipal officials and informal traders;</li> </ul>
<p><b>Source:</b> Nquthu LED Strategy <b>Informal sector</b></p>	

All these sectors are important to the economy of Nquthu and have to be developed simultaneously to ensure a balanced local economy. Emphasis need to be put on supporting the informal, agricultural sector and also the taxi industry because they contribute directly to income generation for local residents.

#### **C.5.1.6 Nquthu LED strategies**

The LED Strategy has identified quite a number of strategies that have to be employed by the municipality to accelerate and/or ensure economic development in Nquthu. Indeed, not all of these strategies can be implemented as desired because of institutional and financial constraints, however; they provide the necessary direction and constitute a framework that must inform all municipal LED programmes and projects.

These strategies are listed in a series of tables starting from the next page:

STRATEGY	STRATEGIC PROGRAMMES	PROJECTS / ACTIVITIES
<b>AGRICULTURE</b>		
<b>1. Unleash and diversify Agriculture Sector</b>	1.1. Promote other farming practices	1.1.1. Develop Agriculture Development Plan; 1.1.2. Undertake bioresearch study and mapping;
	1.2. Promote agro-processing	1.2.1. Undertake feasibility study;
	1.3. Improve water supply	1.3.1. Facilitate irrigation systems to strategic agriculture land; 1.3.2. Rehabilitate municipal water catchment areas; 1.3.3. Facilitate establishment of irrigation schemes
	1.4. Facilitate training / skills capacity to farmers	1.4.1. Facilitate training for farmers to participate in SEDA, DAEA or DEDT programmes; 1.4.2. Train farmers and cooperatives to operate their farming / agricultural activities as business;
	1.5. Facilitate establishment of farming facilities	1.5.1. Establish a sheep market & training facility; 1.5.2. Facilitate establishment of livestock and a fresh produce market; 1.5.3. Facilitate feasibility study for abattoir; 1.5.4. Facilitate fencing of grazing camps
	1.6. Strengthen farmers' association	1.6.1. Mobilize local farmers to strengthen the farmers' association; 1.6.2. Develop a formal platform for frequent engagement between Agricultural Association, municipal officials and other relevant stakeholders like the DAEA, AFASA and ADA; 1.6.3. Encourage farmers association to actively participate in IDP Rep Forum 1.6.4. Undertake agriculture awareness campaigns
STRATEGY	STRATEGIC PROGRAMMES	PROJECTS / ACTIVITIES
<b>TOURISM</b>		
<b>2. Develop &amp; Support the Tourism Sector</b>	2.1. Undertake road names & improve tourism signage	2.1.1. Undertake road naming of municipal roads; 2.1.2. Improve tourism signage
	2.2. Improve road conditions to tourism products	2.2.1. Identify and improve all roads leading to tourism products
	2.3. Rehabilitate the Tourism Information Centre;	2.3.1. Renovate the Tourism Information Centre; 2.3.2. Equip the centre with the necessary information material
	2.4. Packaging of the Tourism Products;	2.4.1. Identify and package all municipal tourism products; 2.4.2. Integrate municipal tourism initiatives with Battlefield initiatives
	2.5. Marketing and Promotion;	2.5.1. Develop a tourism product webpage and incorporate information on travel routes and tourism destinations
	2.6. Promote Community Based Tourism;	2.6.1. Undertake community tourism awareness campaigns
	2.7. Increase LED Budget	2.7.1. Develop a multi-year budget linked to MTEF for an LED Program
	2.8. Develop a Tourism Strategy / Plan	2.8.1. Facilitate development of a Tourism Strategy / Plan
<b>COMMERCIAL</b>		
<b>3. Develop and Support the Commercial Sector</b>	3.1. Unlock land parcels for commercial development	3.1.1. Identify land with potential for commercial development; 3.1.2. Negotiate with land owners to transfer ownership to municipality or convince land owners to allow land to be invested
	3.2. Improve property rates	3.2.1. Review property rates policy
	3.3. Improve communication between investors and municipality	3.3.1. Develop communication plan / strategy to improve communication between municipality and investors
<b>SMME AND INFORMAL ECONOMY</b>		
<b>4. SMME Development and Support to the Informal Economy</b>	4.1. Provision of SMME / Informal Traders Infrastructure	4.1.1. Facilitate construction of trading stalls / kiosks; 4.1.2. Facilitate construction of informal traders market;



		4.1.3. Facilitate construction of ablution facilities on all informal traders markets/stalls; 4.1.4. Facilitate development of SMME trading centres in rural nodes; 4.1.5. Facilitate development of light and service industrial parks on municipal land; 4.1.6. Facilitate finalization of Thusong Centre Agreements (Jama & Molefe)
	4.2. Facilitation of Business Support	4.2.1. Establish a business incubation program based on an SMME hub concept in each of the major economic centres; 4.2.2. Introduce an electronic SMME opportunity advisory system; 4.2.3. Develop and maintain an SMME database; 4.2.4. Review street trading bylaws
	4.3. Business Retention and Expansion	4.3.1. Facilitate development of a Business Development & Retention Strategy
	4.4. Enhance Local Procurement	4.4.1. Review / develop procurement policy framework to make provision for the targeted procurement of certain goods and services from local SMMEs; 4.4.2. Encourage SMMEs that qualify to deliver goods / services to register in the municipal database; 4.4.3. Identify and ring-fence specified contracts for local SMMEs
<b>STRATEGY</b>	<b>STRATEGIC PROGRAMMES</b>	<b>PROJECTS / ACTIVITIES</b>

<b>STRATEGY</b>	<b>STRATEGIC PROGRAMMES</b>	<b>PROJECTS / ACTIVITIES</b>
<b>INVESTMENT ATTRACTION</b>		
<b>5. Facilitate Investment Attraction to Nquthu</b>	5.1. Develop an Investment Attraction Strategy	5.1.1. Facilitate development of an Investment Attraction Strategy
<b>YOUNG ENTERPRISE / ENTREPRENEURS</b>		
<b>6. Promote Young Enterprise / Entrepreneurs</b>	6.1. Sector-Specific Youth Catalytic Projects	6.1.1. Package the existing business opportunities; 6.1.2. Leveraging pre-formation, formation and funding support; 6.1.3. Develop Youth Database.
	6.2. Nquthu Youth Service Programme	6.2.1. Engage young people in the delivery of services to communities; 6.2.2. Inculcate in young people an understanding of their role;
		6.2.3. Inculcate a culture of service to communities; 6.2.4. Develop the skills, knowledge and abilities of young people; 6.2.5. Improve youth employability through opportunities for skills development, work experience and support 6.2.6. Develop Youth Development Strategy
	6.3. Young person to work programme	6.3.1. Influence young people to choose careers in the area of industrial and enterprise development 6.3.2. Market the Municipality and DTI and its services to young people 6.3.3. Develop Job Creation Strategy
	6.4. Youth Entrepreneurship Competition Awards	6.4.1. Initiate Entrepreneurial Bursary Award; 6.4.2. Initiate Youth Enterprise Award; 6.4.3. Initiate Entrepreneurial Ambassador Award
<b>STRATEGY</b>	<b>STRATEGIC PROGRAMMES</b>	<b>PROJECTS / ACTIVITIES</b>
<b>LED UNIT INSTITUTIONAL CAPACITY</b>		
<b>7. Improve the Institutional Capacity of the LED Unit</b>	6.1. Restructuring LED Unit / Organogram;	6.1.1. Review LED Organogram
	6.2. Appointing LED Practitioner / Business and Cultural / Heritage Practitioner	6.1.2. Facilitate recruitment of LED Practitioner / Business and Cultural / Heritage Practitioner



SKILLS AND CAPACITY BUILDING		
8. Promote Education, Skills and Capacity Development	7.1. Skills training and capacity development	7.1.1. Facilitate training for farmers, SMME and informal businesses (SEDA or DEDT programme);
		7.1.2. Facilitate the establishment of small business incubator / satellite (for SMMEs and cooperatives skills development);
		7.1.3. Promote trades (like hairdressers, carpenters, electricians, plumbers, etc.) as employment opportunities to young people;
		7.1.4. Provide an on-going accredited LED training for the LED portfolio councillors;
		7.1.5. Workshop senior and middle management on the mainstreaming of LED in the municipal service delivery program;
		7.1.6. Facilitate on-going staff training and skills development
	7.2. Development of relationships between industry and tertiary / training institutions	7.2.1. Establish a platform for engagement between training / tertiary institutions and business to ensure programmes are aligned with industry demand
	7.3. Retention of skilled residents	7.3.1. Develop a marketing and retention programme in conjunction with Business Organisations in order to retain skilled residents in Nquthu.
STRATEGY	STRATEGIC PROGRAMMES	PROJECTS / ACTIVITIES
LED GOVERNANCE		
9. Improve Local Economic Governance	8.1. Forward planning development frameworks	8.1.1. Formulate development frameworks for development nodes identified in the SDF;
		8.1.2. Facilitate the preparation of a rural development framework and the associated framework plans;
	8.2. Effective bylaws and other regulations that impact on business performance	8.1.3. Identify and map unsettled land with good to high agriculture potential and impose restrictions;
		8.1.4. Enforce the municipal town planning scheme;
8.3. Settlement Plans	8.1.5. Clamp down on unauthorized land uses;	8.1.5. Clamp down on unauthorized land uses;
		8.1.6. Facilitate implementation of Urban Design Framework
	8.2.1. Develop Property Rates Policy / bylaws;	8.2.1. Develop Property Rates Policy / bylaws;
		8.2.2. Develop Trading bylaws;
	8.2.3. Review credit control and debt management by-laws	8.2.3. Review credit control and debt management by-laws
		8.3.1. Categorise agricultural land including land suitable for grazing, crop production, and irrigated farming;
	8.3.2. Confirm development nodes and provide guidance for the clustering of public facilities and services in each of these areas;	
		8.3.3. Ascertain infrastructure required to unlock development opportunities and potential in various nodes / areas;
	8.3.4. Establish a framework for housing development and transformation of these areas into sustainable rural human settlements;	
		8.3.5. Identify poverty alleviation and rural development projects;
8.3.6. Facilitate an agreement with the traditional councils on planning & development of human settlements;	8.3.6. Facilitate an agreement with the traditional councils on planning & development of human settlements;	
	8.3.7. Facilitate preparation of settlement plans for each rural settlement in association with traditional councils	8.3.7. Facilitate preparation of settlement plans for each rural settlement in association with traditional councils
8.4. Review of supply chain management systems		8.4.1. Facilitate review of SCM Systems to give preference to local procurement of municipal goods and services;
	8.4.2. Develop and maintain a database of all local emerging construction companies;	
	8.4.3. Break down certain portion of capital contract into smaller scale to support small scale contractors e.g. <ul style="list-style-type: none"> <li>• Construction</li> <li>• Other construction (head walls, installation of road signs, gabions, guard rails, course ways, pedestrian pavements, etc.</li> <li>• Building (plastering, plumbing, painting, electrification, other small jobs)</li> </ul>	
STRATEGY	STRATEGIC PROGRAMMES	PROJECTS / ACTIVITIES

STRATEGIC ECONOMIC INFRASTRUCTURE		
10. Improve Strategic Economic Infrastructure	9.1. Water and sanitation	9.1.1. Facilitate provision of water to areas earmarked for economic development (e.g. commercial, agro-processing industry, market, etc.); 9.1.2. Elevate the sewer systems particularly in town and economic nodes to cope with an increase in demand and provide for future expansion and growth; 9.1.3. Develop irrigation infrastructure on potential agriculture land; 9.1.4. Establish and maintain a storm water management system
	9.2. Roads and transportation infrastructure	9.2.1. Identify critical roads that require upgrading in view of their potential to unlock some economic development opportunities and improve economic linkages; 9.2.2. Engage the DOT/Transport Forum to prioritize development of roads with potential to unlock economic development potential;
		9.2.3. Facilitate formulation of a roads and public transport master plan for the municipality; 9.2.4. Facilitate fencing of the taxi rank at Nquthu Town; 9.2.5. Participate in the Rural Road Transport Forum; 9.2.6. Facilitate upgrading of CBD road infrastructure; 9.2.7. Facilitate continuous maintenance of municipal plant & equipment
	9.3. Electricity	9.3.1. Assist Eskom with the identification and prioritization of electrification projects; 9.3.2. Engage Eskom about the provision of electricity in all areas that have been earmarked for agri-processing, agriculture, tourism and potential commercial centres; 9.3.3. Provide / upgrade of electricity in all development nodes; 9.3.4. Develop an Electricity Master Plan for the municipality
	9.4. Solid Waste Management	9.4.1. Improve refuse removal services in the CBD and other municipal economic nodes; 9.4.2. Facilitate development of an Integrated Waste Management Plan (IWMP)
STRATEGY	STRATEGIC PROGRAMMES	PROJECTS / ACTIVITIES
ANCHOR PROJECTS		
11. Initiate development of Anchor Projects	9.2. Undertake feasibility studies on potential anchor projects	Undertake feasibility studies on: 9.2.1. Traditional Hub 9.2.2. St Augustine Spring Water Project; 9.2.3. Hotel Resort Project; 9.2.4. Airstrip Development; 9.2.5. Further Education & Training Centre; 9.2.6. Stone crushing plant

### C.5.1.7 Current LED programmes and projects

Nquthu LM has embarked on a number of programmes aimed at supporting local SMMEs and informal traders who are contributing greatly to addressing the challenge of unemployment and lack of income to different households. Among others, the municipality has embarked on the following programmes:

- **Cooperative establishment support:** the LED office directly provide assistance to people who are registering businesses to ensure that they understand all applicable processes and all relevant compliance matters.
- **Business management training:** the LED unit also from time to time organizes business management training to small businesses to provide them with basic required skills that is needed to grow and sustain a business.
- **Agricultural support:** on the agricultural side, the LED unit has two tractors that are used to assist agricultural cooperatives with soil cultivation and also provide fencing for crop-fields as far as the budget allows. A total of R600 000 has been invested in fencing alone in the 2018/19 financial year.
- **Subcontracting:** the subcontracting programme has already started and is progressing smoothly and the municipality plan extending its scope. The main purpose of the subcontracting programme is to enable skills transfer and also allow emerging contractors to progress in terms of their grading.
- **Sheep and wool project:** this project is located in Ward 13 and aims to enable community run enterprises to get into the field of livestock farming with a particular emphasis on wool production. Construction of all required buildings has been completed, the municipality is now planning to procure the necessary equipment, sheep and conduct all the necessary training for people who will directly operate this project.
- **Driver's licence programme:** the municipality identified driver's licence as one of the foremost requirement that disadvantage the youth of Nquthu from finding jobs. This because in most cases, especially in the public sector which is the biggest employer in Nquthu; the driver's licence is one of the main requirements. Therefore; the municipality initiated a driver's licence programme whereby thirty four (34) youths (two per ward) are sponsored by the municipality to attain driver's licence. This programme is progressing very well and shall be improved and expanded going forward, subject to availability of financial resources.
- **Poverty alleviation:** in the 2018/19 financial year, a total of R1.2million was invested in poverty alleviation programme which takes the form of buying equipment that cooperatives need to perform their business activities. These include tents, chairs, catering equipment and other kinds of equipment as required.

- **Umzinyathi DM alien plant eradication programme:** Umzinyathi DM initiated a huge alien plant eradication programme situated at Jabavu area alongside Umzinyathi river in Ward 12 and Ngonini area in Ward 10. This programme is very important in terms of preventing the invasion of alien plants and also creating work opportunities, in total, eighty five (85) people are employed in this programme.

*Report on LED programmes to date*

### **Subcontracting programme**

The LED section in its initiative to develop Small Medium Micro Enterprises within Nquthu Municipality established a Subcontracting Program. The Program is aimed at growing these businesses through Subcontracting on Municipal Big Projects. The Municipality, through the LED Section, facilitates the process of linking appointed main contractors with potential Local Subcontractors.

### **COMPLETED PROJECTS FROM AUGUST 2018 TO MAY 2019**

<b>COMPANY NAME</b>	<b>PROJECT NAME</b>	<b>VALUE OF PROJECT</b>	<b>COMPLETION DATE</b>	<b>WARD</b>
Tibello Construction	Savuye Gravel Road	R277 651.50	06 August 2018	03
Gonizwe (PTY) LTD	Savuye Gravel Road	R279 641.25	06 August 2018	03
Ekwandeni (PTY) LTD	Ubemba Access Road	R279 840.50	21 September 2018	01
Mgedwana Trading	Ubemba Access Road	R268 950.50	21 September 2018	01
Fourways (PTY) LTD	Nhloya Bridge	R161 000.00	28 September 2018	10
Zime-du Trading	Nquthu Southern Road Phase 1	R 268 000.00	December 2018	14
Mazwai Construction	Nquthu Southern Road Phase 1	R 464 984.10	November 2018	14
Amaphozi (PTY)	Ekudukeni Gravel	R 198 402.00	November 2018	17

LTD	Road			
Nkunzemnyama	Springlake Sports Field	(PLANT HIRE)	November 2018	12
Monzamnyama Construction	Nquthu Southern Road Phase 1	R 1 115 760.10	04 April 2019	14

**THEY HAVE SUCCESSFULLY COMPLETED THE FOLLOWING TASKS:**

- Installation of Storm Water Pipes
- Construction of Storm Water Headwalls
- Construction of Storm Water Catch pits
- Grouted Stone Pitching
- Installation of permanent Traffic signs
- Construction of Gabions
- Erection of Permanent Signs
- Health and safety requirements
- Environmental requirements
- Manholes , catch pits , precast inlet and outlet structures

**PROJECTS CURRENTLY ON PROGRESS STATUS (MAY 2019):**

COMPANY NAME	PROJECT NAME	VALUE OF PROJECT	STATUS	WARD
KwaMazwane (PTY) LTD	Eziqhazeni Hall	R 246 052.79	Subcontractor established on site in October 2018 and so far 50% of work is completed due to issues that we encountering on site	15
Tiyoyo (PTY) LTD	Springlake Sports Field	R 189 232.72	Subcontractor established on site in November 2018 and so far 90% of	12

			work is completed	
Gonizwe (PTY) LTD	Nquthu Southern Road Phase 2	R240 675.80	Subcontractor established on site on the 3 <sup>rd</sup> of April 2019 and so far 60% of work is completed	14
Sogaduzela Trading	Nquthu Southern Road Phase 2	R181 850.00	Subcontractor established on site on the 3 <sup>rd</sup> of April 2019 and so far 50% of work is completed	14
Mashedemqethule (PTY) LTD	Nquthu Southern Road Phase 2	R191 800.00	Subcontractor established on site on the 3 <sup>rd</sup> of April 2019 and so far 55% of work is completed	14
Cuwana Trading	Nquthu Southern Road Phase 2	R205 750.00	Subcontractor established on site on the 3 <sup>rd</sup> of April 2019 and 50% of work is done	14
Syolugcina (PTY) LTD	Nquthu Southern Road Phase 2	R185 005.75	Subcontractor established on site on the 3 <sup>rd</sup> of April 2019 and 50% of work is done	14
Bongeliwe Trading	Nquthu Traffic Offices	R110 000.00	Main contractor have issues on site hence the delay on establishment from subcontractor	14



One of our main objective is to Nurture, empower and develop our local emerging and small enterprises, we have managed to grow 3 of our emerging contractors:

- Tibello Construction
- Gonizwe (PTY) LTD
- Amaphozi (PTY) LTD

They have all moved from CIDB Stage 1 to CIDB stage 2

- Mazwai Construction is also in a process of moving from stage 2 to stage 3

#### **CHALLENGES:**

We do encounter operational challenges mainly on:

- Late appointed of subcontractor by main contractor
- Late delivery of Material on site by main contractor
- Incorrectly priced of Bill Of Quantities ( Main contractor add totals of the work that will not be done by subcontractor on Subcontractors BOQ and that causes conflict)
- Short payments and Late payments of invoices
- Local laborers demanding high salaries
- Community threatening subcontractors

#### **Subcontracting policy**

The Subcontracting policy have been developed and approved by Council to address some of the challenges mentioned above. This policy will be further developed as the municipality also plans to extend subcontracting to expand beyond construction projects and look at other areas like security and auditing to ensure that procurement benefits are equitably distributed to local small businesses, especially the youth, disabled and women.

#### **C.5.1.8 Expanded Public Works Programme**

This programme is located in the municipality's Technical Services department. However, the LED unit works with all internal and external departments in the planning and execution of any programme that has a potential to yield economic benefits for the people. Therefore, the LED unit does participate fully in the planning and monitor the progress and impact of EPWP programmes within the municipality, but the actual supervision of such programme falls under Technical Services because of the nature of the work that is performed by EPWP beneficiaries.

### C.5.1.9 Planned LED programmes

<b>Short term</b> <i>(programmes that the municipality seeks to immediately implement and achieve)</i>	
<b>Programme name</b>	<b>Programme description</b>
<i>Subcontracting</i>	Ensuring that all qualifying construction related tenders contain subcontracting as a tender requirement so that that they can impart skills to emerging contractors and also ensure that they benefit financially from public procurement and also improve their grading. This programme has been started already, but it still has to be improved and expanded.
<i>Business registration support</i>	The municipality is to help existing and new businesses to register as formal entities so that whenever opportunities arise those businesses are recognized. The municipality has already started a programme to register cooperatives, but it needs to expand to other forms of ownership and also target existing businesses that are not registered.
<i>Agricultural support</i>	The municipal shall intensify its agricultural support programme for purpose of both food security and trading. One of the major challenges identified in agriculture is lack of fencing and water scarcity. The municipality will intensify its fencing programme to protect the produce of farmers, especially cooperatives and/or communal gardens. Working with DARD, Umzinyathi DM and other stakeholders, the municipality will also facilitate training to improve the skills and knowledge of those who are devoted to agriculture. The municipality will also encourage the youth to see agriculture as one of the important economic development and poverty alleviation instrument. <b>The Nquthu Agricultural Support Plan is attached to the addendum of annexures.</b>
<i>Business management skills training</i>	This programme has also been started and implemented by the municipality. However, it stills needs to be intensified and its scope expanded to provide specific and specialized training to cater for specific needs or to address specific skills deficit in existing businesses. For example, most businesses owners do not have adequate knowledge about how to handle their insurance and tax affairs of their businesses.
<i>Support for informal traders</i>	The municipality established an association for informal traders. And while there are informal trading stalls in both ranks in

	Nquthu, those who work from the sides of the road do not have shelters. The municipality has set aside R2 million to build trading shelters for informal traders in Nquthu Town so that their conditions improve.
<i>Incubator project Phase 02</i>	The municipality has an SMME incubation programme which will be escalated by building a Phase 02 facility. This facility will consist of a communal workshop where all SMME will be practically skilled to produce their products. This project has been budgeted for in the current financial year.

<b>Medium term</b> <i>(programmes the municipality seeks to implement achieve in or withi the next three years)</i>	
<b>Programme name</b>	<b>Programme description</b>
<i>Communal manufacturing hub and warehousing</i>	The municipality shall lobby private donors and mobilize government funding to construct and equip communal manufacturing hubs. These hubs shall contain machinery to allow SMMEs to produce their products from without the need to acquire expensive or unaffordable machinery. Only worker cooperatives shall be allowed to utilize these facilities. These facilities shall include equipment or machinery to perform the following production functions; bed making, carpentry, gutter making, dress making/sewing, food processing, warehouses, rock/granite engraving, roof making, recycling and other potential light manufacturing functions.
<i>Communal food market</i>	This food market shall perform the role of a wholesaler from which local shop owners and other retailers shall buy from. A big building shall contain built in stalls whereby each stall shall sell a single type product. These sellers will be assisted to source their products in bulk so that they become part of the value chain and address the monopoly dominance in the wholesale sector, in which Africans do not enjoy real or meaningful participation yet they constitute the biggest market in terms of buying power.

<b>Long term</b> <i>(programmes that should be implemented and achieved within PGDP's 2035 vision)</i>	
<b>Programme name</b>	<b>Programme description</b>
<i>Vendor financing fund</i>	This fund shall be established by the municipality or a separate non-profit company facilitated by the municipality. This fund will

	local businesses that have been awarded contracts but do not have the financial power to fund the implementation of those contracts.
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### C.5.1.10 Investment environment

Nquthu LM is very much open to and encourages investment as means to unlock its economic potential and create job opportunities. The municipality does have an Investor Policy that is meant to facilitate a suitable environment for investors and also prevent unnecessary red tape when investments are initiated. This policy was last reviewed in May 2017 and will be further developed and reviewed to take into account new developments and to accelerate investment.

### C.5.1.11 Local economic development stakeholders

Economic development is not only the responsibility of government, but it is also the responsibility of the private sector, labour, civil society organizations and the general public at large. The municipality realizes this fact and will mobilize all stakeholders in order to facilitate an enabling environment for local economic development and transformation. The municipality has identified the following types of stakeholders, as described in the table below, as being key to realize the local economic development goals of Nquthu.

Type of stakeholder	Role of stakeholder
<i>Sector departments</i>	Sector departments are responsible for most public procurement and play a very important role in economic development through preferential procurement practices.
<i>Government economic development/funding institutions</i>	Government also has supportive and/or funding institutions that help to facilitate business development and access to capital. These institutions include, among other: <ul style="list-style-type: none"> <li>• The National Empowerment Fund</li> <li>• Ithala SOC</li> <li>• Industrial Development Corporation</li> <li>• Small Enterprises Development Agency</li> </ul>
<i>SETAs</i>	These institutions is responsible for spending the skills levy and ensures that there is skills development in all sectors of the economy to enable every sector to grow and absorb more labour. SETAs issue learnerships to facilitate skills development and these skills can be very useful for its beneficiaries to start and sustain their businesses.
<i>Umzinyathi District</i>	Umzinyathi DM is the parent municipality of Nquthu LM and is

<i>Municipality</i>	a very important partner because it has a host of good LED programmes and provides institutional support and also run some of their LED programmes in Nquthu.
<i>Department of Small Business Development</i>	This department's main mandate is to create an enabling environment for emerging and small businesses, especially cooperatives to be able to thrive and grow and fully participate in the economy. It serves as a one stop hub for small business upon which they rely for guidance and support.
<i>KZN Department of Economic Development, Environmental Affairs and Tourism</i>	This department's main mandate is to drive socio-economic development and transformation in the province by providing a strategic direction in terms of economic development policies and their implementation. This department also initiates economic development and empowerment projects in order to unlock the economic potential of the Province of KwaZulu-Natal. The municipality shall rely heavily on this department for guidance and support in various aspects of economic development.
<i>CICP</i>	This is a business registration authority that should be fully utilized to ensure that small businesses are registered as formal entities so that they can benefit from support programme earmarked to develop them.
<i>Local business forums</i>	These forums are very important platforms of engagement and they constitute representative bodies that speak on behalf of local or small businesses and advance their business interest.
<i>Business support Non-profit Organizations</i>	There are NPOs whose sole mandate is to develop and support small businesses, especially through development of practical skills. These NPOs should be identified and engaged to render support to existing and aspirant local small businesses.
<i>Traditional leadership</i>	Traditional leadership is key in a rural municipality like Nquthu because they are the custodians of the land within which most LED projects shall take place.
<i>Private sector</i>	The role of the private sector is three fold; (1) they create work opportunities through employing people to produce products or render services and, (2) when they invest in the area they positively contribute to economic growth and, (3) they make a public contribution by funding social or any other programmes through their social investment budgets.
<i>Tertiary learning institutions</i>	Most tertiary institution are will to and do work communities

	<p>in supporting them to deal with challenges of unemployment and economic development. Therefore, they should be engaged to provide support and expertise wherever possible. The DUTs small business programme is one good example of the role that tertiary learning institutions can play in economic development.</p>
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#### **C.5.1.12 Municipal LED budget**

Nquthu LM regards local economic development as one of the most critical aspects of service delivery and social development. Therefore, the municipality has set aside a sizeable amount through the LED unit and also through other municipal departments with local economic development orientated programmes.

#### **C.5.1.13 Monitoring and evaluating the implementation of LED programmes and projects**

The LED Strategy establishes a clear framework for monitoring and evaluation of LED projects and programmes. However, some of the targets set have lapsed and become inapplicable. The best way to put in place a clear mechanism is to review the whole strategy and in order to also review the monitoring and evaluation network to be more updated and relevant. Reviewing the strategy can be conducted in-house since the structure of the strategy has been established, what is now is to update the statistics, align with reviewed district development strategies and also take into account any new policy development or programmes.

#### **C.5.1.14 Informal Economy Policy, Policy Regulating for Street Vendors,**

##### **Investment Policy and EPWP 3 Aligned Policy**

The municipality has an adopted informal economy policy (2015) which is reviewed annually. The policy support and regulate (permits and zoning for street vendors) the functioning of all informal trading businesses in Nquthu.

##### *Potential Partners:*

- Informal trade and Commercial.
- Key economic Partners
- Shanduka
- NYDA
- The Branson Centers of Entrepreneurship
- Aqua Culture Development and enhancement Programme



- Black business supplier Development
- The cooperative incentive scheme

The municipality is planning to review and adopt the following policies during 2018/18 financial year

- Informal Economy Policy / Street Vendor Regulating Policy
- Investment/ Retention Policy
- EPWP Policy

Database for Cooperatives and SMMEs is being updated on a regular basis to ensure sustainable development and empowerment of the community.

### C.5.1.15 Local Economic Development SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Functional LED unit</li> <li>• Funding of LED projects</li> <li>• Credible LED Strategy</li> <li>• Vibrant informal economy sector</li> <li>• Investor friendly environment</li> <li>• LED related policies in place</li> <li>• Road infrastructure ensure accessibility</li> <li>• Nquthu people enthusiastic about agriculture</li> <li>• Low crime levels as it relates to business robberies or burglary or cash in transit</li> <li>• Progressive subcontracting programme</li> <li>• Vibrant and innovative LED personnel</li> </ul>	<ul style="list-style-type: none"> <li>• Poor implementation of LED Strategy</li> <li>• Budget for LED not sufficient due to financial constraints</li> <li>• Large portions of Nquthu land not suitable for large scale agriculture</li> <li>• Poor water supply</li> <li>• Poor network signal making communication difficult</li> <li>• Insufficient sourcing of funds from outside source to complement municipal funds</li> <li>• Inadequate alignment to national and provincial LED priorities</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Reviewing the LED Strategy internally to make it easier to relate to</li> <li>• Accelerated implementation of the LED Strategy</li> <li>• Mobilizing private sector funding and investments</li> <li>• Initiating a cooperative revolution to ensure maximum economic activity and participation</li> <li>• Mobilizing the massive unemployed workforce into productive economic activities</li> <li>• Investing in light manufacturing industries</li> <li>• Organizing the local retail sector so that local businesses play more role in the retails sector</li> </ul>	<ul style="list-style-type: none"> <li>• Water dependent economic activities not easy to perform due to unreliable water supply</li> <li>• Poor land management leading to unplanned development</li> <li>• High unemployment rate results in high economic dependency</li> </ul>

### C.5.2 Social development

While there are sector departments and government agencies designated to attend to specific social issues and special and vulnerable groups in our communities; the municipality still has a developmental responsibility to initiate its own programmes to address the social challenges faced by our communities and ensure their wellbeing.

### C.5.2.1 Youth development

The future prospect of any nation is solely dependent on its ability to protect and develop its young people and also instill in them good values and principles. Young people represent the future of the nation and it is within the upon which leaders, business people, public servants, scientists and other societal role players emerge and move the nation forward.

It is for this reason that Nquthu LM has put youth development at the top of its development agenda and has developed a comprehensive and a wide ranging intervention programmes to ensure that the youth of Nquthu have access to a variety of opportunities that will enable them to develop themselves, pursue their dreams and realize potential.

#### (a) Legislative provisions

##### a) National Youth Policy 2015-2020 (NYP 2020)

Government has developed the National Youth Policy 2015-2020 that defines, informs and guides the approach that government and all stakeholders should take in advancing the interests and ensuring the wellbeing and development of our youth. The essence of this policy is summarized in the table below.

Policy objectives	Identified youth challenges	Proposed policy interventions
<ul style="list-style-type: none"> <li>Integrating and mainstreaming youth development into all government policies, programmes and budget.</li> <li>Capacity building and strengthening of youth development institutions.</li> <li>Empowering young people to enable to develop themselves and realize their potential.</li> <li>Inculcate the culture of good citizenry and patriotism to grow to be good and caring family and community members.</li> <li>Foster social cohesion, unity in diversity,</li> </ul>	<ul style="list-style-type: none"> <li>Unemployment and joblessness</li> <li>High drop-out rate and inadequate skills development</li> <li>Inadequate framework for youth employment</li> <li>Poor health, high HIV/AIDS prevalence, and high rates of violence and substance abuse</li> <li>Lack of access to sporting and cultural opportunities</li> <li>Lack of social cohesion and volunteerism</li> <li>Disability and exclusion</li> <li>Policy priorities</li> </ul>	<ul style="list-style-type: none"> <li>Economic participation and transformation</li> <li>Education, skills and second chances</li> <li>Health care and combating substance abuse</li> <li>Nation building and social cohesion</li> <li>Effective and responsive youth development institutions</li> </ul>

patriotism and active citizenry.		
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*b) Integrated Youth Development Strategy 2020*

The Integrated Youth Development Strategy (IYDS), adopted in December 2017, is a policy implementation tool that seeks to translate the policy proposals of the National Youth Policy 2020 into specific youth development programmes and activities that shall ensure that the youth development objectives are realized. This strategy sets out clear strategic objectives, sub-outcomes, actions to be taken, responsible implementing agents, indicators and targets for the 2018/2019 and 2019/2020 financial years.

*c) National Youth Development Agency Act*

The National Youth Development Agency Act establishes the National Youth Development Agency which is the primary youth development institutions in South Africa.

*d) Youth Employment Accord*

This accord is an agreement between organized labour, government, business community, youth organizations and other NEDLAC constituency representatives. It is a commitment by all stakeholders to contribute to realizing the objectives of the youth employment strategy which is aimed at accelerating the absorption of young people into employment. The strategy focuses on the following areas:

- Training, internships and apprenticeship;
- Private sector commitments and programmes, and
- Youth brigades to give youth a chance to serve their communities, provide some work experience and training, integrate youth into a social movement, build social cohesion and earn a stipend.

*e) Broad Based Black Economic Empowerment Act (BBBEE)*

This law is a primary instrument by which government seeks to undo the economic imbalances of the past, and present, especially with regard to ownership of the means of productions and ownership of big enterprises so that the black majority is absorbed into the economy.

*f) Preferential Procurement Policy Framework Act and Regulations*

This law is the main instrument that government seeks to drive the redistribution of wealth and transform the economy through public procurement. BBBEE compliance is a central criterion upon which this law is applied. Black Africans, the **youth**, women and people with disabilities are the main targeted beneficiaries of this law.

## **(b) Youth development institutions**

### *a) South African Youth Council*

The South African Youth Council (SAYC) is a voluntary council that is constituted of and also represents the interests of different youth organizations that are affiliated to it. Its main function is to mobilize the youth to participate in all aspects of life and in nation building. The affiliates of SAYC are drawn from youth political organizations and also issue-specific youth organizations.

### *b) National Youth Development Agency*

The National Youth Development Agency (NYDA) was established through an act of parliament by merging the National Youth Commission and the Umsobomvu Youth Fund into a single youth development institution. The National Youth Policy describes the aims of NYDA as follows:

- Initiate, design, coordinate, evaluate and monitor all programmes working to integrate into the economy and society in general.
- Promote a uniform approach by all organs of state, private sector and NGOs to youth development.
- Establish annual national priority programmes for youth development.
- Promote the interest of the youth, particularly young people with disabilities.
- Guide efforts and facilitate economic participation and empowerment, and the achievement of excellence in education and training.

## **(c) Nquthu LM youth development unit and youth representative structures**

### *a) Youth development unit*

Nquthu LM has a fully fledged youth development unit which is strategically located within the office of the Municipal Manager. This unit consists of three full time officials consisting of a manager and two officers. It is responsible for initiating and implementation of youth development programmes in Nquthu and also responsible for coordinating and complimenting youth development programmes by other government agencies, private sector, communities and any other organizations. The matters of early childhood development are also managed and coordinated by this office in cooperation with other internal units like the special programmes unit and all other relevant external stakeholders like the Department of Social Development and all organizations involved in early childhood development.

### *b) Nquthu LM youth council*

Nquthu LM has established a youth council which is the representative body of young people in Nquthu and is constituted by representatives of political youth organizations in line with

political representation of Council. The youth council is a platform for youth engagement and debate and also plays an advocacy role on all youth matters and lobby Council to influence its policy direction in advancing the interests of young people of Nquthu.

**(d) Current state of youth development in Nquthu**

*a) Youth unemployment rate*

High unemployment rate is one of the major challenges facing young people of Nquthu. The official youth unemployment rate is standing at 53.3%. This is an even more serious challenge when taking into account that the general unemployment rate is 26% while 42% represent discouraged work seekers, with only 32% employment rate. Since in most cases the unemployed youth is dependent on family or parent support, their situation becomes even direr because of lack of sufficient income in households.

*b) Education and skills development*

Of the entire population of Nquthu, 27.29% have primary education; 30.20% have secondary education; 20.46% have matric, and a tiny 3.76% have tertiary education. Almost all people attend school or post school education at a young age, therefore; this low education levels represent a poor education levels in our youth. This also indicate a relatively high dropout rate and a low pass rate (but the pass rate is improving) at a school level. The low percentage of people with tertiary education represent both lack of access to education and also low number of people who qualify for bursaries/scholarships and also represent lack of access to career guidance and education support (e.g. bursaries) information.

Among others, some of the challenges within the schooling environment are lack of educational resources like laboratories, computer facilities and long distances to schools. In 2017, Equal Education (which is a voluntary membership-based organization of learners, parents, teachers and community members) conducted school visits in Nquthu and assessed the situation and interviewed learners in three schools; Hlinzeka Primary School, Ukuphumula Secondary School and Ubongumenzi Secondary School and found that long distances to schools is one of the foremost challenge that learners of Nquthu experience.

However, there are positive developments as far as access to education in relation to funding is being addressed by government through no fee education measures that are being developed. The Department of Education has also introduced a learner transport programme in some selected schools in Nquthu, but this programme has left out many deserving learners.

The municipality has made serious interventions and made great progress in assisting young people from poor households with registration fees to enable them to enter tertiary education. School uniforms were also provided to identified learners from poor households as part of this intervention by the municipality.



There are also no adequate opportunities and programmes as far as skills development is concerned, especially the kind of trade skills that can allow the youth to open their own businesses or provide certain services to the market. This is one of the areas that require serious attention of the municipality with the assistance of other role-players.

*c) Working experience opportunities*

In most cases, internships and in-service opportunities are provided by government and, to a lesser extent, by the private sector. Availability of opportunities to attain working experience is very important for the youth because working experience remain one of the central criteria in recruitment, which is a big disadvantage to our youth. In Nquthu it is even more difficult because there are no local industries, which leave most of the responsibility to provide these opportunities in the hands of government departments and the municipality.

*d) Exposure and access to information*

Access to self development opportunities is mostly dependent on the availability of information concerning those opportunities. There is no well coordinated and effective model currently in place to ensure the dissemination of development information to the youth. This is one of the aspects that the municipality needs to address as part of its youth development interventions.

*e) Talent development and opportunities*

One critical aspect of youth development is creating a platform to showcase and develop talent so that young people can realize their potential, especially in the field of sports, arts and recreation. The municipality has done serious work in this area but there is still ample room for improvement so that the young people of Nquthu receive maximum support in this area.

*f) Enterprise development*

The municipality through its LED unit is doing a lot in the area of enterprise development, including youth enterprises. However, youth participation in the economy in the area of public sector procurement and also business ownership and control remain very low.

*g) Social ills*

High unemployment rate, lack of economic opportunities, lack of skills, inadequate platforms or opportunities to nurture and develop talent, and other related factors; have a very negative impact on the social conduct to young people. Young people are frustrated by the redundancy that defines their daily lives and, because of this; negative energy find space in their lives which leads to unhealthy and irresponsible lifestyles and behavior.

The most prevalent social ills engulfing the youth of Nquthu are teenage/unplanned pregnancy and/or impregnation, unprotected sexual activities, alcohol and drug abuse, and also crime. The municipality and government departments like DSD do have programmes to address this

challenge, however; more needs to be done in this area to scale up and improve the impact of these programmes which in most cases take a form of awareness campaigns.

#### *h) Social cohesion*

Social cohesion is one of the critical elements of nation building. The youth in general do understand and appreciate the importance of social cohesion, but this has to be broadened and deepened so that we build a strong and stable society that is not hindered by issues of race, political affiliation, tribe, rural-urban divide, class or socio-economic status.

Moreover; the question of social cohesion should be addressed in relation to access to economic opportunities and redistribution of wealth in order to reduce pervasive inequalities and ensure improved living conditions for the majority. Therefore; youth development, especially with regard to skills development and economic participation, is of paramount importance if we are to achieve social cohesion that is both genuine and sustainable.

### **(e) Programmes**

Nquthu LM municipality has developed specific programmes to drive and coordinate all youth development interventions in Nquthu. These programmes are detailed below.

#### *a) Youth development index*

The municipality shall establish a voluntary database whereby by all young people shall upload their information to create a personal profile so that they can be accurately identified. This database shall capture per each person the following information; initials and surname, date of birth, gender, matric status/highest school grade, qualifications, employment status, email address, mobile number, ward and voting station.

The municipality will design forms that will enable the municipality to collect important data to assist the municipality to accurately identify young people who require assistance and determine a better approach to assist them. Each ward shall compile its own database and the municipal youth development unit shall use those databases to compile a consolidated municipal database that includes all wards. Young people will participate in this programme on a voluntary basis and the programme will be designed in such a way that it is economical and cost effective. Also, an agreement should be reached with all government departments so that they provide the data of all the young people that have benefited from their programmes.

#### *b) Economic participation and development*

Economic participation and development programmes shall be two fold; (1) the enterprise development aspect and (2), the employment opportunity aspect. These two are related because, in most cases, small businesses create employment opportunities and both result in income to individuals which take the form of either a profit or a salary.

The enterprise development part will be implemented in conjunction with the municipality's LED unit which has programmes and a budget for this purpose. The specific role of the youth development unit will be, in this regard, the following, to:

- First and foremost, gather information about all enterprise development programmes and/or initiatives from all role-players, including but not limited to; government departments and/or agencies, NGOs and private sector. This information shall then be disseminated to young people so that they can take position themselves to benefit from those programmes.
- Lobby the municipality, government departments and private sector to procure some of their products and services from youth owned enterprises.
- Work with the municipality's LED unit and all relevant stakeholders to develop programmes that will foster youth economic participation and development.
- Identify funding sources for youth start-up (active or aspirant) and compile a comprehensive database of these funding sources, including application and qualification criteria.
- Ensure that existing or start-up youth enterprises receive business management training to provide them with basic skills that they require to successfully run their businesses.

With regard to employment opportunities, the municipality's youth development unit role shall be the following, to:

- Working with the municipality's human resources section to mobilize internships, learnerships, apprenticeship and public works opportunities for the youth in both the public and private sector.
- Gather all the information in respect of the above; and also any available job opportunities and disseminate that information to young people so that those who meet the set criteria lodge their applications.

*c) Education and skills development*

Education and skills development forms a fundamental foundation of any society to sustain itself politically, socially and economically. Inevitably, the future prospects of any young person and, by extension, of any nation, is primarily dependent on whether young people receive the necessary education and training so that they become productive, support themselves and their families and; participate and contribute to the economy.

In relation to education and skills development, the following initiatives shall be implemented:

- **Career guidance:** the youth need to be exposed to different career disciplines so that they can make informed choices about academic and/or vocational path they take. In this regard, the municipality shall work with all stakeholders to ensure that information

is disseminated to all young people. Different measures shall be undertaken by the municipality to ensure consistent dissemination of information including, but not limited to; (1) distributing career guides produced by SETAs and other organs of government and professional bodies to all secondary schools and libraries and, (2) career guidance workshops or exhibitions.

- **Bursary opportunity information and financial support:** gathering of all information relating to bursaries and scholarships from either government or the private sector. This information shall then be disseminated to the youth and application assistance workshops shall be conducted to ensure that as many as possible number of young people who meets the qualification criteria do apply. Those who comes from poor families and have not received any educational support, the municipality shall intervene by providing registration assistance to those persons. However, this will depend on whether the government successfully implements no-fee education for the poor or not.
- **Academic Excellence Awards:** the municipality shall introduce Academic Excellence Awards at a secondary education level whereby annual performance wards shall be conferred to best performing learners per every grade and per every subject.
- **Skills development initiatives:** in addition to learnerships and other related skills development programmes that are mobilized through the HR section's WSP unit, the municipality organize or fund training for young people every year to provide them with skills that is required by the local economy which include, among others; agriculture, light manufacturing and the services sector.
- **Former learner mobilization:** almost all schools in Nquthu are grappling with a serious challenge of lack of educational facilities and resources. At the same time, almost all schools in Nquthu have produced learners who has went become successful in life and occupy important positions in a variety of sectors; in business, academia, leadership or in different careers. Similarly, almost all people have a deep connection with the schools that molded them to become successful in life, most are willing and committed to make a meaningful contribution to their former schools in order to improve the quality of education in those schools. It is for this reason that the municipality shall establish an initiative to mobilize former learners for every school to create a platform for them to make a contribution in a variety of ways including, but not limited to; resources mobilization, motivational programmes, providing any required expertise or assistance, etc.

*d) Social cohesion and nation building*

Social cohesion and nation building is a very important aspect of youth development. However, there is normally no single or specific activity that constitutes nation building or is an act of

fostering social cohesion. However, there are activities or practices that an effect of fostering social cohesion, and by extension, therefore; is an act of nation building.

As an approach to social cohesion and nation building, the municipal youth development unit and municipal youth structures shall mobilize the youth to participate in municipal programmes and programmes of other organs of government and also any other organization that have an effect of fostering social cohesion and/or are an act of nation building. The municipality hosts a lot of events which include, among others; youth day celebration, Mandela Day, cultural events, and others; the youth should participate fully in all these events and other related programmes.

*e) War on social ills*

The youth development unit is responsible for Operation Sukuma Sakhe coordination in the municipality, therefore; it is part of coordinating different social interventions initiated by other organs of government and other stakeholders. This put the youth development unit in a strategic position to influence and work with other stakeholders in streamlining youth development and improving the impact of all interventions made. However, the youth development unit, working with all stakeholders, shall intensify all awareness campaigns both in terms of frequency and reach for maximum effect and impact.

Also, more focus will be put on the preventive part of fighting social ills, whereby more arts, sports and recreational activities shall be organized as it is believed that it is a deterrent to most social ills. When young people are occupied with activities which they enjoy and which allows them to express their talents and prowess, they are likely to have hope and positive outlook on life. It shall be ensured that such programmes are cascaded to all wards to extend their reach.

*f) Talent development*

Talent can take many forms, depending on a particular discipline in question. In almost all disciplines including, among many; arts, sports, science and others, there are people who have extraordinary natural capabilities. It is very important that these capabilities are identified, promoted and nurtured so that success can be made out of them.

The youth development unit, working with other relevant stakeholders, shall embark in the following programmes either through direct implementation or by playing a supportive role:

**Sports:** the sports unit of Nquthu local municipality is quite an effective one, however; the youth development unit shall work hand in hand with it to expand its scope in terms of catering for different sports codes which were previously perceived as white sport or as sport for the privileged.

**Arts and culture:** first and foremost, schools should be lobbied and encouraged to take extramural activities at a school level, even more so because they are part of the curriculum.

More importantly, the municipality should mobilize all relevant stakeholders, especially the department of sports, art and culture and non-governmental organization in this field to work with the municipality in identifying challenges, areas of improvement and provide support. Secondly, the youth shall be encouraged to participate in all arts and cultural activities organized by the municipality and other stakeholders. And finally, arts and cultural talent showcasing events and/or competitions shall be organized and be timed in such a manner that those selected shall qualify to be assisted by the municipality to attend other major national talent showcase competitions or, alternatively, when talent showcasing events or competitions are held, the municipality shall invite recruiting agents or other players in the field to identify those that believe are capable to be further developed.

One other effective way of enabling showcasing of talent is holding of recreational events and, alternatively, utilize municipal events whereby people are invited to deliver performances and entertain the crowds through performing arts, including but not limited to; poetry, comedy, music, etc.

**Science:** it is without doubt that there are many young people who are immensely innovative and talented in the field of science, but they do not receive encouragement and guidance in order for them to further develop their knowledge and showcase their capabilities. This shall be achieved by making sure that all the information about innovation and/or invention exhibitions and competitions is correctly disseminated to schools and the youth in general so that those interested can register with the youth office so that those with new innovative concepts can be assisted to participate.

*g) Environmental matters*

Environmental protection and conservation is one critical aspect of youth development and development in general. We are living in an era of global warming whereby our climate is becoming more unpredictable and hostile, resulting in droughts, floods and tornados. We are now more obligated to ensure an environmentally responsible generation is build in order to preserve our environment for future generations. The municipality should, in regard, ensure that it develops awareness and related activities programme and link it to the national calendar so that the environmental conscience of our youth is properly developed. These programmes should focus mainly on awareness about global warming, water conservation and tree planting.

*h) Information dissemination platform*

The youth development shall develop a communication system that is both efficient and cost effective. This system must be based on the most commonly used cost effective and accessible social networking system to curtail communication cost to both the municipality and the end user. Social network group shall be created in all seventeen wards and be administered by a youth representative in each wards and/or the wards councillor, depending on circumstances.



*i) Children's parliament*

The municipality will host a Children's Parliament session whereby children under the age of fourteen will be debating topics that concern their wellbeing and nation building. A criterion to select children that will participate will be set by the youth development unit.

*j) Taking a girl and a boy child to work*

During the take a girl child to work day, the municipality should honour this day but also include a boy child so that our boys are not neglected. During this day, the youth office shall ensure that each section in the municipality host one boy and one girl and provide lunch for them and also allow them to be addressed by councillors and management before they start their day.

*k) Young men and women development*

The municipality has men's and women's forums. These forums are not discriminatory in terms of age. So it is important that the youth do not isolate themselves from these forums and participate in them fully to enable the older generation to impart knowledge and wisdom to them. Indeed, the challenges and needs of the younger generation are different, so it would be important that these forums should be organized in such a manner that they take such facts into account. However, ensure integration and avoid duplication and incurring unnecessary costs, the youth should not formulate their own separate gender based forums and programmes, but rather participate in broader gender based programmes of the municipality.

*l) Youth day commemoration*

The municipality should on an annual basis host a youth day to commemorate the heroic sacrifice of the generation of 1976 and also to this platform to define the mission of the youth of today.

**(f) The strategic approach**

*a) Review of Nquthu Youth Development Policy*

The Nquthu Youth Development Policy is undergoing a review. The review of this policy focuses on aligning it to the vision of the NYP and IYDS and, also takes into account changing political, economic and social environment.

*b) Registering the Nquthu Youth Council as a non-profit organization*

The Nquthu Youth Council is the main youth representative body in Nquthu. While it is a structure of the municipality, it is semi-autonomous in terms of decision making and also its operations. The youth development unit shall investigate the feasibility and implications of registering it as a non-profit body so that it can be able to raise funds for its programmes.

*c) Youth development streamlining and coordination*

The municipality recognizes its capacity constraints as far as financial resources are concerned. It is therefore important that youth development is seen as a collective responsibility of all stakeholders; especially other internal municipal sections (e.g. LED unit, sports unit, etc), other organs of government, non-governmental sector and the private sector. For youth development to have an impact, all stakeholders should combine their efforts, communicate continuously and work in a complementary manner to avoid duplication while at the same time ensuring coordination.

*d) Strategic assets*

The youth development unit does have access to operational resources and/or equipment like cars, banners, printing facilities, gazebos, communication tools, etc. However, some envisaged initiatives and interventions require that some strategic assets like a sound system, projectors, portable printers and portable photo printers and other related strategic assets need to be procured. This would help to eliminate procurement processes and costs, especially considering the fact that service providers tend to inflate their prices when dealing with government entities.

*e) National calendar*

It is very important that the youth development activities coincide with specific timelines in terms of the national calendar for purposes of alignment and to improve the impact of the message being delivered or an activity that is conducted.

*f) Cost effectiveness*

With the South African economy not doing well and the municipality being largely grant dependent, it is very important that available financial resources are used in the most cost effective manner and that wastage is avoided at all costs. Among ways to pursue cost effectiveness, the following strategies shall be employed:

- Avoid using consultants by benchmarking with other municipalities in developing plans and strategies for youth development.
- Promoting and effectively utilization of social networking to disseminate information by using these platforms in an innovative manner, and
- Creating a youth development desk/section in all municipal libraries so that all youth development information/documentation can be packaged into that section for convenience purposes.

*g) Networking, partnerships and information sharing*

The municipality's youth development unit should always network with and strive to create partnerships with all relevant stakeholders in youth development by inviting them in their activities and attending their activities wherever possible. Also, a common platform should be

created where youth development information can be shared between different municipalities, other organs of government and all other stakeholders. For example, common communication group can be created for all Umzinyathi youth officials for them to be able to share information and support each other where applicable.

#### **C.5.2.2 Development of people with disabilities**

Nquthu Municipality takes an initiative in accommodating and supporting people with disability. A number of activities are conducted within the area. The municipality ensures descent employment through inclusive growth (Employment - 2%). Facilitate collaboration between Government and the Disability Sector to enhance service delivery. Nquthu Municipality also supports the disability sport with equipment that is needed to interact in the disability games within the area and at the District level. Nquthu Municipality has funded disability project. Siyaphambili disabled Organisation has been trained on sign language.

#### **C.5.2.3 Elderly development matters**

The development of the elderly is taken into account at Nquthu. The municipality is organizing Golden Games for Senior Citizens in each year, this develop the involvement of Senior Citizens. During the festive season the municipality organizes the Christmas gift day for the elders. All this is conduct in terms of Older Act (Act No.13, 2006)

#### **C.5.2.4 Women development**

The structure of women development has been launched and it meets on the quarterly basis. Nquthu Municipality has supported the women development in funding their projects such as sewing and poultry. This will be complaint with WEGE BILL (Women's Empowerment and Gender Equality) and CEDAW (Convention on the Elimination of All Forms of Abuse Against Women).

#### **C.5.2.5 People affected by HIV/AIDS, crime and drugs.**

HIV/Aids Strategic Plan is in place. Wards Aids Committee (WAC) has been established in all wards and the Local Aids Committee (LAC) meets quarterly. To date the LAC has not met due to the fact that the municipality have no council structure in place. LAC has conducted campaign on adherence to HIV / Aids treatment. The support groups are in all wards of the area through Ward Aids Committee. The community awareness's are conducted to fight against crime.

In Umzinyathi District Municipality, the HIV/AIDS infection rate for 2005 was 23% (Monitor Group, 2006) which is lower than the national average of 27.9% and significantly lower than the 37.5% average for the province of Kwa-Zulu Natal. The province has the highest HIV prevalence rate in South Africa. According to KZN Department of Health, April-November 2015 data on

HIV/AIDS prevalence Nqutu Local Municipality has HIV prevalence of 5.8 % which is relatively high than the other local municipalities.

### **C.5.2.6 Early childhood development**

#### *Legal and developmental framework*

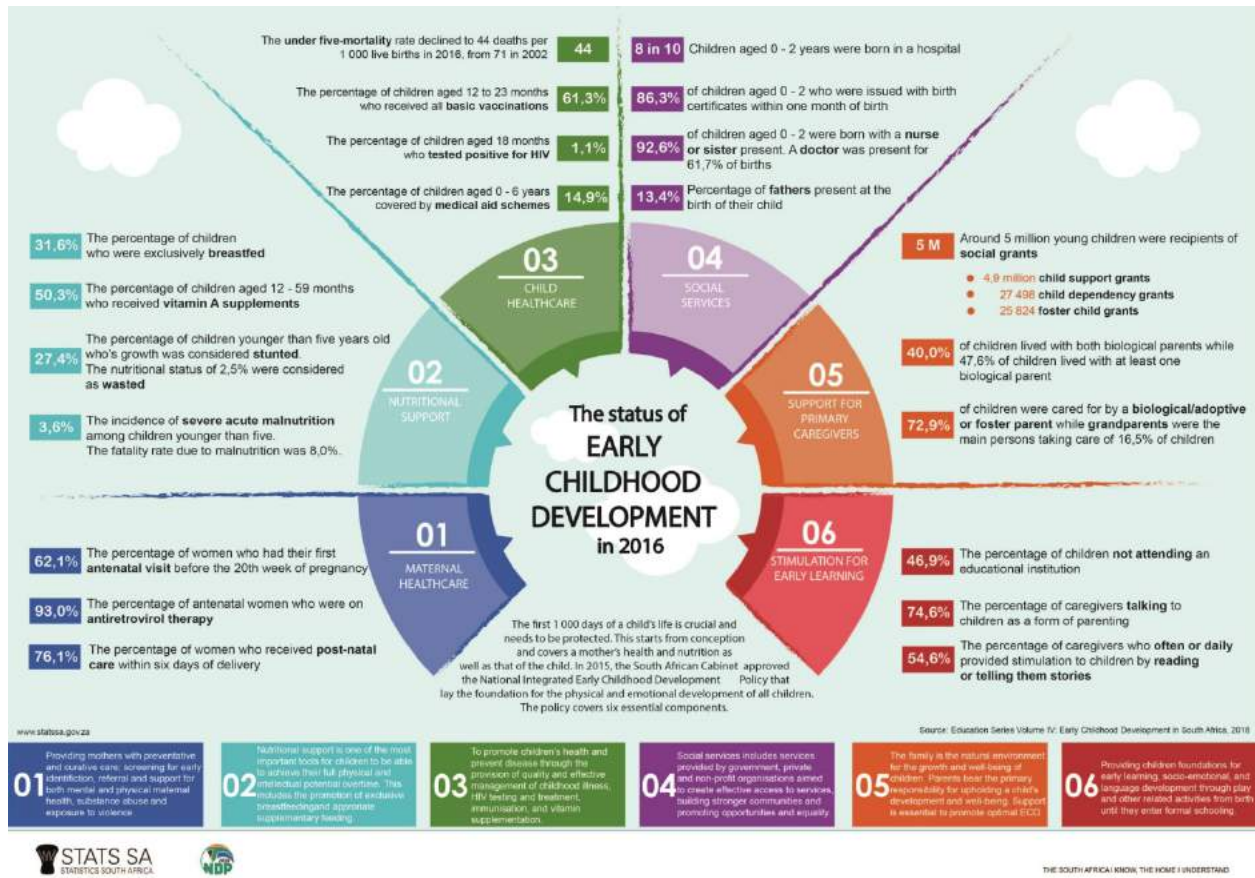
Protecting the rights of children and safeguarding their welfare is the priority of all global and continental bodies as well as all governments. Listed below is a host of different pieces of legal and/or developmental provisions from an international to national perspectives; these are:

- The UN Convention on the Rights of the Child (ratified by South Africa in 1995)
- The African Charter on the Rights and Welfare of the Child (ratified by South Africa in 2000)
- The UN Sustainable Development Goals (adopted in 2015)
- The UNESCO Dakar Framework of Action for Attaining Education for all (adopted in 2000)
- The UN World Fit for Children (adopted in 2002)
- The National Integrated Early Childhood Development Policy (approved by Cabinet on 09 December 2015)

For purposes of early childhood development planning by the municipality, emphasis is put on the National Integrated Early Childhood Development Policy. The policy clearly prescribes the role of local government in ECD development. Section 6.2.3 of this policy says:

*“Local and metropolitan municipalities must participate in the planning of early childhood development services. They are responsible for supporting child care facilities to meet minimum infrastructural health and safety standards; registration of child-minding services ; development of new early childhood development service provision infrastructure; and audit and identification of available infrastructure that may be used for the expansion of early learning services and programmes in areas of need. Where capacity exists, responsibility for the provision (registration, regulation and delivery) of early childhood development programmes and services may be assigned to municipalities by the provincial Department of Social Development, as provided for by the Children’s Act No. 38 of 2005. As such, it is responsible for the equitable provision of play and recreation facilities for young children”.*

#### *Current state of ECD in South Africa*



Source: Stats SA

### Current ECD status in Nquthu

The survey of ECD centres conducted by Project Preparation Trust (PPT) revealed the following situation:

ECD centres surveyed	Registered (NPOs)	DSD subsidy recipients	Infrastructure deficits	No. of children in centres
98	95	59	86	3 938

It is quite clear from the findings of the survey above that early childhood development remains a big challenge that has to be addressed especially with regard to infrastructure and financial support to ECD centres. However, it should be noted that began the construction of two ECD centers in the 2018/2019 financial year and a further two ECD centers have been budgeted for in the 2019/2020 financial year.

### *Current municipal ECD programmes*

The municipality is currently supporting care centers which provide nutrition services to poor children to combat hunger and malnutrition. A total of six care centers have been provided with catering equipment and more equipment has been procured to be provided to another six care centers this financial year. The municipality also hosts a learn-and-play programmes that is led by the municipality's libraries section with the financial support received through a City to City partnership with Bornem.

Nquthu LM is committed to and takes early childhood development very serious will build two ECD centres in the 2020/21 financial year in ward 14 and ward 07 from its MIG funding despite the pressure on this funding source.

In terms of infrastructure development, social partners. Assupol Community Trust has also made an extensive contribution as mentioned below:

- 20 ECD Centres improvements - Assupol Community Trust (2017/18)
- 20 ECD centre improvements (2018/19)

The municipality has also budgeted for the construction of 03 ECD centers from its own internal funds in a drive to improve early childhood development in Nquthu.

### *Interventions by social partners*

The Assupol Community Trust has an early childhood development programme that identifies poor areas in which underdeveloped in terms of ECD. Through this programme, Assupol Community Trust (ACT) has identified 20 ECD centres for either infrastructure construction or innovation. Work is underway and continuing in these identified centres and the Assupol has undertaken to work hand in hand with the municipality going forward through a district level coordinating forum to ensure integrated planning and project implementation.

As part of the ECD development drive, ACT through Project Preparation Trust (PPT) undertook an intense ECD audit to determine the state of early childhood development in Nquthu in terms of ECD centres buildings, toilet facilities, training of educators, number of children attending ECD centres, nutrition at ECD centres, ECD funding, registration status and management.

### *Summary of findings:*

- A whopping 79% of children in Nquthu do not receive ECD services.
- Almost all ECD centres have governance structures and 99% of these have constitutions.



- ECD practitioners lack skills and capacity. 15% of ECD centres do not have trained practitioners, 36% of ECD training have no ECD training while 16% of ECD principals have no ECD training.
- 60% of ECD centres have no financial support from DSD.
- 64% of ECD centres have been in operation for more than 10years and 15.3% were established in the last 5years.
- 69% of ECD centres are registered with DSD as partial care centres.

*Recommendations:*

- **NPO registration and funding:** that DSD assist identified ECD centres that are not registered to register so that they become formal entities that are eligible to receive support, especially funding
- **Training and skills development:** training should be organized and provided to ECD principals who play a management role and also governing committees. All staff members especially those who teach kids and use educational toys. Kitchen staff and cooks are properly trained on nutrition. It is also recommended that parents or guardians are properly orientated or inducted on matters of ECD for school preparedness, nutrition and safety.
- **Health, safety and hygiene:** DSD and municipal Environmental Health Practitioners must organize workshops on health, safety that compulsory for every role-players to attend. It must also be ensured that first aid kits and fire extinguishers are provided to ECD centres and that staff are trained on their use.
- **ECD centres-government relations:** DSD and municipalities should visit all ECD centres to identify their needs and required support.
- **Children-practitioner ratio:** ECD centres that have children over 30 should be given specific attention.
- **Nutrition and food gardens:** DSD and DoH should organize workshops on proper menu planning. Enroll the help of NGOs providing nutrition meals and/or services. The Department of Agriculture and NGOs like LIMA should assist ECD centres to establish food gardens.
- **Infrastructure:** municipalities should capture ECD infrastructure needs in their IDPs and budgeted for, especially with regard to buildings and also ensure that water and sanitation services are provided to ECDs. Special attention should also be given that ECD centres have proper windows, are fenced, sickbays, separate kitchens, playrooms and also ensure that during construction buildings meet all required standards.
- **Indoor and outdoor equipment:** standard kits should be provided to ECD centres to ensure that all of them have necessary educational toys and outdoor equipment including jungle gyms and other playground equipment.

- **Refuse management and removal:** ECD centres should be given wheelly bins that can be closed to safely manage their refuse. EHPs must also provided guidance on how best can disposable nappies be disposed in a safe and responsible manner.

### *Capacity constraints*

The municipality has serious capacity constraints when it comes to infrastructure development due to lack of adequate financial resources. The MIG funding allocation to the municipality is not sufficient to cater for all municipal infrastructure development needs. However, the municipality regards early childhood development as one of the foremost developmental priorities and is committed in devising strategies to ensure improved early childhood development in Nquthu.

### *Proposed municipal early childhood development model*

The municipality is committed to safeguarding the rights and welfare of all children of Nquthu because children are the most vulnerable group in society. The municipality shall implement the following measures to enhance and strengthen early childhood development within Nquthu as a whole:

- **ECD Policy:** the municipality will develop an ECD Policy that will constitute a clear legal framework to determine the municipality's functions and outline how the municipality plan and implement its ECD programmes. This policy shall be adopted as part of municipal policy review that accompanies IDP review processes.
- **Incorporating ECD into the IDP:** the municipality will ensure that ECD developmental needs; especially infrastructure like buildings, child friendly toilets, water provision and fencing are reflected in IDP priorities.
- **Stakeholder mobilization:** ECD is a developmental obligation of almost every sector in society. Government, the private sector, nongovernmental organizations and private individuals have an interest in early childhood development and the municipality shall mobilize them and create a platform for them to make a contribution wherever possible.
- **ECD register and donor database:** working together with the Department of Social Development and other stakeholders, the municipality will compile a database of all ECD centres and their developmental needs and, compile a list of all potential donors that can fund ECDs.

# Nquthu Surveyed ECD Centres



### C.5.2.7 Social development SWOT analysis

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>• Youth Policy</li> <li>• Staff capacity (youth department)</li> <li>• Men’s Forum</li> <li>• Disability Forum</li> <li>• Senior Citizen’s</li> <li>• Support Group</li> <li>• Sport Council</li> <li>• 98 CD centres surveyed of which 90% are formal buildings</li> </ul>	<ul style="list-style-type: none"> <li>• Budget Constraints</li> <li>• Children’s Forum</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Development of youth within the area</li> <li>• Donor support for ECD infrastructure improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Poor public awareness about the importance of early childhood development</li> </ul>

## C.6 KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

*The 202 /2 financial year is clearly going to be a difficult one because our economy was already growing at a very slow rate and the COVID 19 pandemic has hit the economy even more severely and negatively affected almost all sectors of the economy. This has hit municipality very hard and affected it in a number of ways, including extremely low revenue losses and decrease in municipal grants, R3.2 Billion decrease in equitable share and R16.8 Billion decrease in conditional grants.*

### C.6.1 Capital funding and expenditure to address service delivery

#### C.6.1.1 Grants expenditure performance

The table below details the funds received and outlines the spending patterns and also explains reasons for unspent grants in the past three financial years:

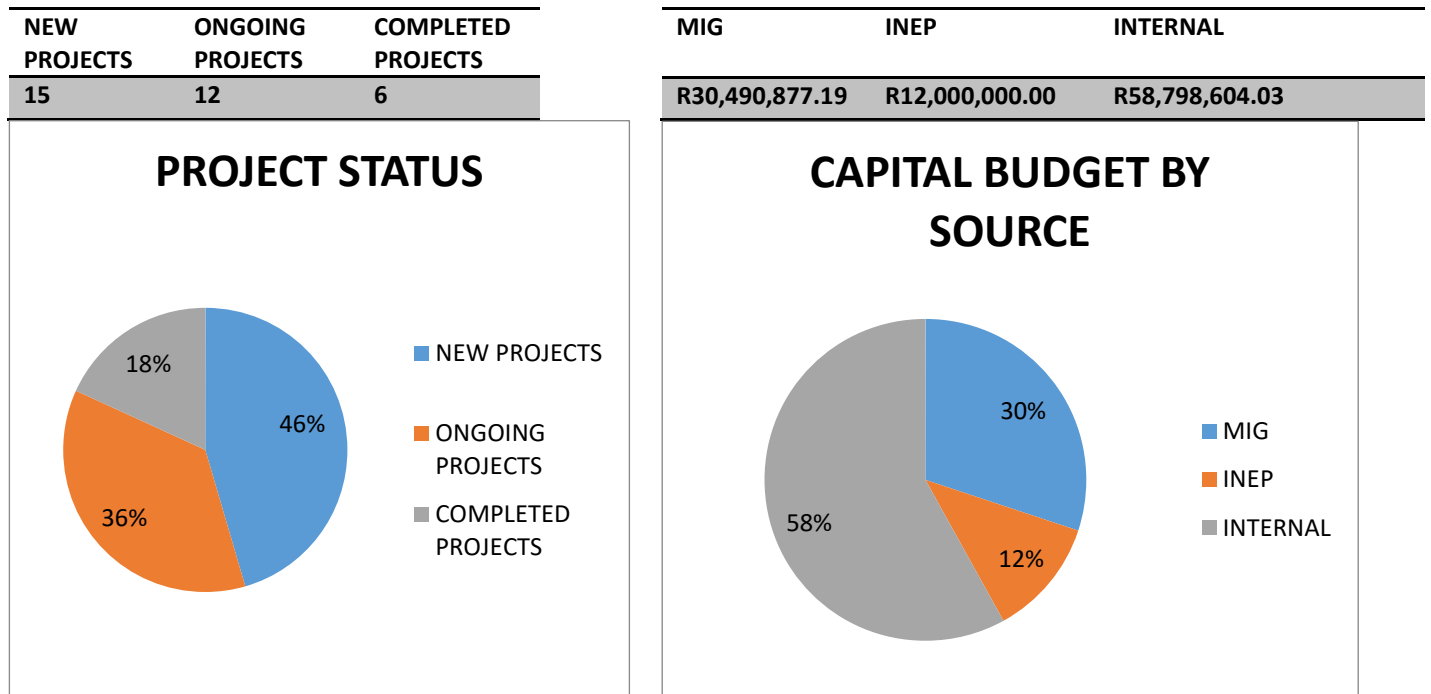
	2020	2019
Municipal Government Grant	152,870	23,974
Capacity Building	(1,898,510)	40,882
MFMA Grant	2,602	2,602
Cybercadet	-	1,733
COGTA Electrification Grant	-	31,879
Library Volunteer	398,546	180,773
Small business incubator grant	17,986	17,986
Sportsfield grant (Isilonjane)	20,331	20,331
Sportsfield Maintenance grant	128,896	128,896
Unspent Library modular	1,049,071	600,539
Housing Title Deeds grant	923,409	923,409
FMG	(8)	-
Disaster relief grant	804,000	-
	<b>1,599,193</b>	<b>1,973,004</b>

All grants that have not been spent are ring-fenced and invested until such time that they are actually spent to serve the purpose for which they were intended. Therefore, while there is room for improvement in grant spending, it is to be noted that the municipality has never returned or lost any grant due to failure to spend.

### C.6.1.2 Planned capital projects

Nquthu is a rural municipality that has a huge infrastructure backlog to address, especially with regard to roads. In the 2021/22 financial year, the municipality has a capital budget of just over R100 million to complete existing projects and also do new projects.

#### Capital budget overview



#### Capital budget details

No.	PROJECT NAME	WARD	FUNDING SOURCE	PROGRESS	PROPOSED BUDGET
	OUTSOURCED PMU (5%)	0	MIG		R 1,640,300.00
<b>PRACTICALLY COMPLETE/OPENED PROJECTS</b>					
1	MASAKHANE COMMUNITY HALL		MIG	90%	R 160,000.00
2	GWIIJA COMMUNITY HALL		MIG	89%	R 160,000.00
3	NKALANKALA COMMUNITY HALL	11	MIG	91%	R 160,000.00
4	ZALAKWANDE CRECHE		MIG	100%	R 100,000.00
5	NQUTHU JUNCTION (RANK & MISSION ROAD)	14	MIG	90%	R 550,000.00
				<b>TOTAL</b>	<b>R 1,130,000.00</b>
<b>NEW PROJECTS</b>					
6	OPHINDO ROAD	3	MIG	PLANNING STAGE	R 4,046,413.83
7	MBILANE ROAD	8	MIG	PLANNING STAGE	R 5,160,790.02



No.	PROJECT NAME	WARD	FUNDING SOURCE	PROGRESS	PROPOSED BUDGET
8	NTUZUMA ROAD	7	MIG	PLANNING STAGE	R 3,100,000.00
9	GUBAZI ROAD	11	MIG	PLANNING STAGE	R 2,608,696.00
10	SLONJANA ROAD	16	MIG	PLANNING STAGE	R 3,100,000.00
11	NSUBENI ROAD	4	MIG	PLANNING STAGE	R 3,004,677.34
12	HWANQANA ROAD	5	MIG	PLANNING STAGE	R 3,100,000.00
13	SECTION 4 CRECHE	9	MIG	PLANNING STAGE	R 1,800,000.00
14	TLOKWENI CRECHE	17	MIG	PLANNING STAGE	R 1,800,000.00
15	GOBINSIMBI HALL	10	INTERNAL	PLANNING STAGE	R 500,000.00
16	KWABIYA HALL	13	INTERNAL	PLANNING STAGE	R 500,000.00
17	HLATHI DAM HALL	12	INTERNAL	PLANNING STAGE	R 500,000.00
18	EZINKONDLWANENI HALL	14	INTERNAL	PLANNING STAGE	R 500,000.00
19	500 X JOJO TANKS	ALL	INTERNAL	PLANNING STAGE	R 700,000.00
20	QHUDENI ELECTRIFICATION	1	INEP	PLANNING STAGE	R 12,000,000.00
21					
				<b>TOTAL</b>	<b>R 42,420,577.19</b>
	<b>CURRENT/ONGOING PROJECTS</b>				
22	NQULU COMMUNITY HALL	1	INTERNAL	61%	R 200,000.00
23	MPHUNYUKA GRAVEL ROAD	9	INTERNAL	30%	R 1,862,067.24
24	SGUBUDU COMMUNITY HALL	10	INTERNAL	7%	R 2,475,443.38
25	NGWETSHANA HALL	11	INTERNAL		R 3,391,131.90
26	JABAVU COMMUNITY HALL	12	INTERNAL	35%	R 1,366,940.35
27	SPRINGLAKE SPORTFIELD P2	12	INTERNAL		R 2,000,000.00
28	TRAFFIC OFFICES	14	INTERNAL	35%	R 6,678,584.97
29	FIRE STATIONS	14	INTERNAL		R 2,000,000.00
30	NQUTHU RESIDENTIAL ROAD P1 (W,S & E)	14	INTERNAL	55%	R 6,762,638.89
31	NQUTHU RESIDENTIAL ROAD P2 (W,S & E)	14	INTERNAL	27%	R 12,935,111.80
32	NQUTHU BULK STORMWATER P1	14	INTERNAL		R 6,791,686.50
33	INCUBATOR P2	14	INTERNAL		R 2,500,000.00
34	ODUDELA COMMUNITY HALL	7	INTERNAL	37%	R 2,315,122.81
				<b>TOTAL</b>	<b>R 56,278,727.84</b>
				<b>GRAND TOTAL</b>	<b>R100,469,605.03</b>

### **C.6.1.3 Asset management**

The municipality's assets are the tools that enable the municipality to drive service delivery. It is therefore important that the municipality look after its assets to ensure that they retain its value and enable delivery of services. The municipality has vast assets at its disposal and such assets are safeguarded and managed through the municipality's assets management policy.

Key elements of the municipality's asset management approach are the following:

- Keeping a well updated asset register;
- Writing off unusable or damaged assets that holds no value;
- Disposing assets that are no longer needed or which need to be replaced, and
- Protecting, repairing and maintenance of assets.

*Net asset value*

*Value of assets to be disposed*

NB: Please refer to the Asset Register in the following pages.

**Nquthu Local Municipality**

<b>Description</b>	<b>Class Level 4</b>	<b>Cost Balance as per AFS</b>	<b>Difference</b>	<b>Balance as per AFS</b>	<b>Reclassification</b>	<b>Balance 30 June 2019</b>	<b>Additions</b>	<b>Transfers</b>	<b>Disposals</b>	<b>Balance 30 June 2020</b>
<b>Land</b>	11*	<b>7,480,343.45</b>	-	<b>7,480,343.45</b>	-	<b>7,480,343.45</b>	-	-	-	<b>7,480,343.45</b>
<b>Buildings</b>										
Dwellings	21*	2,804,526.43	-	2,804,526.43	-	2,804,526.43	-	-	-	2,804,526.43
Non-Residential Buildings	22*	27,438,552.43	-	27,438,552.43	-	27,438,552.43	-	-	-	27,438,552.43
Community Facilities	23*	97,711,783.38	-	97,711,783.38	955,319.61	98,667,102.99	-	24,113,228.32	-	122,780,331.31
Assets Under Construction - Community	99917 - WIP BUILDING - COMMUNITY FACILITY	32,782,598.16	0.50	32,782,597.66	-	32,782,597.66	22,803,041.58	24,737,334.16	-	30,848,305.08
<b>Total Buildings</b>		<b>160,737,460.40</b>	<b>0.50</b>	<b>160,737,459.90</b>	<b>955,319.61</b>	<b>161,692,779.51</b>	<b>22,803,041.58</b>	<b>624,105.84</b>	-	<b>183,871,715.25</b>
<b>Infrastructure</b>										
Electricity	31*	11,826,561.38	-	11,826,561.38	280,660.29	11,545,901.09	-	-	-	11,545,901.09
Roads	32*	167,128,254.72	27,072,486.59	140,055,768.13	-	140,055,768.13	-	11,538,608.17	-	151,594,376.30
Stormwater	33*		27,072,486.59	27,072,486.59	-	27,072,486.59	-	3,346,562.91	-	30,419,049.50
Refuse removal	36*	2,774,245.63	-	2,774,245.63	-	2,774,245.63	-	-	-	2,774,245.63
Assets Under Construction - Roads	99915 - WIP ROAD	36,406,728.85	3,597,787.14	32,808,941.71	-	32,808,941.71	21,289,063.42	14,293,855.48	-	39,804,149.65
Assets Under Construction - Stormwater	99914 - WIP STORM WATER		3,597,787.17	3,597,787.17	-	3,597,787.17	4,742,736.14	-	-	8,340,523.31
Assets Under Construction - Electricity	99916 - WIP ELECTRICITY	13,625,342.64	0.01	13,625,342.65	-	13,625,342.65	20,761,392.80	-	-	34,386,735.45
<b>Total Infrastructure</b>		<b>231,761,133.22</b>	<b>0.04</b>	<b>231,761,133.26</b>	<b>280,660.29</b>	<b>231,480,472.97</b>	<b>46,793,192.36</b>	<b>591,315.60</b>	-	<b>278,864,980.93</b>
<b>Other Assets</b>										
Machinery and Equipment	41*	7,247,535.78	-	7,247,535.78	4,344,035.30	11,591,571.08	332,866.17	18,884.44	217,537.53	11,725,784.16
Furniture and Office Equipment	42*	4,704,068.75	-	4,704,068.75	1,787,084.78	2,916,983.97	-	13,905.80	39,889.16	2,891,000.61
Computer Equipment	43*	2,364,246.42	-	2,364,246.42	680,582.66	3,044,829.08	57,160.00	-	15,165.72	3,086,823.36
Transport Assets	44*	33,135,675.34	-	33,135,675.34	3,912,192.50	29,223,482.84	376,961.20	-	-	29,600,444.04
Leased Asset - Computer Equipment	49*		-	-	-	-	193,717.73	-	-	193,717.73
Assets Under Construction - Other	99919 - WIP MACHINERY AND EQUIPMENT		-	-	-	-	-	-	-	-
<b>Total Other assets</b>					<b>-</b>				<b>-</b>	

		<b>47,451,526.29</b>	-	<b>47,451,526.29</b>	<b>674,659.32</b>	<b>46,776,866.97</b>	<b>960,705.10</b>	<b>32,790.24</b>	<b>272,592.41</b>	<b>47,497,769.90</b>
<b>Total PPE</b>			-						-	
		<b>447,430,463.36</b>	<b>0.46</b>	<b>447,430,462.90</b>	<b>0.00</b>	<b>447,430,462.90</b>	<b>70,556,939.04</b>	<b>0.00</b>	<b>272,592.41</b>	<b>517,714,809.53</b>
Herritage assets	51*	78,888.00	-	78,888.00	-	78,888.00	-	-	-	78,888.00
Intangible assets	71*	623,877.73	-	623,877.73	-	623,877.73	-	-	-	623,877.73
Investment Property	81*	1,999,639.88	-	1,999,639.88	-	1,999,639.88	-	-	-	1,999,639.88
<b>Total assets</b>			-						-	
		<b>450,132,868.97</b>	<b>0.46</b>	<b>450,132,868.51</b>	<b>0.00</b>	<b>450,132,868.51</b>	<b>70,556,939.04</b>	<b>0.00</b>	<b>272,592.41</b>	<b>520,417,215.14</b>

Nquthu Local Municipality Description	Class Level 4	Accumulated Depreciation		Balance as per AFS	Reclasification	Balance 30 June 2019	Depreciation Charges	Disposals	Balance 30 June 2020
		Balance as per AFS	Difference						
<b>Land</b>	11*	-	-	-	-	-	-	-	-
<b>Buildings</b>									
Dwellings	21*	-	-	-	-	-	-	-	-
		1,058,029.28	-	1,058,029.28	-	1,058,029.28	123,228.00	-	1,181,257.28
Non-Residential Buildings	22*	-	-	-	-	-	-	-	-
		5,806,799.00	-	5,806,799.00	-	5,806,799.00	1,039,910.39	-	6,846,709.39
Community Facilities	23*	-	-	-	-	-	-	-	-
		16,238,035.35	-	16,238,035.35	454,183.39	16,692,218.74	4,293,924.29	-	20,986,143.03
Assets Under Construction - Community	99917 - WIP BUILDING - COMMUNITY FACILITY	-	-	-	-	-	-	-	-
<b>Total Buildings</b>		-	-	-	-	-	-	-	-
		<b>23,102,863.63</b>	-	<b>23,102,863.63</b>	<b>454,183.39</b>	<b>23,557,047.02</b>	<b>5,457,062.68</b>	-	<b>29,014,109.70</b>
<b>Infrastructure</b>									
Electricity	31*	-	-	-	-	-	-	-	-
		7,092,361.27	0.00	7,092,361.27	106,055.88	6,986,305.39	516,453.16	-	7,502,758.55
Roads	32*	-	-	-	-	-	-	-	-
		46,880,059.01	3,778,262.78	43,101,796.23	-	43,101,796.23	9,842,306.90	-	52,944,103.13
Stormwater	33*	-	-	-	-	-	-	-	-
		-	3,778,262.78	3,778,262.78	-	3,778,262.78	724,242.01	-	4,502,504.79
Refuse removal	36*	-	-	-	-	-	-	-	-
		1,335,453.49	-	1,335,453.49	-	1,335,453.49	96,969.04	-	1,432,422.53
Assets Under Construction - Roads	99915 - WIP ROAD	-	-	-	-	-	-	-	-
Assets Under Construction - Stormwater	99914 - WIP STORM WATER	-	-	-	-	-	-	-	-
Assets Under Construction - Electricity	99916 - WIP ELECTRICITY	-	-	-	-	-	-	-	-
<b>Total Infrastructure</b>		-	-	-	-	-	-	-	-
		<b>55,307,873.77</b>	<b>0.00</b>	<b>55,307,873.77</b>	<b>106,055.88</b>	<b>55,201,817.89</b>	<b>11,179,971.11</b>	-	<b>66,381,789.00</b>
<b>Other Assets</b>									
Machinery and Equipment	41*	-	-	-	-	-	-	-	-
		3,437,845.63	0.00	3,437,845.63	2,628,259.69	6,066,105.32	914,004.81	205,259.16	6,774,850.97
Furniture and Office Equipment	42*	-	-	-	-	-	-	-	-
		3,239,733.78	0.00	3,239,733.78	1,084,145.23	2,155,588.55	193,629.24	32,116.58	2,317,101.21
Computer Equipment	43*	-	-	-	-	-	-	-	-
		1,748,405.23	-	1,748,405.23	461,484.74	2,209,889.97	270,195.50	14,096.93	2,465,988.54
Transport Assets	44*	-	-	-	-	-	-	-	-

Leased Asset - Computer Equipment	49*	14,052,857.75	-	14,052,857.75	2,353,726.71	11,699,131.04	2,231,738.05	-	13,930,869.09
Assets Under Construction - Other	99919 - WIP MACHINERY AND EQUIPMENT	-	-	-	-	-	97,057.70	-	97,057.70
<b>Total Other assets</b>		<b>-</b>	<b>0.00</b>	<b>-</b>	<b>348,127.51</b>	<b>-</b>	<b>-</b>	<b>251,472.67</b>	<b>-</b>
		<b>22,478,842.39</b>	<b>0.00</b>	<b>22,478,842.39</b>	<b>348,127.51</b>	<b>22,130,714.88</b>	<b>3,706,625.30</b>	<b>251,472.67</b>	<b>25,585,867.51</b>
<b>Total PPE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>251,472.67</b>	<b>-</b>
		<b>100,889,579.79</b>	<b>0.00</b>	<b>100,889,579.79</b>	<b>0.00</b>	<b>100,889,579.79</b>	<b>20,343,659.09</b>	<b>251,472.67</b>	<b>120,981,766.21</b>
Herritage assets	51*	-	-	-	-	-	-	-	-
Intangible assets	71*	-	-	-	-	-	-	-	-
Investment Property	81*	541,357.56	-	541,357.56	-	541,357.56	27,556.92	-	568,914.48
		-	-	-	-	-	-	-	-
		1,250,587.62	-	1,250,587.62	-	1,250,587.62	66,825.31	-	1,317,412.93
<b>Total assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>251,472.67</b>	<b>-</b>
		<b>102,681,524.97</b>	<b>0.00</b>	<b>102,681,524.97</b>	<b>0.00</b>	<b>102,681,524.97</b>	<b>20,438,041.32</b>	<b>251,472.67</b>	<b>122,868,093.62</b>



**Nquthu Local Municipality**

Description	Class Level 4	Accumulated Impairment		Balance as per AFS	Reclassification	Balance 30 June 2019	Impairment Losses 2020	Impairment Reversals 2020	Disposals	Balance 30 June 2020
		Balance as per AFS	Difference							
<b>Land</b>	11*	-	-	-	-	-	-	-	-	-
<b>Buildings</b>										
Dwellings	21*	-	-	-	-	-	-	-	-	-
		3,528.84	-	3,528.84	-	3,528.84	-	-	-	3,528.84
Non-Residential Buildings	22*	-	-	-	-	-	-	-	-	-
Community Facilities	23*	-	-	-	-	-	-	-	-	-
		60,520.11	-	60,520.11	4,399.65	64,919.76	738,102.73	-	-	803,022.49
Assets Under Construction - Community	99917 - WIP BUILDING - COMMUNITY FACILITY	-	-	-	-	-	-	-	-	-
<b>Total Buildings</b>		<b>64,048.95</b>	<b>-</b>	<b>64,048.95</b>	<b>4,399.65</b>	<b>68,448.60</b>	<b>738,102.73</b>	<b>-</b>	<b>-</b>	<b>806,551.33</b>
<b>Infrastructure</b>										
Electricity	31*	-	-	-	-	-	-	-	-	-
		15,599.01	-	15,599.01	-	15,599.01	-	-	-	15,599.01
Roads	32*	-	-	-	-	-	-	-	-	-
		70,988.99	65,130.89	5,858.10	-	5,858.10	1,581,877.63	-	-	1,587,735.73
Stormwater	33*	-	-	-	-	-	-	-	-	-
		-	65,130.89	65,130.89	-	65,130.89	32,410.06	-	-	97,540.95
Refuse removal	36*	-	-	-	-	-	-	-	-	-
Assets Under Construction - Roads	99915 - WIP ROAD	-	-	-	-	-	-	-	-	-
Assets Under Construction - Stormwater	99914 - WIP STORM WATER	-	-	-	-	-	-	-	-	-
Assets Under Construction - Electricity	99916 - WIP ELECTRICITY	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure</b>		<b>86,588.00</b>	<b>0.00</b>	<b>86,588.00</b>	<b>-</b>	<b>86,588.00</b>	<b>1,614,287.69</b>	<b>-</b>	<b>-</b>	<b>1,700,875.69</b>
<b>Other Assets</b>										
Machinery and Equipment	41*	-	-	-	-	-	-	-	-	-
		33,945.38	-	33,945.38	4,399.65	29,545.73	-	-	-	29,545.73

Furniture and Office Equipment	42*	-	-	-	-	-	-	-	-	-
		2,087.97	-	2,087.97	142.00	1,945.97	-	-	-	1,945.97
Computer Equipment	43*	-	-	-	-	-	-	-	-	-
		2,486.96	-	2,486.96	142.00	2,628.96	-	-	-	2,628.96
Transport Assets	44*	-	-	-	-	-	-	-	-	-
		85,698.71	-	85,698.71	-	85,698.71	73,815.53	-	-	159,514.24
Leased Asset - Computer Equipment	49*	-	-	-	-	-	-	-	-	-
Assets Under Construction - Other	99919 - WIP MACHINERY AND EQUIPMENT	-	-	-	-	-	-	-	-	-
<b>Total Other assets</b>		-	-	-	-	-	-	-	-	-
		<b>124,219.02</b>	-	<b>124,219.02</b>	<b>4,399.65</b>	<b>119,819.37</b>	<b>73,815.53</b>	-	-	<b>193,634.90</b>
<b>Total PPE</b>		-	-	-	-	-	-	-	-	-
		<b>274,855.97</b>	<b>0.00</b>	<b>274,855.97</b>	<b>0.00</b>	<b>274,855.97</b>	<b>2,426,205.95</b>	-	-	<b>2,701,061.92</b>
Heritage assets	51*	-	-	-	-	-	-	-	-	-
Intangible assets	71*	-	-	-	-	-	-	-	-	-
Investment Property	81*	-	-	-	-	-	-	-	-	-
		165.27	-	165.27	-	165.27	-	-	-	165.27
<b>Total assets</b>		-	-	-	-	-	-	-	-	-
		<b>275,021.24</b>	<b>0.00</b>	<b>275,021.24</b>	<b>0.00</b>	<b>275,021.24</b>	<b>2,426,205.95</b>	-	-	<b>2,701,227.19</b>

**Nquthu Local Municipality**

**Appendix B**

**Description**

**Class Level 4**

**Carrying value**

<b>Land</b>	11*	<b>7,480,343.45</b>
<b>Buildings</b>		
Dwellings	21*	1,619,740.31
Non-Residential Buildings	22*	20,591,843.04
Community Facilities	23*	100,991,165.79
Assets Under Construction - Community	99917 - WIP BUILDING - COMMUNITY FACILITY	30,848,305.08
<b>Total Buildings</b>		<b>154,051,054.22</b>
<b>Infrastructure</b>		
Electricity	31*	4,027,543.53
Roads	32*	97,062,537.44
Stormwater	33*	25,819,003.76
Refuse removal	36*	1,341,823.10
Assets Under Construction - Roads	99915 - WIP ROAD	39,804,149.65
Assets Under Construction - Stormwater	99914 - WIP STORM WATER	8,340,523.31
Assets Under Construction - Electricity	99916 - WIP ELECTRICITY	34,386,735.45
<b>Total Infrastructure</b>		<b>210,782,316.24</b>
<b>Other Assets</b>		
Machinery and Equipment	41*	4,921,387.46
Furniture and Office Equipment	42*	571,953.43
Computer Equipment	43*	618,205.86
Transport Assets	44*	15,510,060.71
Leased Asset - Computer Equipment	49*	96,660.03
Assets Under Construction - Other	99919 - WIP MACHINERY AND EQUIPMENT	-
<b>Total Other assets</b>		<b>21,718,267.49</b>
<b>Total PPE</b>		<b>394,031,981.40</b>
Herritage assets	51*	78,888.00
Intangible assets	71*	54,963.25
Investment Property	81*	682,061.68
<b>Total assets</b>		<b>394,847,894.33</b>

### C.6.1.4 Investments

EXTERNAL INVESTMENT REPORT FEBRUARY 2021						
Financial Institution/Bank	Date invested	Amount invested	Interest rate	Balance	Interest	Maturity date
ABSA (1394) HOUSING A/C	01-Feb-21	R863 717.71	2.30%	R865 404.90	R1 687.19	CALL A/C
ABSA CALL (5892)	01-Feb-21	R54 007.67	2.20%	R54 108.60	R100.93	CALL A/C
ABSA BANK (7106)	01-Feb-21	R59 120 258.80	3.45%	R59 293 489.25	R173 230.45	28-Feb-21
ABSA BANK (2373)	18-Feb-21	R43 213 830.14	3.60%	R43 407 601.74	R193 771.60	CALL A/C
NEDBANK 1	01-Feb-21	R46 839 883.91	3.30%	R46 958 459.40	R118 575.49	CALL A/C
FIRST NATIONAL BANK (2554)	23-Nov-20	R8 151 101.74	3.83%	R8 234 921.87	R83 820.13	23-Apr-21
FIRST NATIONAL BANK (1408)	18-Feb-21	R8 374 262.61	3.0%	R8 394 223.95	R19 961.34	CALL A/C
FIRST NATIONAL BANK (2166)	29-Nov-20	R13 249 481.99	3.81%	R13 376 459.48	R126 977.49	19-Feb-21
FIRST NATIONAL BANK (0889)	23-Nov-20	R6 892 725.89	3.83%	R6 963 605.77	R70 879.88	23-Apr-21
INVESTEC (500)	01-Feb-21	R55 943 065.53	3.35%	R56 086 831.53	R143 766.00	CALL A/C
STANDARD BANK	12-Jan-21	R14 068 652.13	3.35%	R14 139 477.19	R70 825.06	07-May-21
STANDARD BANK	01-Feb-21	R6 308.27	1.47%	R6 317.62	R9.35	CALL A/C
STANDARD BANK	24-Nov-20	R20 576 917.92	3.38%	R20 765 281.28	R188 363.36	20-Mar-21
<b>TOTAL</b>		<b>R277 354 214.31</b>		<b>R278 546 182.58</b>	<b>R1 191 968.27</b>	

The municipality invests its monies when they are not yet in use in order to generate interest that will add value in funding service delivery. Such investments are regulated by the municipality's investment policy. The municipality has utilized most of its reserves to invest in new infrastructure which is good for infrastructure development but will negatively affect investment income which previously attained. The table below provides an overview of the decrease in investment income.

<b>INTEREST EARNED ON INVESTMENT</b>		
<b>2019/20 (Audited)</b>	<b>2020/21 (Audited)</b>	<b>2021/22 (Projected)</b>
<b>R 19 270 000</b>	<b>R 7 760 000</b>	<b>R 3 400 000</b>

## **C.6.2 Social and economic redress through indigent management**

### ***Indigent policy***

The municipality has an indigent policy that regulates how the municipality assists its poorest residents. The indigents receive free basic services that are rendered by the municipality, which is electricity (municipal licensed area) and refuse removal. Eskom provides free basic electricity to all areas outside the municipal licensed area and provides a schedule of beneficiaries to the municipality on a monthly basis together with invoices for the municipality to make payments.

### ***Indigent register and number of indigent beneficiaries***

The municipality has had challenges in the past in producing a credible indigent register which has resulted in persistent audit findings by Auditor-General regarding this matter. To address this challenge, the municipality has appointed a specific official to drive the process of compiling the indigent register. At present, the municipality's indigent register has 1 950 people which is obviously far less than potentially qualifying households given the levels of poverty.

### ***Indigent budget***

The municipality has budgeted an amount of R 2 763 000 to provide free basic services to indigent household. Free basic services are mostly FBE and refuse collection which households are grouped and waste is collected from a central point.

### ***Free basic service allocation***

The Equitable Share grant formula takes into account current statistics to determine the applicable free basic service component amount for each year. This allocation is meant to, preferably, provide free basic services to qualifying households. However, to the grant dependent nature of the municipality, most of this allocation is used for operational and capital requirements of the municipality. For 2021/22 DORA allocation, free basic service allocation is as outlined in the table below:

Municipality	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
eNdumeni	50 833	54 546	54 840	-	-	-	2 918	3 008	3 125
<b>Nquthu</b>	<b>143 885</b>	<b>150 395</b>	<b>145 689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 362</b>	<b>7 590</b>	<b>7 886</b>
uMsinga	174 047	183 125	178 679	-	-	-	8 483	8 750	9 095
uMvoti	139 790	148 958	147 588	-	-	-	6 029	6 215	6 457
uMzinyathi District Municipality	345 360	369 193	372 467	56 761	60 874	64 878	-	-	-
	<b>853 915</b>	<b>906 217</b>	<b>899 263</b>	<b>56 761</b>	<b>60 874</b>	<b>64 878</b>	<b>24 792</b>	<b>25 563</b>	<b>26 563</b>

**BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES**

Municipality	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse
	2021/22 R'(000)			2022/23 R'(000)			2023/24 R'(000)		
eNdumeni	25 047	17 898	-	27 628	19 066	-	28 608	19 240	-
eNdumeni	44 230	31 605	-	47 388	32 703	-	47 662	32 055	-
<b>Nquthu</b>	<b>57 804</b>	<b>41 305</b>	<b>-</b>	<b>62 461</b>	<b>43 105</b>	<b>-</b>	<b>63 360</b>	<b>42 612</b>	<b>-</b>
uMsinga	51 623	36 888	-	56 637	39 085	-	58 331	39 230	-
uMvoti	-	-	-	-	-	-	-	-	-
uMzinyathi District Municipality	<b>178 705</b>	<b>127 697</b>	<b>-</b>	<b>194 114</b>	<b>133 959</b>	<b>-</b>	<b>197 961</b>	<b>133 136</b>	<b>-</b>

**TOTAL ALLOCATIONS TO MUNICIPALITIES**

Municipality	National and Municipal Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
eNdumeni	53 751	57 554	57 965
<b>Nquthu</b>	<b>151 247</b>	<b>157 985</b>	<b>153 575</b>
uMsinga	182 530	191 875	187 774
uMvoti	145 819	155 173	154 045
uMzinyathi District Municipality	402 121	430 067	437 345
	<b>935 468</b>	<b>992 654</b>	<b>990 704</b>



### ***Free basic services projections***

FBS projections are outlined in the 2021/22 Annual Budget which a simplified version is attached as part of IDP annexures.

### ***Indigent spending in the past three years***

Explanation of indigent spending in the past three years are outlined in the 2021/22 Annual Budget which a simplified version is attached as part of IDP annexures.

### ***Budget for people with disabilities***

Outlined in the 2021/22 Annual Budget simplified version which is attached as part of IDP annexures contained in the addendum.

### **C.6.3 Revenue raising strategies**

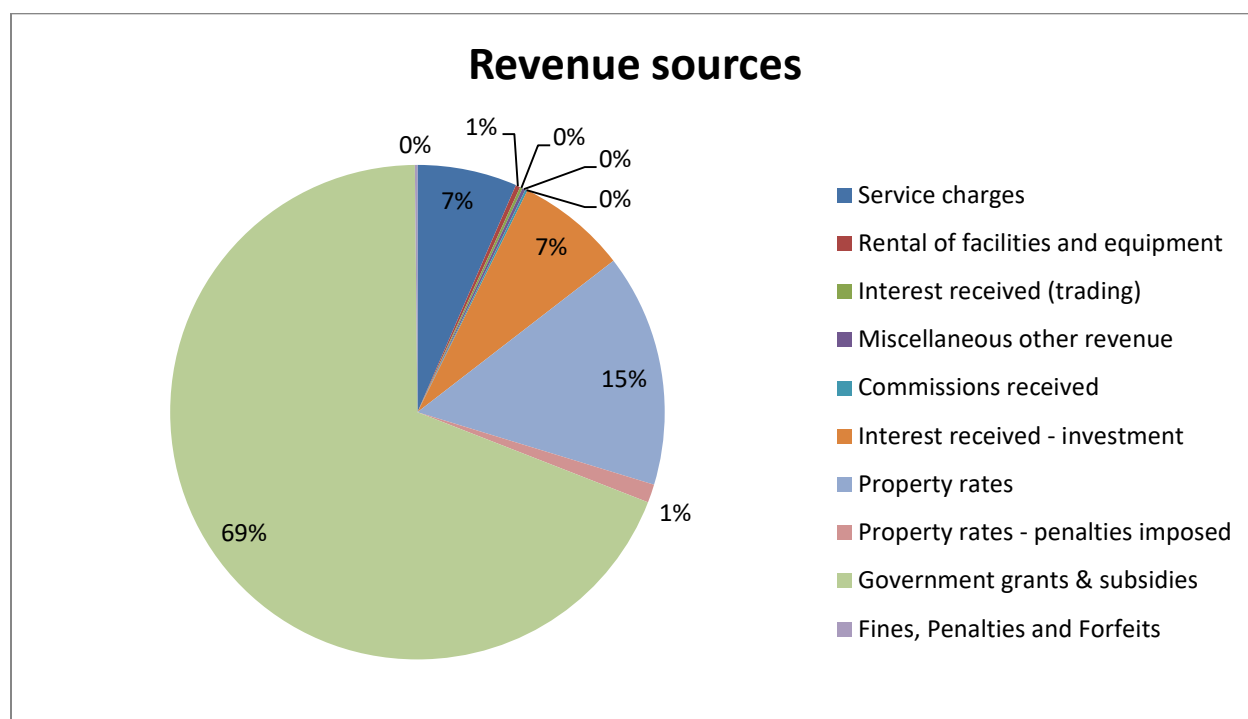
The municipality does have the revenue protection and enhancement strategy that focuses on how better the municipality can be financially sustainable and avoid being grant-dependent. This is attached for the ease of reference.

#### ***Core elements of the revenue raising strategy***

- **Electricity** - the electricity if all the loss causing issues are addressed can improve the revenue of the municipality, there are strategies being investigated by the Technical Department to reduce these losses and will be finalized in the current financial year. Also the electrification of all the houses built by Human Settlement to increase the base. In any case, electricity serves as a useful instrument to address households whose rates are not paid as their electricity is switched off at some point.
- **Property Rates** - there is a huge undeveloped land that the municipality must first develop and install services so that this can be disposed and be rated. There is an ongoing residential development project with 300 sites which is currently underway. These sites include both residential and commercial. After its completion, the municipality will sell these sites to the public which will greatly increase the municipality's revenue in property rates and service charges.
- **Revenue raising services** – the municipality appreciate the importance investing in revenue generating infrastructure or functions. That is why the municipality has invested in the vehicle testing ground offices so that while an important service is rendered to the people, the municipality is generating revenue at the same time.

The table below shows the municipality revenue collection trends as at 30 June 2020 which has been audited:

Revenue type	2020	2019
Service charges	R 17,435,015	R 15,935,101
Rental of facilities and equipment	R 797,326	R 566,912
Interest received (trading)	R 470,363	R 439,877
Miscellaneous other revenue	R 543,782	R 621,563
Commissions received	R 396,411	R 146,352
Interest received - investment	R 19,269,960	R 19,045,646
Property rates	R 40,675,054	R 36,992,498
Property rates - penalties imposed	R 3,216,574	R 2,108,428
Government grants & subsidies	R 184,420,065	R 182,610,908
Fines, Penalties and Forfeits	R 448,500	R 755,800
	<b>R 267,673,050</b>	<b>R 259,223,085</b>



### C.6.3.2 Tariff structure

Tariffs are approved together with the budget and be incorporated into the IDP once the has been tabled to Council.

### C.6.3.3 Implementation and effectiveness of the strategy

It remains difficult for the municipality to reach its true revenue raising potential due to, among other things, high indigent or poverty levels and few ratable properties outside ward 14 which is the municipality's rate base. The revenue base of the municipality is rising with the expansion

of formal businesses in Nquthu Town. However, while the municipality is far from achieving revenue raising levels that it aspires to, it is making progress which is testimony to success of this strategy.

#### **C.6.4 Debt management**

The municipality raise the majority of its revenue from grants. It is therefore very important that municipal services and rates owed to the municipality are paid for. The municipality is having a serious challenge due to the following factors:

- Culture of non-payment of municipal services and rates;
- The municipality consists mainly of rural areas;
- The unemployment rate is very high, and
- High number of indigent consumers.

However, the municipality is doing very well under the circumstances and has a collection rate of 107% which is an achievement for a rural municipality. The municipality has also developed strategies aimed at dealing with debt collection, these include:

- Entering into paying arrangements with consumers, and
- Establishment of the Debt Collection Steering Committee.

#### ***Debtor's age analysis***

The debtor's age analysis is attached in the addendum of annexures due to its size. However, it should be noted that the municipality is doing its utmost best to improve revenue collection through effective debt collection.

CL	Church	CH	Business	AG	AC	Totals per Property Use
R1,102,840.73	R580.15	R109,200.44	R861,034.89	R11,498,642.72	R8,919.16	Total Balance
R48,636.29	R168.00	R11,189.40	R200,935.35	R146,826.36	R962.50	Current Amount
R0.00	R25.20	R44.40	R28,033.60	R0.00	R0.00	Current VAT
R6,048.38	R0.00	R586.45	R3,903.90	R62,750.94	R51.33	Current Interest
R93,436.08	R168.00	R296.00	R49,140.64	R321,573.58	R962.50	30 Days Amount
R0.00	R25.20	R44.40	R3,172.94	R0.00	R0.00	30 Days VAT
R5,482.27	R0.00	R584.18	R3,858.27	R60,607.23	R44.92	30 Days Interest
R93,436.08	R168.00	R296.00	R47,422.18	R309,524.25	R962.50	60 Days Amount
R0.00	R25.20	R44.40	R3,065.21	R0.00	R0.00	60 Days VAT
R4,916.17	R0.00	R581.91	R3,934.05	R58,737.12	R38.50	60 Days Interest
R93,436.08	R0.48	R296.00	R45,786.07	R309,524.25	R962.50	90 Days Amount
R0.00	R0.07	R44.40	R2,962.72	R0.00	R0.00	90 Days VAT
R4,350.09	R0.00	R579.64	R3,446.92	R56,673.65	R32.08	90 Days Interest
R93,436.08	R0.00	R296.00	R18,705.17	R309,524.25	R962.50	120 Days Amount
R0.00	R0.00	R44.40	R2,596.12	R0.00	R0.00	120 Days VAT
R5,448.21	R0.00	R577.37	R3,285.44	R56,673.65	R32.08	120 Days Interest
R93,436.08	R0.00	R296.00	R19,535.10	R309,524.25	R962.50	150 Days Amount
R0.00	R0.00	R44.40	R2,766.21	R0.00	R0.00	150 Days VAT
R4,315.99	R0.00	R578.43	R3,209.74	R52,546.65	R19.25	150 Days Interest
R508,241.83	R0.00	R78,312.97	R336,919.08	R7,852,990.66	R2,887.50	180+ Days Amount
R0.00	R0.00	R7,951.32	R42,061.27	R0.00	R0.00	180+ Days VAT
R48,221.10	R0.00	R28,891.17	R36,294.91	R1,591,165.88	R38.50	180+ Days Interest

<b>Government</b>	<b>GO</b>	<b>Farm</b>	<b>EP</b>	<b>DW</b>	<b>CO</b>	<b>Totals per Property Use</b>
R21,244,175.05	R1,304,067.00	R3,991,562.67	R1,686.54	R7,690,859.07	R1,471,815.44	Total Balance
R450,712.28	R24,987.92	R119,412.50	R182.00	R155,966.96	R367,521.45	Current Amount
R19,739.73	R0.00	R0.00	R0.00	R11,567.69	R78,602.49	Current VAT
R116,508.11	R5,034.30	R23,008.75	R9.71	R37,219.67	R5,430.00	Current Interest
R404,158.19	R103,209.58	R119,412.50	R182.00	R128,373.15	R95,143.20	30 Days Amount
R15,480.70	R0.00	R0.00	R0.00	R8,082.42	R1,915.44	30 Days VAT
R113,793.95	R4,822.43	R22,212.66	R8.49	R37,464.22	R5,364.74	30 Days Interest
R322,424.62	R103,209.58	R119,412.50	R182.00	R112,003.94	R72,215.10	60 Days Amount
R8,748.67	R0.00	R0.00	R0.00	R7,414.18	R931.69	60 Days VAT
R112,431.47	R4,610.56	R21,416.59	R7.28	R36,956.88	R5,731.52	60 Days Interest
R316,555.95	R103,209.58	R119,412.50	R182.00	R107,834.95	R53,635.54	90 Days Amount
R7,868.37	R0.00	R0.00	R0.00	R8,347.46	R654.15	90 Days VAT
R109,609.80	R4,296.41	R20,620.50	R6.07	R36,603.71	R5,180.16	90 Days Interest
R272,469.99	R103,209.58	R119,412.50	R182.00	R94,690.64	R31,417.31	120 Days Amount
R1,255.48	R0.00	R0.00	R0.00	R6,819.96	R642.49	120 Days VAT
R111,740.87	R4,579.79	R20,620.50	R6.07	R37,130.38	R4,067.77	120 Days Interest
R338,893.48	R103,209.58	R119,412.50	R182.00	R86,304.45	R19,378.64	150 Days Amount
R1,429.56	R0.00	R0.00	R0.00	R6,443.73	R642.49	150 Days VAT
R107,766.83	R3,772.93	R19,028.34	R3.64	R35,904.21	R3,885.03	150 Days Interest
R15,805.079.53	R709,449.72	R2,854,250.00	R546.00	R5,595,552.29	R536,858.18	180+ Days Amount
R28,294.89	R0.00	R0.00	R0.00	R650,528.10	R9,558.09	180+ Days VAT
R3,480,637.14	R26,465.04	R293,930.33	R7.28	R801,584.00	R173,039.96	180+ Days Interest

<b>Municipal</b>	<b>MIN</b>	<b>LB</b>	<b>Hospital</b>	<b>HL</b>	<b>H</b>	<b>Totals per Property Use</b>
R111,566.98	R30,492.53	R158,541.48	- R69,932.85	R9,244.37	R710,830.20	<b>Total Balance</b>
R24,115.17	R3,290.56	R7,323.91	- R69,932.85	R0.00	R304,791.10	<b>Current Amount</b>
R2,118.69	R0.00	R537.89	R0.00	R0.00	R45,193.52	<b>Current VAT</b>
R551.87	R175.50	R0.00	R0.00	R64.14	R2,322.53	<b>Current Interest</b>
R10,707.12	R3,290.56	R8,110.87	R0.00	R0.00	R289,216.30	<b>30 Days Amount</b>
R107.48	R0.00	R655.92	R0.00	R0.00	R42,797.31	<b>30 Days VAT</b>
R479.77	R153.56	R0.00	R0.00	R64.14	R9,873.64	<b>30 Days Interest</b>
R10,707.12	R3,290.56	R7,456.64	R0.00	R0.00	R3,907.75	<b>60 Days Amount</b>
R107.48	R0.00	R557.80	R0.00	R0.00	R1.02	<b>60 Days VAT</b>
R407.68	R131.62	R0.00	R0.00	R64.14	R83.06	<b>60 Days Interest</b>
R10,707.12	R3,290.56	R9,091.26	R0.00	R0.00	R3,900.92	<b>90 Days Amount</b>
R107.48	R0.00	R802.99	R0.00	R0.00	R0.00	<b>90 Days VAT</b>
R335.58	R109.69	R0.00	R0.00	R64.14	R57.05	<b>90 Days Interest</b>
R10,707.12	R3,290.56	R9,161.41	R0.00	R0.00	R3,900.92	<b>120 Days Amount</b>
R107.48	R0.00	R813.51	R0.00	R0.00	R0.00	<b>120 Days VAT</b>
R330.08	R109.69	R0.00	R0.00	R64.14	R57.05	<b>120 Days Interest</b>
R10,707.12	R3,290.56	R10,043.20	R0.00	R0.00	R3,631.72	<b>150 Days Amount</b>
R107.48	R0.00	R945.79	R0.00	R0.00	R0.00	<b>150 Days VAT</b>
R191.38	R65.81	R0.00	R0.00	R64.14	R6.83	<b>150 Days Interest</b>
R26,135.88	R9,871.68	R90,608.62	R0.00	R7,154.02	R1,024.41	<b>180+ Days Amount</b>
R1,892.37	R0.00	R11,909.19	R0.00	R1,073.10	R0.00	<b>180+ Days VAT</b>
R935.51	R131.62	R522.48	R0.00	R632.41	R65.07	<b>180+ Days Interest</b>



SC	Residentia I	R	PO	PB	None	Totals per Property Use
R3,824,376.29	R203,860.84	R83,790.53	R234,874.60	R4,480,099.32	R5,310,951.16	Total Balance
R8,929,087.17	R3,949.16	R18,251.22	-R1,705.40	R75,677.76	R92,812.95	Current Amount
R551.97	R709.47	R0.00	R0.00	R515.88	R987.23	Current VAT
R71,036.53	R1,003.23	R425.19	R1,388.09	R1,371.00	R20,051.71	Current Interest
R924,855.42	R4,984.70	R18,251.22	R0.00	R207,612.16	R71,261.28	30 Days Amount
R467.21	R687.85	R0.00	R0.00	R115.84	R691.40	30 Days VAT
R65,127.23	R1,026.54	R303.52	R1,388.09	R1,258.14	R19,615.75	30 Days Interest
R925,031.77	R4,394.94	R8,285.55	R0.00	R18,539.92	R74,469.63	60 Days Amount
R493.66	R659.37	R0.00	R0.00	R0.00	R1,156.02	60 Days VAT
R59,212.57	R1,003.91	R248.28	R1,388.09	R1,152.42	R19,169.31	60 Days Interest
R924,131.03	R3,388.63	R6,206.55	R0.00	R18,539.92	R72,045.44	90 Days Amount
R358.55	R508.40	R0.00	R0.00	R0.00	R809.04	90 Days VAT
R53,325.11	R997.00	R206.94	R1,388.09	R1,046.73	R18,726.54	90 Days Interest
R925,239.80	R3,384.86	R6,206.55	R0.00	R114,189.92	R71,831.16	120 Days Amount
R524.86	R507.83	R0.00	R0.00	R0.00	R776.89	120 Days VAT
R62,394.81	R979.71	R206.94	R1,388.09	R1,046.73	R18,712.08	120 Days Interest
R925,682.77	R3,188.01	R6,206.55	R0.00	R18,539.92	R72,038.15	150 Days Amount
R591.30	R478.30	R0.00	R0.00	R0.00	R845.44	150 Days VAT
R51,089.37	R954.48	R124.12	R1,388.09	R835.32	R17,836.80	150 Days Interest
R7,110,524.38	R127,785.42	R18,619.65	R208,212.87	R3,842,187.56	R4,069,769.85	180+ Days Amount
R20,094.72	R18,126.02	R0.00	R0.00	R0.00	R27,289.51	180+ Days VAT
R632,730.40	R25,143.01	R248.25	R20,038.59	R177,470.10	R825,680.88	180+ Days Interest

Total	V	Sundry Debtors	SH	School	Totals per Property Use
<b>R72,237,042.14</b>	R5,620,613.63	R1,112,860.82	R768,727.23	R360,761.15	Total Balance
<b>-R10,184,400.56</b>	R244,315.33	R12,463.84	R103,911.99	R2,180,715.96	Current Amount
<b>R228,220.42</b>	R28,879.19	R1,907.87	R8,805.60	R0.00	Current VAT
<b>R405,518.87</b>	R26,442.48	R5,757.58	R3,959.82	R10,417.66	Current Interest
<b>R3,044,203.48</b>	R144,381.22	R12,935.73	R26,370.48	R6,171.00	30 Days Amount
<b>R79,271.67</b>	R3,128.13	R1,874.87	R24.56	R0.00	30 Days VAT
<b>R399,027.87</b>	R25,608.65	R5,704.59	R3,783.86	R10,397.03	30 Days Interest
<b>R2,417,484.97</b>	R134,813.15	R12,793.41	R26,366.78	R6,171.00	60 Days Amount
<b>R26,803.22</b>	R1,720.98	R1,853.53	R24.01	R0.00	60 Days VAT
<b>R376,560.09</b>	R24,702.84	R5,649.79	R3,607.92	R10,376.41	60 Days Interest
<b>R2,376,985.68</b>	R130,246.96	R12,560.83	R25,869.56	R6,171.00	90 Days Amount
<b>R25,495.45</b>	R1,198.69	R1,818.66	R14.47	R0.00	90 Days VAT
<b>R360,856.16</b>	R23,825.58	R5,583.55	R3,435.36	R10,355.77	90 Days Interest
<b>R2,366,746.39</b>	R129,353.17	R13,134.34	R25,869.56	R6,171.00	120 Days Amount
<b>R17,153.72</b>	R1,148.20	R1,902.03	R14.47	R0.00	120 Days VAT
<b>R373,738.83</b>	R23,774.13	R5,523.16	R3,434.62	R11,555.47	120 Days Interest
<b>R2,317,106.99</b>	R128,409.92	R12,193.93	R25,869.56	R6,171.00	150 Days Amount
<b>R17,208.74</b>	R1,135.94	R1,763.63	R14.47	R0.00	150 Days VAT
<b>R345,915.29</b>	R22,228.18	R5,495.28	R3,090.24	R11,514.21	150 Days Interest
<b>R56,707,415.83</b>	R3,498,880.91	R713,967.22	R462,995.53	R2,238,590.07	180+ Days Amount
<b>R1,076,628.37</b>	R172,748.03	R84,561.22	R540.54	R0.00	180+ Days VAT
<b>R9,459,100.66</b>	R853,671.95	R193,415.76	R40,723.83	R207,415.49	180+ Days Interest

### ***Debt management related policies***

Debt management is a function which requires that a number of policies, especially those relating to tariffs, are set and properly communicated to the communities so that they clearly understand their obligation and responsibilities towards paying rates and services rendered to them by the municipality. The municipality has a specific Credit Control and Debt Collection Policy and, for this policy to work effectively, the following policies set the background so that all the processes of debt collection have a clear basis:

- Tariff Policy on Property Rates;
- Tariff Policy on Electricity;
- Tariff Policy on Refuse Removal/Solid Waste, and
- Municipal Property Rates Policy.

### **C.6.5 Financial management**

#### **C.6.5.1 Supply chain management**

##### ***SCM Policy***

There is SCM Policy and it was duly reviewed on 15 June 2020 as part of an annual policy review process and will also be subjected to a review process before the beginning of the 2021/22 financial year to address any policy issues that may be there.

##### ***Functionality of bid committees***

###### *Bid committees*

<b>COMMITTEE</b>	<b>FUNCTIONS</b>
<b>Bid specification committee</b>	Determines the exact requirements, qualities, quantities or specifications of the product or service to be procured to ensure that it shall correctly serve the purpose for which it was procured for.
<b>Bid evaluation committee</b>	Evaluate all received bids to determine the one that meet or exceed the set requirements in term of functionality, price and empowerment requirements in order to determine the highest scorer to be recommended to the bid adjudication committee.
<b>Bid adjudication committee</b>	Receive recommendations from bid evaluation committee and recommends to the accounting officer to make an appointment having satisfied itself that the bid was correctly evaluated in terms of applicable laws and set criteria and standards.

All the bid committees as outlined above are fully functional and sit regularly as required and all bid committee members have been trained by both a private institution for an accredited training as well as continuous training conducted by Provincial Treasury.

#### ***Alignment of SDBIP and procurement plan***

The procurement plan has been aligned to the SDBIP to ensure that all service delivery targets of the municipality are achieved in prescribed timelines (refer to the table below).

#### ***SCM appeals***

There was one appeal lodged relating to the supply and installation of lighting conductors. Except for this bid mentioned above, appeals are quite a rare occurrence.

#### ***SCM challenges***

The municipality's SCM processes have not experienced insurmountable challenges to date, the municipality's SCM systems and structures are up to the task. However, there are occasional challenges with service providers who sometimes fail to deliver on set timeframes and also deviations from procurement plans by internal departments which have an unfavourable effect on SCM planning processes. The municipality is constantly strengthening its ability to implement its procurement plans except in exceptional cases where deviating cannot be avoided as is the currently with the COVID pandemic whereby a portion of the budget must be utilized to deal with the national question. There was also a finding raised by AG regarding the composition of the BAC, the municipality has addressed that finding in the AG Action Plan and the BAC is now properly constituted.

### **C.6.5.2 Assets and infrastructure**

#### ***Asset renewal plan***

The municipality has developed an asset renewal plan that is meant to find a balance between addressing infrastructure backlog (i.e. accumulating more assets) while at the same time renovating existing assets to make them retain their value and continue to be utilized. The asset renewal plan is attached in the addendum of annexures.

#### ***Feasibility of the asset renewal plan***

The manner in which the renewal plan is structured is both feasible and sustainable. All the provisions of the renewal plan are within the financial capacity of the municipality. The municipality has also appointed the facilities manager who will ensure that the plan is continuously developed and implemented.

### **C.6.5.3 Repairs and maintenance**

Repairs and maintenance are one of the most critical aspects of asset management because the monetary value of assets and their usefulness to in performing the function that they were acquired for is largely dependent on proper maintenance.

#### ***Repairs and maintenance plan***

There is an existing repairs and maintenance plan that is meant to regulate all repairs and maintenance activities and also provide a monitoring and evaluation framework to ensure that all set targets are met. This plan is attached as ANNEXURE?

#### ***Repairs and maintenance challenges***

The only way for the municipality to retain the monetary value and usefulness of its assets is to keep them in good condition. However, the municipality has to grapple with the following challenges as it strives to improve repairs and maintenance:

- There is not enough sense of ownership of public infrastructure or facilities by communities which sometimes results in vandalism. The municipality cannot afford to hire security personnel for every facility, and
- Most assets which are utilized by municipal departments like vehicles, equipment, furniture, buildings, etc. are in the custody of user departments. There is no adequate of appreciation by departments of the need to take good care of such assets; assets are not well managed and controlled and repairs and maintenance is not sufficiently given prominence when departments compile their budgets.

The repairs and maintenance plan seeks to address all the weaknesses that are within the control of the municipality.

### **C.6.5.4 Financial viability and sustainability**

#### **C.6.5.4.1 Financial ratios**

Table **C.6.5.4.1** expresses the position of the municipality in relation to financial ratios that are prescribed to measure the municipality's financial viability and sustainability. These ratios are analyzed in terms of the provisions of MFMA Circular 71 which sets out norms and applicability of these ratios.

INDICATOR	PURPOSE/ USE OF THE RATIO	NORM	STATUS
<b>Collection rate</b>	The Ratio indicates the collection rate; i.e. level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.	95%	97
<b>Cash / Cost Coverage Ratio</b>	The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.	1-3 Months	9 months
<b>Electricity Distribution Losses (Percentage)</b>	The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.	10%	24%
<b>Revenue Growth (%)</b>	This Ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by an increase in Revenue base or by some other means.	CPI rate	-0.92
<b>Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)</b>	The ratio measures the extent of Remuneration to Total Operating Expenditure: If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure.	25% to 40%	1.12
<b>Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)</b>	The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.	8%	0.148

**Table C.6.5.4.1 Financial ratios**



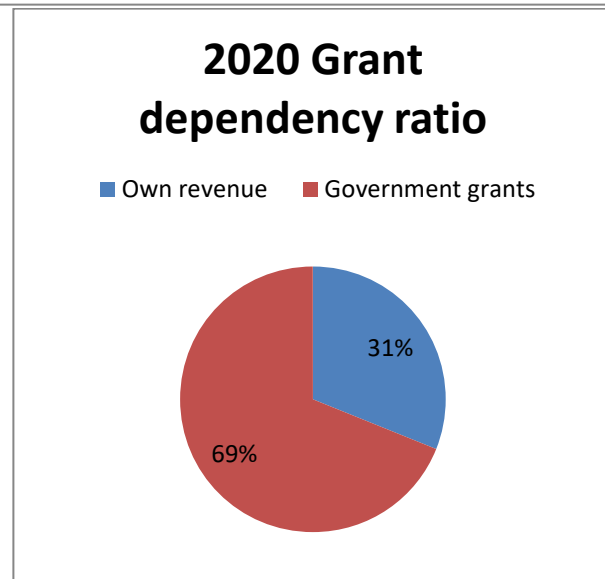
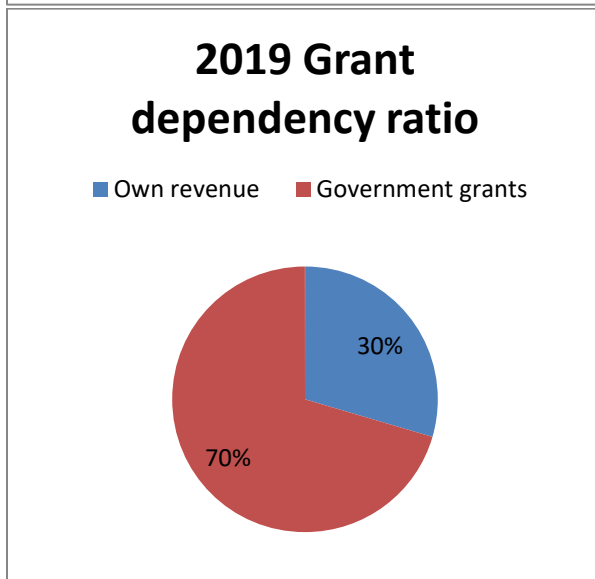
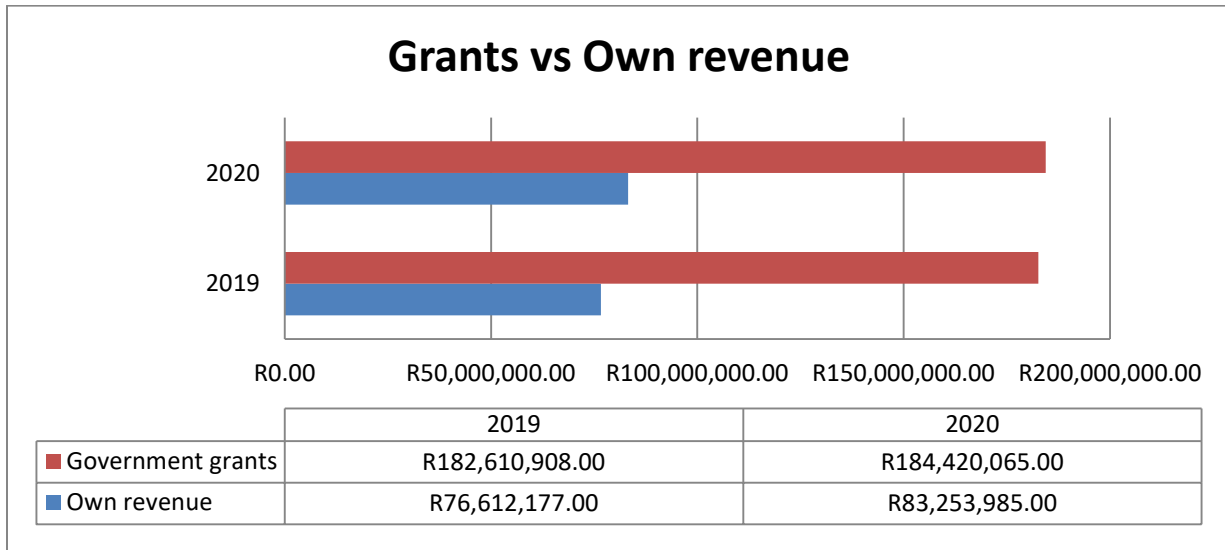
## C.6.6 Borrowings and grant dependency

### ***Borrowings***

The municipality is committed to being debt free which eliminates the costs associated with servicing debt which would put the municipality in a vulnerable financial position associated with debt. The municipality has no current debt and plans to remain debt free going forward.

### ***Grant dependency***

The municipality is largely grant dependent since most of its operational and capital budgets are funded from equitable share and conditional grants. However, the municipality is making serious stride in raising its own revenue. *(Please refer to charts below)*



### C.6.7 Municipal Standard Chart of accounts

The municipality is currently undertaking all the regulated processes and directives of the M-SCOA circulars. Our current service provider being Sebata will be our main system provider for EMS and then we will use the following sub-system.

- Payroll – VIP/Sage
- Assets – Baud/PWC
- Prepaid – Ontec (formerly Itron)

The integration processes are currently underway that will ensure that this is seamlessly as required by the regulations.

The following has been achieved so far:

- Tabling of M-SCOA regulations to council
- Steering committee selection
- Project champion election
- M-SCOA risk register
- Submission of Activity/business plan
- MOU with current service provider
- Monthly steering committee meetings

The current estimates for M-SCOA implementation is R 2, 6 million and this shall be funded from MFMG as well as own funding. There is a IT infrastructure that the municipality must invest in for the future as currently we are on the solution that is hosted by the service provider rather than the one hosted at our premises.

### C.6.8 Auditor-General’s opinion

#### ***AG opinion in the last financial year***

The municipality has seriously regressed in its audit outcome for 2019/20 financial year as is shown in the table below:

<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b><i>Unqualified with findings</i></b>	<b><i>Unqualified with findings</i></b>	<b><i>Disclaimer with findings</i></b>

Auditor-General of South Africa

Nquthu Municipality  
Audit report 2019-20

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

## Report on the audit of the financial statements

### Disclaimer of opinion

1. I was engaged to audit the financial statements of the Nquthu Municipality set out on pages x to x, which comprise the statement of financial position as at 30 June 2020, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. I do not express an opinion on the financial statements of the municipality. Because of the significance of the matters described in the basis for disclaimer of opinion section of this auditor's report, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### Basis for disclaimer of opinion

#### Material uncertainty related to going concern/ financial sustainability

3. The municipality did not perform a proper going concern assessment as required by the South African Standard of Generally Recognised Accounting Practice 1 (SA Standard of GRAP), *Presentation of financial statements* as they did not perform an assessment for the forthcoming 12 months. Consequently, the disclosure in note 41 to the financial statements is inadequate to support the use of the going concern assumption in the preparation of the financial statements.

#### Property, plant and equipment

4. The municipality did not recognise donated land in accordance with the requirements of the SA Standard of GRAP 17, *Property, plant and equipment*. The municipality did not recognise donated land which met the definition of an asset. Consequently, property, plant and equipment was understated by an amount which was impracticable to determine. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.
5. I was unable to obtain sufficient appropriate audit evidence that community assets and infrastructure assets had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm the community and infrastructure assets by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the net carrying value of property, plant and equipment stated at R417,49 million in note 4 to the financial statements.

### Receivables from exchange transactions

6. I was unable to obtain sufficient appropriate audit evidence that the receivables from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to receivables from exchange transactions stated at R6,35 million in note 9 to the financial statements.

### Receivables from non-exchange transactions

7. I was unable to obtain sufficient appropriate audit evidence that receivables from non-exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm receivables from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to receivables from non-exchange transactions stated at R53,61 million in note 10 to the financial statements.
8. The municipality did not properly account for receivables from non-exchange transactions in accordance with the SA Standard of GRAP 104, *Financial instruments*. Conditional grant receivables were incorrectly included in receivables from non-exchange transactions. Consequently, receivables from non-exchange transactions and revenue from non-exchange transaction were overstated by R9,07 million.
9. The municipality inappropriately offset negative debtors' amounts against receivables from non-exchange transactions, contrary to the requirements of the SA Standard of GRAP 1, *Presentation of financial statements*. Consequently, receivables from non-exchange transactions and payables income received in advance were both understated by R1,98 million.

### VAT receivable

10. I was unable to obtain sufficient appropriate audit evidence that VAT receivables had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the VAT receivables amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to VAT receivables stated at R6,64 million in note 11 to the financial statements.

### Payables from exchange transactions

11. I was unable to obtain sufficient appropriate audit evidence that payables from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to payables from exchange transactions stated at R45,73 million in note 16 to the financial statements.

## Provisions

12. I was unable to obtain sufficient appropriate audit evidence that provisions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the provisions amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to provisions stated at R10,21 million in note 15 of to the financial statements.

## Employee benefit obligations

13. I was unable to obtain sufficient appropriate audit evidence that employee benefit obligations had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the employee benefit obligations by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the employee benefit obligations stated at R5,12 million in note 7 to the financial statements.

## Revenue from exchange transactions

14. I was unable to obtain sufficient appropriate audit evidence that revenue from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the revenue from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to revenue from exchange transactions stated at R38,91 million in note 18 to the financial statements.
15. The municipality did not correctly account for service charges in terms of SA Standard of GRAP 1, *Presentation of financial statements*. The debt impairment expense was erroneously included in service charges revenue. Consequently, service charges revenue is overstated by R10,58 million in note 19 to the financial statements and debt impairment as stated in note 28 to the financial statements was understated by the same amount. Additionally, there was a resultant impact on the surplus for the period.

## Revenue from non-exchange transactions

16. I was unable to obtain sufficient appropriate audit evidence that revenue from non-exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm revenue from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to revenue from non-exchange transactions stated at R229,73 million in note 18 to the financial statements.

## Contracted services

17. I was unable to obtain sufficient appropriate audit evidence that contracted services had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the contracted services expenditure amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the contracted services expenditure amount totalling R10,77 million in note 30 the financial statements.



## General expenses

18. I was unable to obtain sufficient appropriate audit evidence that general expenses had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the general expenses amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to general expenses stated at R42,00 million in note 31 the financial statements.

## Transfers and subsidies

19. I was unable to obtain sufficient appropriate audit evidence that transfers and subsidies had been properly accounted for, due to the status of the accounting records. I was unable to confirm the transfers and subsidies expenditure amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to transfers and subsidies stated at R5,09 million in the statement of financial performance.

## Commitments

20. The municipality did not account for commitments in terms of SA Standard of GRAP 17, *Property, plant and equipment*. The municipality incorrectly included retention monies in capital commitments. Consequently, commitments was overstated by R5,71 million in note 35 to the financial statements.

## Irregular expenditure

21. The municipality did not include the full extent of irregular expenditure in the financial statements, as required by section 125(2)(d) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). This was due to payments made in contravention of the supply chain management requirements, which resulted in irregular expenditure. In addition, I was unable to obtain sufficient appropriate audit evidence to confirm the irregular expenditure disclosed in the notes to the financial statements as sufficient appropriate audit evidence was not provided. I was unable to confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to irregular expenditure incurred for the year, stated at R50,88 million in note 44 to the financial statements.

## Contingencies

22. I was unable to obtain sufficient appropriate audit evidence for contingencies, as the municipality did not maintain accurate and complete records. I could not confirm contingencies by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to contingencies as stated in note 36 to the financial statements.

## Prior period errors

23. The municipality did not disclose all previous period errors in note 39 to the financial statements, as required by SA Standard of GRAP 3, *Accounting policies, changes in accounting estimates and errors*. The nature and the amount of the correction for each financial statement item affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed, as identified by the auditors.

## Statement of changes in net assets

24. The municipality did not prepare and disclose the statement of changes in net assets as required by GRAP 1, *Presentation of financial statements*. This was due multiple errors identified on the opening balance of the accumulated surplus as disclosed in the statement of changes in net assets. Consequently, I was not able to determine the full extent of the errors in the opening balance of the accumulated surplus, stated at R611,17 million in the statement of changes in net assets, as it was impracticable to do so.

## Net cash flows from operating activities

25. The municipality did not prepare and disclose the net cash flows from operating activities as required by SA Standard of GRAP 2, *Cash flow statements*. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, stated at R116,07 million in note 34 (Cash generated from operations) to the financial statements, as it was impracticable to do so.

## Statement of comparison of budget and actual amounts

26. The municipality did not prepare the statement of comparison of budget and actual amounts in accordance with the SA Standards of GRAP 24, *Presentation of budget information in financial statements*. Material differences were identified between the budget amounts disclosed in the financial statements and the approved budget. Consequently, the statement of comparison of budget and actual amounts was materially misstated. Additionally, an explanation of material differences between the budget and actual amounts was not disclosed as indicated in notes 46 and 53 to the financial statements.

## Other matter

27. I draw attention to the matter below.

## Unaudited disclosure notes

28. 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 financial statements and, accordingly, I do not express an opinion on it.

## Responsibilities of the accounting officer for the financial statements

29. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and the Division of Revenue Act of South Africa, 2019 (Act No.16 of 2019) (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.

30. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the 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**

31. My responsibility is to conduct an audit of the financial statements in accordance with the ISAs and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this auditor's report, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

32. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code), as well as the other ethical requirements 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**

33. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priority presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

34. I was engaged to evaluate 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 KPA 2 - basic service delivery and infrastructure development priority presented on pages x to x of the annual performance report of the municipality for the year ended 30 June 2020.

35. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

### **KPA 2: Basic service delivery and infrastructure development**

#### **Planning for Bucoshi Gravel Road**

36. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined nature and required level of performance, method of calculation and deadline for delivery to be used when measuring the actual achievement for the indicator "Planning for Bucoshi Gravel Road". This was due to a lack of measurement definitions and processes as the target for the indicator was not set.

<b>Indicator per SDBIP</b>	<b>Planned target per SDBIP</b>
Planning for Bucoshi Gravel Road	Submission of designs

## Various indicators

37. The reported achievements of targets in the annual performance report for the following two indicators did not agree to the supporting evidence provided.

Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR	Audited value
Number of electricity connections at Low Cost Housing Phase II (Ward 14-municipal area) by year end	1157	1052	1157
Number of households with access to FBE quarterly	4 172	4280	5335

## Various indicators

38. The reported achievements of targets for the following five indicators did not agree with the planned targets as per the approved service delivery and budget implementation plan (SDBIP).

Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR
Submission of design for Mbilane gravel road by year end	31-Sept-2019	Design report for Mbilane gravel road submitted before 30 June 2020
Submission of design for Mphunyuka Gravel Road by year end	31-Mar-2020	Design Report for Mphunyuka Gravel Road submitted by 29 May 2020
Submission of design for Nkonkonyane Gravel Road by year end	30-Nov-19	Design report submitted and construction is underway (50% construction progress)
Appointment of contractor for installation gabion and pavement slab for Magogo Gravel Road by year end	30-Jun-20	Design submitted and installation of gabions is 63% complete as at 30 June 2020
Appointment of contractor for installation of pavement slab and guard-rails for Nomalanga gravel road by year end	30-Jun-20	Contractor appointed and on site (53% progress made)

## Various indicators

39. I was unable to obtain sufficient appropriate audit evidence for the achievement of targets for the below-mentioned five indicators in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR
Construction of 2.5km Ntabenebomvu Gravel Rd before by year end	100%	4378200%
Submission of design for Mphunyuka Gravel Road by year end	31-Mar-2020	Design report for Mphunyuka Gravel Road submitted by 29 May 2020
Submission of design for Nkonkonyane Gravel Road by year end	30-Nov-19	Design report submitted and construction is underway (50% construction progress)
Final assessment report of electricity infrastructure in the municipal area by year end	30 June 2020	Technical assessment report submitted to the municipality by 1 May 2020

Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR
Planning for Bucoshi Road	Submission of designs	Design Report for Bucoshi Gravel Road submitted for construction of 3.5 km access road in Ward 4

#### Various indicators

40. The planned targets for the two below-mentioned indicators were not specific in clearly identifying the required level of performance or measure. This was due to targets being measured in percentage whilst the indicators are referring to kilometres of road constructed.

Indicator per SDBIP	Planned target per SDBIP
Construction of 6.85km Nquthu Southern Road Network Phase II	100%
Construction of 2.5km Ntabenebomvu Gravel Rd before by year end	100%

#### Various indicators

41. The following two planned and approved indicators per the service delivery and budget implementation plan were not included/reported upon in the annual performance report:

Indicators per SDBIP
Planning for Cishane gravel road
Mangwebuthanani, section 4 electrification, phase II

#### Various indicators

42. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against targets as reported in the annual performance report. This was due to limitations placed on the scope of my work as supporting evidence was not provided by management to corroborate the measures disclosed. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance.

Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR	Corrective measures in the APR
Construction of 6.85km Nquthu Southern Road Network Phase II	100%	85%	Construction to resume when lockdown is lifted
Submission of design for Mphunyuka Gravel Road by year end	31 March 2020	Design Report for Mphunyuka Gravel Road submitted by 29 May 2020	N/A
Number of electricity connections in Eskom area by year end	400	0	Eskom has a plan for some of the areas

## Other matter

43. I draw attention to the matter below.

### Achievement of planned targets

44. The annual performance report on pages x to x sets out information on the achievement of planned targets for the year. This information should be considered in the context of the material findings identified on the usefulness and reliability of the reported performance information in paragraphs 36 to 42 of this report.

## Report on the audit of compliance with legislation

### Introduction and scope

45. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

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

### Annual financial statements

47. The annual 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/or the supporting records could not be provided subsequently, which resulted in the annual financial statements receiving a disclaimer of audit opinion.

48. The annual financial statements was not submitted to the Auditor-General, for auditing, within four months after the end of the financial year, as required by section 126(1)(a) of the MFMA.

### Asset management

49. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.

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

### Revenue management

51. An adequate management, accounting and information system which accounts for revenue / debtors / receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.

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

53. I was unable to obtain sufficient appropriate audit evidence that revenue due to the municipality was calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.
54. I was unable to obtain sufficient appropriate audit evidence that accounts for municipal tax and service charges were prepared that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical, as required by section 64(2)(c) of the MFMA.
55. I was unable to obtain sufficient appropriate audit evidence that interest had been charged on all accounts in arrears, except where the municipal council has granted exemptions in accordance with its budget-related policies and within a prescribed framework as required by section 64(2)(g) of the MFMA.

### **Expenditure management**

56. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, as required by section 65(2)(b) of the MFMA.
57. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The amount of R50,88 million incurred for the year, as disclosed in note 44 to the financial statements, is not complete as management was still in the process of quantifying the full extent of the irregular expenditure. The majority of the disclosed irregular expenditure was caused by non-compliance relating to the renewal of senior managers' employment contracts and composition of the bid adjudication committee not meeting the legislative requirements.
58. I was unable to obtain sufficient appropriate audit evidence that money owed by the municipality had always been paid within 30 days, as required by section 65(2)(e) of the MFMA.

### **Procurement and contract management**

59. All competitive bids were adjudicated by a bid adjudication committee that was not duly composed, as required by supply chain management (SCM) regulation 29(2). Similar non-compliance was also reported in the prior year.
60. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.
61. Some of the bid documentation for procurement of commodities designated for local production and content, did not stipulate the minimum threshold for local production and content, as required by regulation 8(2) of the 2017 preferential procurement regulations.

### **Strategic planning and performance management**

62. Performance targets were not set for a key performance indicator for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).



63. The service delivery and budget implementation plan (SDBIP) for the year under review did not include monthly revenue projections by source of collection and/or the monthly operational and capital expenditure by vote, and/or the service delivery targets and performance indicators for each quarter, as required by section 1 of the MFMA.

### Internal control deficiencies

64. 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 the disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
65. Leadership did not drive an effective culture of accountability as well as in ensuring that the key management vacancies were filled timeously.
66. The financial statements contained numerous material misstatements, which were mainly due inadequate application of the financial reporting framework. This was further compounded by the fact that there were two financial systems in use during the year and no financial system integration was performed before preparation of the financial statements to ensure that the financial statements prepared, were credible, accurate and complete.
67. Management did not adequately monitor and review the performance against predetermined objectives to ensure that it was consistent and agreed with documentation/portfolio of evidence to support the reported achievements and performance information.
68. Management did not monitor and review compliance with applicable legislation adequately with the required vigour.

### Other reports

69. I draw attention to the following engagement conducted by an external party which 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. This report does not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

70. An independent consultant was appointed to perform forensic investigation into the state of governance and administration of the previous council covering period 2011 to 2016. A confirmation received from the municipality's attorneys indicated this probe was still in progress at the date of this report.

*Auditor-General*

Pietermaritzburg

30 April 2021



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

***Measures to improve audit outcome (AG action plan)***

The poor and regressed audit outcome for 2019/20 financial year means the municipality has put maximum effort to work towards addressing all findings and tighten controls and its implementation to improve its audit outcome going forward. The AG Action Plan is incorporated below and outlines action to be taken, responsible persons and timelines.

NQUTHU LOCAL MUNICIPALITY

Type of Opinion Current Year (2019/2020) : Disclaimer  
 Type of Opinion Previous Year (2018/2019) : Unqualified

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
<p><b>1.MATERIAL UNCERTAINTY RELATED TO GOING CONCERN/ FINANCIAL SUSTAINABILITY</b></p>	<p>The municipality did not perform a proper going concern assessment as required by the South African Standard of Generally Recognised Accounting Practice 1 (SA Standard of GRAP), Presentation of financial statements as they did not perform an assessment for the forthcoming 12 months. Consequently, the disclosure in note 41 to the financial statements is inadequate to support the use of the going concern assumption in the preparation of the financial statements</p>	<p><u>Audit action</u>  <b>1.To conduct going concern assessment and disclose accordingly on the corrected version of AFS for the year ended 30 June 2020</b></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER/ACCOUNTING OFFICER</p> <p><u>Target Date</u>                  30 June 2021</p>	<p><u>Report Progress on action at the end of quarter 4</u></p> <p><u>Responsible Official</u></p> <p><u>Target Date</u></p>	<p><u>Report Progress on action at the end of quarter 3</u></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>	<p><u>Report Progress on end of quarter 4</u></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>
<p><b>2.PROPERTY, PLANT AND EQUIPMENT</b></p>	<p>1. The municipality did not recognise donated land in accordance with the requirements of the SA Standard of GRAP 17, Property, plant and equipment. The municipality did not recognise donated land which met the definition of an asset. Consequently, property, plant and equipment was understated by an amount which was impracticable to determine. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.</p> <p>2. I was unable to obtain sufficient appropriate audit evidence that community asset and infrastructure assets had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm the community and infrastructure assets by alternative means. Consequently,</p>	<p><u>Audit action</u>  <b>1.To capture all journals on EMS system and revise PPE notes as per GRAP standards</b></p> <p><b>2. To recognize donated land and disclose accordingly on the corrected version of the AFS for a period ending 30 June 2020</b></p> <p><b>3. To request Auditor General to conduct state of records review to</b></p>	<p><u>Report Progress on action at the end of quarter 3</u></p> <p><u>Report Progress on action at the end of quarter 2</u></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>	<p><u>Report Progress on action at the end of quarter 3</u></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>	<p><u>Report Progress on end of quarter 4</u></p> <p><u>Confirm resolution of query [100% resolution or not]</u></p> <p><u>Responsible Official</u>                  CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	I was unable to determine whether any further adjustments were necessary to the net carrying value of property, plant and equipment stated at R417,49 million in note 4 to the financial statements.	<p><u>correct June 2021 opening balances on AFS - June 2021</u></p> <p><u>4.To appoint service provider to prepare fix asset register – June 2021</u></p> <p><u>Responsible Official</u>  <b>CHIEF FINANCIAL OFFICER/ACCOUNTING OFFICER</b></p> <p><u>Target Date</u>  <b>30 June 2021</b></p>			
<b>3.RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>	I was unable to obtain sufficient appropriate audit evidence that the receivables from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to receivables from exchange transactions stated at R6, 35 million in note 9 to the financial statements.	<p><u>Audit action</u>  <u>To request Auditor General to conduct state of record review and provide audit evidence accordingly</u></p> <p><u>Responsible Official</u>  <b>CHIEF FINANCIAL OFFICER</b></p> <p><u>Target Date</u>  <b>30 June 2021</b></p>	<p><u>Report Progress on action at the end of quarter 2</u></p> <p><u>Responsible Official</u></p> <p><u>Target Date</u></p>	<p><u>Report Progress on action at the end of quarter 3</u></p> <p><u>Responsible Official</u></p> <p><u>Target Date</u></p>	<p><u>Report Progress on end of quarter 4</u></p> <p><u>Confirm resolution of query [100% resolution or not]</u></p> <p><u>Responsible Official</u></p> <p><u>Target Date</u></p>
<b>4.RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS</b>	1. I was unable to obtain sufficient appropriate audit evidence that receivables from non-exchange transactions	<p><u>Audit action</u>  <u>1.To correct errors and</u></p>	<p><u>Report Progress on action at the end of</u></p>	<p><u>Report Progress on action at the end of</u></p>	<p><u>Report Progress on</u></p>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	<p>had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I was unable to confirm receivables from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to receivables from non-exchange transactions stated at R53,61 million in note 10 to the financial statements.</p> <p>2. The municipality did not properly account for receivables from non-exchange transactions in accordance with the SA Standard of GRAP 104, Financial instruments. Conditional grant receivables were incorrectly included in receivables from non-exchange transactions. Consequently, receivables from non-exchange transactions and revenue from non-exchange transaction were overstated by R9,07 million.</p> <p>3.The municipality inappropriately offset negative debtors' amounts against receivables from non-exchange transactions, contrary to the requirements of the SA Standard of GRAP 1, Presentation of financial statements. Consequently, receivables from non-exchange transactions and payables income received in advance were both understated by R1,98 million.</p>	<p><b>request Auditor General to conduct state of record review and provide audit evidence accordingly</b></p> <p><b>2.To correct overstated amounts and correctly classify for conditional grants</b></p> <p><b><u>Responsible Official</u></b> <b>CHIEF FINANCIAL OFFICER</b></p> <p><b><u>Target Date</u></b> <b>30 June 2021</b></p>	<p><b>quarter 2</b></p> <p><b><u>Responsible Official</u></b></p> <p><b><u>Target Date</u></b></p>	<p><b>quarter 3</b></p> <p><b><u>Responsible Official</u></b></p> <p><b><u>Target Date</u></b></p>	<p><b><u>end of quarter 4</u></b></p> <p><b><u>Confirm resolution of query [100% resolution or not]</u></b></p> <p><b><u>Responsible Official</u></b></p> <p><b><u>Target Date</u></b></p>
<b>5.VAT RECEIVABLE</b>	<p>I was unable to obtain sufficient appropriate audit evidence that VAT receivables had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the VAT receivables amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to VAT receivables stated at R6,64 million in note 11 to the financial statements.</p>	<p><b><u>Audit action</u></b></p> <p><b>1.To perform monthly reconciliation between VAT claimed from SARS and VAT captured on EMS system</b></p> <p><b>2.To request Auditor General to conduct state of record review</b></p>	<p><b><u>Report Progress on action at the end of quarter 3</u></b></p> <p><b><u>Responsible Official</u></b> <b>DIRECTOR TECHNICAL SERVICES</b></p> <p><b><u>Target Date</u></b></p>	<p><b><u>Audit action</u></b></p> <p><b><u>Report Progress on action at the end of quarter 3</u></b></p> <p><b><u>Responsible Official</u></b></p>	<p><b><u>Audit action</u></b></p> <p><b><u>Report Progress on end of quarter 4</u></b></p> <p><b><u>Responsible Official</u></b> <b>CHIEF FINANCIAL OFFICER</b></p>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
		<u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>		<b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Target Date</u>
<b>6.PAYABLES FROM EXCHANGE TRANSACTIONS</b>	I was unable to obtain sufficient appropriate audit evidence that payables from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to payables from exchange transactions stated at R45,73 million in note 16 to the financial statements.	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>7.PROVISIONS</b>	I was unable to obtain sufficient appropriate audit evidence that provisions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the provisions amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to provisions stated at R10,21 million in note 15 of to the financial statements.	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>8.EMPLOYEE BENEFIT OBLIGATIONS</b>	I was unable to obtain sufficient appropriate audit evidence that employee benefit obligations had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the employee benefit obligations by alternative	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible</u>



Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	means. Consequently, I was unable to determine whether any further adjustments were necessary to the employee benefit obligations stated at R5,12 million in note 7 to the financial statements.	<u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Responsible Official</u>  <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>9.REVENUE FROM EXCHANGE TRANSACTIONS</b>	1.I was unable to obtain sufficient appropriate audit evidence that revenue from exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the revenue from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to revenue from exchange transactions stated at R38,91 million in note 18 to the financial statements. The municipality did not correctly account for service charges in terms of SA Standard of GRAP 1, Presentation of financial statements. The debt impairment expense was erroneously included in service charges revenue. Consequently, service charges revenue is overstated by R10,58 million in note 19 to the financial statements and debt impairment as stated in note 28 to the financial statements was understated by the same amount. Additionally, there was a resultant impact on the surplus for the period.	<u>Audit action</u> To correct errors and request Auditor General to conduct state of record review  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	Report Progress on ↩ action at the end of quarter 2  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	Report Progress on ↩ action at the end of quarter 3  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	Report Progress on ↩ action at the end of quarter 4  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>10.REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>	I was unable to obtain sufficient appropriate audit evidence that revenue from non-exchange transactions had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm revenue from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to revenue from non-	<u>Audit action</u> To correct errors and request Auditor General to conduct state of record review  <u>Responsible Official</u>	<u>Audit action</u>  Report Progress on ↩ action at the end of quarter 2	<u>Audit action</u>  Report Progress on ↩ action at the end of quarter 3	<u>Audit action</u>  Report Progress on ↩ action at the end of quarter 4  <u>Responsible</u>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	exchange transactions stated at R229,73 million in note 18 to the financial statements.	<b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Responsible Official</u>  <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>11.CONTRACTED SERVICES</b>	I was unable to obtain sufficient appropriate audit evidence that contracted services had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the contracted services expenditure amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the contracted services expenditure amount totalling R10,77 million in note 30 the financial statements.	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>12.GENERAL EXPENSES</b>	I was unable to obtain sufficient appropriate audit evidence that general expenses had been properly accounted for, as the underlying records could not be reconciled to the financial statements. I could not confirm the general expenses amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to general expenses stated at R42,00 million in note 31 the financial statements.	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Audit action</u>  <u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
<b>13.TRANSFERS AND SUBSIDIES</b>	I was unable to obtain sufficient appropriate audit evidence that transfers and subsidies had been properly accounted for, due to the status of the accounting records. I was unable to confirm the transfers and subsidies expenditure amount by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to transfers and subsidies stated at R5,09 million in the statement of financial performance	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Audit action</u>  <b>Report Progress on action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on action at the end of quarter 3</u>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on end of quarter 4</u>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>14.COMMITMENTS</b>	The municipality did not account for commitments in terms of SA Standard of GRAP 17, Property, plant and equipment. The municipality incorrectly included retention monies in capital commitments. Consequently, commitments was overstated by R5,71 million in note 35 to the financial statements.	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Audit action</u>  <b>Report Progress on action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on action at the end of quarter 3</u>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Audit action</u>  <u>Report Progress on end of quarter 4</u>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>15.IRREGULAR EXPENDITURE</b>	The municipality did not include the full extent of irregular expenditure in the financial statements, as required by section 125(2)(d) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of	<u>Audit action</u>  <b>1.To acquire a system to vet suppliers prior issuing</b>	<u>Report Progress on action at the end of quarter 4</u>	<u>Audit action</u>  <u>Report Progress on</u>	<u>Audit action</u>  <u>Report Progress</u>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	<p>2003) (MFMA). This was due to payments made in contravention of the supply chain management requirements, which resulted in irregular expenditure. In addition, I was unable to obtain sufficient appropriate audit evidence to confirm the irregular expenditure disclosed in the notes to the financial statements as sufficient appropriate audit evidence was not provided. I was unable to confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to irregular expenditure incurred for the year, stated at R50,88 million in note 44 to the financial statements.</p>	<p><u>purchase orders – May 2021</u></p> <p><u>2. To perform quarterly updates on the irregular expenditure register</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u> 30 June 2021</p>	<p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p> <p><u>Target Date</u></p>	<p><u>action at the end of quarter 3</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p> <p><u>Target Date</u></p>	<p><u>on _____ end of quarter 4</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>
<p><b>16.CONTINGENCIES</b></p>	<p>I was unable to obtain sufficient appropriate audit evidence for contingencies, as the municipality did not maintain accurate and complete records. I could not confirm contingencies by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to contingencies as stated in note 36 to the financial statements.</p>	<p><u>Audit action</u> <u>To correct errors and request Auditor General to conduct state of record review</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u> 30 June 2021</p>	<p><u>Report Progress on ↔ action at the end of quarter 2</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p> <p><u>Target Date</u></p>	<p><u>Report Progress on ↔ action at the end of quarter 3</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p> <p><u>Target Date</u></p>	<p><u>Report Progress on _____ end of quarter 4</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>
<p><b>17.PRIOR PERIOD ERRORS</b></p>	<p>The municipality did not disclose all previous period errors in note 39 to the financial statements, as required by SA Standard of GRAP 3, Accounting policies, changes in accounting estimates and errors. The nature and the amount of the correction for each financial statement item affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed, as identified by the auditors.</p>	<p><u>Audit action</u> <u>To correct errors and request Auditor General to conduct state of record review</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p>	<p><u>Report Progress on ↔ action at the end of quarter 2</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p> <p><u>Target Date</u></p>	<p><u>Report Progress on ↔ action at the end of quarter 3</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p>	<p><u>Report Progress on _____ end of quarter 4</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER</p> <p><u>Target Date</u></p>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
		<u>Target Date</u> <b>30 June 2021</b>		<u>Target Date</u>	
<b>18.STATEMENT OF CHANGES IN NET ASSETS</b>	The municipality did not prepare and disclose the statement of changes in net assets as required by GRAP 1, Presentation of financial statements. This was due multiple errors identified on the opening balance of the accumulated surplus as disclosed in the statement of changes in net assets. Consequently, I was not able to determine the full extent of the errors in the opening balance of the accumulated surplus, stated at R611,17 million in the statement of changes in net assets, as it was impracticable to do so.	<u>Audit action</u> To correct errors and request Auditor General to conduct state of record review  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	Report Progress on ↩ action at the end of quarter 2  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on action at the end of quarter 3</u>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on action at the end of quarter 4</u>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>19.NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	The municipality did not prepare and disclose the net cash flows from operating activities as required by SA Standard of GRAP 2, Cash flow statements. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, stated at R116,07 million in note 34 (Cash generated from operations) to the financial statements, as it was impracticable to do so	<u>Audit action</u> To correct errors and request Auditor General to conduct state of record review  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	Report Progress on ↩ action at the end of quarter 2  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on action at the end of quarter 3</u>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on action at the end of quarter 4</u>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>
<b>20.STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS</b>	The municipality did not prepare the statement of comparison of budget and actual amounts in accordance with the SA Standards of GRAP 24, Presentation of budget information in financial statements. Material differences were identified between the budget amounts disclosed in the financial statements and the approved budget. Consequently, the statement of comparison of budget and actual amounts was materially misstated.	<u>Audit action</u> To prepare quarterly statement of comparison of budget and actuals  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>	<u>Report Progress on action at the end of quarter 4</u>  Report Progress on ↩ action at the end of quarter 2	<u>Report Progress on action at the end of quarter 3</u>  <u>Responsible Official</u>	<u>Report Progress on action at the end of quarter 4</u>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)								
	Additionally, an explanation of material differences between the budget and actual amounts was not disclosed as indicated in notes 46 and 53 to the financial statements.	<u>Target Date</u> 30 June 2021	<u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES <u>Target Date</u>	DIRECTOR TECHNICAL SERVICES <u>Target Date</u>	<u>Target Date</u>								
<b>KPA 2: Basic service delivery and infrastructure development</b>													
<b>21.PLANNING FOR BUCOSHI GRAVEL ROAD</b>	<p>36. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined nature and required level of performance, method of calculation and deadline for delivery to be used when measuring the actual achievement for the indicator "Planning for Bucoshi Gravel Road". This was due to a lack of measurement definitions and processes as the target for the indicator was not set.</p> <table border="1"> <thead> <tr> <th>Indicator per SDBIP</th> <th>Planned target per SDBIP</th> </tr> </thead> <tbody> <tr> <td>Planning for Bucoshi Gravel Road</td> <td>Submission of designs</td> </tr> </tbody> </table>	Indicator per SDBIP	Planned target per SDBIP	Planning for Bucoshi Gravel Road	Submission of designs	<p><u>Audit action</u> To review all indicators to meet SMART principles prior approval of SDBIP</p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><u>Target Date</u> 30 June 2021</p>	<p>Report Progress on ↩ action at the end of quarter 2</p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES <u>Target Date</u></p>	<p><u>Report Progress on</u> ↩ <u>action at the end of quarter 3</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES <u>Target Date</u></p>	<p><u>Report Progress on</u> ↩ <u>on</u> ↩ <u>end of quarter 4</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER <u>Target Date</u></p>				
Indicator per SDBIP	Planned target per SDBIP												
Planning for Bucoshi Gravel Road	Submission of designs												
<b>22.VARIOUS INDICATORS</b>	<p>The reported achievements of targets in the annual performance report for the following two indicators did not agree to the supporting evidence provide</p> <table border="1"> <thead> <tr> <th>Indicator per SDBIP</th> <th>Planned target per SDBIP</th> <th>Reported Actual achievement per APR</th> <th>Audited value</th> </tr> </thead> <tbody> <tr> <td>Number of electricity connections at</td> <td>1157</td> <td>1052</td> <td>1157</td> </tr> </tbody> </table>	Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR	Audited value	Number of electricity connections at	1157	1052	1157	<p><u>Audit action</u> To correct errors and review submitted POE against report on quarterly basis</p> <p><u>Responsible Official</u> IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p>	<p>Report Progress on ↩ action at the end of quarter 2</p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES <u>Target Date</u></p>	<p><u>Report Progress on</u> ↩ <u>action at the end of quarter 3</u></p> <p><u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES</p>	<p><u>Report Progress on</u> ↩ <u>on</u> ↩ <u>end of quarter 4</u></p> <p><u>Responsible Official</u> CHIEF FINANCIAL OFFICER <u>Target Date</u></p>
Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR	Audited value										
Number of electricity connections at	1157	1052	1157										

Nature Of Audit Query	Audit Query				Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)											
	Low Cost Housing Phase II (Ward 14-municipal area) by year end				<u>Target Date</u> <b>30 June 2021</b>		<u>Target Date</u>												
	Number of households with access to FBE quarterly	4 172	4280	5335															
<b>23.VARIOUS INDICATORS</b>	The reported achievements of targets for the following five indicators did not agree with the planned targets as per the approved service delivery and budget implementation plan (SDBIP).				<u>Audit action</u> <b>To correct errors and review submitted POE against report on quarterly basis</b>  <u>Responsible Official</u> <b>IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>on end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u>											
	<table border="1"> <thead> <tr> <th data-bbox="483 762 748 890">Indicator per SDBIP</th> <th data-bbox="748 762 860 890">Planned target per SDBIP</th> <th data-bbox="860 762 1070 890">Reported Actual achievement per APR</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 890 748 1054">Submission of design for Mbilane gravel road by year end</td> <td data-bbox="748 890 860 1054">31-Sept-2019</td> <td data-bbox="860 890 1070 1054">Design report for Mbilane gravel road submitted before 30 June 2020</td> </tr> <tr> <td data-bbox="483 1054 748 1214">Submission of design for Mphunyuka Gravel Road by year end</td> <td data-bbox="748 1054 860 1214">31-Mar-2020</td> <td data-bbox="860 1054 1070 1214">Design Report for Mphunyuka Gravel Road submitted by 29 May 2020</td> </tr> <tr> <td data-bbox="483 1214 748 1372">Submission of design for Nkonkonyane Gravel Road by year end</td> <td data-bbox="748 1214 860 1372">30-Nov-19</td> <td data-bbox="860 1214 1070 1372">Design report submitted and construction is underway (50% construction)</td> </tr> </tbody> </table>	Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR					Submission of design for Mbilane gravel road by year end	31-Sept-2019	Design report for Mbilane gravel road submitted before 30 June 2020	Submission of design for Mphunyuka Gravel Road by year end	31-Mar-2020	Design Report for Mphunyuka Gravel Road submitted by 29 May 2020	Submission of design for Nkonkonyane Gravel Road by year end	30-Nov-19	Design report submitted and construction is underway (50% construction)		
Indicator per SDBIP	Planned target per SDBIP	Reported Actual achievement per APR																	
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Submission of design for Mphunyuka Gravel Road by year end	31-Mar-2020	Design Report for Mphunyuka Gravel Road submitted by 29 May 2020																	
Submission of design for Nkonkonyane Gravel Road by year end	30-Nov-19	Design report submitted and construction is underway (50% construction)																	
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Nature Of Audit Query	Audit Query			Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)											
	Appointment of contractor for installation gabion and pavement slab for Magogo Gravel Road by year end	30-Jun-20	progress) Design submitted and installation of gabions is 63% complete as at 30 June 2020															
	Appointment of contractor for installation of pavement slab and guard-rails for Nomalanga gravel road by year end by year end	30-Jun-20	Contractor appointed and on site (53% progress made)															
<b>24.VARIOUS INDICATORS</b>	<p>I was unable to obtain sufficient appropriate audit evidence for the achievement of targets for the below-mentioned five indicators in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.</p>			<p><b>Audit action</b> To verify POE's against reported information before finalizing APR for period ending June 2021</p> <p><b>Responsible Official</b> IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>	<p><b>Report Progress on</b> ⇐ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ⇐ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ⇐ end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>											
	<table border="1"> <thead> <tr> <th data-bbox="483 1002 739 1114">Indicator per SDBIP</th> <th data-bbox="739 1002 875 1114">Planned target per SDBIP</th> <th data-bbox="875 1002 1070 1114">Reported actual achievement per APR</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 1114 739 1198">Construction of 2.5km Ntabenebomvu Gravel Rd before by year end</td> <td data-bbox="739 1114 875 1198">100%</td> <td data-bbox="875 1114 1070 1198">4378200%</td> </tr> <tr> <td data-bbox="483 1198 739 1337">Submission of design for Mphunyuka Gravel Road by year end</td> <td data-bbox="739 1198 875 1337">31-Mar-2020</td> <td data-bbox="875 1198 1070 1337">Design report for Mphunyuka Gravel Road submitted by 29 May 2020</td> </tr> <tr> <td data-bbox="483 1337 739 1390">Submission of design for Nkonkonyane</td> <td data-bbox="739 1337 875 1390">30-Nov-19</td> <td data-bbox="875 1337 1070 1390">Design report submitted and</td> </tr> </tbody> </table>	Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR	Construction of 2.5km Ntabenebomvu Gravel Rd before by year end	100%	4378200%	Submission of design for Mphunyuka Gravel Road by year end	31-Mar-2020	Design report for Mphunyuka Gravel Road submitted by 29 May 2020	Submission of design for Nkonkonyane	30-Nov-19	Design report submitted and					
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Nature Of Audit Query	Audit Query			Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)						
	Gravel Road by year end		construction is underway (50% construction progress)										
	Final assessment report of electricity infrastructure in the municipal area by year end	30 June 2020	Technical assessment report submitted to the municipality by 1 May 2020										
	Planning for Bucoshi Road	Submission of designs	Design Report for Bucoshi Gravel Road submitted for construction of 3.5 km access road in Ward 4										
<b>25.VARIOUS INDICATORS</b>	<p>The planned targets for the two below-mentioned indicators were not specific in clearly identifying the required level of performance or measure. This was due to targets being measured in percentage whilst the indicators are referring to kilometres of road constructed.</p> <table border="1" data-bbox="483 959 1021 1216"> <thead> <tr> <th data-bbox="483 959 864 1054">Indicator per SDBIP</th> <th data-bbox="864 959 1021 1054">Planned target per SDBIP</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 1054 864 1118">Construction of 6.85km Nquthu Southern Road Network Phase II</td> <td data-bbox="864 1054 1021 1118">100%</td> </tr> <tr> <td data-bbox="483 1118 864 1216">Construction of 2.5km Ntabenebomvu Gravel Rd before by year end</td> <td data-bbox="864 1118 1021 1216">100%</td> </tr> </tbody> </table>			Indicator per SDBIP	Planned target per SDBIP	Construction of 6.85km Nquthu Southern Road Network Phase II	100%	Construction of 2.5km Ntabenebomvu Gravel Rd before by year end	100%	<p><b>Audit action</b> To review all indicators to meet SMART principles prior approval of SDBIP</p> <p><b>Responsible Official</b> IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>	<p><b>Report Progress on</b> ⇐ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ⇐ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ⇐ end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>
Indicator per SDBIP	Planned target per SDBIP												
Construction of 6.85km Nquthu Southern Road Network Phase II	100%												
Construction of 2.5km Ntabenebomvu Gravel Rd before by year end	100%												

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)								
26.VARIOUS INDICATORS	<p>The following two planned and approved indicators per the service delivery and budget implementation plan were not included/reported upon in the annual performance report:</p> <table border="1" data-bbox="483 448 1057 549"> <thead> <tr> <th data-bbox="483 448 1057 480">Indicators per SDBIP</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 480 1057 512">Planning for Cishane gravel road</td> </tr> <tr> <td data-bbox="483 512 1057 549">Mangwebuthanani, section 4 electrification, phase II</td> </tr> </tbody> </table>	Indicators per SDBIP	Planning for Cishane gravel road	Mangwebuthanani, section 4 electrification, phase II	<p><b>Audit action</b> To correct omission before submission of annual performance report</p> <p><b>Responsible Official</b> IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>	<p><b>Report Progress on</b> ↵ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↵ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↵ end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>					
Indicators per SDBIP													
Planning for Cishane gravel road													
Mangwebuthanani, section 4 electrification, phase II													
27.VARIOUS INDICATORS	<p>I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against targets as reported in the annual performance report. This was due to limitations placed on the scope of my work as supporting evidence was not provided by management to corroborate the measures disclosed. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance.</p> <table border="1" data-bbox="483 1098 1057 1385"> <thead> <tr> <th data-bbox="483 1098 651 1225">Indicator per SDBIP</th> <th data-bbox="651 1098 763 1225">Planned target per SDBIP</th> <th data-bbox="763 1098 920 1225">Reported actual achievement per APR</th> <th data-bbox="920 1098 1057 1225">Corrective measures in the APR</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 1225 651 1385">Construction of 6.85km Nquthu Southern Road</td> <td data-bbox="651 1225 763 1385">100%</td> <td data-bbox="763 1225 920 1385">85%</td> <td data-bbox="920 1225 1057 1385">Construction to resume when lockdown is lifted</td> </tr> </tbody> </table>	Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR	Corrective measures in the APR	Construction of 6.85km Nquthu Southern Road	100%	85%	Construction to resume when lockdown is lifted	<p><b>Audit action</b> HOD to attend site meetings and to submit attendance registers and minutes as POE</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES, IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>	<p><b>Report Progress on</b> ↵ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↵ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↵ end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>
Indicator per SDBIP	Planned target per SDBIP	Reported actual achievement per APR	Corrective measures in the APR										
Construction of 6.85km Nquthu Southern Road	100%	85%	Construction to resume when lockdown is lifted										

Nature Of Audit Query	Audit Query				Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	Network Phase II							
	Submission of design for Mphunyuka Gravel Road by year end	31 March 2020	Design Report for Mphunyuka Gravel Road submitted by 29 May 2020	N/A				
	Number of electricity connections in Eskom area by year end	400	0	Eskom has a plan for some of the areas				
<b>Report on the audit of compliance with legislation</b>								
<b>28.ANNUAL FINANCIAL STATEMENTS</b>	<p>1. The annual 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/or the supporting records could not be provided subsequently, which resulted in the annual financial statements receiving a disclaimer of audit opinion.</p> <p>2. The annual financial statements was not submitted to the Auditor-General, for auditing, within four months after the end of the financial year, as required by section 126(1)(a) of the MFMA.</p>	<p><b>Audit action</b> To correct errors and request Auditor General to conduct state of record review</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b> 30 June 2021</p>	<p><b>Report Progress on</b> ↩ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↩ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p><b>Report Progress on</b> ↩ end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>			
<b>29.ASSET MANAGEMENT</b>	<p>An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.</p> <p>An effective system of internal control for assets was not in place, as required by section 63(2) (c) of the MFMA.</p>	<p><b>Audit action</b> To appoint service provider to prepare fix asset register – June 2021</p>	<p><b>Report Progress on</b> ↩ action at the end of quarter 2</p>	<p><b>Report Progress on</b> ↩ action at the end of quarter 3</p>	<p><b>Report Progress on</b> ↩ end of quarter 4</p> <p><b>Responsible</b></p>			

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
		<u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Responsible Official</u>  <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>30.REVENUE MANAGEMENT</b>	<p>1. An adequate management, accounting and information system which accounts for revenue / debtors / receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.</p> <p>2. An effective system of internal control for debtors / revenue was not in place, as required by section 64(2)(f) of the MFMA.</p> <p>3. I was unable to obtain sufficient appropriate audit evidence that revenue due to the municipality was calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.</p> <p>4. I was unable to obtain sufficient appropriate audit evidence that accounts for municipal tax and service charges were prepared that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical, as required by section 64(2)(c) of the MFMA.</p> <p>5. I was unable to obtain sufficient appropriate audit evidence that interest had been charged on all accounts in arrears, except where the municipal council has granted exemptions in accordance with its budget-related policies and within a prescribed framework as required by section 64(2)(g) of the MFMA.</p>	<u>Audit action</u> <b>To correct errors and request Auditor General to conduct state of record review</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b>  <u>Target Date</u> <b>30 June 2021</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>  <u>Responsible Official</u> <b>DIRECTOR TECHNICAL SERVICES</b>  <u>Target Date</u>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>  <u>Responsible Official</u> <b>CHIEF FINANCIAL OFFICER</b> <u>Target Date</u>
<b>31.EXPENDITURE MANAGEMENT</b>	<p>1. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, as required by section 65(2)(b) of</p>	<u>Audit action</u> <b>1.To appoint new officials to serve on bid</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 2</b>	<u>Report Progress on</u> ⇐ <b>action at the end of quarter 3</b>	<u>Report Progress on</u> ⇐ <b>end of quarter 4</b>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
	<p>the MFMA.</p> <p>2. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The amount of R50,88 million incurred for the year, as disclosed in note 44 to the financial statements, is not complete as management was still in the process of quantifying the full extent of the irregular expenditure. The majority of the disclosed irregular expenditure was caused by non-compliance relating to the renewal of senior managers' employment contracts and composition of the bid adjudication committee not meeting the legislative requirements.</p> <p>3. I was unable to obtain sufficient appropriate audit evidence that money owed by the municipality had always been paid within 30 days, as required by section 65(2)(e) of the MFMA.</p>	<p><b>committees in compliance with SCM regulations</b></p> <p><b>Responsible Official</b> <b>CHIEF FINANCIAL OFFICER</b></p> <p><b>Target Date</b> <b>30 June 2021</b></p>	<p><b>Responsible Official</b> <b>DIRECTOR TECHNICAL SERVICES</b></p> <p><b>Target Date</b></p>	<p><b>Responsible Official</b> <b>DIRECTOR TECHNICAL SERVICES</b></p> <p><b>Target Date</b></p>	<p><b>Responsible Official</b> <b>CHIEF FINANCIAL OFFICER</b></p> <p><b>Target Date</b></p>
<p><b>32.PROCUREMENT AND CONTRACT MANAGEMENT</b></p>	<p>1. All competitive bids were adjudicated by a bid adjudication committee that was not duly composed, as required by supply chain management (SCM) regulation 29(2). Similar non-compliance was also reported in the prior year.</p> <p>2. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.</p> <p>3. Some of the bid documentation for procurement of commodities designated for local production and content, did not stipulate the minimum threshold for local production and content, as required by regulation 8(2) of the 2017 preferential procurement regulations.</p>	<p><b>Audit action</b></p> <p><b>1.To appoint new officials to serve on bid committees in compliance with SCM regulations</b></p> <p><b>2.To verify Service Provider Tax Compliance status on both CSD and SARS portal prior appointment</b></p> <p><b>3.To acquire training for SCM officials from Provincial Treasury on procurement of commodities designated</b></p>	<p><b>Report Progress on action at the end of quarter 4</b></p> <p><b>Report Progress on action at the end of quarter 2</b></p> <p><b>Responsible Official</b> <b>DIRECTOR TECHNICAL SERVICES</b></p> <p><b>Target Date</b></p>	<p><b>Audit action</b></p> <p><b>Report Progress on action at the end of quarter 3</b></p> <p><b>Responsible Official</b> <b>DIRECTOR TECHNICAL SERVICES</b></p> <p><b>Target Date</b></p>	<p><b>Audit action</b></p> <p><b>Report Progress on end of quarter 4</b></p> <p><b>Responsible Official</b> <b>CHIEF FINANCIAL OFFICER</b></p> <p><b>Target Date</b></p>

Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
		<p>for local production and content</p> <p>4.To assign SCM Official to verify all items designated for local production and content from procurement and submit reports to DTI on monthly basis</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER/ SCM MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>			
<p><b>33.STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT</b></p>	<p>1. Performance targets were not set for a key performance indicator for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).</p> <p>2. The service delivery and budget implementation plan (SDBIP) for the year under review did not include monthly revenue projections by source of collection and/or the monthly operational and capital expenditure by vote, and/or the service delivery targets and performance indicators for each quarter, as required by section 1 of the MFMA.</p>	<p><b>Audit action</b> Set clear performance targets for all indicators in the SDBIP</p> <p><b>Responsible Official</b> IDP/PMS MANAGER &amp; MANAGER OFFICE OF THE MUNICIPAL MANAGER</p> <p><b>Target Date</b> 30 June 2021</p>	<p>Report Progress on ⇐ action at the end of quarter 2</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p>Report Progress on ⇐ action at the end of quarter 3</p> <p><b>Responsible Official</b> DIRECTOR TECHNICAL SERVICES</p> <p><b>Target Date</b></p>	<p>Report Progress on ⇐ action at the end of quarter 4</p> <p><b>Responsible Official</b> CHIEF FINANCIAL OFFICER</p> <p><b>Target Date</b></p>
<p><b>34. INTERNAL CONTROL DEFICIENCIES – EFFECTIVE CULTURE OF ACCOUNTABILITY</b></p>	<p>Leadership did not drive an effective culture of accountability as well as in ensuring that the key management vacancies were filled timeously</p>	<p><b>Audit action</b> To fill all vacant Senior Management positions</p>	<p>Report Progress on ⇐ action at the end of quarter 2</p>	<p>Report Progress on ⇐ action at the end of quarter 2</p>	<p>Report Progress on ⇐ action at the end of quarter 2</p>



Nature Of Audit Query	Audit Query	Audit Response (Quarter 4 20/21 FY)	Audit Response (Quarter 4 20/21 FY)	Audit Response Progress (Quarter 1 21/22 FY)	Audit Response Progress (Quarter 2 21/22 FY)
		<u>Responsible Official</u> MAYOR / ACCOUNTING OFFICER  <u>Target Date</u> 30 June 2021	<u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	<u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	<u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>
<b>35. INTERNAL CONTROL DEFICIENCIES – INADEQUATE APPLICATION OF FINANCIAL REPORTING FRAMEWORK</b>	The financial statements contained numerous material misstatements, which were mainly due inadequate application of the financial reporting framework	<u>Audit action</u> 1.To correct errors on the AFS – June 2021  2.To request Auditor General to conduct state of records review in June 2020 AFS for June 2021  <u>Responsible Official</u> ACCOUNTING OFFICER  <u>Target Date</u> 30 June 2021	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>
<b>36. INTERNAL CONTROL DEFICIENCIES – PERFORMANCE MONITORING AND QUARTERLY REVIEWS</b>	Management did not adequately monitor and review the performance against predetermined objectives to ensure that it was consistent and agreed with documentation/portfolio of evidence to support the reported achievements and performance information	<u>Audit action</u> Accounting Officer reviews performance reports on quarterly basis  <u>Responsible Official</u> ACCOUNTING OFFICER  <u>Target Date</u> 30 June 2021	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>	Report Progress on ⇐ action at the end of quarter 2  <u>Responsible Official</u> DIRECTOR TECHNICAL SERVICES  <u>Target Date</u>

### C.6.9 Financial viability and management SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Low staff turnover and proper succession planning resulting in adequate institutional memory</li> <li>• MPRA fully implemented</li> <li>• GRAP compliant</li> <li>• MSCOA implementation</li> <li>• Strong internal controls</li> <li>• Good liquidity ratio</li> <li>• Well-functioning SCM unit</li> </ul>	<ul style="list-style-type: none"> <li>• Audit opinion: disclaimer for 2019/20</li> <li>• Funding of unsustainable projects</li> <li>• Unauthorized and irregular expenditure</li> <li>• MSCOA compliance by user departments</li> <li>• Insufficient adherence to procurement plans by user departments</li> <li>• Poor repairs and maintenance which causes loss of value</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Additional revenue potential</li> <li>• Good audit outcome potential</li> <li>• Dealing with irregular expenditure</li> <li>• Embracing of MSCOA by all user departments</li> <li>• More revenue raising potential</li> </ul>	<ul style="list-style-type: none"> <li>• High number of indigent consumers</li> <li>• Audit opinion: Inadequate consequence management</li> <li>• Culture of non-payment of debt by consumers</li> <li>• Electricity distribution losses</li> <li>• Increasing wage bill</li> <li>• Waning cash reserves</li> </ul>

## **C.7 GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### **C.7.1 Batho Pele, Service Delivery Improvement Plan, Service Delivery Charter and Standards**

#### **(a) Batho Pele**

##### *Batho Pele policy*

The municipality has developed and adopted a Batho Pele policy as part of its commitment to putting people first and entrenching a culture of excellent service and accountability to the public. The reviewed policy was submitted to Council in 28 May 2021. The policy clearly stipulates the kind of conduct that is expected and required from municipal employees as servants of the people in line with the well-established Batho Pele principles of:

- Consultation
- Service standards
- Access
- Courtesy
- Information
- Openness and transparency
- Dealing with complaints
- Best value for money
- Encouraging innovation and recognising excellence
- Leadership and strategic direction
- Service delivery impact

Since compliance with these principles has now been integrated into the municipality's operations through a policy instrument, acting contrary or in their violation by the municipality's employees shall constitute misconduct.

##### *Batho Pele procedure manual*

The Batho Pele procedure manual has been reviewed and will be adopted by full council to be conducted in 28 May 2021. Its main purpose is to inform and guide the municipality's employees in aligning their conduct, practices and operations to the principles of Batho Pele and implementing them fully.

#### **(b) Service Delivery Improvement Plan and Service Delivery Charter and Standards**

The municipality has reviewed the Service Delivery Charter and Standards has been approved by Council and it will continue to be implemented accordingly. The Service Delivery Improvement Plan has also been reviewed and will be approved by Council in June 2021. The municipality is committed to address all key challenges identified in the SDIP to be improved in order to ensure proper service delivery. In accordance with Public Service Regulation, the municipality is expected to provide a report on the implementation of Service Standards as well

as Service Delivery Improvement Plan. Below is the tool to improve service delivery in the municipality.

Below key challenges that was identified on the SDIP for previous financial year have addressed:

- Branding of municipal vehicles,
- Installation of CCTV Camera in the municipal building
- Metal detector have been installed,
- Signage

The charter reflects the belief of Nquthu Local Municipality in its implementation of Batho Pele; a better life for all Nquthu Citizens by putting people firsts. It is our commitment to our customers that we will do our utmost to help you and provide you with the quality of service you deserve.

Upon compilation of Service Delivery Improvement Plan, the municipality has identified the following services to be improved:

MANDATE	KEY SERVICE	PROBLEM STATEMENT	PROCESS FOR TECHNICAL SUPPORT
Provision of fleet services	<ul style="list-style-type: none"> <li>➤ Monitoring and reporting on vehicle usage</li> </ul>	<ul style="list-style-type: none"> <li>➤ Misuse of vehicles</li> <li>➤ Unauthorised trips</li> <li>➤ High fuel consumption</li> <li>➤ Management of vehicles</li> <li>➤ Asset disposal Policy</li> </ul>	<ul style="list-style-type: none"> <li>➤ Implement the trip authorisation system.</li> <li>➤ Enforcement of vehicle policy</li> <li>➤ Review of Fleet Policy</li> </ul>
Assist community to easily identify location of municipal buildings and municipal assets	<ul style="list-style-type: none"> <li>➤ Identification</li> <li>➤ Provide directions to internal / external structure of municipality.</li> <li>➤ Prevent abuse of municipal assets</li> </ul>	<ul style="list-style-type: none"> <li>➤ Confusion</li> <li>➤ Misuse/abuse of municipal Assets</li> </ul>	<ul style="list-style-type: none"> <li>➤ Provide proper signage</li> <li>➤ To install barcodes in all municipal assets and monitor the assets.</li> <li>➤ Ensure the proper branding of all municipal buildings and assets.</li> </ul>
Provide solid waste manage services	<ul style="list-style-type: none"> <li>➤ Provision of effective waste management</li> </ul>	<ul style="list-style-type: none"> <li>➤ Insufficient waste bins</li> <li>➤ Community unawareness of By Law.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Installation of waste bins on strategic areas</li> <li>➤ Conduct awareness on bylaws</li> </ul>

## C.7.2 Operation Sukuma Sakhe

### (a) Functionality of the Local Task Task and War Rooms

- Local Task Team is functional. The LTT meetings are conducted on a monthly basis. The Nquthu Department of Social Development Boardroom was identified as the LTT war room.
- War Room Functionality

<b>WAR ROOM AS PER WARD</b>	<b>FUNCTIONALITY</b>
Ward 1 (a)	Functional
Ward 1(b)	Functional
Ward 2	Functional
Ward 3.	Functional
Ward 4.	Functional
Ward 5.	Functional
Ward 6.	Functional
Ward 7.	Functional
Ward 8.	Functional
Ward 9.	Functional

Ward 10.	Functional
Ward 11.	None Functional
Ward 12.	Functional
Ward 13.	Functional
Ward 14.	Functional
Ward 15.	Functional
Ward 16.	Functional
Ward 17	Functional

**(b) Participation of Stakeholders**

Nquthu Local Task Team is established and functional. Some of the The attendance of departments on the Local Task Team meetings have been improved.

The following departments are attending Local Task Team

- Department of Health
- Department of Agriculture and Rural Development
- Department of Social Development
- Department of Home Affairs
- Independent Electoral Commission
- SASSA
- Department of Education,

- SAPS,
- Department of Human Settlement,
- Department Sport and Recreation.

**(c) Operation Sukuma Sakhe Programmes**

Conducting awareness campaigns to schools regarding substance abuse and burgling in schools. The municipality have also conducted Covid-19 Awarenesses and Screening of the community in all wards in conjunction with Department of Health. The programme was being led by CJM Hospital and local clinics. These programmes will continue to take place in order to fight social challenges facing the community.

**(d) OSS Challenges**

Limited attendance by some of the departments due to Covid-19 regulations.

**C.7.3 Intergovernmental relations structures**

*(a) Umzinyathi District IGR structure and its functionality*

There is an existing Umzinyathi District Intergovernmental Forum that is functional. Below is the list of District Municipality Forum that we as the local municipality participate on:

- Mayor’s Forum
- Speaker’s Forum
- Municipal Manager’s Forum
- Planning Forum
- Corporate Services Forum
- Infrastructure Forum [ Technical]
- Disaster Management Forum
- Communicator’s Forum
- General and Social Services Forum
- Chief Financial Officer’s Forum

This structure discusses all pronouncements from provincial and national level. The municipality ensures that it table report emanating from this structure to council. However, there are challenges of miscommunication and non-attendance by some stakeholders. It is the belief of the municipality that this structure and other forums can and should be strengthened and well-coordinated for the betterment of every stakeholder and for better communication and better working relationship of all stakeholders.

*(b) Nquthu LM’s role in IGR structures*

Nquthu Local Municipality is fully committed to support and participate in all intergovernmental forums because it is the only way that different government role players can work in a well-coordinated and complementary manner. There are no established forums specifically for Nquthu Municipality but we participate at all district level forums with full



commitment. And the sector departments attend and participate in all IGR forum meetings at a district level.

*(c) Dedicated IGR official*

Nquthu LM has a fulltime official specifically dedicated to matters of intergovernmental relations. This is part of the municipality's commitment to working in partnership with all other role players in government.

*(d) Provincial IGR*

At the Provincial level, the municipality participates on the Premiers Coordinating Forum and Min-Mec Forum for Municipal Managers.

*(e) Intergovernmental Relations Report*

The municipality report quarterly to council on issues emanated from IGR Forum. And we are committed to implementing District Development Model (DDM) as a one plan, one budget approach.

#### **C.7.4 Functionality of Ward Committees**

Nquthu LM has established ward committees in all its seventeen (17) wards. All these ward committees hold meetings on a monthly and are 95% functional as per Cogta Assessment. Ward Committees sits on a monthly basis to discuss community challenges and development interventions and submits report. However, there is still more work to be done to improve the overall capacity and ensure better functioning of ward committees through training and better information dissemination to ward committees through its chairpersons who are ward councillors.

Ward Committees have undergone trainings on Public Participation on Local Government. The municipality is committed to providing Ward Committees with all relevant accredited trainings. The municipality considers ward committees as one of the institutional bodies to fast-track service delivery and deepen democracy. Ward Committees represents a wide range of community interest through the IDP Representative Forum meetings and Ward Based Planning Meetings, and their inputs are always considered. They also being used to disseminate the information about the developmental agenda of the municipality.

The functionality of Ward Committees are monitored through the submission of ward reports regarding Ward Committee Performance, which basically assesses the performance of Ward Committees within Nquthu. The performance is measured in terms of the following indicators:-

- Number of Ward Committee Meeting held – 1 per month;
- Number of Ward Committee Meetings chaired by the Councillor – 1 per month;

- Percentage of attendance – 50 plus 1;
- Number of community meetings held – 1 per quarter;
- Number of sectoral reports – 10 per month; and
- Number of reports submitted to the municipality – 1 per quarter

### **C.7.5 Representation and participation of AmaKhosi in Council**

Municipal Structures Act, Section 81 require Traditional Leaders to be represented in municipal councils. In line with this law and in pursuance of a better communication and working relationship with traditional leadership and also to ensure that they are part of the local authority which has jurisdiction in their areas, six AmaKhosi sit in council and all the committees of the municipality. While there are some very few challenges on issues of land ownership or control between the municipality and AmaKhosi, the fact that they sit in council provide for a very suitable platform to deal with and resolve any differences. Nquthu LM respects and is committed to working with AmaKhosi in Nquthu appreciating the importance of indigenous leadership and understanding their role both historically and currently as custodians of African culture and customs and vanguards of communal and/or collective land ownership of the people.

### **C.7.6 IDP steering committee**

The IDP steering committee is central to formulating a credible and realistic IDP that reflects the actual plans of the municipality. The municipality has a functional IDP steering committee that is made of the municipal manager, all section 56 managers and the IDP manager. This committee sits as planned and as per IDP Process Plan on a quarterly basis.

### **C.7.7 Functionality of Management Structures**

Management structures, especially MANCO, are fully functional and sit as planned and as is required or dictated by circumstances. In addition to MANCO, there are other issue orientated committees like the following:

- Batho Pele Committee
- Departmental Meetings
- Rapid Response Team

### **C.7.8 Communication Plan / Strategy**

The municipality has an existing Community Strategy or Plan which is reviewed on an annual basis. This reviewed strategy will be tabled to Council in June 2021. And the plan aimed at ensuring a coherent and effective communication both with the municipality and between the municipality and outside stakeholders.

### **C.7.9 Functionality of the Internal Audit Unit**

The municipality has a functional audit unit comprises of a dedicated specific official and an outsourced service provider [Tshidi] that supports the municipality in terms of internal audit processes. The internal audit units compiles and submit report to Audit Committee on a quarterly basis in accordance with IA Plan.

### **C.7.9 Functionality of the Internal Audit Committee**

The Audit Committee of Nquthu was formally established in accordance with section 166 of the Municipal Finance Management Act No 56 of 2003. The Audit committee serves as an Independent advisory body that advice the municipal council, political bearers, the accounting officer and the management staff of the municipality on matters relating to :-

- Internal Financial Control
- Risk management
- Accounting policies
- The adequacy, reliability and accuracy of the financial reporting and information
- Performance management
- Effective governance
- Compliance with the act, the annual Division of Revenue Act
- Performance evaluation and any other issues referred to it by the municipal entity
- Review the annual Financial statements
- Respond to the council on any issue raised by the Auditor General in audit report

There is effective Audit Committee that sits on a quarterly basis. The Chairperson of the Audit Committee also serves on Performance Audit Committee and these meetings also sits on a quarterly basis for assessment of the Municipal Manager and Directors. The Audit Committee reports quarterly to Council on internal audit reports. Below is the schedule of Audit Committee and Performance Audit Committee for 2021/22 financial year.

<b>Audit Committee</b>	<b>Performance Audit Committee</b>
24 July 2021	15 July 2021
21 October 2021	16 October 2021

22 January 2022	15 January 2022
23 April 2022	14 April 2022

### **C.7.10 Risk management**

The Municipal Manager is responsible for financial administration of the municipality and must for this purpose take all reasonable steps to ensure the municipality maintains effective, efficient & transparent systems of financial and risk management and internal control. Nquthu Municipality operates under the Enterprise Risk Management Framework (ERM) which specifically addresses the structures, processes and standards implemented to manage risks on an enterprise-wide basis in a consistent manner.

Nquthu Municipality have an upto date Risk Management Policy that was adopted by the Council. Risk Committee which sits on quarterly basis and was established by Nquthu Municipality to assist the Municipal Manager in discharging his accountability for risk management by reviewing the effectiveness of the municipality's risk management systems, practices and procedures, and providing recommendations for improvement.

The committee has 8 members who are middle managers from different departments (Finance, Technical, Community and Corporate services ) and full time employees of the municipality. Annually the municipality conducts different risk assessments which include fraud , IT and operational risk assessments. These risk assessments are monitored by action plans from the fraud risk register, and the operational and IT risk register.

The municipality have Anti-Fraud and Anti-Corruption Strategy in place adopted by Council that the municipality comply with address and prevent fraud and corruption.

*Risk management is highly prioritized by the municipality and its effectiveness has been highly improved by, among others, the following:*

- **Independent Risk Chairperson:** the municipality appointed an independent Risk Chairperson who is also the member of the Audit Committee to ensure that risk management sthngthened within the municipality;
- **Risk Committee:** this is the highest Risk management structure in the municipality and is composed of the Municipal Manager, Risk Chairperson and all senior managers to ensure that it has adequate decision making powers;

- **Risk Forum:** this is a platform representative of all departments represented by designated officials who are Risk Champions, as outlined below;
- **Risk Champions concept:** every department has a Risk Champion who coordinate all risk management matters within the department to ensure that risk management is part all municipal processes so that it can be managed and mitigated effectively;
- **Capacity building:** an intensive and indepth Risk Management training for all Risk Committee and Risk Forum members has been conducted to capacitate them to carry out their responsibilities effectively and competently;
- **Risk Management Policy and Strategy:** the municipality has developed and approved the policy and strategy to form a framework and guideline on all matters of risk management;
- **Risk Management Assurance and Compliance Review Annual Plan-2020/21:** this plan unpacks the provisions of Risk Management and Strategy and packages them into practical and measurable activities and outputs.

#### **C.7.11 Municipal policies**

All HR and finance related policies are attached in the policy addendum of this IDP. The Policy Index of that addendum list all policies and the adoption/review status and adoption date is reflected.

#### **C.7.12 By-laws**

The municipality have the following By-Laws in place

By-law
Municipal Public Transport-by laws
Out-door advertisement – by laws
Electricity supply- by laws
Property encroachment – by laws
Street trading- by-laws
Standing rules of order- by-laws
Tariff policy for indigent persons- by-laws

#### **C.7.13 Functionality of BID Committees**

The municipality has established functional bid committees and have appointed members that serve on each of the following Bid Committees.

- Bid Specification Committee
- Bid Evaluation Committee

➤ Bid Adjudication Committee

Appointed bid members have underwent training in November 2020 to ensure effectiveness of Bid committees. The below specify members that are appointed for each bid committee

<b>Bid Specification Committee</b>	<b>Bid Evaluation Committee</b>	<b>Bid Adjudication Committee</b>
IDP/PMS Manager	Infrastructure Technician Civil	Director Technical Services,
Town Planner	Assistant Accountant: Demand and Acquisition	Acting Chief Financial officer
Communication Officer	Manager: Development Youth	Director Planning and LED
Assistant Accountant : Revenue	Manager: Office of the Mayor	Director Corporate & Community Services
Assistant Accountant: Demand and Acquisition	Infrastructure Technician Civil	Manager : SCM

**C.7.14 Functionality of MPAC**

Nquthu LM has a fully functional and vibrant MPAC that meets regularly. This committee reports directly to council and assist council to play its oversight function better and conduct investigations on any matter as directed by council or as required. This committee is continuously empowered and strengthened through training.

**C.7.15 Functionality of Portfolio Committees**

All portfolio committees are in place and fully functional. These portfolio committees attend to all matters relevant to their spheres of interest and report to the Executive Committee through their chairpersons. Names of portfolio committees, their functions and their members are provided in the Section 01 of this IDP.

### C.7.16 Back to Basics programme implementation

The Back to Basics programme has been established as both a catalyst and also a monitoring instrument to ensure good governance and service delivery. The municipality is fully implementing the Back to Basics programme and has implemented the following measures to improve implementation:

- The municipality as assigned the responsibility of Back to Basics implementation to the Manager in the Office of the Municipal Manager so that it is coordinated by a senior official that can ensure compliance and implementation, and
- The Back to Basics rating improvement has been made one of the key performance indicators to ensure that its implementation is not seen as a by the way or compliance issues, but is seen as a performance issue.

### C.7.17 Good governance and public participation SWOT analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Functional council structures</li> <li>• Representation of traditional authority</li> <li>• Functional Local Labour Forum</li> <li>• Functional Audit Committee</li> <li>• Functional Ward Committees</li> <li>• Public community meetings regularly conducted</li> <li>• operation Sukuma Sakhe: ward war rooms</li> <li>• Men’s forum</li> <li>• Disability forum</li> <li>• Senior citizen’s forum</li> <li>• Support groups</li> </ul>	<ul style="list-style-type: none"> <li>• Children’s Forum</li> <li>• Dysfunctional of ward committee in certain wards</li> <li>• non-attendance of government departments on Operation Sukuma Sakhe</li> <li>• Public Participation</li> <li>• IGR Forum Sitzings</li> </ul>



<ul style="list-style-type: none"> <li>• Sports council</li> <li>• Involvement of War Committees in setting KPIs</li> <li>• Communication Strategy</li> </ul>	
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Enforce monitoring and evaluation</li> <li>• Proper reporting</li> <li>• Community involvement and public participation</li> </ul>	<ul style="list-style-type: none"> <li>• non sitting of IGR Forum affect organization at large</li> <li>• non enforcement of by-laws leading to dysfunctionality of the organization and lead to the loss of revenue and litigation</li> </ul>

### **C.7.18 Ward Based Planning**

#### *Ward based plans*

Ward based planning has become a very important community engagement process which also form a basis for IDP development priorities. The municipality has developed WBPs on a template developed following a format from COGTA. The municipality have have taken an initiative to visit every ward in order to compile detailed ward based plans based on available information and based on views expressed by communities. The combined summary of WBPs is attached in this IDP as an annexure.

#### *Alignment of WBPs and IDP*

WBPs are well aligned to the IDP because development priorities in almost all wards are informed by and based on development needs identified in WBPs.

### C.8.1 Annual Performance Report Summary

In terms of the Section 46 of the Municipal Systems Act (No. 32 of 2000) as amended, requires a municipality to prepare an annual performance report for the year under review, which becomes a component of the Annual Report. The municipality had a decline in its performance in the 2019/20 financial year and is working very hard to build on this improvement. Performance summary is as outlined in the table below:

NATIONAL KEY PERFORMANCE AREAS	KEY PERFORMANCE INDICATORS	TARGETS ACHIEVED	TARGETS PARTIALLY ACHIEVED	TARGETS NOT ACHIEVED
Municipal Transformation and Institutional Development	8	1	1	6
Basic Services Delivery	35	26	2	7
Local Economic Development	7	4	1	2
Good Governance and Public Participation	11	10	0	1
Municipal Financial Viability and Management	14	6	2	6
Cross Cutting	25	13	8	4
<b>TOTAL</b>	<b>100</b>	<b>60</b>	<b>14</b>	<b>26</b>
<b>STATUS (%)</b>	<b>100%</b>	<b>60%</b>	<b>14%</b>	<b>26%</b>

The municipality is committed in improving performance and in achieving 100% on performance target during the 2021/22 financial year in order to improve service delivery as per the current Integrated Development Plan.

KEY PERFORMANCE AREA	CHALLENGE	CORRECTIVE MEASURES
<b>Municipal Institutional Development and Transformation</b>	<ul style="list-style-type: none"> <li>➤ Lack of communication within internal departments</li> <li>➤ Recognition and lack of support</li> <li>➤ No staff meetings to raise concerns</li> </ul>	<ul style="list-style-type: none"> <li>➤ Corporate Services Section Head interact directly with the responsible employees in their functions so as to support the work on the ground</li> <li>➤ Training Committee</li> </ul>
<b>Basic Service Delivery</b>	<ul style="list-style-type: none"> <li>➤ Measure breakdown in municipal equipment which hinders to execute or maintain municipal projects.</li> <li>➤ Climate change causes implications as Nquthu area experiences drastic environmental challenges</li> <li>➤ Political Interference</li> <li>➤ Ageing infrastructure</li> <li>➤ Lack of funding which leads to community unrest (strikes)</li> <li>➤</li> </ul>	<ul style="list-style-type: none"> <li>➤ Adjust the financial budget to accommodate the targets and avoid community unrest</li> <li>➤ Maintain the municipal infrastructure and engage Zibambele programme (DoT initiative)</li> </ul>
<b>Social and Local Economic Development</b>	<ul style="list-style-type: none"> <li>➤ Staff capacity ( shortage of personnel) in terms of LED unit.</li> <li>➤ Insufficient Funding</li> <li>➤ Lack of political leadership</li> <li>➤ Incorporation with sector departments in executing the duties which are relevant to their functionality (i.e. Agriculture, Arts &amp; Culture, EDTEA )</li> <li>➤ Youth programmes are cross cutting with other departments and these</li> </ul>	<ul style="list-style-type: none"> <li>➤ Plan in place to advertise and appoint the additional staff once the offices are completed as they are underway</li> <li>➤ Ongoing meetings with sector departments in regards to their roles and responsibilities within the jurisdiction</li> <li>➤ There is Council in place</li> <li>➤ In regarding to cross cutting issue; the municipal management should hold plenary meeting for the</li> </ul>

	<p>becomes a challenge, as other internal departments are not well informed.</p>	<p>alignment of programmes to avoid duplications.</p>
<p><b>Municipal Financial Viability and Management</b></p>	<ul style="list-style-type: none"> <li>➤ Municipal electrical losses which leads to municipal to subsidize with its portion</li> <li>➤ Lack of office space prevents us from appointing staff which affects proper segregation of duties.</li> <li>➤ High debtors due to high indigent</li> <li>➤ Lack of transfer of ownership of land limits revenue base</li> <li>➤ Non-payment for services by customers who have the ability to pay</li> <li>➤ MSCOA adaption and implementation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Fast-track the land disposal</li> <li>➤ The MSCOA steering committee was established to fast track the knowledge gaps and induction trainings were conducted.</li> <li>➤ Enforcement of debt collection policies</li> </ul>
<p><b>Good Governance and Public Participation</b></p>	<ul style="list-style-type: none"> <li>➤ Poor planning in terms of budgeting</li> <li>➤ Lack of political leadership</li> <li>➤ Lack of communication between Councillors and Traditional Council</li> <li>➤ Lack of communication within the municipal departments</li> <li>➤</li> </ul>	<ul style="list-style-type: none"> <li>➤ Develop the action plans that talks to budget</li> <li>➤ Council in place</li> </ul>
<p><b>Cross Cutting</b></p>	<ul style="list-style-type: none"> <li>➤ Limited resources to address extensive</li> </ul>	<ul style="list-style-type: none"> <li>➤ Encourage cooperation among</li> </ul>

	<p>issues of disaster</p> <ul style="list-style-type: none"> <li>➤ Geographical isolation</li> <li>➤ Lack of cooperation among stakeholders</li> <li>➤ Socio-economic and political conflict</li> </ul>	<p>stakeholders to host meetings consecutively</p> <ul style="list-style-type: none"> <li>➤ Make budget provision for resources</li> </ul>
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## **SECTION D: DEVELOPMENT STRATEGIES**

This section outlines the municipality's vision, mission, core values, goals and development priorities over the next four years and the municipality's developmental goals that are aligned to the standard key performance areas.

### **D.1 MUNICIPAL VISION, MISSION, CORE VALUES, GOALS AND DEVELOPMENTAL PRIORITIES.**

#### **(a) Vision**

*“Seeking to build a people centered and developmental municipality that is financially stable, responsive, and efficient and is capable of meeting people’s needs and aspirations and, ultimately; deliver on the NDP vision”*

#### **(b) Mission**

We are a municipality committed to service delivery and working for the development and economic empowerment of all our people.

#### **(c) Core values**

We subscribe to the value system inspired by and premised on the principles of Batho Pele, which are:

- Accountability;
- Responsiveness;
- Customer focus;
- Innovation;
- Efficiency;
- Transparency;
- Self help and self reliance;
- Integrity, and
- Ubuntu.

### **D.2 DEVELOPMENT PRIORITIES**

Nquthu LM, as part of its developmental mandate to realize the vision of the NDP, has identified the following development priorities as the foremost developmental needs of Nquthu:

- Providing a dynamic and transformational political leadership and a clean and efficient municipal administration;
- Growing the local economy and creating jobs through the skilling of local businesspeople and empowering local enterprises;
- Infrastructure development and expansion of Nquthu Town;
- Accelerating the delivery of basic services;
- Working with all stakeholders to protect the rights and ensure the well-fare of our communities especially the vulnerable groups; elderly, disabled, women and children;
- Exploiting our heritage to further improve the image of Nquthu as a tourist destination;
- Creating a platform for the people of Nquthu nurture their talents and realise their potential in arts, sports and other disciplines;
- Strengthen our disaster management unit to improve our prevention measures and also improve our response during disaster incidents, and
- Ensure a vibrant and effective non-profit sector, especially those dealing with women empowerment, youth development and early childhood development.

### **D.3 GOALS, OBJECTIVES AND STRATEGIES**

In order for the municipality to achieve the development priorities it has set for itself and also to work towards realizing the long term vision of the NDP which is also espoused and expressed in different government policy directives and programmes; it must set clear goals, objectives and strategies which will inform and guide all its processes and programmes.

The table below outlines the municipality's goals, objectives and strategies which are linked to relevant standard key performance areas:





**NATIONAL KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

**GOAL 2: HUMAN RESOURCE DEVELOPMENT**

KEY CHALLENGES	MUNICIPAL GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<p><b>Insufficient internal capacity to performance of some of the local government functions to desired levels.</b></p>	<p>1. Ensure human capital development and improve institutional Capacity.</p>	<p>1.1 To improve municipal capability</p>	<p>1.1.1 Implementation of WSP by ensuring the training of staff and councillors as per the WSP</p>
			<p>1.1.2 Ensure that appointments for advertised posts are finalized on time.</p>
			<p>1.1.3 Ensuring that critical posts and all budgeted vacant posts are filled</p>
			<p>1.1.4 Provide in-service training to students who have completed their degrees/diplomas</p>
		<p>1.2 To ensure an effective municipal ICT system</p>	<p>1.2.1 Monitor the ICT systems by ensuring a functional IT Steering Committee</p>
		<p>1.3 To ensure effective management of municipal performance</p>	<p>1.3.1 Table performance reports to enable Council to monitor performance</p>

		1.4 To ensure effective fleet management system	1.4.1 Implementation of Fleet Management Policy
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**NATIONAL KPA 02: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**GOAL 4: STRATEGIC INFRASTRUCTURE**

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<b>Huge infrastructure and services backlog and insufficient financial resources</b>	2. Improved access to Basic services	2.1 Ensure quality of municipal road network and expansion of access road network	2.1.1 To ensure improved quality of municipal road network
			2.1.2 To ensure the expansion of access road network
		2.2 Improvement of electricity services, affordability, access, connection, and energy sustainability	2.2.1 Improved affordability of electricity
			2.2.2 To ensure improved access to electricity
			2.2.3 Improved energy sustainability
		2.3 To improve access to network connectivity	2.3.1 To improve access to network connectivity
		2.4 Improve access to public facilities including community halls, Sport fields, and ECDS	2.4.1 Ensuring access to public facilities by construction of community halls
			2.4.2 Expanding access to Early Childhood Development facilities

			2.4.3 Expanding access to Sport field facilities
			2.4.4 Improvement of residential development

**NATIONAL KPA 03: LOCAL ECONOMIC DEVELOPMENT (LED) AND SOCIAL DEVELOPMENT**

**GOAL 1: INCLUSIVE ECONOMIC GROWTH**

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<b>High unemployment rate and non-inclusive economic growth</b>	3. Achieve inclusive Economic growth and development to alleviate poverty	3.1 Ensure growing the local economy	3.1.1 Implementation of municipal Agricultural Plan
			3.1.2 Promote the formalization of SMMEs
			3.1.3 Build the capacity of local SMMEs to make them competitive and sustainable
			3.1.4 Use local procurement and sub-contracting as an instrument to support local economic growth
			3.1.5 Support local youth enterprises to unleash their potential and innovation
		3.2 To ensure growing the tourism sector in the municipality	3.2.1 Facilitate tourism initiatives and events
		3.3 Promotion of Social cohesion through Arts and	3.3.1 Facilitate and participate in all

		Culture development programmes	art, culture and heritage activities
		3.4 To ensure more effective poverty alleviation	3.4.1 Creation of jobs to alleviate poverty by implementing local, economic development initiatives including capital projects [EPWP, Waste Ambassadors]
<b>High levels of social inequality</b>	4. Ensure accelerated social development of the people of Nquthu	11.1 Promotion of all sports codes in the municipality	11.1.1 Ensure the implementation of all sports development and plans
		11.2 To ensure the welfare of vulnerable groups within the municipality	12.2.1 Establish and ensure the functionality of representative forums for the targeted social groups
		11.3 Ensuring Early Childhood Development in Nquthu	11.3.1 Providing support to ECD centres
		11.4 Ensuring youth development in Nquthu	11.4.1 Initiating and implementing youth development initiatives



**NATIONAL KPA 04: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

**GOAL 3: HUMAN & COMMUNITY DEVELOPMENT**

**GOAL 6: GOVERNANCE AND POLICY**

<b>KEY CHALLENGES</b>	<b>GOAL</b>	<b>IDP OBJECTIVE</b>	<b>IDP STRATEGY / IDP PROGRAMME</b>
<b>Inability to reach real municipal potential in terms of good governance and public participation</b>	4.To attain a well governed and accessible municipality that is rooted in the will of the people	4.1 Improved municipal responsiveness	4.1.1 Ensure that all complaints received are attended to on time
			4.2.1 Ensure that all ward committees are functional
		4.2 More effective municipal administration	4.2.1 Ensure that councillors declare their interests
		4.3 Improved council functionality	4.3.1 Prevent disruption of council meetings to ensure smooth functioning of council
		4.4 To ensure the municipality maintains a functional Back to Basics status	4.4.1 Back to Basics programme implementation
		4.5 To ensure improved communication with	4.5.1 Engaging communities about all development or infrastructure

		communities	projects
		4.6 To ensure effective risk management	4.6.2 Implement the municipality's risk management policy and strategy
		4.7 Strive to attain a clean audit	4.7.1 Ensure that the AG Action Plan is implemented and that Audit Committee sits and reports to Council
			4.7.2 Prevent recurrence of AG findings
		4.8 To ensure effective records management system	4.8.1 Awareness of staff on the implementation of records management system
		4.9 Ensure effective strategic planning by developing a credible IDP	4.9.1 Ensure that the IDP is compliant and meet all prescribed timelines
		4.10 Effective Intergovernmental Relations (IGR) for the municipality	4.10.1 Full participation on IGR Forums and submit reports to Council on items emanated from district forums

**NATIONAL KPA 05: FINANCIAL MANAGEMENT AND VIABILITY**

**GOAL 6: GOVERNANCE AND POLICY**

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<p><b>Lack of sufficient revenue base and grant dependency</b></p>	<p>5. Improved and sound Financial management and viability</p>	<p>5.1 To ensure effective expenditure management</p>	<p>5.1.1 Ensuring that the municipality execute its procurement plan</p>
		<p>5.2 Ensure municipal financial sustainability</p>	<p>5.2.1 Maintain proper municipal financial sustainability</p>
		<p>5.3 To ensure improved municipal liquidity position</p>	<p>5.3.1 Ensure that the municipality is in a good position to meet its short-term liabilities by maintaining a set current ratio</p>
			<p>5.3.2 Ensure municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.</p>
<p>5.3.3 Prudent management of municipal finances to ensure sustainability</p>			

		5.4 To ensure improved debt management	5.4.1 Improve debt collection by billing of all municipal debtors
			5.4.2 Keep municipal assets in good state by efficient spending of maintenance budget
			5.4.3 Invest optimally in infrastructure by spending budgeted capital expenditure
		5.5 To ensure improved financial management	5.5.1 Ensure proper budget implementation and that expenditure is incurred in acceptable standards
			5.5.2 Ensure effective procurement management by adhering a set average turn-around time for awarding of bids
			5.5.3 Ensure that electricity distribution loses does not exceed 10%
			5.5.4 Ensure effective and consistent reporting

**NATIONAL KPA 06: CROSS CUTTING**

**GOAL 5: ENVIRONMENTAL SUSTAINABILITY**

**GOAL 7: SPATIAL EQUITY**

KEY CHALLENGES	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME
<p><b>Unplanned sprawling rural settlements which impacts negatively on proper planning and cost-effective delivery of services.</b></p> <p><b>Insufficient capacity to manage disasters within the municipality</b></p>	<p>6. Improve strategic Planning and municipal spatial planning</p>	<p>6.1 To ensure effective land use management and development planning</p>	<p>6.1.1 Reviewing of Urban Design Framework (UDF) and SDF to address spatial challenges in Nquthu Town</p>
		<p>6.2 To ensure provision of gathering, managing, and analysing spatially related data through GIS</p>	<p>6.2.1 Implementation of GIS Policy</p>
		<p>6.3 Ensure compliance with National building Regulations Act and Building Standards and Bylaws</p>	<p>6.3.1 Creating awareness to local community National Building Regulations Act and building standards</p>

	7. Achieve improved response to disasters and crime management	7.1 Improve mitigation effects of emergencies and disasters	7.1.1 Improve disaster response time and Alertness to the community
	8. Safe municipal environment	8.1 Ensure a secure and safe municipal environment	8.1.1 Implementation of municipal safety plan
		8.1 To ensure safer local roads	8.1.1 Maximum enforcement of road traffic laws and municipal bylaws
	9. Sustainable development and environmental management	10.1 To ensure effective environmental protection	10.1.1 Initiating and implementation of all municipal environmental management programmes

## **SECTION G: ANNUAL OPERATIONAL PLAN (SDBIP)**

The purpose of the Service Delivery and Budget Implementation Plan (SDBIP) for the financial year is to present a one year detailed implementation/operations plan, of functions, which Nquthu Municipality will implement. It gives effect to the implementation of the IDP and the approved budget for the 2021/22 financial year. The SDBIP determines the performance agreements for the accounting officer and all section 57 employees, whose performance agreements can be monitored through Section 71 monthly reports and, specifically; quarterly performance reports and be evaluated in the annual report. The SDBIP will be monitored and reported monthly by the municipal manager in terms of 71(1) (a) and (e). Section 01 of the MFMA, Act 56 of 2003 states that the SDBIP should make projections for each month of the revenue to be collected by source and by vote. The targets and performance indicators need to be reported on quarterly basis as per MFMA, 2003. The SDBIP is an annexure to this IDP and is duly approved by the Mayor.



## FINANCIAL PLAN

### F.1 Municipal financial plan

The municipality has a financial plan that is a municipal financial blueprint. This plan is reviewed annual as part of municipality's IDP and Budget processes.

### F.2 Three-year budget and budget analysis

#### F.2.1 Budget analysis

The nation is facing a national COVID 19 crisis that has had and continues to have a very negative on the economy which was already struggling even before COVID. Municipalities are grossly affected by this situation, especially rural grant dependent municipalities which Nquthu is. While revenue is declining, the municipality is still faced with a huge service delivery backlog and an added spending to adhere to COVID protocols.

The following observations are made with regard to municipality's three-year budget: -

#### *Revenue*

- **Property rates:** property rates are projected to grow slightly (by just over R2million annually) over a period of two years. Obviously, such projections will depend on other factors like (1) the performance of the economy, (2) enforcement of the municipality's debt collection policies, and (3) finalization of residential development project whereby more rateable properties shall emerge thus expanding the municipality's revenue base.
- **Service charges:** revenue is also expected to grow due to, among other things, Traffic Station which will render a number of income generating services upon completion and also the fact that there is tangible improvement in electricity losses as the recommendations of the report on electricity losses are being implemented.
- **Investment revenue:** investment revenue has declined quite sharply from previous years and is expected to remain low. This is due to depleting financial reserves and investing hugely on infrastructure development and unfortunately, most infrastructure in which the municipality invest in does not generate income.
- **Grants:** equitable share component is also expected to decline while capital grants like MIG and INEP will be increasing at a very slow rate. Obviously, this will affect service delivery in the next two years when taking into account that investment revenue which was previously used to supplement grants has rapidly declined.

#### *Expenditure*

- **Employee costs and councillors remuneration:** the number of wards will increase from 17 to 19 in the next term and that will have an impact of councillors. Further to that, the municipality has expanded its workforce quite markedly and that will also impact strongly on employee related costs. Almost all vacant posts have been put on hold for the current financial year, except for senior positions (Section 54 and 56) and fleet management officer in order to deal with prevalent wastage on fleet management.

- **Depreciation and asset impairment:** the municipality has invested a lot on plant and equipment as it seeks to improve road maintenance and that will have a corresponding effect on budgeting for depreciation and impairment.
- **Inventory and bulk purchases:** there will be a continuous decline in this area as the municipality seeks to avoid spending on less essential items, e.g. furniture and surplus vehicles that are not necessary.
- **Capital/projects:** the decline in revenue will have a negative impact on infrastructure development compared to previous years. In this regard, more emphasis should be put on proper prioritization to ensure that capital is invested where it is needed most.

#### *Free basic service*

Free basic service has been dominated by free basic electricity (FBE), but there has always been a consistent finding regarding the credibility of the municipality's indigent register during an audit by Auditor General. The municipality has appointed a specific employee to ensure that the indigent register is credible and this may result in an increase in household that are legible to receive FBE which force the municipality to increase its allocation for FBE going forward.

#### **F.2.2 Budget summary**

The table in the following page outlines the budget summary and forms the analysis made above.

**ANNEXURE 01: FINANCIAL PLAN**

**Choose name from list - Table A1 Budget Summary**

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	36 982	42 624	39 050	43 050	43 050	43 050	45 159	47 463	50 120
Service charges	-	15 207	17 452	14 312	21 183	21 183	23 793	24 357	25 464	28 235
Investment revenue	-	19 046	19 270	12 700	7 760	7 760	7 760	3 400	3 800	4 100
Transfers recognised - operational	-	129 987	144 567	152 508	180 383	180 383	180 383	158 178	163 845	161 636
Other own revenue	-	5 682	6 784	5 608	6 841	6 841	6 841	5 882	6 187	6 398
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	206 904	230 697	224 178	259 217	259 217	261 827	236 977	246 759	250 489
Employee costs	-	61 145	71 542	110 341	95 477	95 477	95 477	107 371	126 089	127 779
Remuneration of councillors	-	10 233	12 163	11 018	11 990	11 990	11 990	12 997	13 763	14 562
Depreciation & asset impairment	-	12	22 790	16 626	16 626	16 626	16 626	22 472	23 372	23 890
Finance charges	-	-	4	-	0	0	0	0	-	0
Inventory consumed and bulk purchases	-	33 086	28 892	24 435	45 363	45 363	45 363	32 969	30 702	30 902
Transfers and grants	-	-	5 087	4 097	13 334	13 334	13 334	6 277	3 385	3 385
Other expenditure	-	20 928	48 011	40 391	77 009	77 009	77 009	51 568	47 225	40 555
<b>Total Expenditure</b>	-	125 404	188 489	206 908	259 798	259 798	259 798	233 653	244 537	241 074
<b>Surplus/(Deficit)</b>	-	81 500	42 208	17 270	(581)	(581)	2 029	3 324	2 222	9 415
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	31 114	39 853	39 109	37 628	37 628	37 628	42 806	49 231	50 680
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	112 614	-	56 379	37 047	37 047	39 657	46 130	51 453	60 095
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	-	112 614	-	56 379	37 047	37 047	39 657	46 130	51 453	60 095
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	-	70 694	153 178	93 228	180 946	180 946	180 946	92 505	42 792	44 070
Transfers recognised - capital	-	46 932	131 177	33 470	32 728	32 728	32 728	35 796	42 792	44 070
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	23 762	22 001	59 758	148 218	148 218	148 218	56 709	0	0
<b>Total sources of capital funds</b>	-	70 694	153 178	93 228	180 946	180 946	180 946	92 505	42 792	44 070
<b>Financial position</b>										
Total current assets	-	433 213	476 485	229 793	370 953	370 953	370 953	322 217	62 590	64 807
Total non current assets	-	371 227	394 848	513 372	605 833	605 833	605 833	665 656	21 114	22 391
Total current liabilities	-	688 494	173 905	32 053	32 924	32 924	32 924	54 990	1 413	1 424
Total non current liabilities	-	2 609	1 970	1 089	1 089	1 089	1 089	1 089	0	0
Community wealth/Equity	-	113 336	693 890	715 633	942 775	942 775	-	896 436	51 453	60 095
<b>Cash flows</b>										
Net cash from (used) operating	-	-	(71 589)	225 315	35 344	35 344	35 344	48 763	270 730	272 180
Net cash from (used) investing	-	-	-	-	(208 078)	(208 078)	(208 078)	(106 381)	(58 524)	(59 973)
Net cash from (used) financing	-	-	(223)	-	-	-	-	(0)	1 574	1 574
<b>Cash/cash equivalents at the year end</b>	-	246 631	195 059	412 869	114 625	114 625	114 625	157 223	371 004	584 785
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	-	250 982	295 434	118 654	189 883	189 883	189 883	203 431	(2 650)	(2 649)
Application of cash and investments	0	565 608	49 780	(61 451)	(89 156)	(89 156)	(85 157)	(40 675)	(45 014)	(43 446)
<b>Balance - surplus (shortfall)</b>	(0)	(314 626)	245 654	180 105	279 039	279 039	275 040	244 106	42 364	40 797
<b>Asset management</b>										
Asset register summary (WDV)	-	371 227	281 468	422 087	441 641	441 641	441 641	576 205	(21 678)	(21 678)
Depreciation	-	12	20 438	16 626	16 626	16 626	16 626	22 472	23 372	23 890
Renewal and Upgrading of Existing Assets	-	10 491	7 003	2 868	2 982	2 982	2 982	1 879	0	0
Repairs and Maintenance	-	2 747	5 233	2 678	7 955	7 955	7 955	3 152	3 808	3 808
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	(55)	2 610	2 610	2 610	2 763	2 763	2 938	3 141
Revenue cost of free services provided	-	(4 246)	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

### F.3 Financial strategies

The municipality strategies in place which have got to be applied consistently and become an integrated part of financial management.

#### *Expenditure*

As a fundamental rule, expenditure must be incurred in terms of the approved budget. To achieve this, systems and controls are in place to discourage unnecessary deviations from planned expenditure items.

#### *Cost containment*

The municipality has put in place a Cost Containment Policy which seeks to guard against wasteful spending. The primary purpose of the policy is to set out cost containment requirements that must be adhered to within the municipality. These requirements are derived from cost containment regulations and circulars that were in the past issued by National Treasury. In the main, the policy requires the following:

- That every department identify expenditure items that can be eliminated without affecting municipal operations;
- Determine the most cost effective methods to acquire services and goods, e.g. using of transversal contracts to procure certain goods or services, and
- Report on a monthly basis the benefits that have accrued from implementation of cost containment measures within the department (i.e. cost containment implementation report including savings expressed in monetary value)

#### *Financial management and viability IDP strategies*

The table below list objectives and strategies set out in the IDP which will be realized by key performance indicators which are measured on a quarterly basis through performance reports that are audited to identify gaps and room for improvement.

<b>OBJECTIVES</b>	<b>STRATEGIES</b>
<b>To ensure effective expenditure management</b>	<ul style="list-style-type: none"> <li>• <i>Ensuring that the municipality execute its procurement plan</i></li> </ul>
<b>Ensure municipal financial sustainability</b>	<ul style="list-style-type: none"> <li>• <i>Maintain proper municipal financial sustainability</i></li> </ul>
<b>To ensure improved municipal liquidity position</b>	<ul style="list-style-type: none"> <li>• <i>Ensure that the municipality is in a good position to meet its short-term liabilities by maintaining a set current ratio</i></li> <li>• <i>Prudent management of municipal finances to ensure sustainability</i></li> <li>• <i>Ensure municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.</i></li> </ul>

ANNEXURE 01: FINANCIAL PLAN

OBJECTIVES	STRATEGIES
<p><b>To ensure improved debt management</b></p>	<ul style="list-style-type: none"> <li>• <i>Improve debt collection by billing of all municipal debtors</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Keep municipal assets in good state by efficient spending of maintenance budget</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Invest optimally in infrastructure by spending budgeted capital expenditure</i></li> </ul>
<p><b>To ensure improved financial management</b></p>	<ul style="list-style-type: none"> <li>• <i>Ensure proper budget implementation and that expenditure is incurred in acceptable standards</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Ensure effective procurement management by adhering a set average turn-around time for awarding of bids</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Ensure that electricity distribution losses does not exceed 10%</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Ensure effective and consistent reporting</i></li> </ul>

ANNEXURE 01: FINANCIAL PLAN

**F.4 Municipal ability to meet its operational expenses**

Choose name from list - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b><u>Borrowing Management</u></b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0,0%	0,0%	0,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0,0%	0,0%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Safety of Capital</u></b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	-	0,6	2,7	7,2	11,3	11,3	11,3	5,9	44,3	45,5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	-	0,6	2,7	7,2	11,3	11,3	11,3	5,9	44,3	45,5
Liquidity Ratio	Monetary Assets/Current Liabilities	-	0,4	1,7	3,7	5,8	5,8	5,8	3,7	(1,9)	(1,9)
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0,0%	0,0%	0,0%	77,8%	64,7%	64,7%	62,2%	77,9%	68,7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0,0%	0,0%	0,0%	77,8%	64,7%	64,7%	62,2%	77,9%	68,7%	64,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0,0%	87,7%	78,1%	49,2%	69,5%	69,5%	68,8%	48,3%	26,4%	26,9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										

ANNEXURE 01: FINANCIAL PLAN

Choose name from list - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		0,0%	229,3%	24,7%	5,1%	18,3%	18,3%	18,3%	28,1%	0,0%	0,0%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	1	2	3	4	5	6	7	8	9	10
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Total Volume Losses (kℓ)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	1	2	3	4	5	6	7	8	9	10
Employee costs	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Employee costs/(Total Revenue - capital revenue)	0,0%	29,6%	31,0%	49,2%	36,8%	36,8%	36,5%	45,3%	51,1%	51,0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0,0%	34,3%	36,3%	54,1%	41,5%	41,5%		50,8%	56,7%	56,8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0,0%	1,3%	2,3%	1,2%	3,1%	3,1%		1,3%	1,5%	1,5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0,0%	0,0%	9,9%	7,4%	6,4%	6,4%	6,3%	9,5%	9,5%	9,5%



ANNEXURE 01: FINANCIAL PLAN

Choose name from list - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>IDP regulation financial viability indicators</u>	-										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	345,3	33,5	-	-	-	25,5	8 755 441,4	81 608,2	87 453,7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,0%	342,8%	295,7%	204,4%	278,1%	278,1%	267,4%	163,4%	88,7%	85,4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	28,0	16,2	29,4	6,9	6,9	6,9	10,1	22,2	35,7
<u>References</u>											
1. Consumer debtors > 12 months old are excluded from current assets											
2. Only include if services provided by the municipality											
<u>Calculation data</u>											
Debtors > 90 days											
Monthly fixed operational expenditure		-	8 793	12 075	14 036	16 673	16 673	16 673	15 556	16 738	16 402
Fixed operational expenditure % assumption		40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%
Own capex		-	(46 932)	22 001	59 758	148 218	148 218	148 218	37 579	064)	(3 478)
Borrowing		-	-	-	-	-	-	-	-	-	-

The current ratio of 5.9 and other indicators outlined in the table clearly shows that the municipality will be able to meet its operational requirements going forward. However, more effort is required to maintain a healthy current ratio and also to improve it.

### F.5 Government departments/agencies projects

The District Development Model (DDM) introduced few years back has improved coordination between government departments and municipalities. KZN COGTA was already ahead in creating a platform for sector departments and municipalities to coordinate and integrate their programmes, but the BBM model has taken such coordination to another model and there is now seamless flow of information and also improved integration. The tables below details projects planned for Nquthu LM by other departments for Nquthu LM.

**Please note:** most projects reflect a budget planned for the entire Umzinyathi DM under which Nquthu falls and Nquthu LM is included in those figures.

#### KZN Sports and Recreation

SUB-PROGRAMME	DELIVERY PROGRAMME	LOCATION	TARGET	BUDGET
School Sport	School Sport Seasonal Tournaments	<b>Circuit Management Centre</b> Nquthu CMC	4	R650 000.00
	School Sport Equipment/Attire	Endumeni CMC Msinga CMC Umvoti CMC	35	R544 720.00
	School Sport Structure support	<b>Cycling Hubs</b> Endumeni LM 1 and 6 Umvoti LM 13, Nquthu LM 6, 16 Msinga LM 1, 17	4	R180 000.00
	Educators trained to deliver school sport		30	R130 000.00
	Clubs provided with equipment/Attire		98	<b>R230 000.00</b>
	League support		10	<b>R800 000.00</b>
	Capacity building for coaches/technical			

ANNEXURE 01: FINANCIAL PLAN

SUB-PROGRAMME	DELIVERY PROGRAMME	LOCATION	TARGET	BUDGET
	officials/club administrators			
			65	<b>R200 000.00</b>
	DELIVERY PROGRAMME		TARGET	BUDGET
	Hubs centres provided with equipment/attire		13	<b>R127 600.00</b>
	Healthy Lifestyle recreational events		12	<b>R320 000.00</b>
	Centres supported to promote Early Childhood Development		12	<b>R67 320.00</b>
	Employment of Sport Activity Assistants (EPWP)		24	<b>R633 600.00</b>
	Senior Citizens Games programmes supported		1	<b>R145 000.00</b>
	Rec-rehab programmes to promote safe and peacefully communities		1	<b>R130 000.00</b>
	Indigenous Games		1	<b>R305 000.00</b>

ANNEXURE 01: FINANCIAL PLAN

SUB-PROGRAMME	DELIVERY PROGRAMME	LOCATION	TARGET	BUDGET
	programmes supported			
	Traditional Rural Horse Riding/ Equine programmes supported		1	R200 000.00 R110 000.00 R1 500 000.00
	Work and Play programme supported		1	R50 000.00
	Sport bodies receiving support to drive transformation		4	R200 000.00
	Developmental Programmes (KZN DSR SALGA Games)		1	R350 000.00
	Disability sport programme supported		1	R200 000.00
	Federation officials training		50	R150 000.00
	Community clubs benefiting from community outreach programmes		30	R120 000.00
	Sport and recreation equity programmes implemented		1	R70 000.00

ANNEXURE 01: FINANCIAL PLAN

SUB-PROGRAMME	DELIVERY PROGRAMME	LOCATION	TARGET	BUDGET
	(Women's Day)			
	Programmes against GBV supported		1	<b>R70 000.00</b>
	No. of ward base intervention (1 ward 1 sport and recreation club)		8	<b>R150 000.00</b>

**KZN Economic Development, Tourism and Environmental Affairs**

Project	Description	Location	Status	Budget
Cooperative Funding Support	Funding to Cooperatives through Ithala		Implementation	
Umzinuathi Operation Vula projects	Nine projects applied. One has been approved and two are still on the process of approval	5 are from Umvoti 2 Nquthu 1 Msinga 1 Endumeni		A total budget approved towards developing and small production premises for cleaning chemicals and other identified is R1 586 000
Umvoti Informal Economy Infrastructure Project	Procurement of Mobile Infrastructure, Provision of Containerised Storage space, and IT associated with registration and Monitoring and Evaluation	Umvoti Local Municipality	Implementation	R3 000 000.00

## ANNEXURE 01: FINANCIAL PLAN

**KZN Department of Education (Under water and sanitation)**

Item	School Name	Ward	Circuit	Project Value	Expenditure	Project Status
1	Domrey	1	Umvoti			
2	Gwija Primary School	1	Hlazakazi			65%
3	Kwangqulu Primary S.	1	Hlazakazi			25%
4	Masotsheni	10	Mkhonjane			50%
5	Wetsie SS	8	Nondweni			60%
6	Zindlalele SS	10	Mkhonjane			75%
7	Sicelimfundo SS	3	Babanango	R6945 917.66	38%	60%
9	Celumusa SS	16	Nkande	R2514 474.28	0%	0-25%
10	Leneha Tumis SS	16	Nkande	R3449 946.06	10%	0-25%
11	Buhlebamangwe	9	Hlazakazi	R2161 279.95	26%	50%
12	Hlubi SS	7	Nondweni	R2997 269.72	10%	0-25%
13	Idlamadoda	10	Mkhonjane	R2441 582.57	10%	0-25%
14	Isibukosabasha	15	Mkhonjane	R38138 45.34	10%	0-25%
15	Klwayisi SS	2	Hlazakazi	R2779 599.56	0%	0%
16	Maceba SS	15	Mkhonjane	R3426 497.21	0%	0%
17	Nkwe PS	13	Mkhonjane	R3120 340.33	12%	0-25%



## ANNEXURE 01: FINANCIAL PLAN

## KZN Agriculture and Rural Development

APP INDICATOR	Umzinyathi				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target (21/22)
Number of subsistence producers supported	100	150	400	50	<b>700</b>
Number of smallholder producers supported	6	10	10	20	<b>46</b>
Number of black commercial farmers supported	0	0	3	3	<b>6</b>
Number of agricultural job opportunities created through departmental interventions	5	10	10	20	<b>45</b>
Number of hectares planted for food production through Departmental support	220	687.5	1320	1402.5	<b>3630</b>
Number of female farmer projects supported by the Department	0	2	5	5	<b>12</b>
Number of youth projects supported by the Department	0	2	2	4	<b>8</b>
Number of projects for people with disability supported by the Department	0	0	4	0	<b>4</b>
Number of producers supported in the Red Meat Commodity	0	100	200	50	<b>350</b>
Number of producers supported in the Grain Commodity	5	200	350	100	<b>655</b>
Number of producers supported in the Cotton Commodity	0	0	0	0	<b>0</b>
Number of producers supported in the Citrus Commodity	0	0	0	0	<b>0</b>
Number of agricultural infrastructure established by the department	0	5	20	5	<b>30</b>
Number of agricultural infrastructure rehabilitated by the department	0	0	5	10	<b>15</b>
Number of kilometre fenced for agricultural use	0	0	20	20	<b>40</b>

## ANNEXURE 01: FINANCIAL PLAN

## KZN Transport

Project name	Location	Ward Name	Road Number	Start Km	End Km	Planned Output 2021_22	Budget
Blading Contract	KZ242	Various	ZONE 2(JS)	-	-	160	R 960,000
Blading Contract	KZ242	Various	ZONE 3(EM)	-	-	160	R 960,000
Minor Structure repair on D2250	Mbokodwe Bomvu	Ward 2	D2250	8.5	8.5	1	R 1,000,000
Regravelling of L877	GWIIJA	Ward 1	L 877	0	4	4	R 2,800,000
Regravelling of L1168	NKUNYANA	Ward 2	L1168	2	9	7	R 4,900,000
Regravelling of D30B	NCEPHENI	Ward 10	D30B	7.2	9	1.8	R 1,260,000
Regravelling of P16-4	MHLUNGWANE	Ward 5	P16-4	14	21	7	R 4,900,000
Regravelling of L2626	EZIPHUNZINI	Ward 1	L2626	0	4	4	R 2,800,000
Regravelling of D1322	KLWANA	Ward 3	D1322	4	11	7	R 4,900,000
Regravelling of D1293	MFEKA	Ward 2	D1293	0	2.5	2.5	R 1,750,000
Regravelling of L2038	KWADOPHI	Ward 15	L2038	0	5	5	R 2,000,000
Blacktop Patching & Rut Repair on P291 & P54, P36/1/2,	KZ242	Various	P291 & P54, P36/1/2,	-	-	4000	R 6,000,000
D1322 Causeway	KLWANA	Ward 3	D1322	8	8	1	R 6,000,000
Regravelling of P752	QUDENI	Ward 1	P752	42	47	5	R 3,500,000
Regravelling of L1176	NDWALANE	Ward 2	L1176	4.1	6.1	2	R 1,400,000
Regravelling of L1177	MHLUNGWANE	Ward 7	L1177	0	5	5	R 3,500,000
Road Marking of P291 & P54, P36/1/2,	KZ242	Various	P291 & P54, P36/1/2,	-	-	80	R 1,000,000
VRRM tools Nquthu	KZ242	Various	Various	-	-		R 500,000
Zibambele Contractors Nquthu	KZ242	Various	Various	-	-	1400	R 5,000,000
FUEL : Blading NQUTHU/DUNDEE	KZ242/241	Various	Various	-	-	1300	R 2,500,000
Grass cutting on Various Roads	KZ242	Various	P291, P54, P36-1, P36-2	-	-	120000	R 500,000
Minor Structure repaire on L2409	Batshe	Ward 11	L2409	1	1	1	R 2,000,000

## ANNEXURE 01: FINANCIAL PLAN

Project name	Location	Ward Name	Road Number	Start Km	End Km	Planned Output 2021_22	Budget
Minor Structure repairs on D1313	JABAVU	Ward 12	D1313	0.8	0.8	1	R 2,000,000
D1321 Extension	Nyakaza	Ward 5	D1321	5.2	7.7	2.5	R 3,000,000
Installation of Signs on various roads	KZ241/242	Various	P291, P36-1, P34-1, P356, P33-1	-	-	150	R 500,000
Desilting of Pipes on various roads	Mphondi	Various	P16-4, P50, D1303, L2410	-	-	200	R 500,000
Installation of guardrails on various roads	Nquthu	Various	P36-1, P356, P291, P54	-	-	200	R 500,000
Installation of kilometre markers on various roads	Nquthu	Various	P291, P36-1, P36-2, P54, P372	-	-	150	R 500,000



**NQUTHU MUNICIPALITY  
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**..... APPROVAL OF THE 202 /2 SERVICE DELIVERY AND BUDGET  
IMPLEMENTATION PLAN (SDBIP)**

I, Cllr IL Shabalala, the undersigned, in my capacity as Mayor of Nquthu Local Municipality, hereby approves the changes made to the 202 /2 SDBIP following the a budget approved by Council on U 202 as required by Section 53(c)(ii) of the Municipal Finance Management Act No. 56 of 2003.

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**CLLR IL SHABALALA  
MAYOR**

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**DATE**

## 1. Introduction

Section 1 of the MFMA defines the SDBIP as:

*“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:*

*(a) projections for each month of-*

*(i) revenue to be collected, by source; and*

*(ii) operational and capital expenditure, by vote;*

*(b) service delivery targets and performance indicators for each quarter”.*

The budget was approved on 28 May 2021 and the 2021/22 SDBIP has been prepared to give effect to the IDP and budget by setting out clear performance targets so that performance can be easily monitored, evaluated and managed to ensure realization of all developmental goals of the municipality.

The SDBIP is central to the municipality’s performance management system since it is the most critical tool to link and align the IDP and budget and also ensures that these are implemented. In this regard, the SDBIP shall be a central tool upon which Council, through its various structures and systems shall be able to play a meaningful oversight role by monitoring the implementation of set targets. And as such, the SDBIP shall be a standing item in all portfolio committees so that progress and/or performance can also be managed from the perspective of oversight.

## 2. Monthly revenue and expenditure projections

This section deals with monthly revenue projections by each source. The municipality ability to operate and deliver services is directly dependent on the financial resources that are available to it because almost all municipal processes are financially driven. It is for this reason that the municipality has to link its operations with the revenue that it receives to ensure that there are no disruptions in the municipality’s operations and service delivery and also to ensure that all set service delivery targets or timelines are met. Expenditure are also outlined in the following page as per the municipality’s spending patterns to ensure smooth operations and ensuring that the municipality realizes its service delivery mandate.

ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DESCRIPTION	BUDGET YEAR 2021/22											
	July	August	Sept.	October	November	December	January	February	March	April	May	June
R THOUSAND												
<u>REVENUE BY SOURCE</u>												
PROPERTY RATES	3,589	3,589	3,589	3,589	3,589	3,589	3,589	3,589	3,589	3,589	3,589	5,681
SERVICE CHARGES - ELECTRICITY REVENUE	2,013	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	(94)
SERVICE CHARGES - WATER REVENUE	-	-	-	-	-	-	-	-	-	-	-	-
SERVICE CHARGES - SANITATION REVENUE	-	-	-	-	-	-	-	-	-	-	-	-
SERVICE CHARGES - REFUSE REVENUE	192	192	192	192	192	192	192	192	192	192	192	207
RENTAL OF FACILITIES AND EQUIPMENT	48	48	48	48	48	48	48	48	48	48	48	48
INTEREST EARNED - EXTERNAL INVESTMENTS	283	283	283	283	283	283	283	283	283	283	283	283
INTEREST EARNED - OUTSTANDING DEBTORS	3	3	3	3	3	3	3	3	3	3	3	3
DIVIDENDS RECEIVED	-	-	-	-	-	-	-	-	-	-	-	-
FINES, PENALTIES AND FORFEITS	309	309	309	309	309	309	309	309	309	309	309	309
LICENCES AND PERMITS	92	92	92	92	92	92	92	92	92	92	92	92
AGENCY SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
TRANSFERS AND SUBSIDIES	13,182	13,181	13,181	13,181	13,181	13,181	13,181	13,181	13,181	13,181	13,181	13,181
OTHER REVENUE	38	38	38	38	38	38	38	38	38	38	38	38
GAINS	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE (EXCLUDING CAPITAL TRANSFERS AND CONTRIBUTIONS)	19,748	19,748	19,748	19,748	19,748	19,748	19,748	19,748	19,748	19,748	19,748	19,748
<u>EXPENDITURE BY TYPE</u>												
EMPLOYEE RELATED COSTS	9,067	8,924	8,924	8,924	8,924	8,924	9,065	8,924	8,924	8,924	8,924	8,924
REMUNERATION OF COUNCILLORS	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083
DEBT IMPAIRMENT	525	525	525	525	525	525	525	525	525	525	525	525
DEPRECIATION & ASSET IMPAIRMENT	1,873	1,873	1,873	1,873	1,873	1,873	1,873	1,873	1,873	1,873	1,873	1,873
FINANCE CHARGES	0	-	-	-	-	-	-	-	-	-	-	-
BULK PURCHASES - ELECTRICITY	1,908	1,908	1,908	1,908	1,908	1,908	1,908	1,908	1,908	1,908	1,908	1,908
INVENTORY CONSUMED	841	839	839	839	839	839	839	839	839	839	839	839
CONTRACTED SERVICES	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
TRANSFERS AND SUBSIDIES	523	523	523	523	523	523	523	523	523	523	523	523
OTHER EXPENDITURE	1,864	1,835	1,835	1,835	1,835	1,835	1,862	1,835	1,835	1,835	1,835	1,835
LOSSES	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE	19,618	19,442	19,442	19,442	19,442	19,442	19,611	19,442	19,442	19,442	19,442	19,442

### 3. Quarterly target and ward level service delivery information

MFMA Circular 13 requires that the SDBIP outline quarterly projections as measured by way of set key performance indicators. This Circular also requires that service delivery projects that shall take place at a ward level be clearly outlined. This section seeks to address both these requirements by incorporating them into the SDBIP scorecard for the entire municipality and also for each municipal department. In addition to that, the following points are made as far as service delivery projections and ward level projects are concerned:

#### (a) Service delivery projections

The scorecard in the following page outlines the service delivery projections of the municipality and also breaks them down into each municipal department. This scorecard also link the IDP and budget through specifying budget amounts and providing MSCOA references, where applicable. These projections are what the municipality is working towards and provide a basis for measuring organizational, departmental as well as individual performance.

#### (b) Ward level projects

Ward based projects should be understood within the following context, that:

- Due to financial constraints, not all wards are beneficiaries of infrastructure projects like community halls, access roads, etc. However, almost all wards shall be benefiting from infrastructure projects over the period of 3 years, depending on backlog and also subject to public participation;
- Some infrastructure projects implemented in ward 14 (Nquthu Town) are actually centers of service delivery and are not meant for the residents of ward 14 alone, but meant for the benefit of the community of Nquthu as a whole. This projects are located in ward 14 primarily and solely for the purpose of accessibility and convenience. These projects are the Testing Ground Offices and Fire Station, and
- There are a lot of programmes, especially local economic development, sports, cultural, early childhood development, and other social development or intervention programmes that are actually meant for all wards; so every ward is a beneficiary of municipal services.



**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT		
												Jul - Sep	Target	Oct - Dec	Target	Jan - Mar	Target	Apr - Jun	Target					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																								
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																								
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																								
C.3.6.2	Building capable local government institutions Ensure human capital development and improve institutional Capacity	To improve municipal capability	Implementati on of WSP by ensuring the training of staff and councillors as per the WSP	Percentage of a municipality's budget actually spent on implementing its workplace skills plan	TBD	CORP-01	100%	4710 Training & Skills Development	400 000,00	100%	10%	50%	75%	100%							Expenditure Report	Corporate		
				Percentage of municipal skills development levy recovered		CORP-03		1%																Corporate
C.3.6.3				Ensure that appointment for advertised posts are finalized on time.	Percentage of vacant posts filled within 3 months	TBD	CORP-02	N/A	N/A	-			100%	100%	100%	100%	100%						Appointment letters	Corporate
				Staff vacancy rate			COR P-05																	

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
C.3.4				Ensuring that critical posts and all budgeted vacant posts are filled	Top Management Stability		CORP-04	5	N/A	-	100%	100%	100%	100%	100%		Organogram and List of Vacancies	Corporate
C.3.7			To ensure an effective municipal ICT system	Monitor the ICT systems by ensuring a regular review of ICT Plan	Date of review and approval of developed ICT Plan		CORP-08	N/A	N/A	-	30-Jun-21				30-Jun-21	N/A	Signed Report	Corporate
K.2			To ensure effective management of municipal performance	Table performance reports to enable Council to monitor performance	Number of Performance reports tabled to Council	TBD	MM-01	4	N/A	-	4	1	1	1	1	N/A	Council Resolution	Municipal manager
1.6.1 Objectives			To ensure effective fleet management system	Implementation of Fleet Management Policy	Reduce Internal Audit findings on fleet management by 50% by 30 June 2022	TBD	CORP-09	100%	N/A	-	100%	100%	100%	100%	100%	N/A	Signed Report	Corporate
<b>KPA 02: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT</b>																		

ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter 1	Quarter 2	Quarter 3	Quarter 4	WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT		
												Jul - Sep Target	Oct - Dec Target	Jan - Mar Target	Apr - Jun Target					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																				
<b>PGDP GOAL 4: STRATEGIC INFRASTRUCTURE</b>																				
E.4.3(a)	Service delivery	Improved access to Basic services	Ensure quality of municipal road network and expansion of access road network	To ensure improved quality of municipal road network	Percentage of unsurfaced road graded by 30 June 2022	(2) Kilometers of unsurfaced road X100	TECH-01	N/A			-	100%	100%	100%	100%	100%	All	Road maintenance report and job cards	Technical	
E.4.3(b)				To ensure improved quality of municipal road network	Percentage of reported pothole complaints resolved within 3 working days	within 3 working days / (2) Number of potholes reported)	TECH-02	N/A			-	100%	100%	100%	100%	100%	100%	14	List of reported fixed potholes	Technical
E.4.3(a)				To ensure the expansion of access road network	Percentage of completion of NSUBENI ROAD by 30 June 2022		TECH-03	N/A			3 004 677,34	100%	10%	50%	75%	100%	4	completion certificates	Technical	

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Jul - Sep	Target	Oct - Dec	Target	Jan - Mar	Target	Apr - Jun	Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																						
					Percentage of completion of Ophindo road-ward-3 by 30 June 2022		TECH-04	N/A		4 046 413,83	100%	10%	50%	75%	100%				3	completion certificates	Technical	
					Percentage of completion of Hwanqana road - ward-5 by 30 June 2022		TECH-05	N/A		3 100 000,00	100%	10%	50%	75%	100%				5	completion certificates	Technical	
					Percentage of completion for Slonjani road by 30 June 2022		TECH-06	N/A		3 100 000,00	100%	10%	50%	75%	100%				16	completion certificates	Technical	
					Percentage of completion of Ntuzuma road by 30 June 2022		TECH-07	N/A		3 100 000,00	100%	10%	50%	75%	100%				7	Completion Certificate	Technical	

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
E.4.4			Improvement of electricity services, affordability, access, connection, and energy sustainability		Percentage of completion of Mbilane Gravel road by 30 June 2022					5 160 790,02	100%	10%	50%	75%	100%	8		Technical
					Percentage of completion of Gubazi Access Road by 30 June 2022		TECH-08	N/A		2 608 696,00	100%	10%	50%	75%	100%	11	completion certificates	Technical
				Improved affordability of electricity	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)		TECH-09	N/A	2104 Free Basic Services	4172	4172	4172	4172	4172	4172	All		Technical
				To ensure improved access to electricity	Number of dwellings provided with connections to mains electricity supply by the municipality (points commissioned and energised by the municipality)		TECH-10	25 723	N/A	N/A	32 622	32 622	32 622	32 622	32 622	32 622	All	Schedule for Eskom and municipality

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT															
											Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun																		
											Target	Target	Target	Target																		
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																																
E.4.7					Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards [14 Days]	14 day turn-around time / (2) Total number of new connections x 100	TECH-11	N/A			-	100%	100%	100%	100%	100%	All	Reports and job cards	Technical													
																				Improved energy sustainability	Percentage of total electricity losses	TECH-12	N/A	-	10%				10%	14		Technical
																				To improve access to network connectivity	Sustainable network connectivity	Number of network hotspots	hotspots within the	CORP-10	N/A				1			
			Improve access to public facilities including community halls,	Ensuring access to public facilities by construction	Percentage utilisation rate of community halls						-	100%	100%	100%	100%			Technical														

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
												Target	Target	Target	Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
			Sport fields, and ECDS	of community halls	Percentage of completion of Gobinsimbi Hall by year end			N/A		4 000 000,00	100%	10%	50%	75%	100%	10		Technical
					Percentage of completion of Kwabiya Hall by year end			N/A		4 000 000,00	100%	10%	50%	75%	100%	13		Technical
					Percentage of completion of Hlathidam Hall by year end			N/A		4 000 000,00	100%	10%	50%	75%	100%	12		Technical
					Percentage of completion of Ezinkondlwaneni Hall by year end					4 000 000,00	100%	10%	50%	75%	100%	14		Technical
					Percentage of completion of Jabavu Community Hall	TECH-15	63%	6461 Jabavu Community Hall		1 472 300,00	100%	100%				12	completion certificates	Technical

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Target	Jul - Sep	Target	Oct - Dec	Target	Jan - Mar	Target	Apr - Jun			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																						
					Percentage of completion of Odudela community hall		TECH-19	90%	4656 Odudela Community Hall	1 804 348	100%	100%								7	completion certificates	Technical
					Percentage of completion of Sgubudu community hall		TECH-20	30%	6459 Sgubudu Community Hall	2 475 443,38	100%	80%	100%							10	completion certificates	Technical
					Percentage of completion of Mntshongweni community hall		TECH-26	30%	11621 Ngwetshana Community Hall	3 391 131,90	100%	80%	100%							11	completion certificates	Technical
					Percentage of completion of Fire Offices by year end		TECH - 39	50%	4688 Fire Station offices	2 000 000,00	100%	75%	100%							14	reports and completion certificates	Technical



**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT	
											Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun				
											Target	Target	Target	Target				
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
					Percentage of completion of traffic office		TECH-39	50%	4689 Traffic Offices	6 678 584,97	100%	75%	100%		14	completion	Technical	
				Expanding access to Early Childhood Development facilities	Percentage of completion of Zalakwanda Creche by year end		TECH-29	90%	6463 Zalakwanda Creche	100 000,00	100%	100%				completion certificates	Technical	
					Percentage of completion of Tlokweni Creche by year end			N/A		1 800 000,00	100%	10%	50%	75%	100%	17		Technical
					Percentage of completion of Section 4 Creche by year end			N/A		1 800 000,00	100%	10%	50%	75%	100%	9		Technical

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IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
													Target	Target	Target	Target		
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
				Improvement of residential development	Percentage of completion of Nquthu Residential Development phase 1 (Water , sewer and electrical services )		TECH-32	70%	4789 Nquthu residential road phase 1	13 043 478,00	100%	80%	90%	100%	14	Progress reports and completion certificates	Technical	
					Percentage of completion of Nquthu Residential Development phase II (Road stormwater )		TECH-33	33%				100%	43%	73%	90%	100%	14	completion certificates
<b>KPA 03: LOCAL ECONOMIC AND SOCIAL DEVELOPMENT</b>																		
<b>PGDP GOAL 1: INCLUSIVE ECONOMIC GROWTH</b>																		
F.5.1.5	Service delivery	growth and development to alleviate poverty	Ensure growing the local economy	Implementati on of municipal Agricultural Plan	Provision of fencing material to all 17 wards		PLAN-01	N/A	2939 LED Poverty Alleviation	1 747 826,00	17	0	17	0	0	All	signed list of beneficiaries	Planning
F.5.1.5				Promote the formalization of SMMEs	Percentage of cooperatives registered within 90 day turn-	TBD	PLAN-02	100%	N/A	-			100%	100%	100%	100%	100%	

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IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
												Target	Target	Target	Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
					around time													
F.5.1.5					Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area		Fin	N/A	N/A	N/A	10%	10%	10%	10%	10%		Financial reports	Finance
					Average time taken to finalise business license applications		PLAN-03	30 Days	N/A	-	30 Days	30 Days	30 Days	30 Days	30 Days	All	Business Licence	Planning
				Build the capacity of local SMMEs to make them competitive and	Number of wards benefiting from capital equipment support for SMMEs			17%		6 000 000,00	17	0	17		All	Signed beneficiary lists	Planning	

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											Target	Jul - Sep	Quarter 1	Target				Oct - Dec
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
F.5.1.5			To ensure growing the tourism sector in the municipality	sustainable	Number of SMME trainings conducted		PLAN-25	40	3150 Small Business Development	969 961,00	2	0	1	0	1	All	Report and signed list of beneficiaries	Planning
				Use local procurement and sub-contracting as an instrument to support local economic growth	Thirty (30%) subcontracting for all construction capital projects over R1m	TBD	PLAN-06	N/A	N/A	N/a	100%				100%	All	and Reports and Pictures and Contracts	Planning
				Support local youth enterprises to unleash their potential and innovation	Number of beneficiaries on Drivers Licence Programme		PLAN-08	44	2773 Drivers License Assistance Project	430 000,00	34	0	0	0	34	All	Signed beneficiary list	Planning
				Facilitate tourism initiatives and events	Number of tourism initiatives facilitated	TBD	PLAN-09	4	3619 Tourism Promotion	150 000,00	2	0	1	0	1		Reports and Pictures	Planning

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter 1	Quarter 2	Quarter 3	Quarter 4	WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT		
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun					
												Target	Target	Target	Target					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																				
F.5.2	F.5.1.6	development of the people of Nquthu	Promotion of all sports codes in the municipality	Ensure the implementation of all sports development and plans	Number of sport codes participated on during Mayoral Cup	TBD	CORP-11	3	3537 Youth & Sport	1 541 241,00	3		3							
					Number of Nquthu Horses participating on Dundee July		CORP-12	18	3537 Youth & Sport	1 541 241,00	18	18						Signed Report	Corporate	
						Creation of jobs to alleviate poverty by implementing local, economic development initiatives including capital projects	Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	work opportunities provided by the municipality for the period under review	TECH-34	221	11631 Expanded Public Works	1 087 999,00	221	221	221	221	221	221	List of beneficiaries	Technical
						Facilitate and participate in all art, culture and heritage activities	Number of Art and Cultural activities implemented		PLAN-10	3	3430 ART: Culture and Heritage & uMhlanga	1 156 051,00	2	0	0	1	1		Signed Reports and Pictures	Planning
			Promotion of Social cohesion through Arts and Culture development programmes																	

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												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
			To ensure the welfare of vulnerable groups within the municipality	Establish and ensure the functionality of representative forums for the targeted social groups	Number of Functional representative forums for social sectors Meetings conducted	TBD	CORP-13	20	N/A	-	20	5	5	5	5		Attendance Registers	Corporate
			Ensuring Early Childhood Development in Nquthu	Providing support to ECD centres	Number of early childhood development activities conducted	TBD	MM-06	4	N/A	-	4		2		2			Municipal manager
			Ensuring youth development in Nquthu	Initiating and implementing youth development initiatives	Average number of library visits per library						40	40	40	40	40			
					Percentage of youth development initiative facilitated as per plan	TBD	MM-07	70%	5854 Youth Programs	1 102 452,00	100%	100%	100%	100%	100%	100%		Signed Report
<b>KPA 04: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>																		
<b>PGDP GOAL 3: HUMAN &amp; COMMUNITY DEVELOPMENT and GOAL 6: GOVERNANCE AND POLICY</b>																		



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IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
A.3.1			Improved municipal responsiveness	Ensure that all complaints received are attended to on time	Percentage of official complaints responded to through the municipal complaint management system [14 Days]	within 14 days / (2) Total number of complaints	MM-14	100%	N/A	-	100%	100%	100%	100%	100%		Updated Complaints Register	Municipal Manager
C.7.4			Improved municipal responsiveness	Ensure that all ward committees are functional	Percentage of Ward Committee Functionality	6 or more members)/((2)Total number of	CORP-14	100%	N/A	-	100%	100%	100%	100%	100%	All wards	Report from Cogta	Corporate
			More effective municipal administration	Ensure that councillors declare their interests	Percentage of councillors who have declared their financial interests	their financial interests/ (2) Total number of	CORP-15	N/A	N/A	-	100%	100%					Declaration Forms	Corporate
			Improved council functionality	Prevent disruption of council meetings to ensure smooth	Percentage of councillors attending council meetings						100%	100%	100%	100%	100%	N/A		Corporate



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												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun				
												Target	Target	Target	Target				
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																			
				functioning of council	Number of council meetings conducted	number of all council meetings conducted	CORP-16		N/A	N/A	-	4	1	1	1	1		Attendance Register	Corporate
H.7.16			To ensure the municipality maintains a functional Back to Basics status	Back to Basics programme implementation	Number of Back 2 Basics Reports submitted to Cogta	functionality rating by COGTA	MM-15		74%	N/A	-	4	1	1	1	1		Proof of submission to Cogta	Municipal manager
			To ensure improved communication with communities	Engaging communities about all development or infrastructure projects	Number of community engagement conducted to launch infrastructure projects	TBD	MM-16		N/A			24	24					Attendance Register	Municipal manager
			To ensure effective risk management	Implement the municipality's risk management policy and strategy	Percentage of risk action plan implemented	TBD	MM-17		100%	N/A	-	100%	100%	100%	100%	100%		Risk Action Plan	Municipal manager
					Number of Risk Management Committee Meeting		MM-18		4	N/A	-	4	1	1	1	1	1		Attendance Register

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IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT	
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun				
												Target	Target	Target	Target				
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																			
					Conducted														
			Strive to attain a clean audit	Ensure that the AG Action Plan is implemented and that Audit Committee sits and reports to Council	Number of Audit Committee reports to Council		MM-19	2	N/A	-	2			1			AC Reports	Municipal manager	
					Percentage of AG Action Plan implemented		MM-20	100%	N/A	-	100%			50%	100%			Action Plan	al manager
					Number of audit committee meetings		MM-21	5	N/A	-	4	1	1	1	1			nce Register	al manager
				Prevent recurrence of AG findings	Number of repeat audit findings	MM-22	N/A	N/A	-	0	0	0	0	0				al manager	
				Ensure the implementation of the internal audit plan	Number of internal audit report issued	MM-23	23		2 608 695,00	20	5	5	5	5			Internal Audit Reports	Municipal manager	
				To ensure effective records management system	Awareness of staff on the implementation of records management system	TBD	CORP-17	N/A	N/A	-	1				1		Attendance Register	Corporate	

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												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
			Effective Intergovernmental Relations (IGR) for the municipality	Full participation on IGR Forums and submit reports to Council on items emanated from district forums	Number of reports to Council emanated from IGR meetings		CORP-18	N/A	N/A	-	4	1	1	1	1		Reports to Council	Corporate
<b>KPA 05: FINANCIAL MANAGEMENT AND VIABILITY</b>																		
<b>PGDP GOAL 6: GOVERNANCE AND POLICY</b>																		
	Sound financial management	Improved and sound Financial management and viability	To ensure effective expenditure management	Ensuring that the municipality execute its procurement plan	Percentage of Procurement Plan implemented	TBD	ALL-02	1	N/A	-	100%	100%	100%	100%	100%		Updated Procurement Plan	All
			Ensure municipal financial sustainability	Maintain proper municipal financial sustainability	Percentage of Level of Cash Backed Reserves	Assets - Accumulated Surplus - Mon	FIN-03	N/A	N/A	-	100%	100%	100%	100%	100%			Budget & Treasury
			To ensure improved municipal liquidity position	Ensure that the municipality is in a good position to	Current Ratio	Assets / Current Liabilities	FIN-04	N/A	N/A	-	02:01	02:01	02:01	02:01	02:01			Budget & Treasury

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											Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun				
											Target	Target	Target	Target				
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
				meet its short-term liabilities by maintaining a set current ratio														
				Prudent management of municipal finances to ensure sustainability	Liquidity Ratio		FIN-05	N/A	N/A	-	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1			Budget & Treasury	
				Ensure municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.	Number of months for municipality's ability to meet at least its monthly fixed operating commitments	Monthly Fixed Operational Expenditure excluding Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of	FIN-06	3 months	N/A	-	3 months	3 months	3 months	3 months	3 months			Budget & Treasury

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												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep Target	Oct - Dec Target	Jan - Mar Target	Apr - Jun Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
			To ensure improved debt management	Improve debt collection by billing of all municipal debtors	Net Debtors Days	Provision / n)	FIN-07	N/A	N/A	-	30 Days							
				Collection Rate	Debtors Closing	FIN-08	N/A	N/A	-	95%	95%	95%	95%	95%			Billing Report	Treasury
				Keep municipal assets in good state by efficient spending of maintenance budget	Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)	Expenditure / Property, Plant and Equipment and Investment Property	ALL-03	N/A	N/A	-	8%	8%	8%	8%	8%		R & M Report	All
				Invest optimally in infrastructure by spending budgeted capital expenditure	Capital Expenditure to Total Expenditure	Expenditure (Total Operating Expenditure + Capital Expenditure) / Total Expenditure	FIN-09	N/A	N/A	-	10%	10%	10%	10%	10%		Section 52 Report	Budget & Treasury

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												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun				
												Target	Target	Target	Target				
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																			
			To ensure improved financial management	Ensure proper budget implementation and that expenditure is incurred in acceptable standards	Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	TBD	FIN & TECH-10	N/A	N/A	-	100%	10%	50%	75%	100%		Expenditure Report	Budget & Treasury and Technical	
					Percentage of operating budget spend		FIN-11	N/A	N/A	-	100%	100%	100%	100%	100%			Expenditure Report	Budget & Treasury
					Percentage of irregular expenditure incurred		ALL-04	N/A	N/A	-	0%	0%	0%	0%	0%			Expenditure Report	All
					Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice		FIN-12	30 days	N/A	-	30 days	30 days	30 days	30 days	30 days				Budget & Treasury

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											Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
											Target	Target	Target	Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																	
					submission												
					Number of Budget Steering Committee meetings convened		FIN-13	3	N/A	-	4	1	1	1	1		Attendance Register Budget & Treasury
					Submit 2022/23 Draft Annual Budget to the Mayor		FIN-14	29-Mar-20	N/A	-	30-Mar-22			30-Mar-22			Council Resolution Budget & Treasury
					Submit 2022/23 Annual Budget to the Council		MM & CFO-23	29-Jun-20	N/A	-	30-May-22			30-May-22			Resolution & Treasury
				Ensure effective procurement management by adhering a set average turn-around time for awarding of bids	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	TBD	FIN-15	N/A	N/A	-	90 Days		90 Days		90 Days		Tender Register Budget & Treasury

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												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep Target	Oct - Dec Target	Jan - Mar Target	Apr - Jun Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
				Ensure that electricity distribution loses does not exceed 10%	Percentage of electricity Distribution Loses		TECH-12	N/A	N/A	-	10%	10%	10%	10%	10%			Technical
				Ensure effective and consistent reporting	Submission of 2020/21 AFS to AG by 31 August 2021		FIN-16	31-Aug-19	N/A	-	31-Aug-21	31-Aug-21					gement letter	Budget & Treasury
					Number of S71 reports tabled to Council		FIN-17	12	N/A	-	12	3	3	3	3		Resoluti on	& Treasury
					Number of S52 reports tabled to Council		FIN-18	4	N/A	-	4	1	1	1	1		Resoluti on	& Treasury
<b>KPA 06: CROSS CUTTING</b>																		
<b>PGDP GOAL 5: ENVIRONMENTAL SUSTAINABILITY, GOAL 6: GOVERNANCE AND POLICY and GOAL 7: SPATIAL EQUITY</b>																		
	Service delivery	Planning and municipal	To ensure effective land use management and	Reviewing of Urban Design Framework (UDF) and SDF to address	Date of submission of reviewed UDF to council for approval	TBD	PLAN-11	26-Jun-19	12726 Hierarchy of Plans	-	30-Jun-22				30-Jun-22		Council Resolution	Planning



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											Jul - Sep Target	Quarter 1	Oct - Dec Target	Quarter 2				Jan - Mar Target
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
			development planning	spatial challenges in Nquthu Town	Date of approval of Hlathidam Precinct Plan by Council		PLAN-15	N/A	12726 Hirarchy of Plans	300 000,00	30-Jun-22				30-Jun-22		Inception Report and PSC Minutes	Planning
					Date of approval of Nkande/Ngoloko do Precinct Plan by Council		PLAN-16	N/A	12726 Hirarchy of Plans	300 000,00	30-Jun-22				30-Jun-22	17	Inception Report and PSC Minutes	Planning
					Date of approval of Nquthu Traffic Study to by Council		PLAN-17	N/A	12726 Hirarchy of Plans	365 217,00	30-Jun-22				30-Jun-22	14	document and proof of submission	Planning
					Date of Approval of SDF by Council		PLAN-12	8	12726 Hirarchy of Plans	134 783,00	31-Mar-21			31-Mar-21		All	Council Resolution	Planning
					Percentage of development complete applications approved within six months		PLAN-18		12731 MPT running cost	282 609,00						All	application register	Planning

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												Jul - Sep	Target	Oct - Dec	Target	Jan - Mar	Target	Apr - Jun	Target			
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																						
			To ensure provision of gathering, managing, and analysing spatially related data through GIS	Implementati on of GIS Policy	Percentage of GIS services requests responded to within 30 days (e.g Maps)		PLAN-13	100%	N/A	-	100%	100%	100%	100%	100%	100%	100%	100%	All	Register of GIS Request	Planning	
					Percentage of implementation of GIS Strategy		PLAN-20	N/A	3612 GIS Data Acquisition & Policies	451 796,00	100%	100%	100%	100%	100%	100%	100%	100%	All	Council Resolution	Planning	
					Number of GIS awareness campaigns conducted		PLAN-21	4	3612 GIS Data Acquisition & Policies	28 435,00	4	1	1	1	1	1	1	1	All	registers, posters	Planning	
					Develop a single spatial data set per quarter		PLAN-22	4	3612 GIS Data Acquisition & Policies	463 138,00	4	1	1	1	1	1	1	1	All	submission proof	Planning	
			Ensure compliance with National building Regulations Act and Building Standards and Bylaws	Creating awareness to local community National Building Regulations Act and building	Number of Building Inspections conducted		PLAN-14	N/A	2811 KZN242_EBS04011	-	80	20	20	20	20	20	20	20		Building inspection register	Planning	

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT	
											Target	Jul - Sep	Quarter 1	Target				Oct - Dec
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
				standards														
		Achieve improved response to disasters and crime management	Improve mitigation effects of emergencies and disasters	Improve disaster response time and Alertness to the community	Percentage of compliance with the required immediate attendance time for structural fire incidents	less than 3 hours / (2) Total number of calls	CORP-18	All	11626 Disaster Respond	186 957,00	100%	100%	100%	100%	100%	All	Incident Report	Corporate
					Number of lightning conductors installed on vulnerable areas		CORP-23	0%	12719 Lightning Conductors	R3 316 521,00	643	200	150	150	143	All	Signed beneficiary list	Corporate
					Number of Campaigns on Disaster Management		CORP-19	0	5925 Awareness campaigns	-	12	3	3	3	3	All	Attendance Register	Corporate
		Safe municipal environment	Ensure a secure and safe municipal environment	Implementation of municipal safety plan	Number updated register for Access Control to municipal offices by visitors	TBD	CORP-20	N/A	N/A	-	4	1	1	1	1		Completion Certificate	Corporate

**ANNEXURE 02: 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

IDP Reference	BACK TO BASIC PILLAR	GOAL	IDP OBJECTIVE	IDP STRATEGY / IDP PROGRAMME	KEY PERFORMANCE INDICATOR	FORMULA USED TO MEASURE PERFORMANCE	KPI Ref No.	BASELINE	MSCOA Project	BUDGET	ANNUAL TARGET	Quarter				WARD	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
												Quarter 1	Quarter 2	Quarter 3	Quarter 4			
												Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun			
Target	Target	Target	Target															
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
		and environmental management	To ensure safer local roads	Maximum enforcement of road traffic laws and municipal bylaws	Number of road blocks conducted	TBD	CORP-22	48	N/A	-	45	10	15	10	10		Attendance Register	Corporate
			To ensure effective environmental protection	Initiating and implementation of all municipal environmental management programmes	Tonnes of municipal solid waste diverted from landfill site	TBD	TECH-37	N/A			250	50	100	50	50		Signed Report	Technical
					Number of Waste management Campaigns conducted		TECH-38	4	N/A	-	4	1	1	1	1		Register and signed report	Technical

ANNEXURE 03: IMPLEMENTATION PLAN

NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT			
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5								
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																					
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																					
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																					
C.3.6.2	Building capable local government institutions	Insufficient internal capacity to performance of some of the local government functions to desired levels.	Ensure human capital development and improve institutional Capacity	To improve municipal capability	Implementat ion of WSP by ensuring the training of staff and councillors as per the WSP	Percentage of a municipality 's budget actually spent on implementing its workplace skills plan			100%	100%	100%	100%	100%			Internal	Expenditure Report	Corporate			
					Ensure that appointment for advertised posts are finalized on time.	Percentage of municipal skills development levy recovered															
C.3.6.3					Ensure that appointment for advertised posts are finalized on time.	Percentage of vacant posts filled within 3 months			3 mont hs	3 mont hs	3 mont hs	3 mont hs	3 mont hs					Internal	Advert, Appointment letters	Corporate	
C.3.3					Ensuring that critical posts and all budgeted	Percentage of Staff vacancy rate			0%	0%	0%	0%	0%			Internal	Organogram and List of Vacancies	Corporate			

ANNEXURE 03: IMPLEMENTATION PLAN

NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
C.3.4					vacant posts are filled	Top Management stability			N/A	N/A	N/A	N/A	100%			Internal	Organogram and List of Vacancies	
C.3.6.2					Provide in-service training to students who have completed their degrees/diplomas	Number of inservice trainees/ interns appointed			N/A	N/A	20	20	5			Internal	Appointment Letters of Inservice Trainees	Corporate
C.3.7				To ensure an effective municipal ICT system	Monitor the ICT systems by ensuring a functional IT Steering Committee	Number of IT Steering Committee meetings conducted			4	4	4	4	N/A			Internal	Attendance Register and Minutes	Corporate
C.3.7				To ensure an effective municipal ICT system	Monitor the ICT systems by ensuring a functional IT Steering Committee	Percentage of developed ICT Plan implemented			N/A	N/A	N/A	100%	100%			Internal	Signed Report	Corporate
				To ensure effective management of municipal performance	Table performance reports to enable Council to	Number of Performance reports tabled to Council			4	4	4	4	4			Internal	Council Resolution	Municipal manager

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					monitor performance	Number of Performance / SDBIP report submitted and discussed to departmental meetings							5					
1.6.1 [objectives]				To ensure effective fleet management system	Implementation of Fleet Management Policy	Percentage of fleet management plan adhered to			N/A	N/A	N/A	100%	100%			Internal	Signed Report	Corporate
<b>KPA 02: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT</b>																		
<b>PGDP GOAL 4: STRATEGIC INFRASTRUCTURE</b>																		
	Service delivery	Huge infrastructure and services backlog and insufficient financial resources	Improved access to Basic services	Ensure quality of municipal road network and expansion of access road network	To ensure improved quality of municipal road network	Percentage of unsurfaced road graded by year end			N/A	N/A	N/A	100%	100%			Internal		Technical
					To ensure improved quality of municipal road network	Percentage of reported potholes fixed by year end			N/A	N/A	N/A	100%	100%			Internal	List of reported fixed potholes	Technical
					To ensure the expansion of	Percentage of Installation	920617,51	N/A	N/A	N/A	100%	N/A						Technical

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					access road network	of gabions at Magogo road												
						Percentage of Installation of gardrall at Nomalanga road		702558	N/A	N/A	N/A	100%	N/A					
						Percentage of completion of Nkonkonyane gravel road		3416767,53	N/A	N/A	N/A	100%	N/A					Technical
						Percentage of completion for Mpunyuka gravel road		5035000	N/A	N/A	N/A	100%	N/A					
						Nquthu Southern Road Network ph-2		2100000	N/A	N/A	N/A	100%	N/A					
						Percentage of completion of Nquthu junction		11527970,8	N/A	N/A	N/A	100%	N/A					Technical



ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC Pillar	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						(Rank Road and mission road)												
						Percentage of completion for Nsubeni Road			N/A	N/A	N/A	N/A	100%			Internal		
						Percentage of completion for Ophindo Road			N/A	N/A	N/A	N/A	100%					
						Percentage of completion for Hwanqana Road			N/A	N/A	N/A	N/A	100%					
						Percentage of completion for Slonjane Road			N/A	N/A	N/A	N/A	100%					
						Percentage of completion for Ntuzuma Road			N/A	N/A	N/A	N/A	100%					

ANNEXURE 03: IMPLEMENTATION PLAN

NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Percentage of completion for Mbilane Road			N/A	N/A	N/A	N/A	100%					
						Percentage of completion for Gubazi Access Road			N/A	N/A	N/A	N/A	100%					
				Improvement of electricity services, affordability, access, connection, and energy sustainability	Improved affordability of electricity	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)							100%					
						Percentage of households with electricity connections receiving Free Basic Electricity			N/A	N/A	N/A	4172	N/A					Technical

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Number of dwellings provided with connections to mains electricity supply by the municipality			N/A	N/A	N/A		32622				Schedule for Eskom and municipality	Technical
					To ensure improved access to electricity	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards [14 Days]			100%	100%	100%	100%	100%					Technical
					Improved energy sustainability	Percentage of total electricity losses			10%	10%	10%	10%	10%					Technical
				To improve access to network connectivity	Sustainable network connectivity	Number of network hotspots			N/A	N/A	N/A	1	1				Signed Report and Pictures	Corporate

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT	
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5						
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																			
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																			
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																			
				Improve access to public facilities including community halls, Sport fields, and ECDS	Ensuring access to public facilities by construction of community halls	Percentage of completion of Nkalankala community hall		3286749,77	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical	
						Percentage of completion of Gobinsimbi community hall			N/A	N/A	N/A	N/A	100%						
						Percentage of completion of Kwabiya community hall			N/A	N/A	N/A	N/A	100%						
						Percentage of completion of Hlathidam community hall			N/A	N/A	N/A	N/A	100%						
						Percentage of completion of Ezinkondlwani			N/A	N/A	N/A	N/A	100%						

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC Pillar	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						community hall												
						Percentage of completion of Ekukhanyeni community hall		3446907,42	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Jabavu Community Hall		4193145,07	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Ogazini Community Hall		3424987,5	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Mnxangala Community Hall		4043432,46	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Percentage of completion of Nqulu Community Hall		4276181,28	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Odudela community hall		2075000	N/A	N/A	N/A	100%	N/A	7			Completion Certificate	Technical
						Percentage of completion of Sgubudu community hall		3325000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of construction Eziqhazeni Community Hall		1698841,45	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Mabalulwane Community Hall		199833,82	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Percentage of completion of Masakhane community Hall		3160715,93	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Gwija Community Hall		3184566,73	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Ndashana Community Hall		1950000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Klwayisie Community Hall		3325000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Percentage of completion of Ngwetshana community		3325000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						hall												
						Percentage of completion of Mkhonjane Community Hall		1950000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Expanding access to Early Childhood Development facilities		1187500	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Expanding access to Sportfield facilities		5890000	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
						Improvement of residential development		3699899,82	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical



ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Percentage of completion of Nquthu Residential Development phase II (Road stormwater )		35571125,58	N/A	N/A	N/A	100%	N/A				Completion Certificate	Technical
<b>KPA 03: LOCAL ECONOMIC DEVELOPMENT</b>																		
<b>PGDP GOAL 1: INCLUSIVE ECONOMIC GROWTH</b>																		
	Service delivery	High unemployment rate and non-inclusive economic growth	Achieve inclusive Economic growth and development to alleviate poverty		Implementation of municipal Agricultural Plan	Percentage of implementation of Agricultural Plan			N/A	N/A	100%	100%	100%				Pictures and Signed Report	Planning
				Promote the formalization of SMMEs	Percentage of cooperatives registered within 30 day turn around time			100%	100%	100%	100%	100%				Cooperative Certificate and Register of processed applications	Planning	
					Average time taken to process business license applications			30 Days	30 Days	30 Days	30 Days	30 Days				Signed Register of Business Licence issued		

ANNEXURE 03: IMPLEMENTATION PLAN

NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					Build the capacity of local SMMEs to make them competitive and sustainable	Number of SMME trainings conducted			8	8	8	4	4				Attendance Register	Plannin g
					Build the capacity of local SMMEs to make them competitive and sustainable	Percentage of Textile Programme implementation for Coopertatives			N/A	N/A	N/A	100%	N/A				List of cooperatives benefited, Attendance Register Training	Planning
					Use local procurement and sub-contracting as an instrument to support local economic growth	No. of sub-contracted SMMEs equal to the No. of all construction projects over R1m			As per planned projects	As per planned projects	As per planned projects	13	As per planned projects				Subcontractors beneficiary list and Reports and Pictures and Contracts	Plannin g
					Support local youth enterprises to unleash their potential and innovation	Percentage of implementation of youth cooperatives programme			N/A	N/A	100%	100%	100%				Signed Report and Beneficiary list	Plannin g

ANNEXURE 03: IMPLEMENTATION PLAN

**NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021**

IDP Reference	BACK TO BASIC PILLAR	KEY CHALLENGES	GOAL	OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	BASELINE 2020/21	BUDGET 2021/22	ANNUAL TARGETS					TARGET IF OUTSIDE 5 YEAR PERIOD	CONFIRMED BUDGET	FUNDING SOURCE	PORTFOLIO OF EVIDENCE	RESPONSIBLE DEPARTMENT
									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
				To ensure growing the tourism sector in the municipality	Facilitate tourism initiatives and events	Number of tourism initiatives facilitated			2	2	2	2	2				Signed Reports and Pictures	Planning
				Promotion of Social cohesion through Arts and Culture development programmes	Facilitate and participate in all art, culture and heritage activities	Number of Art, Culture and Heritage activities facilitated			4	4	4	4	4				Signed Reports and Pictures	Planning
				To ensure more effective poverty alleviation	Creation of jobs to alleviate poverty by implementing local, economic development initiatives including capital projects	Number of jobs created through municipality's local, economic development initiatives including capital projects [			170	170	221	221	221	All			List of beneficiaries	Technical
	High levels of social inequality	Ensure accelerated social development of the people of Nquthu		Promotion of all sports codes in the municipality	Ensure the implementation of all sports development and plans	Number of sport code the municipality is participating on during Mayoral			7	7	7	7	7				List of participants per sport code	Corporate

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Cup												
						Number of Nquthu Horses participating on Proncial Dundee July			18	18	18	18	18				Signed Report	Corporate
				To ensure the welfare of vulnerable groups within the municipality	Establish and ensure the functionality of representative forums for the targeted social groups	Number of Functional representative forums for social sectors Meetings conducted			20	20	20	20	20				Attendance Registers	Corporate
				Ensuring Early Childhood Development in Nquthu	Providing support to ECD centres	Number of early childhood development activities conducted			3	3	3	3	3					Municipal manager
				Ensuring youth development in Nquthu	Initiating and implementing youth development	Percentage of youth development initiative facilitated			100%	100%	100%	100%	100%				Signed Report	Municipal manager

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					t initiatives	as per plan												
<b>KPA 04: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>																		
<b>PGDP GOAL 3: HUMAN &amp; COMMUNITY DEVELOPMENT and GOAL 6: GOVERNANCE AND POLICY</b>																		
	Putting people first and Good Governance	Inability to reach real municipal potential in terms of good governance and public participation	To attain a well governed and accessible municipality that is rooted in the will of the people	Ensure effective strategic planning by developing a credible IDP	Ensure that the IDP is compliant and meet all prescribed timelines	Number of IDP Steering Committee conducted			4	4	4	4	4			Internal	Attendance Registers	Municipal manager
				Date of approval of Draft IDP 2022/23			30 March 2018	30 March 2019	30 March 2020	30 March 2021	30 March 2022			Internal	Council Resolution	Municipal manager		
				Date of approval of Final IDP 2022/23			30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022			Internal	Council Resolution	Municipal manager		
				Date of Strategic Planning conducted			30 Feb 2018	30 Feb 2019	30 Feb 2020	30 Feb 2021	15 March 2022			Internal	Attendance Registers	Municipal manager		
				Number of IDP presentations to OSS Stakeholders							N/A	N/A	4	4	4			Internal

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Date of IDP/Budget Consultation			30 April 2018	30 April 2019	30 April 2020	30 April 2021	30 April 2022			Internal	Attendance Registers	Municipal manager
				Improved municipal responsiveness	Ensure that all complaints received are attended to on time	Percentage of received complaints responded to within 14 day			100%	100%	100%	100%	100%			Internal	Updated Complaints Register	Municipal Manager
C.7.4				Improved municipal responsiveness	Ensure that all ward committees are functional	Percentage of Ward Committee Functionality			100%	100%	100%	100%	100%			Internal	Assessment Report from Cogta	Corporate
				More effective municipal administration	Ensure that councillors declare their interests	Percentage of councillors who have declared their financial interests			N/A	N/A	N/A	100%	100%			Internal	Signed Declaration Forms	Corporate
				Improved council functionality	Prevent disruption of council meetings to ensure smooth functioning of council	Number of council meetings disrupted*			N/A	N/A	N/A	0	0			Internal	Attendance Register	Corporate

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NQUTHU LOCAL MUNICIPALITY - INTEGRATED DEVELOPMENT PLAN [IDP] IMPLEMENTATION PLAN 2020/2021

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
				To ensure the the municipality maintains a functional Back to Basics status	Back to Basics programme implementation	Percentage of Back to Basics functionality status			100%	100%	100%	100%	100%			Internal	B2B Assessment Report from Cogta	Municipal manager
				To ensure improved communication with communities	Engaging communities about all development or infrastructure projects	Number of SOD turnings conducted to launch infrastructure projects						24	As per planned projects				Attendance Register	Municipal manager
				To ensure effective risk management	Implement the municipality's risk management policy and strategy	Percentage of risk action plan implemented			100%	100%	100%	100%	100%			Internal	Updated Risk Action Plan	Municipal manager
						Number of Risk Management Committee Meeting Conducted			4	4	4	4	4			Internal	Attendance Register	Municipal manager
				Strive to attain a clean audit	Ensure that the AG Action Plan is implemented	Number of Audit Committee reports to Council			2	2	2	2	2			Internal	AC Reports	Municipal manager

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					and that Audit Committees and reports to Council	Percentage of AG Action Plan implemented			100%	100%	100%	100%	100%			Internal	Updated Action Plan	Municipal manager
						Number of audit committee meetings			4	4	4	4	4			Internal	Attendance Register	Municipal manager
					Prevent recurrence of AG findings	Number of repeat audit findings			N/A	N/A	N/A	0	0			Internal		Municipal manager
				To ensure effective records management system	Awareness of staff on the implementation of records management system	Number of Records Management Awarenesses conducted			N/A	N/A	N/A	1	1			Internal	Attendance Register	Corporate
				Effective Intergovernmental Relations (IGR) for the municipality	Full participation on IGR Forums and submit reports to Council on items emanated from district forums	Number of reports to Council emanated from IGR meetings			N/A	N/A	N/A	4	4			Internal	Reports to Council	Corporate
<b>KPA 05: FINANCIAL MANAGEMENT AND VIABILITY</b>																		



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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5							
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																				
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																				
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																				
<b>PGDP GOAL 6: GOVERNANCE AND POLICY</b>																				
	Sound financial management	Lack of sufficient revenue base and grant dependency	Improved and sound Financial management and viability	To ensure effective expenditure management	Ensuring that the municipality execute its procurement plan	Percentage of Procurement Plan implemented			100%	100%	100%	100%	100%					All		
				Ensure municipal financial sustainability	Maintain proper municipal financial sustainability	Percentage of Level of Cash Backed Reserves			100%	100%	100%	100%	100%							Budget & Treasury
				To ensure improved municipal liquidity position	Ensure that the municipality is in a good position to meet its short-term liabilities by maintaining a set current ratio	Current Ratio			02:01	02:01	02:01	02:01	02:01							Budget & Treasury
					Prudent management of municipal finances to ensure sustainability	Liquidity Ratio			1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1							Budget & Treasury

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					Ensure municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.	Number of months for municipality's ability to meet at least its monthly fixed operating commitments			3 months	3 months	3 months	3 months	3 months					Budget & Treasury
				To ensure improved debt management	Improve debt collection by billing of all municipal debtors	Net Debtors Days			30 Days	30 Days	30 Days	30 Days	30 Days					Budget & Treasury
						Collection Rate			95%	95%	95%	95%	95%				Billing Report	Budget & Treasury

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<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
					Keep municipal assets in good state by efficient spending of maintenance budget	Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)			8%	8%	8%	8%	8%					All
					Invest optimally in infrastructure by spending budgeted capital expenditure	Capital Expenditure to Total Expenditure			10%	10%	10%	10%	10%				Section 52 Report	Budget & Treasury
				To ensure improved financial management	Ensure proper budget implementation and that expenditure is incurred in acceptable standards	Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in			100%	100%	100%	100%	100%				Expenditure Report	Budget & Treasury and Technical

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									YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						terms of the municipality's integrated development plan												
						Percentage of operating budget spend			100%	100%	100%	100%	100%				Expenditure Report	Budget & Treasury
						Percentage of irregular expenditure incurred			0%	0%	0%	0%	0%				Expenditure Report	All
						Number of days taken to pay trade creditors			30 days	30 days	30 days	30 days	30 days					Budget & Treasury
						Number of Budget Steering Committee meetings convened			4	4	4	4	4				Attendance Register	Budget & Treasury

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<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21</b>																		
<b>KPA 01: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>																		
<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Submit 2022/23 Draft Annual Budget to the Mayor			30-Mar-18	30-Mar-19	30-Mar-20	30-Mar-21	30-Mar-22				Council Resolution	Budget & Treasury
						Submit 2022/23 Annual Budget to the Council			30-May-18	30-May-19	30-May-20	30-May-21	30-May-22				Council Resolution	Budget & Treasury
						Ensure effective procurement management by adhering a set average turn-around time for awarding of bids	Average length of time from advertisement of a tender to the letter of award		N/A	N/A	N/A	3 months	N/A				Tender Register	Budget & Treasury
						Ensure that electricity distribution loses does not exceed 10%	Percentage of electricity Distribution Loses		10%	10%	10%	10%	10%					Technical
						Ensure effective and consistent reporting	Submission of 2020/21 AFS to AG by 31		30-Aug-17	30-Aug-18	30-Aug-19	30-Aug-20	30-Aug-21				Acknowledgement letter	Budget & Treasury

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<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						August 2021												
						Number of S71 reports tabled to Council			12	12	12	12	12				Council Resolution	Budget & Treasury
						Number of S52 reports tabled to Council			4	4	4	4	4				Council Resolution	Budget & Treasury
<b>KPA 06: CROSS CUTTING</b>																		
<b>PGDP GOAL 5: ENVIRONMENTAL SUSTAINABILITY, GOAL 6: GOVERNANCE AND POLICY and GOAL 7: SPATIAL EQUITY</b>																		
	Service delivery	Unplanned sprawling rural settlements which impacts on negatively on proper planning and cost-effective delivery of services	Improve strategic Planning and municipal spatial planning	To ensure effective land use management and development planning	Reviewing of Urban Design Framework (UDF) and SDF to address spatial challenges in Nquthu Town	Date of submission of reviewed UDF to council for approval			30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22				Council Resolution	Planning
						Date of submission of reviewed SDF to council for approval			30-Jun-18	30-Jun-19	30-Jun-20	30-Nov-20	30-Jun-22				Council Resolution	Planning
				To ensure provision of gathering, managing, and analyzing spatially related data through GIS	Implementation of GIS Policy	Percentage of GIS services requests responded to within 30 days			100%	100%	100%	100%	100%					

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				Ensure compliance with National building Regulations Act and Building Standards and Bylaws	Creating awareness to local community National Building Regulations Act and building standards	Number of Building Inspections conducted			N/A	N/A	N/A	40	80				Attendance Register	Planning
		Insufficient capacity to manage disasters within the municipality	Achieve improved response to disasters and crime management	Improve mitigation effects of emergencies and disasters	Improve disaster response time and Alertness to the community	Percentage of compliance with the required 2 hours attendance time for structural firefighting incidents			100%	100%	100%	100%	100%				Incident Report	Corporate
						Number of Campaigns on Disaster Management			12	12	12	12	12				Attendance Register	Corporate
		Inadequate safety environment	Safe municipal environment	Ensure a secure and safe municipal environment	Implementation of municipal safety plan	Number of installed CCTV Cameras in Nquthu town		7 700 000	N/A	N/A	N/A	30	N/A				Photos, Completion Certificate	Corporate

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<b>PGDP GOAL 2: HUMAN RESOURCE DEVELOPMENT</b>																		
						Number of installed CCTV Cameras in municipal offices		300 000	N/A	N/A	N/A	30	N/A				Photos, Completion Certificate	Corporate
				To ensure safer local roads	Maximum enforcement of road traffic laws and municipal bylaws	Number of road blocks conducted			40	40	40	40	45				Attendance Register	Corporate
		Inadequate waste management	Sustainable development and environmental management	To ensure effective environmental protection	Initiating and implementation of all municipal environmental management programmes	Number of Tons diverted away from landfill site to Buyers			N/A	N/A	N/A	180	180				Signed Report	Technical
						Number of Waste management Campaigns conducted				4	4	4	4	4				Attendance Register and signed report



**Three Year Infrastructure Plan: 2021/2022 To 2023/2024**

**Notes:**

This Plan has been compiled using data available from current sources obtained from sector departments, Stats SA, the Demarcation Board and District municipality.

Continuous consultation sessions will be scheduled with the District Municipality and the Provincial Departments officials to gather more information in terms of infrastructure developments. Also to encourage the linkage between the Local Municipality, Provincial Government and National Government in terms of this Planning.

Since this is the first cycle of the plan, the written contributions, comments and recommendations are welcomed.

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## ACRONYMS

- MBD           Municipal Demarcation Board
- IDP           Integrated Development Plan
- IP             Infrastructure Plan
- MIG           Municipal Infrastructure Plan
- LM            Local Municipality

## Executive Summary

### Background

The development of an Infrastructure Plan at a municipal level serves as a clear business model providing strategically focused actions for implementing the key initiatives identified in the Nquthu Municipality IDP, while addressing sustainability. This will be achieved by ensuring that the necessary infrastructure be provided to address services backlogs, that efficient operations and maintenance is performed, that dilapidated assets are refurbished, that the necessary skills are provided, and by ensuring that funding is available.

In the first cycle of Infrastructure Plan the emphasis is ***on infrastructure needs and backlogs***. Projects and initiatives are identified to address the critical shortages, which is then used to define funding requirements.

Finally, institutional challenges are identified that affects housing, water, sanitation and waste water, and roads. The other services will be addressed in future Infrastructure Plan.

This Plan is compiled for Nquthu Municipality using data available from sector departments, Stats SA, the Demarcation Board and data submitted by uMzinyathi District Municipality. It identifies the different challenges in the Municipality and the overall assessment of service delivery in the District Municipality, *the budgets, institutional issues, namely policies, processes and structure*, which have an impact on services delivery and the different needs for project implementation.

All of the above mentioned are taken into consideration to formulate an *intervention plan* for this municipality. The intervention plan is divided into an *immediate impact, medium term and longer term plans*. The intervention plan is guided by the Nquthu Municipality Strategic Plan resolutions and informed by the Nquthu Municipality IDP which reviewed every financial year.

## Introduction to the Infrastructure Plan.

### 1.1 Aim of Infrastructure Plan

This Infrastructure Plan serves as the first cycle of Infrastructure Plan to consolidate and report on infrastructure needs, backlogs, planned, projects, initiatives, funding requirements and institutional challenges in terms of the following categories of information:

- Housing
- Water
- Sanitation and waste water
- Roads
- Institutional interventions

Later Infrastructure Plan, will expand this first version in subsequent years to also address the following additional functions:

- Solid waste
- Electricity, and
- Institutional development needs, and
- Financial sustainability.

## 1.2 Objectives of the Infrastructure Plan

To support the development of a planning culture within the municipality, to collect information on infrastructure related *needs* and *initiatives*, and to develop *intervention plans* towards achieving the Municipality and Government's stated goals of eradicating service backlogs in the country.

The municipality needs to compile an Integrated Development Plan that defines a framework for creating and sustaining integrated human settlements by providing the necessary infrastructure in a sustainable and coordinated manner.

The Infrastructure Plan have been formulated to enhance the preparation of the IDP, and consolidates the information from a wide range of planning instruments. It summarises the data at ward level by exploring the unique needs of communities, and then formulate plans for providing housing and infrastructure to service these needs.

It furthermore addresses the full life cycle management of those assets by considering the refurbishment and maintenance needs, and ensure that the necessary skills and financial resources are available to achieve the goal of sustainable service delivery is achieved in the medium to long term.

### 1.3 Key Issues

It is the municipality responsibility to provide all its communities with the necessary infrastructure services for Roads and stormwater, energy, and solid waste, sporting facilities, public amenities as well as to ensure that other key services e.g. Water, Sanitation, education, health, Agriculture and transportation are planned in collaboration with the relevant departments and other government parastatals. This calls for the following actions:

- Ensuring that the necessary infrastructure assets are provided, operated and maintained.
- Ensuring that the necessary funding is available for the total costs involved over the full extent of the life cycle of the assets, by collecting revenue from consumers and utilizing available grant funds, and providing the required operating and capital funds to achieve the goals.
- Ensuring that an institutional model exists for providing the necessary skills, processes and procedures to manage the assets.
- Ensuring that the necessary bulk supplies e.g. water and electricity, as well as waste water treatment capacity are available.
- Ensuring that the growth needs of the municipality are addressed by considering local economic development initiatives, and taking cognizance of changing needs of communities while involving them in planning the provision of the above mentioned services.
- This most recent development drives towards integrating a number of key initiatives aimed at achieving the provision of sustainable infrastructure services in municipality.

## Locality of Nquthu Municipality

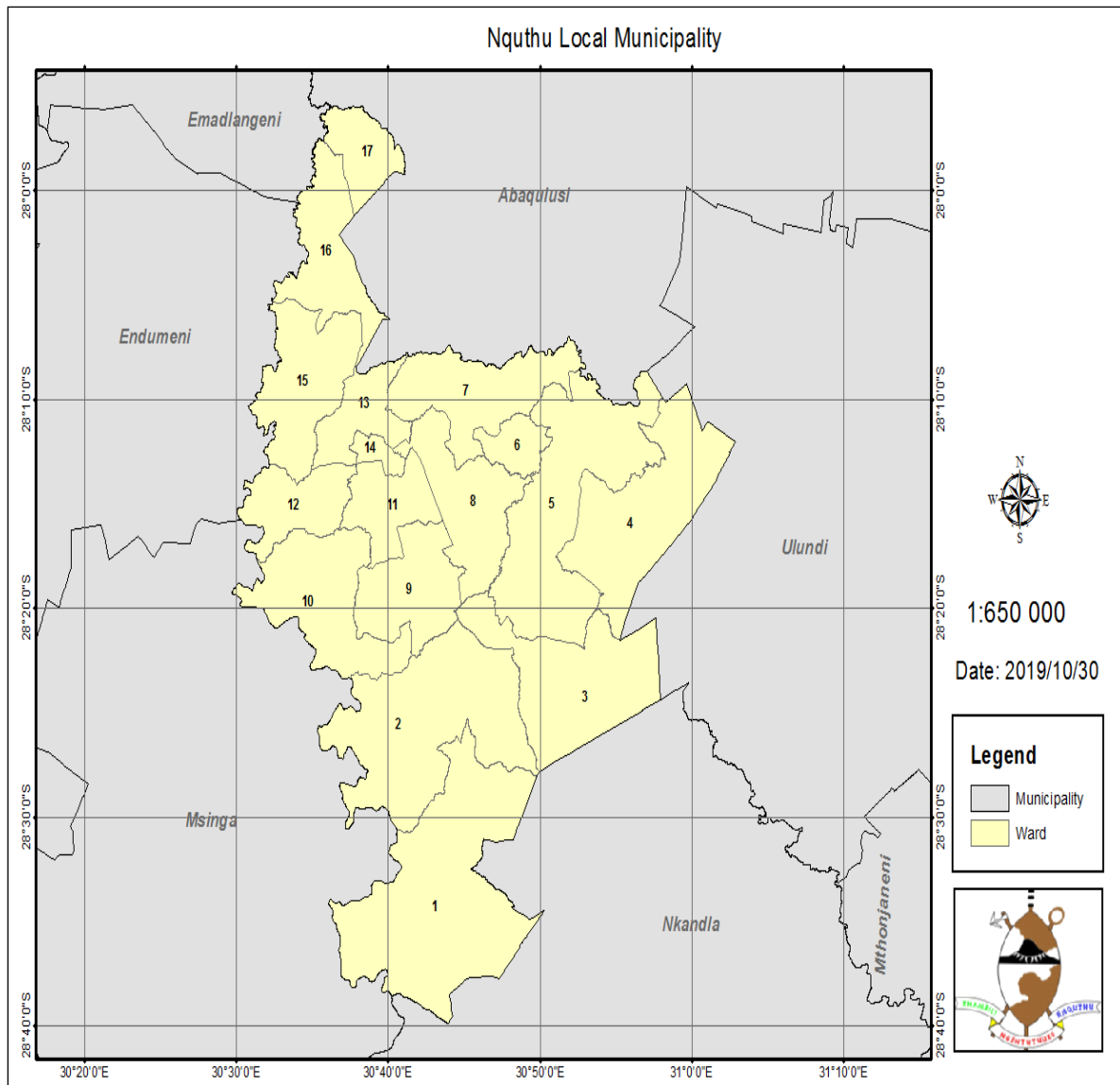
### **Municipal category and geographical location.**

Nquthu LM is a category B municipality located north east of the Province of KwaZulu-Natal and seats at the north eastern boundary of uMzinyathi District Municipality and share borders with the following local municipalities:

- eMadlangeni and Abaqulusi local municipalities on the North. Abaqulusi LM is located within Zululand DM while eMadlangeni is located within UThukela DM;
- Ulundi LM on the East which is also located within Zululand DM;
- Nkandla LM on the South which is located within King Cetshwayo District Municipality; and Msinga LM and Endumeni LM to the West both of which are located within uMzinyathi DM.

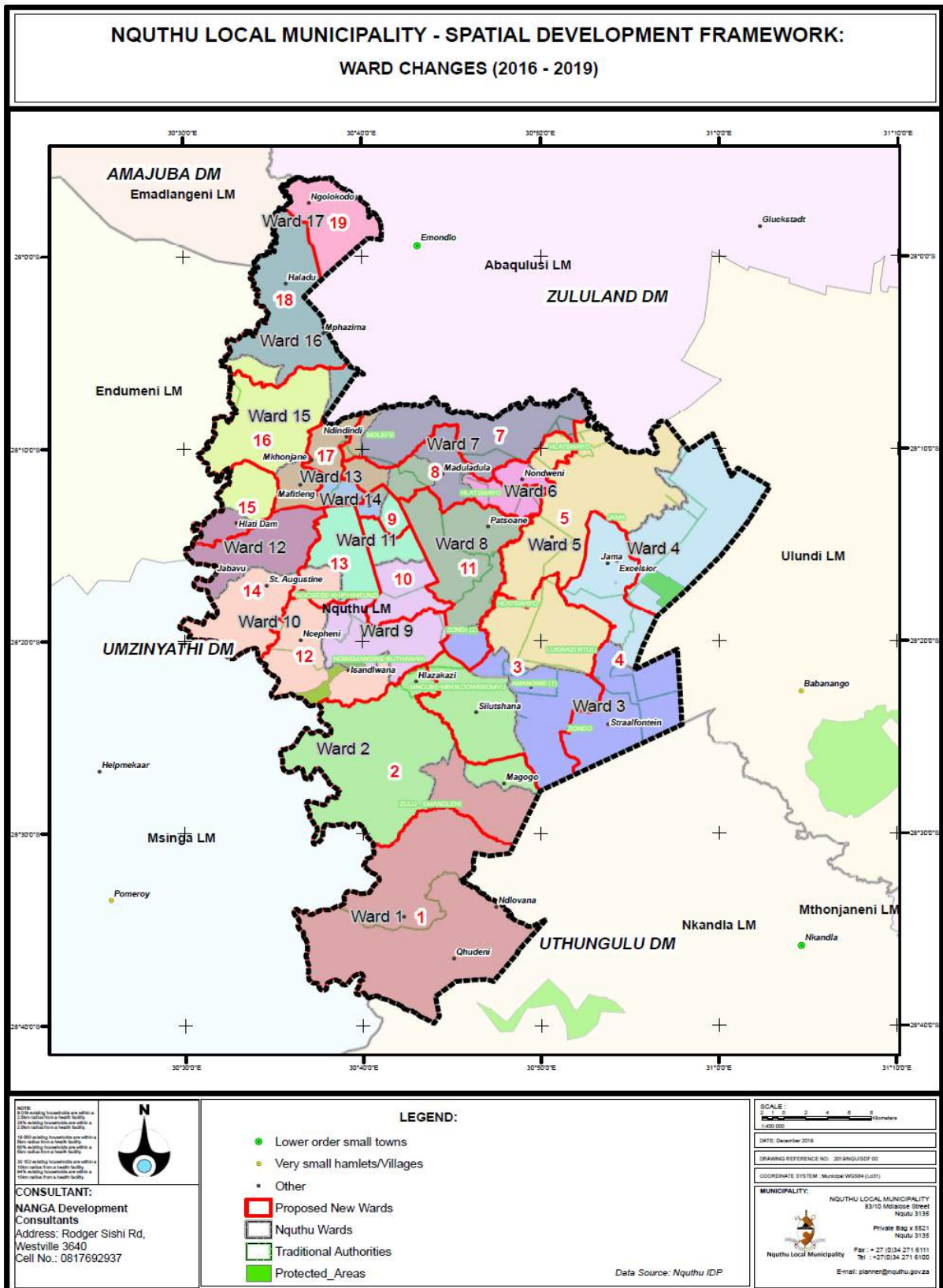






The municipality is currently demarcated into 17 wards after the Demarcation Board increased them from 15 wards in May 2011 before local government elections. From 2021 the municipality will have 19 wards and processes for that increase are underway. Ward delimitation is the responsibility of the Municipal Demarcation Board (MDB) which is identified by the Local Government: Municipal Structures Act, 1998 as an independent authority which performs its functions impartially, and without fear, favour or prejudice.

The process of ward delimitation occurs just before local government elections and involves rigorous consultation between the role players. The intention of the consultative process is to allow municipalities to show the people in their areas what the MDB is proposing with respect to wards in their Municipalities. The proposed ward boundaries for Nquthu LM have been issued for consultation purposes. The proposed ward delimitation reveals that the number of wards in Nquthu LM will increase from 17 to 19 wards. The Map in the following page shows the proposed changes under discussion in red lines and numbers.



## Traditional Councils Within Nquthu Municipality Boundary

Nquthu LM has a good working relationship with traditional leadership and the vast majority of land is falls under the control of traditional leaders and Ingonyama Trust Board. Nquthu Municipality has nine (9) Traditional Council areas; namely:

- Sizamile
- Jama
- Khiphinkunzi
- Emandleni
- Mbokodebomvu
- Vulindlela
- Mangwe-Buthanani
- Molefe
- KwaZondi

The Nquthu Municipal has also incorporated AmaKhosi to observe the sitting of its Council meetings to ensure that the local leadership represented and understand the processes, planning of infrastructure developments within their area of administration to avoid the delays in an implementation of service delivery.

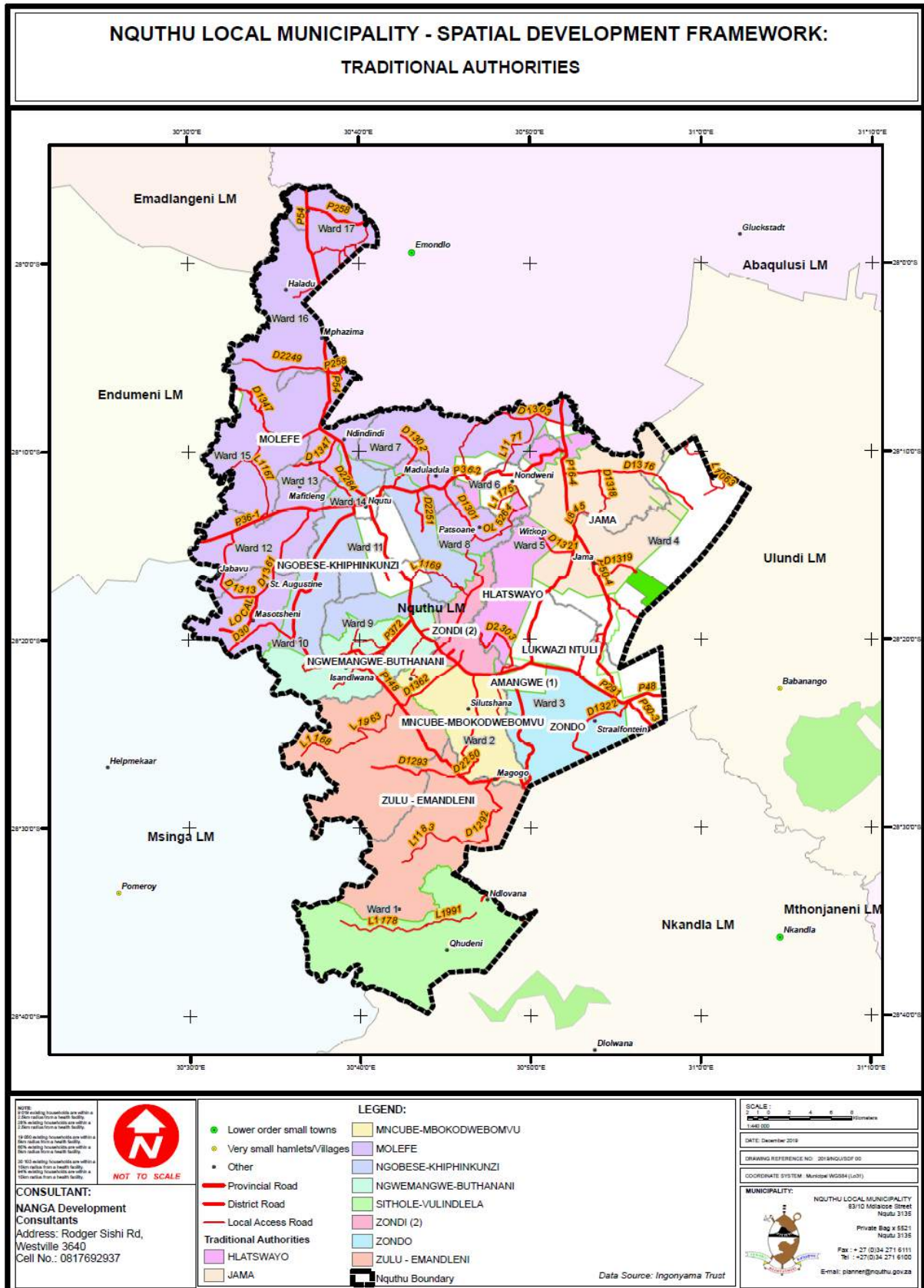
The following AmaKhosi were elected by their structure to sit in Nquthu LM Council:

- INkosi FP Hlatshwayo
- INkosi JZ Ngobese
- INkosi MPM Mazibuko
- INkosi PBN Molefe
- INkosi SK Sithole
- INkosi ND Mncube (Deceased)

## **Spatial Development Framework**



Demographics: Nquthu Municipality and uMzinyathi District Municipality

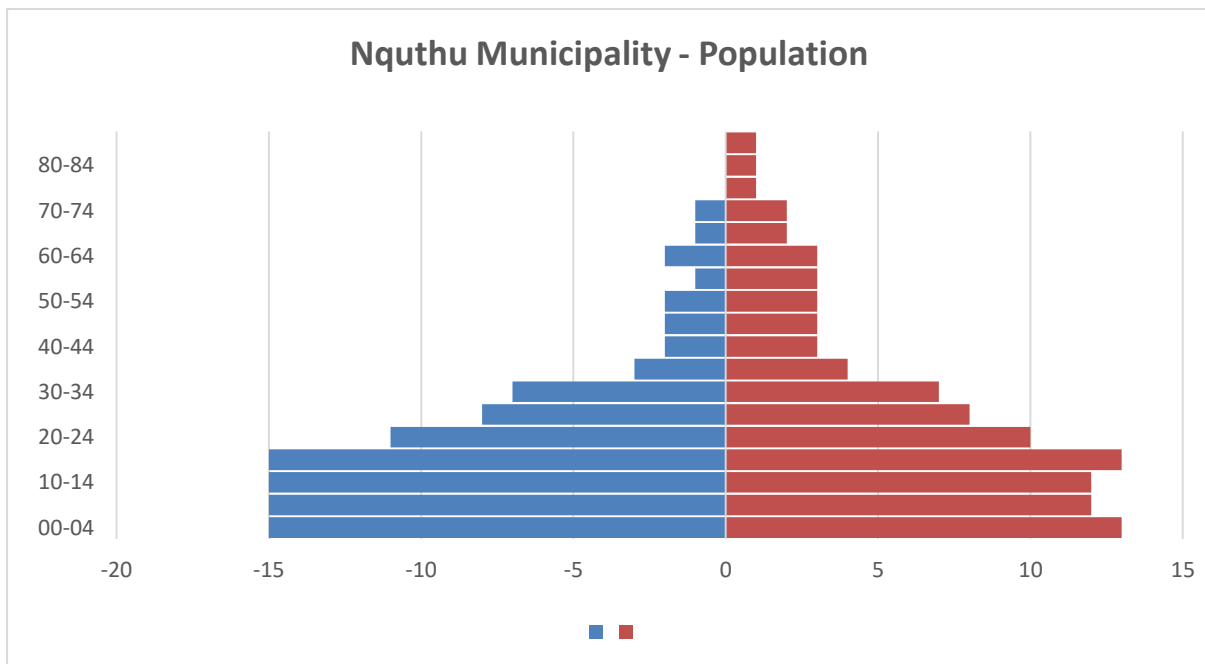


ANNEXURE 04: INFRASTRUCTURE PLAN

The next table reflects the population of district and local municipalities.

Municipality	Census 2011			CS 2016		
	N	%	Households	N	%	Households
Endumeni	64 862	12.7	16,852	76639	13.8	21134
Nqutu	<b>165 307</b>	<b>32.4</b>	<b>31,613</b>	<b>171325</b>	<b>30.9</b>	<b>32622</b>
Msinga	177 577	34.8	37,723	184494	33.3	38372
Umvoti	103 093	20.2	27,282	122423	22.1	34664
uMzinyathi	510 838	100	113,470	554 882	100	126791

Below reflect the population by Gender.



**UMzinyathi population by Gender.**

## ANNEXURE 04: INFRASTRUCTURE PLAN

Municipalities	Male	Female	Total
DC24: Umzinyathi	255669	299213	554882
<b>KZN241: Endumeni</b>	<b>38278</b>	<b>38361</b>	<b>76639</b>
<b>KZN242: Nqutu</b>	<b>79524</b>	<b>91801</b>	<b>171325</b>
KZN244: Msinga	82399	102095	184494
KZN245: Umvoti	55468	66955	122423

CS 2016 (Stats SA)

## Child Headed Household

Municipality	Census 2011			Community Survey 2016		
	Head of household by age 10 - 14	Head of household by age 15 - 19	Total	Head of household by age 10 - 14	Head of household by age 15 - 19	Total
DC24: Umzinyathi	504	2310	2814	658	5987	6645
KZN241: Endumeni	36	219	255	14	576	590
<b>KZN242: Nqutu</b>	<b>153</b>	<b>672</b>	<b>825</b>	<b>113</b>	<b>1266</b>	<b>1379</b>
KZN244: Msinga	213	846	1059	199	2255	2454
KZN245: Umvoti	102	573	675	331	1891	2222

CS 2016 (Stats SA)

## uMzinyathi Geo Type

Municipality	Urban	Traditional	Farms	Total
DC24: Umzinyathi	30153	80992	15646	126791
KZN241: Endumeni	17605	784	2745	21134
<b>KZN242: Nqutu</b>	<b>3493</b>	<b>29030</b>	<b>100</b>	<b>32622</b>
KZN244: Msinga	427	36640	1305	38372
KZN245: Umvoti	8629	14538	11497	34664

CS 2016 (Stats SA)

## Household Access to electricity

## ANNEXURE 04: INFRASTRUCTURE PLAN

Municipality	Yes	No	Unspecified	Total
DC24: Umzinyathi	88020	32848	5923	126791
KZN241: Endumeni	18043	2357	734	21134
<b>KZN242: Nqutu</b>	<b>25723</b>	<b>5428</b>	<b>1470</b>	<b>32622</b>
KZN244: Msinga	19845	16711	1816	38372
KZN245: Umvoti	24410	8352	1902	34664

CS 2016 (Stats SA)

**Main source of energy for cooking**

Municipalities	Electricity from mains	Other source of electricity (e.g. generator; etc.)	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None	Total
DC24: Umzinyathi	71896	95	4468	5371	41725	1190	806	128	495	618	126791
KZN241: Endumeni	16392	19	982	1347	1511	187	16	57	283	341	21134
KZN242: Nqutu	23072	10	603	1421	6607	129	682	13	54	29	32622
KZN244: Msinga	14593	21	1059	842	20598	854	108	57	145	95	38372
KZN245: Umvoti	17839	44	1825	1761	13009	20	-	-	13	153	34664

CS 2016 (Stats SA)

**Main source of energy for lighting**



## ANNEXURE 04: INFRASTRUCTURE PLAN

Municipalities	Electricity from mains	Other source of electricity (e.g. generator; etc.)	Gas	Paraffin	Candles	Solar	Other	None	Unspecified	Total
DC24: Umzinyathi	88363	124	238	1284	34312	1895	268	205	103	126791
KZN241: Endumeni	18528	-	37	266	1845	222	160	75	-	21134
<b>KZN242: Nqutu</b>	<b>26699</b>	<b>13</b>	<b>65</b>	<b>418</b>	<b>4871</b>	<b>475</b>	<b>61</b>	<b>9</b>	<b>11</b>	<b>32622</b>
KZN244: Msinga	18375	13	89	403	18321	1145	14	13	-	38372
KZN245: Umvoti	24760	99	47	197	9274	53	33	108	92	34664

CS 2016 (Stats SA)

**Main source of water**

Source Water	DC24: Umzinyathi	KZN241: Endumeni	KZN242: Nqutu	KZN244: Msinga	KZN245: Umvoti
Piped (tap) water inside the dwelling/house	16917	10433	1401	669	4415
Piped (tap) water inside yard	30496	6440	13322	4024	6709
Piped water on community stand	24618	1617	8293	9252	5457
Borehole in the yard	2360	138	397	298	1527
Rain-water tank in yard	2843	257	117	1574	895
Neighbours tap	1094	61	442	131	459
Public/communal tap	6605	102	2180	1103	3220
Water-carrier/tanker	7322	1244	443	3057	2578
Borehole outside the yard	11364	506	2899	6496	1463
Flowing water/stream/river	17795	30	2157	9422	6186
Well	707	-	-	-	707
Spring	3613	78	614	2200	721
Other	1057	228	357	146	326
<b>Total</b>	<b>126791</b>	<b>21134</b>	<b>32622</b>	<b>38372</b>	<b>34664</b>

CS 2016 (Stats SA)

**Access to safe drinking water source**

## ANNEXURE 04: INFRASTRUCTURE PLAN

Municipalities	Yes	No	Do not know	Unspecified	Total
DC24: Umzinyathi	80935	45390	369	96	126791
KZN241: Endumeni	16461	4563	110	-	21134
<b>KZN242: Nqutu</b>	<b>24854</b>	<b>7669</b>	<b>60</b>	<b>39</b>	<b>32622</b>
KZN244: Msinga	16271	21950	104	46	38372
KZN245: Umvoti	23348	11208	96	12	34664

CS 2016 (Stats SA)

**Refuse Removal**

Municipalities	Removed by local authority/private company/community members at least once a week	Removed by local authority/private company/community members less often than once a week	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total
DC24: Umzinyathi	23730	1844	5450	3802	76463	10140	5362	126791
KZN241: Endumeni	15579	402	377	15	3105	849	807	21134
<b>KZN242: Nqutu</b>	<b>1867</b>	<b>456</b>	<b>1990</b>	<b>1496</b>	<b>20042</b>	<b>4923</b>	<b>1848</b>	<b>32622</b>
KZN244: Msinga	113	47	2482	74	32839	484	2333	38372
KZN245: Umvoti	6171	939	601	2217	20478	3884	374	34664

Cs 2016 (Stats SA)

**Main Toilet Facility**

Toilet Facilities	DC24: Umzinyathi	KZN241: Endumeni	KZN242: Nqutu	KZN244: Msinga	KZN245: Umvoti
Flush toilet	26979	16701	1734	651	7892
Chemical toilet	15108	2804	4478	2261	5565
Pit latrine/toilet	70699	529	19489	33559	17121
Ecological toilet (e.g. urine diversion; enviroloo; etc.)	3726	-	917	22	2787
Bucket toilet	3170	266	2276	92	535
Other	4173	321	3294	353	206
None	2937	512	434	1434	558
<b>Total</b>	<b>126791</b>	<b>21134</b>	<b>32622</b>	<b>38372</b>	<b>34664</b>

**Challenges facing Nquthu Municipality**

Difficulties facing municipality	KZN242
Lack of safe and reliable water supply	65444
Cost of water	17826
Lack of reliable electricity supply	10369
Cost of electricity	3813
Inadequate sanitation/sewerage/toilet services	3191
Inadequate refuse/waste removal	379
Inadequate housing	15956
Inadequate roads	17083
Inadequate street lights	929
Lack of/inadequate employment opportunities	25096
Lack of/inadequate educational facilities	1295
Violence and crime	602
Drug abuse	94
Alcohol abuse	1226
Gangsterism	163
Lack of/inadequate parks and recreational area	389
Lack of/inadequate healthcare services	809
Lack of/inadequate public transport	912
Illegal Connections	1132
Other	3566
None	1053
Total	171325

### Information Backlog

This information will be provided.

### *Planned Intervention/s*

- Funding
- Immediate actions to ensure implementation.
- Institutional arrangements to support the processes.

The following key challenges were identified:

- Significant backlogs in services exist.
- There is an urgent need for refurbishment.
- Bulk services need additional investments.

These issues are briefly discussed below.

### **Funding**

The total capital funding needs were estimated based upon the information provided by the Division Of Revenue Act on MIG allocation.

It allows for the following interventions:

- Backlogs for lack of services
- Need for refurbishment
- Bulk investments

These capital funding needs were then compared with current municipal budgets, which included own capital budgets, current MIG and other grants funding allocation.

The consolidated District Municipal budget for addressing backlogs, refurbishments and necessary bulk capacities will be incorporated to this plan in future.

*The total capital funding therefore amounts to approximately R106 Million to address the backlogs.* Relatively small amounts are provided by MIG, and the municipalities rely on own sources to fund their capital investments. However, current MIG and other grant fund allocations seem to be insufficient.

### **Nquthu Municipality: Three-year Financial Year Budget**

ANNEXURE 04: INFRASTRUCTURE PLAN

The Municipality anticipate to receive the grants and also have a counter funding for the next Three years to eradicate the Backlog:

FUNDER	YEAR 1 (21/22)	YEAR 2 (22/23)	YEAR3(23/24)
MIG	32.8 mil	35.2 mil	36.6 mil
KZ242	53.9 mil	To be Confirmed	To be Confirmed
INEP	10.0 mil	To be Confirmed	To be Confirmed

The following table shows the list of projects to support the above budget.

PROJECT NAME	WARD/s	FUNDING SOURCE	BUDGET
<i>PMU – CONSULTANT (5%)</i>		<i>MIG</i>	<i>R 1 640 300,00</i>
<i>MASAKHANE COMMUNITY HALL</i>		<i>MIG</i>	<i>R 160 000,00</i>
<i>GWIIJA COMMUNITY HALL</i>		<i>MIG</i>	<i>R 160 000,00</i>
<i>NKALANKALA COMMUNITY HALL</i>		<i>MIG</i>	<i>R 160 000,00</i>
<i>ODUDELA COMMUNITY HALL</i>		<i>MIG</i>	<i>R 2 315 122,81</i>
<i>ZALAKWANDE CRECHE</i>		<i>MIG</i>	<i>R 100 000,00</i>
<i>NQUTHU JUNCTION (RANK &amp; MISSION ROAD)</i>		<i>MIG</i>	<i>R 550 000,00</i>
OPHINDO ROAD	3	MIG	R 4 046 413,83
MBILANE ROAD	8	MIG	R 5 160 790,02
NTUZUMA ROAD	7	MIG	R 3 100 000,00
GUBAZI ROAD	11	MIG	R 2 608 696,00
SLONJANA ROAD	16	MIG	R 3 100 000,00
NSUBENI ROAD	4	MIG	R 3 004 677,34
HWANQANA ROAD	5	MIG	R 3 100 000,00
SECTION 4 CRECHE	9	MIG	R 1 800 000,00
TLOKWENI CRECHE	17	MIG	R 1 800 000,00
Total MIG Allocation For 21/22 f/y			R 32 806 000,00

The Following projects will be funded by Nquthu Municipality:

PROJECT NAME	WARD	FUNDER	BUDGET
<b>GOBINSIMBI HALL</b>	10	MUNICIPALITY	R 4 000 000,00
<b>KWABIYA HALL</b>	13	MUNICIPALITY	R 4 000 000,00
<b>HLATHI DAM HALL</b>	12	MUNICIPALITY	R 4 000 000,00
<b>EZINKONDLWANENI HALL</b>	14	MUNICIPALITY	R 4 000 000,00
<b>SIZAMILE/ INKOSI BAMBUHLANGA HALL</b>			
<b>500 X JOJO TANKS</b>	ALL	MUNICIPALITY	R 3 500 000,00
TOTAL FOR 21/22 F/Y			R 19 500 000,00

The following table also reflect the projects that will be carried over from 22/21 financial year to 21/22 financial year.

PROJECT	WARD	FUNDER	BUDGET
NQULU COMMUNITY HALL	1	MUNICIPALITY	R 200 000,00
MPHUNYUKA GRAVEL ROAD	9	MUNICIPALITY	R 1 862 067,24
SGUBUDU COMMUNITY HALL	10	MUNICIPALITY	R 2 475 443,38
NGWETSHANA HALL	11	MUNICIPALITY	R 3 391 131,90
JABAVU COMMUNITY HALL	12	MUNICIPALITY	R 1 366 940,35
SPRINGLAKE SPORTFIELD P2	12	MUNICIPALITY	R 2 000 000,00
TRAFFIC OFFICES	14	MUNICIPALITY	R 6 678 584,97
FIRE STATIONS	14	MUNICIPALITY	R 2 000 000,00
NQUTHU RESIDENTIAL ROAD P1 (W,S & E)	14	MUNICIPALITY	R 6 762 638,89
NQUTHU RESIDENTIAL ROAD P2 (W,S & E)	14	MUNICIPALITY	R 12 935 111,80
NQUTHU BULK STORMWATER P1	14	MUNICIPALITY	R 6 791 686,50
NQUTHU INFILLS	ALL	MUNICIPALITY	R 5 000 000,00
INCUBATOR P2	14	MUNICIPALITY	R 2 500 000,00
TOTAL CARRIED OVER PROJECTS FOR 21/22 F/Y			R 53 963 605,03

The table below shows the proposed budget for 22/23 financial year.

22/23 FY - PROPOSED BUDGET			
PROJECT NAME	WARD/S	FUNDING SOURCE	PROPOSED BUDGET
PMU			R 1 760 550,00
NSUBENI ROAD	4	MIG	R 4 637 365,87
KLWAYISE HALL	2	MIG	R 4 000 000,00
SCELIMFUNDO HALL	3	MIG	R 4 000 000,00
NHLOPHENI HALL	4	MIG	R 4 000 000,00
NYAKAZA HALL	5	MIG	R 4 000 000,00
HLATHI DAM HALL	12	MIG	R 4 063 550,27
BUHLE BUZOVAMA HALL	15	MIG	R 5 749 533,86
MPHAZIMA EXT. ROAD	16	MIG	R 3 000 000,00
			R 35 211 000,00

**The table below shows the 23/24 f/y budget**

23/24 FY - PROPOSED BUDGET			
PROJECT NAME	WARD/S	FUNDING SOURCE	PROPOSED BUDGET
PMU			R 1 834 000.00
NKALANKALA ROAD	11	MIG	R 5 788 391,83
SIZAMILE HALL	6	MIG	R 4 000 000,00
MANTULI ROAD	8	MIG	R 9 409 876,15
SPRINGLAKE SPORTFIELD – GRAND STAND	12	MIG	R 5 000 000,00
ZINKONDLWANENI HALL	14	MIG	R 4 000 000,00
ZICOLE CRECHE	13	MIG	R 2 647 732,02
MPHONDI HALL	7	MIG	R 4 000 000,00
Total allocation for 23/24 f/y.			R 36 680 000,00