



NQUTHU MUNICIPALITY

COMPREHENSIVE IDP FOR THE FINANCIAL YEAR 2009/10

Final Submission

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NQUTHU HISTORY

The History, the Origin and the Meaning of the name “Nquthu”

Incazelo – Isinquthu – Isiphundu - Occipital (The back part of the head)
Indabuko yegama elithi “Nquthu” – IsiNquthu

Leligama lavela ngesikhathi esilukhuni futhi esibalulekile emlandweni wesizwe samaZulu, nasemlandweni weSilo sasOndini InkosiuCetshwayo eyaziwa kakhulu emlandweni wamaZulu ngegalelo layo ekunqobeni amaNgisi empini eyabanjwa entabeni yomlando intaba Isandlwane ngomhla ka 22 January 1879.

Umlando usitshela ukuthi leligama lavelangesikhathi esilubhojozi Lapho Inkosi uCetshwayo wayekakwe izitha ezingamaNgisi ezaziqhamuka nhlangothi zonke zifuna ukudla umhlaba wakwaZulu. Lezizitha, ngokusho komlando, zaziqhamuka enhla nase zansi kwaDukuza (Stanger) naphesheya komfulakazi uMzinyathi (Buffalo River).

Inkosi uSihayo Ngobese nesizwe saMaqungebe yayakhe ezweni lakwaZulu eligudla uMzinyathi ngaphansi kweSilo uCetshwayo.

Isilo sasesithi kuSihayo “Sengethembe wena ke Sihayo ukuthi Usuyoba *“ISINQUTHU SAMI”* okwakuwukuthi uyoba amehlo eSilo angasemuva abheke izitha zingangeni ngesikhathi ngibheke entshonalanga. Indawo yonke ke, kusukela lapho yabe isibizwa ngesiNquthu seSilo uCetshwayo. Leligama ngokuhamba kwesikhathi lagcina ngokuba lifinyezwe kuthiwe **“NQUTHU”**

UKUBALULEKA KWEGAMA ELITHI – NQUTHU

Leligama libalulekile hhayi nje esizweni saMaqungebeni nesakwaZulu, kepha ngisho nasemlandweni wezwe lase Ninginizimu uqobo ngoba liqukethe umlando waseMaqungebeni futhi lithintana kakhulu nomlando wempi yaseSandlwane eyaliwa

yanqotshwa amabuthu eSilo samaZulu uCetshwayo. Okwenza lempi kaZulu ivelele kangaka ukuthi kwaba impi yokuqala ngqa emlandweni ukunqoba impi yamaNgisi emhlabeni jikelele.

THE COAT OF ARMS



ISIHLANGU: Phakathi kwesihlangu sebutho “Uve” unesithunzi sentaba Isandlwane sidlubhe **UMGEXO** wenkosi uCetshwayo wamazinyo ebhubesi

NGEMUVA KWESIHLANGU Yimpambanisela **YENDUKU** yenkosi uCetshwayo kanye **NESIZENZE**, emqolweni wesihlangu **UMGOBO** ohlobe ngoboya obumthende okwedube.

ISIQUBULO: {“**SINGAMAQHAWE ENTUTHUKO YOMNOTHO NOMPHEKATHI**”}

THE MOUNTAIN:

The famous mountain of Isandlwane where the English were defeated.

THE NECKLACE:

A typical traditional royal necklace worn by the King Cetshwayo.

THE SHIELD:

The colour and formation of the shield characterizes those dedicated to the “Uve” regiment, one of the strong contributors to the defeat of the English army in the battle of Isandlwane.

THE RING HEADED STICK:

The only surviving stick known to belong to King Cetshwayo. The Stick is currently at the Johannesburg Art Gallery. It was repatriated from England. Currently the stick is believed to be one of Cetshwayo possessions that were confiscated by the English.

SECTION A: EXECUTIVE SUMMARY

1.0 EXECUTIVE SUMMARY

1.1 Introduction

Integrated Development Plans (IDP's) are regularly seen as being nothing more than "wish-lists" which articulate the needs of community members and are all too frequently not aligned to resources. To address this and to make the IDP more effective and implementable, the Nquthu IDP has the following focuses:

- The development of sustainable and integrated human settlements within the limited resources of the municipality;
- The stimulation of the local economy to make it more robust in line with the LED plan for the district;
- Nation building leading to greater social cohesion;
- A greater focus on environmental sustainability in the municipality's strategies and programmes; and
- The strengthening of inter-governmental relations thereby attracting development and governmental-support for initiatives in the municipality.

This is the **third** in the second five-year cycle of the IDP preparation for the Nquthu municipality. The IDP for 2009/10 is the second year that the review was undertaken using the Municipality's internal resources. This approach of doing the IDP "in-house" has gained momentum and a meaningful participation from the Nquthu staff members took place in the preparation process. Stronger ownership of the IDP by the stakeholders is now more evident.

1.2 Background

In order to produce a credible IDP, and a proper coordination between and within spheres of government, the preparation of the Process Plan has been regulated in terms of the MSA.

The 2009/10 IDP seeks to have the following key impacts:

- A programme specifying the time frames for the different planning steps;
- Integrated and sustainable settlement;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- Environmental Sustainability; and
- Mechanisms and procedures for vertical and horizontal alignment and therefore a strengthening of inter-governmental relationships.

As part of the IDP preparation process, Council has resolved to establish an IDP Steering Committee which will comprise of the following:

- Nquthu Management Committee,
- Community Services Sub Committee, which will act as a support to the IDP Representative Forum,
- The Municipal Manager, and
- The IDP Manager.

The IDP Representative Forum (IDP RF) was constituted as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review processes. The proposed composition of the IDP RF includes:

- The EXCO members,
- Councillors,
- Traditional leaders,
- Ward Committee Chairperson,
- Senior municipal officials,
- Stakeholder representatives of organized groups,
- Advocates of unorganised groups,
- Resource persons,
- Other community representatives, and
- National and Provincial Departments regional representatives,
- NGO's, Parastatal organisations, Chamber of Business, Tourism Association and Agricultural Association

During this comprehensive IDP process the main roles and responsibilities allocated to each of the role players have been set out.

Four major functions can be aligned with the public participation process namely:

- Needs orientation and prioritization;
- Appropriateness of solutions;
- Community ownership; and
- Empowerment.

The Nquthu Local Municipality seeks to actualize and make real the principles of the Constitution, the Freedom Charter and the KwaZulu-Natal's Citizen's Charter through the IDP. As such, through the IDP and its processes, the Municipality seeks to:

- Actively engage with citizens of the Municipality and its partners;
- Operate fairly and be accessible to everyone;
- Promote choice within the area;
- Continuously develop and improve the quality of life of all its citizens;
- Effectively and efficiently utilize resources allocated to it; and
- Improve the opportunities and quality of life in the communities it serve.

1.3 The Nquthu Municipality

In terms of answering the question of “Who are we?”, the following is applicable:

The Nquthu Local Municipality is one of the four local municipalities within Umzinyathi District. It is located along the northeastern boundary of the district, and it borders onto the Abaqulusi, eMadlangeni, Nkandla, and Ulundi local municipalities. It covers an area of approximately 1451km², and is predominantly rural in nature with expansive low-density rural settlements being one of the major features. Nquthu Town, and Nondweni to a limited extent, are the only notable urban centres within the municipality. The primary access to Nquthu Municipality is through R68 linking Ulundi and Newcastle/ Dundee. Another important Provincial road that runs through the municipality is the R33, passing through the northern areas, passing east of Nondweni before linking Vryheid with the R68.

The town of Nquthu is a small but stable urban area that has established itself as the primary commercial, administrative and service centre for the Municipality as a whole. The town is an old Japie Uys town established in terms of Proclamation 67 of 1983. The majority of the land in Nquthu is settled stateland and the municipality does not have any land registered in its own name. A process towards the transfer of the stateland to the municipality has been initiated.

In terms of the various statistics for the Municipality and the District, the STATSSA Census data for 2001 has in many cases proved to be inaccurate and the DLG&TA requested the use of the Community Survey of 2007 in this review process.

The following table briefly summarizes the key facts and figures for the Municipality as per the Community Survey of 2007. Nquthu has a total population of 164 887 people who are spread unevenly among the 15 municipal wards with the majority being resident within the 9 traditional authority area.

TABLE 1: Summary of Basic Facts and Figures

Basic Facts	Figures
Total Population	164 887
Number of Households	32 169
Total population of District	495 737
% of Total Population Urbanised	33
Age Profile	
0-9	46 918 (28%)
10-19	44 812 (27%)
20-29	25 639 (16%)
30-39	15 433 (9%)
40-49	11 084 (7%)
50+	20 997 (13%)
Unemployed (% of income earning population)	53.6% in 2007 47% (23 364)
HIV/Aids Rates	KZN: 32% Provincial Average DM: 39.4% National HIV & Syphilis Prevalence Survey SA (2007)

(Source: Stats SA Community Survey 2007)

More information in this regard will be highlighted under the Analysis Phase later in this report.

1.4 Priority Issues

In terms of answering the question of “What are the issues we face?” the following is applicable:

The following issues were identified as part of the IDP review and confirmed by management and councillors as applicable, namely:

TABLE 2: IDP Priority issues

Priority	Issue	Section in the IDP
1	Economic Development	Section B and E
2	Integrated Service Delivery	Section B and E
3	Social Facilitation and Development	Section B and E
4	Institutional and Governance	Section B and E to I
5	Municipal Planning	Section C, D, E, I and J
6	Environmental Management	Section B, D and E

1.5 Opportunities

In terms of answering the question of “What opportunities do we offer?” the following is applicable:

The following areas of growth potential have been identified in the IDP, namely:

- Masotsheni Tourism and conference Cluster;
- Mdlenevini Soya Bean project linked to bio-diesel;
- Qhudeni Nursery;
- Airstrip at Isandlwana Battle Field; and
- Umzinyathi Game Reserve in Nquthu Public Private Partnership.

1.6 Sector Plans

In terms of answering the question of “What are we doing to improve ourselves?” the following is applicable:

The following Sector Plans have been prepared by either the District or the Municipality since 2001 and are aligned to the IDP:

TABLE 3: Current Status of IDP Sector Plans

Sector Plan	Date	Status and Comments
Services Backlog Study (respect to Water; Sanitation, Roads, Electricity, and Refuse)	March 2007	District level
Integrated Waste Management Plan	January 2006	District level
Water Services Development Plan	February 2007	District level
Public Transport Plan	April 2006	District level
Housing Plan	2006	Local level
Tourism Plan	2007	District level
Nquthu LED strategy	2007	Draft
uMzinyathi LED strategy	2009	District Level
Land Use Management System (LUMS)	2005	Draft

The IDP incorporates and aligns itself to the Sector Plans in the following ways:

- The Section B incorporates information from the Sector Plans;
- The Sector Plans and their contents are summarized in the Section C of the IDP; and
- Section J and K include all projects identified in the Sector Plans.

1.7 Spatial Development Framework

In terms of the question “What can you expect from us over the next 5 Years?”, the following is applicable.

Municipality's SDF summarises the key LED Projects as well as areas for capital project investment in terms of the settlement hierarchy. Section D of the IDP contains a summary of the SDF and Annexure J.1 contains the full text and maps. The settlement hierarchy for the Municipality is summarized as follows:

TABLE 4: Nquthu Settlement Hierarchy for 2009/10

Type of Node	Name of Node
Primary	Nquthu
Secondary	Nondweni, Ngolokodo, Isandlwana, Qhudeni, Masotsheni and Jama
Tertiary	Ncepheni, Hlazakazi, St Augustine, Jabavu, Ndindindi, Potsoane, Mphazima, Mkhonjane, Mafitleng, Hlathi Dam, Silutshana, Maduladula and Haladu

The approach that needs to be followed is that Nquthu Municipality, together with uMzinyathi District Municipality, balance the provision of basic services, with the need to create economic opportunities for Local Economic Development. With greater potential incomes and levels of employment, community members are better able to pay for services this making the roll-out of services quicker and more effective.

1.8 The Performance Management System

In terms of answering the question of “How will our performance be measured?”, the Nquthu Municipality is in the process of reviewing its PMS and alignment with the IDP and Budget forms part of this process.

Section I of the IDP deals with the reviewed PMS. Section 2.4 under Section B deals with the structures created by the Municipality where the progress on the implementation of the budget and IDP are regularly presented to community members and interested parties.

1.9 The 2009/10 review

1.9.1 Issues to be addressed in the IDP Review

The issues to be addressed in this round of the IDP Review are summarized as follows:

(i) Assessment issues

- a. Comments received from the various role-players in the assessment of the IDP Review documentation for 2008/09, particularly during the “IDP Hearings” conducted by DPLG and the

- DLG&TA, as well as feedback from the 2009/10 IDP Assessments;
and
- b. Shortcomings and weaknesses identified through self-assessment.
- (ii) **Review of the Strategic elements of the IDP in terms of Priorities of Council and the Objectives of Management**
- a. Review of the Strategic elements of the IDP; and
 - b. Review of elements of the Spatial Development Framework.
- (iii) **Inclusion of new information where necessary, including:**
- a. Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (ie. MFMA)
 - b. Alignment of the IDP with newly completed Sector Plans;
 - c. Review of the Strategic elements of the IDP;
 - d. The ongoing alignment of the Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
 - e. The update of the Financial Plan, the list of projects (both internal and external funded), and the capital investment framework.

The following comments were received from the MEC for Local Government and Traditional Affairs on the 2008/09 IDP, namely:

TABLE 5: Comments from the MEC on the 2008/09 IDP

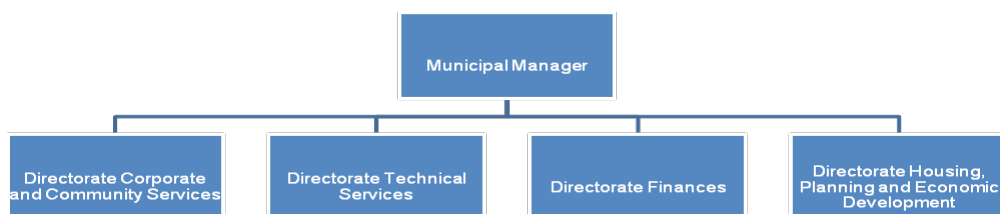
Focus Area	Rating out of 5	Response / Development off:
Municipal Transformation and Institutional Development	2.5	<ol style="list-style-type: none"> 1. Human Resource Strategy 2. Alignment of the powers and functions to the organigram 3. Workplace skills plan 4. Equity Employment plan
Service Delivery and Infrastructure Development	3.5	<ol style="list-style-type: none"> 1. Integrated Infrastructure Investment Plan 2. Implementation Plan with budget 3. Utilize StatsSA Community Survey 2007
Local Economic Development	2.5	<ol style="list-style-type: none"> 1. LED plan with focus on Second economy
Financial Viability and Management	1	<ol style="list-style-type: none"> 2. Coherent and comprehensive financial plan
Good Governance and Public Participation	2.5	<ol style="list-style-type: none"> 1. Strategy for promotion of people with disabilities, women and youth
Spatial Framework	2	<ol style="list-style-type: none"> 1. Update SDF map and link to Capital Investment Plan 2. Provide a copy of the LUMS

1.9.2 Institutional Arrangements

(i) Departmental Structure

The institutional structure for the IDP is summarized below and an analysis of it is undertaken in Section B with the full organogram contained in Annexure K.1

FIGURE 1: Nquthu Institutional Structure



(ii) IDP Representative Forum meetings

This forum is representative of all stakeholders and has been as inclusive as possible. Efforts have been made to bring additional organisations into the RF and ensure their continued participation throughout the process.

For this particular Review process, the RF was scheduled to take place in three occasions. Service Provider participation at these meeting was poor and every effort is being made to address this concern and to ensure greater participation.

The table below summarises the actual and proposed dates of the IDP RF meetings.

TABLE 6: IDP Representative Forum Meetings

Proposed Dates	Actual Dates
Nov 2008	25 November 2008
March 2009	-
May 2009	-

(iii) IDP Steering Committee meetings

The IDP Steering Committee, made up of heads of departments, the municipal manager, and key municipal staff, remained the technical committee that drove the IDP review process through research, reports and recommendations to both the IDP Representative Forum and the Executive Committee.

(iv) Community Meetings at Ward level

Community meetings at ward level took place as follows:

- Nondweni Library (4 April 2009)
- Nondweni Municipal Offices (4 April 2009)
- Nquthu Library (4 April 2009);
- Mhlungwane Hall (23 June 2009)

(v) **Alignment with Service Providers**

Service providers were formally invited to attend the RF meetings but as in the past the response has been poor. The municipality is dependant on the UDM and the DLG&TA to take this matter forward and ensure greater participation.

1.10 Financial Plan

The following table summarises the income and expenditure for the Municipality in the next three year MTEF:

TABLE 7: Income and Expenditure

Year	Income	Expenditure
2009/10	60,587,000.00	62,912,200.00
2010/11	73,407,000.00	69,943,266.00
2011/12	84,040,000.00	79,052,443

(Source: 2009/10 Municipal Budget)

SECTION B: SITUATIONAL ANALYSIS

2.0 SITUATIONAL ANALYSIS

2.1 Introduction

The Nquthu Local Municipality is one of four local municipalities within Umzinyathi District (ISRDP Node), and is located along the north-eastern boundary of the district. It borders onto Abaqulusi, eMadlangeni, Nkandla, and Ulundi local municipalities. It covers an area of approximately 1451km², and is predominantly rural in nature with expansive rural settlements being one of the major features.

It is accessed from the R68 which links Ulundi/ Melmoth to Newcastle/Dundee. Other important roads through the municipality are the R33, passing through the northern areas, passing east of Nondweni before linking Vryheid with the R68. The P16/3 a gravel road links Nquthu with Kranskop.

The total population for Nquthu according to Stats SA's 2007 Community survey is 164 887. This represents a figure of 32 169 households at an average household size of 5.125.

The summary of the current reality for Nquthu Municipality:

TABLE 8: Basic facts and figures

Basic Facts	Figures
Total Population	164 887
Number of Households	32 169
Total population of District	495 737
% of Total Population Urbanised	33
Age Profile	
0-9	46 918 (28%)
10-19	44 812 (27%)
20-29	25 639 (16%)
30-39	15 433 (9%)
40-49	11 084 (7%)
50+	20 997 (13%)
Unemployed (% of income earning population)	53.6% in 2007 47% (23 364)
HIV/Aids Rates	KZN: 32% Provincial Average DM: 39.4% National HIV & Syphilis Prevalence Survey SA (2007)

2.2 Data Sources used for the 2009/10 IDP Review

In accordance with the requests of the DLG&TA, the municipality has made use of the STATSSA Neighbourhood Survey Data (2007).

2.3 IDP Process

2.3.1 Background

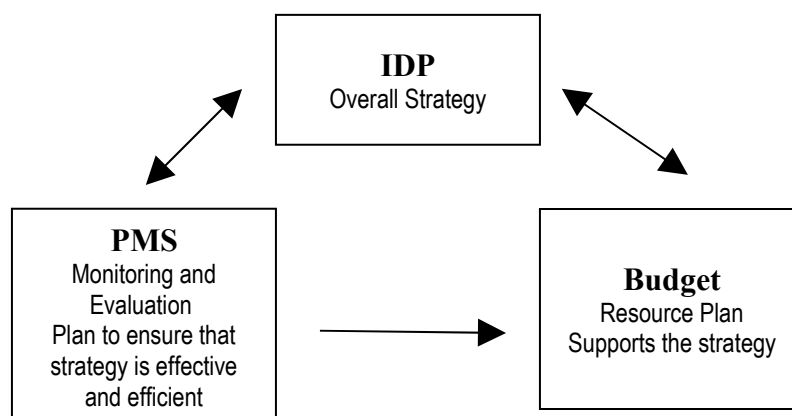
In terms of Section 25(1) of the Municipal Systems Act (Act 32 of 2000), each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget is based; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The IDP adopted by a municipal council in terms of these sections of the act remains in force, although it may be amended, until an IDP is adopted by the next elected council. This IDP is the **third** review of the second cycle of the IDP process and reviews the 2008/09 IDP.

The IDP remains the strategic planning instrument to guide and inform the planning, budgeting, performance management and decision making activities in the municipality. The diagram below summarises how the three processes link with one another.

FIGURE 2: IDP, Budget and PMS linkages



Another important function of the IDP is to guide the budgets of sector departments (National and Provincial) where their services and resources are required, in terms of needs and priorities identified in the IDP. In addition to guiding organs of state, the IDP should be an informative document to encourage, and guide potential investment in the municipal area.

2.3.2 Legislative Requirements

The Local Government: Municipal Planning and Performance Management Regulations, 2001 (R796, 24 August 2001), together with the Municipal Systems Act (32 of 2000), set out the core components of the IDP and include requirements for public participation on the reviewing, drafting and adopting of the IDP. Core components to be included in the IDP are summarised below:

- A long-term vision;
- An assessment of the current level of development in the municipality;
- Development strategies;
- A spatial development framework;
- Operational strategies;
- Applicable disaster management plans;
- A financial plan; and
- Key performance indicators and performance targets.

2.3.3 Approach

The approach followed in the preparation of the IDP was again informed by the guidelines prepared by Department Provincial and Local government (DPLG) as set out in the IDP guide packs. The guide packs advocate a process that is integrative, sustainable, issue-driven, people centered, practical and action oriented. The preparation of the IDP was undertaken in a phased manner, the focus of each phase being indicated below:

- Phase 1:** Analysis
- Phase 2:** Development Strategies
- Phase 3:** Projects
- Phase 4:** Integration
- Phase 5:** Approval

The format of the IDP is for the first time fully aligned with the Oct 2007 guidelines and the report structured as follows:

- Section A:** Executive Summary
- Section B:** Situational Analysis
- Section C:** Development Strategies
- Section D:** High Level Spatial Development Framework
- Section E:** Sector Involvement
- Section F:** Implementation Plan

Section G: Projects
Section I: Financial Plan and SDBIP
Section J: Annexures

Areas to be addressed in IDP Review 2009/10 are:

- (i) Assessment issues**
 - a. Comments received from the various role-players in the assessment of the IDP Review documentation for 2008/09, particularly during the “IDP Hearings” conducted by DPLG and the DLG&TA, as well as the 2009 IDP Assessments; and
 - b. Shortcomings and weaknesses identified through self-assessment.

- (ii) Review of the Strategic elements of the IDP in terms of Priorities of Council and the Objectives of Management**
 - a. Review of the Strategic elements of the IDP; and
 - b. Review of elements of the Spatial Development Framework.

- (iii) Inclusion of new information where necessary**
 - a. Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (ie. MFMA)
 - b. Alignment of the IDP with newly completed Sector Plans at District Municipal level;
 - c. Review of the Strategic elements of the IDP;
 - d. The alignment of the Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
 - e. The update of the Financial Plan, the list of projects (both internal and external funded), and the 3-year capital investment framework.

- (iv) Comments received from the MEC for Local Government and Traditional Affairs on the 2008/09 IDP**

2.3.4 The Process Plan

Prior to starting with the IDP Review, a Process Plan was compiled and was approved by Council in accordance with the legislation on and is attached in the Annexures.

The municipality followed the instructions of the DLG&TA to have a draft IDP ready for assessment by the end of March 2009.

2.3.5 Alignment Process

(i) uMzinyathi District Framework Plan

The uMzinyathi District prepared a Framework Plan as part of the IDP review process. The purpose of this plan was to bind and link the four Local Municipalities and the District Municipality in planning and development. The Framework Plan facilitated a process through which proper consultation, co-ordination and planning for the district was ensured.

Key areas for alignment identified for this year's IDP review were:

- The alignment of the five Spatial Framework Plans and the inclusion of the Local Economic Development plans' initiatives;
- The integration of the Sector Plans prepared at District level into the IDP;
- Community participation alignment
- Project specific alignment

(ii) District and Local alignment

The Planning and Development Forum was established in 2008 and is the main vehicle for alignment between the District and Local Municipalities' IDP's. The Committee met as follows:

- 10 December 2008
- 19 March 2009
- 12 May 2009

The Umzinyathi District Municipality also takes care of the alignment with the following District Municipalities: Zululand District Municipality and Amajuba District Municipality. The alignment focused on Spatial Development Frameworks (SDF) of the DM, including cross-cutting LED and tourism initiatives.

(iii) Sector Department alignment

The alignment of planning with Sector Departments was done with the assistance of the uMzinyathi DM. This year's information received from the Sector Departments was limited and unsatisfactory. Project information made available by Departments at the Representative Forum meetings is summarized in Section E.

2.3.6 Comments on the IDP Review Document

No written comments were received from the community during the 21 day advertising period. Comments received from the ward participation process on the Budget and IDP have been incorporated into the IDP Review document.

THE ANALYSIS PHASE

2.4 Analysis of Basic Fact and Figures

2.4.1 Total Population

According to the 2007 Community Survey, the uMzinyathi DM has the population of 495,737 which shows a low population growth rate when compared with the 2001 figures. The population per municipality in the uMzinyathi DM is broken down as follows:

TABLE 9: Total Population

Local Municipality	Population	% of Total	Households
Endumeni	54,447	11% of the district	13,755
Nquthu	164,887	33% of the district	32,169
Msinga	161,894	33% of the district	32,592
Mvoti	114,509	23% of the district	26,019
Umzinyathi	495,737	4.8% of the province	104,535

(Source: Stats SA: 2007 Community Survey)

TABLE 10: Persons by Population Group

MUNICIPALITY	BLACK	COLOURED	INDIAN / ASIAN	WHITE
UMzinyathi	96.1%	0.6%	1.6%	1.8%
ENdumeni	85.7%	2.6%	3.4%	8.3%
Nquthu	99.9%	0.0%	0.0%	0.1%
Msinga	99.9%	0.0%	0.0%	0.1%
Mvoti	90.1%	1.5%	5.0%	3.4%

(Source: Stats SA: 2007 Community Survey)

Nquthu consists of a large rural population (over 90%), with less than 10% of its people living in the semi-urban areas of Nquthu Town (3.44% living in Nquthu Town), Nondweni, Isandlwana and Ngolokodo. Roads and storm water in these rural areas are in a poor condition or non-existent. This places enormous pressure on the delivery of services.

The population of Nquthu is distributed throughout the Municipality comprising 15 Wards, although the southern areas are less densely populated due to the topography. The majority of the population is centred in and around the Emandleni and Vulindlela-Sithole Tribal areas (Ward 1) and the Khiphinkunzi and Mangwe Buthanani Tribal areas (Ward 10).

2.4.2 Densities

The rural areas are the most densely populated areas with an average household size of 11, 6 persons.

The rural population depends on nearby semi-urban areas such as Nquthu Town and Nondweni for services because of the lack in basic services and social services within these rural areas. This again places enormous pressure on service delivery.

2.4.3 Age Profile

Approximately 42% of the population are 14 years and younger, while 53% of the population are aged between 15 and 64 years. This indicates a youthful population which places pressure on the need for education and social facilities. These figures follow the general trend for the populations in the uMzinyathi DM municipalities.

TABLE 11: Population by Age Group, Average Age and Dependency ratio

	AGE 0-14	AGE 15-64	AGE 65+	AVERAGE AGE	DEPENDENCY RATIO
UMzinyathi	40.6%	54.1%	5.3%	25	85
ENdumeni	31.9%	64.6%	3.5%	26	55
Nquthu	42.1%	52.8%	5.1%	23	89
Msinga	44.6%	48.7%	6.7%	24	105
Mvoti	37.0%	58.4%	4.5%	26	71

(Source: Stats SA: 2007 Community Survey)

2.4.4 Gender Profiles

Nquthu Town is characterized by approximately 10% more women than men according to the Stats SA Community Survey. Women are assumed to be acting as household heads in the absence of partners seeking employment in other urban and semi-urban centres. It is also accepted that these women are more disadvantaged in terms of resources.

TABLE 12: Persons by Sex and Sex Ratio

MUNICIPALITY	MALE	FEMALE	SEX RATIO
UMzinyathi	44.7%	55.3%	81
ENdumeni	52.4%	47.6%	110
Nquthu	44.9%	55.1%	82
Msinga	42.8%	57.2%	75
Mvoti	43.4%	56.6%	77

(Source: Stats SA: 2007 Community Survey)

2.4.5 Educational Levels

In respect the **level of education**, it was found that approximately one third of the population has had a basic level of education.

TABLE 13: Educational Levels

	Umzinyathi DM	Nquthu	Endumeni	Umvoti	Umsinga
Higher Education	200	65	121	13	0
Diploma with Gr12	4206	776	1250	1437	743
Diploma with less than Gr12	1521	408	39	649	429
Certificate with Gr12	2414	479	153	717	1064
Certificate with less than Gr12	3007	1442	136	317	1112
Grade 11 and 12	52529	17583	8960	15202	10784
Grade 10	27136	4162	10131	6473	6369
Primary Schooling	98796	36117	8184	21156	36117
No Schooling	85709	22539	4380	18137	40653

(Source: Stats SA, Community Survey 2007)

This statistics indicate that 13% of the total population of the municipality has no formal schooling which is below the average for the District (17%). It is also noted that low portions of the population have a form of higher education and this can be related to the fact that the area is mostly rural and transport facilities are limited. As the only higher education facilities are located outside the boundaries of the municipality, the greatest need would be for adult education facilities and programmes. The Department of Education is currently constructing the FET College in Nquthu and there is one private nursing collage, which is up and running.

2.4.6 HIV/ Aids

According to the latest (2007) Department of Health's Annual Anti-natal Clinic testing results, the uMzinyathi DM has a 31.7% HIV/ Aids infection rate. A disturbing trend for the municipality, however, is that these figures are up on the 2006 study figures. There are, however, positives in this matter in that the uMzinyathi DM has the lowest infection rate of any of the DM's in the province. This aside, it is anticipated that this pandemic will have a profound impact on the need for health, social and welfare services over the next 20 years. Population growth is expected to decline over this period and this trend needs to be considered in the planning and delivery of new services.

From the analysis of the Nquthu current reality, it is clear that the priority areas of intervention within the Municipality are Nquthu Town, Nondweni, Ngolokodo and Isandlwana, Masotsheni & Qhudeni. These are areas characterized by high concentrations of rural and poverty stricken population and where the backlogs in service provision, both social and engineering, are the most severe.

2.5 The Economy

2.5.1 Introduction

The Nquthu municipality has prepared a Local Economic Development Plan which has been incorporated into this section of the IDP document, together with the latest economic data forthcoming from STATSA's Community Survey (2007). The section of the IDP has also been drafted in accordance with the Credible IDP Assessment Framework format for LED.

2.5.2 Basic Facts and Figures

(i) Income Levels

Income levels are very low with 22, 4% of households receiving **no** income, and a further 19, 4% of households with annual income of below R2 400. 00 per month – less than R200/month. This has major implications for potential income generating strategies of the municipality in terms of rates policies as well as for affordability of services. The rural areas, especially Wards 1 and 4 are the most poverty stricken.

TABLE 14: Employment status

Individual Status	Males	Females
Employed	6519	6170
Unemployed	10736	12628
Not economically active	19006	30926
Not applicable/Institutions	37787	41106
Total	74048	90830

(Source: Statistics SA Community Survey, 2007)

(ii) Unemployment Levels

Unemployment levels are exceptionally high with only 7, 6% of the economically active population (12 689 people) being employed. Of this population, 23, 5% are actively seeking employment while the rest of the potential labour force is not economically active (students, housewives etc). With such high unemployment the dependency levels are also very high and it is estimated that for every employed person there are 28 unemployed people who are in need of support.

(iii) Labour Force

Of those employed 26, 2% are employed in sales and services, mostly in Nquthu Town. The craft and trade industry informally employs the second highest number of people and those employed in this sector are more evenly distributed throughout the municipality.

TABLE 15: Occupation

Occupation	Males	Females
Legislators; senior officials and managers	181	127
Professionals	373	684
Technicians and associate professionals	335	0
Clerks	0	200
Service workers; shop and market sales workers	501	136
Skilled agricultural and fishery workers	666	629
Craft and related trades workers	450	154
Plant and machine operators and assemblers	398	0
Elementary occupations	420	739
Occupations unspecified and not elsewhere classified	488	417
Not applicable/Institutions	9070	16201
Total	12882	19287

(Source: Statistics SA Community Survey 2007)

(iv) **Human Development Index (HDI)**

Nquthu's HDI is increasing gradually from lower than 0.35 in 1996, to a higher than 0.35 in 2001. This reflects a general improvement in the way of life in the community. However, when comparing Nquthu with the municipalities of uMvoti and Msinga, Nquthu is performing far better in this

regards. The municipality's LED plan indicates that the HDI for the municipality is poised to improve in the near future as a result of government's LED focus, and if properly planned, the HDI for Nquthu could be towards one by the end of the decade.

(v) Gross Domestic Product (GDP) Contribution

The municipality's LED plan indicates that when including the community services sector in the equation, the Nquthu municipality's GDP is the highest in the district. However, economists do not recognise this as a true reflection of the economy as this sector is subsidised by government. When excluding community services from this calculation, Nquthu is placed second in the District behind eNdameni.

(vi) Main Economic Sectors

The LED plan indicates that although the service sector accounts for the majority share of the local economy, it is not a creator of wealth and hence is not recognised as an economic sector. Agriculture in Nquthu is limited to subsistence farming with dry land cropping being the main economic agricultural practice. Cropping is mainly the production of maize and beans. Crop production is not utilized to its full potential. Livestock production is the dominant activity in the area and a total stock of 42 000 cattle and 14 000 goats were recorded in the IDP. Chicken production is practiced by a number of clubs as income generation projects with the assistance of the Department of Agriculture.

Trade and commerce is the second most important sector in Nquthu and it plays an important role as an employer and creator of wealth. The sector is concentrated in Nquthu and Nondweni, the major wholesalers/ satellites and a few isolated general dealers in the small settlements. Mining and quarrying are limited to sand weaning and with the growth in the construction sector, sand weaning is expected to pick-up. There is no mining of mineral ores recorded in Nquthu.

The construction sector is growing significantly in Nquthu due to the growth in infrastructure activities brought about by the ISRDP. Tourism though not fully explored has a relatively high potential as a growth sector. Nquthu is located at the heart of the battlefields and is generally associated with the Battle of Isandlwana. There are significant tourist attraction sites concentrated in Ward 7. The sector has potential to be developed into one of the lead sectors for local economic development and employment creation.

(vii) The Areas Competitive and Comparative Advantages

According to the LED plan, the economy of Nquthu has some potential in the agricultural sector as well as in the trade and construction industry with quotients depicted as 4.18, 0.59 and 1.06 respectively. The location quotient for agriculture has grown since 1996 showing a growing potential

in the sector. The uMvoti municipality, however, still has an advantage in agriculture more than Nquthu.

The community service is not a contributor to the gross geographic product and hence cannot be an area of focus even though the sector has a high location quotient with this being largely due to the existence of government offices in the Nquthu Municipal area.

The transport sector has a high potential for growth and should be another area of focus for the SMME development. A very important and possible engine for job creation in the region is the construction sector with the ISRDS under way, a lot of infrastructure projects will be implemented. Opportunities therefore exist for the emerging contractors in the civil and building construction industry.

(viii) Land Tenure Profile

From the table below it can be seen that 93% of households in the 2007 study indicated that they have “owned, fully paid” houses with less than 3% indicating that they rent accommodation.

TABLE 16: Households by Tenure Status

MUNICIPALITY	OWNED, FULLY PAID	OWNED NOT PAID OFF	RENTED	OCCUPIED RENT-FREE	OTHER
UMzinyathi	77.4%	2.3%	10.7%	9.4%	0.2%
ENdumeni	38.5%	8.6%	41.1%	11.5%	0.2%
Nquthu	92.8%	0.3%	2.7%	4.2%	0.0%
Msinga	98.2%	0.3%	0.5%	1.0%	0.0%
Mvoti	53.0%	4.1%	17.4%	25.1%	0.5%

Source: Stats SA: 2007 Community Survey

2.5.3 LED Strategies and Sector Plans

The Nquthu municipality has prepared an LED plan. This plan has been aligned with the District Municipality’s LED plans and initiatives.

The following LED Key Development Issues were identified in the municipality’s LED plan:

- **A need for physical infrastructure-** the area is characterised by poor levels of physical infrastructure and investment in these will improve living conditions as well as create opportunities for economic development;
- **Job creation-** unemployment is high and there is a need to initiate projects with a high labour absorption capacity.
- **Commercialisation of agriculture in traditional authority areas-** there is a need to introduce new high value crops for export markets to improve the municipality’s trade deficit.

- **Supporting the small business sector-** it is important to introduce support programmes for emerging entrepreneurs.
- **Creating capacity to facilitate LED-** there is a need to create capacity either within or external to the municipality to manage and facilitate local economic development.
- **Promoting community based tourism-** it is important to identify a niche market for local communities and facilitate their integration and participation in the tourism market.
- **Access to information-** there is a need to develop mechanisms to facilitate easy access to information.
- **Skills training-** there is a need to develop a skills training centre and facilitate programmes designed to increase the local skills base.
- **Negative perception about the Nquthu area-** bad perceptions affect business which impacts on the tourism industry which is a very sensitive industry.

2.5.4 LED Institutional Factors

The LED Plan identifies a need to build the institutional framework within the Municipality in order to coordinate LED Initiatives. The following is the suggested future model for the successful implementation and functioning of the institutional framework for LED within Nquthu Municipality:

(i) LED Unit and Help Desk

The purpose of the unit will primarily be the promotion of the implementation of LED activities. The following are some of the suggested functions of the help desk:

- Coordination of initiatives and projects
- Promotion and sourcing of funds for local economic development
- Information sharing
- Advisory function

(ii) LED Forums

The Nquthu municipality intends establishing its own LED forum in the 2009/10 financial year. The composition of the forum will be as follows:

- Councillors
- Formal business representatives-chamber of business
- Informal business associations
- Rate payers Association
- Organized labour

- All economic development related agents and organizations such as KZN Tourism and TIK
- Educational institutions
- Religious organizations
- Youth leaders
- Traditional leaders
- NGOs at play in the region
- Agricultural organizations and associations

At present, the municipality participates and is represented on the district level forums.

There is thus good intergovernmental dialogue which informs spatial and regional economic investment choices.

2.5.5 LED Linkages

(i) District Growth and Development Summit Linkages

Inputs from the Nquthu municipality have been made into the identification of projects and programmes for the uMzinyathi District Growth and Development Summit (DGDS). The outcomes of the DGDS are attached as Annexure K.10.

(ii) Linkages of the LED plans to National and Provincial Objectives

The LED Plan is aligned with the NSDP, the PGDS and the PSEDS.

2.5.6 Support for SMME's and the Second Economy

The stimulation of the SMME sector is becoming one of the key approaches to economic development in the South African economy as SMMES have a potential to revive stagnating economies and reduce poverty.

The following SMME and Second Economy opportunities were identified for the municipality as part of the LED plan. However, for the community to be able to pursue the opportunities, there is need to provide incubators or hives for the accommodation of the upcoming entrepreneurs.

- Carpentry and furniture making;
- Maintenance services such as plumbing, drain cleaning, refuse removal, storm water and road verge clearing services, etc
- Car repairs, exhaust fixing, tyre mending;
- Block making
- Catering services

- Restaurants and take-away
- Cleaning and laundry services
- Lawn mowing and gardening services
- Dressmaking, barbershop and hair salon
- Poultry
- Candle making
- Charcoal making
- Detergent and soap making
- Phone shops
- Fence making

2.5.7 LED in the Spatial Context

The spatial location of LED and other municipal projects will be mapped in the 2010/11 IDP Review.

2.6 Provision of Basic Infrastructure and Services

2.6.1 Introduction

The **provision of basic infrastructure** in the municipality is hampered by the culture of non-payment. The Nquthu Socio-Economic Study indicated that 58.13% of the population do not pay for services. Nquthu consists of a large rural population (over 90%), with less than 10% its people living in the semi-urban areas of Nquthu Town (3.44% living in Nquthu Town), Nondweni, Isandlwana and Ngolokodo. Roads and storm water in these rural areas are in a poor condition or non-existent. This places enormous pressure on the delivery of services for the municipality.

The following sources were used to compile this section:

- STATSSA (2007) Community Survey;
- The Nquthu Socio-economic Study; and
- The Nquthu Socio-economic Development Plan.

2.6.2 Water

As can be seen from the table below, a mere 3.7% of the population receive piped water inside their dwelling and 12.6% receive piped water inside their

yard. This is well below the district average where 15.5% receive piped water within their dwelling and 14% receive it within their yards. Nquthu is, however, above the district average in terms of receiving piped water to an outside access point. Here, 51.3% of residents of Nquthu receive this service, while the district average is 27.0%.

TABLE 17: Households by Main Source of Water

MUNICIPALITY	PIPED WATER INSIDE DWELLING	PIPED WATER INSIDE YARD	OUTSIDE ACCESS PT	TOTAL	BOREHOLE/ SPRING	DAM/ POOL/ RIVER/ STREAM	OTHER
UMzinyathi	15.5	14.0	27.0	56.6	15.8	25.9	1.7
ENdumeni	57.4	26.9	8.6	92.8	1.4	3.9	1.9
Nquthu	3.7	12.6	51.3	67.6	16.3	15.5	0.6
Msinga	0.7	1.5	19.5	21.7	25.4	51.0	2.0
Mvoti	26.6	24.7	16.2	67.5	10.8	19.1	2.5

(Source: Stats SA: 2007 Community Survey)

In terms of backlogs, the average water supply backlog for the Nquthu municipality is summarized in the table below:

TABLE 18: Backlog Data for Water Provision in the Nqutu municipality

Type	Sparse	Farm	tribal	Small Holding	Informal	Urban	Industrial	TOTAL
Served	188	0	5939	0	0	2116	0	8243
Not Served	185	0	22813	731	0	175	0	23904
Total	373	0	28752	731	0	2291	0	32147
Backlog	49.6%	0.0%	79.3%	99.9%	0.0%	8.0%	0.0%	74.4%

The average water backlog for the municipality is 74%, which equates to approximately 23 904 households not receiving the basic level of service of 25l/cap/day within 200m walking distance.

The spatial distribution of water backlog is typical of tribal authority areas where water services are associated with formal schemes which are generally located in the less remote and more densely populated areas where road infrastructure exists and significant water sources are available to sustain the schemes.

Several large schemes supplied from Vant's Drift in and around the town of Nquthu, as well as groundwater fed schemes to the north. Water supply to the town of Nondweni and its surrounds do address a substantial number of households to the established basic standards. However, the remainder of

the municipal area is relatively scattered, and thus service delivery to these areas is hampered by the high infrastructure cost per household to implement a bulk water supply network. The south of the Municipality (Ward 1 / Qhudeni) is particularly hindered by remoteness and poor access.

TABLE 19: Water Backlog Data per Ward

Ward Number	Households not served	Total Households	Percentage Backlog
1	1891	1891	100%
2	1664	1874	89%
3	298	1320	23%
4	897	2000	45%
5	407	1429	28%
6	21	1244	2%
7	138	1109	12%
8	26	1219	2%
9	81	1313	6%
10	964	1721	56%
11	4	1962	0%
12	79	1550	5%
13	991	1544	64%
14	0	0	NO HUT COUNT DATA
15	9	249	4%
Total	7470	20425	37%

2.6.3 Sanitation

The average sanitation backlog for the Nquthu municipality is summarized in the table below. As can be seen, very high levels of backlogs exist in the tribal areas and on small holdings.

TABLE 20: Backlog Data for Sanitation Provision in the Nquthu municipality

Type	Sparse	Farm	Tribal	Small Holding	Informal	Urban	Industrial	TOTAL
Served	240	0	6670	99	0	1758	0	8767
Not Served	133	0	22082	632	0	533	0	23380
Total	373	0	28752	731	0	2291	0	32147
Backlog	35.7%	0.0%	76.8%	86.5%	0.0%	23.3%	0.0%	72.7%

As can be seen from the table below, 3.7% of households in Nquthu have flush toilets, while 53.1% have pit toilets, 4.6% have chemical/ dry toilets, and 38.6% have none. In looking at the district average, Nquthu is below the district average in terms of flush toilet provision and chemical/ dry toilets, but is better than the district in terms of pit latrine provision. Nquthu is, however, higher than the district average in terms of households with no access to toilets.

TABLE 21: Households by Type of Toilet Facility

MUNICIPALITY	FLUSH TOILET	PIT TOILET	CHEMICAL / DRY	NONE
UMzinyathi	22%	34.7%	9.8%	33.3%
ENdumeni	80.8%	12.2%	1.7%	5.3%
Nquthu	3.7%	53.1%	4.6%	38.6%
Msinga	1.1%	32.6%	17.2%	49.2%
Mvoti	40.3%	26.7%	11.4%	21.7%

(Source: Stats SA: 2007 Community Survey)

The average sanitation backlog is 73%, and equates to approximately 23 380 households not receiving the basic level of service of a VIP toilet per household.

The spatial representation of sanitation backlog is typical of tribal authority areas which have low levels of services. Despite several large sanitation projects within the area, it is surprising that the backlog level is as great as it is. In general, sanitation schemes are located in areas that are less remote and that are densely populated with existing road infrastructure. The bulk of the high backlog areas tend to be scattered communities in remote areas where access is difficult and costs per household are high.

The following table highlights the sanitation backlogs per ward.

TABLE 22: Sanitation Backlog per Ward

Ward Number	Households not served	Total Households	Percentage Backlog
1	1891	1891	100%
2	1874	1874	100%
3	1320	1320	100%
4	2000	2000	100%
5	1429	1429	100%
6	1244	1244	100%
7	1109	1109	100%
8	570	1219	47%
9	410	1313	31%
10	987	1721	57%
11	5	1962	0%
12	310	1550	20%
13	1477	1544	96%
14	0	0	NO HUT COUNT DATA
15	249	249	100%
Total	14875	20425	73%

2.6.4 Energy for Lighting

The average electricity backlog for the Nquthu municipality is summarized in the table below:

TABLE 23: Backlog Data for Electricity for Lighting in the Nqutu municipality

Type	Sparse	Farm	tribal	Small Holding	Informal	Urban	Industrial	TOTAL
Served	175	0	3039	18	0	1825	0	5057
Not Served	198	0	25713	713	0	466	0	27090
Total	373	0	28752	731	0	2291	0	32147
Backlog	53.1%	0.0%	89.4%	97.5%	0.0%	20.3%	0.0%	84.3%

The average electricity backlog for the municipality is 84%, and equates to approximately 27090 households not being connected to an electricity supply network or an alternative solar generated electricity source.

The spatial distribution of electricity backlog reveals a similar pattern to that exhibited for other services where urban nodes and areas around road infrastructure tend to be better served than elsewhere. The areas of greatest backlog tend to be scattered and isolated communities, primarily due to the high cost of connection to low-density areas, with limited potential for cost recovery.

The following table summarises the electricity backlogs per ward for the municipality. According to this data, there is a 96% backlog in electricity provision.

TABLE 24: Electricity Backlogs per Ward

Ward Number	Households not served	Total Households	Percentage Backlog
1	1891	1891	100%
2	1874	1874	100%
3	1116	1320	85%
4	2000	2000	100%
5	1429	1429	100%
6	1244	1244	100%
7	1109	1109	100%
8	1219	1219	100%
9	898	1313	68%
10	1669	1721	97%
11	1968	1962	100%
12	1550	1550	100%
13	1484	1544	96%
14	0	0	NO HUT COUNT DATA
15	249	249	100%
Total	19700	20425	96%

2.6.5 Refuse Removal

The average refuse removal backlog for the Nquthu municipality is summarized in the table below. As can be seen from the table, 91.4% of households (29 372 households) have a backlog in refuse removal, with high figures in the tribal and small holding areas. Lower backlogs (17.8%) are experienced in the urban areas.

TABLE 25: Backlog Data for Refuse Removal in the Nqutu municipality

Type	Sparse	Farm	Tribal	Small Holding	Informal	Urban	Industrial	TOTAL
Served	190	0	678	24	0	1883	0	2775
Not Served	183	0	28074	707	0	408	0	29372
Total	373	0	28752	731	0	2291	0	32147
Backlog	49.1%	0.0%	97.6%	96.7%	0.0%	17.8%	0.0%	91.4%

The spatial display of backlog of refuse services shows an alarming lack of services to all areas other than the urban nodes of Nquthu and Nondweni but this is a typical pattern in rural communities throughout the country. Of concern, however, is the fact that although waste collection may take place in some areas, there are no formal waste sites within the municipality to effectively deal with the waste. This needs addressing as a matter of urgency, as informal communal waste sites that are not permitted and effectively managed, and present a real health risk to the environment.

The municipality has been part of the preparation of a District-level Integrated Waste Management Plan (IWMP) that was prepared in 2006. The municipality intends on embarking upon its own Integrated Waste Management Plan (IWMP) in the near future. This 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.

2.6.6 Roads

The Nquthu municipality participated in the District-level Public Transport Plan (2006). The uMzinyathi SDF (2009) identifies a backlog in roads, which is defined as *all weather access to within 500m of each dwelling (gravel road width 2.5 – 6m)*, 49%.

2.6.7 Extended Public Works Programme

The municipality is currently not implementing any projects under this program.

2.7 Environmental Analysis

The municipality has Grasslands of *intermediate value*, *high value Vegetation Communities*, *high value areas for medicinal plants* and *Areas of high value for bird life* around Nquthu town.

2.7.1 Wetlands

Wetland protection is of primary importance and includes all rivers, streams and natural drainage courses passing through the municipality, and conservation zoning needs to be extended to include these areas. This is not only important from a biophysical perspective, but also provides an opportunity to link the “green” areas (including parks, sports fields etc.) within the town which will contribute to improving the general social amenity and ambiance of the urban areas.

In addition the meaningful conservation of wetland areas will assist in minimizing soil erosion and land degradation, two of the major environmental problems in Nquthu.

2.7.2 Green System

(i) Green Corridors

It is critical to establish a green system that blends and reinforces the status of the protected areas. These areas should be prioritised for catchment management programmes, which include Working for Water type initiatives, and the development of intensive irrigation schemes in selected areas. Irresponsible land use in areas abutting to these corridors can impact negatively on the bio-diversity of these areas and compromise the quality of water on which a large number of people downstream depends.

(ii) KZN Wildlife C-Plan areas

The first product of the conservation planning analysis in the C-Plan is an irreplaceability map of KwaZulu-Natal. This map is divided into 2 by 2 km grid cells called ‘planning units’. Each cell has associated with it an ‘Irreplaceability Value’ which is a reflection of the cells importance with respect to the conservation of biodiversity. Irreplaceability reflects the planning units’ ability to meet set ‘targets’ for selected biodiversity ‘features’ and is scaled between 0 and 1.

a) Irreplaceability value – 0

These are areas where there is unlikely to be a biodiversity concern with the development of the site.

b) Irreplaceability value – 1

These planning units are referred to as *totally irreplaceable* and the conservation of the features within them are critical to meet conservation targets. The Wattled Crane breeding grounds to the north of the erstwhile TLC area fall into this category within the municipality.

For these areas, it is recommended that KZN Wildlife be approached for approval of development prior to initiating any developments. EIA's are very definitely required for developments in these areas and depending on the nature of the proposal, are unlikely to be granted.

c) Irreplaceability value > 0 but < 1

Some of these planning units are required to meet biodiversity conservation targets. If the value is high (e.g. 0.9) then most units are required (few options available for alternative choices). If the value is low, then many options are available for meeting the biodiversity targets.

It is therefore recommended that developers approach KZN Wildlife for approval of development prior to initiating any development. EIA's are required and depending on the nature of the proposed development, permission could be granted.

2.7.3 Areas of Cultural Significance

In addition to the areas of environmental significance, it is important to identify any buildings or areas of historical or cultural significance that need to be conserved. The municipality intends to identify and conserve these areas through close relationships with Amafa as well as through the municipality's LUMS. The municipality is blessed with several important battlefields and areas of cultural and historical importance.

2.8 Land Reform

The collective aim of land reform is to ensure the transfer of 30% of previously white owned agriculture land over a period of 15 years to designated groups. Land reform is implemented through three programmes, namely:

- Land Restitution, which involves returning land (or otherwise compensating victims) lost since 19 June 1913 because of racially discriminated laws;
- Land Redistribution makes it possible for the poor and disadvantaged people to buy land with the help of a Settlement/ Land Acquisition Grant; and
- Land Tenure Reform is the most complex area of land reform. It aims to bring all people occupying land under unitary, legally validated system of landholding. It will devise secure forms of land tenure, help resolve tenure dispute and provide alternatives for people who are displaced in the process.

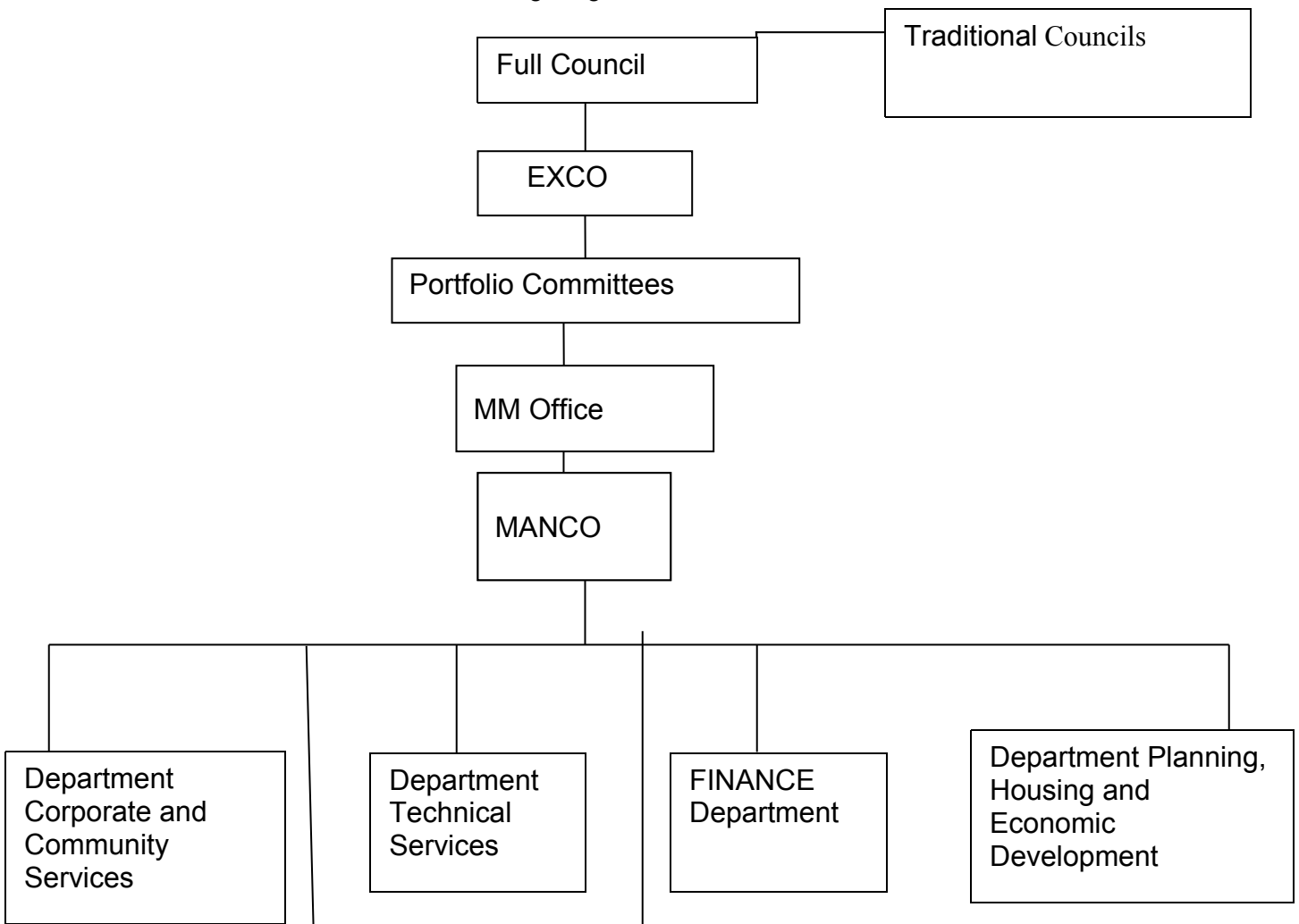
Within each of these programs, a variety of products are offered with the latest product being the Land Redistribution for Agriculture Development (LRAD) which targets the redistribution of land for agricultural development. It is anticipated that more and more of the land reform projects in the municipality will be of this nature.

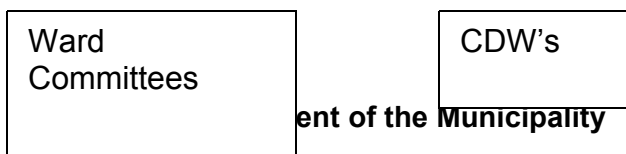
The Department of Land Affairs is currently funding the preparation of Area Based Plans at a District Level. The uMzinyathi plan has as yet not been finalised. It is anticipated that the plan will be finalised and adopted during the 2009/10 financial year where after it will be aligned and included into the 2010/11 Nquthu IDP Review document.

2.9 Institutional Analysis

The diagram below shows the abridged framework for an institutional arrangement for Leadership and Administration in the Municipality. A comprehensive Organogram for the Municipality, that depicts all posts occupied and vacant, is attached in the Annexures.

FIGURE 3: Organogram





The current Nquthu Local Municipality administration comprises the Office of the Municipal Manager and four departments, namely:

- Technical Services,
- Financial Services,
- Corporate & Community Services; and
- Development Planning Housing & Economic Development Housing & Land Administration.

The Nquthu Local Municipality has a total work force of **120 Staff** members being distributed among the four departments and Office of the MM. It must however be mentioned that, further information on the municipal administration is being covered in more details as part of the institutional programme which is included as a specific section in the IDP. The number of the staff is highlighted as per department in a table below:

TABLE 26: Municipal Staff Component

Department	Staff Component
Office of the Municipal Manager	2
Planning, Economic Development, Housing and Land Administration	4
Corporate Services	22
Finance Department	15
Technical Services	77

The following functions are associated with the five departments:

TABLE 27: Departmental Functions

Department	Functions
Office of the Municipal Manager	Municipal Management; Municipal Planning (IDP and PMS); and Municipal Finance Management.
Corporate and Community Services	<p>Administration: it is responsible for child care facilities; billboards and display of advertisements in public places; licensing of dogs; licensing and control of undertakings that sell liquor to the public; facilities for accommodation; municipal administration; property administration; security and cleaning; libraries; human resources; legal services; business licenses; information technology; communication</p> <p>Protection: it is responsible for fire-fighting services; noise pollution; public places; street trading; traffic and parking; disaster management ; control of public nuisances; municipal public transport; public safety; motor licensing ;roadworthy testing; and municipal policing</p>

Department	Functions
Financial Services	Income: is responsible for Revenue Management; Debt Management and internal control. Expenditure: is responsible for expenditure management; procurement; materials; insurance; internal control and properties.
Engineering Services	Electrical: is responsible for electricity and gas reticulation and street lighting. Civil Services: is responsible for air pollution; municipal airports; municipal public works; stormwater management; cemeteries; funeral parlours and crematoria; cleansing; fence and fences; burial of animals; local sports facilities;; markets; municipal abattoirs; municipal parks and recreation; municipal roads; and refuse removal, refuse dumps and solid waste.
Planning, Economic Development, and Housing and Land Administration	Planinnng: Statutory planning, land administration assistance Economic Development: Project planning and implementation management Housing and Land Administration: Identification of projects, assistance with implementation

2.9.2 Municipal Office Buildings

The Municipality currently operates from three different premises located between the two primary towns of Nquthu and Nondweni respectively. The *first* and the main municipal building (known as the Nquthu Council Chambers and Administration Block), was originally built as a Council Chamber for the Nquthu leadership (councillors) and later on an Administration block was built to accommodate the Office of the Municipal Manager, the Finance Department, Corporate and Community Services and the Department of Development Planning and Economic Development. The Independent Electoral Commission (IEC) is also located here. The Offices are situated at 82/3 Mdlalose Street in Nquthu CBD. These premises currently serve as the Nquthu Local Municipality's Headquarters.

The *second* municipal administrative premises, which is currently home to the Technical Service department, is located approximately about 2-3 kilometers drive northwards of the main municipal administrative building. These premises are the old ones which were previously used by the previous Nquthu Governing structures such as Umsekeli and Township Boards.

The Municipality still continues to use the municipal premises in Nondweni mainly accommodating some sections of the Technical and Corporate Services Department's staff. Nquthu Public Library is located at Mangosuthu Drive and has a branch at Nondweni Administrative premises.

2.9.3 Committees

The municipality has a total number of **30 constitutionally** elected councillors representing their respective political parties in the municipal governance. The councillor's categories according to their political affiliations are as follows:

- IFP – 23;
- ANC – 6; and
- FEDCON -1

The Executive Committee (EXCO) is made up of six councillors including the Mayor, Deputy Mayor, Speaker (*ex-officio*), and four other EXCO members. Most of the EXCO members preside over specific Portfolio Committees, which ensures necessary strategic direction and active participation by all municipal councillors.

2.9.4 Employment Equity

An Employment Equity Plan of Nquthu exists but it is the intention of the municipality for this to be reviewed.

2.9.5 Skills Development

A Skills Development Plan was adopted by Council and its implementation is a priority for the municipality. A problem with rural municipalities, however, is that once staff become skilled in their field, they invariably move on to the larger and better resourced municipalities.

2.9.6 Intergovernmental Relations Structures

The municipality participates in the following intergovernmental relations structures which are organised and managed by the uMzinyathi DM:

- Mayoral Forum;
- Municipal Managers Forum; and
- uMzinyathi Forum for LED established by District Municipality

2.9.7 Public Participation Structures

(i) Strategies to Keep the Community Informed

The municipality makes use of the existing Ward Committee and Tribal Authority Structures to keep the community informed.

(ii) Ward Committees

The Nquthu municipality has 15 wards, which encompasses nine tribal areas. The municipality has established ward committees in these wards. Priorities of the ward committees are aligned with the priorities in the IDP.

(iii) Tribal Authorities

The Nine Tribal Authorities within the Nquthu Municipality's administrative boundaries includes the following:

- Zondi Traditional Authority
- Molefe Traditional Authority
- Mangwe Buthanani Traditional Authority
- Emandleni Traditional Authority
- Khiphinkunzi Traditional Authority
- Mbokodwebomvu Traditional Authority
- Sizamile Traditional Authority
- Vulindlela Traditional Authority
- Jama Traditional Authority - (*incorporated into the Municipality in 2006*)

The municipality has a good working relationship with the tribal authorities and has regular meeting with them. They are also all members of the Nquthu IDP RF.

2.9.8 Powers and Functions

The powers and functions of the municipality are summarised in **Section K.2** of the IDP.

2.9.9 Internal Audit Functions and the Audit Committee

An internal auditor has been employed by the municipality and the municipality participates in the uMzinyathi shared services audit committee.

2.10 National and Provincial Strategic Guidelines

2.10.1 The National Spatial Development Perspective (NSDP)

In endeavouring to achieve the national development vision of a truly united, non-racial, non-sexist and democratic society and in giving effect to the national growth and development objectives, it is inevitable that, due to resource constraints, government will have to make hard choices regarding the allocation of resources between different localities, programmes, spheres and sectors. Policies and principles are some of the tools available to government to provide guidance and direction to those having to make these kinds of difficult decisions in such a way that they do not contradict each other.

The National Spatial Development Perspective (NSDP) describes the national spatial development vision of government and the normative principles that underpin this vision. The vision and principles serve as a guide for meeting government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions.

Government's national spatial development vision is that the country will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

- Focusing economic growth and employment in areas where this is the most effective and sustainable;
- Supporting restructuring where feasible to ensure greater competitiveness;
- Fostering development on the basis of local potential; and
- Ensuring that development institutions are able to provide basic needs throughout the country.

The basic principles of the NSDP underpinning this vision are:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

The NSDP principles should play an important role in the respective development plans of local and provincial government, namely; Integrated Development Plans (IDP) and Provincial Growth and Development Strategies (PGDS) and are intended to improve the functioning of the state principally to assist government in dealing with the challenges arising from the need to grow the economy and halving unemployment and the social transition.

2.10.2 The Provincial Growth and Development Strategy (PGDS)

The PGDS has been developed to enhance service delivery. The PGDS is currently under review and is being coordinated through the KZN office of the Premier and nationally, each province is undertaking a similar review.

The PGDS offers a tool through which national government can direct and articulate its strategy and similarly, for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It also facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting without the inputs from local government. It enables intergovernmental alignment and guides activities of various role players and agencies (ie. Provincial Sector Departments; Parastatals; District and local municipalities).

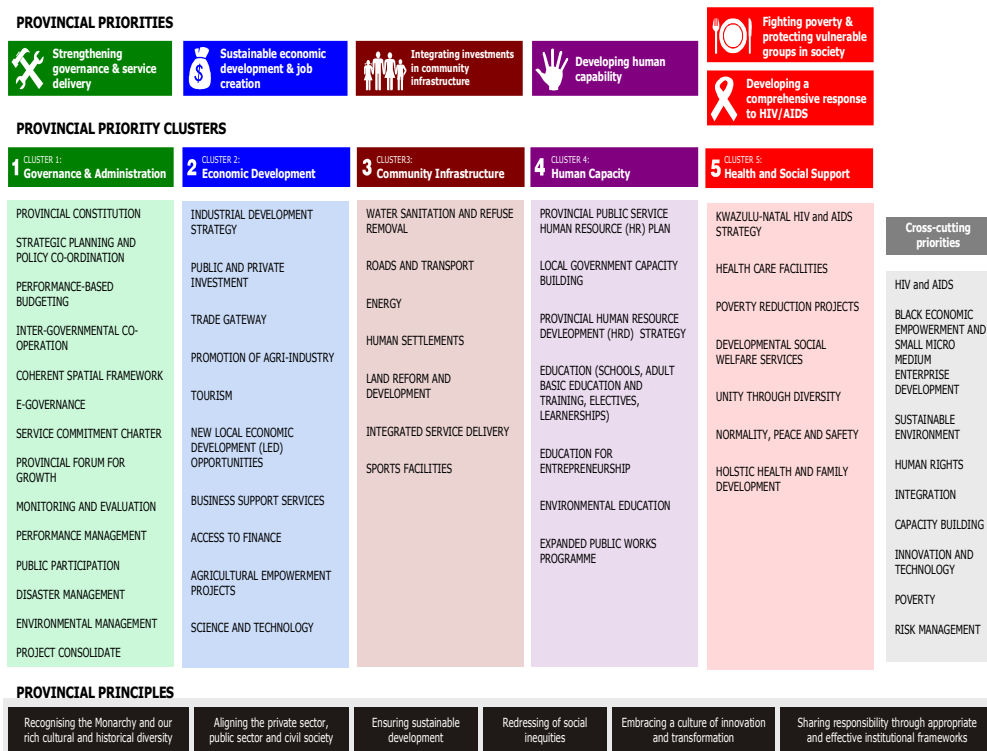
Like the IDP process, the PGDS develops a Vision, Mission and strategies. Of key importance to the Municipal IDP's, however, are Provincial Priorities. The Provincial Priorities drive the PGDS programmes, and are derived from the key developmental challenges related to economic and social needs of the province.

The provincial priorities are as follows:

- Strengthening governance and service delivery;
- Sustainable economic development and job creation;
- Integrating investment in community infrastructure;
- Developing human capabilities;
- Developing a comprehensive response to HIV/Aids; and
- Fighting poverty and protecting vulnerable groups in society.

The Provincial Priorities and Priority Clusters are summarised below:

FIGURE 4: Summary of the Provincial Growth and Development Strategy



2.10.3 The Provincial Spatial and Economic Development Strategy (PSEDS)

(i) Introduction

The PSEDS flows from the PGDS and is intended as a guide to service and achieve the goals as set out in ASGI-SA which is to halve unemployment and poverty by 2014.

Principles of development and growth underpinning the PSEDS are summarized as follow:

- Government has a constitutional obligation to provide basic services to all citizens including health, education, housing, transport, etc.
- All areas of the Province require development;
- Certain areas of the Province will drive economic growth; and
- The PSEDS intends to indicate where different types of investment should be directed in order to achieve development and/or economic growth.

The PSEDS therefore sets out to:

- Focus where government directs its investment and development initiatives;

- Capitalize on complementarities and facilitate consistent and focused decision making; and
- Bring about strategic co-ordination, interaction and alignment.

(ii) Classification of areas of economic potential

Four key sectors have been identified as drivers for economic growth in the Province:

- The agricultural sector (including agri-processing) and land reform;
- The industrial sector;
- The tourism sector; and
- The service sector

It is also noted that:

- The logistics and transport sector (inclusive of rail) in the service sector is important sub-sectors underpinning the growth in all four sectors;
- Substantial and affordable water and energy provision is crucial to the economic growth and development of the Province; and
- The classification of potential is shown in a series of maps.

(iii) Classification of Areas of Poverty and Need

The PSEDS identifies poverty levels and densities based on the 2001 Census information. Poverty density is a measure of the number of people within an area below the poverty level. The highest levels of poverty are found in the former KwaZulu homeland areas and thus Nquthu is identified as having high levels of poverty.

(iv) Classification of Nodes and Development Corridors

No nodes are identified in the Nquthu municipality but the adjoining urban areas of Vryheid and Dundee/ Glencoe are identified as tertiary level nodes, and Newcastle as a secondary node.

In terms of the identification of activity corridors, the R68 linking Nquthu to Babanango and Dundee/ Glencoe, as well as the road linking Nquthu to eMondlo and Vryheid, have been identified as agriculture activity corridors.

(v) Summary of High level Cluster Priorities and Objectives

The PSEDS provides a summary of high level cluster priorities and objectives. Applicable to the Nquthu Municipality;

- Industry: biodiesel production; and
- Services: The planning of Nquthu to position itself for investment.

2.10.4 The Accelerated and Shared Growth Initiative for South Africa (ASGI-SA)

(i) Introduction and Background

ASGI-SA is a project that attempts to factor in the Second Economy, particularly the youth, women and people with disabilities. ASGI-SA focuses on a set of concrete economic proposals that include a range of initiatives aimed at removing obstacles to economic growth, has provided a platform for reviewing strategies for critical interventions towards sustainable development, and empowerment of the poor and mainstreaming them into the mainstream economy.

The programme's goal is the creation of small enterprises and jobs in the Second Economy with a focus on the creation of 1 million jobs over a period of 5 years. The programme's objectives are summarized as follow:

- Increased employment and income for unemployed or underemployed poor people;
- Reduced income gaps in society;
- More productive jobs in villages and small towns to lesson migration to big city slums;
- Economic empowerment of (mainly black) poor women; and
- Address constraints that inhibit economic growth and shared benefits.

(ii) Linkages to the IDP and Economic Development Strategies

With the municipality's Agricultural dominant economy, the establishment of Agricultural Cooperatives, consisting of both emerging as well as commercial farmers, would seek to achieve the objectives of ASGI-SA. The Nquthu and uMzinyathi municipalities will play an important role in facilitating the establishment of such cooperatives which would seek to achieve amongst others the following:

- Mentor and training of emerging farmers;
- Link producers to markets;
- The provision of quality control;
- The provision of financial services (i.e procurement in bulk) and
- Financial management.

This strategy can be instrumental to the success of the Department of Agriculture's production of agricultural products for the production of biofuel on various farms in Nquthu.

2.11 Strategic Assessment for the Municipality

The following section examines the challenges facing the municipality, the priority needs identified through the IDP process, areas of growth potential, as well as potential constraints to development.

2.11.1 Challenges Facing the Municipality

The following challenges have been identified for the municipality, namely:

- Growing economy but with narrow spatial base;
- Dominance of community services;
- Large Agricultural areas but Limited role in the economy;
- High (but declining) unemployment rate;
- Large Informal Sector;
- Low Affordability levels and income leakage from district;
- Decline in population growth rate;
- High HIV/ Aids Rate;
- Limited Skills Base in the municipality;
- Increasing levels of income inequality;
- Slow decline in Poverty Levels;
- High crime levels – stock theft;
- Low levels of Connectivity (transport and telecommunications); and
- Low Levels of Capital Investment and High Staff per capita ration

2.11.2 Summary of Priority Needs

The key priority needs of Nquthu Municipal area and the services that the Municipality needs to render in conjunction with other service providers are:

- Water and Sanitation;
- Electrification;
- LED and Job creation;
- Social facility provision focus on child care facilities and health care facilities;
- Access Roads; and
- Institutional Development

2.11.3 Areas of Growth Potential

The following two areas of growth potential have been identified:

- The main economic growth potential area for municipality is in the agricultural sector.
- Tourism and associated development also offer potential for the municipality.

2.11.4 Constraints to Development

The following constraints to development have been identified:

- Low levels of skills within community members.
- Low levels of income which may negatively impact on the development of entrepreneurs.
- Low levels of physical infrastructure which may limit future investment.

- Land degradation through overgrazing and poor stock management leading to high input costs when rehabilitating the land.

SECTION C

DEVELOPMENT STRATEGIES

3. DEVELOPMENT STRATEGIES

3.1 Introduction

The strategic framework will address the objectives and strategies of the municipality that it needs to achieve in a specific time frame, to address key issues identified. The objectives and strategies of the municipality have been aligned with the national, provincial and district municipal strategies.

3.2 Vision and Mission for the Municipality

3.2.1 Introduction

The section describes the confirmed vision, mission and values of the Municipality.

3.2.2 Municipal Vision, Mission and Values

The vision for Nquthu Municipality is a reflection of the common identity of the municipality and its residents and the aspirations of the population in respect of the characteristics that the area will show in a short **(5yrs)** to medium term **(10yrs)** and medium to long term **(20yrs)**.

The vision for Nquthu Municipality is:

“To be the Champion in the Development of the Local Economy and Community Development”



“Ukuba Amaqhawe Entuthuthuko Yonmotho Nomphakathi”

3.2.3 Mission Statement

An important element of the vision is based on the premise of being at the forefront of the economic development and community upliftment for Nquthu population by focusing on the following:

- **One community:** The focus is placed on one community, as the Nquthu Integrated Development Plan deals with integration in all respects, and the removal of the notion of separate communities and separate development.
- **Access to all basic services:** This element is commensurate with the clear backlogs being experienced in respect of services, both social and engineering.
- **Poverty eradication:** The vision statement uses the terminology of “eradication” rather than “alleviation”, so that the statement is a powerful one, demonstrating intent rather than just hope.
- **Promotion of local economic development (LED)** through agriculture development, business development and tourism development.

3.3 Development Strategies

The municipal strategies have been clustered around the National Key Performance Areas (KPA's) to ensure that all powers and functions assigned to the municipality are captured adequately. The strategies here indicate how the municipality would achieve each and every one of these objectives as follows:

3.3.1 Access to Basic Services & Infrastructure

TABLE 28: Strategic Framework

National KPA	Departmental KPA	KPI/ Strategy	Projects
Basic Service Delivery	To ensure access to free basic water and expansion of water services to all consumers	To support the Water Services Authority (uMzinyathi DM) in addressing the water backlogs.	<ul style="list-style-type: none"> • Attending District WSDP meetings on a regular basis to ensure municipal priorities are captured and budgeted for by the WSA. • Monitoring of the progress on the implementation of water projects by the WSA.
Basic Service Delivery	To ensure access to free sanitation to all consumers	To support the Water Services Authority (uMzinyathi DM) in addressing the sanitation backlogs.	<ul style="list-style-type: none"> • Attending District WSDP meetings on a regular basis to ensure municipal priorities are captured and budgeted for by the WSA. • Monitoring of the progress on the implementation of sanitation projects by the WSA.
Basic	To support the provision of Electricity to all	Effective electricity supply to residents of	<ul style="list-style-type: none"> • To provide 1296 urban household connections at

National KPA	Departmental KPA	KPI/ Strategy	Projects
Service Delivery	households within the municipality.	the municipality.	<p>phase II low income housing.</p> <ul style="list-style-type: none"> To liaise with Eskom about number of rural household requiring electricity. Participation in the DM's ESDP and its implementation.
		Ensure maintenance of electricity infrastructure.	<ul style="list-style-type: none"> To do maintenance to Nquthu substation. To complete and approve the Electrical Maintenance Plan
		To locate defective and tempered meters so that the community can be accountable for electricity usage and penalties applicable	<ul style="list-style-type: none"> Meter Audit Conducted and Analyzed
Basic Service Delivery	Roads and storm water Improvements	To ensure greater accessibility of communities in the municipality.	<ul style="list-style-type: none"> Preparation of roads planning and maintenance schedule Grading and shaping of all identified roads quarterly Tarring of all identified roads / streets by the end of June 2010
Basic Service Delivery	To decrease the housing backlog	To address the housing backlog through the development of housing projects	<ul style="list-style-type: none"> To provide 1296 Low Income Houses for Nquthu Phase II To provide 500 Low Income Houses at Ngolokodo Area. To provide 500 Low Income House at Jabavu / Masotsheni. To provide 500 Low Income houses at Vulamehlo. To provide 1000 Low Income Housed at Luvisi.
Basic Service Delivery	To improve sports fields and playgrounds	Improvements to sports and playground facilities	<ul style="list-style-type: none"> To grade and level 2 existing playgrounds per ward To supply and fit poles suitable for net hanging
Basic Service Delivery	To support the DBSA Intervention	To source funding from the DBSA to address basic service delivery needs.	<ul style="list-style-type: none"> To source funds in the form of loan/grant for the municipal developments To source funds for Siyenzamanje programme

National KPA	Departmental KPA	KPI/ Strategy	Projects
Basic Service Delivery	To support the roll-out of Free Basic Services	To provide free basic services to all deserving families of the municipality	<ul style="list-style-type: none"> • The development of an Indigent Policy and register.
Basic Service Delivery	To improve levels of healthcare in the municipality.	To interact with the Department of Health for the development of additional Health Care facilities.	<ul style="list-style-type: none"> • Lobby the DOH to address the current backlog of 18 community Clinics and 1 regional Clinic. • To facilitate the provision of 1 community Clinic for every 8500 people and at least 1 regional clinic for the entire municipality
Basic Service Delivery	To improve levels of safety and security	To interact with the SAPS to address the identified safety and security backlogs.	<ul style="list-style-type: none"> • To co-ordinate with the SAPS that there is 1 police station for every 25000 people. • The facilitation of the development of a satellite police station at Qhudeni.
Basic Service Delivery	To improve the access of residents to Community Facilities	To address the community facility backlogs.	<ul style="list-style-type: none"> • Facilitate the provision of a minimum of 1 Community Centre per 7500 people. • Facilitate the provision of a minimum of 1 sport field per 2500 people. • Facilitate the provision of a minimum of 1 adult training centre per 25 000 people. • Facilitate the provision of a minimum of 1 Library per 10 000 people. • Assist the DACT in the extension of Nquthu main library.
Basic Service Delivery	To facilitate the improvement of Education and Training facilities.	To facilitate the addressing of education and training facility backlogs.	<ul style="list-style-type: none"> • To facilitate the provision of at least 1 crèche per 6 600 people. • To facilitate the provision of at least 1 primary school per 2 500 people. • To facilitate the provision of at least 1 secondary school per 6 600 people.

3.3.2 Social Development

National KPA	Departmental KPA	KPI/ Strategy	Projects
Basic Service Delivery	To facilitate the roll-out of Free Basic Services to communities in the municipality.	To provide free basic services to all deserving families of the municipality	<ul style="list-style-type: none"> • Formulation of indigent policy and indigent register • The development of an implementation plan
Basic Service Delivery	To promote HIV/ AIDS Awareness	To facilitate a decrease in the spread of HIV/ AIDS	<ul style="list-style-type: none"> • The development of the HIV/ AIDS Plan • Participate in the district's HIV/ Aids initiatives

3.3.3 Economic Development

National KPA	Departmental KPA	KPI/ Strategy	Projects
Local Economic Devt (LED)	To facilitate the establishment of LED institutional structures	To formulate strong and functional LED institutional structures consisting of Tourism Association; a Business Chamber and an Agricultural Association.	<ul style="list-style-type: none"> • Establishment of a Tourism Association. • Facilitate the establishment of a Business Chamber. • Facilitate the establishment of an Agricultural Association. • Participation in the DM's LED structures.
Local Economic Devt (LED)	To facilitate the rejuvenation and development of the Nquthu Central Business District	To formulate a CBD Master plan for the Nquthu Town	<ul style="list-style-type: none"> • Secure Funding from government departments • Appointment and management of Service Providers • Implementation of the CBD Master Plan
Local Economic Devt (LED)	To facilitate Investment in the municipality	To liaise-e with potential invests for investment in Nquthu	<ul style="list-style-type: none"> • Identification of projects for showcasing in the District's Growth and Development Summit • Implementation of the municipality's LED plan • Funding of adverts in tourism publications

3.3.4 Municipal Transformation and Institutional Development

National KPA	Departmental KPA	KPI/ Strategy	Projects
Municipal Transformation and Institutional Development	To facilitate the development of the Administrative Complex	The development of the main office block.	<ul style="list-style-type: none"> To provide central work stations for all employees. The extension of the main administration block to accommodate other sections
Municipal Transformation and Institutional Development	To develop HR and Job Profile for all posts	To formulate proper job descriptions approved and aligned to the institutional needs.	<ul style="list-style-type: none"> Review of all staff job descriptions.
Municipal Transformation and Institutional Development	To develop Development Planning capacity	To conduct all development planning functions in-house (LUMS;IDP;PMS;GIS; Transport Planning; Environmental Planning)	<ul style="list-style-type: none"> The filling of the Director Planning, Planner and GIS Technician posts.
Municipal Transformation and Institutional Development	To facilitate the implement of the Information Technology Strategy	To develop a fully functional IT service for the municipality.	<ul style="list-style-type: none"> The implementation of the Information Technology Strategy
Municipal Transformation and Institutional Development	To provide guidance that ensures integrated service delivery in the municipality	Timeous completion of the annual IDP review process.	<ul style="list-style-type: none"> The timeous approval of the Process Plan The timeous completion and approval of the IDP Annual IDP review aligned with the Budget Participation in the DM's IDP Alignment committee
Municipal Transformation and Institutional Development	To facilitate the implementation of the Performance Management System (PMS)	To measure the performance of the municipality against the Performance Management System	<ul style="list-style-type: none"> The adoption and implementation of the Performance Management System.

3.3.5 Good Governance and Community Participation

National KPA	Departmental KPA	KPI/ Strategy	Projects
Good Governance and Community Participation	Facilitate the establishment of Ward Committees	The implementation of ward committees	<ul style="list-style-type: none"> Facilitate free and fair elections of ward committees On-going administrative support for ward committees
Good Governance and Community Participation	Facilitate the roll-out of Community Development Workers	The roll-out of the CDW programme in wards in the municipality	<ul style="list-style-type: none"> Distribution of CDW in all wards Constant monitoring of the CDW's performance
Good Governance and Community Participation	To facilitate improved Customer Care	To improve the levels of customer care provided by the municipality.	<ul style="list-style-type: none"> Provision of the means of receiving feedback from community Implementation of the Batho Pele Principles
Good Governance and Community Participation	To improve Municipal standards of operation and ensure proper management	Formulation and packaging of all policies and bylaws for efficient control and monitoring	<ul style="list-style-type: none"> To develop Municipal Policies and By-Laws

3.3.6 Financial Management

National KPA	Departmental KPA	KPI/ Strategy	Projects
Municipal Financial Viability and Management	To facilitate the implementation of the Financial Management System	To establish an accurate and timeous billing system	<ul style="list-style-type: none"> To establish an accurate and timeous billing system
Municipal	To facilitate better Credit	The implementation of	<ul style="list-style-type: none"> Timeous and

National KPA	Departmental KPA	KPI/ Strategy	Projects
Financial Viability and Management	Control	the Credit Control system	<ul style="list-style-type: none"> correct billing statements to all customers To identify non-paying customers so that revenue can be correctly and timeous recognized To ensure timeous payments of creditors in order to avoid penalties
Municipal Financial Viability and Management	To ensure compliance with the Municipal Property Rates Act	To implement the single rates policy and the valuation roll	<ul style="list-style-type: none"> Implement the rates policy and valuation roll.
Municipal Financial Viability and Management	Manage the organisation within the budgetary and policy framework of the municipality	Ensure proper management of the Annual Municipal Budget	<ul style="list-style-type: none"> Annual Budget Review Monthly report on cash Flow
Municipal Financial Viability and Management	To ensure Cash Flow Management	To monitor monthly cash flow of the various departments within the Municipality and report accordingly as per MFMA.	<ul style="list-style-type: none"> Monthly Cash Flow reports per department.
Municipal Financial Viability and Management	To ensure Supply Chain Management	To ensure that there is a fair, transparent and cost effective way of acquiring goods and services.	<ul style="list-style-type: none"> Effective functioning of the Bid Specification, Bid Evaluation and the Bid Adjudication Committees. Establish and maintain a suppliers Database
Municipal Financial Viability and Management	To maintain the municipal Asset Register	To monitor all municipal assets, allocation and their book value.	<ul style="list-style-type: none"> Maintenance and updating of the municipal asset register Annually submission of the municipal asset register to the internal Auditors.
Municipal Financial Viability and	To ensure effective VAT Control	To comply with SARS regulations and to ensure re-imbusement for	<ul style="list-style-type: none"> SARS compliance.

National KPA	Departmental KPA	KPI/ Strategy	Projects
Management		exempt income.	
Municipal Financial Viability and Management	To ensure the adoption and adherence to the Budget Process Plan	To enable the municipality to approve and implement a budget on time in terms of MFMA.	<ul style="list-style-type: none"> • Preparation of a Draft Budget Process Plan • Draft Budget approved by Council and EXCO • Budget approval by Council • Adjustment Budget approval by Council.

3.3.7 Spatial Planning and the Spatial Development Framework (SDF)

National KPA	Departmental KPA	KPI/ Strategy	Projects
Good Governance and Public Participation	Implementation of the Land Use Management Systems (LUMS)	To manage and implement the LUMS	<ul style="list-style-type: none"> • Approval of the LUMS by the Council. • Public participation prior to LUMS approval. • Participation in the planning shared services with the DM.
Good Governance and Public Participation	Implementation of the Geographical Information System (GIS)	To monitor spatial development and to ensure proper economic development, as well as proper implementation of GIS.	<ul style="list-style-type: none"> • Effective maintenance of the GIS. • Training of the GIS technician. • Participating in any GIS shared services structures with the DM.
Good Governance and Public Participation	Facilitate further alignment of IDP with NSDP and PGDS	To address proper alignment of IDP with National and Provincial Programmes.	<ul style="list-style-type: none"> • Applying for PGDS corridor focussed funding • Review of NSDP and PGDS alignment in the 2010/11 IDP review
Good Governance and Public Participation	Facilitate disposal of sites	To dispose of sites for both development and residential purposes, in order to increase the revenue base for the Municipality.	<ul style="list-style-type: none"> • Formalization of Nquthu Town and Nondweni Village. • Identification of sites for release and the phased

			release thereof.
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SECTION D

HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK

4.0 SPATIAL DEVELOPMENT FRAMEWORK

4.1 Background and Amendments during the IDP review 2009/10

In terms of the Municipal Systems Act, all municipalities are required to prepare Integrated Development Plans that include an SDF. The SDF is a strategic document and is prepared at a broad scale and is meant to guide and inform land development and management. The Spatial Development Framework should:

- Give effect to principles contained in the Development Facilitation Act, Act No. 67 of 1995;
- Determine spatial priorities;
- Set out spatial form objectives;
- Detail strategies and policies for the above that indicate desired patterns of land use, address spatial reconstruction, and provide decision making processes relating to the nature and location of development;
- Provide basic guidelines for a Land Use Management System;
- Outline a Capital Investment Framework;
- Contain a Strategic Environmental Assessment;
- Identify programmes and projects for development of land;
- Align with neighbouring SDFs; and
- Provide visual representation of desired spatial form.

A full copy of the Nquthu SDF is attached as Annexure J.1.

4.2 The Settlement and Transportational Hierarchy

4.2.1 Background

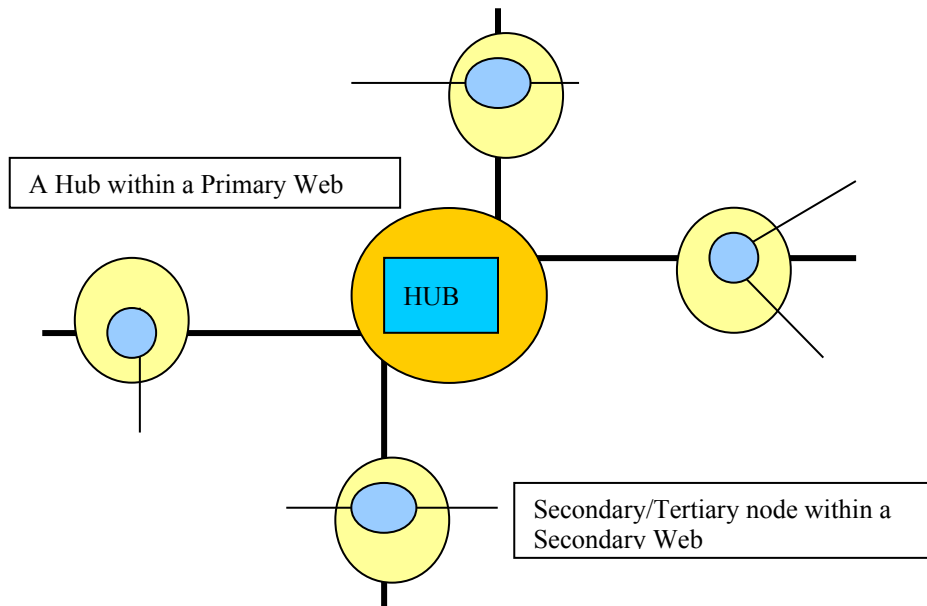
The municipality has an approved SDF that has been aligned with the PGDS, the PSEDS and the uMzinyathi DM's SDF.

4.2.2 The Rural Service System Model

The municipality has based its settlement hierarchy on the Rural Service System (RSS) model developed by the erstwhile Town Planning Commission. The benefits for this approach are as follows:

- It provides a logical framework for assessing locational priorities. It recognises that regions are dynamic social and economic systems, which responds to change, opportunities and limitations. They are always in a process of growth and transformation.
- The objective of every investment project is to maximise the impact of and the total accessibility to the type of facility in question.
- It allows for the new investments to be informed and responds to that which has gone before. Each investment modifies the rhythm of flows and patterns of accessibility. This in turn, ensures that at each stage facilities and services have the greatest chance of being viable.

FIGURE 5: Spatial Planning Approach



4.2.3 The Settlement Hierarchy

- (i) **Primary Node:** Nquthu town has been identified as a primary service centre. According to the LUMS process, the following initiatives should be promoted in Nquthu town:

- Industrial development based on the agro-economy.
- Commercial development.
- Decentralization point for local administration of provincial and local government services.
- Higher order social and commercial services.
- Integration with major urban centres such as Dundee and Vryheid
- Housing development

- (ii) **Secondary Nodes:** Nondweni, Ngolokodo, Isandlwana, Qhudeni, Masotsheni and Jama have been identified as secondary service centres.

These centres perform a variety of functions including administration, service delivery and commercial activity. They also provide services to the adjacent rural areas. They have basic engineering infrastructure, together with community facilities, schools, commercial facilities, local markets, transportation nodes and basic public administrative functions. These centres are growing and should be encouraged to develop. Development and capital projects should therefore be encouraged. The secondary centres should serve as focus points for a range of services and facilities. They are strategically suitable for commercial, housing, small scale industrial and administrative activities.

- (iii) **Tertiary Nodes:** Ncepheni, Hlazakazi, St Augustine, Jabavu, Ndindindi, Potsoane, Mphazima, Mkhonjane, Mafitleng, Hlathi Dam, Silutshana, Maduladula and Haladu have been identified as tertiary centers for the Nquthu Municipality.

These centres are located in underdeveloped areas, and some are emerging settlements where population densification occurring. They have basic administrative functions and services are highly localized. These include such as schools, postal services, pension pay points, public phones, informal markets, transport facilities and commercial enterprises. These centres are located near important transportation routes.

4.2.4 The Transportational Hierarchy

- (i) The **Primary Development Corridor** is the provincial road (R68) linking Nquthu town and Dundee, and from Nquthu town to Babanango and Melmoth. The corridor is the main trade and transportation route because it links up with N11 and the National route (N3 & N2), which serves as a link with major provincial centres such as Durban and Pietermaritzburg. Development should be encouraged along this primary route.

- (ii) **Secondary Development Corridors** include P54 between Nquthu town and Ngolokodo. This road links up with R33 between Dundee and Vryheid. The corridor is important because it connects a number of existing and emerging settlements and provides a link with R 33. An additional secondary corridor is the route linking Nquthu Village and Nondweni servicing the northern and southern areas since the road splits into two roads at Nondweni.
- (iii) **Tertiary Development Corridors** the tertiary development corridors ensure linkages between settlements and serve as strategic areas for the location of public facilities and webs of settlement.

4.2.5 Areas of Environment Concern

Areas of environmental concern are mainly the wetlands, and watercourses, soil erosion prone areas, steep slopes, archaeological sites and tourism assets. Settled rural areas with no adequate water and sanitation are also a concern.

4.2.6 Agricultural Potential

The agricultural potential is dependent on soil and climate conditions. The climate within Nquthu is described as dry with rainfall range of between 645mm and 737mm per annum. The rainfall period occurs only within a limited time between December and March. The mean annual temperature is 16 degrees but reaches the high of 30 degrees. Nquthu is an area with moderate agricultural potential. With the higher rainfall occurring in the Northern parts of Nquthu, therefore the northern areas are more favourable for farming practices. However, the area is associated with poor soils that are highly susceptible to erosion and have low agricultural potential. Agricultural production within Nquthu area is mainly for subsistence purposes, with few people actively involved in commercial production. Crop farming currently takes place on approximately 2750 ha, with production focused on maize (60%) and beans (5%). There are no irrigation systems in place.

4.3 Location of Future Settlement

4.3.1 Housing Delivery

The following table summarises the current and intended housing roll-out within the municipality:

TABLE 29: Current and Planned Housing Projects

Area	Number of Units	Type of Subsidy	Budget
Jabavu/ Masotsheni	500	25 800	12 900 000
Luvisi	1500	25 800	38 700 000
Ngolokodo	500	25 800	12 900 000
Nquthu Municipality	2300	25 800	59 340 000
Vumehlo/ Gubaza	500	25 800	12 900 000
TOTAL	5300		136 740 000

(Source: uMzinyathi SDF, 2009)

4.3.2 Urban Edge

The urban edge has been clearly defined and has been taken further through the municipality's LUMS. The urban edge facilitates a planned environment while protecting the natural environment so as to promote sustainable development. The urban edge 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.

4.4 Alignment of the SDF with Key Provincial and National Policies

4.4.1 The National Spatial Development Perspective (NSDP)

In endeavoring to achieve the national development vision of a truly united, non-racial, non-sexist and democratic society and in giving effect to the national growth and development objectives, it is inevitable that, due to resource constraints, government will have to make hard choices regarding the allocation of resources between different localities, programmes, spheres and sectors. Policies and principles are some of the tools available to government to provide guidance and direction to those having to make these kinds of difficult decisions in such a way that they do not contradict each other.

The National Spatial Development Perspective (NSDP) describes the national spatial development vision of government and the normative principles that underpin this vision. The vision and principles serve as a guide for meeting government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions.

Government's national spatial development vision is that the country will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

- Focusing economic growth and employment in areas where this is the most effective and sustainable;
- Supporting restructuring where feasible to ensure greater competitiveness;
- Fostering development on the basis of local potential; and
- Ensuring that development institutions are able to provide basic needs throughout the country.

The basic principles of the NSDP underpinning this vision are:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

The NSDP principles should play an important role in the respective development plans of local and provincial government, namely; Integrated Development Plans (IDP) and Provincial Growth and Development Strategies (PGDS) and are

intended to improve the functioning of the state principally to assist government in dealing with the challenges arising from the need to grow the economy and halving unemployment and the social transition.

4.4.2 The Provincial Growth and Development Strategy (PGDS)

The PGDS has been developed to enhance service delivery. The PGDS is currently under review and is being coordinated through the KZN office of the Premier and nationally, each province is undertaking a similar review. The PGDS offers a tool through which national government can direct and articulate its strategy and similarly, for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It also facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting without the inputs from local government. It enables intergovernmental alignment and guides activities of various role players and agencies (ie. Provincial Sector Departments; Parastatals; District and local municipalities).

Like the IDP process, the PGDS develops a Vision, Mission and strategies. Of key important to the Municipal IDP's, however, are Provincial Priorities. The Provincial Priorities drive the PGDS programmes, and are derived from the key developmental challenges related to economic and social needs of the province.

The provincial priorities are as follows:

- Strengthening governance and service delivery;
- Sustainable economic development and job creation;
- Integrating investment in community infrastructure;
- Developing human capabilities;
- Developing a comprehensive response to HIV/Aids; and
- Fighting poverty and protecting vulnerable groups in society.

4.4.3 Provincial Spatial and Economic Development Strategy (PSEDS)

(i) Introduction

The PSEDS flows from the PGDS and is intended as a guide to service and achieve the goals as set out in ASGI-SA which is to halve unemployment and poverty by 2014.

Principles of development and growth underpinning the PSEDS are summarized as follow:

- Government has a constitutional obligation to provide basic services to all citizens including health, education, housing, transport, etc.
- All areas of the Province require development;
- Certain areas of the Province will drive economic growth; and
- The PSEDS intends to indicate where different types of investment should be directed in order to achieve development and/or economic growth.

The PSEDS therefore sets out to:

- Focus where government directs its investment and development initiatives;
- Capitalize on complementarities and facilitate consistent and focused decision making; and
- Bring about strategic co-ordination, interaction and alignment.

(ii) Classification of areas of economic potential

Four key sectors have been identified as drivers for economic growth in the Province:

- The agricultural sector (including agri-processing) and land reform;
- The industrial sector;
- The tourism sector; and
- The service sector

It is also noted that:

- The logistics and transport sector (inclusive of rail) in the service sector is important sub-sectors underpinning the growth in all four sectors;
- Substantial and affordable water and energy provision is crucial to the economic growth and development of the Province; and
- The classification of potential is shown in a series of maps.

(iii) Classification of Areas of Poverty and Need

The PSEDS identifies poverty levels and densities based on the 2001 Census information. Poverty density is a measure of the number of people within an area below the poverty level. The highest levels of poverty are found in the former KwaZulu homeland areas and thus Nqutu is identified as having high levels of poverty.

(iv) Classification of Nodes and Development Corridors

No nodes are identified in the Nquthu municipality but the adjoining urban areas of Vryheid and Dundee/ Glencoe are identified as tertiary level nodes, and Newcastle as a secondary node.

In terms of the identification of activity corridors, the R68 linking Nquthu to Babanango and Dundee/ Glenco, as well as the road linking Nquthu to eMondlo and Vryheid, have been identified as agriculture activity corridors.

(v) Summary of High level Cluster Priorities and Objectives

The PSEDS provides a summary of high level cluster priorities and objectives. Applicable to the Nquthu Municipality;

- Industry: biodiesel production; and
- Services: The planning of Nquthu to position itself for investment.

4.5 Strategies for Social, Cultural and Economic Integration

The settlement hierarchy and corridors are used to focus development and a mix of activities so as to address social, economic and cultural integration. The anticipated results of this are as follows:

- Promoting the integration of the social, economic, institutional, and physical aspects of land development;
- Promoting integrated land development in rural and urban areas in support of each other;
- Promoting the availability of residential and employment opportunities in close proximity to or integration with each other;
- Promoting a diverse combination of land uses, also at the level of individual erven or subdivision of land;
- Discouraging the phenomenon of “urban sprawl” in urban areas and contribute to the development of more compact towns and settlements; and
- Contributing to the correction of the historical distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs.

4.6 The Environment

Map 4 indicates the Wetlands in relation to the settlements in the municipality, and Map 6 indicates the environmentally sensitive areas. Map 7 highlights the Min-Set data and Map 8 the C-Plan. From this map it can be seen that two areas to the east of Ngolokodo are irreplaceable, as well as one are to the south of Insandlwana.

4.7 Land Use Management System (LUMS)

The municipality has prepared a LUMS which is based on the SDF but has yet to be adopted due to the municipality awaiting the adoption of enabling legislation.

SECTION E

SECTOR INVOLVEMENT

5.0 Sector Involvement

5.1 Introduction

Sector Departments were approached to provide descriptions of projects being implemented in the municipality. The Following Departments are involved in the Nquthu area and provide services. The lack of projects for other departments is due to the poor response of those sector departments.

5.2 Department of Health

5.2.1 DEPARTMENTAL VISION

To provide the best, comprehensive, accessible, integrated, sustainable, cost-effective and equitable quality service to the people of the UMzinyathi District.

5.2.2 MISSION

To provide a sustainable, integrated and comprehensive health service at all levels; based on the Primary Health Care approach through the District Health System, so as to increase the capacity of individuals to accept responsibility for their own health.

5.2.3 STRATEGIC GOALS

The following departmental strategic goals will focus on improving the health system to permit cost-effective use of limited resources and assure that services are responsive to the needs of the poor.

- Effective implementation of the comprehensive HIV/ Aids strategy;
- Strengthen Primary Health Care and providing caring, responsive and quality health services at all levels;
- Promote health, prevent and manage illnesses with emphasis on poverty, lifestyle trauma and violence;
- Human resource management for public health; and
- Infrastructure investment in health technology, communication, management information systems and buildings.

5.2.4 PROJECTS

The following table summarises the projects being undertaken by the Department of Health.

TABLE 30: Department of Health Projects

Project Name	Budget	Location	Financial Year
Mhlungwane Clinic	R 7,321,721-67	Mhlungwane Ward 7	2007/2008

Local Municipality Description : NQUTU					
Category Type Description : CLINIC UPGRADES					
WIMS Number	Client Department Description	Status Description	First Delivery Date Actual	Final Delivery Date Actual	Final Delivery Date Projected
026531	HEALTH	CONSTRUCTION STAGE			2010/09/13
	HEALTH	CONSTRUCTION STAGE			2010/09/13
	HEALTH	CONSTRUCTION STAGE			2010/09/13
	HEALTH	CONSTRUCTION STAGE			2010/09/13
	HEALTH	CONSTRUCTION STAGE			2010/09/13
	HEALTH	CONSTRUCTION STAGE			2010/09/13
Category Type Description : M/A CURRENT/PLANNED SERVICES					
WIMS Number	Client Department Description	Status Description	First Delivery Date Actual	Final Delivery Date Actual	Final Delivery Date Projected
034342	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
Category Type Description : NEW CONSTRUCTION (MAJOR & M/A CAP)					
WIMS Number	Client Department Description	Status Description	First Delivery Date Actual	Final Delivery Date Actual	Final Delivery Date Projected
003039	EDUCATION	DESIGN STOPPED			
	EDUCATION	DESIGN STOPPED			
003060	EDUCATION	DESIGN STOPPED			
	EDUCATION	DESIGN STOPPED			
003100	EDUCATION	DESIGN STOPPED			

005328	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
	HEALTH	CONSTRUCTION STAGE			2008/11/30
010942	EDUCATION	CONSTRUCTION STAGE			2007/12/04
	EDUCATION	CONSTRUCTION STAGE			2007/12/04
	EDUCATION	CONSTRUCTION STAGE			2007/12/04
013507	EDUCATION	DESIGN STOPPED			
	EDUCATION	DESIGN STOPPED			
017704	HEALTH	TENDER STAGE			
	HEALTH	TENDER STAGE			
	HEALTH	TENDER STAGE			
	HEALTH	TENDER STAGE			
	HEALTH	TENDER STAGE			
031041	EDUCATION	DESIGN STOPPED			
035066	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
035067	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
035225	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
	EDUCATION	PRE-DESIGN STAGE			
Category Type Description : REHABILITATION/UPGRADING					
WIMS Number	Client Department Description	Status Description	First Delivery Date Actual	Final Delivery Date Actual	Final Delivery Date Projected
013441	EDUCATION	CONSTRUCTION STAGE			2008/08/21

	EDUCATION	CONSTRUCTION STAGE			2008/08/21
	EDUCATION	CONSTRUCTION STAGE			2008/08/21
	EDUCATION	CONSTRUCTION STAGE			2008/08/21
034121	EDUCATION	TENDER STAGE			
	EDUCATION	TENDER STAGE			
034343	EDUCATION	CONSTRUCTION STAGE			2008/05/28
	EDUCATION	CONSTRUCTION STAGE			2008/05/28
	EDUCATION	CONSTRUCTION STAGE			2008/05/28

The following table is additional projects that were undertaken by the Department of Health.

No	Project name	Responsibility	Funding source	Approved budget	Status OF project	Year
1.	Inqolobane Yesizwe Community Garden (Ward 3)	DOA	DOA	R450.000		2008/09
2.	Bumbanani Community Garden (Ward 1)	DOA	DOA	R350.000		2008/09
3.	Zizameleni Community Garden (Ward 9)	DOA	DOA	R350.000		2008/09

5.3 Department of Housing

5.3.1 DEPARTMENTAL VISION

Enabling all people to house themselves by engaging various institutions and stakeholders in the provision of a conducive and enabling environment.

5.3.2 MISSION

To effectively manage the implementation of national and provincial housing programmes in partnership with relevant stakeholders, by developing sustainable human settlements characterised by affordable and adequate shelter for qualifying citizens in KwaZulu-Natal.

5.3.3 STRATEGIC GOALS

- Eradication of slums in KZN by 2014;
- Strengthening governance and service delivery;
- Ensuring job creation through housing delivery;
- Accelerating housing delivery in rural areas;
- Accelerating the hostel redevelopment and upgrade programme;
- Completion of all blocked projects by 2007;
- Creating rental/ social housing opportunities;
- Building the capacity of Housing stakeholders (especially municipalities);
- Promotion of homeownership;
- Provision of housing for vulnerable groups including those affected by HIV/ Aids;
- Ensuring the provision of incremental housing; and
- Implementation of Financial Services Market Programme.

5.3.4 PROJECTS

Project Name	Number of Houses	Place	Status	Budget
Vulamehlo Project	500	Khiphinkunzi	Construction stage	R22 Million
Ngolokodo/Nkande Project	500	Molefe	Construction stage	R22 Million
Luvisi Housing Project	500	Khiphinkunzi	Construction stage	R22 Million
Masotsheni/Jabavu Project	500	Molefe	Construction stage	R22 Million
TOTAL	2000			R88 Million

Project Name	Number of Houses	Place	Status	Budget
Qhudeni Housing Project	500	KwaSthole	Application stage	R22 Million
Jama Housing Project	500	KwaJama	Application stage	R22 Million
Isandlwana Housing Project	500	Magwebuthanani	Application stage	R22 Million
Ndatshana Housing Project	500	Molefe	Application stage	R22 Million
TOTAL	2000			R88 Million

5.4 Department of Education

5.4.1 DEPARTMENTAL VISION

Our vision is that of a literate and skilled society capable of participating in all democratic processes and contributing to the development and growth of the people of KwaZulu-Natal.

5.4.2 MISSION

To provide opportunities for all our people to access quality education which will improve their position in life and contribute to the advancement of a democratic culture in KwaZulu-Natal.

5.4.3 STRATEGIC GOALS

- Provide high quality, relevant education to all learners, regardless of age, which will equip them with knowledge, skills, values and attitudes to meet challenges of the 21st century.
- Transform the Department into a 21st century learning organisation focused on results, high performance, effective communication, and quality service delivery.
- Transform schools and colleges into self-reliant and effective learning institutions that are also community centres for life- long learning.
- Develop the human resource capacity of the Department to meet the highest standards of professionalism in line with the

requirements of the Employment Equity Act and other transformation targets.

- Provide and utilise resources to achieve equity and to eliminate conditions of physical degradation in institutions.
- Eliminate fraud, corrupt and maladministration.
- Deal urgently and purposefully with the HIV/Aids pandemic as part of an integrated provincial response.

5.4.4 PROJECTS

TABLE 31: Department of Education Projects

Project Name	Budget	Location	Financial Year
Mthashana FET College	R 19 Million	Nquthu Town	2007/2008 – 09

5.5 Department of Works

5.5.1 DEPARTMENTAL VISION

To be a world-class Public Works Department.

5.5.2 MISSION

Department of Public Works (DPW) aims to promote the government's objectives of economic development, good governance and rising living standards and prosperity by providing and managing the accommodation, infrastructure needs of national departments, by leading the national Expanded Public Works Programme and transformation of the construction and property industries. In pursuance of this objective the Department will endeavour to:

- Efficiently manage the asset life cycle of immovable assets under the Department's custodianship;
- Provide expert advice to all three spheres of Government and parastatals on immovable assets;
- Contribute to the national goals of job creation and poverty alleviation through programme management, leading and directing

- of public works programmes nationally, of which the Expanded Public Works Programme (EPWP) forms an integral part; and
- Provides strategic leadership to the Construction and Property Industries.

5.5.3 STRATEGIC GOALS

The department has identified the following strategic pillars for the current medium term expenditure period:

- **Transformation and regulation of the construction and property Industries to ensure economic growth and development** The department recognises the need to accelerate the implementation of the charters in both industries. Measures have been put in place to ensure realization of the targets in the charters.
- **Efficient and effective strategic asset management** The Department of Public Works must ensure proper planning for state owned and/or utilized immovable assets and devise specific strategies to meet the demands of users; optimize the performance of the asset portfolio to achieve the socio-economic objectives of government.
- **Job Creation.** The EPWP has a target of creating at least 1 million work opportunities over the next five years. The programme will contribute in the alleviation of unemployment and poverty through the creation of short term work opportunities, providing a modicum of training and facilitate exit strategy for the participants. Furthermore, the department will accelerate its contribution to skills development through recruiting 5000 young people on the National Youth Service in 2007 and increase this number over the medium term.
- **DPW's relationship with Sector Entities and other Stakeholders.**
To consolidate strategic alignment of the programmes of public entities, client departments, and private sector institutions to those of the Department of Public Works for seamless service delivery.
- **Role and relationship of the department with the other two spheres of government and parliament.** To strengthen intergovernmental relations, especially between the department and the other two spheres of the government. This requires that the Department of Public Works and its regional offices are adequately resourced to foster an environment of co-operation.

5.5.4 PROJECTS

TABLE 32: Department of Works Projects

WIMS Number	WIMS Service Description	Facility Description	Status Code	Actual Site Hand Over	First Delivery Date - Projected	BUDGET	Construction Expenditure - Current Year	Total Service Expenditure
013441	DEMOLISH 5 CLASSROOMS, BUILD 11 CLASSROOMS, 10 TOILETS, FENC	GWIIJA PRIMARY SCHOOL	7	2006/09/30	2008/05/21	5,645,000.00	766,782.40	5,363,452.34
031041	CONSTRUCTION OF 4 CLASSROOMS, 11 TOILETS, 1 ADMIN BLOCK,	MHLAZANE PRIMARY SCHOOL	4	2008/04/04	2008/03/15	1,500,000.00	0.00	149,712.80
031291	EMERGENCY REPAIRS FOR STORM DAMAGED SCHOOL	LANGAZELA HIGH SCHOOL	7	2008/04/04	2007/01/20	950,000.00	0.00	839,423.18
034121	ROOF REPAIRS FOR 15 CLASSROOMS	MASOTSHENI PRIMARY SCHOOL	4B	2009/04/01	2010/05/11	2,000,000.00	0.00	0.00
035066	CONSTRUCTION OF NEW TOILET BLOCK	LANGAZELA HIGH SCHOOL	3	2009/04/01	2010/05/11	1,500,000.00	0.00	0.00
035067	CONSTRUCTION OF NEW TOILET BLOCK	ESIBANINI PRIMARY SCHOOL (UMZINYATHI)	3	2009/04/01	2010/05/11	500,000.00	0.00	0.00
035225	CONSTRUCTION OF 4 SEATER TOILET LBOCK	NDLANGAMANDLA SECONDARY SCHOOL	3	2009/04/01	2010/05/11	1,000,000.00	0.00	0.00
034333	REPAIR WALL, FLOORS AND PAINTING OF ALL CLASSROOMS	NGWEBENI PRIMARY SCHOOL	7	2008/04/23	2008/08/23	1,424,000.00	1,086,710.00	1,086,710.00
034365	GENERAL REPAIRS TO WHOLE SCHOOL	NTALANTALA SECONDARY SCHOOL	5B	2008/06/18	2009/04/22	2,500,000.00	705,206.00	705,206.00
035563	SUPPLY AND DELIVER SIX CHEMICAL TOILETS	MATHUTSHANA PRIMARY SCHOOL	6A	2008/07/16	2008/09/10	35,000.00	30,718.80	30,718.80

WIMS Number	WIMS Service Description	Facility Description	Status Code	Actual Site Hand Over	First Delivery Date - Projected	BUDGET	Construction Expenditure - Current Year	Total Service Expenditure
	REPAIRS AND RENOVATIONS	NGWEBINI P	4			2,000,000.00	0.00	0
037784	ATTEND TO FURTHER STORM DAMAGE TO 6 (SIX) CLASROOMS	SITHANDENE PRIMARY SCHOOL	4B	2008/06/03	2009/08/24	250,000.00	0.00	0.00
NQUTHU						19,304,000.00	2,589,417.20	8,175,223.12
EDUCATION								

WIMS Number	WIMS Service Description	Facility Description	Status Code	Actual Site Hand Over	First Delivery Date - Projected	BUDGET	Total Current Year Expenditure	Total Service Expenditure
005328	NEW OPERATING THEATRE COMPLEX, CSSD, MATERNITY COMPLEX, LAUN	CHARLES JOHNSON MEMORIAL HOSPITAL	6A			33,545,000.00	0.00	33,545,160.22
017704	NEW KITCHEN, LAUNDRY AND CASUALTY DEPARTMENT	CHARLES JOHNSON MEMORIAL HOSPITAL	5B	2008/11/13	2011/09/18	32,000,000.00	804,056.00	3,880,980.46
026531	PHASE 9 NEW CLINIC	MHLUNGWANE CLINIC (HEALTH)	6A	2005/07/01	2008/12/12	7,797,000.00	2,895,459.00	7,830,845.49
031240	CLINIC UPGRADE AND MINOR WORKS	Ntinini Clinic	5B	2008/10/17	2009/08/12	1,600,000.00	21,449.00	290,444.00
021804	CLINIC UPGRADE AND MINOR WORKS	NKANDE CLINIC	5B	2007/07/13	2009/12/15	1,247,000.00	202,575.00	1,388,691.00
	CLINIC UPGRADE AND MINOR WORKS	HLATHI DAM CLINIC		2009/10/10	2010/11/11	3,000,000.00	0.00	0.00
	CLINIC UPGRADE AND MINOR WORKS	KWANYEZI CLINIC		2009/09/20	2010/11/20	3,200,000.00	0.00	0.00
031248	CLINIC UPGRADE AND MINOR WORKS	MKHONJANE CLINIC	4	2008/11/18	2009/07/14	980,000.00	26,897.00	84,166.00
NQUTHU						83,369,000.00	3,950,436.00	47,020,287.17

5.6 Department of Local Government and Traditional Affairs

5.6.1 DEPARTMENTAL VISION

People centred sustainable local governance which focuses on effective service delivery responsive to the needs of the communities

5.6.2 MISSION

The Department will promote people-centred, accountable and viable local governance that accelerates Service delivery and ensures sustainable communities.

5.6.3 STRATEGIC GOALS

The strategic objectives of the department for 2009/10 are aligned to the strategic goals of the five-year local government agenda.

The goal: *Mainstreaming hands-on support to local governance to improve governance, performance and accountability*, will be achieved through the following objectives:

- Management of institutional development;
- Facilitation of basic service delivery;
- Promotion of local economic development;
- Facilitation of good governance and public participation;
- Oversight of municipal transformation and organisational development; and
- Facilitation of financial viability and financial management.

The goal: *Addressing the structure and governance arrangements of the state, in order to better strengthen, support and monitor local governance*, has as its objectives:

- Monitoring of inter-governmental relations; and
- Supporting and monitoring institutional empowerment.

The objectives in respect of the goal: *Refining and strengthening the policy, regulatory and fiscal environment for local governance and giving greater attention to enforcement measures*, are as follows:

- Review of the two tier system of local government; and
- Facilitation of legislative amendments.

The goal: *Client-oriented, economical, efficient and effective management of its resources*, will be achieved by the following objectives:

- Provision of an effective and efficient service to the MEC; and
- Provision of sound corporate services.

5.6.4 PROJECTS

1. The Planning Shared Services is a program of LGTA that is being planned. The DM and LMs are negotiating an agreement. The draft document is ready and the financial implications will be available for the final IDP review document
2. The planting of soya beans in the Traditional areas called Mdenivini Soya Bean project of approximately 300ha. The funding allocation is R2.5 million from DLGTA
3. Upgrading of the new Taxi rank in Nquthu with a budget of R2.5 million.
4. Nquthu Sewer Decommissioning project R4.5 million. Implementation by uMzinyathi DM.
5. Feasibility study and business plan for Qhudeni Nursery to the value of R144 000.
6. The Community Based Planning seeks to address prioritised community issues through people's capacitation on a local level.

6.7 Department of Agriculture and Environmental Affairs

6.7.1 DEPARTMENTAL VISION

A champion for a prosperous agricultural productive land use, food security and environmentally sustainable livelihoods.

(i) ENVIRONMENTAL MANAGEMENT SUPPORT SERVICES

In pursuit of service excellence, we desire a holistic approach to sustainable environmental management practices.

6.7.2 MISSION

The Department of Agriculture & Environmental Affairs (DAEA) will provide quality agricultural, veterinary, environmental and conservation services together with our partners and our communities

(i) ENVIRONMENTAL MANAGEMENT SUPPORT SERVICES

We, in recognition of our stakeholders, will develop and maintain an environmental management strategy that supports sustainable livelihoods.

In doing so, we as a team, are committed to continual improvement, and by the demonstration of our expertise and professionalism, will render an efficient and effective service to our clients; be accountable and promote equity in the context of local, national, regional and international obligations.

6.7.3 STRATEGIC GOALS

The essence of the DAEA's Strategy is how to utilise agricultural potential and environmental stability as key vehicles in building a prosperous community. The notion of prosperous transcends the current challenges of poverty and unemployment and instead focuses on self-reliance, entrepreneurship, empowerment and continuous growth and development.

(i) ENVIRONMENTAL MANAGEMENT SUPPORT SERVICES

The strategic objectives of the component are aligned with the legislative mandate and strategic outcomes of Department. The aim of this component is to ensure the sustainable use and protection of the environment of KwaZulu-Natal through appropriate regulatory and empowerment mechanisms.

- To facilitate sound co-operative environmental governance through participative planning and information system development, and capacity building;

- To participate in the development and facilitation of implementation of environmental policies, regulations, legislation and guidelines;
- To develop a framework and operational tools (norms and standards, decision support mechanism, internal policies, training manuals and templates) for the improvement of the environmental impact assessment process including appeals, whilst ensuring environmentally sustainable socio-economic development in KwaZulu-Natal;
- To facilitate and co-ordinate effective integrated pollution, chemical and waste management practices, cleaner production principles and sustainable utilization and re-use of resources in KwaZulu-Natal and to provide strategic support to the regional offices to facilitate implementation of such practices;
- To facilitate the attainment of acceptable air quality and the development of mitigation measures to combat climate change;
- To facilitate and co-ordinate effective integrated coastal management and sustainable coastal development in KZN, and provide strategic support to the management and implementation of special area management in KZN;
- To promote environmental empowerment and capacity building; as well as BBEE
- To promote natural and community-based sustainable resource use and management so as to ensure sustainable job creation;
- To facilitate environmental information management for informed decision making;
- To ensure effective financial management that complies with PFMA;
- To facilitate environmental impact mitigation so as to promote sustainable development; and a safe, healthy and sustainable environment; and
- To establish opportunities for developing communities.

6.7.4 PROJECTS

Not available.

6.8 Department of Arts, Culture and Tourism

6.8.1 DEPARTMENTAL VISION

Empowerment through Art, Culture and Tourism.

6.8.2 MISSION

To provide and promote innovative and vibrant cultural and tourism services which address the diverse needs of our people in order to enhance their quality of life.

6.8.3 PROJECTS

Isandlwana Tourism Development Initiative being funded by the Office of the Premier, Kwa- Culture Trust, Umzinyathi DM and DBSA. Value of the project is estimated at R30 million.

6.9 Department of Social Welfare

6.9.1 DEPARTMENTAL VISION

Promote self-reliance, sustainable development and beat poverty.

6.9.2 MISSION

The Department of Social Welfare and Population Development is committed, through an empowered staff, to the provision, promotion and development of comprehensive, people-centered, social welfare services to the community, in order to maximise the inherent potential of every individual in KwaZulu-Natal.

6.9.3 STRATEGIC GOALS

No strategies were listed on the department's website but the following programmes are initiated by the department:

- [Flagship Projects](#)
- [Children & Families](#)
- [Services for the Aged](#)
- [Services to the Disabled](#)
- [Services to people with substance abuse problems](#)
- [Women & Victim Empowerment](#)
- [National Integrated Programme for Children and Youth Affected and Infected by HIV/AIDS](#)
- [Social Crime Prevention](#)
- [Development Centres](#)

6.9.4 PROJECTS

The following table summarises the projects being undertaken by the Department of Social Welfare.

TABLE 33: Department of Social Welfare Projects

NO	PROJECT NAME	RESPONSIBILITY	FUNDING SOURCE	APPROVED BUDGET	SUB-PROGRAMME	YEAR
1.	Creches (52)	DSD	DSD	R170.6412	Service to children	2008/09
2.	Christian Social Services	DSD	DSD	R120.000		2008/09
3.	SAVF	DSD	DSD	R120.000		2008/09
4.	Luncheon Clubs (26)	DSD	DSD	R330.000	Services to the elderly	2008/09
4.	SANCA	DSD	DSD	R120.000	Substance Abuse	2008/09
5.	Isibindi	DSD	DSD	R550.000	HIV/AIDS	2008/09
6.	Philani Community Care Centre	DSD	DSD	R146.000		2008/09
7.	Zamimpilo	DSD	DSD			2008/09
8.	Sinothando Aids Prevention & Welfare Society Soup Kitchen	DSD	DSD	R255.673.50	HIV/AIDS support	2008/09
9.	Zabalaza Youth Organization Soup Kitchen	DSD	DSD	R255.673.50	HIV/AIDS support	2008/09
10.	Nquthu Aids-Soup Kitchen	DSD	DSD	R355.763.00	HIV/AIDS support	2008/09
11.	Zakhele Poutry Farming	DSD	DSD	R355.673.00	Women Development	2008/09
12.	Asibemunye Women Co-operative	DSD	DSD	R500.000	Women Development	2008/09
13.	Naledi Poultry	DSD	DSD	R300.000	Socio-Economic	2008/09
14.	Bambanani Community Organisation	DSD	DSD	R 300.000	Food Security	2008/09
15.	Kwanele Community Organisation	DSD	DSD	R233.000		2008/09
16.	Nondweni Zamimpilo	DSD	DSD	R74.000		2008/09
17.	Mangwebuthanani Cluster	DSD	DSD			2008/09
18.	Asibemunye Women's Co-op	DSD	DSD			2008/09

6.10 Department of Economic Development

6.10.1 DEPARTMENTAL VISION

KZN to be the leader in Economic Development and be globally competitive thereby ensuring improved quality of life for our citizens.

6.10.2 MISSION

Will formulate and implement effective economic development strategies that create sustainable jobs in KwaZulu-Natal.

6.10.3 STRATEGIC GOALS

(i) TO REDUCE POVERTY BY 50% BY 2014

- Creating sustainable jobs
- Skills development and capacity building for govt and civil society
- Facilitating access to asset base for the poor
- Promotion of social enterprises (co-operatives, S21, trusts)

(ii) GROW THE ECONOMY BY 8% BY 2014

- Promotion of integrated Economic Development planning
- Facilitate improved global competitiveness in industries
- Promotion of new SMME's
- Facilitate the improvement of infrastructure platform
- Promotion of Foreign Direct Investment
- Promotion and advancement of Black Economic Empowerment

(iii) TO PROMOTE GOOD CORPORATE GOVERNANCE

- Promotion of compliance with government policies and law
- Facilitate strategic stakeholder partnerships in the development of provincial economy

(iv) TO AIM TO BE THE CENTRE OF EXCELLENCE

- Becoming a learning organisation
- Promoting a culture of good governance
- Lead in R & D & Innovation
- Becoming an information hub

6.10.4 PROJECTS

Not available.

6.11 Department of Community Safety and Liaison

6.11.1 DEPARTMENTAL VISION

The people of KwaZulu-Natal live in a safe and secure environment.

6.11.2 MISSION

The Mission of the Department is to be the lead agency in driving the integration of community safety initiatives, towards a crime free KwaZulu-Natal.

6.11.3 STRATEGIC GOALS

- Promote democratic accountability and transparency in the police service and direct the South African Police Service towards effectively addressing provincial needs and priorities.
- To promote good relations and establish partnerships between the police and the communities
- To co-ordinate social crime prevention initiatives
- To promote and support Victim Empowerment
- Manage and implement inter-sectoral and special projects effectively

6.11.4 PROJECTS

According to representatives from the department, they do not budget per Municipality but have various cross-cutting projects. These may include for example youth from Amajuba to be trained in crime prevention, or victim support resources be provide to the Madadeni police station.

6.12 Department of Sports and Recreation

6.12.1 DEPARTMENTAL VISION

A winning province through sport and recreation.

6.12.2 MISSION

We will improve the quality of life of the citizens of KwaZulu-Natal by maximizing opportunities for Recreation and Sporting excellence through mass participation and development.

6.12.3 STRATEGIC GOALS

- Development and participation of Sport and Recreation at all levels to address the issues of transformation, nation-building and quality of life.
- Promote and contribute to economic growth and opportunities sport and recreation.
- Promote and contribute to good governance in Sport and Recreation.
- Highly capacitated and skilled staff.

6.12.4 PROJECTS

Nothing was received.

6.13 Department of Transport

6.13.1 DEPARTMENTAL VISION

The KwaZulu-Natal Department of Transport's vision is:

"PROSPERITY THROUGH MOBILITY"

This means that all activities of the Department and the manner in which the Department delivers services to communities will increase the wealth and quality of life to all citizens of the province.

6.13.2 MISSION

"We will provide the public with a safe, integrated, regulated, affordable and accessible transportation system, and ensure that, in delivering on our mandate, we meet the developmental needs of our province."

AND

We will promote transparent and accountable government, plan in accordance with the needs of our customers, and ensure effective, efficient and transparent delivery of services through the appropriate involvement of the public and through regular and accurate reporting.

6.13.3 STRATEGIC GOALS

The strategic objectives of the department are as follows:

- Improving and ensuring road and public transport safety;
- Developing the people, the economy and the infrastructure of KwaZulu-Natal;
- Institutionalising public participation and strengthening democratic governance;
- Facilitating rural development, reducing poverty and inequality and ensuring an infrastructure balance;
- Facilitating the growth and development of the road construction industry in KwaZulu-Natal, so as to be fully representative of the demographic profile of the province; and
- Ensuring financial accountability, value based resource management and development of integrated management systems.

6.13.4 PROJECTS

The following table summarises the projects being undertaken by the Department of Health.

TABLE 34: Department of Transport Projects

	Location/Rd No	Allocation	Stage/Open
Local Roads			

Zakheni Road	Molefe T.A.	R 685,000.00	3
Debeni Road	Khiph'nkunzi T.A.	R 950,000.00	3
Maceba Road		R 256,771.00	3
Nodwengu Road	Molefe T.A.	R 240,000.00	3
Bayabonga Road	Khiph'nkunzi T.A.	R 445,000.00	3
Dabulamanzi Road	Hlatshwayo T.A.	R 950,000.00	3
		R 3,526,771.00	
Causeways			
Vuna Road Causeway		R 500,000.00	2
		R 500,000.00	
Headwalls	Location/Rd No	Allocation	Stage/Open
Bayabonga Road Headwalls	L 1857-0	R 260,000.00	1b
Machitshana Road Headwalls	L 1867-0	R 10,000.00	1b
Ntalantala Road Headwalls	Mangwe Buthanani	R 140,000.00	1b
Ohlahla Road Headwalls	Ol 187-0	R 186,000.00	1b
Nodwengu Road Headwalls	L 1167-0	R 250,000.00	1b
		R 586,000.00	

No	Project name	Responsibility	Funding source	Approved budget	Status OF project	Year
1.	Ntalantala Road Extension-Buhlbamangwe-Ntalantala	Nquthu Dundee RRTF	DOT	R1.450.000		2008/09
2.	Nyakaza Road	uMzinyathi	DOT	R1.110.000		2008/09
3.	Ndwalane Road Extension	uMzinyathi	DOT	R1.240.000		2008/09
4.	Blacktop Patching Nquthu-KZ242	uMzinyathi	uMzinyathi	R 130.000		2008/09
5.	P16-3 Patch Gravelling-Qudeni-Silutshana	uMzinyathi	uMzinyathi	R900.000		2008/09
6.	P372 Patch Gravelling	uMzinyathi	uMzinyathi	R950.000		2008/09
7.	D1302 Re gravelling -Magonoloza-Magabeni	uMzinyathi	uMzinyathi	R 900.000		2008/09
8.	D2249 A Re gravelling (L1956)-Thembekile School-Blood River	uMzinyathi	uMzinyathi	R 620.000		2008/09
9.	D2249 B Re gravelling (L1956)-Thembekile School-Blood River	uMzinyathi	uMzinyathi	R620.000		2008/09

10.	D2249 C Re gravelling- Thembeni School – Blood River	uMzinyathi	uMzinyathi	R624.318		2008/09
11.	D2284 Re gravelling (L1977) Esibanini School- Inyoyethu	uMzinyathi	uMzinyathi	R1.080.000		2008/09
12.	D2286 Re gravelling- KZ242	uMzinyathi	uMzinyathi	R720.000		2008/09

6.14 ESKOM

The following table summarises the projects being undertaken by the Eskom.

TABLE 34: ESKOM Projects 2008 -2011

NO	PROJECT NAME	Connections	FUNDING SOURCE	APPROVED BUDGET	STATUS OF PROJECT	YEAR
1.	Mabululwana / Section k (connection)	320	Eskom	R1.856436		2010/11
2.	Batshe/ Magala (connection)	323	Eskom	R 1.765154		2010/11
3.	Sandlwana (connection)	482	Eskom	R 2.120259		2008/09
4.	Silutshana & others	163	Eskom	R7.859509		2009/10
5.	Ngedla	813	Eskom	R5.2845000		2012/13
6.	Mbewunye	213	Eskom	R1.384500		2012/13
7.	Nfongomfongo	1893	Eskom	R12.230673		2009/10
8	Jabavu	286	Eskom	R1.158300		2010/11
9.	Ngonini	115	Eskom	R4.94490		2010/11
10.	Ndatshana	912	Eskom	R4.955122		2010/11
11.	Mashesheleni	347	Eskom			2008/09
12.	Egongeni	154	Eskom			2008/09
13.	Ndindindi	619	Eskom			2008/09
13	Mhlungwana	201	Eskom			2008/09
14	Nyezi	130	Eskom			2008/09
15.	Vuna	64	Eskom			2008/09

Municipal Code	Project Name	Project type	Project Cost (including VAT)	TOTAL PLANNED CAPEX (Including VAT)	TOTAL PLANNED CONNECTIONS	APRIL ACTUAL CAPEX (Including VAT)	TOTAL YEAR TO DATE ACTUAL CAPEX (Including VAT)
KZ242	MAKHONJANE 1&2£2	HOUSE-HOLDS	4,311,895.00	5,244,000.00	549	0.00	0.00
KZ242	MAGONGOLOZA£2	HOUSE-HOLDS	5,237,832.00	6,667,038.06	747	1,400,387.00	1,400,387.00
KZ242	MAFIHLENI	HOUSE-HOLDS	2,036,413.00	2,850,000.00	265	0.00	0.00
KZ242	Mabulwana/Kwa Section K	PRE-ENGINEERING	4,395,865.00	76,209.00	0	0.00	0.00
KZ242	BATSHE MAGALA	PRE-ENGINEERING	1,765,154.00	51,550.80	0	0.00	0.00
KZ242	ISANDLWANA	PRE-ENGINEERING	3,700,000.00	76,927.20	0	0.00	0.00
KZ242	MAFIHLENI£2	PRE-ENGINEERING	1,721,500.00	49,954.80	0	0.00	0.00
KZ242	MBEWUNYE	PRE-ENGINEERING	1,171,500.00	19,380.00	0	0.00	0.00
KZ242	KWANGEDLA	PRE-ENGINEERING	4,552,800.00	96,900.00	0	0.00	0.00

MUNICIPAL CODE	PROJECT NAME	PROJECT TYPE	Total Project Cost (including VAT)	TOTAL PLANNED CAPEX (Including VAT)	TOTAL PLANNED CONNECTIONS	APRIL ACTUAL CAPEX(Including VAT)
KZ242	MNTSHONGWENI £1B(ROLLOVER)	HOUSEHOLD	3,124,556.46	641,382.24	0	-20,420.51
KZ242	NONDWENI LOT 4£1B(ROLLOVER)	HOUSEHOLD	1,311,939.36	5,130.00	0	105,850.81
KZ242	HALADU£2B (ROLLOVER)	HOUSEHOLD	3,368,139.12	45,600.00	0	10,337.46

SECTION F IMPLEMENTATION PLAN

6.0 Implementation Plan

The following table summarises the three year Implementation Plan for the Nquthu Municipality with committed human (departmental) and financial resources.

TABLE 35: Three Year Implementation Plan with Committed Human and Financial Resources

Nquthu Local Municipality - MTREF Budget 2009 / 2010							
Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
		Audited Actual	Approved Budget	Adjustmen ts Budget	Full Year Forecast	Budget Year 2009/10	Budget Year +1 2010/11
TOTAL REVENUE - NQUTHU Municipality							
GRANTS AND SUBSIDIES							
Conditional Grants	0	15,374,424	0	0	16,992,000	19,647,000	23,489,000
Unconditional Grants	0	28,124,000	0	0	37,377,000	46,137,000	50,343,000
Service Charges	0	2,487,134	0	0	5,850,000	7,100,000	9,700,000
Operational Income	0	170,517	0	0	168,000	223,000	278,000
Interest	0	0	0	0	200,000	300,000	230,000
TOTAL INCOME	0	46,156,075	0	0	60,587,000	73,407,000	84,040,000
EXPENDITURE							
Salaries, Wages & Allowances	0	16,052,789	0	0	20,196,868	22,216,555	24,438,211
Council Remuneration	0	4,753,490	0	0	5,748,230	6,323,053	6,955,358
General Expenses	0	27,342,042	0	0	32,620,558	36,838,414	42,399,555
Repairs & Maintenance	0	577,975	0	0	2,187,000	2,405,700	2,646,270
Contributions to Capital Outlay	0	0	0	0	0	0	0
Contributions to funds/provisions	0	710,000	0	0	1,056,881	1,056,881	1,278,826
Capital charges	0	1,102,663	0	0	1,102,663	1,102,663	1,334,222
TOTAL EXPENDITURE	0	50,538,959	0	0	62,912,200	69,943,266	79,052,443
Surplus/(Deficit)	0	-4,382,884	0	0	-2,325,200	3,463,734	4,987,557

TABLE 36: MIG Projects

MIG PROJECTS			
WARD	PROJECT DESCRIPTION	PROJECT TYPE	ESTIMATED COST
3	Extention and Ablution Hall	Community Facilities	R 650,000
1 & 2	Intando Yomphakathi Road	Roads	R 4,300,000
14	Magogo Road	Roads	R 4,300,000
15	Extension of Machitshane Road	Roads	R 1,500,000
09 & 12	Dalala Road	Roads	R 1,500,000
6	Mpisini Causeway	Roads	R 950,000
5	Vuna Road Phase II	Roads	R 1,200,000
5	uMthutshane Bridge	Roads	R 1,600,000
			R 16,000,000
	FUNDING		
	MIG (DORA 2009)		R 15,097,000
	Shortfall/Surplus		R 903,000

**SECTION G
PROJECTS**

7.0 Projects

7.1 Introduction

Section G of the IDP deals with projects and focuses on projects planned for implementation during the 2009/10 financial year

7.2 Project Prioritization Model

The model is summarized as follows:

- Project Prioritization is required in order to guide project implementation and the allocation of funding to each project.
- The project prioritization model is applied to projects and programmes funded from the municipality’s own funding.
- Projects funded by external service providers (eg. Departments) do not require prioritization by the Municipality for funding and implementation.

TABLE 37: Project Prioritisation Model

Criteria	Description	Score 1= Yes 0=No
Legal Requirements	Is the project legally required by legislation with grant funding and guidelines available? Ensure the project is not an unfunded mandate.	
Contractually committed	Has the project already commenced and were appointments done to date?	
Safety / Basic Needs	Will the postponement of the project create a safety risk to the community and is the project addressing a basic need?	
Maintenance cost	Will the maintenance cost for the project be affordable in the future?	
Total Score		

A high score will indicate a high priority for implementation.

7.3 2009/10 IDP Projects

The following table is a summary of the projects planned by the municipality for implementation during the 2009/10 financial year.

TABLE 38: Nquthu Local Municipality – Priority Lists For 2009/10

AGENT	Project Description	MIG Registration Number	Contract Number	Estimated Budget	Consultant NAME	Ward No
KZ 242. Nquthu	Taxi Rank Ward 3	158623	NQU 40/2008	R1,500,000.00	Makhaotse, Narasimulu & Associates	Ward 3
KZ 242. Nquthu	Vuna Bridge	158635	NQU 41/2008	R910,000.00	Sektor	Ward 5
KZ 242. Nquthu	Ward 13 Stormwater Protection	158638	NQU 42/2008	R820,000.00	T.N. Molefe Consulting Services	Ward 13
KZ 242. Nquthu	Nquthu Paving	158374	NQU 43/2008	R2,900,000.00	NINHAM Shand	Ward 8
KZ 242. Nquthu	Section 5 Bus Route	158902	NQU 44/2008	R1,200,000.00	Vusi Mazibuko & Associates	Ward 15
KZ 242. Nquthu	Vulamehlo Taxi Route	158680	NQU 45/2008	R910,000.00	Vusi Mazibuko & Associates	Ward 10
KZ 242. Nquthu	Ngwebini Bridge & Road	160210	NQU 46/2008	R1,200,000.00	Marentia & Associates	Ward 6
KZ 242. Nquthu	uMthutshane Bridge	160241	NQU 47/2008	R910,000.00	Marentia & Associates	Ward 5
KZ 242. Nquthu	Shayamoya Bridge	160248	NQU 48/2008	R820,000.00	Nankhoo & Associates	Ward 6
TOTAL				R11,170,000.00		

TABLE 39: Nquthu Municipality – MIG Projects 2009/2010

AGENT	Project Description	MIG Registration Number	Contract Number	Approved Budget	Consultant NAME	Ward No	Status in %
KZ 242. Nquthu	Taxi Rank Ward 3	158623	NQU 40/2008	R1,624,705.40	Makhaotse, Narasimulu & Associates	Ward 3	Tender Stage
KZ 242. Nquthu	Vuna Bridge	158635	NQU 41/2008	R2,741,700.00	Sektor Consulting	Ward 5	80%
KZ 242. Nquthu	Ward 13 Stormwater Protection	158638	NQU 42/2008	R1,179,785.18	T.N. Molefe Consulting Services	Ward 13	70%
KZ 242. Nquthu	Nquthu Paving	158374	NQU 43/2008	R2,900,000.00	NINHAM Shand	Ward 8	90%
KZ 242. Nquthu	Section 5 Bus Route	158902	NQU 44/2008	R1,380,000.00	Vusi Mazibuko & Associates	Ward 15	5%
KZ 242. Nquthu	Vulamehlo Taxi Route	158680	NQU 45/2008	R3,648,310.00	Vusi Mazibuko & Associates	Ward 10	65%
KZ 242. Nquthu	Ngwebini Bridge & Road	160210	NQU 46/2008	R1,715,700.00	Sektor Consulting	Ward 6	75%
KZ 242. Nquthu	uMthutshane Bridge	160241	NQU 47/2008	R2,445,300.00	Sektor Consulting	Ward 5	45%
KZ 242. Nquthu	Shayamoya Bridge	160248	NQU 48/2008	R1,236,900.00	Sektor Consulting	Ward 6	65%
TOTAL				R11,170,000.00			

TABLE 40: Nquthu Municipality – MIG Projects 2009/2010

AGENT	Project Description	MIG Registration Number	Municipal Ref	Budget Allocation	Consultant Name	Ward NO	Status in %
KZ 242 Nquthu	Extension and Ablution Hall	161433	NQU 50/2008	R650 000.00	ERNST CLOETE	3	National ref
KZ 242 Nquthu	Intando Yomphakathi Road	165985	NQU 51/2008	R9,201,168.00	AVP	1 & 2	Design & Tender
KZ 242 Nquthu	Magogo Road	162947	NQU 52/2008	R4,300,000.00	ERNST CLOETE	14	National ref
KZ 242 Nquthu	Extension of Machitshane Road	161496	NQU 53/2008	R1,500,000.00	ERNST CLOETE	15	National ref
KZ 242 Nquthu	Dalala Road	166062	NQU 54/2008	R1,500,000.00	AVP	09 & 12	National ref
KZ 242 Nquthu	Mpisini Causeway	166400	NQU 55/2008	R950,000.00	AVP	6	National ref
KZ 242 Nquthu	Vuna Road phase II		NQU 56/2008	R1,200,000.00	AVP	5	National ref
KZ 242 Nquthu	uMthutshane Bridge	161985	NQU 57/2008	R1,482,179.24	ERNST CLOETE	5	Design & Tender
	TOTAL			R16,000,000.00			

TABLE 41 Nquthu Municipality-MIG Projects 2010-2011

Project	WARD	DESCRIPTION	Prize
Nomalanga Road	2	Road Construction	R4 000 000-00
Ward 13 Road 8KM's	13	Road Construction	R3 000 000-00
Intandoyomphakathi Road Phase II	1 & 2	Road Extension	R4 000 000-00
Manxili Community Hall	1	Social Facility	R1 500 000-00
Luvisi Community Hall	11	Social Facility	R1 000 000-00
Ndindindi Roads Construction	8	Road Construction	R1 500 000-00
KwaNyezi Community Hall	4	Social Facility	R1 500 000-00
Hwanqana Road 2 Km's and Causeway	15	Social Facility	R1 000 000-00
Total			R17 500 000-00

TABLE 42: GROUP A (FUNDED MANDATES-NQUTHU MUNICIPALITY) NQUTHU
TOURISM

No	Project name	Responsibility	Funding source	Proposed budget	Status OF project	Year
1.	Nquthu Tourism Centre	Nquthu Municipality	DBSA	R3 000.000.		2008/09
2.	Tour Guiding Training	Nquthu Tourism Org	Umzinyathi District	R35 000.00		2008/09
3.	Capacity Building of Arts Organisation	Nquthu Tourism Org	Nquthu Municipality	R20.000.00		2008/09
4.	Annual events such as Ingoma, Isicathamiya and Oswenka competitions	Nquthu Tourism Org	DAET, Nquthu Municipality, Tourism & Officer	R100 000.00		2008/09
5.	Prince Imperil	Nquthu Tourism Org	Amafakazulu	R50.000.00		2008/09
6.	Heritage Festival	Nquthu Tourism Org	Nquthu Municipality, Tourism Officer & Heritage Forum	R60.000.00		2008/09
7.	Exhibition	Nquthu Tourism Org	KZNACC	R30.000.00		2008/09
8.	Tourism School Awareness	Nquthu Tourism Org	KZNTA	R25 000.00		2008/09

SECTION H

FINANCIAL PLAN AND SDBIP

8.0 Financial Plan and SDBIP

8.1 Financial Plan

8.1.1 Legislative Framework

The financial affairs of the municipality are governed by the following legislation:

- Division of Revenue Act
- Public Finance Management Act
- Municipal Finance Management Act
- Treasury Regulations

8.1.2 Finance

The following table summarises the budgeted income and expenditure for the municipality.

TABLE 43: Income and Expenditure

Year	Income	Expenditure
2009/10	60,587,000.00	62,912,200.00
2010/11	73,407,000.00	69,943,266.00
2011/12	84,040,000.00	79,052,443

(Source: 2009/10 Municipal Budget)

8.1.3 Municipal Income

The municipality is dependent on two primary types of income

- a) Operating income and
- b) Grants and subsidies as indicated in the table below.

Own Income is indicated in this table and is summarised as follows:

TABLE 44: Own Income

Medium Term Revenue and Expenditure Framework			
	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Budget	Budget	Budget
Property Rates	1,800,000	2,300,000	3,300,000
Refuse Removal	550,000	300,000	400,000
Electricity Sales	3,500,000	4,500,000	6,000,000
TOTAL	5,850,000	7,100,000	9,700,000

The summarised sources of income of the Nquthu Municipality as reflected in its 2009/10 budget are in the tables below.

TABLE 45: Municipal Income

DETAILED SCHEDULE OF INCOME FOR 2009 & 2010				
		Medium Term Revenue and Expenditure Framework		
		Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
		Budget	Budget	Budget
RATES & SERVICES		0.00	0.00	0.00
GRANTS & SUBSIDIES – GOVERNMENT		54,369,000	65,784,000	73,832,000
Municipal Infrastructure Grant		15,097,000	17,477,000	21,019,000
Municipal Systems Improvement Grant		735,000	750,000	790,000
Municipal Finance Management Grant		1,000,000	1,250,000	1,500,000
Equitable Share as per equitable share schedule		37,377,000	46,137,000	50,343,000
KZN Treasury (Housing)		160,000	170,000	180,000
Projects: CMIP				
Projects: Dept. of Public Works				
OWN INCOME		5,850,000	7,100,000	9,700,000
Property Rates		1,800,000	2,300,000	3,300,000
Refuse Removal		550,000	300,000	400,000
Electricity Sales		3,500,000	4,500,000	6,000,000
Tender Monies				
Tender Sales		5,000	5,000	5,000
RENTAL OF FACILITIES				
Suppliers discount		0	0	0
BURIAL FEES				
Recoveries		10,000	10,000	10,000
MISCELLANEOUS		120,000	175,000	230,000
Billboards		100,000	150,000	200,000
Other		10,000	10,000	10,000
Plans/Photocopying		10,000	15,000	20,000
RENT				
House No1 to 7		33,000	33,000	33,000
INTEREST				
Current account		200,000	300,000	400,000
Investments	0	0	0	0
Late payments				
Various	0	0	0	0
Motor loans		0	0	0
Total Income		60,587,000	73,407,000	84,210,000

8.1.4 Grant Funding Sources

In order to further improve the management and monitoring of conditional grants National Treasury will give special attention to the following matters;

- ▶ Municipalities must reflect all grants (from national, provincial and local) on both the revenue and the expenditure sides of their 2009/10 budgets, as well as for the MTREF years;
- ▶ Monitoring that all funds transferred from national and provincial government are deposited in municipalities' primary bank accounts;
- ▶ Monitoring that accounting officers (as receiving officers) fulfill their duties set out in sections 12 and 13 of the Division of Revenue Bill, particularly as they relate to the preparation and submission of information on conditional grants to the relevant national or provincial transferring officer, and to the relevant provincial treasury and National Treasury as part of their section 71 reporting obligations.

The table below summarises the income from grants for the municipality from both provincial and national sources.

TABLE 46: Income by Grant

			Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
							Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
Vote	Line	Description	Audited Actual	Approved Budget	Adjustments Budget	Full Year Forecast	Budget	Budget	Budget
INCOME GRANTS AND SUBSIDIES									
Conditional Grants									
	111	Municipal Infrastructure Grant	-	11,170,00 0	-	-	15,097,00 0	17,477,00 0	21,019,00 0
	115	Municipal Systems Improvement Grant	-	-	-	-	735,00 0	750,00 0	790,00 0
	127	Municipal Finance Management Grant	-	500,00 0	-	-	1,000,00 0	1,250,00 0	1,500,00 0
	133	KZN Treasury (Housing)	-	-	-	-	160,00 0	170,00 0	180,00 0
	134	Library Building Projects	-	177,00 0	-	-	-	-	-
	135	Centre Management Support	-	450,00 0	-	-	-	-	-
	136	DLGTA- GIS	-	33,00 0	-	-	-	-	-
	137	Corridor Development Grant	-	340,00 0	-	-	-	-	-
	138	DLGTA- IDP	-	50,00 0	-	-	-	-	-
	139	Synergistic Partnerships	-	500,00 0	-	-	-	-	-
	140	MPRA Implementation	-	2,154,42 4	-	-	-	-	-
		Sub-total (Conditional Grants)	-	15,374,42 4	-	-	16,992,00 0	19,647,00 0	23,489,00 0
Unconditional Grants									
	150	Equitable share	-	28,124,00 0	-	-	37,377,00 0	46,137,00 0	50,343,00 0
		Sub-total (unconditional Grants)	-	28,124,00 0	-	-	37,377,00 0	46,137,00 0	50,343,00 0
			-	43,498,42 4	-	-	54,369,00 0	65,784,00 0	73,832,00 0

8.1.5 Expenditure

The following table summarises the budgeted expenditure for the municipality.

TABLE 47: Expenditure

Description	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual	Approved Budget	Adjustments Budget	Full Year Forecast	Budget	Budget	Budget
TOTAL EXPENDITURE -							
Salaries, Wages & Allowances	-	14,380,953	-	-	15,987,830	17,586,613	19,345,274
Employee Benefits	-	16,052,789	-	-	20,196,868	22,216,555	24,438,211
Council Remuneration	-	4,753,490	-	-	5,748,230	6,323,053	6,955,358
General Expenses	-	11,967,618	-	-	15,628,558	17,191,414	18,910,555
Grants Expenditure (Transferred to Revenue)	-	15,374,424	-	-	16,992,000	19,647,000	23,489,000
Sub Total "C"	-	27,342,042	-	-	32,620,558	36,838,414	42,399,555
Repairs & Maintenance	-	577,975	-	-	2,187,000	2,405,700	2,646,270
Contributions to Capital Outlay							
Contributions	-	710,000	-	-	1,056,881	1,056,881	1,278,826
Capital Charges	-	50,538,959	-	-	62,912,200	69,943,266	79,052,443
Surplus / (Deficit)	-	(4,382,884)	-	-	(2,325,200)	3,463,734	4,987,557

8.2 RECONSILLIATION OF IDP AND BUDGET

The following table reconciles the IDP and the Budget in terms of the National KPA's.

TABLE 48: Reconciliation of IDP and Budget

RECONCILLATION OF IDP & BUDGET	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/2008	2008/2009	2008/2009	2008/2009	Budget Year	Budget Year +1	Budget Year +2
	Audited Actual	Original Budget	Adjustment Budget	Projected forecast	2009/2010	2010/11	2011/12
EXPENDITURE BY SOURCE							
Intergrated Service Delivery		14,239,755			14,239,755	16,473,919	18,121,311
Social Facilitation		-			2,356,766	2,592,442	2,851,687
Institutional & Governance		36,112,204			44,086,300	48,424,587	55,381,896
Enviromental Management		-			-	-	-
Municipal Planning		-			1,879,379	2,067,317	2,274,049
Public Relations		-			100,000	110,000	121,000
Economic Development		187,000			250,000	275,000	302,500
TOTAL OPERATING REVENUE	-	50,538,959	-	-	62,912,201	69,943,266	79,052,442
					-	-	-

8.3 BUDGET STRATEGY AND ASSUMPTIONS

In the preparation of the Revenue Expenditure budget, certain assumptions were made. The budget is therefore based on certain fundamental assumptions and should these vary materially, then such variations would have an effect on the budget outcomes.

TABLE 49: Budget Assumptions

Description	2009/2010	2010/2011	2011/2012
NT Guidelines	3%-6%	3%-6%	3%-6%
CPIX	5.4%	5.1%	4.6%
Salaries	10%	10%	10%
Free Basic Water	6 kl p.m	6 kl p.m	6 kl p.m
Equitable Share Allocation	37,377,000	46,137,000	50,343,000

SECTION I

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

9.0 Organisational Performance Management System

9.1 Performance Management System (PMS)

The Performance Management System, a requirement of the Municipal Systems Act, is an essential management system that helps structure internal resources and then monitor and evaluates their effectiveness. This provides the possibility for continuously improving the use of resources. Performance management fulfills, monitoring and evaluation of the integrated development plans and broader activities of the Municipality.

Council in process of adopting the Nquthu Municipality's PMS to ensure accountability to our stakeholders, to enhance performance and learning and to ensure our compliance with the Systems Act. In terms of Section 39 (c) of the Systems, a municipality is required to submit its Performance Management System to the council for adoption.

Performance is regularly monitored, measured and reviewed on an annual basis on its core mandate in terms of service delivery and providing efficient and adequate service to the communities within the municipality. Performance in respect of targets set for Key Performance Indicators supporting the objectives in the Municipal Strategic, further instructs a municipality to ensure that its performance management system:

- Complies with the requirements of the Act.
- Demonstrates how the system will operate and be managed from the planning stage up to the stages of performance and reporting.
- Clarifies the roles and responsibilities of each role player, including the local community.
- Determines the frequency of reporting and the lines of accountability for performance.
- Relates to the municipality's employee performance management processes.
- Provides for the procedure by which the system is linked to the municipality's integrated development planning processes.
- Is adopted before or at the same time as the commencement of by the municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan.

The implementation of a performance management system framework should allow the municipality to collect, process, organise, analyse, audit, reflect and

report on performance information. It should also allow the municipality to take practical steps to improve its performance.

This framework, together with the KPI's and performance targets in the Service Delivery and Budget Implementation Plan, Performance Agreements of senior managers, regular reporting through monthly budget statements to the Executive Mayor and quarterly reports to council, periodical review and improvement of the system, constitute the performance management system of the municipality.

9.2 Performance Monitoring and Review

Monitoring is a continuous process of measuring, assessing, analysing and evaluating the performance of the organisation with regard to the SDBIP and corporate KPIs and targets. Mechanisms, systems and processes for monitoring should provide for reporting at least once a quarter to the municipal council, it should enable detection of early indication of underperformance and provide for corrective measures to be taken in cases of underperformance.

The Municipal Planning and Performance Management Regulations, 2001, requires municipalities to develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its auditing processes. This is meant to ensure that performance information collected by the municipality is verifiable, reliable and correct.

The Regulations and the MFMA provides for the establishment of an internal audit function. Internal auditing must include assessment of the following:

- The functionality of the municipality's performance management system.
- Whether the performance management system complies with the relevant provisions of the Municipal Systems Act, 2000.
- The extent to which the municipality's performance measurements are reliable in measuring performance.
- On a continuous basis, audit the performance measurements of the municipality.
- Submit quarterly reports on their audits to the municipal manager and the Audit Committee.

Additional functions of the Internal Auditor relating to financial and other systems of the municipality are outlined in the Municipal Finance Management Act and Internal Audit Charter.

The Audit Committee Should be established in terms of the MFMA will perform as well as the function of performance audit. The functions of the Audit Committee must be formulated in a manner that takes into account the instructions of the Planning and Performance management Regulations.

Performance review, in which a comprehensive evaluation of the municipal performance will be conducted, takes place quarterly when the annual performance report is prepared.

The annual review is informed by the results of the community satisfaction survey and reports, which are audited by the Audit Committee and measures that were taken during the year to improve performance.

The results of the review process will be used to develop corrective measures to improve performance and inform the subsequent stages of planning.

Review includes assessment of the adequacy of all components of the system. It identifies the strengths, weaknesses, opportunities and threats of the municipality in meeting targets set in the Service Delivery and Budget Implementation Plan. It also measures the economy, efficiency, effectiveness in the utilization of resources and the impact government programmes are having on the lives of the people in the community.

Performance improvement and adjustment is based on the results of the

Heads of Departments report to the Municipal Manager on a monthly basis at the end of each month. The reports must reflect whether key performance indicators and performance targets of the Service Delivery and Budget Implementation Plans are achieved.

Section 57 Employees annually enter into Performance Agreements with the Council.

The municipal Manager which is currently employed signs the agreement with the Executive Mayor, while the Corporate Service Manager and Technical services Manager sign agreements with the municipal manager. The other two which is Financial Manager and Planning and LED Manager will be finalized formerly after the positions are filled. The Performance Agreements are based on the municipality's SDBIP.

A performance assessment system of HoDs must be outlined in the agreement and must provide for quarterly and annual performance assessment. Assessment system that covers the rest of other employees, which falls under the strategic focus of the municipality, should be developed.

Once the organizational performance management system is finalized it will be submitted to full Council for approval of the input indicators, output indicators and outcome indicators. Municipality is faced with greater challenges to ensure that services are delivered, community get better lives.

The Performance Management Framework is attached for detail.

**SECTION J
ANNEXURES**

10.0 Sector Plans

10.1 Current Status of Sector Plans

The following is a summary of the sector plans prepared or underway at both the municipal and district municipality level.

TABLE 50: Current Status of uMzinyathi Sector Plans

UMZINYATHI SECTOR PLANS			
NO	SECTOR PLAN	IDP REVIEW	STATUS
1	Condensed Water Services Development Plan	Prepared by uMzinyathi District	Completed
2	Transport Plan	Prepared by uMzinyathi District	Completed
3	Disaster Management Plan	Prepared by uMzinyathi District	Completed
4	Backlog Study	Prepared by uMzinyathi District	Not approved
5	HIV/AIDS Sector Plan	Prepared by uMzinyathi District	Not approved
6	Tourism Sector Plan	Prepared by uMzinyathi District	Not completed
7	Business Sector Plan	Prepared by uMzinyathi District	To be prepared
8	Agriculture Sector Plan	Prepared by uMzinyathi District	Not completed
9	Cemeteries and Crematoria Plan	Prepared by uMzinyathi District	To be prepared
10	Environmental Management Plan	Prepared by uMzinyathi District	To be prepared

TABLE 51: Current Status of Nquthu Sector Plans

NQUTHU SECTOR PLANS		
NO	SECTOR PLAN	STATUS
1.	Organisational Performance Management Plan	Not approved
2.	Housing Sector Plan	Completed
3.	Land Use Management Plan	Not approved
4.	HIV/AIDS Sector Plan	To be prepared
5.	LED Plan	Not approved
6.	Solid Waste Master Plan	Completed
7.	Electricity Master Plan	To be prepared
8.	Communication Plan	To be prepared
9.	Anti – Corruption	To be prepared
10.	Municipal Health Plan	To be prepared
11.	MPCC/ Thusong Centre	To be prepared
12.	Financial Plan	To be prepared
13.	Gender and Disability Policy and programme Plan	To be prepared
14.	Integrated Transport Plan	To be prepared
15.	Infrastructure Investment Plan	To be prepared

Section J.1
Detailed Spatial Development Framework

1. Background and Amendments during the IDP review 2009/10

In terms of the Municipal Systems Act, all municipalities are required to prepare Integrated Development Plans that include a SDF. The SDF is a strategic document and is prepared at a broad scale. It is meant to guide and inform land development and management. The Spatial Development Framework should:

- Give effect to principles contained in the Development Facilitation Act, Act No. 67 of 1995
- Determine spatial priorities
- Set out spatial form objectives
- Detail strategies and policies for the above that indicate desired patterns of land use, address spatial reconstruction, and provide decision making processes relating to the nature and location of development
- Provide basic guidelines for a Land Use Management System
- Outline a Capital Investment Framework
- Contain a Strategic Environmental Assessment
- Identify programmes and projects for development of land
- Align with neighbouring SDFs
- Provide visual representation of desired spatial form

1.1 NQUTHU FRAMEWORK PLAN

The majority of the transport routes lead to Nquthu Town. Nquthu Town is the main urban settlement and is the primary commercial, administrative and service centre of the Municipality. Office of departments such as the Department of Education, agriculture Environmental Affairs, works, Health, Justice and Welfare, Road Traffic Inspectorate (RTI), Traditional affairs, Home Affairs, South African Police Services and Correctional Services are located at Nquthu Town. There are other small secondary nodes such as Nondweni to the east of Nquthu and Sandlwana to the south east of Nquthu.

State Land is Limited mainly to the area where Nquthu is located, but small patches are also found in different areas within the municipality. Other landowners represented in Nquthu include the church organisations and privately owned land.

1.2 Areas of Environment Concern

Areas of environmental concern are mainly the wetlands, and watercourses, soil erosion prone areas, steep slopes, archaeological sites and tourism assets. Settled rural areas with no adequate water and sanitation are also a concern.

1.3 Agricultural Potential

The agricultural potential is dependent on soil and climate conditions. The climate within Nquthu is described as dry with rainfall range of between 645mm and 737mm per annum. The rainfall period occurs only within a limited time

between December and March. The mean annual temperature is 16 degrees but reaches the high of 30 degrees. Nquthu is an area with moderate agricultural potential. With the higher rainfall occurring in the Northern parts of Nquthu, therefore the northern areas are more favourable for farming practices. However, the area is associated with poor soils that are highly susceptible to erosion and have low agricultural potential. Agricultural production within Nquthu area is mainly for subsistence purposes, with few people actively involved in commercial production. Crop farming currently takes place on approximately 2750 ha, with production focused on maize (60%) and beans (5%). There are no irrigation systems in place.

1.4 APPROACH

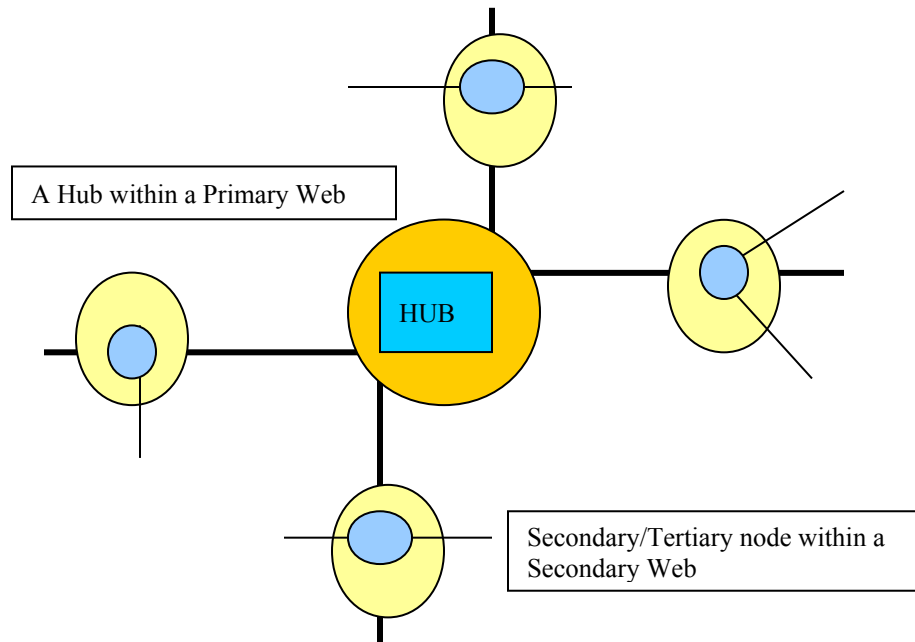
The Rural Service Model (RSS) was developed by the Town Planning Commission and the aims of the model are to:

- i) Encourage service providers to work towards the goal of alleviating poverty through:
 - Planned and integrated service delivery;
 - The linking of departmental budgets/finances and the promotion of integrated delivery;
 - Increasing community access to services and the reduction of service costs;
 - Changing the way public service agencies operate; the adaptation of services to meet local social and economic needs; and the establishment of a model for rural service delivery which is replicable.

- ii) Co-ordinate the time and place where services are delivered/ provided through:
 - Reducing the cost of service delivery through the sharing of infrastructure and resources; and
 - Improving convenience to communities by offering a number of services at one point, and at one time.

- iii) Creating economic opportunities at service delivery points through;
 - Locating population around investment points to stimulate market activity;
 - Stimulating investment opportunities around service points; and
 - Creating opportunities for greater diversification of economic opportunities.

The following diagram summarises the approach adopted:



The benefits for this approach are as follows:

- It provides a logical framework for assessing locational priorities. It recognises that regions are dynamic social and economic systems, which responds to change, opportunities and limitations. They are always in a process of growth and transformation.
- The objective of every investment project is to maximise the impact of and the total accessibility to the type of facility in question.
- It allows for the new investments to be informed and responds to that which has gone before. Each investment modifies the rhythm of flows and patterns of accessibility. This in turn, ensures that at each stage facilities and services have the greatest chance of being viable.

An important dimension of the approach is that it demands sectorally different forms of investment to be considered in relation to each other. Similarly, vertically linked forms of investment can be moulded into an interconnected accessibility system to ensure that each level of service has appropriate threshold.

2. The Nquthu Settlement Hierarchy

The municipality has a well-defined functional structure with the majority of the transport routes leading to Nquthu Town. A limited form of nodular development occurs in a number of small emerging centers found along major transport routes and within large and expansive rural settlements. This presents an opportunity for the decentralization of service delivery and access to social and other services. Major land uses found in these nodes include Traditional Administration Centres (TACs), commercial uses, clinics and schools.

Nquthu Town is the main urban settlement and is the primary commercial, administrative and service centre of the Municipality. Offices of departments such as the Departments of Education, Agriculture Environmental Affairs, Works, Health, Justice and Welfare, Road Traffic Inspectorate (RTI), Traditional Affairs, Home Affairs, South African Police Services and Correctional Services are located at Nquthu Town.

There are other small secondary nodes such as Nondweni to the east of Nquthu and Isandlwana to the south of Nquthu. There are also scattered rural “betterment settlements” stemming from the previous era. Some settlements exhibit poor soil management conditions due to poor planning and population density but generally settlements are on flat land adjacent to access routes and fairly good agricultural land potential. There are clearly defined areas of settlement with specific areas set aside for agriculture. The land is largely administered by nine tribal authorities. The following are Nquthu Municipality Node:

1. Nquthu Node
2. Isandlwana Node
3. Masotsheni/ Hlath Dam Node
4. Nkande Node
5. Nondweni Node
6. Silutshanna /Magogo Node
7. Qhudeni Node
8. Jama / Machitshana Node

2.1 Nquthu Node

Nquthu Town is the largest node in terms of services in the Nquthu Municipal Area and therefore plays an important regional role. It is located on four provincial transportation routes, allowing for good regional accessibility. This node is made up of Nquthu Town, Ngedla; Thembeni; Batshe; Mtshongweni; Ngwetshana; Mhobe; Vulamehlo; Gubazi; Luvisi; Zinkondlwaneni; Ndindindi; Magongoloza; Mfongomfong, Kwabiya. During the public participation with the community representatives from this node the following needs were identified:

- Street Tarring (Nquthu Town)
- Availability of sites (Nquthu Town)
- Water & Sanitation
- Informal Settlements relocation
- Network Aerials
- Congestion (Nquthu Town)
- Middle income Housing (Nquthu Town)
- Low Cost Housing (Luvisi, Khiphinkunzi)
- Grazing Fields in the outskirts of Ngobese & Molefe Tribal Authorities
- Traffic and Disaster Management Centre (in Town)
- Traffic Light in Town
- Traffic Designs on exits and entrances in town

Nquthu node has a potential of growing as a **Service Support Hub** to all 8 nodes and outside the municipal area. Nquthu is located in crossroad of provincial roads, this place the node at a strategic position as an economic powerhouse. The development potential lies in the development and improvement of the **commercial and property sector**. Nquthu node is also an **administrative centre** for the municipality and a host of other government departments.

2.2 Isandlwana Node

Isandlwana node is located on the south central part of the municipality and is situated in the Amangwe Buthanani Tribal Authority. It is made up of the following areas Isandlwana, Ncepheni; Mfeka; Fahlaza; Ngwebini; Kwanyezi; KwaQwabe, Shayamoya, Ngolokodo and Mngxangala. During the public participation with the community representatives from this node the following needs were identified:

- Good quality roads
- Electricity supply
- Water & Sanitation
- Schools and Crèches
- Clinics
- Sporting facilities
- Libraries
- Community Hall
- Decent convenience shops
- Parks
- Network Aerials
- Isandlwana Tourism Development Initiative
- Road to Fahlaza school
- Dams
- V- box Sibongile
- Forestry, Grazing Camps
- Crime combat projects

Isandlwana area is a well-known tourist destination worldwide, but there is very little income if any derived by local people. This is a very worrying factor considering the fact that people in this region live well below poverty levels.

The potential anchor project in this area therefore was identified as **Traditional Hub**. This is a very wide scope but it captures all the essential projects that will enrich people of the area. The hub will consist of the **Cultural Village, Auditorium, Museum Arts and Craft Centre, Indlamu Academy, Exhibition Centre etc.**

2.3 Masotsheni / Hlathi Dam Node

This node is located on the Western side of the Municipality and is situated mainly in the Molefe Tribal Authority. It is made up of the following areas Hlathi Dam, Masotsheni, Kwadophi, Mashesheleni, Ngonini, Mqhedlana, Mahloleng, Jabavu, Maceba, Mafitleng, Zicole and Ziqhazeni. During the public participation

with the community representatives from this node the following needs were identified:

- Electricity (Jabavu, Zakheni, Ward 11, Kwadophi)
- Community Halls (Kwadophi, Ngonini, Jabavu, Mashesheleni, Mqhedlana, Zicole Mafitleng)
- Roads, River Crossing & Bridges (Hlathi, Chumbeza, Dlamadoda, Kwalubisi, Manzamyama, Mafitleng to Molefe Tribal Court, Kwambonani, Dlamini to Ncome, Jabavu to Ekudingeni, Ngonini to Thembalihle, St Augustine to Mqhedlana, R68 to Siyabonga)
- Sporting Facilities
- Library
- Agricultural Elements (Tractors, Planters etc)
- Crèches (Ngonini, Thembalihle, Mafitleng, Masotsheni, Mqhedlane, Mashesheleni, Hlathi Dam)
- Rural Housing
- Network Aerials
- Sanitation (Ngonini)
- Access road to Molefe Tribal Court

The potential anchor projects in this area therefore include the following **St Augustine Spring Water Project, Hotel Resort Project, Potential Airstrip Development, Further Education & Training Centre, Stones Crushing Plant, Various Agricultural Projects such Chicken Farming, Cattle Farming, Piggery, Mushroom Plantations etc.** These are very possible projects that can put this node on a very strong position and will encourage the financial growth and prosperity of the residents.

2.4 Nkande Node

This node is located on the far North of the Municipality and is situated in the Molefe Tribal Authority. It is made up of the following areas Nkande, Isigqumeni; Haladu; Mphazima; Ndatshana; Mathambo; Thelezini; Mkhonjane; Ohaleni. During the public participation with the community representatives from this node the following needs were identified:

- Water & Sanitation
- Internal Roads & River Crossings
- Sporting Facilities
- Clinics
- Police Station
- Rural Housing Projects
- Network Aerials
- Crèches
- Electricity (Haladu, Mathambo, Nkande)
- Community Halls needing extension (Nkande & Ndatshana)
- Need to utilize the Multi Purpose Centre (Haladu)
- Mdlenevini Community Development Project
- HIV / AIDS Hospice & Home Base Care

The potential anchor project in this area therefore was identified as **Commercial Cluster Project and Agricultural Hub.** The Cluster Project will involve the identification of the area where the following can be implemented; **Sports**

Centre, Decent Convenience Shopping Facilities etc. The Agricultural Hub will consist of the **Grazing Fields, Abattoir, Chicken Farming, Cattle Farming, Piggery, Maize and other veggies etc.** The other potential project includes **Waterfall Resort Development along Jojosi River and Stone Crushing initiative in the Ethelezini Area.**

2.5 Nondweni Node

This node is located on the Eastern side of the Municipality and is situated in both Ngobese & Molefe Tribal Authorities. It is made up of the following areas Baklside; Mhlungwana; Mphondi; Ekukhanyeni; Odudela; Mhlungulu; Mabululwane' Magara' Potsoana; Maduladula; Mbewunye. During the public participation with the community representatives from this node the following needs were identified:

- Clinic
- Electricity
- Police Station
- Water & Sanitation
- Network Aerials
- Housing
- Crèches
- New Roads (P36/2 to Mbewunye), Tarring (Nondweni) and Bridges
- Grazing Fields & Farming Elements (Tractors etc)
- Youth Support Centre
- Upgrade of Sports Hub to include Swimming Pools etc.
- Land availability for church & business activities

The potential anchor project in this area therefore was identified as **Sports Hub and Business Revitalisation**. The sports hub has already been established in Nondweni but there is room for improvement to make it a complete sports centre. Whereas in terms of the business revitalisation as another potential anchor project for the area, **the mini shopping complex including a Bank to include a petrol filling station, light industrial complex to cater for sewing clubs and welding entrepreneurs and a traditional hotel** might just do the trick.

2.6 Silutshana / Magogo Node

This node is located on the south eastern side of the Municipality and is situated in Mbokodwebomvu Tribal Authority. It is made up of the following areas Silutshana, Magogo, Hlazakazi, Mzilankatha, Mgombane, Manxili and Msimbu. During the public participation with the community representatives from this node the following needs were identified:

- Water & Sanitation
- Electricity
- Telecommunication Network / Signal
- Roads
- Sporting Facilities
- Orphanage Centre, Old Age Home, HIV / AIDS Hospice, Youth Support Centre
- Crèches
- Rural Housing

- Network Aerials
- Grazing Camps
- Tourism development (Mangeni Waterfall)
- Post Boxes

The potential anchor project in this area therefore was identified as **Cluster Project**. The Cluster Project will involve the identification of the area where the following can be implemented; **Arts & Craft Centre, Government Services Centre, and other support centres**.

2.7 Qhudeni Node

This node is located on the far south of the Municipality and is situated in both Vulindlela-Sithole and Emandleni-Zulu Tribal Authorities. It is made up of the following areas Bengwana; Ntabasibahle; Sizinden; Nqgulu; Shayanyawo; Mlambomunye.

In this node a feasibility study was convened with the assistance of the National Department of Transport. The findings of this report indicated a number of possibilities for this particular node. The report went to the extent of costing these projects and prioritising in terms of short to long term implementation.

Thus the following services should be provided:

- New Roads
- routine police patrol;
- clinic/mobile service;
- weekly mobile welfare service;
- secondary and primary schools;
- post boxes;
- mobile bank service;
- weekly bus (public transport) service;
- Rural housing
- Crèches and halls
- Electricity
- Water and Sanitation
- Grazing camp
- Aerials for Network

The **social and economic ventures** that have been identified are as follows:

- The **provision of sports and recreational facilities** to benefit the entire community.
- **The development of a Multi-Purpose Community Centre (MPCC)**, containing a clinic, home affairs office, pension payout facility, police station, restaurant and municipal offices, for the Qhudeni area.

- The development of **Small Agri-Business (SAB) Corridor** would have a one-off establishment cost of R 3 million for 16 hydroponics greenhouses (4 at each school).
- **The development of a conservancy** to promote harmony between people and animals, as well as the possible promotion of Eco-tourism to unlock the economic potential of the area.

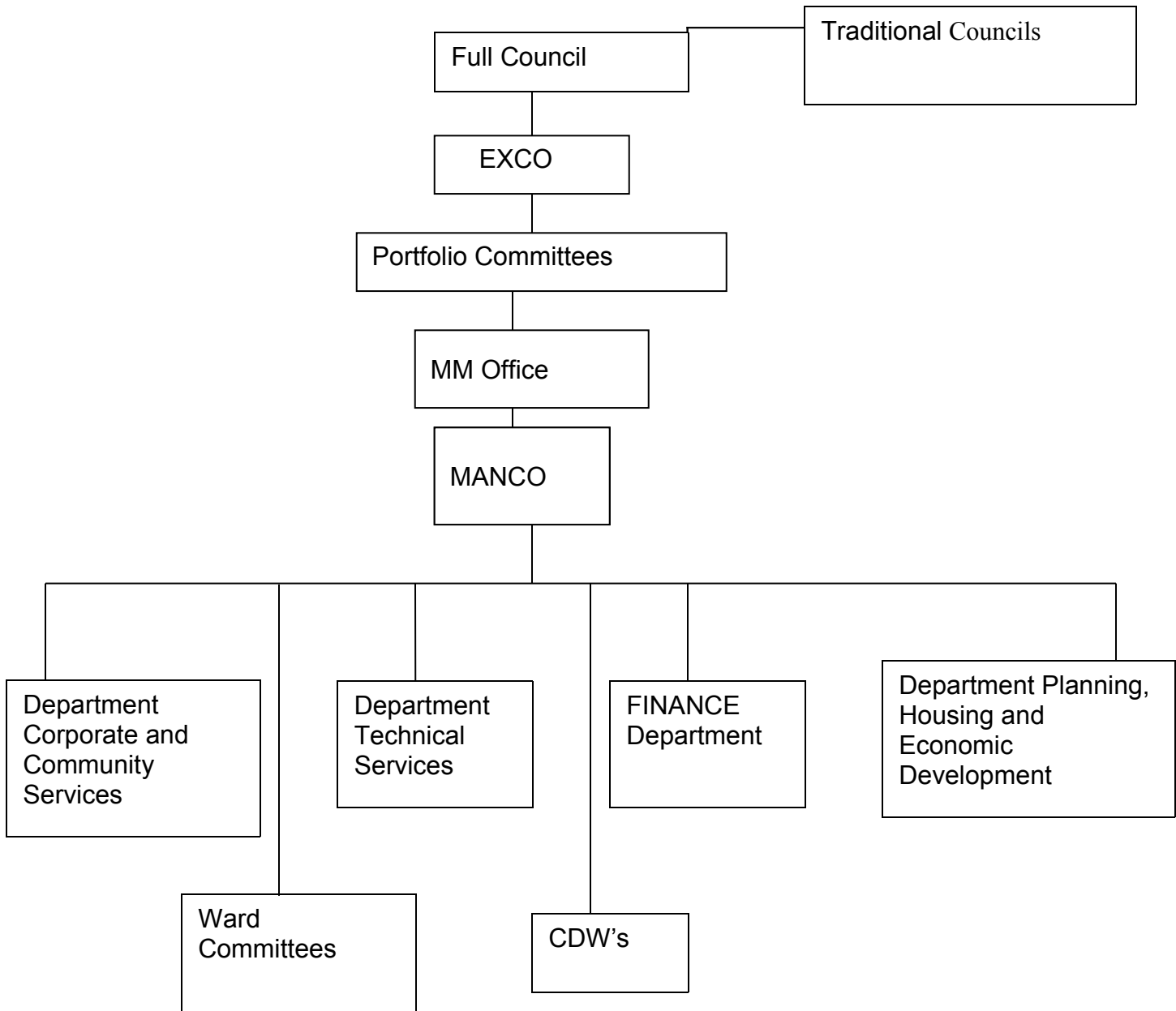
2.8 Jama/Machitshana Node

Jama node is located on the eastern part of the municipality and is situated in Jama Tribal Authority. It is made up of 4 wards, 2, 5, 14 and 15 with the following areas: Zwelisha, Nhlopheni, Machitshana, Ntababomvu, Hwanqana, Voyiza, Mazicentele, Hlinzeka, Jama, Nhlabamkhosi, Scelimfundo, Nhlengile, Klwana, Magogo, Kwawoshi, and Gedlekazi. During the public participation with the community representatives from this node the following needs were identified:

- Roads and Bridges
- Electricity
- Water & Sanitation
- Schools and Crèches
- Clinics
- Rural Housing
- Telecommunication/Signal
- Government Service Centre
- Youth Support Centres
- Sporting facilities
- Libraries
- Community Hall
- Mini Shopping Complex
- Network Aerials
- Ntinini Police Station
- Parks
- Arts and Craft Projects
- Grazing Camps
- Farming Projects: Soya growing, Maize growing, Poultry, Piggery, fishing, crops, stock and dairy farming

SECTION K Appendices

Section K.1 Institutional Structure



Section K.2 Powers and Functions

Function	Authorisations	Definition
Schedule 4		
Air pollution	Yes	Any change in the quality of the air that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Building regulations	Yes	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality, which must at least provide for: <ul style="list-style-type: none"> ▪ Approval of building plans; ▪ Building inspections, and ▪ Control of operations and enforcement of contraventions of building regulations. If not already provided for in the national and provincial legislation.
Child care facilities	Yes	Facilities for early childhood care and development which fall outside the competence of national and provincial government pertaining to child care facilities.
Electricity reticulation	Yes	Bulk supply of electricity, which include for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network, tariff policies, monitoring of the operation of the facilities for adherence to standards and registration requirements, and any other matter pertaining to the provision of electricity in the municipal areas.
Fire Fighting	Yes	In relation to District Municipality "Fire fighting" means: Planning, co-ordination and regulation of fire services; specialised fire fighting services such as mountain, veld and chemical fire services; co-ordination of the standardisation of infrastructure.
Local tourism	Yes	The promotion, marketing and if applicable, the development, of any tourists attraction within the area of the municipality with a view to attract tourists, to ensure access, and municipal services to such attractions, and to regulate, structure and control the tourism industry in the municipal area subject to any provincial and national legislation, and without affecting the competencies of national and provincial government pertaining to nature conservation, museums, libraries and provincial cultural matters.
Municipal airport	No	A demarcated area of land or water or a building which is used or intended to be used, either wholly or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such facility including all infrastructure and services associated within an airport, and the regulation and control of the facility, but excludes airport falling within the competence of national and provincial government.
Municipal Planning	Yes	The compilation and implementation of and integrated development plan in terms of the Systems Act.
Municipal Health Services	No	Subject to an arrangement with MECs to do the necessary authorizations, or alternatively, subject to amendments to the Structures Act, Municipal Health Service means environmental health services performed by a district municipality and includes:• Air pollution, Noise pollution; Solid Waste Removal; Water and Sanitation; Licensing and control of undertakings that sell food to the public; Control of public nuisance; and Facilities for the accommodation, care and burial of animals.
Municipal public transport	Yes	The regulation and control, and where applicable, the provision of:• Services for the carriage of passengers, whether scheduled or unscheduled, operated on demand along a specific route or routes or, where applicable, within a particular area• Schedule services for the carriage of passengers, owned and operated by the municipality, on specific routes.
Pontoons and ferries	Yes	Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments
Storm water	Yes	The management of systems to deal with storm water in built-up areas
Trading regulations	Yes	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation
Water (Potable)	No	The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution, bulk supply points, metering, tariffs setting and debt

Function	Authorisations	Definition
		collection so as ensure reliable supply of a sufficient quality and quality of water to households, including informal households, to support life and personal hygiene.
Sanitation	No	The establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure, for the collection, removal, disposal and/or purification of human excreta and domestic waste-water to ensure minimum standard of service necessary for safe and hygienic households.
Schedule 5		
Amusement facilities /Beaches	Yes	A public place for entertainment. The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.
Billboards and the display of advertisements in public places	Yes	The display of written or visual descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which promotes the sale and/or encourages the use of goods and services found in: <ul style="list-style-type: none"> ▪ Streets; ▪ Roads; ▪ Thoroughfares; ▪ Sanitary passages; ▪ Squares or open spaces; and/or ▪ Private property.
Cemeteries, funeral parlours and crematoria	Yes	The establishment conduct and control of facilities for the purpose of disposing of human and animal remains.
Cleansing	Yes	The cleaning of public streets, roads and other public spaces either manually or mechanically
Control of public nuisance	Yes	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community
Control of undertakings that sell liquor to the public	Yes	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses, and includes an inspection service to monitor liquor outlet for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation.
Facilities for the accommodation , care and burial of animals	Yes	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements outlined in legislation.
Fencing and fences	Yes	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads.
Licensing of dogs	Yes	The control over the number and health status of dogs through a licensing mechanism.
Licensing and control of undertakings that sell food to the public	Yes	Ensuring the quality and the maintenance of environmental health standards through regulation, a licensing mechanism and monitoring of any place that renders in the course of any commercial transaction, the supply of refreshments or meals for consumption.
Local amenities	Yes	The provision, manage, preserve and maintenance of any municipal place, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any such or other facility for public use but excludes such places, land or buildings falling within competencies of national and provincial governments.
Local sport facilities	Yes	The provision, management and/or control of any sport facility within the municipal area.
Markets	Yes	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.
Municipal abattoirs	Yes	The establishment conduct and/or control of facilities for the slaughtering of livestock.

Function	Authorisations	Definition
Municipal parks and recreation	Yes	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and includes playgrounds but excludes sport facilities.
Municipal roads	Yes	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, or belonging to the road.
Noise pollution	Yes	The control and monitoring of any noise that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Pounds	Yes	The provision, management, maintenance and control of any area or facility set aside by the municipality for the securing of any animal or object confiscated by the municipality in terms of its by laws.
Public places	Yes	The management, maintenance and control of any land or facility owned by the municipality for public use.
Refuse removal, refuse dumps and solid waste disposal	Yes	The removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment for the inhabitants of a municipality.
Street trading	Yes	The control, regulation and monitoring of the selling of goods and services along a public pavement, road reserve and other public places.
Street lighting	Yes	The provision and maintenance of lighting for the illuminating of streets.
Traffic and parking	Yes	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.
Municipal public works		Any supporting infrastructure or services to empower a municipality to perform its functions

Section K.4 Projects identified by Community Members

Table 52

Project Name	Location
Transportation plan	Throughout The Municipality
Infrastructure And Services Plan	Throughout The Municipality
Trading shelters	Kwanqulu and Okhalweni-Ward 1
Nquthu tourism centre	Nquthu Town
Primary school	Enkabane- ward1
Community Sport field Upgrade Programme	Throughout The Municipality
L.P School	Ezihlabeni-ward 1
Community hall	Mabiza and Kwamfeka-ward1
Isandlwana Multi Purpose Centre	Isandlwana – Ward 4
Ngolokodo Multi-Purpose Centre	Ngolokodo – Ward 03
Hlazakazi Multi Purpose Centre	Hlazakazi – Ward 2
Mafitleng Multi Purpose Centre	Mafitleng – Ward 11
Mkhonjane Multi Purpose Centre	Mkhonjane – Ward 11
Magongoloza Multi Purpose Centre	Magongoloza Ward 8
Luvisi Multi Purpose Centre	Luvisi – Ward 8
Vulamehlo Multi Purpose Centre	Vulamehlo – Ward 10
Masotsheni Cluster Project	Masotsheni
Molefe Cluster Project/ Ndindindi Multi Purpose Centre	Molefe Traditional Authority – Ward 11 & 12
Game Park	Umzinyathi Community Conservation Area
Cultural Village	Ward 10 – Khiphinkunzi Ta
Multi-Purpose Stadium	Ward 9, 11 & 12 (Molefe Traditional Authority)
Soil Erosion And Environmental Management	Throughout Municipal Area
Clinics In Ward 1	Ntamoyenkunzi, Okhalweni, Qhudeni And Kwazihlalele
Clinic In Ward 7	Mhlungwane

Project Name	Location
New Schools In Ward 1	Matengeni, Qhudeni 1, Qhudeni 2 And Ensamo, Ezhlabeni, Malandeni
Multi Purpose Centre	Ward 2 – (Hlazakazi Mission)
Batshe Irrigation Scheme: Feasibility Study	Batshe River
Community Access Roads	Throughout The Municipality
Multi Purpose Centre	Ward 3 - Ngolokodo
Clinics In Ward 3	Ward 3
Community Halls	Ward 3
Multi Purpose Centre	Ward 4 – Cross F Isandlwana
Clinics In Ward 4	Ward 4 Mashekelela Ngwebini
Multi Purpose Centre	Ward 5 – Patsoane
Renovation Of Schools	Maduladula Gogwane Mabalokane Mphondi
Clinics	Mbewunye Patsoane Maduladula
Multi Purpose Centre	Gubazi Vulamehlo Mfongomfongo
Clinic	Mfongomfongo
Multi Purpose Centre	Zwelisha Nondweni Mhlungwane Battle Site
Creches And Pre-School Facilities	Dudela WRD 7 Mhlungwane WRD 7 Magabeni WRD 7
Creches And Pre-School Facilities	Mpondi ward 7
RDP Housing	Ward6
800 Toilets	Ward 6
Multi Purpose Centre	Qediphika Ndindindi

Project Name	Location
Provision Of Clinics	Ndindindi Khiphinkunzi
Creches And Pre-School Facilities	Masotsheni / Jabavu
Multi Purpose Centre	Ward 9
Multi Purpose Centre	Mafihleng Hlazakazi Ncepheni Thuthukani
Sports Grounds	Mbokodwebomvu Hlazakazi Mangeni Zicole
Multi Purpose Centre	Phumlani Mafihleng
Sports Field	Mabedlane Zicole
Clinic	Mafihleng Haladu Thuthukani
718 Toilets	Ward 10
Multi Purpose Centre	Mkhonjane
Pay-points shelters	Municipal wide
Nquthu Traffic and Disaster centre	Nquthu town
HIV / Aids Resources Centre	Nquthu Village
Creche And Pre-Schools Facilities	All Wards
Provision Of Sports Grounds	Ward 2 & 7
Centre For The Disabled	Ward 9 & 13
Police Stations	Ward 2 & 13
Provision Of Life Stock Pound	Nquthu Village
The Post And Telecommunications Programme	Nquthu Municipal Area
Home Affairs Services Programme (I.E. Voting Stations)	Throughout The Municipality
Welfare Services Programme I.E. (Pension Paypoints)	Throughout The Municipality
The Schools Development Programme	Throughout The Municipal Area
Nquthu Integrated Environmental Management	Municipal System

Project Name	Location
Programme	
Development And Implementation Of Local Government Learnership Internships Programme	Municipal System
Implementation Of An Led Plan	Municipal System
Grazing Camps	Entire Municipality
Local Business Support Centre (Lbsc)-	Nquthu Town
Preparation And Implementation Of An Agricultural Programme	Throughout The Municipality
Game Park / Biosphere	Ward 2 & 8
Small Agri-Business Corridor	Qhudeni – Ward 1 And Vulindlela and Sithole Traditional Authorities
Manufacturing Of Cement	Municipal Wide
Sewing Clusters	Municipal Wide
Development Of Craft Markets	Ngolokodo Isandlwana Mangeni
Tourism Promotion And Marketing Programme	All Tourism Routes
Isandlwana General Upgrade	Mangeni Isandlwana Income
Isandlwana Development Initiative	Isandlwana
Upgrade And Promotion Of Isandlwana Lodge And Mangeni Falls	Isandlwana And Mangeni Node
Preparation And Implementation Of Revenue Raising Systems	Municipal System
Establishment Of Audit Committee	Shared Service with District
Preparation Of The Fleet Management/Transport Policy	Municipal System
Development And Implementation Of Tariff Policy	Municipal System
Development And Implementation Of Municipal Investment Policy	Municipal System
Development And Implementation Of Community Participation Model	Municipal Wide

Project Name	Location
Multi Purpose Stadium – Phase Two	Nquthu Town – Ward 8
Nquthu Water Supply Dam	Inter junction of Mangeni River and Buffalo River(Proposed)
Nquthu Performance Management System (PMS)	Municipal System
Integrated Development Review (IDP)	Municipal System
Nquthu Integrated Environmental Management Programme	Municipal System
Township Establishment & Land Ownership	Nquthu and Nondweni Towns
Preparation of The Nquthu Land Use Management (LUMS) System	Municipal System
Preparation and Implementation of Indigent Policy	Municipal System
Nquthu Economic Cluster Programme	Throughout the Municipality
Community Development Workers Programme (CDW's)	Municipal Wide
Municipal Anti-Corruption Strategy	Municipal Wide

Section K.6 Auditor General's Report and Responses

1.1 REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF NQUTHU MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2008

1.2

1.3 REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the accompanying financial statements of the Nquthu Municipality which comprise the statement of financial position as at 30 June 2008, statement of financial performance, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages [xx] to [xx].

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the entity-specific basis of accounting, as set out in accounting policy note 1 and in the manner required by the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2007 (Act No.1 of 2007)(DoRA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126 of the MFMA, my responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Because of the matters discussed in the Basis for disclaimer opinion paragraphs, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis of accounting

4. The municipality policy is to prepare financial statements on the entity-specific basis of accounting, as set out in accounting policy note 1.

Basis for disclaimer of opinion

Property, plant and equipment

5. The municipality does not have a proper asset management in place. During the year under review a proper asset register was not maintained and proper administration of assets, comprising of the safeguarding, physical inspection and reconciliation, disposal approvals and complete and accurate recording of assets were not carried out. The municipality's records did not permit the application of alternative audit procedures. Consequently, I was unable to obtain sufficient appropriate audit evidence to confirm the existence, completeness, valuation and the rights and obligation of assets of R6.68 million (2007: R6.68 million)
6. Furthermore, in the absence of a proper asset register the completeness and valuation of the funding entries and balances recorded under Loans Redeemed and Other Capital Receipts of R27.77 million (2007: R27.36 million) could not be substantiated.

Debtors

7. Consumer debtors statements were not sent out regularly as the debtors system was corrupted resulting in duplication of debtors and incorrect billings being performed.
8. I was unable to obtain the debtors ledger, debtors reconciliation and debtors age analysis, considered necessary for my audit of the consumer debtors of R5.89 million (2007: R7.55 million).
9. I was unable to obtain reasonable explanation or a register of the unallocated income from customers of R1.66 million disclosed in note 7 to the financial statements.
10. In the absence of the debtors age analysis, I was unable to carry out all procedures necessary to assess the adequacy of the provision for doubtful debts of R945 600 (2007: R945 600).

As a result of the above there were no satisfactory audit procedures that could be performed to obtain reasonable assurance on the valuation, existence and the municipality's rights and obligation to recover the outstanding balances.

Revenue

11. I was unable to obtain the receipts totalling R2.28 million, relating to assessment rates, sale of electricity, other income and other service charges, for inspection.
12. Despite there being no valuation roll and policy, rates of R304 279, as disclosed in Appendix D, was raised. The basis for the calculation of the abovementioned amount was not available on request.

13. The registers, invoices or reconciliations for testing of direct income could not be provided for audit.
14. The following documents could not be obtained upon request and therefore certain audit procedures could not be completed:
 - Service Listings, Meter Readings, Service Contracts
 - Prepaid listings
 - The municipality does not have any policy or procedure in place to monitor distribution losses.
 - Reasonable explanations could not be provided to validate fluctuations from Actual to Budget as well as Actual to Prior years figures e.g. Budgeted amount of R2 190 356 compared to actual revenue of R1 296 862 as per the financial statements.
15. The municipality's records did not permit the application of alternative audit procedures. Consequently, I was unable to obtain sufficient appropriate audit evidence to confirm the completeness, occurrence and accuracy of income of R4.36 million (2007: R4.44 million)

Expenditure

16. I was unable to obtain for inspection the invoices and supporting documentation for expenditure of R3.49 million.
17. The municipality's records did not permit the application of alternative audit procedures. Consequently, I was unable to obtain sufficient appropriate audit evidence to confirm the completeness, occurrence and accuracy of expenditure of R9.45 million (2007: R13.24 million).

Cash and cash equivalents

18. The amount reflected on the June 2008 bank reconciliation was incorrectly recorded as R9 579,95 instead of R95 794,95, as reflected on the bank statement. As a result cash and bank is overstated by R86 215 and MIG expenditure is understated by the same amount.

Taxes and VAT

19. The VAT returns reflected a VAT receivable of R1.31 million whilst the general ledger recorded a balance of R2.32 million. The supporting documents and reconciliations for the VAT debtor balance could not be obtained.
20. The VAT 201 returns for the period July to August 2007 have to date not been submitted to South African Revenue Service.
21. VAT had not been levied on rental income accounts.
22. As a result there were no satisfactory audit procedures that could be performed to obtain reasonable assurance on the valuation, existence, completeness and the municipality's rights and obligation to recover the debtor of R2.32 million (2007: R532 800).

Government Grants

23. I was unable to obtain for inspection the invoices and supporting documents for conditional grant expenditure of R1.23 million.
24. Tender contracts for one of the projects were not available for inspection.
25. Six grants have been overspent by R11.4 million and a grant of R200 000 has been incorrectly allocated to the Capital Development Fund.
26. Unidentified grants of R11,1 million were disclosed, details of which were not available.
27. Grant income of R1.64 million and expenditure of R338 500 was not recorded in the financial statements.
28. Consequently, there were no satisfactory audit procedures that could be performed to obtain reasonable assurance on the valuation, existence and the municipality's rights and obligation to the unspent conditional grant balances of R7.40 million (2007: R2.60 million), disclosed under Reserves.

Creditors

29. A system is not maintained to record and reconcile creditors with the result that significant accruals of R2 115 000 was not raised at year-end.
30. The municipality's records did not permit the application of alternative audit procedures. Consequently, I was unable to obtain sufficient appropriate audit evidence to confirm the valuation, existence, completeness and the municipality's rights and obligation to the outstanding balances of R558 100 (2007: R2.85 million)

Consumer deposits

31. A consumer deposits register detailing the properties and the respective consumers for which deposits are held, was not maintained. Consequently I was unable to confirm by alternative procedures the valuation, existence and completeness of the total consumer deposits of R491 900 (2007: R491 900).

Investments

32. Confirmation from the bank for a fixed deposit of R724 000 (2007: R724 000) could not be obtained. As a result I was unable to obtain sufficient appropriate evidence to satisfy myself regarding the existence, valuation and municipality's rights and obligation to this investment.

Irregular, fruitless and wasteful expenditure

33. The following instances of irregular and fruitless and wasteful expenditure identified was not disclosed in the financial statements in terms of section 125(2)(d) of the MFMA
 - Fruitless and wasteful expenditure of R106 300 was incurred when a vehicle purchased for the mayor was returned and the amount recovered was less than the original purchase price.

- Interest and penalties of R19 500 incurred on the late payment of employees tax to the South African Revenue Service.
- Amounts are not recovered from the mayor for the private use of the official mayoral vehicle and a logbook in respect of this vehicle is not maintained to determine the extent of private travel. The expenditure amounts to irregular expenditure in terms of section 167(2) of the MFMA.
- An amount of R26 500 was paid to the former CFO as a leave payout upon termination of services although he did not have any leave days credit due to him. This expenditure amounts to irregular expenditure.

Corresponding figures

34. The auditor's report on the prior period, as previously issued, included a disclaimer of opinion. The matters that gave rise to the audit opinion remain substantially unresolved. As a consequence the affected comparative amounts and opening balances were also either misstated or could not be audited.
35. Furthermore, the corresponding figures for salaries and wages, accruals, long term liabilities and accumulated deficit for 30 June 2007 have been restated as a result of errors discovered in the prior year. However the financial statements do not adequately disclose the errors and the adjustments effected to the financial statement.

Disclaimer of opinion

36. Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Nquthu Municipality. Accordingly, I do not express an opinion on the financial statements.

Emphasis of matter

I draw attention to the following matter:

Going Concern

37. The 2007/08 financial statements does not draw attention to doubts concerning the municipality's ability to discharge all its obligations in the normal course of business, in the foreseeable future. The doubts arise in view of the following:-
- A number of projects were incomplete at year-end and had extended beyond the deadlines of completion. The delays were due to cash flow issues which resulted in suppliers and contractors not being paid or being paid late.
 - Payments for goods and services are not made within 30 days of receipt of invoices as required by section 65(2)(e) of the MFMA.

- Due to the cash flow problems experienced, the municipality has entered into arrangements with its creditors.
- The provision for doubtful debts has not been fully provided.
- The municipality does not have sufficient cash and investments to cover the value of provisions, reserves and funds which has resulted in a shortfall of R9.2 million
- Overspending on conditional grants has not been accounted for as expenditure.
- Upon allocation of material misstatements, the municipality would be placed in a net deficit situation of R1 205 220.

These conditions indicate the existence of an uncertainty which casts doubt on the municipality’s ability to continue as a going concern.

1.4 OTHER MATTERS

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Internal controls

38. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the inefficiencies in the system of internal control, which led to the disclaimer opinion. The root causes are categorised according to the five components of an effective system of internal control. In some instances deficiencies exist in more than one internal control component.

Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
Property, plant and equipment			✓		
Limitation of scope	✓		✓		✓
Investments					✓
Irregular ,Fruitless and Wasteful Expenditure	✓		✓		
Value Added Tax			✓		
Grants and reserves	✓		✓		✓
Revenue			✓		✓

Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
Corresponding figures			✓		✓
Payables			✓		✓
Statutory Funds	✓				
Cash and Cash Equivalents			✓		✓
<p><u>Control environment</u>: establishes the foundation for the internal control system by providing fundamental discipline and structure for financial reporting.</p> <p><u>Risk assessment</u>: involves the identification and analysis by management of relevant financial reporting risks to achieve predetermined financial reporting objectives.</p> <p><u>Control activities</u>: policies, procedures and practices that ensure that management's financial reporting objectives are achieved and financial reporting risk mitigation strategies are carried out.</p> <p><u>Information and communication</u>: supports all other control components by communicating control responsibilities for financial reporting to employees and by providing financial reporting information in a form and time frame that allows people to carry out their financial reporting duties.</p> <p><u>Monitoring</u>: covers external oversight of internal controls over financial reporting by management or other parties outside the process; or the application of independent methodologies, like customised procedures or standard checklists, by employees within a process.</p>					

Non-compliance with applicable legislation

Municipal Finance Management Act

- 39. The municipality does not have a risk assessment committee to develop and implement the risk assessment processes. A formal risk assessment was not undertaken during the year under review and a risk management policy and fraud prevention plan has not been developed in compliance with section 62(1)(c) of the MFMA.
- 40. All councillors have not declared their interest as required by Code of Conduct for councillors, contained in schedule 1, sections 5, 6, 7 and 8 of the MSA.
- 41. There is no evidence that the mayor has adequately discharged his responsibilities with respect to the budget process and related matters as required by section 53.
- 42. The mayor has not consulted with the executive committee in discharging his responsibilities as required by section 58.
- 43. The council failed to consider the budget at least 30 days before the start of the budget year in terms of section 24.
- 44. The mayor failed to table the annual budget at a council meeting at least 90 days before the start of the budget year in terms of section 16(2).
- 45. The actual revenue and expenditure for the financial year preceding the current year was not set out in the annual budget as required by section 17(d)(ii).

- 46. The mayor failed to table at least 10 months before the start of the budget year a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget as required by section 21(1)(b).
- 47. The mayor failed within 30 days of the end of first quarter to submit a report to council on the implementation of the budget and the financial state of affairs of the municipality in terms of section 52(d).
- 48. The accounting officer did not table in the municipal council a consolidated report of all withdrawals made in terms of section 11(1)(b) to (j) within 30 days after each quarter as required by section 11(4).
- 49. There were no formal written delegations made by the mayor in terms of section 59.
- 50. No reports on expenditure incurred on staff salaries, wages, allowances and benefits were made to council in terms of section 66.
- 51. Monthly reports on the state of the municipality’s budget was not submitted to the mayor and provincial treasury in terms of section 71.
- 52. A mid year budget and performance assessment was not conducted in terms of section 72(1).
- 53. The municipality does not have written delegations sub-delegations in place as required by section 79 and section 82.
- 54. The annual report for 2006/2007 was not prepared and tabled in council as required by section 121 and section 127(2).

Municipal Systems Act

- 55. Annual performance agreements have not been prepared in terms of section 57(1)(b)
- 56. Employee contracts, including that of the municipal manager, compiled in terms of section 57(4) did not include specific performance measures and targets to effectively measure performance and to ensure alignment thereof with the Integrated Development Plan and the Service Delivery Budget Implementation Plan as required by section 57(4).
- 57. The municipality had not adopted appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration as required by section 67.

Division of Revenue Act

- 58. A three year capital budget for the Municipal Infrastructure Grant spending was not tabled as part of the municipality’s budget in accordance with section 15(4).
- 59. The municipality did not submit electronic returns to treasury detailing its conditional grant spending as required by section 71(5) of the MFMA and section 12(1)(b) and 12(4) of DoRA.

Matters of governance

60. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		

Matter of governance	Yes	No
• The municipality had an audit committee in operation throughout the financial year.		✓
• The audit committee operates in accordance with approved, written terms of reference.		✓
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA.		✓
Internal audit		
• The municipality had an internal audit function in operation throughout the financial year.	✓	
• The internal audit function operates in terms of an approved internal audit plan.	✓	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.		✓
Other matters of governance		
• The annual financial statements were submitted for audit as per the legislated deadlines (section 126 of the MFMA)		✓
• The annual report was submitted to the auditor for consideration prior to the date of the auditor's report		✓
• The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		✓
• No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.		✓
• The prior year's external audit recommendations have been substantially implemented.		✓
Implementation of Standards of Generally Recognised Accounting Practice (GRAP)		
• The municipality submitted an implementation plan, detailing progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 30 October 2007.		✓
• The municipality substantially complied with the implementation plan it submitted to the National Treasury and the relevant provincial treasury before 30 October 2007 detailing progress towards full compliance with GRAP.		✓
• The municipality submitted an implementation plan, detailing further progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 31 March 2008.		✓

Unaudited supplementary schedules

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

1.5

1.6 OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

62. I was engaged to review the performance information.

Responsibility of the accounting officer for the performance information

63. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

Responsibility of the Auditor-General

64. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* and section 45 of the MSA.

65. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

66. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Non-compliance with regulatory requirement

Municipal Systems Act of 2000

67. The integrated development plan of the municipality did not include the key performance indicators and the performance targets as required by section 26(i) of the MSA.

68. During the year under review the municipality did not have a performance management system in place as required by section 38 of the MSA.

69. Furthermore, the municipality did not prepare a performance report reflecting the performance of the municipality and of each external service provider as required in terms of section 46 of the MSA.

Performance information not received in time

70. The financial statements submitted for auditing did not include a report on the performance information of the municipality, as required by General Notice 616 as published in Government Gazette No. 31057 dated 15 May 2008; read with section 46 of the MSA.

1.7 APPRECIATION

The assistance rendered by the staff of the Nquthu Municipality during the audit is sincerely appreciated.

SECTION K.10: OUTCOMES OF THE DISTRICT GROWTH AND DEVELOPMENT SUMMIT

DAY 1

GROUP 1

TITLE : Agriculture

REPORTER : Cllr Sithebe (UDM)

OPPORTUNITY	CHALLENGES	INTERVENTION	FINANCING	TARGET
<ul style="list-style-type: none"> ❖ Agricultural Land ❖ TO Identify farmers ❖ Irrigation Skitters 	<ul style="list-style-type: none"> ❖ Traditional and usage of lands in Agriculture ❖ Different type of farming ❖ Training of farmers. ❖ Irrigation need to be reveled 	<ul style="list-style-type: none"> ❖ Human Settlement ❖ Agriculture ❖ Agriculture ❖ Agriculture + UDM 	<ul style="list-style-type: none"> ❖ Land Bank ❖ Financial Commercial Banks ❖ Governme nt Grants and Subsidies 	<p>2009/2015</p> <p>2009/2010</p> <p>2009/2011</p>
<p><u>Land Reform Short – Term Solutions</u></p> <ul style="list-style-type: none"> ❖ Formati on of Forum UDM to Facilitate 	<ul style="list-style-type: none"> ❖ Identif y the Land Farme rs ❖ To identif y knowl edge and ability of the farmer s. ❖ To identif y knowl edge 	<ul style="list-style-type: none"> ❖ Land Affairs + ❖ Agricultu re ❖ Home Gardens should be encourag ed Agricultu re. 		<p>2010</p>

	<p>skills of farmers.</p> <p>❖ Training, mentoring and Financing of Farmers.</p>			
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Land usage – Identification land suitable for different farming enterprises. (Dept of Agric)

Irrigation

Dry land Cropping

Turner Farming

Stock farming

Commercial

Traditional

Forestry

Identify Farmers to utilize the different farming enterprises (Agriculture + UDM)

Farmers Education

Training in the field 2011

Ability to make it work.

TRAINING OF THE FARMERS

AGRICULTURAL OFFICERS

DEPARTMENT OF AGRICULTURE

INSTITUTIONS(FORMAL) COLLEGES

FINANCING THE FARMING OPERATIONS

LAND BANK

COMMERCIAL BANKS

GRANTS + SUBSIDIES

LAND REFORM 2010

TRIBAL

NGONYAMA

Self sufficiency

Encourages – Home gardens

ASAP

GROUP 2

TITLE : Tourism
REPORTER : Christine

1. Review of previous resolution

1.1 Development of Tourism strategy (done), to be presented to council for adoption. It was made available to most role players/stakeholders.

1.2 Recognition of Tourism as one of the key economic sectors.

- It is now recognized as the key development factor
- It has been budgeted for by the Municipalities
- Own UMzinyathi stand

1.3 Interrelation with other Districts

All District Municipalities with Battlefield will be marketed as one

1.4 Transformation

- Training of tour guides
- DEDT
- Encourage change – final mechanism

1.5 Development of Route and brochure

- This is currently happening, to be printed soon

1.6 Road signage – Tourism attraction signage

- (R500 000.00)

1.7 Packaging of products (USP)

- Its in the strategy.

1.8 Establishment of accurate tourist Info

- It's in the strategy

2. Areas of Intervention

- Bulk infrastructure
- Road

- Water
 - Communication
3. Source of Funding
 - In the strategy
 4. Implementation Plan
 - In the strategy

GROUP 3

TITLE : BUSINESS DEVELOPMENT

REPORTER: LONDIWE MNGADI

1. ENdumeni Chamber of business has been in existence for the past 35 years + it is a support system.
 - UMzinyathi to exist disseminate information to municipalities
2. There is also an established Chamber of business in UMvoti.
3. A possibility of District Business unit for possible synergy between Municipalities/ Business Chambers.
4. Business data base (District)
 - Will improve facilitation of workshops and information exchange further stimulating growth and development.

Issue Formalisation	Problem/Challenge	Intervention	Financing
<ul style="list-style-type: none"> ▪ Town Estalishment ▪ Pomeroy ▪ Tugela Ferry ▪ Nquthu 	<ul style="list-style-type: none"> ▪ Not clear ▪ Confusion 	<ul style="list-style-type: none"> ▪ Formalization to be concluded 	<ul style="list-style-type: none"> ▪ Gov. DLGTA ▪ June 2010
<ul style="list-style-type: none"> ▪ Infrastructure 	<ol style="list-style-type: none"> 1. Poor Roads 2. Poor access tourist 	<ol style="list-style-type: none"> 1. R33 Maintenance (R+M) <ul style="list-style-type: none"> ▪ Nquthu – 	EPWP 4 Months December 2009 June 2010

		<p>Dundee</p> <ul style="list-style-type: none"> ▪ Priority network linking ▪ Nodes – ▪ Develop R+M Programme <p>2. Dundee Airstrip + upgrade.</p>	
	Poor facilities and services in the nodes, blocking development.	<ul style="list-style-type: none"> ▪ Establish renewal priorities in the nodes. 	September 2009
	Safety and security	<ul style="list-style-type: none"> ▪ Initiate anti crime interventions ▪ Police stations/ Satellite ▪ Lighting ▪ Mobile stations 	August 2009

Group 4

TITLE : Skills development
REPORTER : Mr Kevin Burge.

Umzinyathi Education community centre

People within UD are illiterate and the teachers are inappropriately trained, partially trained

AGRICULTURE

There are Agricultural trainings available for people to learn how to grow their own crops, use them, care for them and sell them.

TOURISM

There isn't equity in the Tourism sector

SMME's

An FET College was built over 90 hectares of land that was given to a trust to build the satellite. Incompetency in other Departments of Government.

BASIC LITERACY

It is vital to teach people how to read, write to assist people to get ahead in their jobs.

COMPUTER LITERACY

People have been registering in numbers learning how to use a desktop. It is vital to teach people to learn how to use computers.

SERVICE PROVIDER

Over priced and over payed, Career center need to be initiated to assist our youth and matriculates' into choosing good career paths.

FUNDING

UD to set up about 3 bursaries a year to help children who can't afford to so.

Group 5

TITLE : NODAL DEVELOPMENT

REPORTER : Ms Pat Luckin