



INTEGRATED DEVELOPMENT PLAN

2017/2018

UBUHLEBEZWE MUNICIPALITY



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ABBREVIATION OF TERMS

Abet	Adult Basic Education
ASGIS	Accelerated Growth initiatives of South Africa
CDW'S	Committee Development Workers
DoBE	Department of Basic Education
DOE	Department of Energy
DOT	Department of Transport
DCOGTA	Department of Cooperative Governance and Traditional Affairs
DAEA Development	Department of Agriculture, Environmental Affairs and Rural
DOH	Department of Human Settlement
DO Health	Department of Health
DO Welfare	Department of Welfare
DRDLR	Department of Rural Development and Land Reform
DOBE	Department of Basic Education
DOW	Department of Works
EAP	Employee Assistance Programme
EPWP	Expanded Public Works Programme
ESKOM	Electricity Supply Commission
EXCO	Executive Committee
GDP	Gross Domestic Product
GIS	Geographic Information Systems
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IGRF	Intergovernmental Relations Framework

IWMP	Integrated Waste management Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LLF	Local Labour Forum
LM	UBuhlebezwe Local Municipality
LED	Local Economic Development
LGTAS	Local Government Turn Around Strategy
LUMS	Land Use Management Systems
MANCO	UBuhlebezwe Management Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
MTAS	Municipal Turnaround Strategy
NSDP	National Spatial Development Plan
PDA	Planning and Development Act
PGDS	Provincial Growth and Development Strategy
PSEDS	Provincial Spatial Economic Development Strategy
OPMS	Organisational Performance Management Systems
PMS	Performance Management Systems
HGDM	Harry Gwala District Municipality
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDBIP	Service Delivery, Budget and Implementation Plan
SDF	Spatial Development Framework
WSDP	Water Services Development Plan

WSP	Workplace Skills Plan
WV	World Vision

SECTION A: EXECUTIVE SUMMARY

A.1 WHO WE ARE

A.1.1 Spatial location of UBuhlebezwe Local Municipality

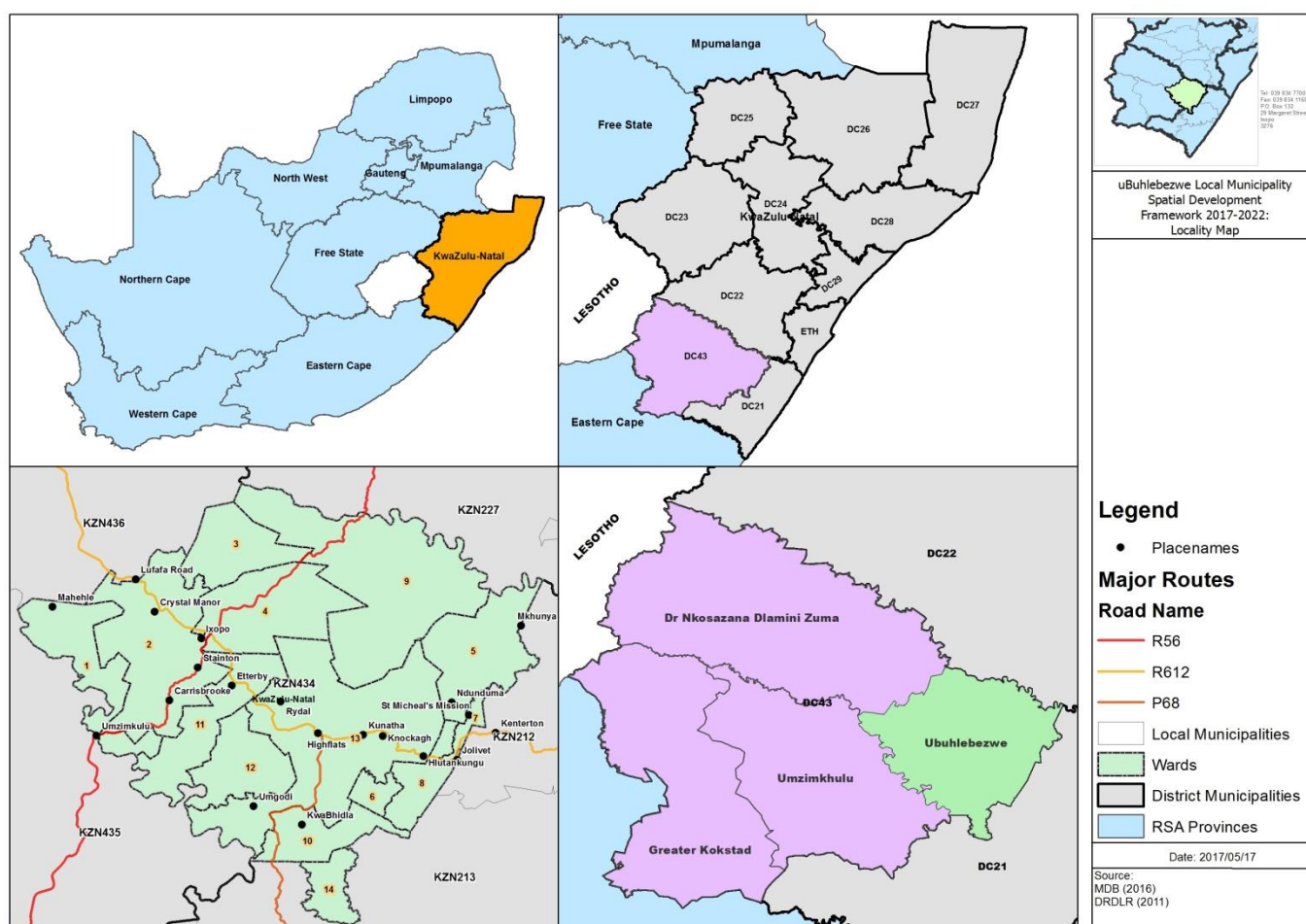


Figure 1: Spatial Location of UBuhlebezwe Municipality

UBuhlebezwe Local Municipality (ULM) is one of the five local municipalities that constitute the Harry Gwala District Municipality (HGDM). The ULM is characterised as a small urban centre with large agricultural plantations, natural vegetation and traditional authority land. The main administrative centre of the municipality is the town of Ixopo, it is located 85km from the City of Pietermaritzburg at the intersection of two national routes R56 and R612. Apart from the Ixopo town the settlement patterns of the ULM reflects one that is predominantly rural. The ULM has a population of about 118 346 people (Community Survey, 2016) spread out throughout the area with the majority of its population residing in the rural areas. The major economic drivers in the ULM area are agriculture, mining, manufacturing, construction, utilities, business services and tourism. Among these economic sub-sectors, agriculture; business services; and manufacturing have been the biggest contributors to the ULM GDP thus far. Sub-sectors with minute contribution to the ULM GDP were the mining and utilities sub-sectors.

Unemployment is considered as one of the main reasons of poverty. The municipality's percentage contribution to the District employment is currently seating at 21%. The unemployment rate in the ULM currently stands at 25%, reduced by 0.3% from 24.7% projected in 2011 (Global Insights,2007). It is a clear indication that unemployment still remains a concern and shows that the municipality is currently living e below the poverty line. It is also observed that the urbanised wards have a relative lesser concentration of poor people living under the poverty line then those living in rural wards.

Ubuhlebezwe has strong north-south linkages and east-west linkages within its region. This is achieved via R56, which links it to areas such as Pietermaritzburg to the north and Kokstad to the south. R612 provides regional access and linkages with the South Coast tourism region in the east and Southern Drakensburg to the west. In addition, Ubuhlebezwe is located at the intersection of at least three established tourism regions, namely: Southern Drakensberg; Natal Midlands; and UGu South Coast.

The town of Ixopo forms the primary development node of the Municipality and has also been selected as the seat of the Harry Gwala District Council. The importance of Ixopo cannot be underestimated in the socio-economic development of the area as a whole. Its role as a centre of activity is further emphasised in the Spatial Development Frameworks (SDF). Ixopo plays an important role in terms of the possible location for industry, commerce and other economic activity. It is a major education and health centre and assists in the diffusion of new ideas and technologies to the rural areas. It is also the primary base for the operation of many departments and service providers.

A.1.2 Demographic Profile

Initially Statistics South Africa (Statssa) conducted a population census once every 5 years i.e. 1996 and 2001, this interval was however changed to 10 years and thus the last census was in 2011. In between the census, Statssa conducts a Community Survey (CS) and the last one was in 2016. According to Statssa a population census, as defined by the United Nations, is “the total process of collecting, compiling, evaluating, analyzing and publishing or otherwise disseminating demographic, economic and social data pertaining, at a specified time, to all persons in a country or a well-defined part of the country”; i.e. a total count of the population. The CS on the other hand is a large-scale household survey conducted by Statistics South Africa to bridge the gap between censuses. I.e. it is a representative sample of the population. As a result of this the information from the Community Survey is only provided at a Municipal level and not at ward level as compared to the 2011 census which goes down to the ward level and beyond. Prior to the release of the CS results in 2016 there was a redemarcation of the municipal wards. Statssa thus had to delay the release of the CS results and realign the ward boundaries to the newly demarcated ward boundaries. E.g. Population Figures for Ubuhlebezwe from the CS before factoring in the new demarcation was 101690; but after factoring in the redemarcation it is 118 346.

According to the Stats SA, Community Survey 2016 results, there is an average of 4, 1 persons per household. 30, 3% of households reside formal dwellings and approximately 63, 8% of residences are owned and fully paid off. 12, 4% of households have access to piped water from either inside the dwelling, inside the yard or water on a community stand. Access to proper sanitation is very poor, with 12% having access to a flush toilet connected to the sewerage system. Harry Gwala District has an increase in total population from 461 420 to 510 865, out of which Ubuhlebezwe Local Municipality has increased from 101 690 to 118 346 which is 23.2% of the District total population. The female population is dominant at UBuhlebezwe which indicates male absenteeism. Out of the total population of 118 346, total number of females has increased from 54445 to 62834 which is 53.1% of the total population and males from 47246 to 55513 which is 46.9% of the total population. The population density is 63 persons/ km².

The majority of population in Ubuhlebezwe is dominated by Black Africans with a total population increased from 99 188 to 115 893 which is 97.9% of the total population. Age distribution within Ubuhlebezwe Municipal area, where the ages 00-04 accounting to 17 247 which is 14.6% of the total population followed by ages 05-09 accounting to 15 679 which is 13.3% of the total population. Based on the CS 2016 results for the whole population, Males (10545) and Females (12847) with no formal education constitute the majority in terms of the population in relation to education. The highest level of education that has been attained by the population of Ubuhlebezwe Local Municipality is Grade 12, whereby the number of females (8589) out numbers males (6933). From here on the highest of education attained decreases progressively from Grade 11 to Grade R, as well as for Tertiary education for males and females combined. The dominant trend is that each of the categories the number

of educated females exceeds that of males. One exception is in Grade 4 whereby the number of educated males (2959) exceeds that of females (2446). With regards to employment, there has been a steady increase in the total number of people employed except for 2011 which experienced a decline to 19631 from 20217. In terms of percentages the average employment contribution to the district population has declined by 0,3% between 2010 and 2015. The total number of unemployed people at Ubuhlebezwe Municipality correlates directly with the total employment per municipality in that for 2011 there was a decline in the number of people employed (4843) as compared to 2010 (5150).

Children between the ages of 0-14 contribute a portion of 40, 4% towards the total population of uBuhlebezwe. Elderly people from 65+ within the existing population contribute 6.8%. The observable dependence ratio of people between people living below 15 years of age and those having 64+ is 89.39%. This percentage is too high and contributes to uncontrollable levels of poverty. In actual facts it will become difficult for the municipality to cater for the provisions of pensioners, proving social security systems to people in need as well as the non-working population.

A.1.3 Wards and Traditional Authority Areas depicted on a map

Traditional Authority Areas:

- Amakhuze, Amadunge, Ikhwezi lokusa, Nhlangwini, Nyuswa, Shiyabanye, Sizwe Hlanganani, Ukuthula, Vukani; Vumakwenza and Vusathina Mazulu.

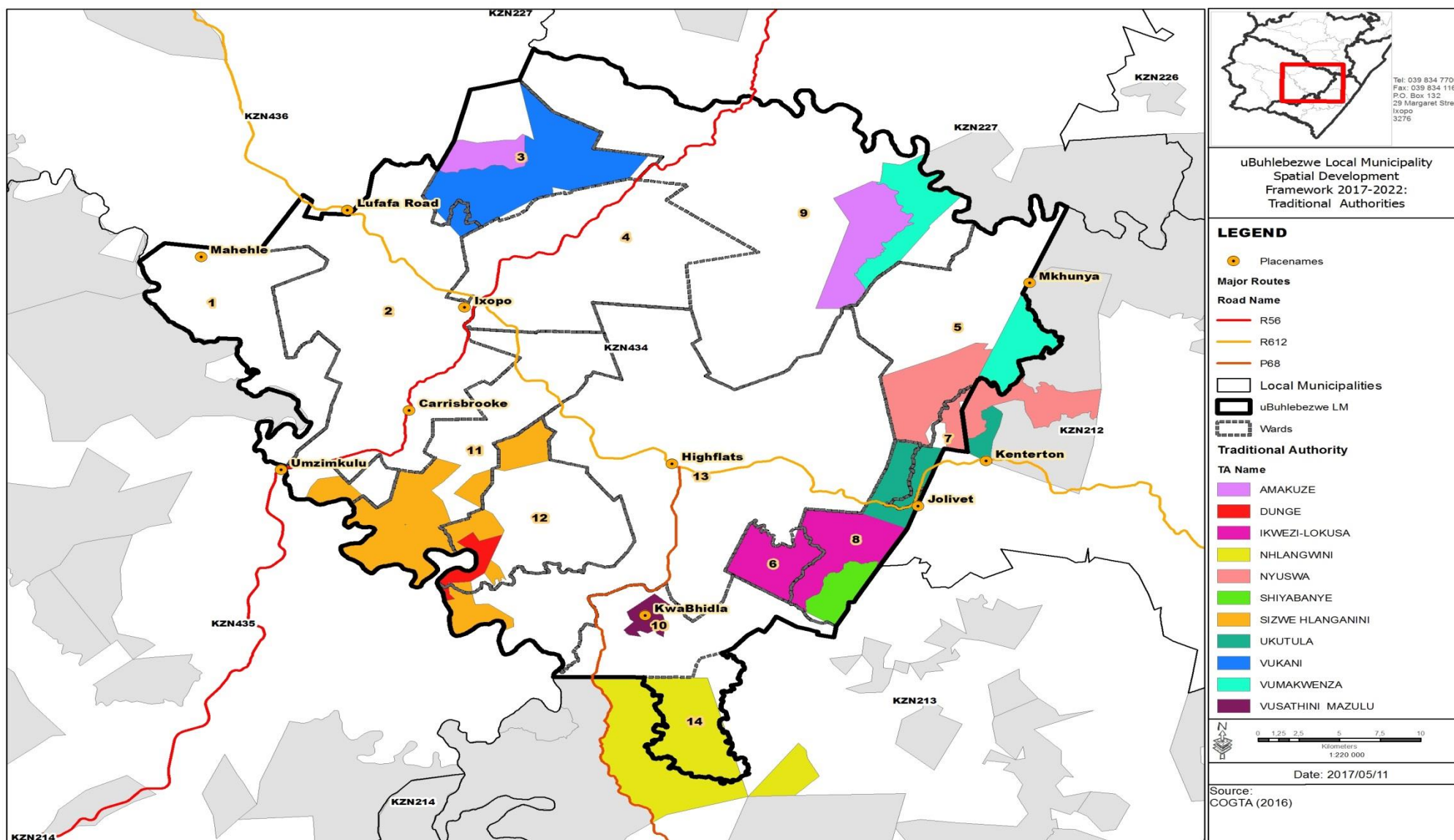


Figure 2: Traditional Authority Area within UBuhlebezwe Local Municipality

A.1.4 Economic Profile

In terms of broad economic sector it indicates that agriculture is the major economic contributor in the primary sector within UBuhlebezwe Municipality as well as within Harry Gwala District. This means that it is important to create a conducive environment for subsistence and commercial farming in the area.

A.2 How this plan was developed

The UBuhlebezwe Integrated Development Plan (IDP) was prepared in terms of the Municipal Systems Act No.32 of 2000 which requires all municipalities to prepare an IDP for their area of jurisdiction. The IDP is an integrated planning and development tool which has the following aims:

- To integrate and coordinate service delivery within the Municipality;
- To assist the Municipality in fulfilling its powers and functions;
- To harness and align the resources of the Municipality and other service providers with the implementation of the IDP;
- To form the basis upon which the annual budgets of the Municipality and other service providers must be based; and
- To empower the community within UBuhlebezwe Municipality to participate in the implementation of the IDP.

At the onset of the IDP Review process, an IDP, Budget, SDF & PMS Process Plan was developed and approved by Council setting out the steps which were required for the preparation of the IDP and the roles and responsibilities of the Municipality, Departments and the Representative Forum.

The Process Plan also established the advertising requirements and the procedures for adopting the IDP and submitted to Council for approval. In following the phases of the IDP, emphasis was given to community consultation via Clustered IDP roadshows held in October 2016 and April 2017. Separate consultations workshops were also conducted with the existing community structures such as the Ixopo Business Forum, Ratepayers.

These needs were analysed and categorised and then forwarded to the Infrastructure Planning and Development Department in preparing the projects submitted as part of the MIG Plan. The main aim of the public participation process was not only to get community needs but also to get the status quo on services that are provided by the municipality and governments departments such as Health, Transport, Home Affairs and other service providers involved in service delivery and community development.

Participation Mechanisms

Chapter 4 of the Municipal Systems Act of 2000 argues that a municipality must encourage and create conditions for, the local community to participate in the affairs of the municipality and in UBuhlebezwe Municipality this has mainly been undertaken in the following ways:

- ***IDP Representative Forums***

The Forums represents all stakeholders and is as inclusive as possible. Additional organisations such as CBOs, NGO are encouraged to participate in the Forum throughout the process.

- ***Media***

Amongst other means, the local newspapers circulating within the area are used to inform the community on the progress with respect to the IDP review processes.

- *Notices*

Notices on the IDP Review processes are placed on the Municipal Notice Boards, public buildings and the Municipal Website.

- *Ward level IDP meetings*

Ubuhlebezwe Municipality has in total fourteen (14) wards after the new demarcation, IDP meetings are held each year where these wards are clustered into three and the fourth one being the ratepayer's meeting. The intention of these meetings is to ascertain the needs of the community.

- *Centralised Ward Committee meetings*

Meetings were held at a central venue where all fourteen (14) wards were represented by members of the ward committees.

- ***Public / Stakeholder Participation during the IDP process***

The Municipal Systems Act (MSA) No.32 of 2000 as amended requires that all municipalities prepare an IDP, which is a five (5) year plan reviewed annually. Table below indicates the involvement by all stakeholders and the local community during this IDP review:

Meeting	Date	Venue	Participants
Decentralised IDP Self-Assessment discussion sessions	April 2016	Ingwe Municipality	District Family of municipalities
IDP Public Consultation	25 October 2016	Sports field near kwaMpondo Skills centre	Wards : 5,7,8 & 9
IDP Public Consultation	26 October 2016	Madungeni Hall	Wards : 6,10,12,13 & 14
IDP Public Consultation	27 October 2016	Ncakubani Hall	Wards : 1,2,3,4 & 11
IDP Public Consultation	27 October 2016	Peace Initiative Hall	Ratepayers
IDP Representative Forum	23 March 2017	Municipal Council Chamber	All government departments, Management from the municipality
Ward Committees	08 March 2017	Peace Initiative Hall	Executive Committee, Management, Ward Committees
Approval and submission of the Draft IDP to COGTA	March 2017	COGTA	Local Municipality
Publication of the Draft IDP (21 days' notice)	21 April 2017	Local Municipality	Local Municipality
IDP & Budget Public Consultation	10 April 2017	Gudwini Hall	Wards : 5,7,8 & 9
IDP & Budget Public Consultation	11 April 2017	Sukuma Hall	Wards : 6,10,12,13 & 14
IDP & Budget Public Consultation	12 April 2017	Nokweja Hall	Wards : 1,2,3,4 & 11
IDP & Budget Public Consultation	12 April 2017	Peace Initiative Hall	Ratepayers
Adoption of the IDP by Council	25 May 2017	Council	IDP/PMS Unit
Adoption of Budget	25 May 2017	Council	Budget & Treasury Office
Development and finalization of the Service Delivery & Budget Implementation Plan, Organizational Scorecard, Performance Agreements	25 May 2017	Local Municipality	IDP/PMS Unit
Submission of the adopted IDP to COGTA	02 June 2017	COGTA	Local Municipality
Publication of the	26 May 2017	Local Municipality	Local Municipality

Meeting	Date	Venue	Participants
adopted IDP (14 days' notice)			

Table 1: Public / Stakeholder Participation during the IDP process

A.3 Key challenges facing the Municipality

Municipal Transformation & Organisational Development

- Inability to retain skilled staff due to low salaries.

Service Delivery & Infrastructure Development

- Ubuhlebezwe Municipality although striving for Excellency, there are still some challenges in terms of service delivery that of the municipality has already engaged on processes to address them. There is a challenge with the landfill site; currently the municipality is using the one at Umzimkhulu under Umzimkhulu Municipality.
- Funds are so limited that the municipality is unable to address backlog in terms of CIP

Municipal Financial Viability

- There are also financial constraints, since we have a low revenue base and are highly dependent on Grant Funding.

Social & Local Economic Development

- Inability to attract economic and investment opportunities to the urban area and to extend it to other areas of the municipality to ensure economic sustainability due to aging and inadequate infrastructure

UBuhlebezwe Municipality is currently not experiencing any challenges in the **Cross-Cutting Interventions, Good Governance & Public Participation as well as Ward Committee System.**

A.4 The municipality's long term Vision and Mission

The Municipality's Vision is "To provide affordable quality services through good governance", whilst the **Mission Statement** indicates that "UBuhlebezwe Municipality will strive to deliver an appropriate level of service to all of its citizens by the year 2025 and alleviate poverty by promoting sustainable development through good governance and accountability."

The Ubuhlebezwe Municipality has developed its public and stakeholder participation mechanism which is part of the IDP/Budget Process Plan. There are forums sitting as per the plan where there are issues discussed in order to address challenges facing the local community, how they can be addressed. This is why there is IDP representative forum so that the municipality together with the participating stakeholders can all know each department's long term plans so that they are aligned with the municipalities. COGTA also comes on board as they are making provision for MIG projects i.e. Infrastructural Capital Projects so that people can be able to live in a

healthy and safe environment. The District is also working closely with the local municipality, as their competency is on basic services i.e. water and sanitation, they also participate in our IDP forums.

A.5 What is being done to address the challenges

Ubuhlebezwe Spatial Development Framework identifies important nodes, such EXobho (Primary Node), Highflats (Secondary Nodes) and Hlokozi, Hluthankungu, Nokweja, Jolivet, Mahehle (Tertiary Nodes). Obviously, these nodes have different functions or roles in the development of Ubuhlebezwe. The successful development of Ixopo Town would have many economic benefits for the people of Ubuhlebezwe. In five years' time, Ubuhlebezwe would have made significant progress in terms of attracting investors to the town, thereby creating a platform for a sustainable revenue base for the municipality.

Highflats is one of the nodes that have been identified in the Spatial Development Framework. The Department of Rural Development and Land Reform has assisted the Municipality in undertaking the development of this node. The project has commenced.

Ubuhlebezwe wall to wall scheme was approved in April 2016 as required in terms of Section 24 of the Spatial Planning and Land Use Management Act, 2013 Act No. 16 of 2013 (SPLUMA). The scheme included the following guidelines:-

- Land development in biodiversity
- Development in agricultural areas
- Development in Ingonyama Trust Land

Ubuhlebezwe is in a process of developing its tourism routes. The focus of route development in Ubuhlebezwe will be on a combination of a mountain/quad bike, hiking and drive route/s that traverse Ubuhlebezwe and link different tourism products on-route. The development of a route could include a number of activities and destinations.

Secure funding for the restoration of the section of line running from UMzimkhulu to Ixopo, which is of tremendous historical significance. And try to link rail activities to the Ubuhlebezwe route as a product on-route as well as to link rail activities to surrounding areas' rail activities.

Ubuhlebezwe is also establishing visitor's information centre. This project includes the establishment of a one-stop facility for tourism information and orientation and the integration of the centre into the municipal systems and procedures

With regards to non-availability or shortage of land for development, Ubuhlebezwe is an area that is abundant in opportunity, but tapping on these opportunities is a challenge. Ubuhlebezwe has abundant land which is privately owned. The challenge is that the municipality will need to access this land for the development of agriculture, commercial, tourism, manufacturing etc. hence Ubuhlebezwe is in a process of land release programme.

A.5.1 CATALYTIC PROJECTS

Project Description	Implementing Agent	Funding	Beneficiaries	Status quo
Small holder farm support	LIMA	R 4 363 861.76	800 farmers	The project was approved in august 2016 and the project is under implementation for the period of four years.
Erection of market stalls	Ubuhlebezwe Municipality	R 350 000.00	Street vendors (Ixopo town)	The project completed and handed over to the beneficiaries in February 2016.

Project Description	Implementing Agent	Funding	Beneficiaries	Status quo
Construction of Light Industrial Park	Ubuhlebezwe Municipality	R 850 000.00	10 (mechanic, automotive & body work) Highflats SMMEs	Business plan submitted to COGTA still waiting the response.
Construction of a highflats agro-processing and packhouse	Ubuhlebezwe Municipality	R 2 000 000.00	Cooperatives and SMMEs	Business plan was approved by the Department of Economic Development with no funds allocated to the project, then further submitted to Department of Rural Development and Land Reform (DRDLR). Currently the DRDLR is busy conducting the feasibility study for the preparation of the business plan.

Table 2: Catalytic Projects

A.6 Expectations from the Municipality, in terms of outputs, outcomes, and deliverables, over the next years:

Key Performance Indicator	Output	Outcome	Status Quo / Time Frame
Land Release Programme	Ogle Farm Multi Facet Development Project and Wolseley Farm Proposed Housing Development	Improved economy	Ogle Farm land acquired. Wolseley Farm 2017-2021)pre-feasibility study has been done. Funding to be sourced from DOHS for land purchasing depending on Bulks confirmation from the District)
Revamping of the Alan Paton Railway	Alan Paton Railway	Tourism attraction	2012-2017 (project completed)
Establishment of the tourism routes	Tourism Routes	Tourism attraction	2012-2017
Nodal Development	Developed Nodes	Regulated land use in areas not covered in the scheme. To encourage development and investments along the nodal areas.	2012-2017 (wall to wall scheme approved to cover urban and rural areas). 2017-2021 (the municipality needs to

Key Performance Indicator	Output	Outcome	Status Quo / Time Frame
			re-look at the tertiary nodes)
Development of Highflats Precinct	Highflats Precinct Plan	Regulated land use in areas not covered in the scheme	2012-2017 (approved in 2013)
Preparation of the wall to wall scheme as required in terms of the KwaZulu Natal Planning and Development Act	Wall to wall scheme	Bring uniformity in land use in areas not covered in the scheme by 2015 To review the wall to wall scheme annually based on the development trends experienced by the municipality.	2012-2017 (approved in April 2016) 2017-2021

Table 3: Expectations from the municipality

A.7 Progress measurement, in terms of the Organizational Key Performance Indicators linked to departmental indicators

Municipal Systems Act, 2000 (No.32 of 2000), requires that all municipalities develop the Organisational and Individual Performance Management System. Wherein six (6) National Key Performance Areas are outlined, i.e. Municipal Transformation & Institutional Development, Basic Service Delivery & Infrastructure, Municipal Financial Viability & Management, Good Governance & Public Participation, Social & Local Economic Development and Cross Cutting Interventions key performance indicators are set with measurable outputs, measurable objectives and allocated budgets. Progress is monitored monthly and quarterly with reports as well as the portfolio of evidence produces.

Alignment has to be shown as well between the IDP, Budget, Organisational Scorecard, SDBIP and signed performance agreements and plans for the Municipal Manager and Directors directly accountable to the Municipal Manager. **This process has since been cascaded down to line Managers to ensure proper implementation of all planned activities.**

SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES AS WELL AS GOVERNMENT POLICIES AND IMPERATIVES

B.1 Planning and Development Principles

PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
Land development optimizes the use of existing resources and infrastructure (Spluma Development Principles)	This is especially applicable to Ubuhlebezwe in a sense that we always strive to align our development projects in line with the development basic infrastructure. As much as project are planned and prioritized by the Municipality but nothing gets implemented without the basic infrastructure services laid out. Our developmental plans are aligned with District development plans in order to ascertain the timeframe attached per developmental proposal.
Promote and stimulate the effective and equitable functioning of land markets (Spluma Development Principles)	The Municipality adopted a Land Disposal Policy which translates this principle in a manner of offering different disposal of Municipal land to a variety of people with different economic backgrounds.
Promote land development in locations that are sustainable and limit urban sprawl (Spluma Development Principles)	The Municipality does not own much land surrounding the ever growing town area and it becomes difficult to plan and implement service delivery projects e.g. LED initiatives and basic shelter closer to the CBD. This is in order to be closer to economic opportunities. The Municipality has a high volume of informal settlements within the urban space and is currently facilitating land negotiations with the surrounding land owners in order to combat the ever growing informal settlements population. These target areas are within close proximity to the urban space and will not just offer sufficient housing development for the Town area but other land uses to support the broad public.
Development should be within limited resources (financial, institutional and physical). Development must optimise the use of existing resources and infrastructure in a sustainable manner (<i>CRDP, National Strategy on Sustainable Development</i>)	The organisational structure has been developed to address issues relating the capacity so that services can be delivered timeously and efficiently, the municipal budgets also make provision of same.
Stimulate and reinforce cross boundary linkages.	Ixopo is located along the eastern boundary of Harry Gwala District, Municipality, it borders onto Ingwe, Richmond,

PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
	Vulamehlo, Umzumbe and Umzimkhulu local municipalities, Ixopo is the main administrative centre located approximately 85km south east of Pietermaritzburg, and is strategically located at the intersection of four major provincial routes leading to Pietermaritzburg, the Drakensburg, the Eastern Cape and the South Coast (R56 and R612).
All to have access to basic services (water, sanitation, shelter and energy) must be provided to all households (NDP)	Water, sanitation and shelter developmental infrastructure plans are constantly being aligned between the Water authority (Harry District Municipality) and Ubuhlebezwe. Where energy is concerned the Municipality is currently facilitating electricity supply to the household within the vicinity of the Mahehle, Mkhunya and Ufafa areas. As a response to the promotion of going green, the Municipality in future will also be engaging with the relevant stakeholders to looking into the housing development in conjunction to the energy saving initiatives fit for human sustainable living.
Land development procedures must include provisions that accommodate access to secure tenure (CRDP)	Rural housing projects within the municipality seek to give beneficiaries the ownership.
Tackle inherited spatial division (NDP)	Our current SDF gives a guide which informs land development and management principles meant to deal with past imbalances. Our SDF also lays the direction of growth, special development areas for targeted growth and that is meant to deal with past segregation imbalances. The SDF also indicates where an area of development is promoted and where development is reduced – which in most cases it is guided by environmental issues among other things. The SDF evidently is aligned to the developmental elements contained within the National Development Plan (NDP), Provincial Growth and Development Strategy as well the District SDF accordingly.
Develop social and spatial compacts (NDP)	All developmental plans are a direct response of the need from the broad public e.g. electricity implementation project were a response protest action which

PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
	took place over the years. Social spatial developmental measures are definitely promoted in terms of the development of our urban, rural and regional spaces for communities. The SDF is guided and framed by the system of regulations within which we are most familiar.
Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilised	SDF makes provisions for protection of environmentally sensitive areas.
Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective planning and development.	Through IDP Representative Forum, SDF Steering Committee, Mayor's Forum, Municipal Manager's Forum and Inter-governmental Structures provides the platform to achieving coherent and effective planning and development.
If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity (<i>"Breaking New Ground": from Housing to Sustainable Human Settlements</i>)	The municipality has initiated two projects, i.e Morningview middle-income project and Golf Course Project.
During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy, must be promoted	The municipality has made a provision of developing an Integrated Waste Management Plan which address this issue.
Environmentally responsible behavior must be promoted through incentives and disincentives (<i>KZN PGDS</i>).	The municipality has made a provision for a cleaning awareness campaign.
-The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency (<i>KZN PGDS</i>)	Ixopo precinct plan has identified the need for a shopping complex to service the people of Ixopo, this minimises chances of people having to travel to the nearest towns, e.g Pietermaritzburg.
Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities (<i>KZN PGDS</i>)	The municipality is engaging, through its IDP/Budget process plan, with the department of education to facilitate the construction of school facilities.

Table 4: Planning and Development Principles

B.2 Alignment with the PGDS and DGDP Objectives

STRATEGIC GOAL	STRATEGIC OBJECTIVE (PGDS)	STRATEGIC OBJECTIVE (DGDP)	MUNICIPAL STRATEGIC OBJECTIVES	MUNICIPAL INDICATORS
1. Inclusive Economic Growth	1.1 Develop and promote the agricultural potential of KZN 1.2 Enhance sectoral development through trade investment and business retention 1.3 Enhance spatial economic development 1.4 Improve the efficiency, innovation and variety of government-led job creation programmes 1.5 Promote SMME and entrepreneurial development 1.6 Enhance the Knowledge Economy	Agro- Processing	To improve sustainable economic growth and development	<ul style="list-style-type: none"> Number of LED projects implemented by 30-Jun-18 Turnaround time for submitting business license applications upon the receipt of applications to the office of the Municipal Manager for approval Number of LED Forum meetings held by 30-Jun-18
2. Human Resource Development	2.1 Improve early childhood development, primary and secondary education 2.2 Support skills development to economic growth 2.3 Enhance youth and adult skills development and life-long learning	Skills Development	To promote culture of learning and enhance social development (illiteracy, skills, talent, education)	<ul style="list-style-type: none"> Number of trained unemployed youth in brick laying and plastering by 30-Jun-18 Date by which Child protection week campaign is coordinated Date by which one youth programme emanating from the adopted Youth Development Strategy is implemented
3. Human and Community Development	3.1 Eradicate poverty and improve social welfare services 3.2 Enhance health of communities and citizens 3.3 Safeguard and enhance sustainable livelihoods and food security 3.4 Promote sustainable human settlements 3.5 Enhance safety and security 3.6 Advance social cohesion and social capital 3.7 Promote youth, gender and disability advocacy and the advancement of women		To improve sustainable economic growth and development	<ul style="list-style-type: none"> Number of LED projects implemented by 30-Jun-18 Number of jobs created through EPWP by 30-Jun-18
4. Infrastructure Development	4.1 Development of seaports and airports 4.2 Develop road and rail networks 4.3 Develop ICT infrastructure	Strategic Infrastructure Implementation	To ensure provision, upgrading and maintenance of infrastructure and services that enhances socio-economic development	<ul style="list-style-type: none"> Number of days within which refuse is collected in businesses and residential by 30-Jun-18

STRATEGIC GOAL	STRATEGIC OBJECTIVE (PGDS)	STRATEGIC OBJECTIVE (DGBP)	MUNICIPAL STRATEGIC OBJECTIVES	MUNICIPAL INDICATORS
	4.4 Ensure availability and sustainable management of water and sanitation for all 4.5 Ensure access to affordable, reliable, sustainable and modern energy for all 4.6 Enhance KZN waste management capacity			<ul style="list-style-type: none"> Households percentage of refuse collection within Ubuhlebezwe jurisdiction by 30-Jun-18 Percentage of gravel roads constructed by 31-Mar-18
5. Environmental Sustainability	5.1 Enhance resilience of ecosystem services 5.2 Expand the application of green technologies 5.3 Adapt and respond climate change	Spatial Restructuring	To ensure provision, upgrading and maintenance of infrastructure and services that enhances socio-economic development	<ul style="list-style-type: none"> Number of trees planted within Ubuhlebezwe by 30-Sep-17 Date by which the Strategic Environmental Assessment is developed and submitted to Council Number of Maintained municipal parks by 30-Jun-18
6. Governance and Policy	6.1 Strengthen policy, strategy coordination and IGR 6.2 Build government capacity 6.3 Eradicate fraud and corruption 6.4 Promote participative, facilitative and accountable governance		To promote accountability to the citizens of Ubuhlebezwe	<ul style="list-style-type: none"> Number of centralised ward committee meetings coordinated by 30-Jun-18 Date by which the fraud prevention plan is reviewed and approved Number of OSS progress reports submitted to Social Development Portfolio committee by 30-Jun-18 Number of IDP public participation meetings coordinated by 30-Apr-18 Number of IDP Stakeholder meetings held by 30-Jun-18
7. Spatial Equity	7.1 Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities 7.2 Ensure integrated land management use across the Province, ensuring equitable access to goods	Spatial Planning and Land Management Systems	To facilitate spatial development in the entire area of Ubuhlebezwe and at the same time achieve economic social and environmental sustainability	<ul style="list-style-type: none"> Final review and submission of spatial development framework to IDP unit by 30-Apr-18 Submission of final to Strategic Environmental Assessment Council by 30-Jun-18

STRATEGIC GOAL	STRATEGIC OBJECTIVE (PGDS)	STRATEGIC OBJECTIVE (DGDP)	MUNICIPAL STRATEGIC OBJECTIVES	MUNICIPAL INDICATORS
	and services, attracting social and financial investment			<ul style="list-style-type: none"> • Submission of final ogle farm precinct plan to Council by 30-Sep-17 • Submission of final approved layout plans for the surveyed municipal land to Council by 30-Sep-17 • Monitor the updating of data sets for GIS by 30-Apr-18 •

Table 5: Planning and Development Principles

B.3 Government Policies and Imperatives

Government Priority	Issue	Municipal Action
Millennium Development Goals	<ul style="list-style-type: none"> • Number of jobs created • Number of early childhood development centres created (service delivery) • The number of women employed in the senior level : Employment Equity Plan • The number of clinics created in conjunction with the department of health • The number of people that receive assistance with HIV-Aids programs • Environmental programs implemented • The number of MoU signed with the government departments 	<ul style="list-style-type: none"> • Through LED and Public Works programme, the municipality will be able to create jobs • Through IDP Representative Forum meetings, the municipality together with Education are working towards the construction of early childhood development centres • To eliminate gender disparity, a number of women employed have increased • Though creation of clinics is health's function, the municipality does provide basic service in terms of services • Regarding HIV/AIDS the municipality has made a provision for employee assistance programme • The number of people without water , sanitation and housing is declining • To conclude all MOU's within a period of three months
National Plan Priorities	<ul style="list-style-type: none"> • More inclusive economic growth, decent work and sustainable livelihoods • Economic and social infrastructure; • Rural development, food security and land reform; • Access to quality education; • Improved health care; • The fight against crime and corruption; • Cohesive and sustainable communities; • Creation of a better Africa and a better world; • Sustainable resource management and use • A developmental state including improvement of public services 	<ul style="list-style-type: none"> • The town of Ixopo forms the primary development node of the municipality, most economic services are available, • It has a high potential for development of industries, commerce and other economic activities and a major education and health centre • The municipality has a new project "the land release programme", where in there will be developments taking place • Currently there is a Ixopo and Highflats precinct plan being developed that seeks to formalise nodes
14 National Outcomes	<ul style="list-style-type: none"> • Improve the quality of basic education • Improve health and life expectancy • All people in South Africa protected and feel safe • Decent employment through inclusive economic growth • A skilled and capable workforce to support inclusive growth • An efficient, competitive and responsive economic infrastructure network • Vibrant, equitable and sustainable rural communities and food security • Sustainable human 	<p>There has been an adoption of 14 outcomes within which to frame public service delivery priorities and targets. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, agencies and municipalities. UBuhlebezwe Municipality is attempting to comply with the 14 outcomes by taking them into consideration in the budget and IDP process.</p> <p>Ubuhlebezwe Municipality, in its IDP, Budget, SDF & PMS Process Plan, it outlines mechanisms for community participation, whereby</p>

Government Priority	Issue	Municipal Action
	<p>settlements and improved quality of household life</p> <ul style="list-style-type: none"> • A response and, accountable, effective and efficient local government system • Protection and enhancement of environmental assets and natural resources • A better South Africa, a better and safer Africa and world • An efficient, effective and development-oriented public service • A comprehensive, responsive and sustainable social protection system • A diverse, socially cohesive society with a common national identity 	<p>the community needs are being looked in to and prioritisation takes place. Basic services such as , road networks, community facilities, infrastructure are being budgeted for, and incorporated in the Service Delivery & Budget Implementation Plan to ensure that the municipality is responsive, accountable, effective and efficient to its community.</p>
5 National Priorities	<ul style="list-style-type: none"> • Basic Service Delivery & Infrastructure • Local Economic Development • Good Governance & Public Participation • Municipal Transformation & Institutional Development • Financial Viability • Cross cutting interventions 	<ul style="list-style-type: none"> • A provision of basic services such as water & sanitation has been made by the district as their field of competency, provision of electricity has been facilitated by the municipality • LED & Social Development has identified projects through LED & EPWP that are being implemented and will continue in the following financial years • The municipality has developed a process plan which then addresses mechanisms for public participation in the IDP and Budget processes within the municipality • The municipality has programmes designed and implemented to improve employment equity and skills development • To ensure financial stability within the municipality, ubuhlebezwe has ensured that all debts that are 90+ days old are now handed over, and the municipal budget is spent accordingly, with monthly submissions of section 71 reports
State of the Nation Address (SONA 2016)	<ul style="list-style-type: none"> • Unlocking the potential of small, medium and micro enterprises (SMMEs), cooperatives, rural and township enterprises • Agriculture for growth and food security • Promote opportunities for youth • Infrastructure programmes (transport networks, improve roads) • Delivering houses to the people • Fighting HIV/AIDS • Fight against crime and creating safer communities • Crime against women 	<ul style="list-style-type: none"> • Capacitation programmes has been planned by the municipality to capacitate small businesses on how to implement and sustain their projects • Ixopo has a potential in agriculture and through social development they are being capacitated to implement their projects and sustain them • A Youth Development Strategy has been developed, wherein the youth participated by commenting on the strategy. Programmes will emanate from this strategy • The municipality received MIG funding from COGTA to implement projects such as access roads, street lights for safe communities,

Government Priority	Issue	Municipal Action
	and children <ul style="list-style-type: none"> • Fight against corruption • Improving lives of the disabled people • Back to basics programme • Substance abuse (alcohol and drugs) 	community facilities such as halls <ul style="list-style-type: none"> • Awareness campaigns are held every year to ensure that women, children are aware of their rights as well as the disabled people • Awareness campaigns for people abusing drugs and alcohol are held annually to make them aware of the impact it has on their lives
KZN GDS (7 Goals)	<ul style="list-style-type: none"> • Job creation • Human Resource Development • Human and Community Development • Strategic Infrastructure • Response to climate change • Governance and policy • Spatial equity 	<ul style="list-style-type: none"> • Through LED projects/activities, the municipality has made a provision for such and through those projects, jobs are created in all financial years • The municipality is engaging, through its IDP/Budget process plan, with the department of education to facilitate the construction of school facilities • The municipality, through its LED and EPWP is able to eradicate poverty, also ensuring the healthy environment through cleaning awareness campaigns, human settlements is also on board and are, through our facilitations, building houses for the disadvantaged. SAPS and our community safety department work together in ensuring the safe and secure environment • The municipality has made provision for construction of new roads, rehabilitation of roads, there is also a project called revamping of Carrisbrook Railway as part of our tourism strategy • Working together with the District, are able to deal with disaster management • IGR structures are in place and are functional, where the chairpersons of each KPA are the municipal managers of all our five (5) local municipalities, with the district being the 6th • Spatial is one of the critical components in the IDP hence all municipalities within the district have formed a forum where alignment is being ensured.
Operation Clean Audit	<ul style="list-style-type: none"> • Irregular expenditure • Annual Financial Statements • Expenditure Management • Asset Management • Financial and performance management 	<ul style="list-style-type: none"> • The municipality has developed a procurement plan, which is aligned to the budget, IDP, SDBIP as well as the organisational scorecard. This plan is tabled before council and thereafter implemented. plan • CFO is monitoring the financial records on a monthly basis to minimise errors on the AFS • We are now monitoring expenditure on a monthly basis through section 71 reports and the Accounting Officer undertakes to enhance monitoring monthly during MANCO meetings • The municipality has appointed the Asset Management Officer to enhance internal control over management of assets

Government Priority	Issue	Municipal Action
		<ul style="list-style-type: none"> Training has been conducted on the financial system. Recons are now done monthly
Back to Basics	<ul style="list-style-type: none"> There is only one issue that has been identified through the programme, and that is the absence of the infrastructure plan 	<ul style="list-style-type: none"> This challenge has since been included in the support plan developed. The Unit has started with the engagements where the Capital Infrastructure Plan was discussed with various stakeholders. This plan will be in place by October 2017. In addition, the Municipality is actively participating in the back to basics programme since its implementation. Quarterly and monthly reports are prepared and submitted to the Department of Cooperative Governance and Traditional Affairs. Progress meetings coordinated by the Provincial department are attended. The municipality has received an Award on this program which shows that indeed the backs to Basics pillars are being adhered to. Where support is required, the department has prepared a support plan which was adopted by Council in November 2016. Progress is being monitored closely and included in the organizational performance plan.

Table 6: Government Policies and Imperatives

SECTION C: SITUATION ANALYSIS

C.1 A summary of the 2016/2017 MEC comments

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Date when the Employment Equity Plan was adopted	The EEP is in place , it is a five year plan which is reviewed annually, The last review was at a Council meeting held on the 25 th of May 2017	Corporate Services Department / Human Resources Unit
	Date when the Workplace Skills Plan was adopted	The WSP is in place and is an annual document. It was developed and adopted by Council on the 26 th of April 2017.	
	Date of adoption of the Organizational Structure	The Organizational Structure is reviewed annually, and was last reviewed and adopted on the 25th of May 2017.	
	Date of the finalization of the Environmental Officer	The Environmental Officer position was advertised and the appointment took place on the 3rd of October 2016	
LOCAL ECONOMIC DEVELOPMENT	Development of a new LED Strategy to inform the fourth generation IDP in line with the goals and objectives set in the latest reviewed KZN PGDP and Development Plan (Vision 2030)	The municipality has recently reviewed its LED strategy internally. LED Strategy has been reviewed to inform the fourth generation IDP in line with the goals and objectives set in the latest reviewed KZN PGDP and Development Plan (Vision 2030). On the 10th of March 2017, all participating stakeholders attended a meeting where discussions around the review of the strategy took place, to ensure that the strategy does not only address Ubhlebezwe Municipality but the area as a whole.	Social Development Department / LED & TOURISM Unit
	Inclusion of the key intervention areas, indicators, targets, Catalytic Projects / programs, budget and time frame	Key intervention areas, indicators, targets, Catalytic Projects / programmes, budget and time frame are included.	
	Performance of key economic drivers in the region, of specific	Performance of key economic drivers in the region, of specific	

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
	sectors overtime	sectors. This is being addressed through the set indicators where the Municipality coordinates the quarterly meetings by all stakeholders to report on their sectors.	
	Prioritization of building LED capacity to respond to the pressures for economic development and job creation and sustainable livelihood in both developed and rural areas	LED is prioritising capacity building to respond to the pressures of economic development and job creation and sustainable livelihood in both developed and rural areas. This is evident in the LED Strategy as well as the SDBIP.	
	Addressing the capacity gap (agriculture, tourism, industrial, logistics) in response to Vision 2030	LED strategy is addressing the capacity gap (agriculture, tourism, business, and logistics) in response to Vision 2030.	
BASIC SERVICE DELIVERY	A map or graphs showing a number of people, or a number of households receiving water and sanitation (please obtain the information from the District)	The map is attached; please refer to the list of tables.	Infrastructure, Planning & Development Department / Housing & Planning Unit
	Maps showing access to solid waste services	The map is attached; please refer to the list of tables.	
	Inclusion of the Transportation Infrastructure Operations and Maintenance Plan	The map is attached; please refer to the list of tables.	
	Inclusion of the spatial mapping of backlogs for electricity including the ESKOM Constraints map	The map is attached; please refer to the list of tables.	
	Inclusion of a narrative in support of the access to community facilities map and to indicate the status, needs, and backlogs on community facilities	The map is attached; please refer to the list of tables.	
	Map, graphs and tables showing access to telecommunication using recent official statistics	The map is attached; please refer to the list of tables.	

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
FINANCIAL VIABILITY	Inclusion of the costs of FBS (indigents) to the municipality in the last three years	The municipality caters for the indigent residents within Ubuhlebezwe. These are the services offered to them, provided they meet the requirements. The following total amounts included the rebates: The Total Rates, refuse, electricity for 2014/2015 was at R1, 510,905.88; 2015/2016 at R 1,467,741.34 and for 2016/2017 at R 1,571,663.64.	Budget & Treasury Office
	Status and functionality of bid committees with the indication of membership	All the bid committees are in place. The middle management form part of the bid specification committee and chaired by the SCM practitioners. The bid evaluation committee makes up of the middle managers being chaired by the SCM Manager and the bid adjudication committee made up of the senior management and chaired by the CFO. Each year the municipality adopts a demand management plan / procurement plan outlining all the planned and budgeted projectes, giving the time frames of when the scm processess shall resume, from the requisitions by departments, advertising by SCM, sitting of bid committees and the final award of tenders. This plan is aligned with the IDP as well as the SDBIP. And from this plan members know exactly the dates of the meetings ensuring that the legislated time frames are adhered to.	

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
	The financial plan to show an overview of the 3 year municipal budget, analysis and explanations	<p>Capability of the municipality to execute capital projects</p> <p>2012/2013 financial year – 90 % of the capital budget was spent.</p> <p>2013/2014 financial year – 70% of the capital budget was spent.</p> <p>2014/2015 financial year – 100% of the capital budget has been spent</p> <p>2015/2016 financial year, as at 30 April 2016 – 69% spent.</p> <p>The municipal's consumer debt position for the last three years.</p> <p>Total debt/total assets.</p> <p>2013: R 32 783 037 / R 187 256 638 = 20%</p> <p>2014: R 31 089 069 / R 297 490 609 = 10%</p> <p>2015: R 34 311 417 / R 363 069 103 = 9.5%</p> <p>Challenge of non-responsive customers, when they are issued with remainders to pay their outstand debt. The municipality also engaged a debt collector to assist in the process collecting debts, but that has not yield significant results. Incentives to motivate rate payers through discounts has also been implemented, however this has also not yield a lot of positive results.</p> <p>Debt collector has been engaged to assist the municipality in collection of debt and Incentives to motivate rate payers through discounts has also been implemented, however this has also not yield a lot of positive results.</p>	

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
GOOD GOVERNANCE & PUBLIC PARTICIPATION	Adoption status of the communication strategy / plan	<p>A sound communication strategy is a critical element to building local government long term sustainability. It is only through communication that customer and municipal expectations can be clearly articulated and understood by all relevant parties.</p> <p>Communication is a two-way process and involves community participation, which is enshrined in our constitution and municipal systems act. The communication process should facilitate alignment between municipal goals and community expectations. Furthermore, is also only through communication that the relationship between the municipality and its customer can be enhanced. Effective communication is a process of conveying the right message to the right person or people in the right manner and at the right time. Relevant communication media could be in a form of the following: Internal staff workshops, radios, posters and public meetings</p>	Office of The Municipal Manager / Communications Unit
CROSS CUTTING INTERVENTIONS	A mapping on an update on the Capital Investments Framework (projects)	The map is attached; please refer to the list of tables.	Infrastructure, Planning & Development Department / Housing & Planning Unit
	Incorporation on the SDF the department projects as outlined in the district rural development plan, rural infrastructure development and rural enterprise and industries development programmes	The mapa are attached; please refer to the list of tables.	

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
	<p>The development of the Agricultural Sector plan in collaboration with the the KZN DARD with a vision for agriculture in the municipality</p>	<p>A service provider was appointed in 2013 to develop the Agricultural Plan. The plan was aligned with the Agricultural Policy Action Plan (APAP) and other National, Provincial and District Agricultural related plans. This assisted the municipality in achieving the municipal vision in terms of municipal strategic objectives. It is reviewed as and when need arises. Inclusive Planning and active LED Forum was established. The forum consists of 4 subcommittees teams that sit quarterly to deal with issues within each sector. These subcommittees teams are Agriculture, Tourism, Honey Project and Business Support. As identified within the National Development Plan and New Growth Path, Agriculture, remains critical for employment and food security.</p> <p>This plan states that agriculture delivers more jobs per Rand invested than any other sector and NDP estimates that Agriculture could potentially create, 1mill jobs by 2030. The Integrated Growth and Development Policy (IGDP) serves as the sector policy, and the Agricultural Policy Action Plan (APAP) as a programmatic response to key policy documents including National Development Plan (NDP); New Growth Path (NGP) as a job driver as clearly mentioned in Medium Term Strategic Framework, Outcomes 4, 7 and 10. The Municipal Agricultural Plan is align and addresses these policies.</p>	<p>Social Development Department / LED & TOURISM Unit</p>

NKPA	MEC COMMENTS IDP	MUNICIPAL RESPONSE	RESPONSIBLE DEPARTMENT / UNIT
	The quality of the SDF making use of the strategic environmental assessment process to assess the cumulative impact of the SDF proposals	This has been addressed through the mapping, as well as the SDF document submitted.	Infrastructure, Planning & Development Department / Housing & Planning Unit

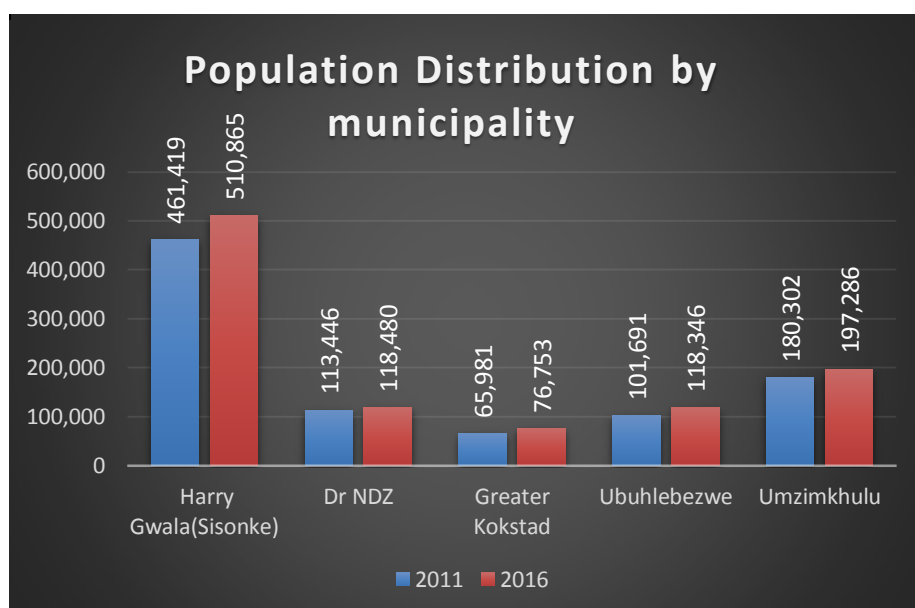
Table 7: summary of the 2016/2017 MEC comments

C.2 Demographic characteristics and Analysis

Initially Statistics South Africa (Statssa) conducted a population census once every 5 years i.e. 1996 and 2001, this interval was however changed to 10 years and thus the last census was in 2011. In between the census, Statssa conducts a Community Survey (CS) and the last one was in 2016. According to Statssa a population census, as defined by the United Nations, is “the total process of collecting, compiling, evaluating, analyzing and publishing or otherwise disseminating demographic, economic and social data pertaining, at a specified time, to all persons in a country or a well-defined part of the country”; i.e. a total count of the population. The CS on the other hand is a large-scale household survey conducted by Statistics South Africa to bridge the gap between censuses. I.e. it is a representative sample of the population. As a result of this the information from the Community Survey is only provided at a Municipal level and not at ward level as compared to the 2011 census which goes down to the ward level and beyond. Prior to the release of the CS results in 2016 there was a redemarcation of the municipal wards. Statssa thus had to delay the release of the CS results and realign the ward boundaries to the newly demarcated ward boundaries. E.g. Population Figures for Ubuhlebezwe from the CS before factoring in the new demarcation was 101 690; but after factoring in the redemarcation it is 118 346.

C.2.1 Population size

The graph below depicts the population for Harry Gwala District Municipality (HGDM) and its family of local municipalities. All municipalities reflect an increase in their population from 2011 to 2016.



Source: Stats SA Community Survey (2016)

C.2.2 Population distribution by gender

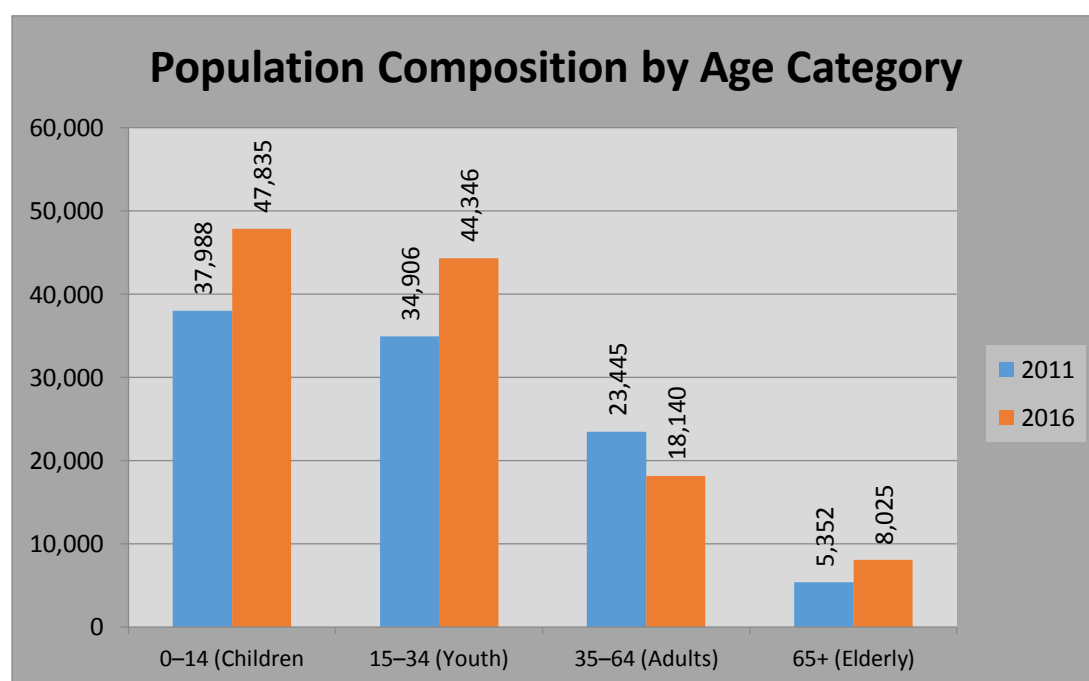
The table below depicts the population distribution by gender for Ubuhlebezwe Municipality for 2011 and 2016. There is a 1% increase in the percentage of males from 2011 to 2016; inversely the females declined by 1% over the same period.

	2011	2016
Males	46%	47%
Females	54%	53%

Source: Stats SA Community Survey (2016)

C.2.3 Population composition

The graph below depicts the population composition by age category for Ubuhlebezwe Municipality between 2011 and 2016. The graph shows an increase in the population composition between 2011 and 2016 except for the 35-64 age category (Adults).



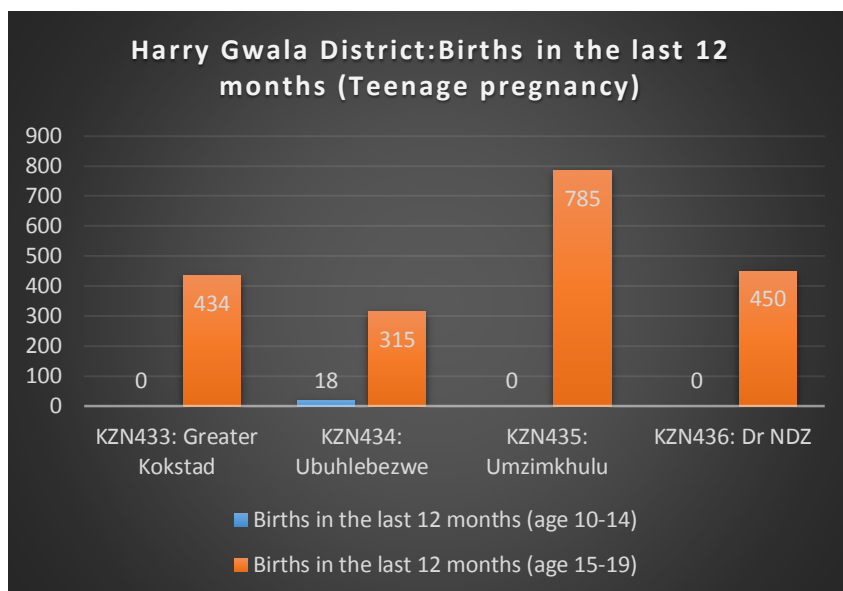
Source: Stats SA Community Survey (2016)

C.2.3.1 Dependency Ratio

The Dependency Ratio is defined as the ratio between the number of people aged less than 14 and over 65 to the number of people aged 15-64. A high ratio may increase the burden on the productive part of the population. The dependency ratio for 2011 stood at 74, 27%. For 2016 the dependency ratio stands at 89, 39%. Therefore a higher number of the population is now dependent on the working population.

C.2.4 Teenage pregnancy

The table below depicts the teenage pregnancy figures for the district LMs. uBuhebezwe Local Municipality is the only municipality that has had births in the 10-14 age category. In the age category of 15-19 it has the lowest number at 315 births.



Source: Stats SA Community Survey (2016)

C.2.6 Fertility rate

Fertility statistics that speak directly to Ubuhlebezwe Local Municipality are difficult to find by according to StasSA mid-year population estimates (2009) the KwaZulu Natal Province has had average fertility rates.

Province	2001-2006	2006-2011
KwaZulu Natal	3,03	2,60

Source: StasSA mid-year population estimates (2009)

The above table depicts that, the municipal health system has birth control determinants in place that one can firmly state that they are accessible to the society at large.

C.2.5 Mortality rate

Mortality is the decrement process by which living members of a population gradually die out. The Infant Mortality Rate is the number of infant deaths (< 1 year of age) in a given year divided by the total number of live births during the same year multiplied by a thousand. The IMR is a good indicator of general health & living standard.

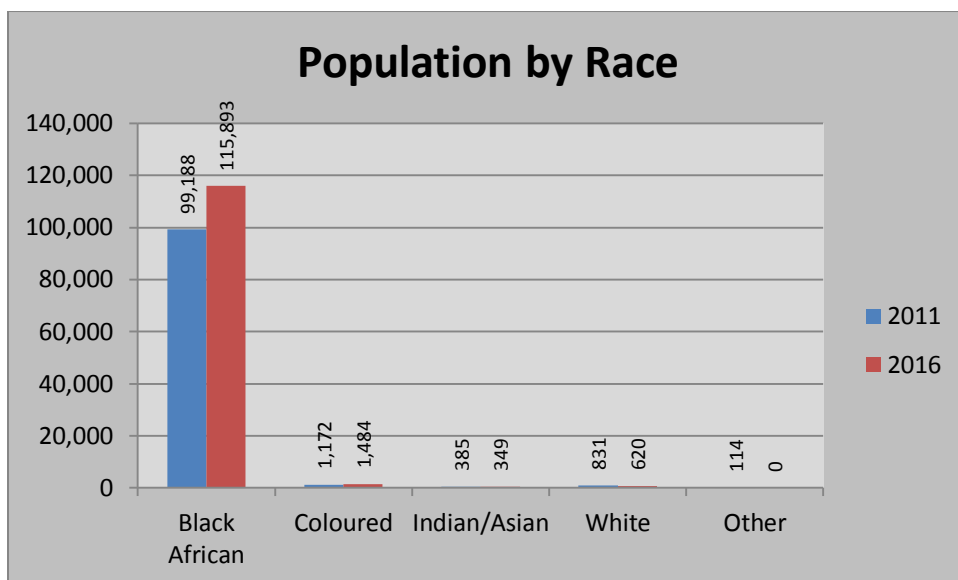
The IMR stands at 19,4 i.e. 19,4 infant deaths per thousand births.

C.2.6 Life expectancy

Life expectancy is the expected average number of years remaining to be lived by persons of a particular age. Between 2002 and 2016, there was an overall increase in Life expectancy (55,2 to 62,4 years). The population for 2016 (8025) for persons above the age of 65 has increased compared to the same age category for 2011 (5352).

C.2.7 Population groups

The graph below depicts the population by race group between 2011 and 2016. There is an increase in the black (16 705) and coloured (312) population groups. The Indian/Asian and White population groups have experienced a decline in population numbers of -36 and -211 respectively. In 2011 there was a population group category called "Other" which stood at 114; in 2016 this category is 0.



Source: Stats SA Community Survey (2016)

C.2.8 Household and services

The section below covers the backlog status that is faced by Ubuhlebezwe Local Municipality by providing a comparison of Census 2011 and CS 2016 data. As stated earlier in the passage, the demarcation process and the level of detail at which the CS 2016 is collected has had major implications in how the data is represented.

C.2.8.1 Electricity

Electricity used for Lighting is commonly used to identify electrification Backlogs (CS). In the 2011 statistics the electrification backlogs are calculated per household and in 2016 they are based on the total population.

The electricity backlog in 2011 was 10838 households. The backlog for 2016 is 26477 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

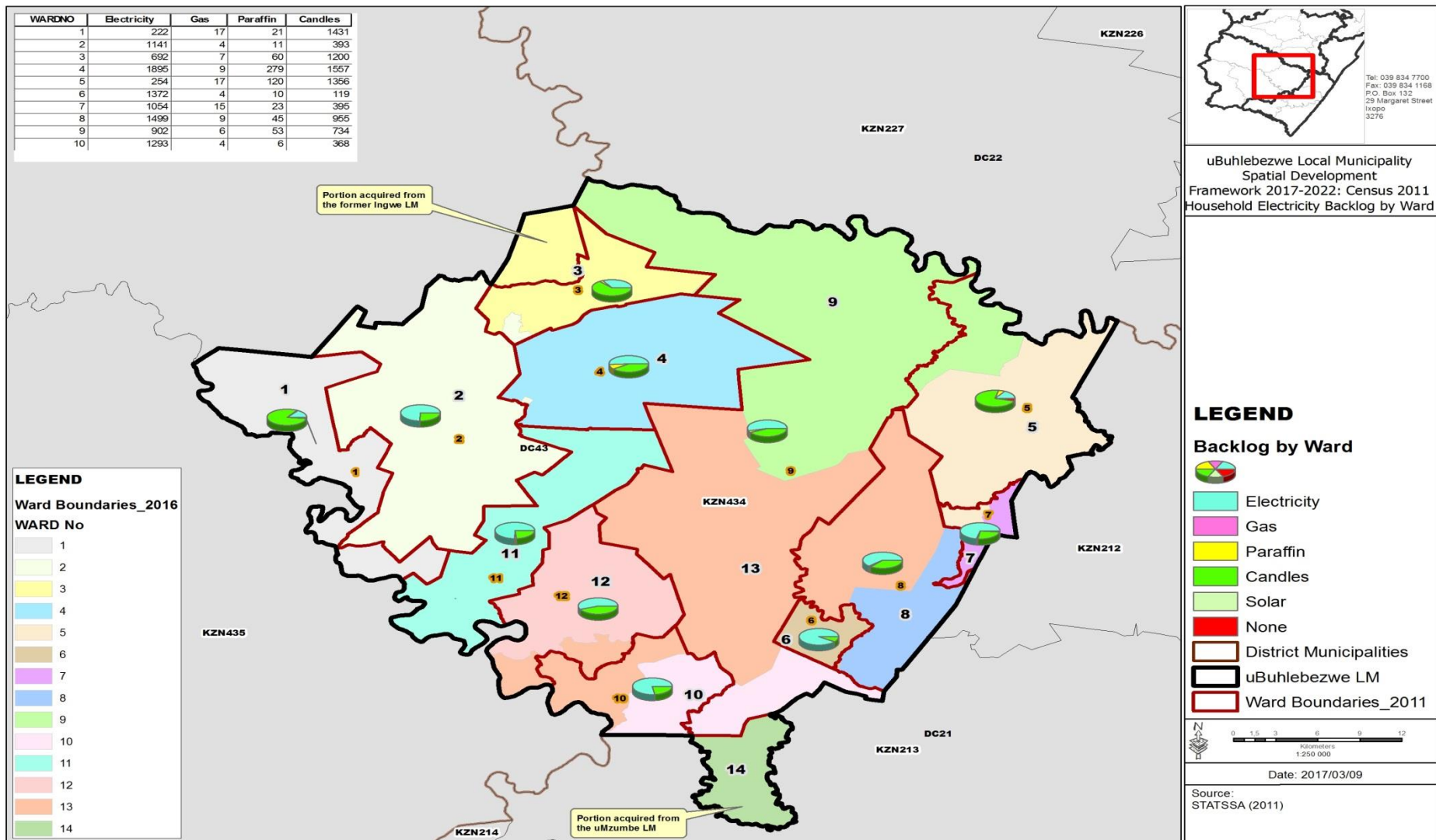


Figure 3: Electricity Backlogs

C.2.8.2 (Piped) water

The minimum requirements for acceptable access to Piped Water are:

- Piped (tap) water inside dwelling/institution
- Piped (tap) water inside yard
- Piped (tap) water on community stand: < 200m from dwelling/institution

The following constitute backlogs:

- Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution
- Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling/institution
- Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution
- No access to piped (tap) water

The (Piped) water backlog in 2011 was 12 468 households. The backlog for 2016 is 70834 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

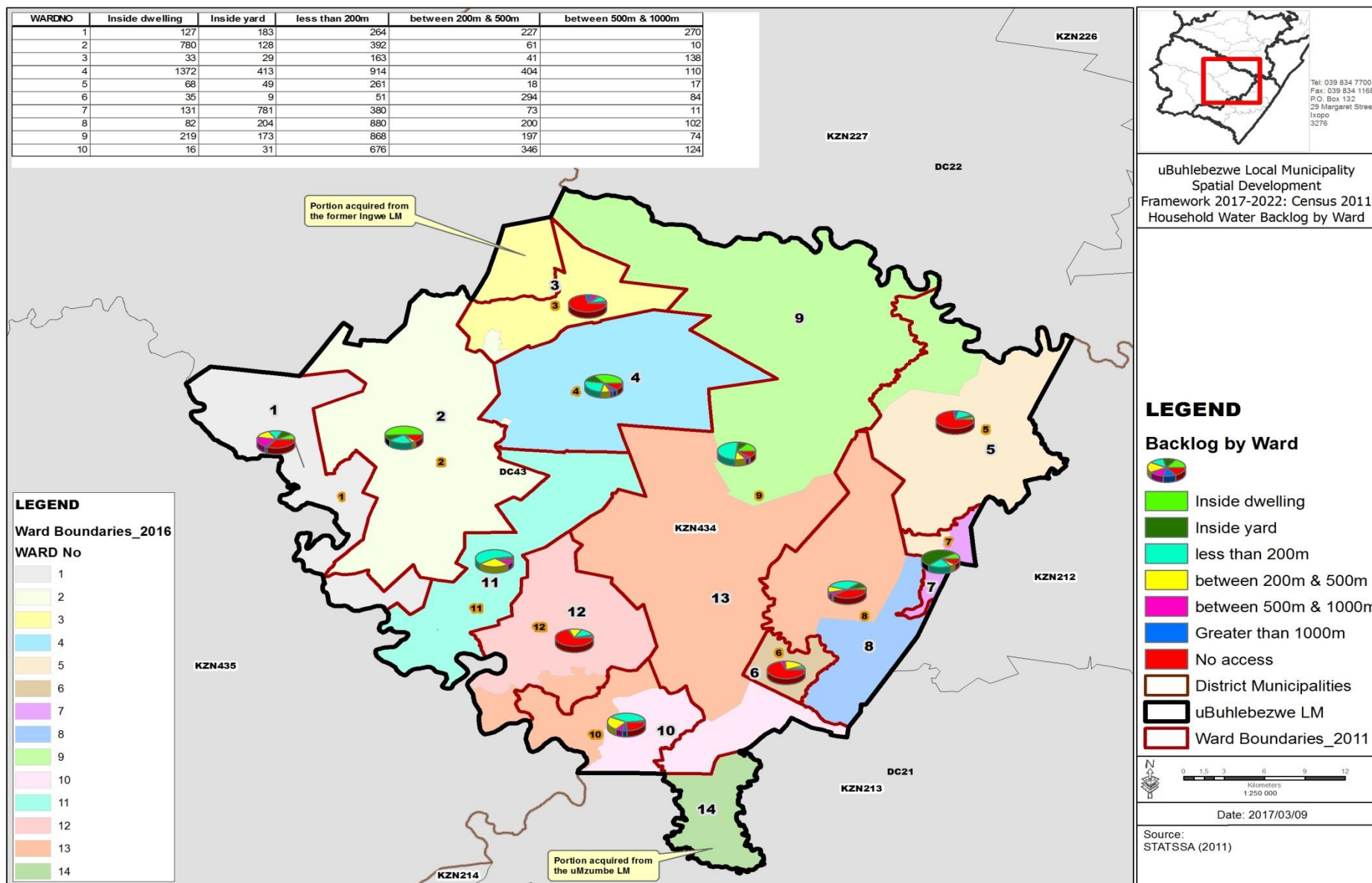


Figure 4: Water Backlogs

C.2.8.3 Sanitation

Minimum requirements for acceptable access to Sanitation are:

- Flush toilet (connected to sewerage system)
- Flush toilet (with septic tank)
- Chemical toilet
- Pit toilet with ventilation (VIP)

The following constitute backlogs:

- None
- Pit toilet without ventilation
- Bucket toilet
- Other

The sanitation backlog in 2011 was 10 287 households. The backlog for 2016 is 34 318 (people). The map below depicts the backlogs from 2011 against the new ward boundaries. The (Piped) water backlog in 2011 was 12 468 households. The backlog for 2016 is 70834 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

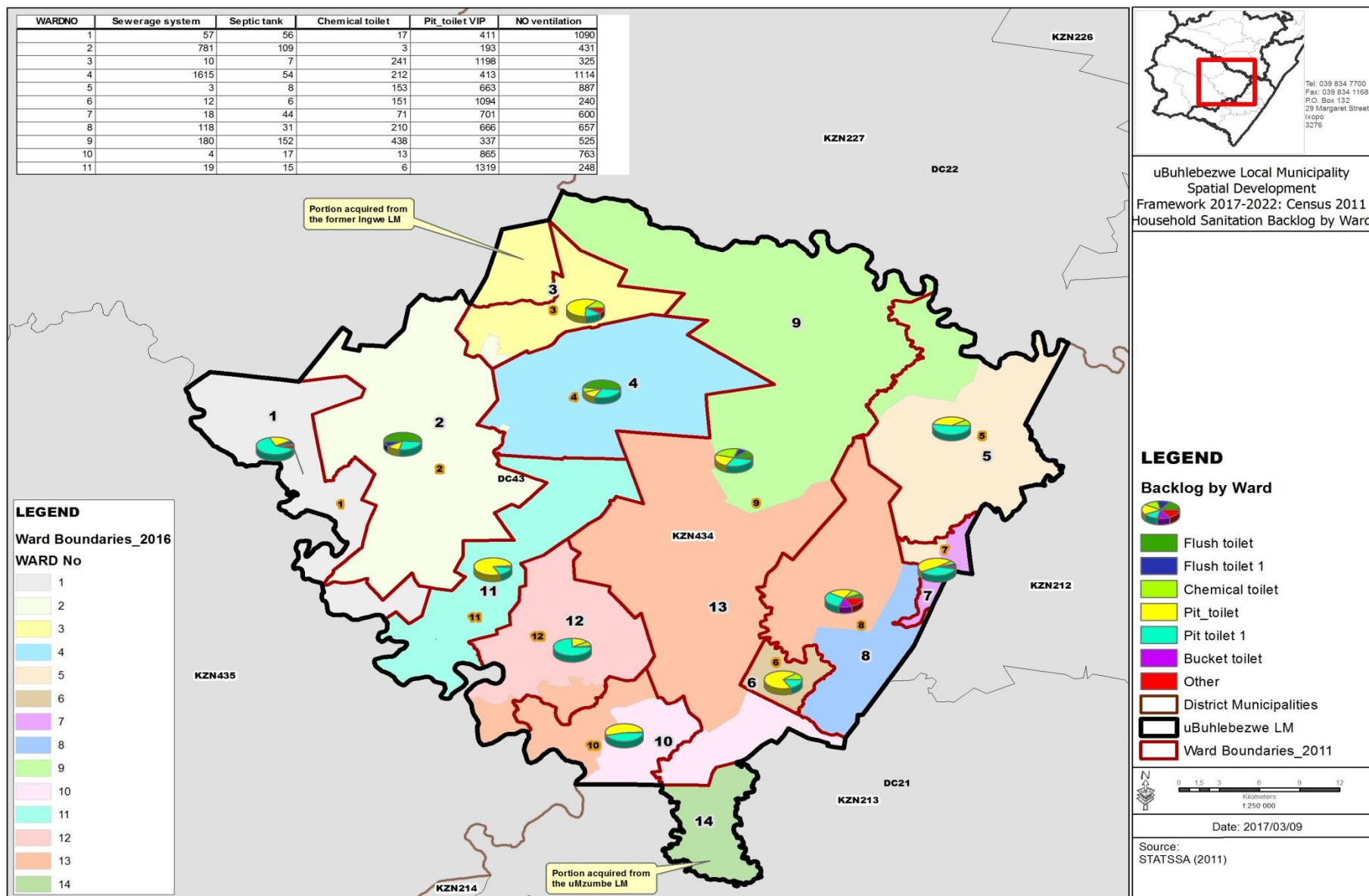


Figure 5: Sanitation Backlogs

C.2.8.4 Refuse Removal

Minimum requirements for acceptable access to Refuse Removal are:

- Removed by local authority/private company at least once a week
- Removed by local authority/private company less often

The following constitute backlogs:

- Communal refuse dump
- Own refuse dump
- No rubbish disposal
- Other

The Refuse Removal backlog in 2011 was 20 432 households against 23487 total households. The backlog for 2016 is 109 424 (people) against 118 346 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

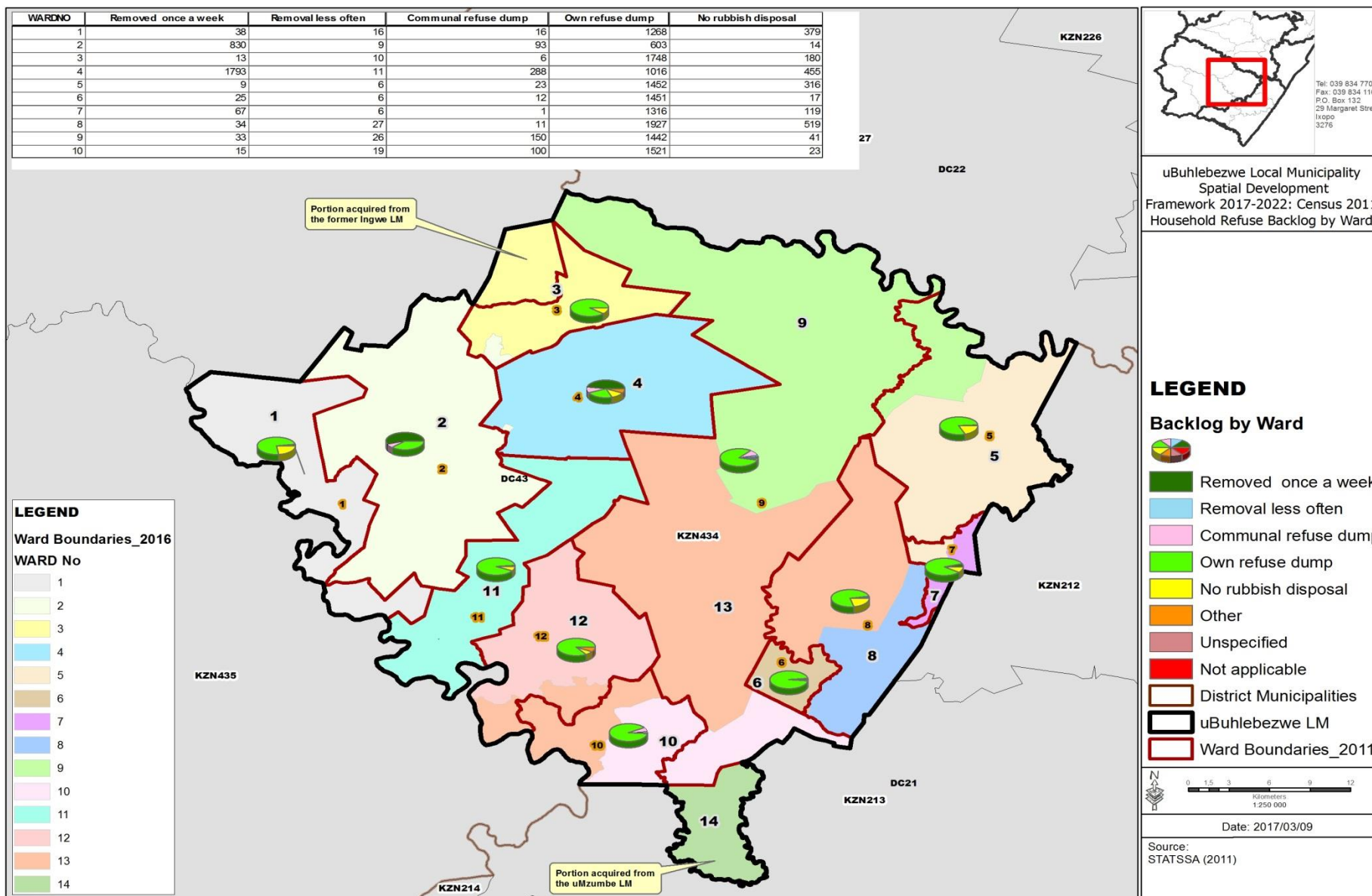
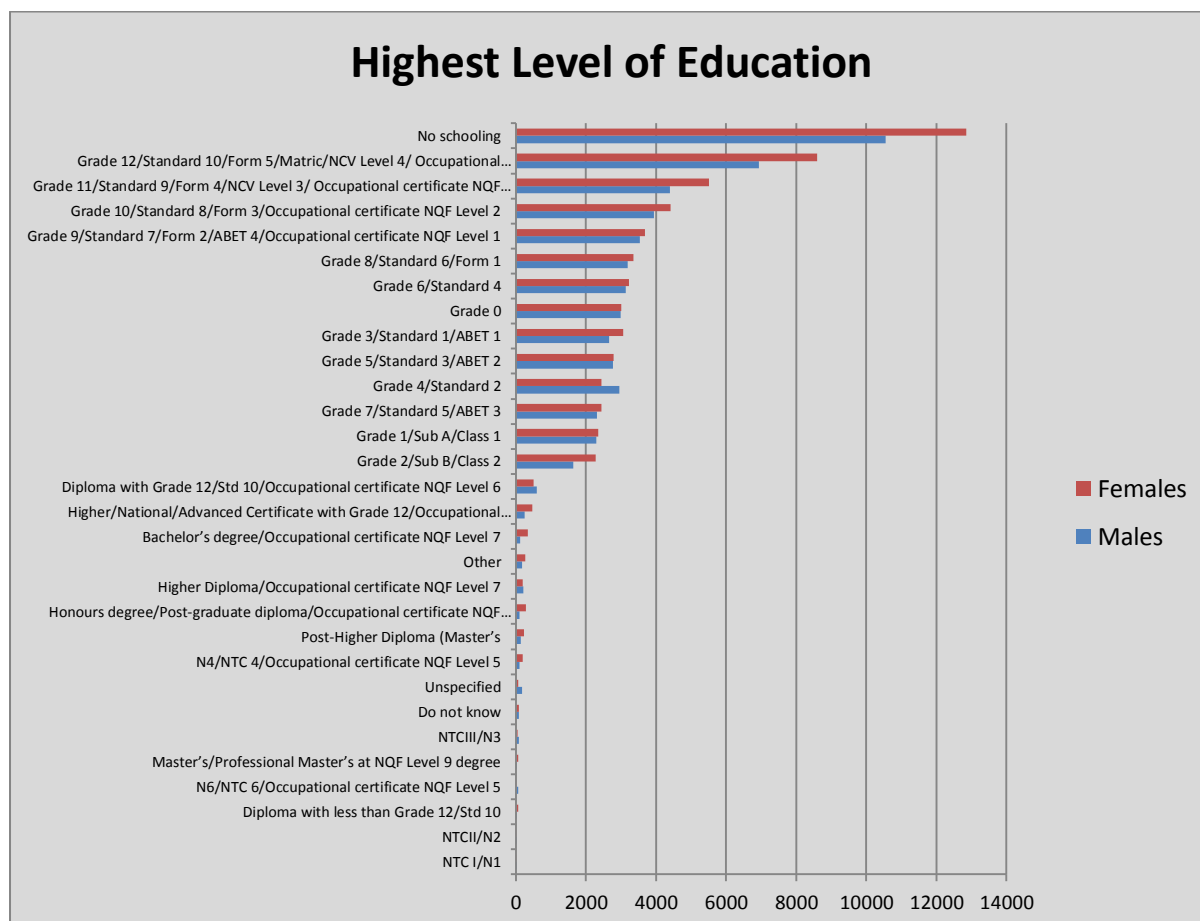


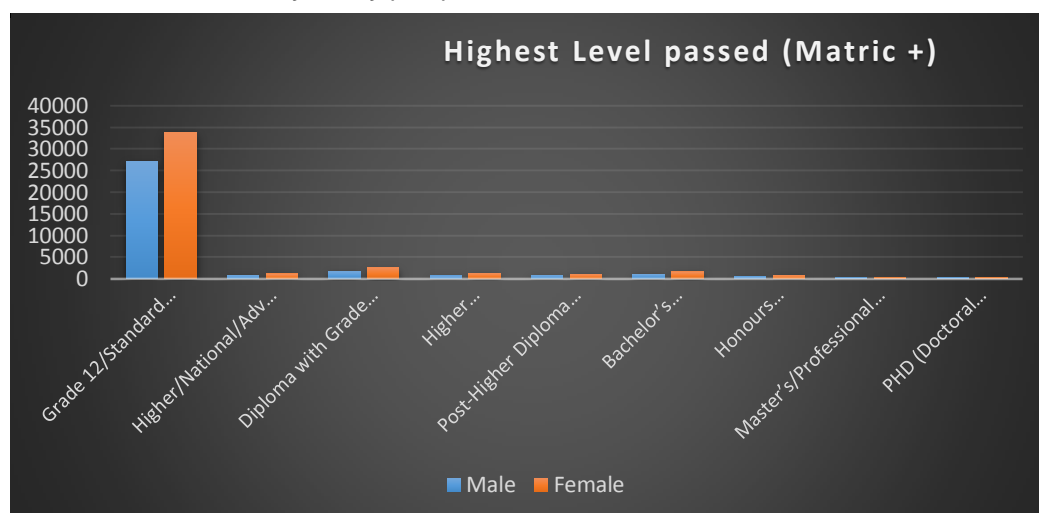
Figure 6: Refuse Backlogs

C.2.9 Educational status

The graph below depicts the highest level of education within various categories for males and females at Ubuhlebezwe Local Municipality based on the CS 2016 results for the whole population. Males (10545) and Females (12847) with no formal education constitute the majority in terms of the population in relation to education. The highest level of education that has been attained by the population of Ubuhlebezwe Local Municipality is Grade 12, whereby the number of females (8589) out numbers males (6933). From here on the highest of education attained decreases progressively from Grade 11 to Grade R, as well as for Tertiary education for males and females combined. The dominant trend is that each of the categories the number of educated females exceeds that of males. One exception is in Grade 4 whereby the number of educated males (2959) exceeds that of females (2446).



Source: Stats SA Community Survey (2016)



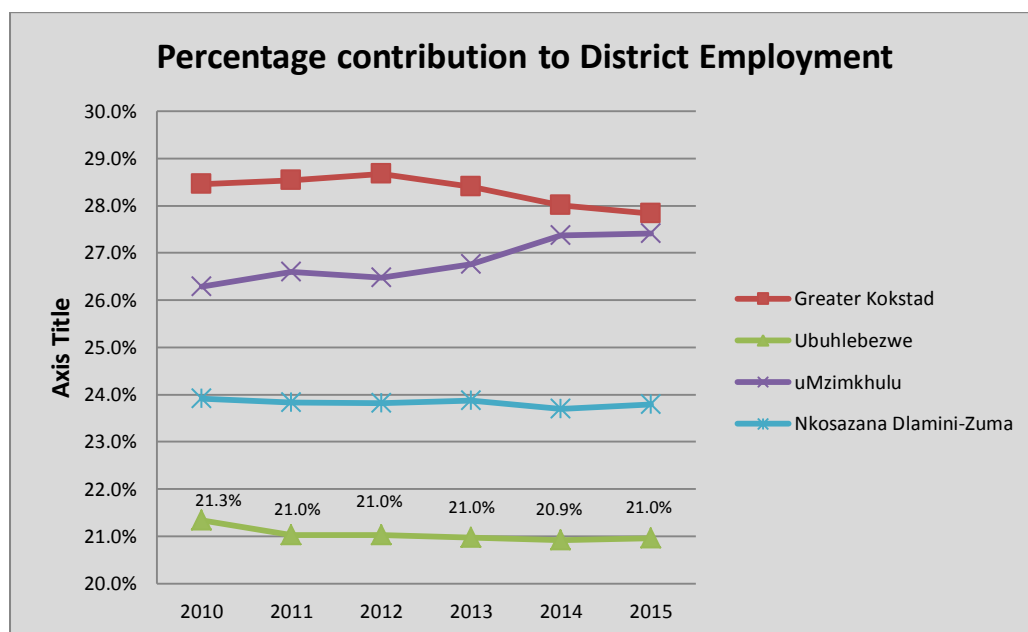
Source: Stats SA Community Survey (2016)

C.2.10 Employment status

The table below depicts the total number of employment from 2010 to 2015. The table shows a steady increase in the total number of people employed except for 2011 which experienced a decline to 19631 from 20217. In terms of percentages the average employment contribution to the district population has declined by 0,3% between 2010 and 2015. The total number of unemployed people at Ubuhlebezwe Municipality correlates directly with the total employment per municipality in that for 2011 there was a decline in the number of people employed (4843) as compared to 2010 (5150).

	2010	2011	2012	2013	2014	2015
Harry Gwala	94 749	93 351	96 088	101 051	107 537	112 306
Greater Kokstad	26 964	26 643	27 553	28 698	30 117	31 256
Ubuhlebezwe	20 217	19 631	20 202	21 188	22 498	23 546
uMzimkhulu	24 910	24 832	25 438	27 043	29 437	30 786
Nkosazana Dlamini-Zuma	22 658	22 245	22 894	24 122	25 486	26 718

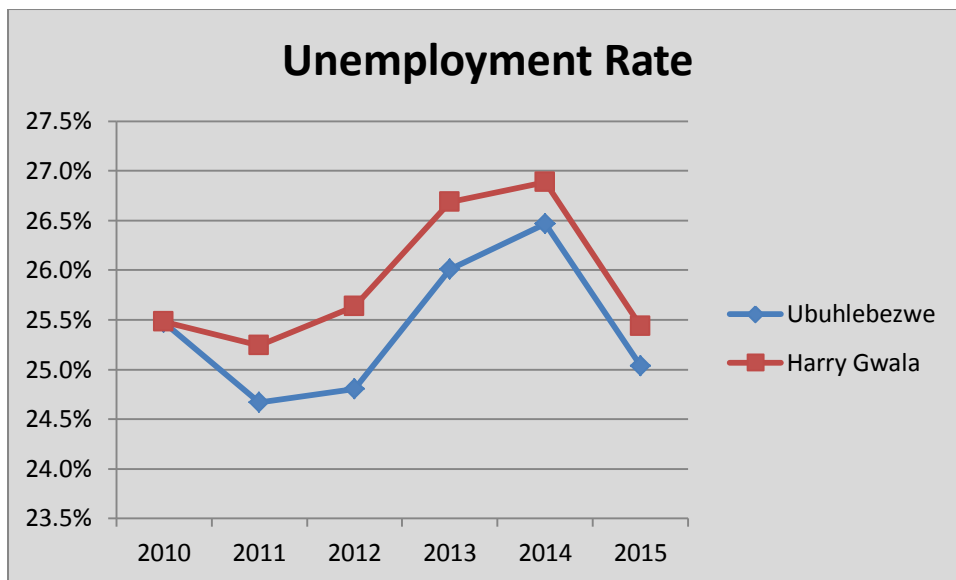
Total Employment per Municipality. Quantec (2015)



Percentage contribution of HGDM local municipalities to District Employment. Quantec (2015)

	2010	2011	2012	2013	2014	2015
Ubuhlebezwe	5 150	4 843	5 011	5 512	5 954	5 895
Harry Gwala	24 140	23 563	24 634	26 967	28 912	28 568

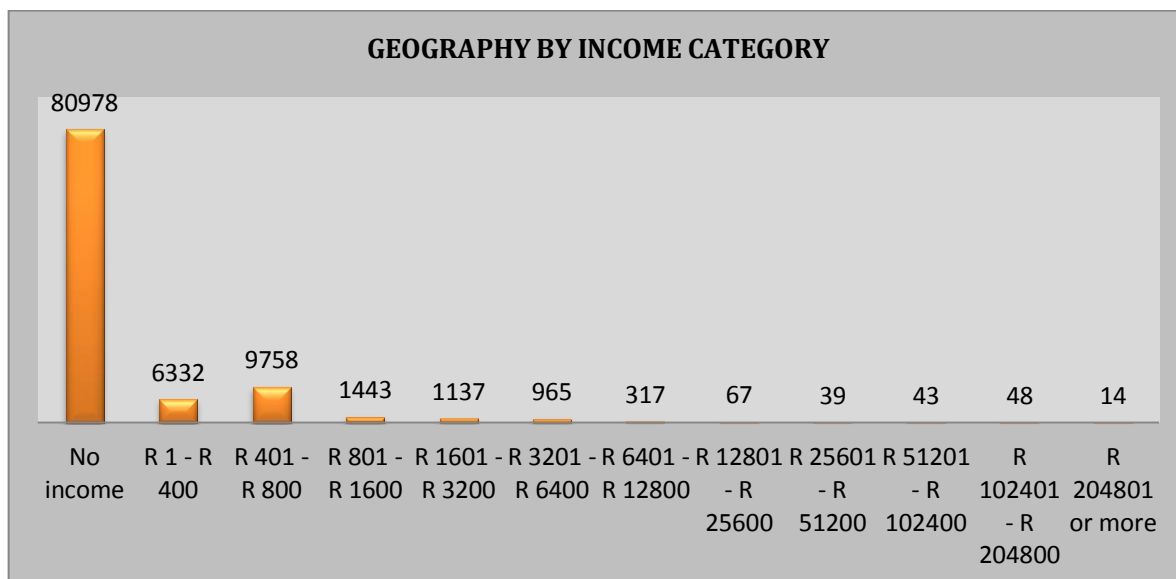
Number of the unemployed people. Quantec (2015)



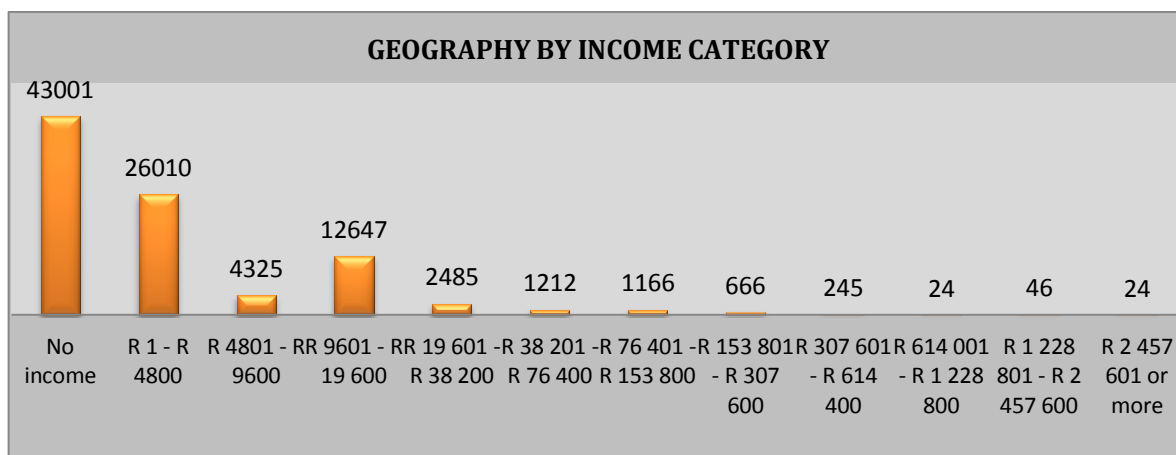
Unemployment Rate of Ubuhlebezwe Local Municipality vs HGDM. Quantec (2015)

C.2.11 Income status

The Community Survey for 2016 by Stats SA does not cover the Income status, hence, the comparison shown below, still refers to 2001 and 2011.



Source: Census 2001 (Stats SA)



Source: Census 2011 (Stats SA)

The above figures shows that that are still a high rate of people without source of income as it shows 46.8% of people not getting any income. And the highest earning is at 0%, which indicates that there is still a lot to be done to address the issue. But there is still a positive indication as it shows that there has been a decrease in people not getting any income, from 80.1% in 2001 to 46.8% in 2011.

C.3 National Key Performance Areas

C.3.1 Municipal Transformation & Institutional Development

• **Human Resources Strategy**

It is important that all HR processes and initiatives are developed as part of an overall people strategy which is aligned with, and designed to assist in the achievement of, the organizational strategy and goals (IDP). A key part of the HR planning role is the development of a workforce plan. The council reviewed and adopted its Human Resources Strategy at a Council meeting held on the 25th of May 2017; this strategy is used as part of the municipal vehicle for achieving efficient and effective service delivery.

This strategy has been compiled and it addresses the following:

- Planning the municipal workforce in an organized manner and within strategic principles;
- Attraction and retention of required skills;
- Developing a competent, skilled, service orientated and satisfied (content) workforce in order to ensure continued service excellence, sometimes under difficult circumstances;
- Filling of staff vacancies according to structured procedures and timeframes.

The municipality is a Category 1 municipality which in accordance with all terms and definitions is a small municipality and as such suffers from all the ailments which are commonly found amongst small (and sometimes much larger). Municipalities with common denominator being the availability of funds and the well recorded inclination of Councils to start cost cutting exercises at the human resource level. Unfortunately these actions have in the past in many instances been proven to be counterproductive in respect of actual service delivery.

• **Implementation of the Human Resource Strategy**

This strategy is detailed and outlines the roles and responsibilities of all key personnel in all municipal departments, on how they should perform their duties to achieve the desired goal and objectives of the municipality. It also provides direction on how staff skills should continuously be capacitated.

Below is the table with human resources strategies that are in place:

Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Planning and Resourcing	Strategic HR planning	Updating HR strategy in response to changing demands and conditions Resourcing the plans for their effective implementation	Annual strategy reviews HR leadership - to drive process
	Manpower planning	Anticipating manpower demands and accordingly ensuring that the organisation has the right number of people, with the right capabilities to enable the organisation to	Time investment in quarterly manpower reviews

		achieve it strategic goals	
	Recruitment & selection	Streamlining recruitment and selection process, focusing on: Timeous identification of positions to be filled and approval for recruitment Reduction of recruitment turn-around time Hundred percent (100%) hit rate (appointment of the right person).	Recruitment and selection budget
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Governance	Introduction of new policies and policies where warranted	Where a need for regulating a specific aspect of business is established, propose and develop relevant policy, procedure or process	N/A
	Enforcement of established policies, procedures and processes	Passing audit checks for consistent application of set policies, procedures and processes	N/A
Compliance	Compliance with applicable legislation and other regulations	Staying “in-the-loop” regarding aspects that get regulated Reducing time it takes to reach full compliance Timeous, accurate and conformant reporting to both internal and external stakeholders	Compliance budgets - dependant on nature of compliance Reporting and compliance systems
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Talent Management	Attraction of external talent	Attracting wider pools of potential talent - innovative approaches	Budgetary considerations
	Identification of internal talent	Identify talent based on potential and performance	N/A
	Succession planning	Succession plans for all key roles and individuals	N/A
	Development and retention of identified key talent	Identification of appropriate development opportunities (coaching, mentoring, stretch assignments, exposure, etc) for all identified key talent	Budgetary considerations Time investment in developmental interventions such as coaching, mentoring, exposure, etc
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Efficiency	Streamlined work processes	Eliminating non-value adding activities Reducing HR operating costs Decreasing time per HR query/activity Decreasing person-to-person inquiries and comebacks	Possible investment in technology

		Cost-efficient decisions and work procedures	
	Using efficient technology	Using the most time and cost-efficient means to carry out tasks	Possible investment in technology
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Transformation	Employment Equity (EE)	Appointment of EE candidates in key/influential roles across the Municipality Implementation of Affirmative Action (AA) measures to retain EE talent	Budgetary considerations for attraction of suitably qualified EE candidates Budget considerations for implementation of AA measures
HR Performance Measurement	Striving for excellence	Development of internal competence (right knowledge, skills, expertise and attitudes)	Budgetary considerations (training and development)
	Measurement of HR performance and value	Measurement of HR value (ROI) Effectively utilising Balanced Scorecard and PMS processes to assess HR performance	Budgetary considerations for ROI/value measurement services
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Capability Development	Skills development, study support, coaching and mentoring interventions, job exchanges, etc	Conducting of skills audits and needs analyses (learning & development) Development of Personal Development Plans (PDPs) for each employee and incorporation thereof into Workplace Skills Plans (WSPs) Driving adherence to PDPs and WSPs	Budgetary considerations Time investment for Skills Development Facilitator (SDF) and line management
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
OD and Change	Culture	Inculcation of a culture that enables attainment of the organisation's goals	Budgetary considerations for appropriate culture building/change interventions
	Innovativeness	Early adoption of best practice, increasing speed to the desired change Creating better and innovative ways of executing work	Dependent on nature of best practice and innovation adopted
	Changing demands and conditions	Adaptation to changes imposed by both external and internal dynamics	Dependent on nature and extent of change
Focus Area	Elements	Objective(s)	Structural, Process and Resource Requirements
Sound Employee Relations	Communication	Establishing and utilising appropriate channels and media for varied types of communication	Dependant on chosen channels and media

	Occupational Health and Safety (OHS)	Full implementation of OHS programme and enforcement of relevant policy	A dedicated resource - OHS Coordinator Budgetary considerations for implementation activities
	Employee Assistance Programme (EAP)	Full implementation of EAP programme and enforcement of relevant policy	A dedicated resource - EAP Representative/Coordinator Budgetary considerations for implementation activities

Table 8: human resources strategies that are in place

The strategy is subject to:

The rapidly changing profile and role of local government with new mandates, duties, functions and requirements; and is mostly dependant on municipal funding and affordability; and will of necessity be subject to change from time to time

The adoption by the Council of this strategy, does in no manner or way bind the Council to be compelled to comply with projected year planners as set out in the annexures thereto;

The principles set out in the strategy shall be followed until formally amended and management of the municipality shall in future utilise the HR strategy principles to motivate related matters to Council; The management shall annually, by no later than 15 March each year, have completed HR planning for the next ensuing financial year.

• **Municipal Powers and Functions**

In terms of the Municipal Structures Act No. 117 of 1998 UBuhlebezwe Municipality (KZ434) is classified a B Municipality and falls within the Harry Gwala District Municipality (DC43). This act made provision of the division of powers and functions between the district and local municipalities with the most day to day service delivery functions being delegated to local municipalities and the District wide to District Municipalities. UBuhlebezwe Municipality is responsible for a number of functions some of which are not being performed due to lack of capacity. The Municipality has entered into shared service with Harry Gwala District Municipality in some of the functions.

UBuhlebezwe Municipality has executive authority in respect of, and has the right to administer the local government matters listed below:

Functions	Function currently performed		Capacity to perform function		Levels of capacity	Alternative measures in place(function not performed or no capacity)	Municipal Action
	Yes		Yes				
Amusement facilities	-	x	-		-	-	-
2. Air pollution	-	x	-		-	-	There is no demand no action required
3 Building Regulations	x	-	x		Limited capacity there is only one building inspector responsible for all building related activities. Law enforcement not effectively executed.	-	Deal with contraventions effectively

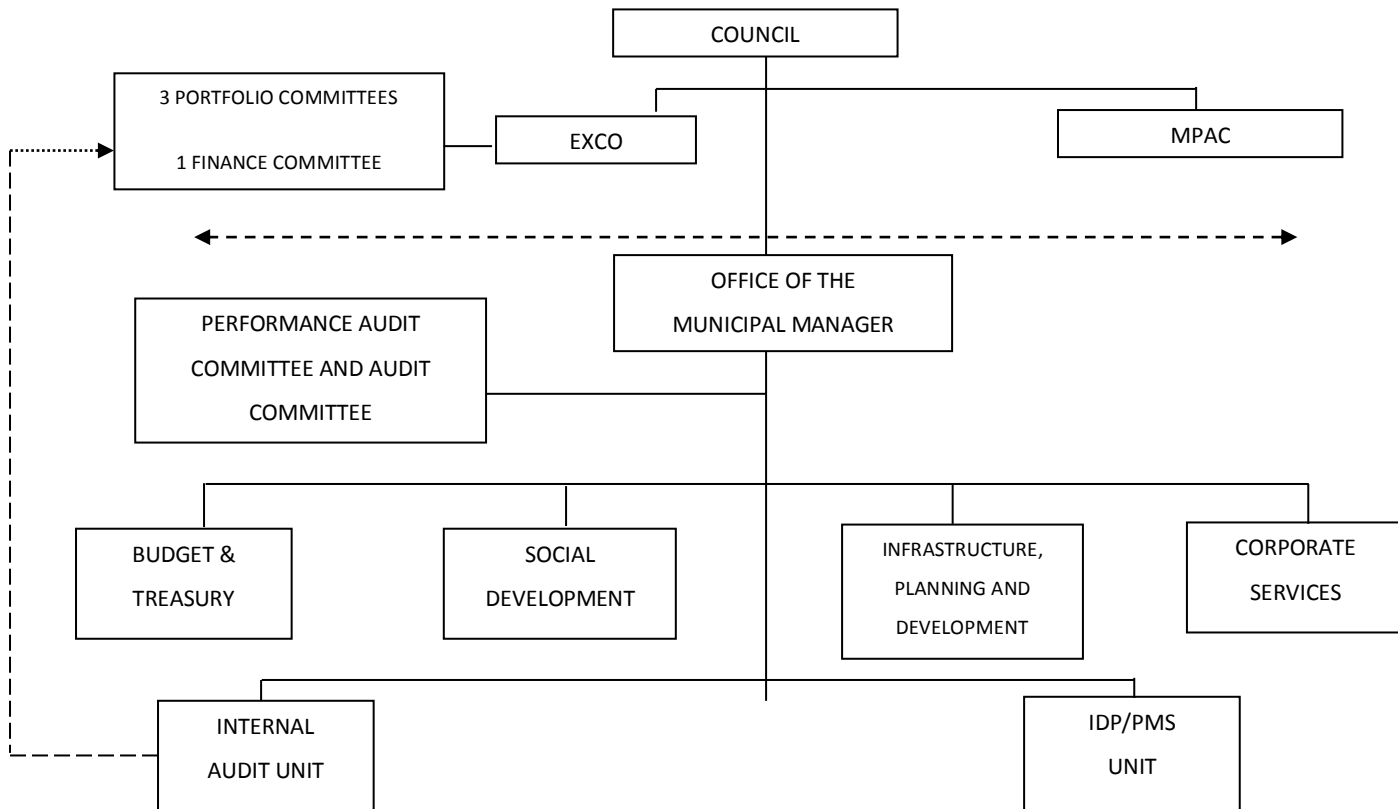
4. Child care facilities	-	x	-		-	Community driven function.	The municipality coordinates Sukuma Sakhe where departments sit and look at the adequacy and Department of Social Development builds creches
5. Case of Burial of Pauper and Human Remains	-	X	-		-	-	Maintenance of facilities
6. Fire Fighting	X	-	x		Municipality has a functional capacity and is gradually increasing human resources	-	The municipality creates awarenesses and responds incase of accidents. Disaster Management Plan caters for fire fighting functions
7. Local Tourism	X		x		Limited due to financial constraints and minimum skills	-	The municipality adopted a Tourism strategy and is working with local tourism owners to uplift tourism within the ecomic space
8. Municipal Planning	X		x		Limited capacity to perform all planning functions. There is the Manager Planning with only Town Planner.	-	Planning shared to assist in this regard
9. Municipal Public Transport	-		-		-	-	Planning has been done by the District
10. Storm water	X		x		Performed internally. Limited Financial and human resources to perform this function fully.	-	Maintenance of storm water facilities are done internally.
11. Trading Regulations	X		x		Municipal Bylaws are enforced with limited resources	-	The municipality reviewed Bylaws and training of Peace Officers
12. Billboard and display of advertisement in public places	X		x		Municipal Bylaws are enforced	-	Signage Bylaws and strengthen law enforcement
13.	X		x		-	-	Maintenance and

Cemeteries, funeral parlour and crematoria							allocation of graves.
14. Cleansing	X		x		-	-	Daily to day activity
15. Control Public nuisance	X		x		-	-	By-laws are in place and enforced
16. Fencing and fences	X		x		-	-	No action required
17. Licensing of dog	X		x		Limited capacity	-	By-laws in place and enforced
18. Licensing and control undertakings that sell food to the public	-		-		Municipality has licenced informal traders	Each case is treated base on its own merits	Harry Gwala District municipality conducts Environmental Health inspections to ensure that formal shops also get licenced
19. Local amenities	X		x		-	-	Ixopo Town Regeneration to address the lack of amenities within the municipal area.
20. Local Sports facilities	X		x				Continuously maintain community sports field within the municipality
21. Markets	-		-		-	-	The municipality deals with the markets through the informal traders policy
22. Parks and recreation	X		x		-	-	Continuously Maintain and beautify parks and gardens
23. Pontoon s and ferries	-		-		-	-	No action required
24. Pounds	-		-		-	-	Municipality in a process of establishing a pound in terms of the Pounds Act. Lots of stray animals around the municipal area
25. Municipa	X		x		This function is performed		municipal roads are

I Roads					by PMU Unit under the supervision of the Director IPD		maintained as per the maintenance plan
26. Municipa I airport	-		-		-	-	No action required
27. Municipa I Abattoir	-		-		-	-	No action required
28. Noise pollution	-		-		By-laws in place	-	Bylaws enforced by community safety unit
29. Public places	X		-		Functioned performed to a limited extent due to financial constraints	-	-
30 Refuse and Solid Waste Disposal	X		-		Municipality does not have a landfill site	The Municipality utilizes UMzimkhulu Municipality's land fill to dump refuse.	The municipality to acquire land for the landfill site in partnership Department of Land Affairs
31 Street trading	X		x		Limited number of Peace Officers	-	The municipality to train more Peace Officers
32 Street Lighting	X		X		Capacity is limited relying to ESKOM.	-	Municipality is negotiating with ESKOM to take over the street lighting after completion of the project.
33. Traffic and parking	x		x		-	-	No action required
34. Fireworks					-	-	No action required
35. Libraries	x		x		-	-	-

Table 9: Municipal Powers and Functions

- **A Council approved Organizational Structure**



The Municipal Council is composed of 27 Councillors of which 14 are ward Councillors and 13 are proportional representatives. Amakhosi also form part of Council and have been allocated to Portfolio Committees as per the recommendation made by the MEC for Co-operative Governance and Traditional Affairs. Ubhlebezwe Municipal Council meets quarterly while both the Executive Committee and portfolio committees sit bi-monthly.

The Ubhlebezwe Municipal council established 3 portfolio Committees with reporting line via the executive Committee. Council nominates the Chairperson for portfolio committees, who happen to be the member of the Executive Committee. Each committee has its own terms of reference. Their core function is to look at specific issues that relate to each portfolio committee. The portfolio committees deliberate on issues and then make recommendation to Exco to take decisions. Each portfolio committee meets with their relevant department bi-monthly where it considers performance reports that reflect progress in achieving the planned outcomes, outputs and inputs for the year in each functional area.

The following committees are established and reconfigured to represent municipal departments: Administration and Human Resources; Social Development; and Infrastructure, Planning and Development Portfolio Committees as well as the Finance Committee. Over and above the portfolio committee the Council has two (02) adhoc committees namely Local Labour Forum and Finance Committee. MPAC has been established with the terms of reference having been formulated.

As depicted in the organisational structure above the Ubhlebezwe Municipality has 4 departments and 2 units. Each department is headed by the Director who reports directly to the Municipal Manager. The Municipal Manager reports directly to the Exco via the Mayor who is the Chairperson of the Executive Committee. The Municipal Manager is assisted by the Internal Audit Unit and an independent Performance Audit and Audit Unit in meeting his accountability requirements in terms of the Municipal Finance Management Act. The Municipality has recently established an Internal Audit where this function was previously outsourced.

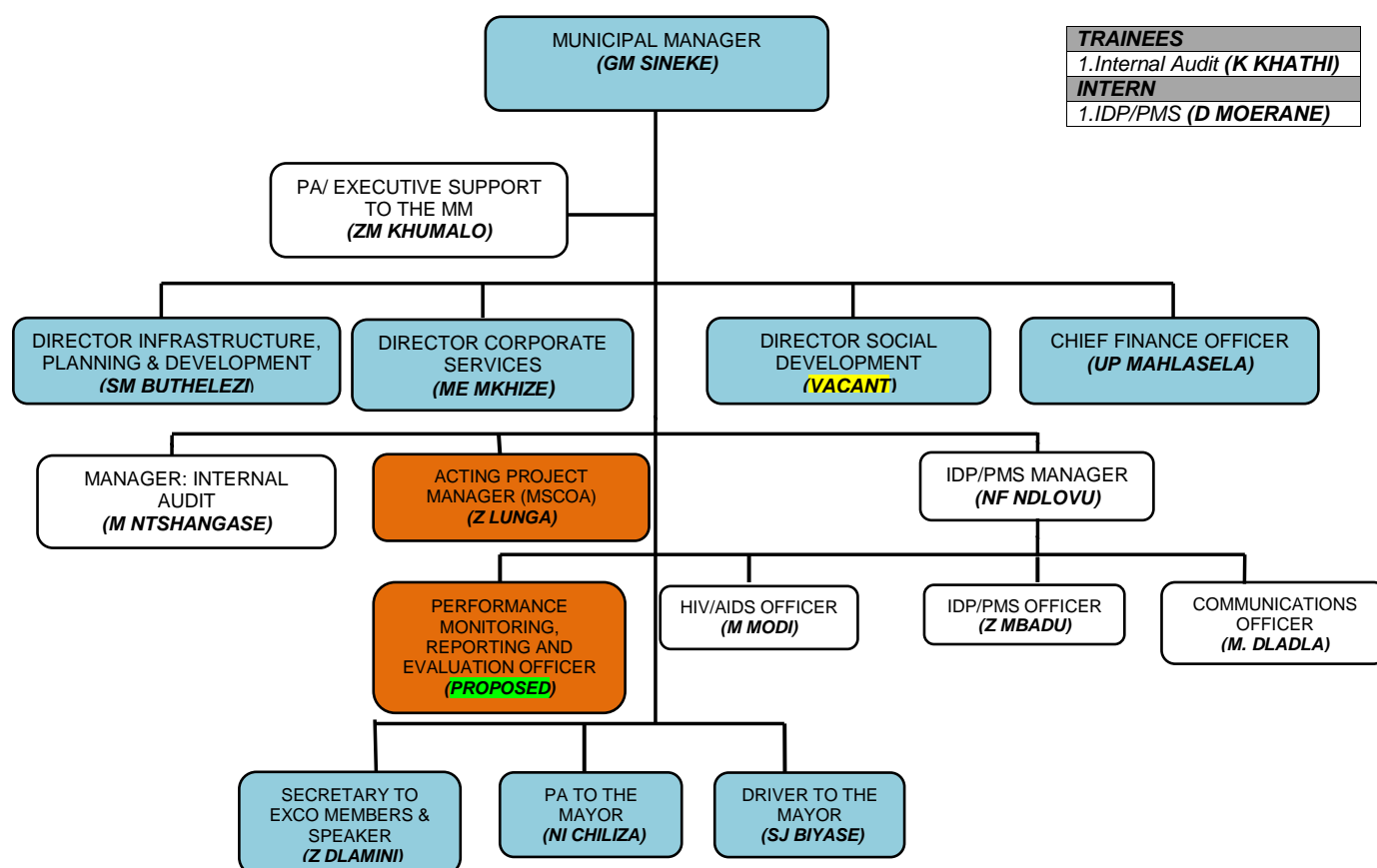
- **A full Council adopted Organizational Structure**

The organisational structure included the following departments: Budget & Treasury; Corporate Services; Infrastructure, Planning and Development and Social Development Departments. Each department is aligned with the activities and all vacant posts budgeted for in the 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17 financial years.

The Municipality is still awaiting the Evaluation process to unfold in order to give posts the correct grading. The delay in job evaluation has resulted in posts not being evaluated and job appraisals being outstanding. The Municipality has a staff compliment of 199 employees including Managers employed on a fixed term contractual basis.

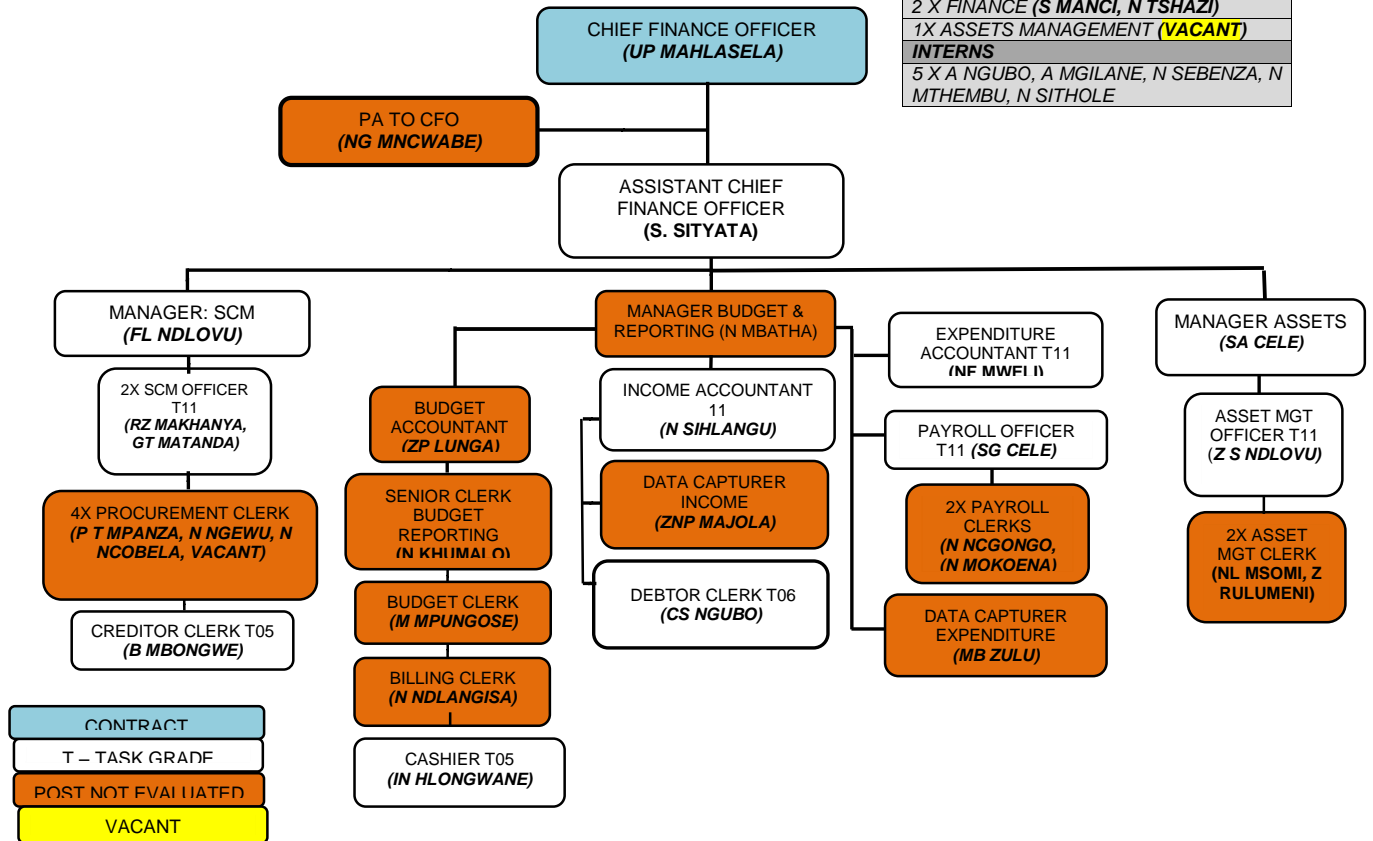
Category	Number
Total number of Approved posts	203
Total number of filled posts	199
Total number of vacant posts	04
Vacancy rate	2%
Coloureds	04
Indians	02
Blacks	196
White	01

MUNICIPAL MANAGER'S OFFICE



FINANCE DEPARTMENT

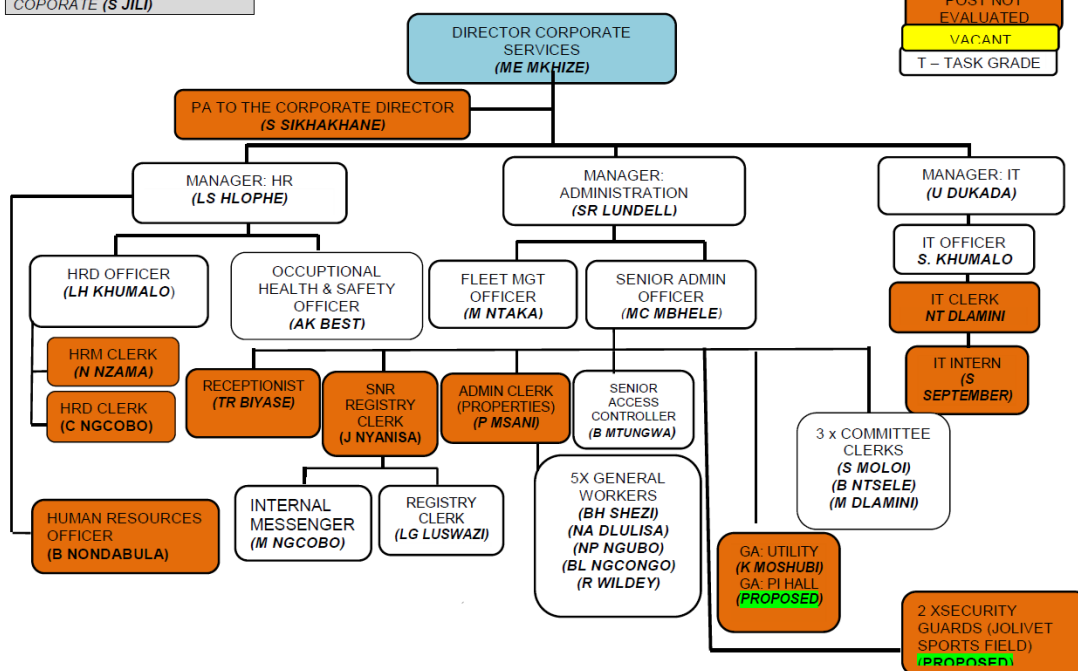
TRAINEES
2 X FINANCE (S MANCI, N TSHAZI)
1X ASSETS MANAGEMENT (VACANT)
INTERNS
5 X A NGUBO, A MGILANE, N SEBENZA, N MTHEMBU, N SITHOLE



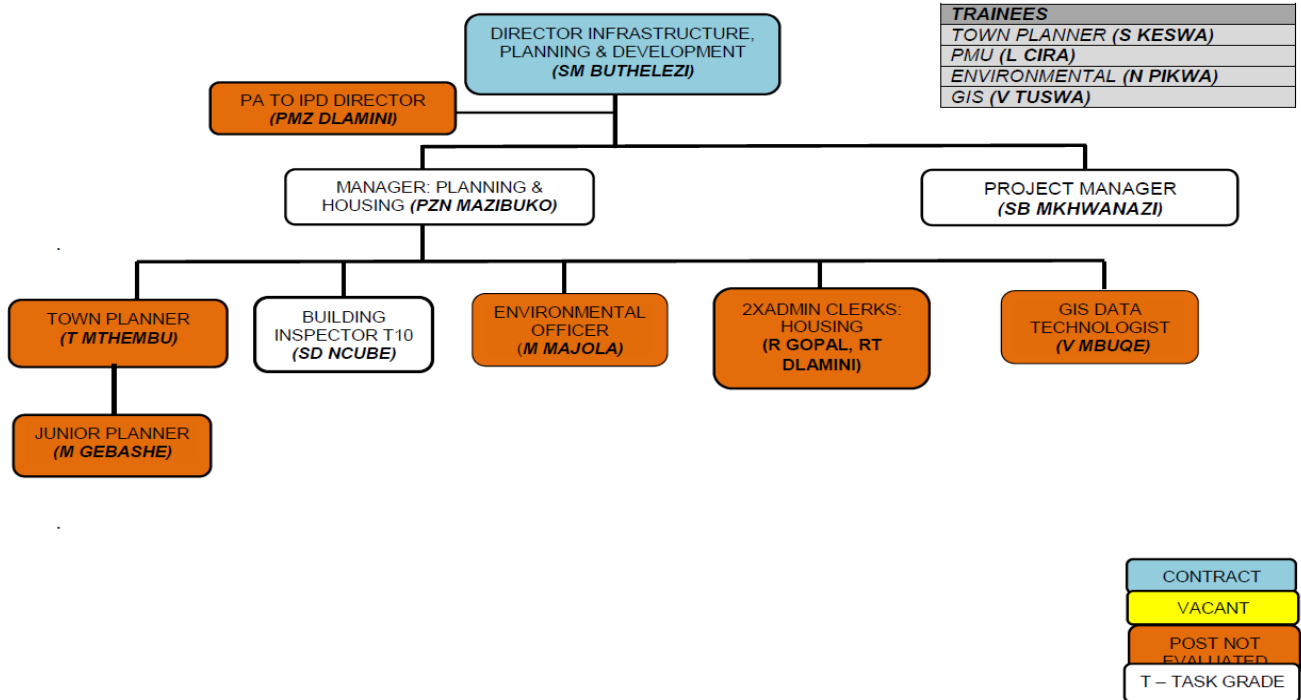
TRAINEES
H.R (S MKHWANAZI)
COPORATE (S JILI)

CORPORATE SERVICES DEPARTMENT

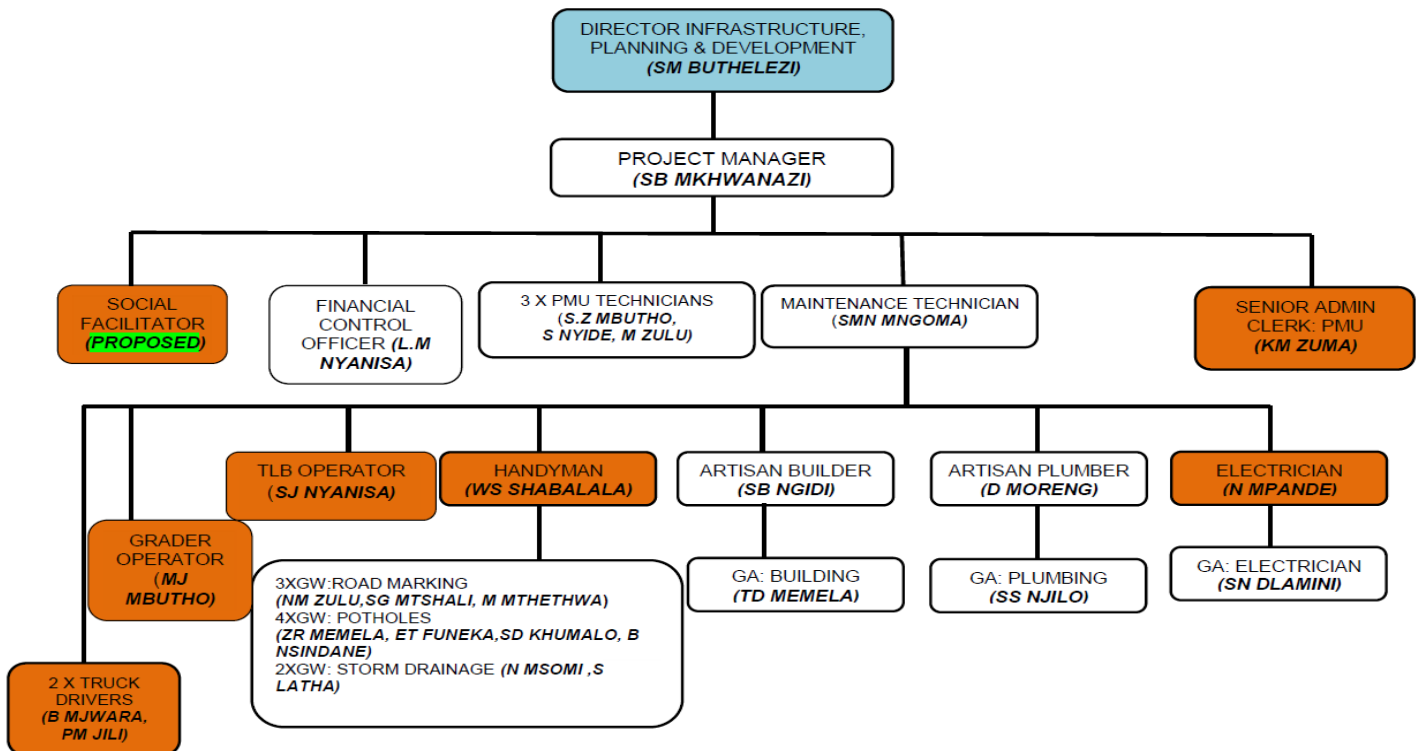
CONTRACT
POST NOT EVALUATED
VACANT
T – TASK GRADE



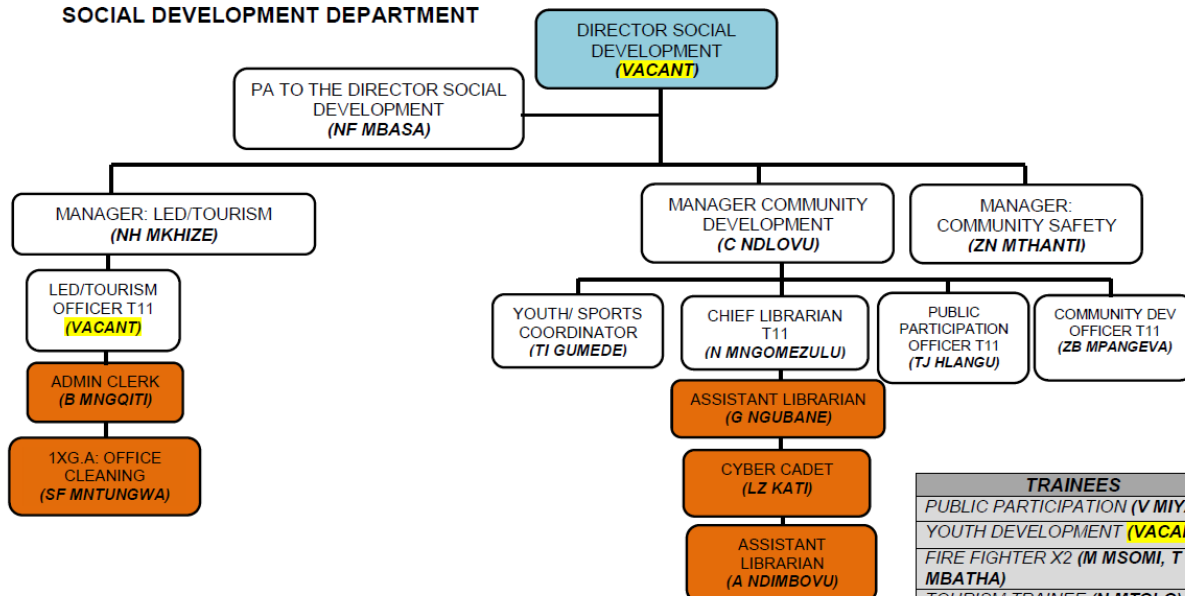
INFRASTRUCTURE, PLANNING & DEVELOPMENT DEPARTMENT



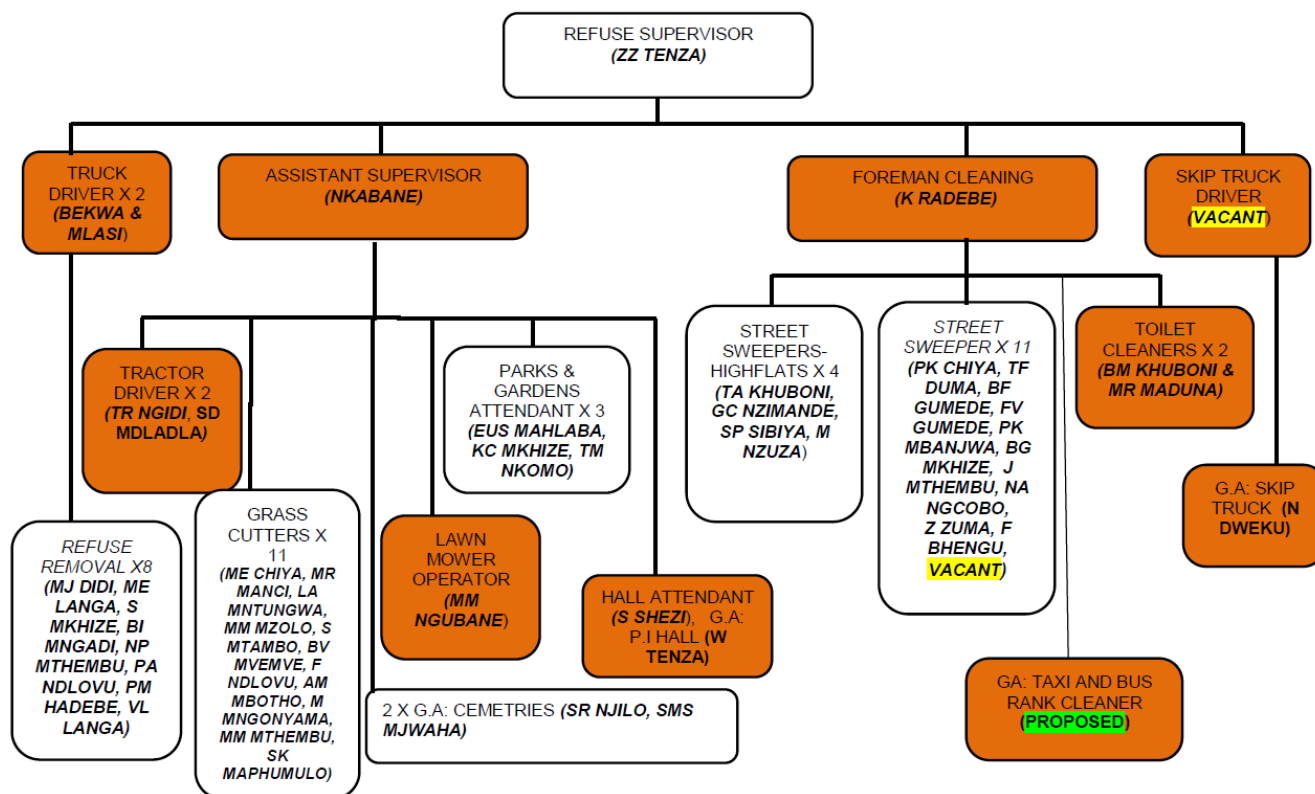
INFRASTRUCTURE, PLANNING AND DEVELOPMENT DEPARTMENT



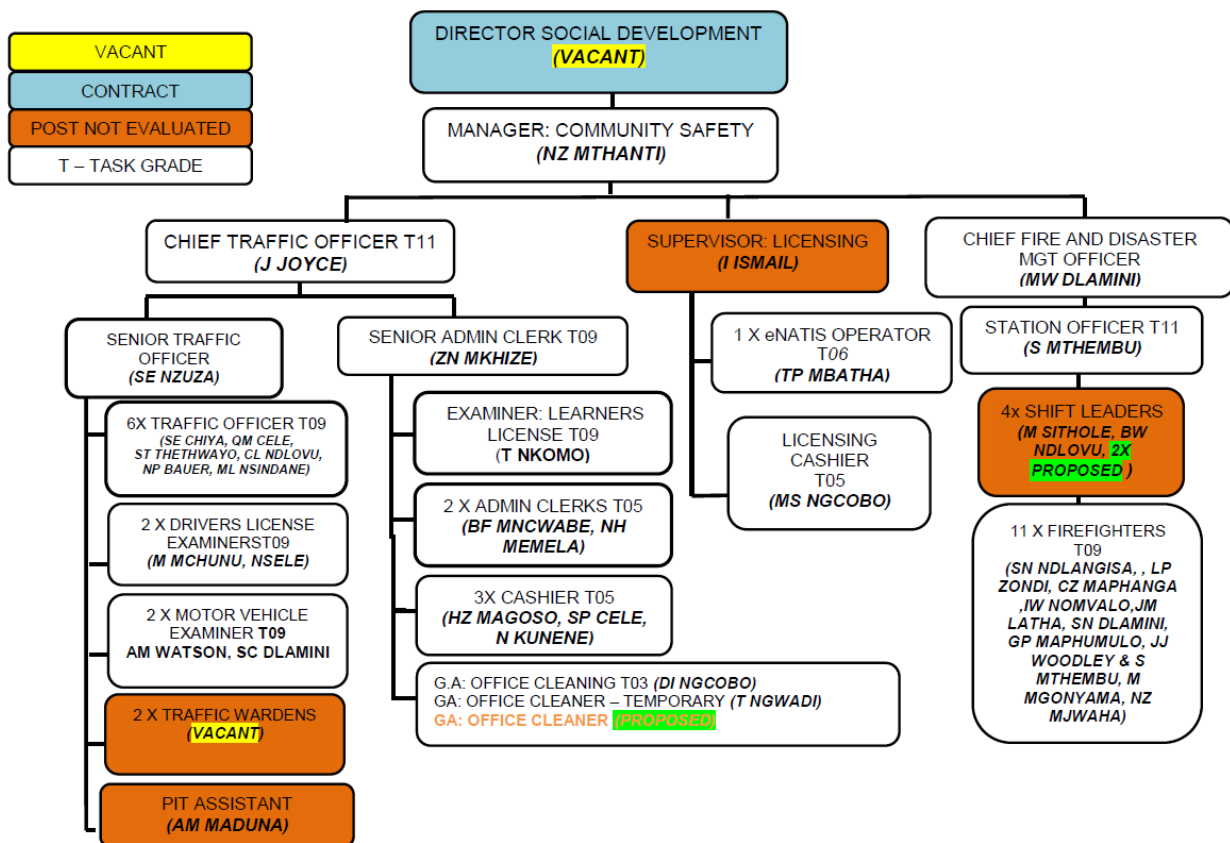
SOCIAL DEVELOPMENT DEPARTMENT



REFUSE COLLECTION & VERGE CUTTING



SOCIAL DEVELOPMENT DEPT CONT....



- Previously disadvantaged group**

Directors: Infrastructure Planning & Development, Social Development & the Chief Financial Officer were appointed in the 2012/13 financial year and they are all black African females. The switchboard operator of Ubuhlebezwe Municipality is a previously disadvantaged black African female leaving with disability.

There is a council approved organogram that aligns to the long-term development plans of the municipality as reflected in the IDP as well as the powers and functions of the municipality.

- Filling of critical posts**

The organisational structure shows five (5) critical posts, i.e. Municipal Manager, Directors: Social Development, Director: Corporate Services, Director: Infrastructure Planning and Development and the Chief Financial Officer. In addition the Managers: IDP/PMS and Internal Audit. All these posts are filled. However, with the exception of the position of Director Social Development, Director Corporate Services and the Chief Financial Officer, corrective measures have been implemented by council to appoint the Director of Corporate Services to act for six months on two positions (Corporate and Social Development), whilst the Assistant Chief Financial Officer has been appointed to act as the Chief Financial Officer until the recruitment processes are done. Candidates have been shortlisted in respect of this position and results of the competency test that they underwent have come out.

There seems to be a challenge with regards to finding a suitable candidate for the position of the Director Social Development and the Chief Financial Officer as they have been re-advertised on the newspapers dated the 29th of

May 2017, the municipality is currently undergoing all the recruitment processes in order to find a suitably qualified personnel.

- **Environmental Management Officer**

The municipality, under the department of Infrastructure, Planning and Development, has included the position of an environmental officer. This position was advertised and the appointment took place on the 3rd of October 2016. In addition, The Ubuhlebezwe Municipality has appointed the Occupational Health & Safety Officer as well as the Chief Fire, Disaster Management Officer.

- **A Council adopted Employment Equity Plan (EEP)**

The EEP is in place, it is a five year plan which is reviewed annually, The last review was at a Council meeting held on the 25th of May 2017. In compliance with the Employment Equity Act 55 of 1998, Chapter III, and Section 20(1):

“A designated employer must prepare and implement an Employment Equity Plan which will achieve a reasonable progress towards employment equity in the employer’s workforce.” The Ubuhlebezwe Municipality is deemed to be a designated employer.

The Employment Equity Plan (EEP) is at the core of Ubuhlebezwe’s commitment to implement employment equity as well as affirmative action in all occupation levels and categories of its work force. The EEP gives effect to the Ubuhlebezwe Employment Equity Policy adopted by the Council and sets out the measures to be taken to ensure legal compliance with the Employment Equity Act, 55 of 1998. Furthermore it includes the objectives, activities, numerical goals and targets to progressively move towards achieving representivity of the designated groups across the organisational structure.

This EEP is the result of an ongoing and structured process of analysis and review of the human resources policies and practices of the municipality in consultation with the Local Labour Forum (LLF). The latter is representative of all relevant role-players, meets on a regular basis and fulfils a consultative and monitoring role on the implementation of Employment Equity Act.

- **A Workplace Skills Plan (WSP)**

The WSP is in place and is an annual document. It was developed and adopted by Council on the 26th of April 2017.

The Ubuhlebezwe Workplace Skills Plan tells the SETA what trainings Ubuhlebezwe will provide to the employees in the next 12 months, based on the operational requirements of the organisation, its industry and the critical skills identified by the SETA.

This document is thus a check and balance system to gather valuable statistical information with regards to skills shortages, critical skills in organizations and development requirements within the industry.

It also allows Government to project skills needs and to make this information available to training institutions such as universities and technical training institutions. Without this information the Government would not be able to plan learnership training courses and provide for skills.

Ubuhlebezwe Workplace Skills Plan has been approved and is in place and is designed to be in line with the municipal strategic objectives. It aims at enabling the employees to deliver services effectively and efficiently.

- **Trainings offered as per the WSP are:**

Examiner for Driving Licence course, Apply budget Function in a business Unit, Advanced Excel, Sign Language, Training, Shooting range, Debt Collection, Safety, Health and Environmental Training, Examiner for driving licence course, Report Writing, Time Management, Property Management, Municipal Governance and administration, Advance archives and records management, Leave administration, Advance report writing, Technical System administrator, Project Management, Peace Officer, Local Government Councillors Practices, Basic VIP.

- **Skills Audit**

A full skills audit was conducted on all Councillors and officials to inform the nature of future training programmes. This sought to ensure that relevant training programmes are rolled out to the relevant personnel. Staff development is important to the Municipality as it assists in the achievement of its mandate.

- **Information and Communication Technology (ICT)**

Information and Communications Technologies (ICT) environment is dynamic and rapid technological development is changing how we communicate and access information and services. Separate ICT policies have being developed by Municipality in order to monitor controls within ICT environment these include:

1. IT GOVERNANCE FRAMEWORK
2. IT SECURITY POLICY
3. IT USER ACCESS POLICY
4. BUSINESS CONTINUITY PLAN
5. DISASTER RECOVERY PLAN
6. BACKUP POLICY
7. IT STRATEGY
8. FIREWALL POLICY

ICT policies are implemented in line with Municipal Corporate Governance of Information and Communication Technology Policy (MCGICT) which is an effective and efficient management of ICT resources and processes to facilitate the achievement of Municipal goals and objectives. A Governance of ICT framework align ICT functions to the organizational goals, minimise the risk ICT introduces and ensure that there is value in the investment made in ICT.

These Policies exist for the protection and guidance of the organisation and individuals by giving users ground rules for acceptable use of the equipment etc. so there are no misunderstandings. Policies apply to all councillors, employees of the council, contractual third parties and agents who use Municipality ICT facilities.

ICT unit is charged with the responsibility of improving ICT resources in the municipality and its various stakeholders, internally and externally. Current legislation governing municipalities, among other pieces of law in the public service, has enabled Ubuhlebezwe Municipality to put in place the required Information Technology and Systems. In line with the IDP, the unit acts as change agent for transforming internal IT processes along Batho Pele principles and the State information Technology Agency's ICT House of Rules, which has resulted in an enhanced infrastructure and systems that support performance in the business units and, ultimately, ensure better communications capability in the Council, support management decision-making by providing information and data that is reliable. The ICT unit has also been instrumental in assisting with the roll-out plan for Community

Service Centres through the provision of infrastructure, systems and secure network services. The benefits of the service will result in improving services to communities.

Municipality ensure that ICT is aligned with other activities of government such as services obtainable in Thusong Centre such as assisting with important services such accessing the internet for information on opportunities available in the economy and many other services that communities need in order to improve their lives.

Outdated ICT facilities has also been largely addressed, as the Council has now adopted a IT Strategy at a strategic level to begin a process of aligning all ICT to IDP as well as providing a much-needed strategic fit and functional integration.

IT Strategy looks at the business needs and objectives over a period of three to five years and gives the organisation a clear road map on the technology it needs to implement to assist it in:

- The alignment of ICT to the business objectives
- Outlining the ICT projects that need to be implemented over the next five years
- Reducing ICT expenditure and maximizing on the economies of scale
- Maximize the usage of ICT resources to enhance performance and productivity
- Creating a stable, complaint and reliable ICT environment
- Reducing administrative and transaction costs
- Speeding up decision-making.

The impact of the IT strategy or progress towards the attainment of goals will be monitored on an ongoing basis.

- **Occupational Health and Safety**

The Municipality is currently in the process of establishing a functional OHS Programme and has prioritised the health and safety of its personnel.

The OHS guiding policies are as follows:

- Occupational Health and Safety Policy
- **Audit outcome**

The audit outcome for the 2015/2016 financial year was unqualified without the emphasis of matter; however there are weaknesses that were raised on the management report regarding Information Technology issues. Please see Section F for the attached action plan to address weaknesses identified by the Office of the Auditor General.

- **Municipal Transformation and Institutional Development SWOT ANALYSIS**

<p>Strengths:</p> <ul style="list-style-type: none"> • IT - Ability to source funds, Growing awareness and prioritization by the Municipality on IT, Broadband subscriber growth continues at a strong pace, satisfactory penetration of mobile communications. • HR – Institutional memory, strategic planning, approachable • Admin – deadline driven, reliable and accurate, capacity • OHS – prioritisation from management, 	<p>Opportunities:</p> <ul style="list-style-type: none"> • Budget available for IT Trainee to develop the skill and continuity within the municipal environment, Partnerships with Provincial Treasury specifically for IT related issues, Growing number of international communication links through broadband cables. • HR – prioritisation of employment of Manager HR • Admin – Institutional memory satisfactory for future development of the unit
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regulated function, knowledgeable unit • Overall – reliable, teamplayers	• OHS – Support of the management and municipal employees at large
Weaknesses: • IT - Shortage of accredited institutions within the municipal area able to rollout IT training, Shortage of IT skills provincially, Lack of broadband connectivity to businesses and households, High communications costs, Lack of internet connection to some extent due to aging infrastructure and poor IT management, Low maturity of IT systems and controls in the Municipality, Low innovation index, Poor IT culture amongst staff in terms of controls and security. • HR – capacity, lack of management head, lack of office space • Admin – turnaround time for minutes, lack of storage space for archives • OHS – lack of budget • Overall - Slow pace of implementation of programmes in government, Lack of expertise in terms of service providers within the municipal area.	Threats: • Regulatory Frameworks and legislation sometimes prohibiting beneficial ideas and slowing implementation of approved programmes.

The strengths and the opportunities will be used to overcome the weaknesses and the threats.

C.3.2 Basic Service Delivery and Infrastructure

• Water and Sanitation

Ubuhlebezwe Municipality is not a Water Service Authority. However, through Intergovernmental Relations, the municipality engaged with the Harry Gwala District on all matters relating to these services.

• Status of water services

(Piped) water

The minimum requirements for acceptable access to Piped Water are:

- Piped (tap) water inside dwelling/institution
- Piped (tap) water inside yard
- Piped (tap) water on community stand: < 200m from dwelling/institution

The following constitute backlogs:

- Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution
- Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling/institution
- Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution
- No access to piped (tap) water

The (Piped) water backlog in 2011 was 12 468 households. The backlog for 2016 is 70834 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

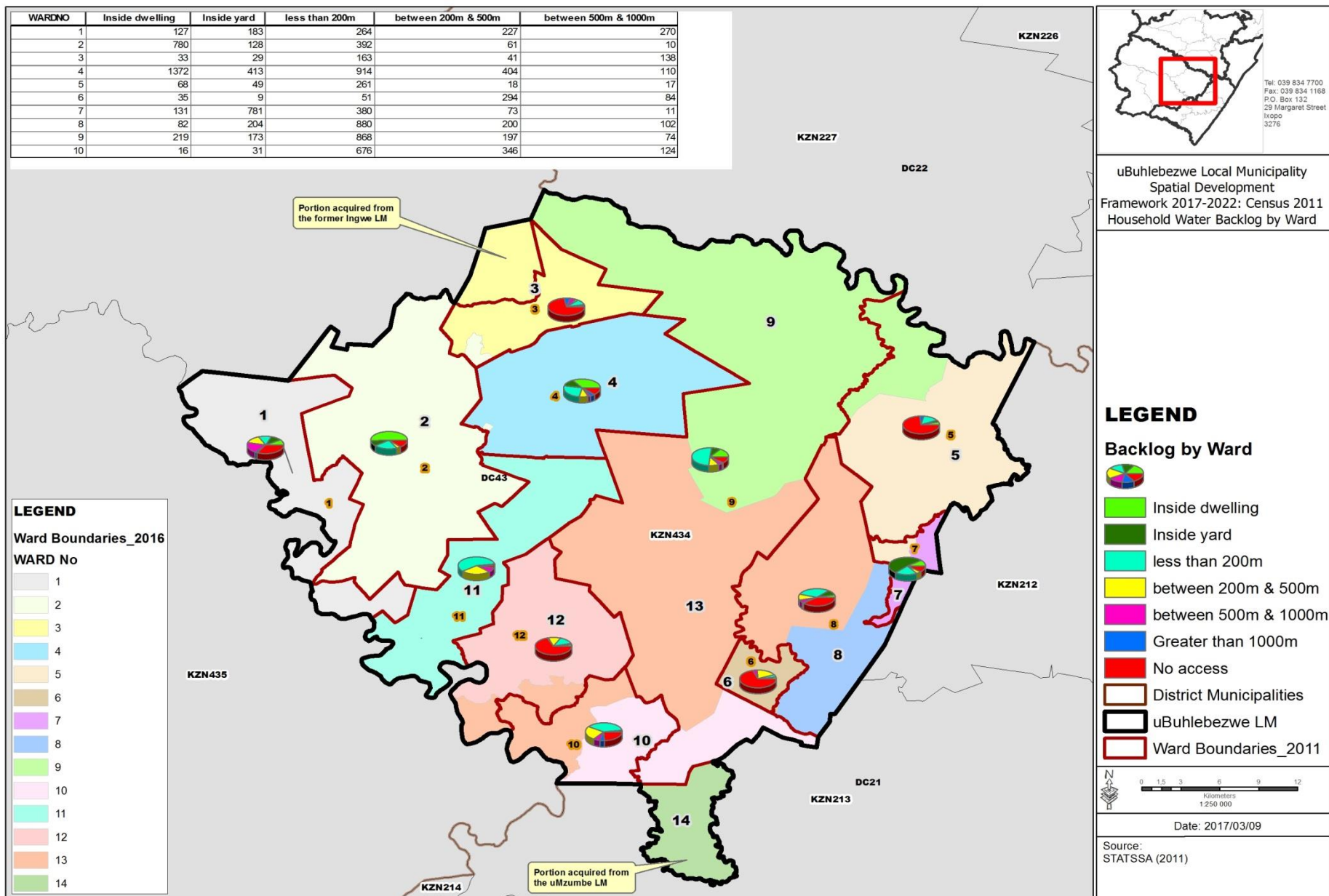


Figure 7: Water Backlogs

- **Status of sanitation services**

Sanitation

Minimum requirements for acceptable access to Sanitation are:

- Flush toilet (connected to sewerage system)
- Flush toilet (with septic tank)
- Chemical toilet
- Pit toilet with ventilation (VIP)

The following constitute backlogs:

- None
- Pit toilet without ventilation
- Bucket toilet
- Other

The sanitation backlog in 2011 was 10 287 households. The backlog for 2016 is 34 318 (people). The map below depicts the backlogs from 2011 against the new ward boundaries. The (Piped) water backlog in 2011 was 12 468 households. The backlog for 2016 is 70834 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

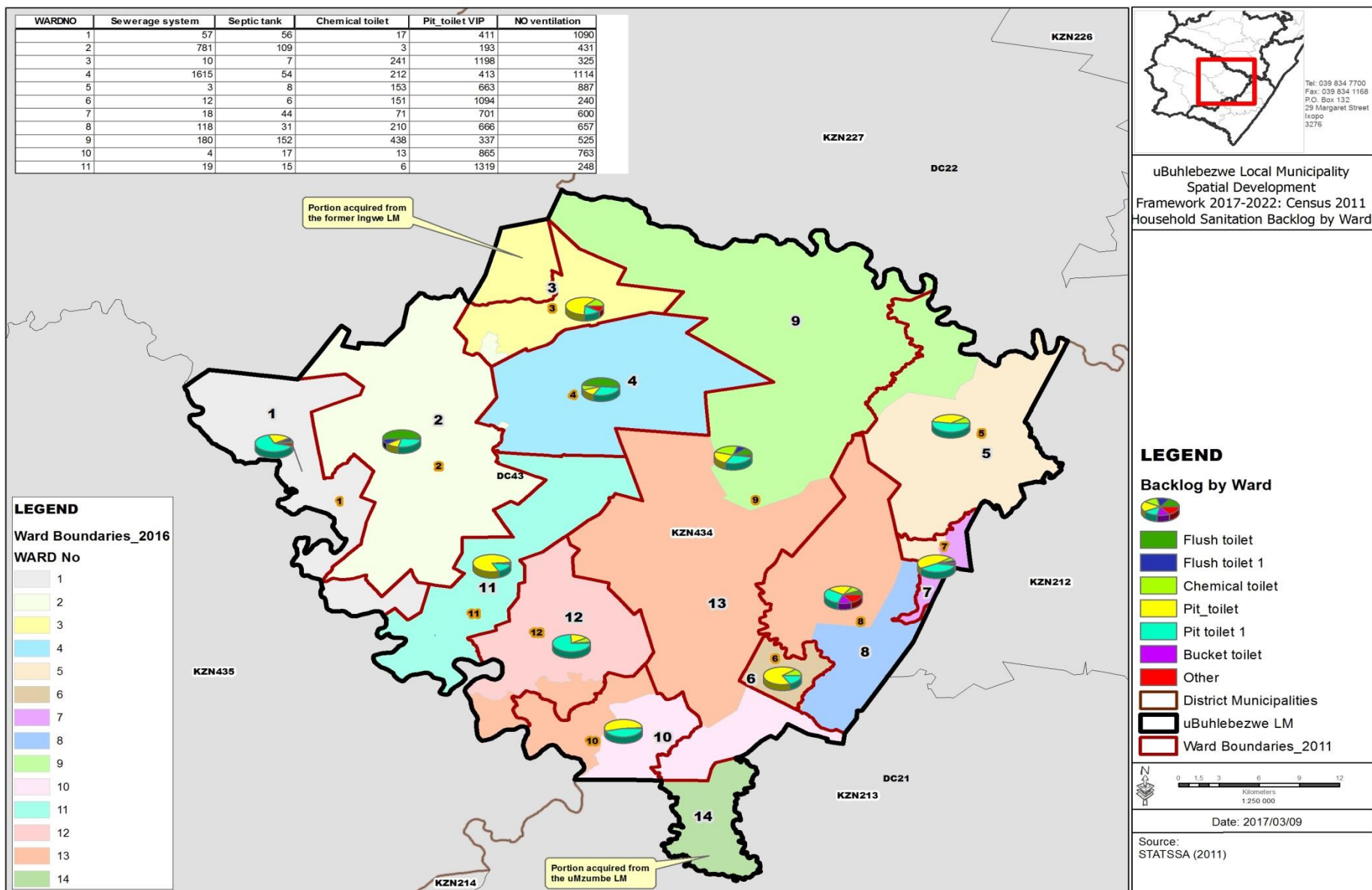


Figure 8: Sanitation Backlogs

- **Solid Waste Management**

The municipality is responsible for solid waste collection. It has adopted a weekly routine on waste collection, wherein it is collected once a week in the residential areas and twice a day in businesses. Waste Management is under the department of Social Development, Community Development Unit. This unit is being complimented by two (2) trucks, one (1) skipper truck, one (1) compactor truck and twenty three (23) general workers with two supervisor with whom one supervises from 7am to 4pm and the other from 2pm to 9pm. There are eight (8) skip bins at Ixopo town and five (5) in Highflats town that are placed at the strategic positions.

- **Status, backlogs, needs and priorities for solid waste collection, removal and disposal**

Kerbside collection is practiced throughout Ixopo's formal residential areas. Census 2011 indicates that 12% of households are provided with a service on a weekly or better basis whilst 72% have their own disposal facility and 3% are serviced by a communal facility.

There is no treatment of solid municipal waste taking place within the municipality. Waste is placed in skips and picked up for direct transportation to the UMzimkhulu Landfill site. Green waste is placed at a fenced site located to the south of Ixopo town.

Minimum requirements for acceptable access to Refuse Removal are:

- Removed by local authority/private company at least once a week
- Removed by local authority/private company less often

The following constitute backlogs:

- Communal refuse dump
- Own refuse dump
- No rubbish disposal
- Other

The following map shows the status of waste collection within Ubuhlebezwe Municipality:

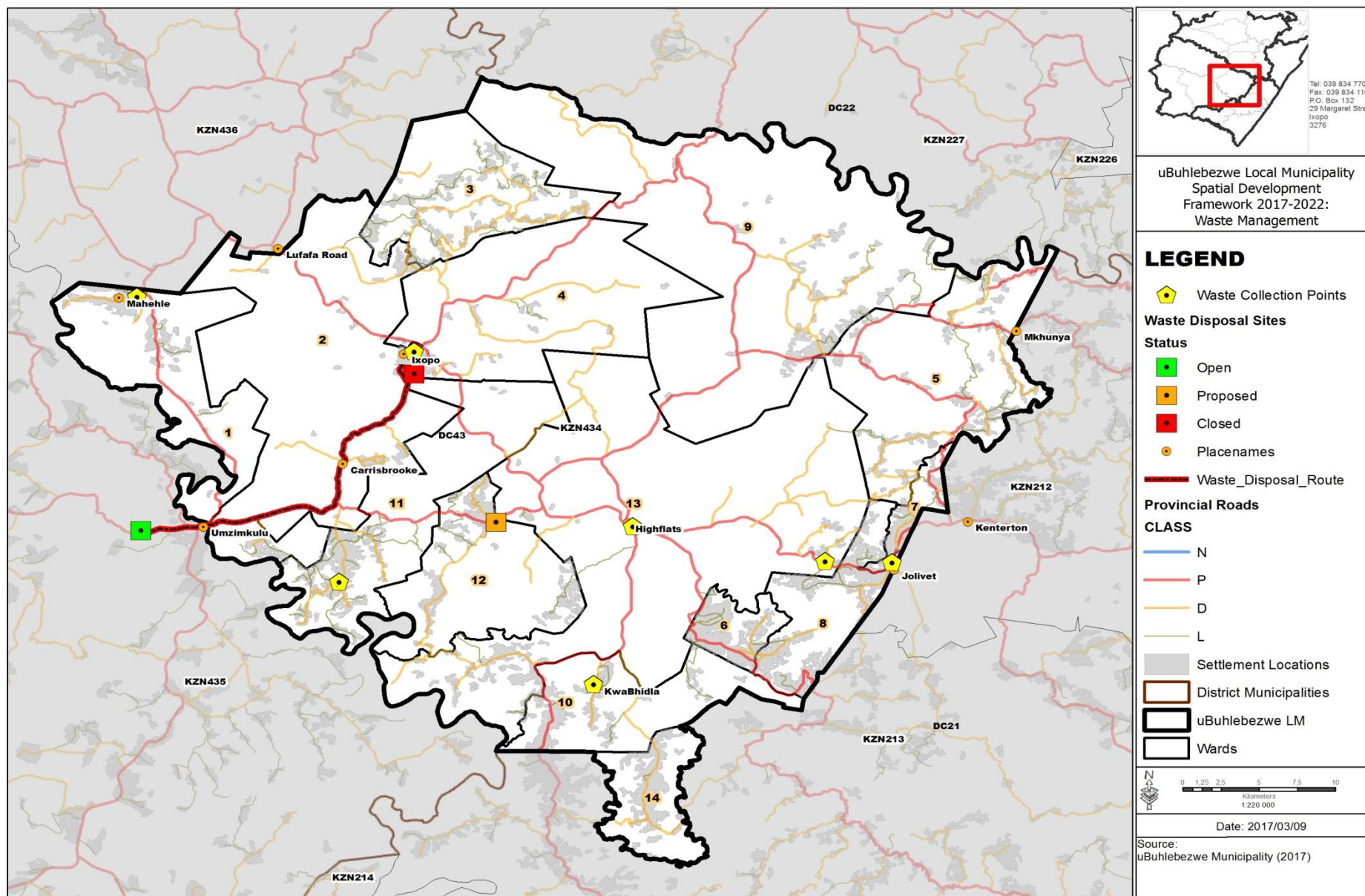


Figure 9: Waste collection points

The Refuse Removal backlog according to Census 2011 was 20 432 households. The backlog for 2016 is 109 424 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

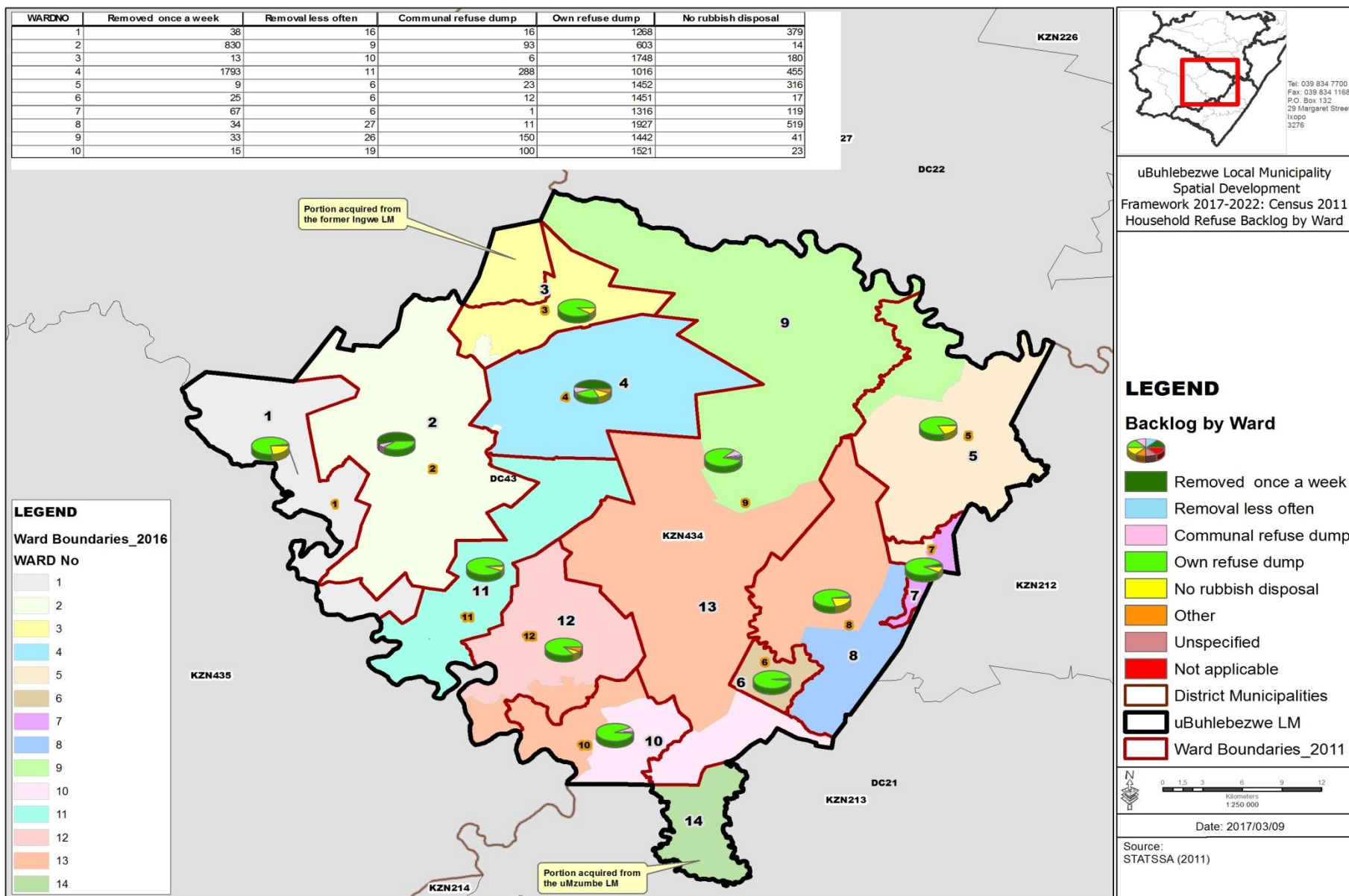


Figure 10: Refuse Backlogs

- **Status on landfill site**

Currently, waste is disposed of at the uMzimkhulu Landfill site, 25km to the west of Ixopo. The waste is transported in RELs and skip loaders. The estimated household wastes being transported are 6.1t/d with a monthly cost of R43 472/month.

- **An Integrated Waste Management Plan (IWMP)**

The municipality has an IWMP that was approved at a Council meeting held in October 2015. This plan is properly implemented and has led to the scope of work for waste collection increasing to ward 7 and ward 10.

- **Solid Waste Recycling**

Waste recycling is not practised in an official form within the municipality. Waste that is transported to uMzimkhulu is reportedly separated to recover recyclables however this is not verified and no records are kept. The municipality has published two previous calls for recycling proposals without success.

Basic modelling of the recyclable fraction of general waste indicates that 5600-6900t of recyclable material is available for recycling across the LM. This assumes a 100% collection and more likely figures are probably a 30% recovery and mostly from current serviced areas. The estimated volumes are then 1895-2332t/annum with an estimated income range of R 357 395.02 - R 593 425.86.

The recycling model would need to include community awareness and a private partnership to realise this model in conjunction with a transfer station/buy back centre.

Rural recycling initiatives may be conceptualised through mini transfer stations and buy back centres.

There is no treatment of solid municipal waste taking place within the municipality. Waste is placed in skips and picked up for direct transport to the uMzimkhulu Landfill site.

Household collection occurs at both Highflats and Ixopo.

Green waste is placed at a fenced site located to the south of Ixopo town. No volumes are recorded.

The lack of licensed facilities and the lack disposal records is a significant challenge to adequate solid waste management in the municipality.

- **Promote Recycling and Waste Diversion**

Immediate goals	Short term goals	Medium term goals	Long term goals
Determine whether separation at source (households) or formalised separation facilities can be established at a local scale.	Recovery of 20% viable recyclables through the establishment of Integrated Recovery and Transfer Station (IRTS).	Recovery of 30% of viable recyclables from household and commercial solid waste sources.	Sustainable and functional IRTS & CSMT. Expansion of CSMT.
Establish community and private partners for recycling operations within the municipality.	Establish feasibility of community and Private Partnerships.	Establish pilot Communal Separation and Mini Transfer Points (CSMT).	

Immediate goals	Short term goals	Medium term goals	Long term goals
	Develop long term urban composting strategy.	Compost all municipal green wastes with return of compost to municipal grounds.	Expanded composting facility to include public green waste with community partnerships.
	Divert 20% solid waste from landfill.	Divert 30% solid waste from landfill.	
	Established policy on municipal waste minimisation and avoidance.	Implemented waste minimisation and avoidance program for the municipality.	

Table 10: Recycling and Waste Diversion

- **Promotion of Recycling.**

Preliminary models indicate that the recycling is not likely to be successful unless there are infrastructural, and institutional changes made at the LM. Additionally, community and private partnerships would need to be formed in order to realise this end state. Furthermore, there is the potential to consolidate recycling on a regional scale which may increase the efficacy and efficiency of the system. It is considered that public-public or public-private partnerships will be key to this goal being achieved.

The primary goal is to establish a local form of waste separation which contributes towards recycling. This is likely to take the form of a materials recovery facility integrated into a materials recycling facility.

Reduction of landfilling and transport costs

A secondary goal is to expand services into rural areas which will facilitate recyclable waste streams being separated and contributing towards recycling, providing value to communities and facilitating small economic stimulus.

A tertiary goal would be to establish a regional recycling strategy

Management of green waste has become an issue of dumping. This goal deals with management of green waste by facilitating a location and partnering with a service provider or community project to produce compost at small scales for delivery into the nurseries in the area.

Street Cleaning:

Street cleaning starts from 2pm till 9pm, each employee is tasked to work in a particular area to work from. This system is being effectively implemented as it has led to the municipality obtaining four (4) trophies in different categories in the Greenest Municipality Competition.

- **Challenges:**

Ubuhlebezwe is still faced with challenges as far as waste is concerned, i.e.:

- No dumping site

- Insufficient compactor trucks
- Street refuse bins are not enough and not placed at strategic positions
- Skipper truck only takes one skip bin per trip to Umzimkhulu landfill site

- **Measures taken to improve performance:**

The municipality has developed and approved the Integrated Waste Management Plan and is being implemented. In order for the unit to improve waste collection services, a budget allocation has been set aside to buy the compactor truck, tractor and the three (3) ton tip trailer, 605 wheelie bins and 120 still drums (240lr).

- **Responding to the communities living in poverty and deficient in the basic services:**

The municipality has successfully implemented the indigent policy to address challenges faced by the community regarding basic services. Community living in Fairview township directly benefit from this programme, they have been asked to declare to the municipality their income generation status, this is done annually.

- **An Expanded Public Works Program (EPWP)**

The municipality has an adopted policy in relation to this programme, it was submitted to council for adoption with programs and projects and submitted to NDPW. All projects registered in the business plan are successfully implemented. . The municipality received funding for EPWP stipend, number of EPWP projects are initiated within the municipality that create a number of jobs, this include Waste management, Greening, cleaning in all municipal facilities including community halls and sportfields

- **Transportation Infrastructure**

The municipality is responsible for the construction of municipal roads, regravelling of access roads, construction of community facilities, such as halls and sportsfilelds.

During 2016/2017 financial year, the municipality started with its development of the comprehensive infrastructure plan (CIP) that aims at achieving towards the contribution to the services delivery in a municipality. The plan will addresses sustainability in terms of the technical, environmental, institutional, financial and socio-economic issues involved in service delivery.

In order to achieve this coordinated and integrated approach mechanism that will shape municipal strategy and alignment in an on-going manner, the specific outputs of CIP will be as follows:

- develops infrastructure management beyond the current emphasis on spatial planning and capital investment focus by consolidating all elements and ensuring continuum of integration, through the comprehensive alignment with the municipal IDP
- promotes the integrated and coordinated acceleration of service delivery.
- provide a strategic model to identify gaps and challenges faced in infrastructure management and leverage the appropriate intervention mechanisms to ensure both institutional and financial capability at the municipal level.
- creates a framework for sustainable service delivery
- promotes a programmatic solution rather than a project based planning

It will cover elements such as water, sanitation,halls, sportfields, roads and housing.

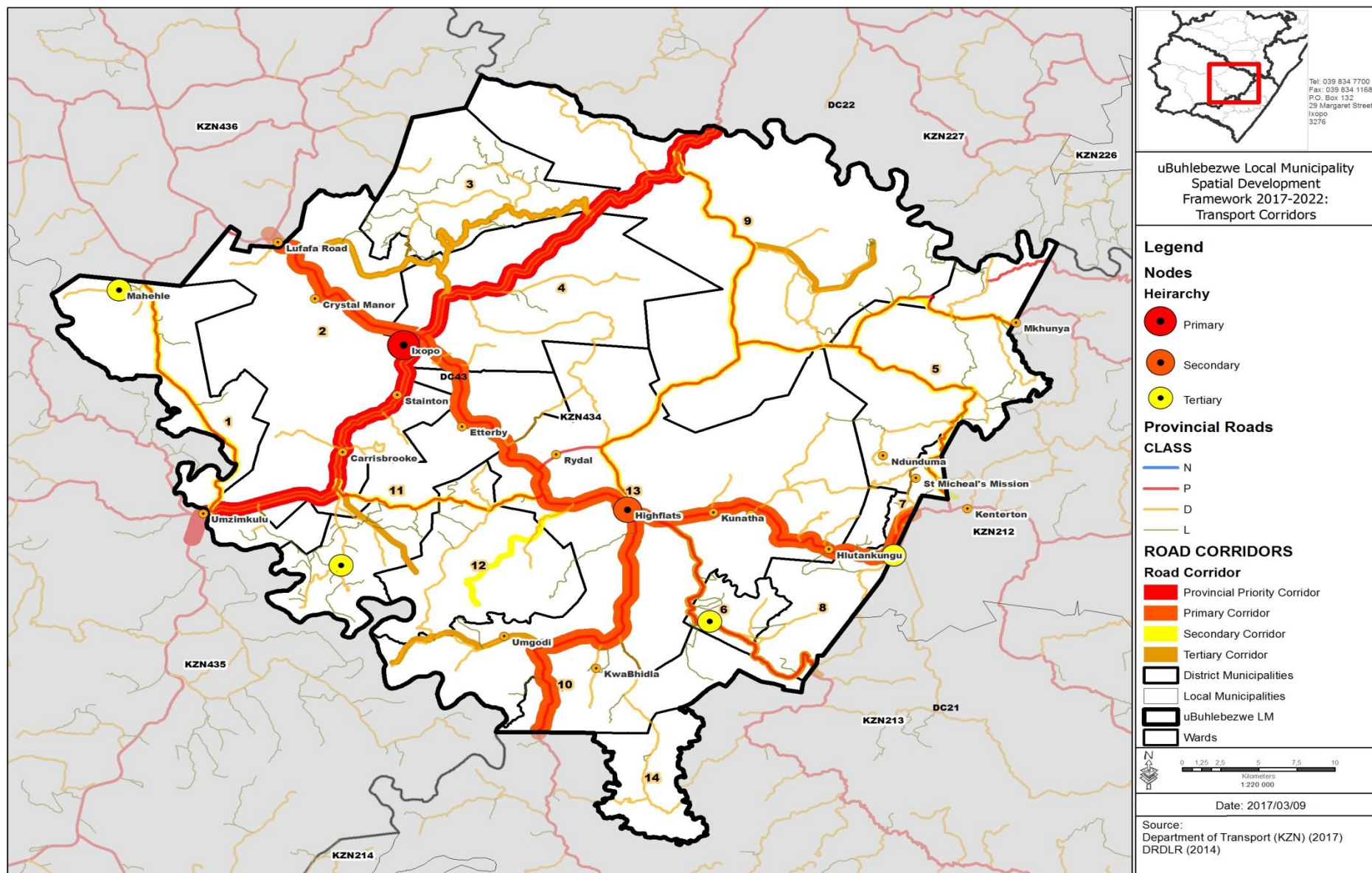


Figure 11: Transportation infrastructure

- **Roads and storm water**

The maintenance of provincial and district roads in the area is a major problem owing to heavy rains and inadequate resources. The Department of Transport has a major depot at Ixopo. There is a rural road upgrading programme which is undertaken in association with the local Transport Forum. Most of the roads in Ixopo are of a satisfactory standard and are maintained by the municipality. While the access roads to rural settlements in. The municipality has made a budget provision for storm water management, however due to budget constraints the municipality cannot cover the entire municipal area. The municipality has received a funding from DCOGTA for rehabilitation of roads and storm water.

- **Electricity / Energy**

Electricity in the UBuhlebezwe area is supplied by ESKOM. Most of the households in rural areas have inadequate access to electricity. Other alternative sources of energy such as candles; paraffin, coal etc. are utilized by households without access to electricity. The lack of access to electricity is attributed to inadequate bulk supply, poor access to areas due to topography and insufficient funding. ESKOM has informed the Municipality that it is not capable of providing the electricity requirements to the new applicants in rural areas. The existing power stations have reached maximum capacity. Eskom is in the process of constructing a new power station in Kenterton which will serve most of the area falling under UBuhlebezwe municipality. Funding has been secured by Eskom and has been gazetted. The following table indicates the electricity backlogs within the Harry Gwala district Municipality.

The Electrification Service Development Plan has been budgeted for in 2017/2018 where backlog has been identified, it has been developed, and currently the municipality is utilising figures obtained from Eskom. The following are the identified projects by Eskom in liaison with the municipality:

Project ID and Name	Status	Category	Required Completion Date
ET-STM-1611-3918 -Umzali NB73 Backbone Upgrade	CRA	Strengthening	31-03-2018
EP2004237418618 - Highflats NB21 upgrade to 22kV (imported)	ERA	Strengthening	01-01-2006
ET-STM-1610-3857 - Pungashe NB41 11kV to 22kV conversion	CRA	Strengthening	30-11-2018

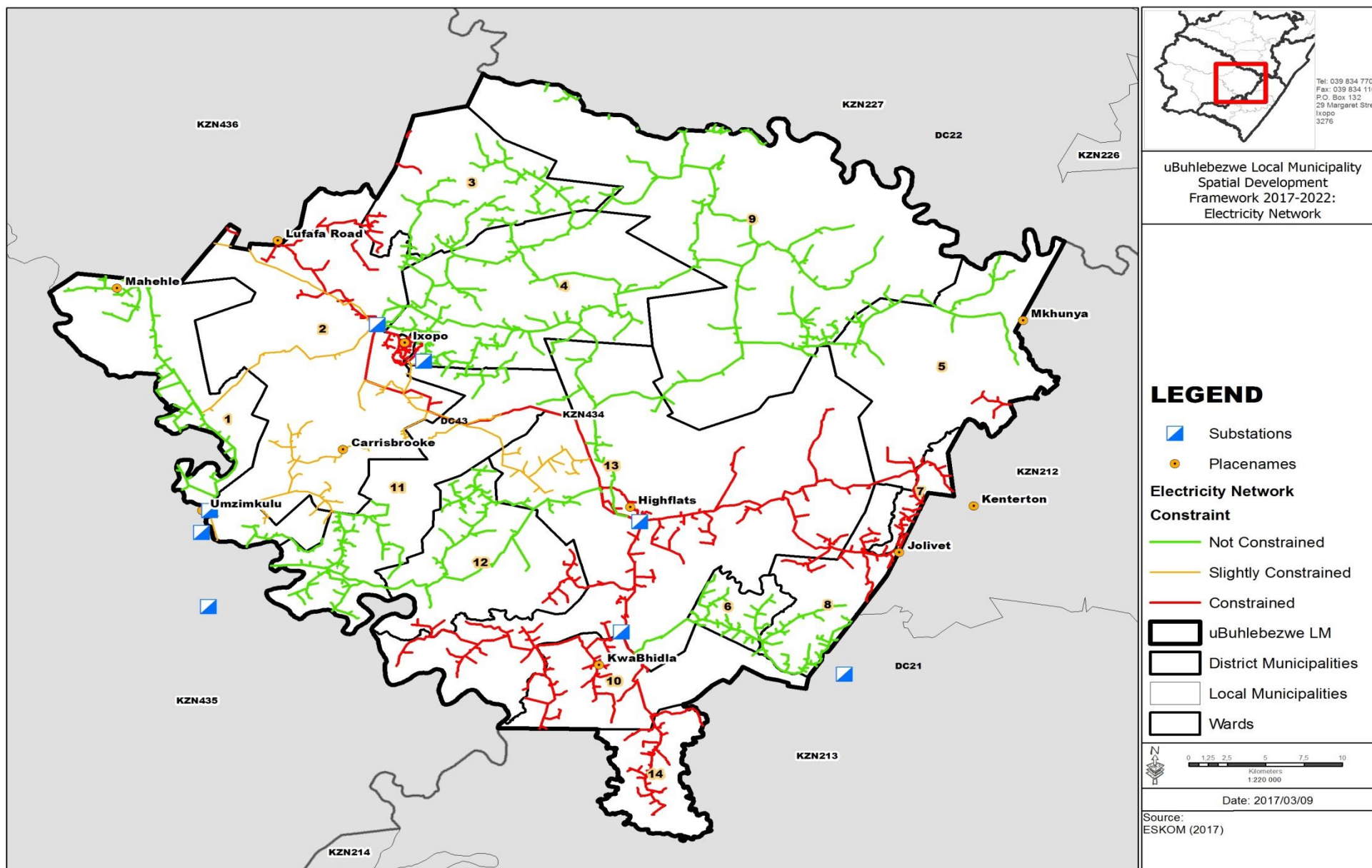


Figure 12: Electricity networks with Ubuhlebezwe Municipality

- **Electrification backlogs**

Electricity used for Lighting is commonly used to identify electrification Backlogs (CS). In the 2011 statistics the electrification backlogs are calculated per household and in 2016 they are based on the total population.

The electricity backlog in 2011 was 10838 households. The backlog for 2016 is 26477 (people). The map below depicts the backlogs from 2011 against the new ward boundaries.

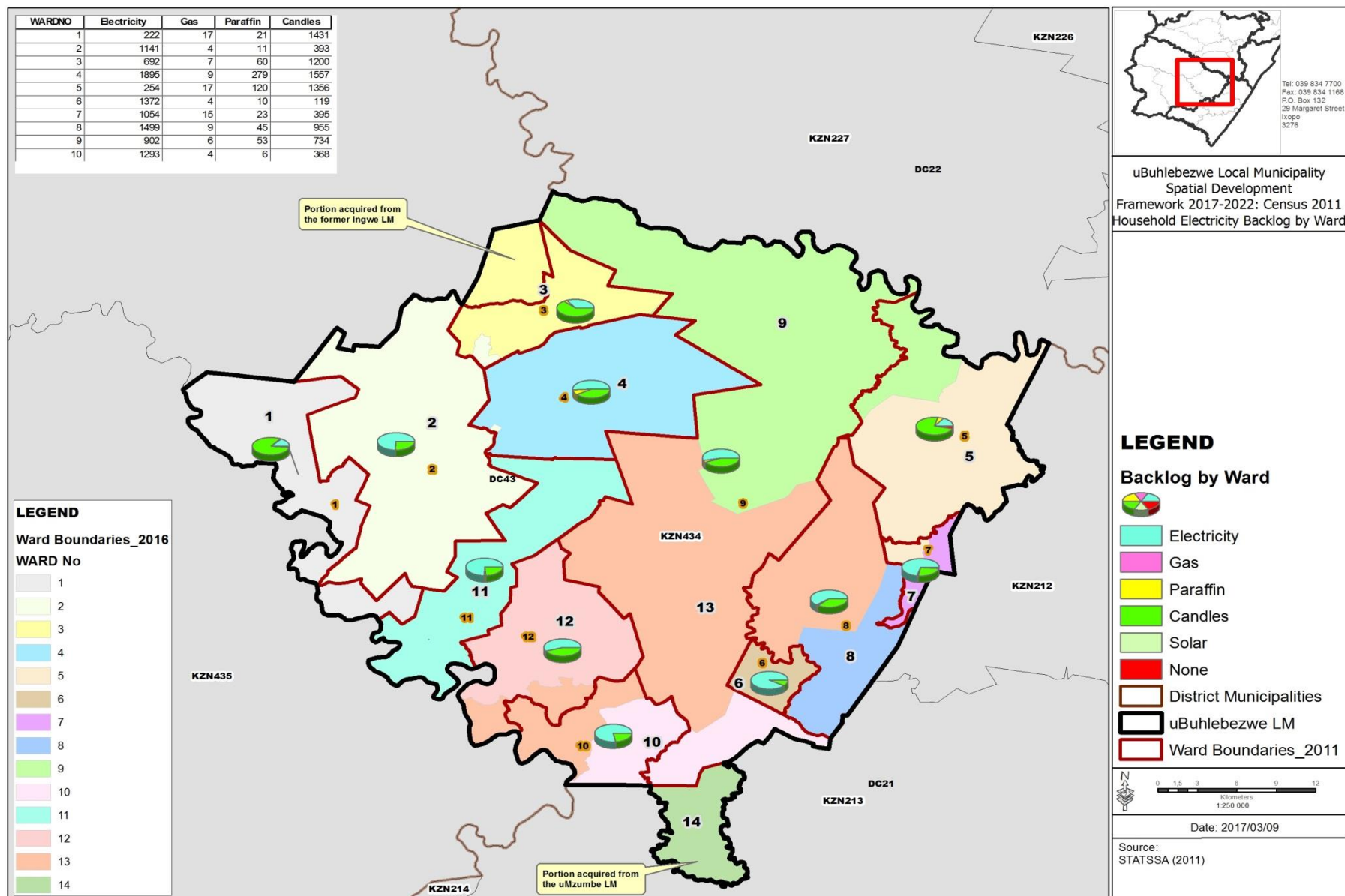


Figure 13: Electricity Backlogs

- Access to community facilities

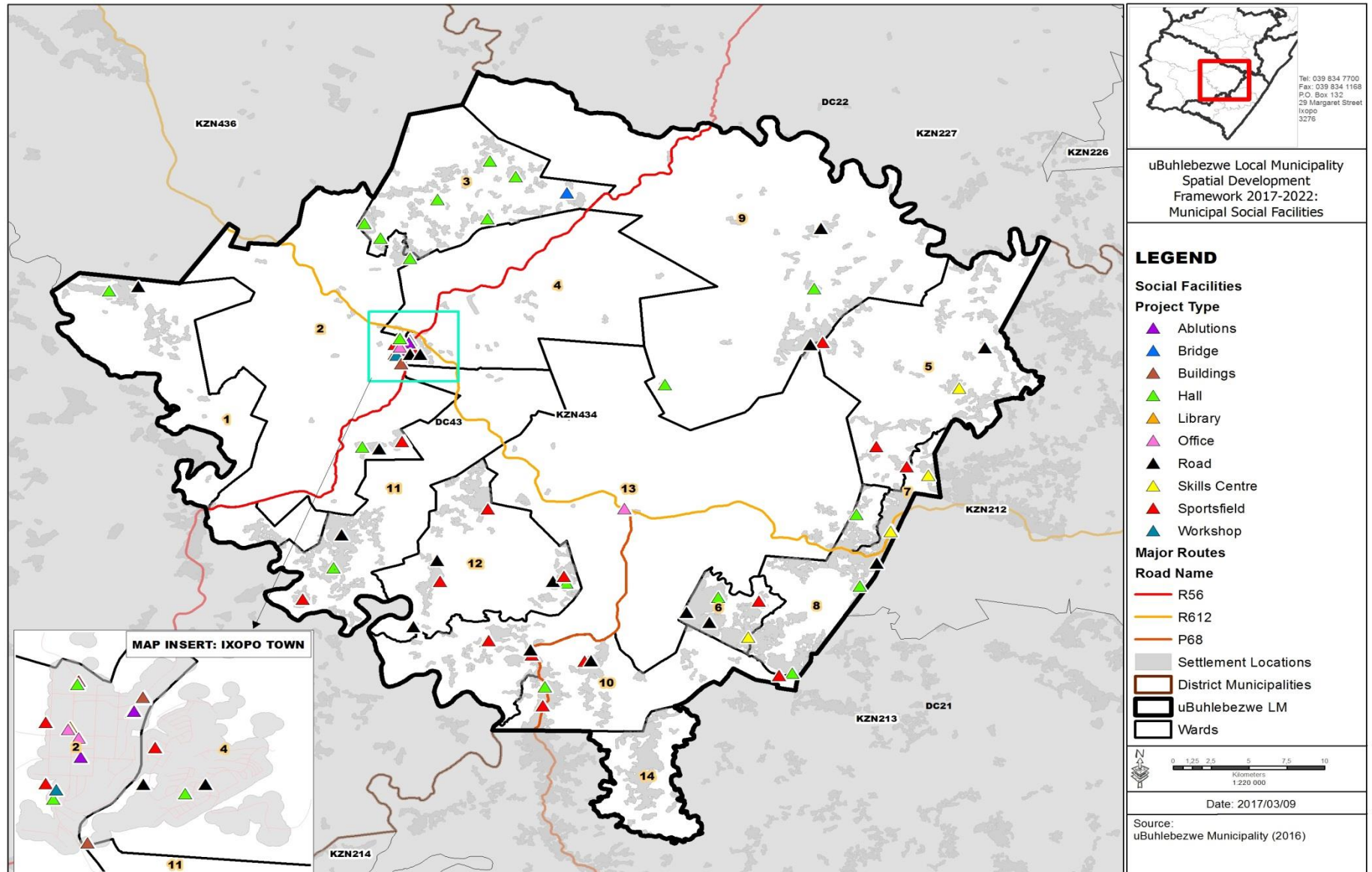


Figure 14: Access to community facilities

INTRODUCTION

PURPOSE

The Constitution of the Republic of South Africa, 1996 and the associated Bill of Rights establishes the right of all citizens of the Republic of South Africa to have access to adequate shelter. In response to this Constitutional imperative, the Government introduced the Housing Act, 1997 (Act No 107 of 1997) which requires each municipality, as part of its integrated development planning process, to take reasonable and necessary measures within the national and provincial policy towards the progressive realization of this right. This includes initiating, planning, coordinating, promoting and enabling appropriate housing development within its area of jurisdiction.

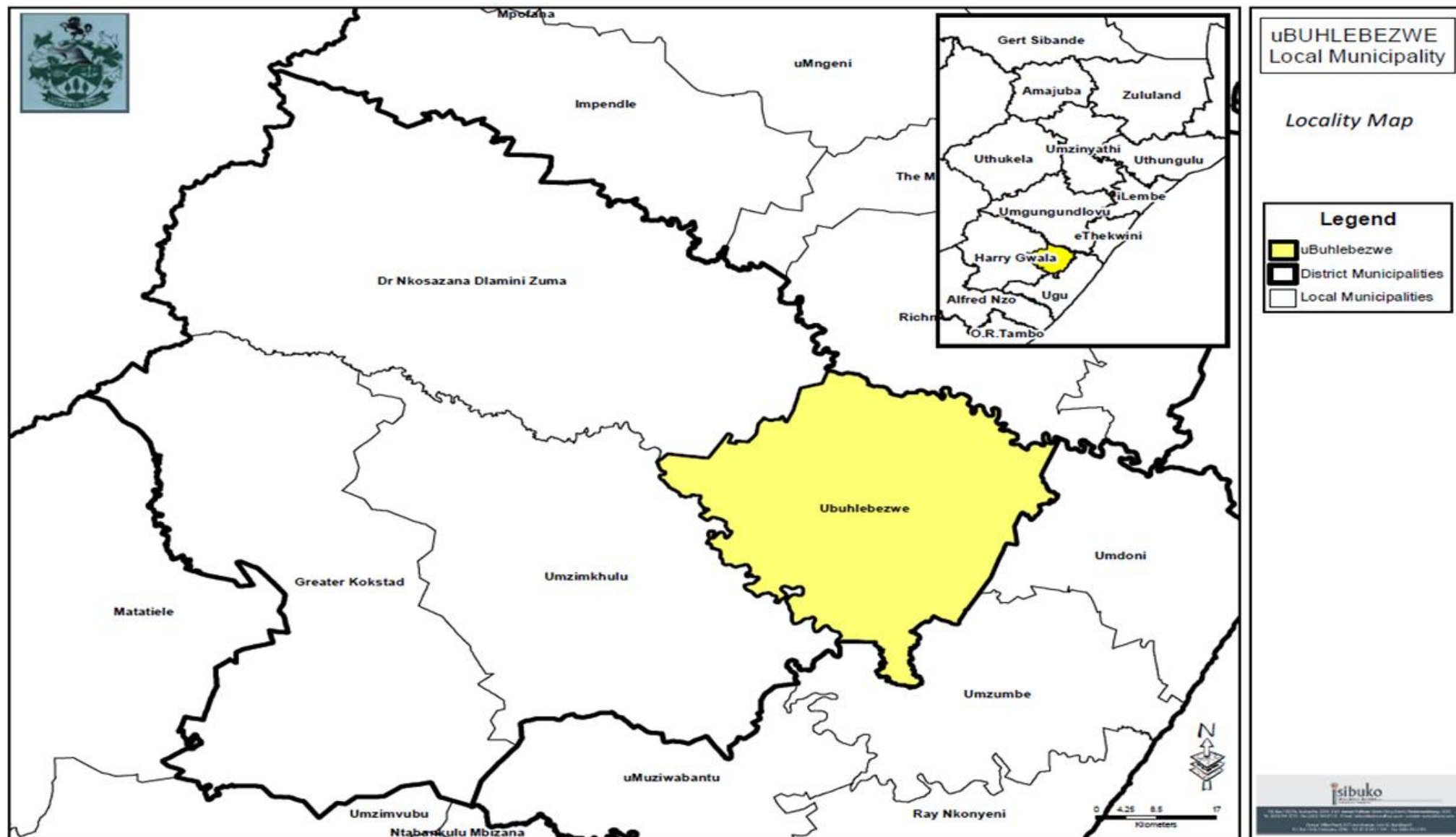
This document presents the status quo for the Ubuhlebezwe Municipality Human Settlement Sector Plan (HSSP). It is a sector of the Integrated Development Plan, and constitutes a policy framework to guide the municipality in performing its functions and executing its mandate in terms of the Housing Act. Its structure substantially follows the Guidelines for the Preparation of Housing Sector Plans that the National Department of Human Settlements introduced in support of the human settlement-planning programme in South Africa.

UBUHLEBEZWE MUNICIPALITY

Ubuhlebezwe is located along the eastern boundary of the Harry Gwala District Municipality and borders onto the Dr. Nkosazana Dlamini Zuma, Richmond, Umzumbe and UMzimkhulu local municipalities. It covers an area of approximately 1604km² and has a total population of about 118 346 people (Community Survey 2016) spread throughout 14 wards. The municipal area includes twelve Traditional Councils, located along the periphery of the municipality.

Ubuhlebezwe has strong north-south and east-west linkages within its region. This is achieved via R56, which links it to areas such as Pietermaritzburg to the north and Kokstad to the south. R612 provides regional access and linkages with the South Coast tourism region in the east and Southern Drakensburg to the west. It is located in one of the prime agricultural regions within the Province and it is well known for high agricultural potential, particularly dairy farming, livestock farming, forestry and dryland crop production.

Ixopo is identified as the primary node and plays an important role in the region. This recognizes its strategic location and potential role in regional development, service delivery and governance. The town is developed with social, economic and physical infrastructure that benefit the entire municipal area and beyond. It is largely a rural town, which services the community, farmlands and expansive rural settlements.



AIMS AND OBJECTIVES OF THE HOUSING SECTOR PLAN

The Human Settlement Sector Plan for Ubuhlebezwe Municipality is a five-year (2016 to 2020) strategic guide for the transformation of existing human settlements and development of new sustainable human settlements in line with the national human settlement development policy. Its primary aim is to move the human settlement development programme beyond the provision of basic shelter towards achieving the broader vision of sustainable human settlements and efficient spatial systems.

Its objectives are as follows:

To reduce housing backlog in line with the national and provincial norms, standards and targets.

To provide for the introduction of a variety of housing typologies and densities in appropriate locations in line with the Ubuhlebezwe Municipality SDF.

To contribute towards spatial transformation and creation of an efficient settlement and spatial pattern.

To facilitate rapid and cost-effective release of land for human settlement development purposes.

To integrating human settlement projects with other development programmes within the context of the Ubuhlebezwe Municipality Integrated Development Plan and the Harry Gwala District Integrated Development Plan.

To build capacity for effective human settlement development.

The Ubuhlebezwe Municipality will review the plan annually (as part of the IDP review process) to take into account changes in development trends, progress made in the implementation of the plan and emerging (new) human settlement needs in the Ubuhlebezwe Municipality.

LEGISLATIVE AND POLICY FRAMEWORK:

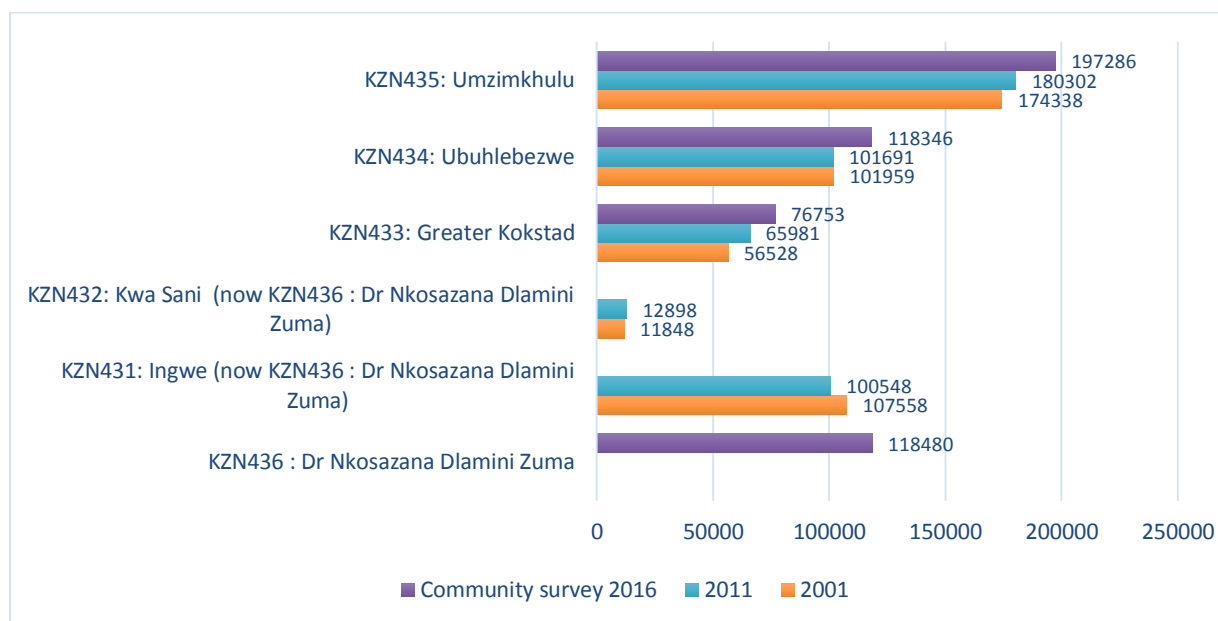
- NATIONAL HOUSING ACT [107] OF 1997
- NATIONAL HOUSING POLICY
- OUTCOME 8: SUSTAINABLE HUMAN SETTLEMENTS AND IMPROVED QUALITY OF HOUSEHOLD LIFE
- KZN INFORMAL SETTLEMENTS UPGRADING STRATEGY
- THE CONSTITUTION NO. 108 OF 1996
- PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)
- A PROVINCIAL HUMAN SETTLEMENTS MASTER SPATIAL PLAN FOR KWAZULU-NATAL FOR HUMAN SETTLEMENTS INVESTMENT
- KZN INFORMAL SETTLEMENTS UPGRADING STRATEGY

UBUHLEBEZWE DEVELOPMENT AGENDA

The Ubuhlebezwe Municipality has developed an Integrated Development Plan (IDP) indicating, among others, the long term desired situation, short-to-medium term strategic guide for public and private sector investment, and the spatial location of critical infrastructure development projects. The IDP is based on the six local governments Key Performance Areas (KPA), with the development of human settlements being part of the basic service delivery and infrastructure development KPA. The organisational strategic objective in this regard are to ensure the provision, upgrading and maintenance of infrastructure and services that enhances socio-economic development.

In the short to medium term, the HSSP will facilitate housing delivery as a catalyst for socio-economic development, and in the end contribute towards making the Municipality an area that is sustainable, economically vibrant that affords its citizens a high quality of life.

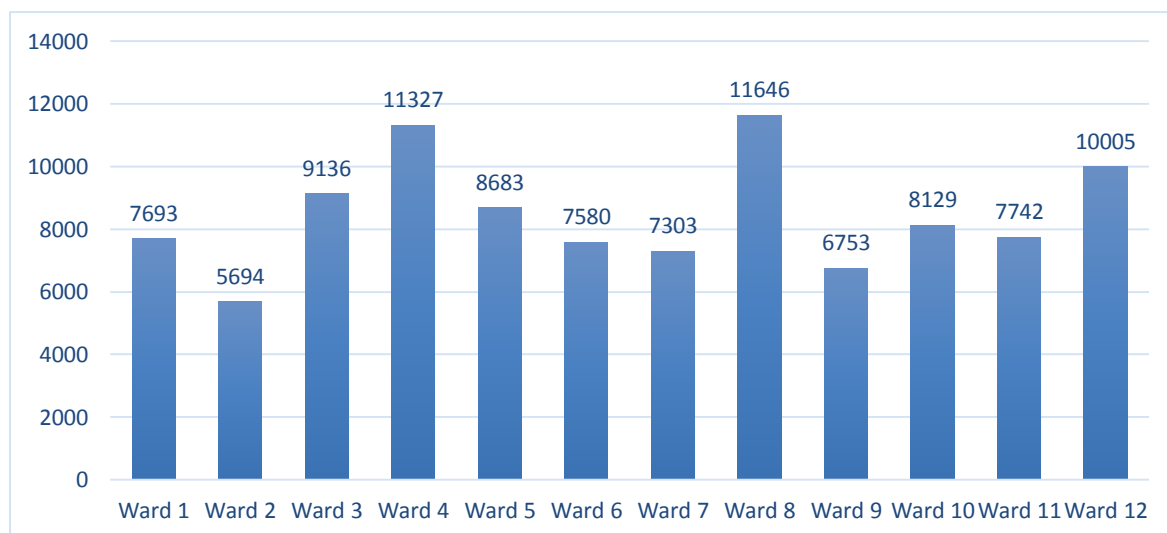
DEVELOPMENT PROFILE:



District Population Distribution by Local Municipality

Source: Statistics South Africa (Census 2011) and Community Survey 2016

• POPULATION DISTRIBUTION BY WARD



Source: Statistics South Africa (Census 2011)

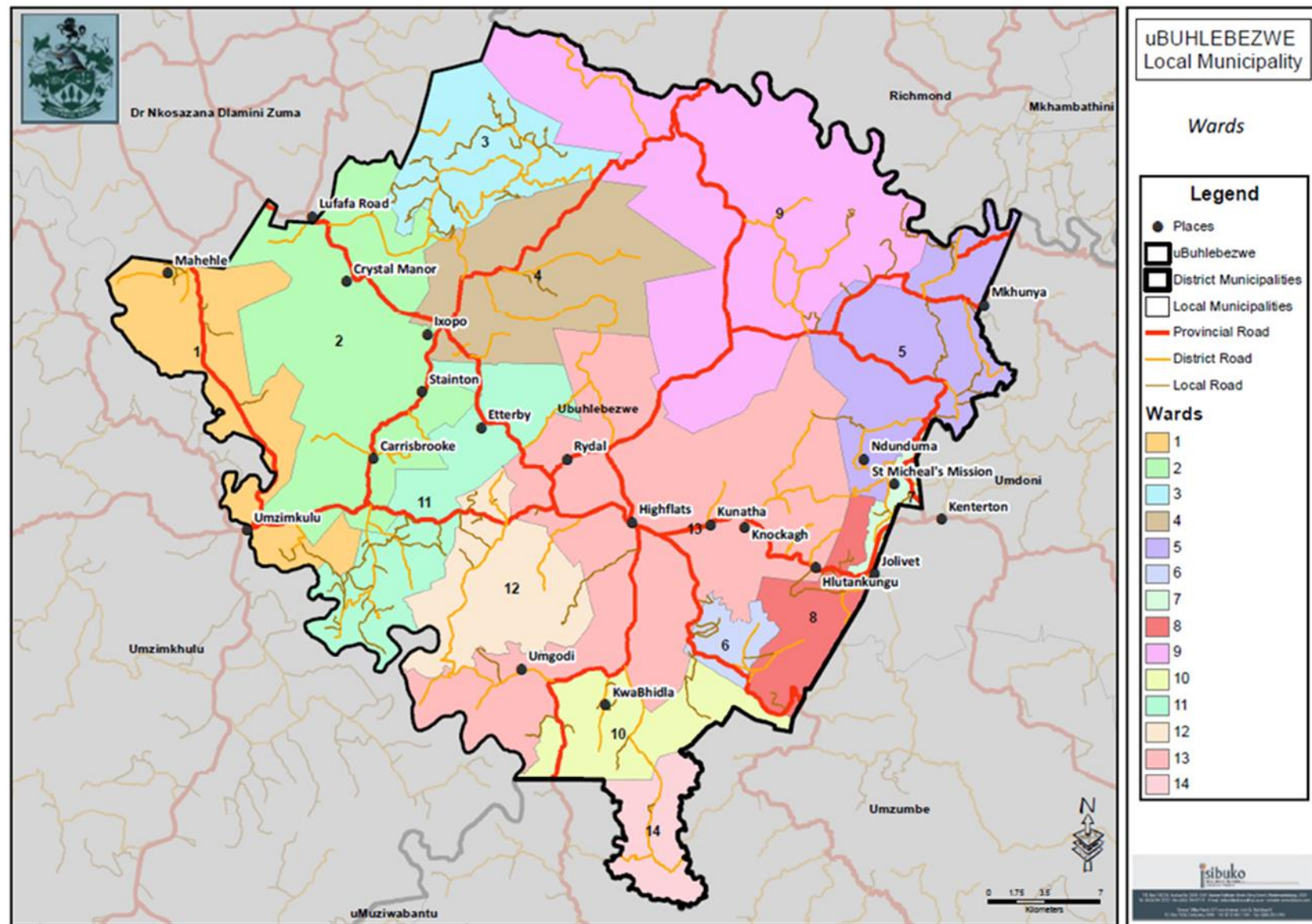


Figure 16: Map including new wards

- **POPULATION GROWTH PROJECTIONS**

The table below show the growth rates of Ubuhlebezwe from 2001 to 2011 and 2011 to 2016. Although the population growth rate was estimated at -0.3% between 2001 and 2011, the municipality experienced a positive growth of 3.08% between 2011 and 2016 with an additional population of 16 655 people. This influx can be attributed to the 2016 boundaries redeterminations, where a significant portion of Umzumbe municipality was added to Ubuhlebezwe municipality.

	2001	2011	2016
Ubuhlebezwe Population	101 959	101691	118 346
Growth Rate	(2001-2011)= -0.3%		(2011-2016)= 3.08%

Source: Statistics South Africa (Census 2011), Community Survey 2016 and own calculations

Using the growth rate of 3.08%, the municipality's population is estimated at 137 729 people in 2021. This means that the municipality will grow by an additional 19 383 people. Noteworthy, the growth rate used for the population projection factors in the population that was added into the municipality as a result of boundary redetermination. It is possible that population may grow by a number less than the projected. A growing population has the potential to influence the intensity of development in the municipality. In turn, a growing population needs to be met with an adequate supply of social facilities and basic services to ensure good quality of life of residents. Figure 4 graphically illustrates the municipality's population growth projection trend. The population projection for 2021 is envisioned to sit at 137729.

SPATIAL LOCATION OF HOUSING PROJECTS

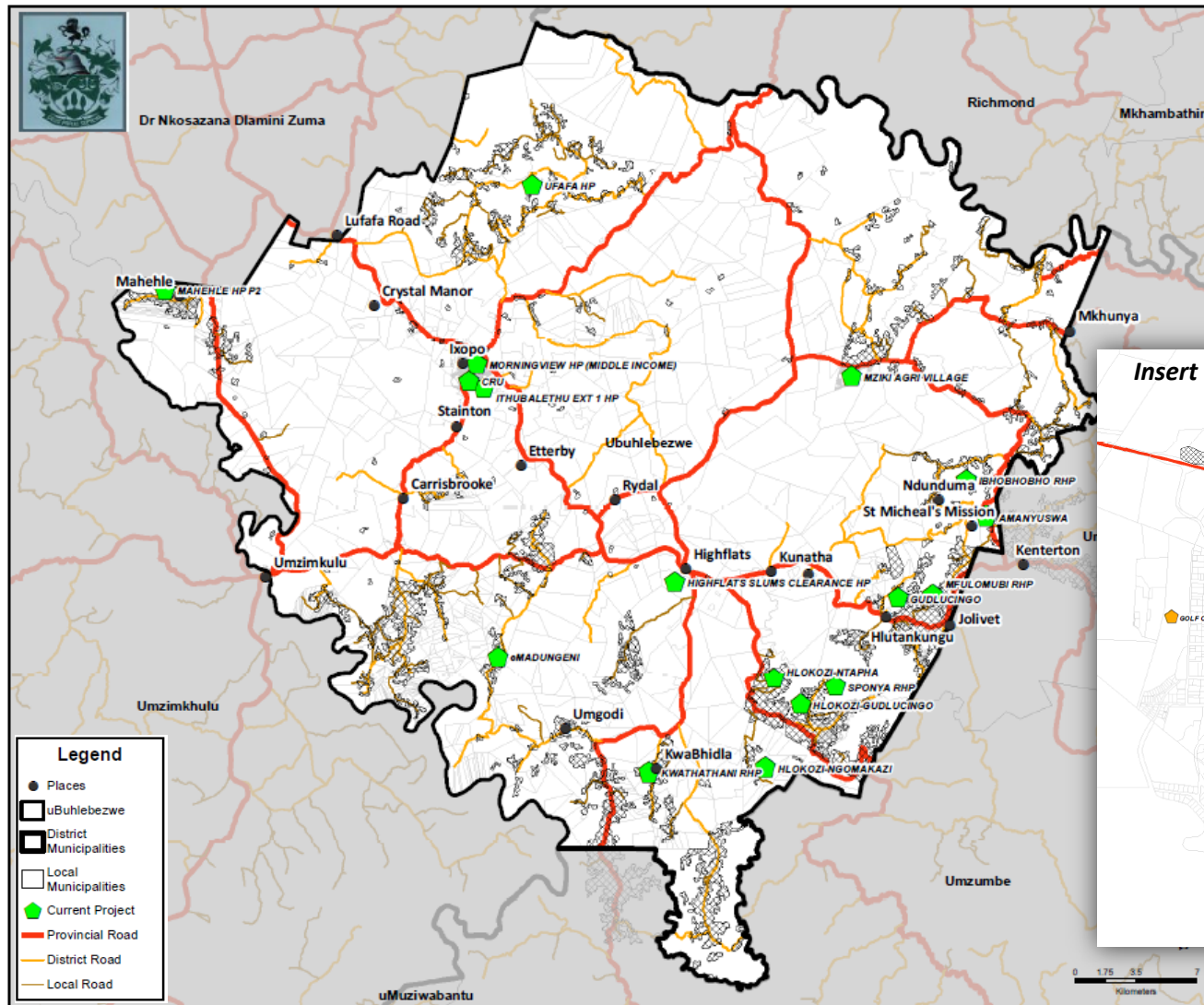
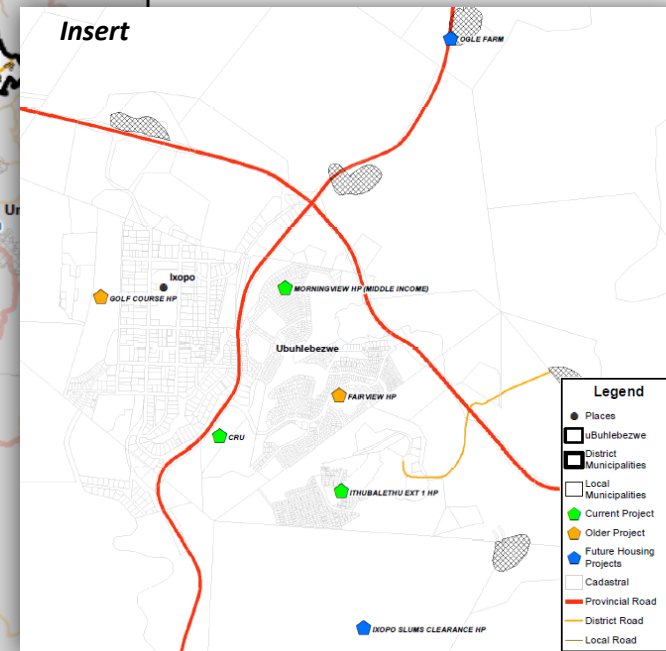


Figure 17: Spatial Location of housing projects

Map 16 illustrates the spatial location of housing projects within the rest of the municipal area.

Insert 1 illustrates the locality of housing projects in and around Ixopo.



The challenges that the municipality is faced with when it comes to development issues are laid in the following tables. The table below also addresses the attempts that have been made to deal with these challenges as well;

Table 11: EXISTING CHALLENGES SURROUNDING THE HOUSING SECTOR WITHIN THE MUNICIPALITY

CHALLENGES	DESCRIPTIONS
Lack of bulk services confirmation for the district municipality.	The municipality is experiencing problems with the confirmation of bulk services from the District for some of the housing projects. This is particularly problematic in the urban projects. Attempts have been to have meetings to address this issue but clarity regarding movement of projects hasn't been provided.
HOUSING BACKLOG	Housing backlog in Ubuhlebezwe Municipality manifests itself in the form of substandard dwelling units, particularly in the traditional authority and informal settlement areas. These dwelling units are constructed in traditional material and are self-built units, which do not meet any building standards. In fact, they are built without any building plans or involvement of authorities.
SUSTAINABILITY OF SETTLEMENTS	Rural settlements in Ubuhlebezwe are not sustainable in the short to long term basis. Most people in the area do not derive a sustainable living from rural agriculture. There is a heavy dependence on welfare grants ("survival capital") and external in-flows of remittances from urban centres or commercial farms. The key challenge is therefore to transform these rural villages into sustainable human settlements with basic services, social infrastructure and economic development opportunities.
LAND FOR HOUSING	<p>There are certain challenges in Human Settlement development projects that relates to land issues. These include the following:</p> <ul style="list-style-type: none"> Slow and complex land identification and development processes; Limited land in close proximity to the town centre; Slow and complex land purchasing procedures. <p>Strategies need to be developed to assist in fast tracking of land identification and release.</p>
ILLEGAL OCCUPATION OF LAND	The majority of informal settlements manifest itself in the illegal occupation of land. People seek employment opportunities or better access to services in urban areas and occupies open pieces of land. These unoccupied pieces of land are usually in close proximity to a town, and might be on land not suitable for human habitation or development. It becomes problematic for the municipality to deal with and

	<p>accommodate these illegal occupants.</p> <p>It has also been found that some completed houses are being rented or sold illegally, and are being illegally extended. This is problematic because the housing delivery process is to curb the housing backlog challenge and if more houses are being illegally used the housing backlog will not be addressed.</p>
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HOUSING SUPPLY

INFORMAL SETTLEMENT UPGRADE

There are two slums clearance projects within Ubuhlebezwe, namely the Highflats Slums Clearance Housing Project and the Ixopo Slums Clearance projects.

SLUMS CLEARANCE PROJECTS

Project	Ward	Units	Comments
Highflats Slums Clearance Housing Project	9	500 units	The initial amount of units dedicated for the project is 500. However, this is likely to increase to 800, but will have to be confirmed. The increase in the number of units require additional land. Two land parcels have been identified for this purpose, but the land legal matters are still pending.
Ixopo Slums Clearance	4	1000 units planned	An additional 2000-2500 units is still to be determined. Currently, bulks have to be confirmed by the District in order to be able for HDA to but land to accommodate this project.

Table 12: Slums clearance project

OVERALL LAND-USE SCHEDULE

LAND USE	NUMBER	AREA (HA)	%
LOW COST ATTACHED UNITS	1087	25.5	6.3
LOW COST FREE STANDING	580	32.8	13
CRECHE	2	0.7	0.3
PUBLIC FACILITY	2	0.8	0.2
WORKSHOP	2	0.7	0.3
PRIMARY SCHOOL	1	2.8	1
SECONDARY SCHOOL	1	5.2	1.4
COMMERCIAL	4	7	0.8
SMALL BUSINESS COMMERCIAL	1	0.8	0.3
PAVED USE	5	2.5	1
TAXI RANK	1	0.9	0.4
MUNICIPAL	1	0.4	0.2
OPEN SPACES	6	10.5	50.5
PLAY AREAS / PARK	125	4.3	1.8
SPORTS AND RECREATIONAL	1	5.5	1.5
ROADS	29	29	12
TOTAL	2685	236	100

		
LOCALITY PLAN		not to scale
NOTES CONTAINS AN INDEPENDENTLY SURVEYED 1:50 000 INFORMATION TO BE PROVIDED ON FINAL DESIGN DRAWING TO PRESENTED DESIGN AND DESIGN FOR DETAILS		
Approved By: 1.  Mr. M. M. M. M. 2.  Mr. M. M. M. M. 3.  Mr. M. M. M. M. 4.  Mr. M. M. M. M.		
<div style="border: 1px solid black; height: 150px; width: 100%;"></div>		
Local Authority  <div style="display: inline-block; vertical-align: middle;"> <p>THE UBULHEBEZWE MUNICIPALITY</p> </div>		
Project Details WOLSELEY FARM HOUSING PROJECT		
Project Address PROPOSED SUBDIVISION OF THE REM OF PORTION 6 OF THE FARM WOLSELEY FARM NO. 14675		
Project Client  <div style="display: inline-block; vertical-align: middle;"> <p>RCR COLLABORATIVE</p> <p>100-1000 100-1000 100-1000</p> <p>100-1000 100-1000 100-1000</p> <p>100-1000 100-1000 100-1000</p> </div>		
Planning Consultant  <div style="display: inline-block; vertical-align: middle;"> <p>RCR COLLABORATIVE</p> <p>100-1000 100-1000 100-1000</p> <p>100-1000 100-1000 100-1000</p> <p>100-1000 100-1000 100-1000</p> </div>		
DEVELOPMENT PLANNING URBAN DESIGN INFRASTRUCTURE		
Scale	Project No.	Date
1:5000	W10 / W1 / 016	JUNE 2015

- **RURAL HOUSING**

As indicated on Table 12 below, the municipality has about eleven current rural housing projects with a total yield of 13 829 units. Rural housing projects are implemented mainly on communal land and are based on functional land tenure rights. The policy states that one household (umuzi) one house which means that each rural household qualifies for one house irrespective of the number of people that qualifies for a housing subsidy.

Table 13: Rural Housing Projects:

Project	Ward	Units	Comments	Total Budget
Sponya Rural Housing:	8	700 units	The Project is completed and is in the closed-out phase.	
Mahehle Housing Project Phase 2	1	1000 units	The project is in the process of acquiring land and the application is currently with the Housing Development Agency (HDA).	
Kwathathani Rural Housing Project	10	750 units	Project is in the final stages of the contract being finalized. 688 units have been completed, while 12 units are outstanding. The Municipality is awaiting the addendum from DOHS for the additional 12 units.	
Ibhobhobho Rural Housing Project	5	644 units	The project has been capped at 644 units and is in the construction phase.	R64 358 352.52
Mziki Agri Village Housing Project	9	385 units	The 385 units have been completed and conveyancing procedure is still to take place, pending Bulks confirmation needed as part of town planning conditions.	
Amanyuswa Rural Housing Project (TA)	7	750 units	Project is being packaged stage 1. Approval is required from DoHS, which is expected to be received by end of March 2017.	
Madungeni Rural Housing Project	12	1000 units	The project is currently under planning.	
Ufafa Rural Housing Project	3	3000 units in 3 phases	The project has recently been approved for stage two meaning construction is about to begin.	R55 889 605.00
Mfulomubi Rural Housing Project	7, 8	1500 units	The project is under construction.	R50 569 638.00
Hlokozi Rural Housing Project	6	2600 units	The project is under planning.	
Gudlucingo Rural Housing Project	8	1500 units	The project is under planning.	R4 842 885.00
			<i>It should be noted that DOHS failed to confirm the actual budget all housing projects and it will be confirmed for the final IDP and SDF submission.</i>	

URBAN HOUSING PROJECTS

Current housing projects within the urban context, includes the Ithubalethu Extension 1 Housing Project and the Morning View Middle Income Project. These two projects make provision for 509 units within the Ixopo area. It is expected that the Ithubalethu project will accommodate some of the informal structures.

Project	Ward	Units	Comments	Total Budget
Ithubalethu Extension 1 Housing Project	4	328 units	The project is at an advanced stage, but confirmation from the Harry Gwala District in respect of bulk infrastructure,	

Project	Ward	Units	Comments	Total Budget
			specifically sewer outfall, is awaited. This project will accommodate some of the informal structures in the area.	
Morning View Middle Income Project	4	125 units	The project is under construction.	

Table 14: Urban housing projects

- RECTIFICATION PROJECTS**

All rectification projects has been temporarily stopped by DoHS due to lack of funds for the program. The rectification relates to certain residential properties created under the pre-1994 housing dispensation.

Project	Ward	Units	Comments	Total Budget
Mariathal Housing Project	4	92 units	The department has verbally indicated that there is expected movement with regards to rectification projects and that they will be referred to as rehabilitation projects. Rehabilitation will involve not demolishing the whole structure from these housing projects but to assess and only rehabilitate the elements of the houses that need to be renovated. The municipality is currently waiting for a formal written notification in this regard before moving forward with alerting the respective project steering committees of the projects.	
Fairview Housing Project	4	736 units		

Table 15: Rectification projects

- COMMUNITY RESIDENTIAL UNITS**

There is one community residential project that has been initiated within the Ubuhlebezwe Municipality area of jurisdiction. The project will deliver 150 units and will benefit people earning between R800 and R5500 who are interested social housing (rental accommodation).

The Community Residential Units Programme (CRU) aims to facilitate the provision of secure, stable rental tenure for lower income persons /households. The housing stock will be funded by the Department of Human Settlements' CRU Programme and should remain in public ownership and cannot be sold or transferred to individual residents.



Project	Ward	Units	Comments	Total Budget
Buhlebethu Community Residential Units	4	150 units	The project is under planning.	

- Existing Informal Settlement Data

Informal Settlements							
N o.	Name	Area (location)	Property description	No. of structures / dwellings	Land ownership	Extent of land occupied (ha)	Zoning (Ubuhlebezwe Land Use Scheme)
1	Shayamoya/Chocolate City/Zwelisha	Ixopo	Portion of Erf 174; Portion of RE 175	517	State land	10.71	Transitional residential and Utilities and services
2	Draaihoek (east and west	Ixopo		137	State land (western portion)	4.54	Transitional residential
			782-787; 790-796; 819; 834	129	Private properties (eastern portion)	6.88	Transitional residential; Passive Open Space; Residential 2
3	MorningView	Ixopo	2/1628; 1738; 1629-1638; 1733-1735; portion of 1738	383	State land	10.91	Transitional residential; Residential 2
4	ValleyView	Ixopo (behind taxi rank, next to R56)	Portion of Erf1; Portion of Erf 2; Portion of Erf 174	158	Ixopo Transitional local council; Ubuhlebezwe Municipality	1.47	Administration
5	Highflats	Highflats	3/1938; 37/1938; 38/1938; portion of 39/1938; portion of 46/1938; portion of RE/1938	400	Transnet	5.68	Transitional residential; Residential 1; Limited Commercial
	Total			1724			

Table 16: Existing Informal Settlement Data

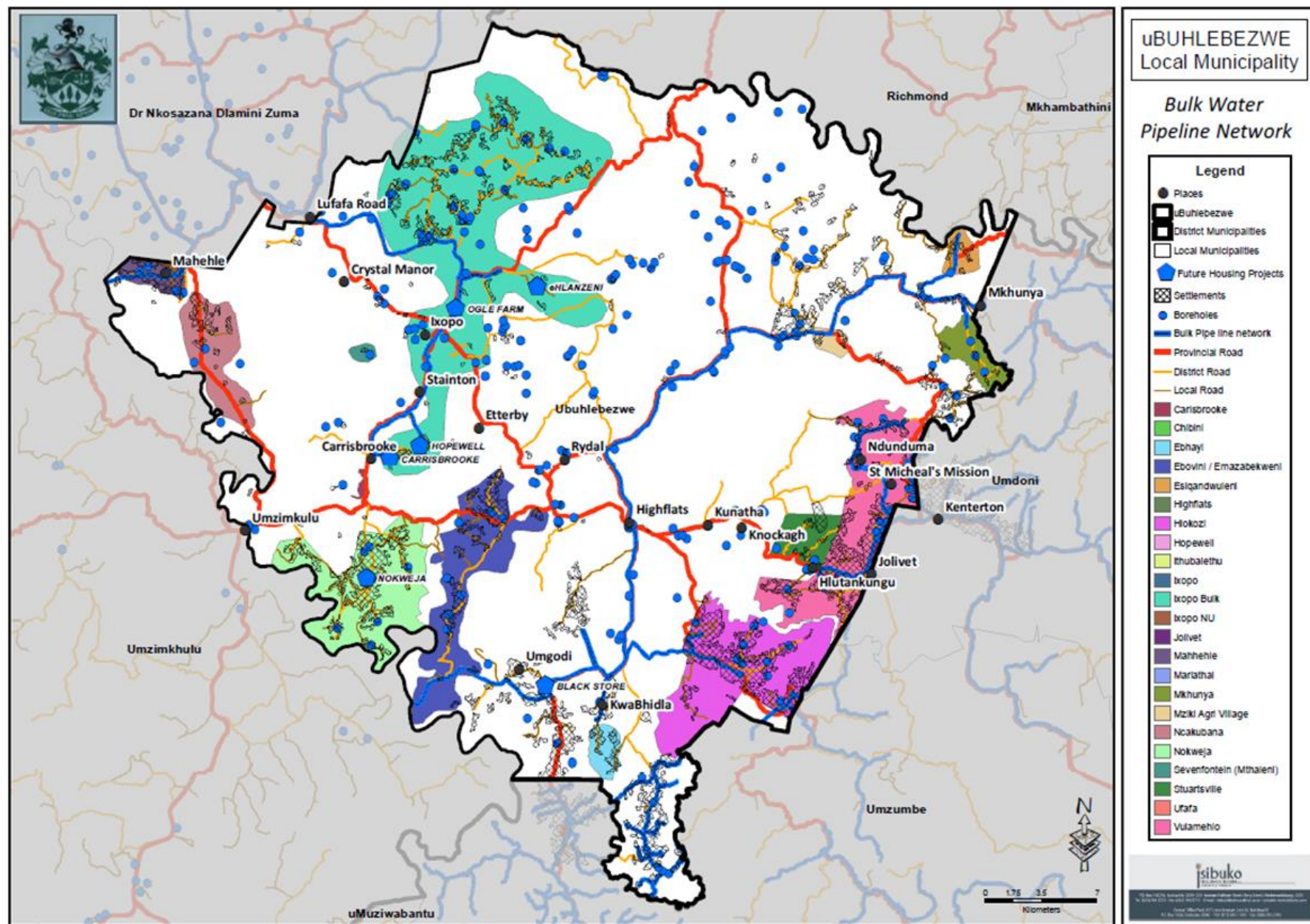


Figure 19: Bulk water supply and schemes

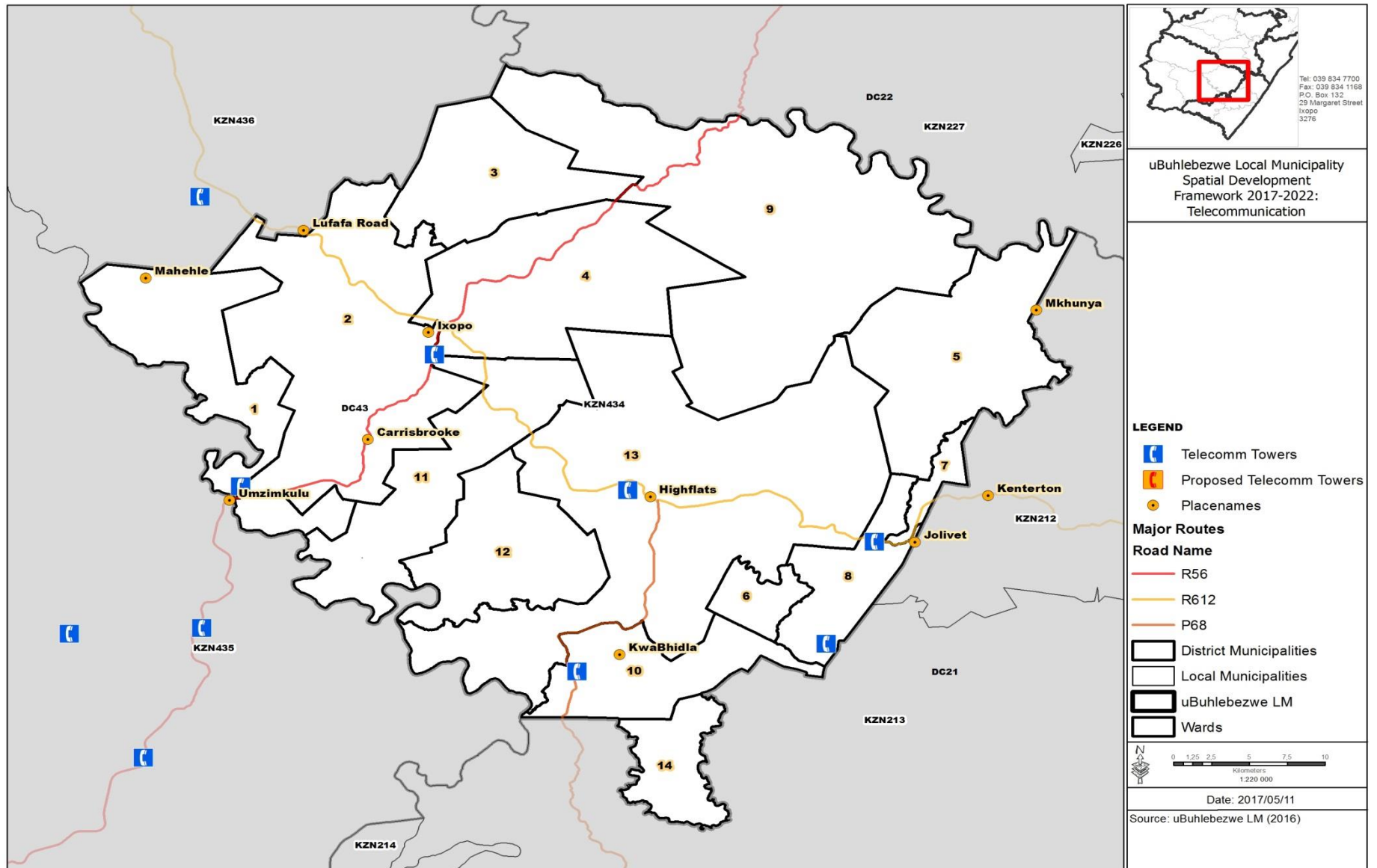


Figure 20:Telecommunication within Ubuhlebezwe Municipality

- **Audit Outcome**

The audit outcome for the 2015/2016 financial year was unqualified without the emphasis of matter. There were no weaknesses identified by the Office of the Auditor General under this section.

- **Basic Service Delivery and Infrastructure SWOT Analysis**

STRENGTHS: <ul style="list-style-type: none"> • Planning Unit • Project Management Unit • Building Control Unit • GIS • Housing 	OPPORTUNITIES: <ul style="list-style-type: none"> • Land use study • Awareness campaigns on town planning & building control processes • Spatial Development Framework • Land Use Management System
WEAKNESSES: <ul style="list-style-type: none"> • Shortage of human resource to undertake field work • Gaps within the maintenance programme • Weak communication lines with sector department • Lack of understanding and awareness of the aspect and role played by planning within the municipal area • Educating the community on the importance of planning • Outdated policies and bylaws • Conforming to current standards and trends • Staff retention within the planning unit 	THREATS: <ul style="list-style-type: none"> • Water and electricity delays • Vandalism of public facilities • Illegal dumping of refuse • No designated site for solid waste • Inaccessibility of the current dumping site in uMzimkhulu during rainy days • Lack of understanding and awareness of the aspect and role played by GIS within the municipality • Lack of essential equipment such as plotter to better support municipal officials • Lack of IT support

C.3.3 Social and Local Economic Development

- **Local Economic Development**

Local Economic Development is described as a participatory process in which local people from all sectors work together to stimulate local commercial activity, resulting in a resilient and sustainable economy that brings economic benefits and improved quality of life to all in the community. An LED Plan therefore encourages public, private and civil society sectors to establish partnerships and collaboratively find solutions to common local challenges. At the same time, Local Economic Development capitalises on what the local area does well, the local needs and wants, and the local opportunities.

There are two main approaches to the attainment of local economic development. The Municipalities can either utilise the Economic Need Approach or the Opportunity-driven Approach. These approaches are briefly discussed hereunder.

- **Local Economic Development (LED) Strategy (2017)**

The Municipality has reviewed and submitted to Council its LED Strategy and was adopted by Council at a meeting held on the 25th of May 2017. In ensuring proper consultation and public participation, the Municipality hosted a summit on the 10th of October 2016, to engage with different stakeholders as part of the review process. The main purpose of the summit is summarised below.

- To present the status quo (socio-economic studies, policy and service delivery);

- To allow stakeholders to give any other socio-economic relevant information (on capabilities, skills, closed companies and opportunities);
- To verify the validity of the information; and
- Verify and jointly agree/disagree with strengths, weaknesses, opportunities and threats as identified in the socio-economic analysis.
- To come up with resolutions for different aspects that should be covered in the new LED strategy.

The summit was a success, with members of the Project Steering Committee, facilitating four commissions which are Agriculture, Tourism, Business Support and Manufacturing.

This Strategy is prepared in-house. Various stakeholders were invited to that formed part of the project steering committee in the strategy development. This ensures that every information responds to the economy of Ubuhlebezwe. Since the strategy is under development, it factors in the input from stakeholders; the evidence is the project steering committee and the LED summit that was held on the 10 October 2017 where all stakeholders involved.

The Social and Local Economic Development responds comprehensively to the PGDP and DGDP priorities and is aligned to the goals, objective and strategies whilst including the key intervention areas, indicators, targets, catalytic projects, time frames and budget in the reviewed strategy. The LED unit has managed to establish strong relationships with stakeholders both in the private sector, government and non-governmental sectors that help in ensuring delivery of objectives and intervention areas

- **Adopted Policies: Informal Economy, Retention, Expanded Public Works Policy**

The informal Economy policy was adopted by Council in December 2014;

The Retention policy was adopted by Council in January 2015;

And the EPWP Policy was adopted by Council in January 2016.

- **Land ownership**

The database for land ownership was developed and all sites were identified through Valuation Roll process.

- **Registered SMMEs and Cooperatives**

Ubuhlebezwe has developed the SMME's /Cooperatives data base for the implementation of business support programme. The municipality allocates budget each year, for the trainings and the sustainability of projects. Ubuhlebezwe has a funding programme that assists cooperatives/ SMME'S access funding. Capacity building that assists cooperative/SMME's to prepare a sound business plan.

- **Linkage of Ubuhlebezwe LED Strategy with the IDP, District LED Plan, PSEDs, PGDS, National LED Strategy**

This section of the Report identifies the alignments and the relationships between the Integrated Development Plan (IDP), District LED Strategy, the PGDS and the National LED Strategy. Particularly because the need to obtain a shared approach to planning and alignment between the Provincial Growth and Development Strategies (PGDSs), the municipal Integrated Development Plans (IDPs) and the National Spatial Development Perspective (NSDP), was stressed in the May 2004 Cabinet Lekgotla and the President's State of the Nation Address on 21 May 2004. It is therefore a key priority of government to make government as a whole work together and improve the impact of its programmes in achieving common objectives and outcomes, particularly with respect to economic growth, job creation and in addressing the needs of the poor.

- **Table 17: Linkage between Ubuhlebezwe LED Strategy and Ubuhlebezwe IDP:**

UBUHLEBEZWE IDP	UBUHLEBEZWE LED
-Is aimed at promoting quality and sustainable delivery of municipal services.	-The Ubuhlebezwe LED would facilitate the process of the provision of quality and sustainable services by the municipality through identifying backlogs that exist as far as the economic services are concerned in the Ubuhlebezwe Local Municipality.
-Involving communities in the development	- The Ubuhlebezwe LED would identify the outsourcing opportunities to the local people so as to achieve this goal of the IDP of involving the communities in the development of the area.
-Forging strategic alliance and partnerships between the municipalities and government departments, NGOs, CBOs, and the Private Sector to ensure speedy and co-ordinated delivery.	- The Ubuhlebezwe LED Strategy would assist in identifying areas of strategic investment across all sectors of the economy such as agriculture, tourism, manufacturing, government, mining, commerce,, construction, informal, and tertiary services. The government, the private sector, the CBOs and the NGOs would assist in taking advantage of these potential opportunities either through the provision of funding and other technical assistance.

- Table 18 below indicates that there is also a strong relationship between the aims of the Ubuhlebezwe LED Strategy and that of the Sisonke District LED Strategy, which stresses the commitment of all the spheres of the civil society in development planning.

Table 18: Linkage between Ubuhlebezwe LED Strategy and the District LED Strategy

HARRY GWALA LED STRATEGY	UBUHLEBEZWE LED STRATEGY
-It is aimed at promoting co-operation at all levels of society in order to improve the quality of life of all its residents.	-To improve the quality of life of all the residence the Ubuhlebezwe LED Strategy would identify capacity building programmes to enrich the community with the skills, and knowledge for business establishment that in turn would increase the income of the people. Increased income would improve the quality of life of all the residents.
-Based on local initiatives where local communities are encouraged to help themselves.	-The Ubuhlebezwe LED Strategy would assist in identifying all the stakeholders both the recognised and those that are not recognised register them to qualify for further funding and technical assistance. The sources of funding for local initiatives would also be identified within the Ubuhlebezwe LED Strategy.
-Focuses on equal investment in social upliftment, environmental protection and commitment from all spheres of civil society.	-The LED Strategy would identify the environmentally sensitive areas that would be preserved for tourism and other economic purposes.

- Table 19 further reflects that not only do the aims of Ubuhlebezwe LED Strategy align to the District Strategy as far as economic development is concerned, but also align to the Provincial Strategy that is aimed at promoting prosperity and improving quality of life in a sustainable manner.

Table 19: Linkage between the Ubuhlebezwe LED Strategy with the PGDS

KZN PGDS	UBUHLEBEZWE LED STRATEGY
- Is aimed at promoting prosperity and improving quality of life, -Promoting sustainable economic development and job creation, -developing human capacity, -Identifying and working with all role players from all sectors of society,	-The Ubuhlebezwe LED Strategy would assist in identifying strategic areas for investment which will assist in bolstering the local economy and employment creation within Ubuhlebezwe Local Municipality. -The Ubuhlebezwe LED Strategy would also identify all the role players/stakeholders in the Ubuhlebezwe Local Municipality.

- Table 20 below, the Ubuhlebezwe LED Strategy responds to the NSDP as indicated by table 4 below, the PGDS and the District LED Strategy by focusing on localities of economic growth and economic potential in order to encourage private sector investment, stimulate sustainable economic activities and create long-term employment opportunities.

Table 20: Linkage between the Ubuhlebezwe LED Strategy with the NSDP

NATIONAL PERSPECTIVE	SPATIAL DEVELOPMENT	UBUHLEBEZWE LED STRATEGY
<ul style="list-style-type: none"> - Is aimed at making South Africa a nation in which investment in infrastructure and development programmes support government's growth and development objectives - By focusing on economic growth and employment creation in areas where this is most effective and sustainable. - Fostering development on the basis of local potential; and 		<ul style="list-style-type: none"> - The Ubuhlebezwe LED Strategy would assist in identifying strategic areas for investment within Ubuhlebezwe Local Municipality, which would create employment opportunities for the local community of the area.
<ul style="list-style-type: none"> - Supporting restructuring where feasible to ensure greater competitiveness 		<ul style="list-style-type: none"> - The Ubuhlebezwe LED would assist in identifying the key role players/stakeholders within the local economy of Ubuhlebezwe Municipality.

Table 21: Linkage between the Ubuhlebezwe LED Strategy with the Accelerated and Shared Growth Initiative of South Africa (Asgisa)

ASGISA	UBUHLEBEZWE LED STRATEGY
<ul style="list-style-type: none"> - ASGI-SA is one of the south African programmes that aimed at halving poverty and reducing unemployment. The following are the areas of focus that are envisaged to assist in achieving these broad objectives of the ASGI-SA. <ul style="list-style-type: none"> • Increased investment from a current level of 16 % to 25% by 2014 • Facilitating mobility between formal and informal economy 	<ul style="list-style-type: none"> - Ubuhlebezwe LED Strategy is about job creation, poverty alleviation and reduction of unemployment. - The strategy focuses on investment enhancement so as to create employment opportunities within Ubuhlebezwe Local Municipality. This will, in turn, impact positively on the expenditure patterns of the local community of the Municipality.
<ul style="list-style-type: none"> - Social services income support and human development 	<ul style="list-style-type: none"> - Ubuhlebezwe LED Strategy focuses on increasing investment on big business such as the development of a shopping mall, Agri-business industries, and light industrial hives. At the same time, it does not leave BEE/SMME businesses out of the whole equation. It also seeks to ensure information-sharing between the established businesses and emerging small businesses, which will be facilitated by the business chamber. Once business spin-offs have reached emerging businesses, the process for the establishment of Co-operatives and entrepreneurs would be made easier.
<ul style="list-style-type: none"> - Improving state capacity 	<ul style="list-style-type: none"> - Projects forming part of the LED Strategy are in line with those identified and listed on the the IDP. One of the areas of focus of the IDP is the preparation of the Social Service Plan. The community facilities are also envisaged to be very important in the upliftment of the local economy. HIV/Aids programmes such as the development of the Hospice Centre are also recommended as HIV/Aids is one of the key issues within Ubuhlebezwe Local Municipality that impede the development of the economy of the area. - The LED Strategy recognises that Ubuhlebezwe Local Municipality's LED section requires some restructuring for it to be able to oversee and monitor both operational and strategic economic plans of the Municipality. Among the things proposed in the Strategy is that the Municipality should ensure capacity building of the existing LED staff members. It is also proposed that co-ordination between the Department of Finance and the LED Section should be enhanced. In this regard, the LED Section would assume its power to source funding for LED activities itself.

• PROGRAMMES AND PROJECTS OF UBUHLEBEZWE LOCAL MUNICIPALITY

In this section of the report strategic actions and objectives are translated into programmes and projects. There have been a number of programmes and projects that have been identified that their implementation would assist in achieving the 2021 Vision of Ubuhlebezwe Local Municipality discussed in the earlier sections. The following table outline these programmes and projects.

The projects that are identified are further prioritised according to their importance in developing and addressing economic challenges at Ubuhlebezwe Local Municipality. The priority list comprises of 10 activities that their implementation would result in unlocking economic opportunities that exist in the area. The priority activities are mainly: capacity building, grooming of SMEE/BEE firms and the further development and attractions of the big businesses into the area.

PROJECT #1.		PROGRAM TYPE (S): Capacity Building	
Short Description of the Project			
Facilitate training of Entrepreneurs by SETA internships with government Departments and Municipalities			
Expected Results <ul style="list-style-type: none">Improved service for Entrepreneurs.Promotion of small business sector represents a growth in the local economy of Ubuhlebezwe.Capacity building of Entrepreneurs.		Target Group (s) <ul style="list-style-type: none">The youthExisting entrepreneursUnemployed persons	
Possible stakeholders		Possible contribution to the project:	
Ubuhlebezwe Local Municipality		Facilitate SETA engagement in the municipal area.	
Existing entrepreneurs		Beneficiaries	
SETA		Funding and accreditation	
Existing Businesses		Receivers of funding and take up of the unemployed.	
Prerequisites: <ul style="list-style-type: none">Identification of existing Entrepreneurs for development.		Risk factors: <ul style="list-style-type: none">Accessing of SETA discretionary funds.SETAs response to the initiative may not yield the expected results.	
Estimated Costs: <ul style="list-style-type: none">R100 000 municipal funding to facilitate engagement with SETAs and provision of workshops and for discretionary funding application.Training and capacity building funding to be delivered.			
Time of implementation:		Time to impact:	
2017/18 Financial Year		Medium to long term	
Outputs: <ul style="list-style-type: none">Training programs and workshopsBetter skilled people			

PROJECT #4		PROGRAM TYPE (S): BEE/SMME	
Short Description of the Project			
Identification of outsourcing opportunities for BEE/SMME Firms			
Expected Results <ul style="list-style-type: none">Developed and registered BEE/SMME businessesLink between BEE/SMME businesses with larger established businesses		Target Group (s) <ul style="list-style-type: none">Existing BEE/SMME businessesThe youth	
Possible stakeholders		Possible contribution to the project:	
Ubuhlebezwe Local Municipality		Facilitation of the project.	
SEDA		Provision of support for emerging businesses. Provision of technical support to BEE/SMME firms to access finance Provision of training/skills development program.	
Prerequisites: <ul style="list-style-type: none">Preparation of Business PlansCompilation of a Database for BEE/SMME businesses		Risk factors: <ul style="list-style-type: none">Lack of business support at a local level.	

<ul style="list-style-type: none"> Business Support Centre establishment 	
Estimated Costs: R 50 000 to assist in engaging with industries, identification of outsourcing opportunities and liaising with local SMMEs.	
Time of implementation: 2017/18 Financial Year	Time to impact: Short – Medium Term
Outputs: <ul style="list-style-type: none"> Updated Database of BEE/SMME businesses Registered and reasonably well developed businesses. 	

PROJECT #7		PROGRAM TYPE (S): Tourism	
Short Description of the Project Undertaking of Scoping Exercise/EIAs in the environmentally sensitive areas in order to unlock tourism potential			
Expected Results <ul style="list-style-type: none">Better rehabilitation, protection and management of land.Improved and better informed development of land.		Target Group (s) <ul style="list-style-type: none">The community of Ubuhlebezwe	
Possible stakeholders		Possible contribution to the project:	
Ubuhlebezwe Local Municipality		Facilitation and preparation of tenders	
Private Sector (Consultants)		Project Implementation and production of the Report.	
Department of Economic Development ,Tourism and Environment Affairs		Provision of technical support and production of the Record of Decision (RoD).	
Prerequisites: <ul style="list-style-type: none">Road and other infrastructure to be provided.Plans to be available for project implementation.		Risk factors: <ul style="list-style-type: none">Investors may not have interest to inject funding.	
Estimated Costs: R200 000, 00 for the Scoping Exercise/EIA process			
Time of implementation: Within 2018/19 financial year		Time to impact: Short –Medium Term	
Outputs: <ul style="list-style-type: none">Sustainable tourism projects, sound agricultural practices and environmental management.			

PROJECT #10		PROGRAM TYPE (S): Agricultural	
Short Description of the Project Establishment of Agro Processing and Packaging			
Expected Results <ul style="list-style-type: none">Local producers will be linked to the markets.Agricultural opportunities for Farmers will be diversified and increased.Agri-processing industries will be developed.		Target Group (s) <ul style="list-style-type: none">Existing farmersEmerging Black Farmers	
Possible stakeholders		Possible contribution to the project:	
EDTEA, COGTA, DRDLR,DARD and Harry Gwala District		Provision of technical support and training	
Private Sector (Consultants/Service Providers)		Feasibility Study and development of Business and Development plans	
Farmers Association		Provision of technical support and agricultural development finance to small-scale farmers	
Ubuhlebezwe Local Municipality		Site ownership and proper and efficient management	
Prerequisites: <ul style="list-style-type: none">Identification of a suitable and easily accessible area and land for location of the market		Risk factors: Lack of funding especially for the construction of the Fresh Produce Market	
Estimated cost 1. Project implementation costs will be dependent on the Feasibility Study to be done			
Time of implementation: 2017/2018 Financial Year		Time to impact: Short- Medium Term	

Outputs: <ul style="list-style-type: none"> Increased commercial farming practices Poverty alleviation through jobs to be created and other spin-offs Improved economic performance of Ubuhlebezwe (extra revenue) 	
PROJECT #11 PROGRAM TYPE (S): Agricultural	
Short Description of the Project Fish Farming	
Expected Results <ul style="list-style-type: none"> Employment opportunities will be increased. Contribution to the economic development/GDP of Ubuhlebezwe Local Municipality 	Target Group (s) <ul style="list-style-type: none"> The youth The unemployed Existing business people
Possible stakeholders Traditional Authorities Private Sector (Consultants/Service Providers) Private Investors	Possible contribution to the project: Make land available for this project Feasibility assessment & compilation of Business and Development/Construction Plans/designs Direct beneficiaries and take up of the unemployed
Prerequisites: <ul style="list-style-type: none"> Undertaking of a Feasibility Study. Compilation of Business and Development/Construction Plans/designs. Training/skills development programmer for project sustainability. 	Risk factors: Lack of sufficient funding
Estimated Costs: <ol style="list-style-type: none"> Undertaking of a Feasibility Study (through the involvement of the private/public sector) = R100 000, 00. Implementation and project costs will be informed by the Feasibility Study to be done. 	
Time of implementation: 2019/20 Financial Year	Time to impact: Medium- Term
Outputs: <ul style="list-style-type: none"> Increased investment in the area Alleviation of poverty Creation of job opportunities 	

PROJECT #13 PROGRAM TYPE (S): Commerce & Industry	
Short Description of the Project Building/erection of Informal Market Stalls at the Taxi Rank	
Expected Results <ul style="list-style-type: none"> The informal or emerging entrepreneurial sector will be increased. The inherent informal trade will be better controlled and managed. 	Target Group (s) <ul style="list-style-type: none"> Women The youth The disabled
Possible stakeholders Ubuhlebezwe Local Municipality Ubuhlebezwe business forum SEDA Department of Economic Development , Tourism and Environment Affairs (DEDTEA)	Possible contribution to the project: Facilitation of the project Provision of technical support, networking and business mindset development opportunities especially to the informal sector businesses. Provision of training/skills development programs. Provision of funding and technical support to the project.
Prerequisites: <ul style="list-style-type: none"> Town Precinct Development Plan Development of profile of informal traders & engagement with them on the proposed project. Compilation of development plans/designs for market stalls. 	Risk factors: Lack of funding/sufficient funding
Estimated Costs: <ol style="list-style-type: none"> R 1000 000, 00 for building/erection of market stalls 	
Time of implementation: 2017/18 Financial Year	Time to impact: Short – Medium Term

Outputs: <ul style="list-style-type: none"> Increased business support Properly regulated informal trade and development within Ixopo Town precinct. 	
PROJECT #14	PROGRAM TYPE (S): Spatial Economic Integration
Short Description of the Project Development of a Youth Centre including business support and capacity building	
Expected Results <ul style="list-style-type: none"> Facilities where youth can benefit and enhance their skills would be established. Entrepreneurship in the local youth would be fostered. There would be increased chances of youth employment due to readily available information and skills to be developed at the centre. 	Target Group (s) The youth of Ubuhlebezwe Local Municipality
Possible stakeholders	Possible contribution to the project:
Department of Economic Development , Tourism and Environment Affairs (DEDTEA) and the Department of Agriculture and Rural development (DARD)	Provision of funding and technical support to the project
Umsobomvu Youth Fund	Provision of funding and technical support to the project
ISETT	Provision of funding and training components of the Centre
Private Investors (e.g. FNB)	Provision of funding to the project
Prerequisites: <ul style="list-style-type: none"> Identification of a suitable and centrally situated area/land for the development of the Centre Initial funding for the Centre including operating costs. Lease secured/ Development and Business plans/designs to be available for implementation 	Risk factors: <ul style="list-style-type: none"> Possibility of the Centre unable to generate sufficient income to sustain itself overtime. Limited access to funding.

- Interventions and Programmes/Projects spatially

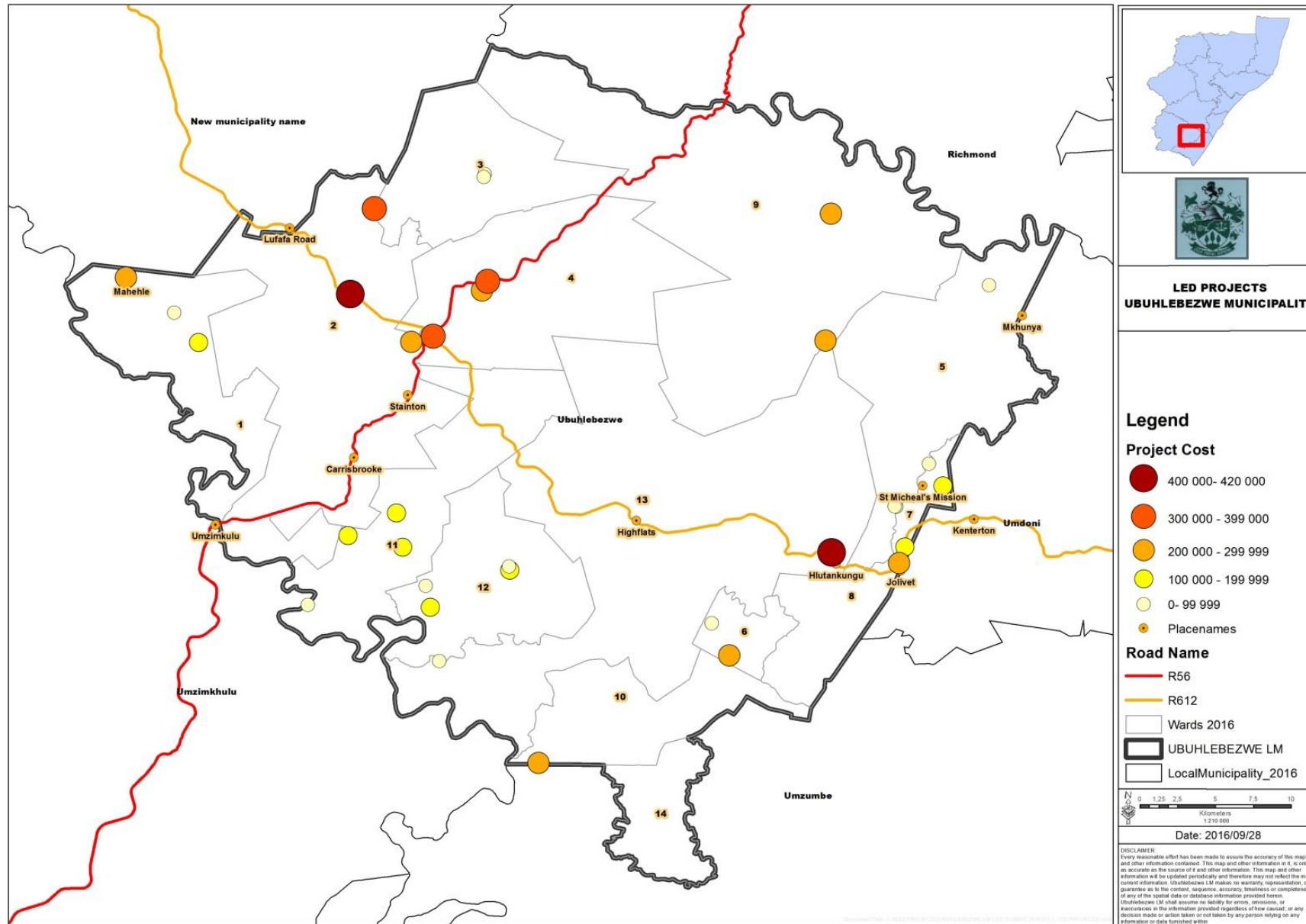


Figure 21: LED project costs

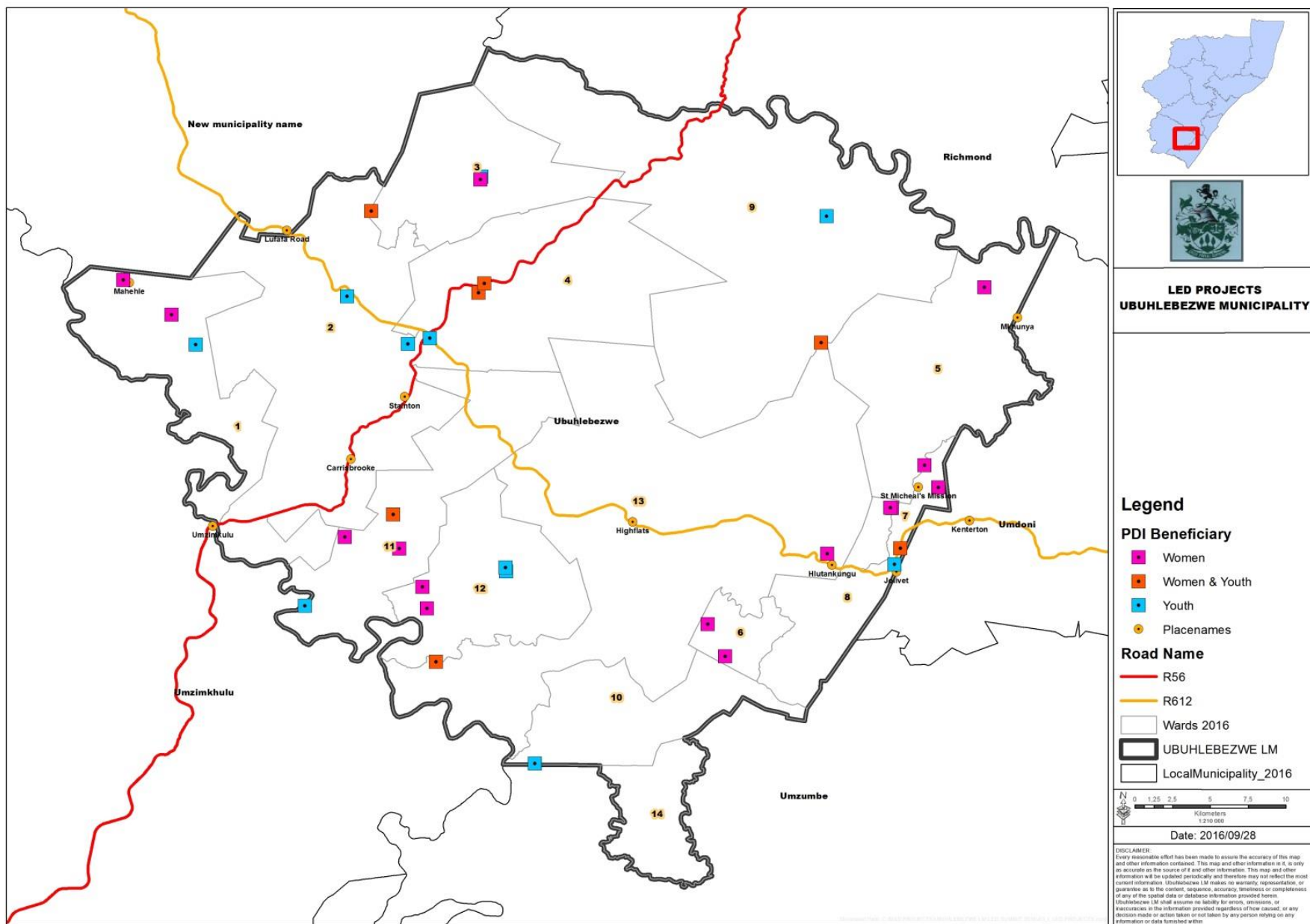


Figure 22: LED beneficiaries

Ubuhlebezwe established the LED forum where all stakeholders are involved in identifying the beneficiaries and also use the GIS map for LED projects and use buffering to indicate beneficiaries per projects.

- **Local firms/industries and businesses?**

According to the municipal vision, Ubuhlebezwe would be characterised by robust and viable local economy. With all the important sectors such as agriculture, tourism, manufacturing, construction, finance and government sectors playing a significant role in bolstering local economic development, both the informal and formal emerging (SMME) and established businesses would have a stake in the local economic development of the area.

Capacity building is one of the factors that constitute a well-developed local economy. In line with 2030 Vision, by 2030, Ubuhlebezwe Municipality would be characterised by a large number of skilled workers and capacitated BEE/SMME firms. This would therefore have a positive impact on the incomes of the population, resulting in positive saving patterns that would further reduce the flight of capital from Ubuhlebezwe municipal area.

- **Programs seeking to transform the local tourism players**

The municipality's takes into account local inputs, but have aligned its tourism within the broader district, provincial, and national objectives. However, in order to become a destination that will increase tourism revenue, it has to target a specific market.

- **Programs targeting emerging farmers**

Ubuhlebezwe has adopted its agricultural plan in 2013. This agricultural plan focuses on the municipality's farming systems and farming areas in order to develop practical solutions to problems facing the agricultural sector and to identify opportunities aimed at strengthening farming in the municipality. The plan ultimately aims to contribute to agriculture and the municipality's long-term economic development and sustainability. Farmer Support Initiatives through was started in 2015 through Abalimi Phambili Project; a project that is implemented by LIMA and co-funded by Jos Fund

- **Adopted Business Retention and Expansion Strategy**

Ubuhlebezwe adopted Business Retention and Expansion Strategy in 2015 which is expected to demonstrate local support to existing businesses in helping to solve their problems and challenges, enhance their profile, and provide better information and understanding of the strengths and weakness of the business climate. This will not only attract new investors but also encourage expansion that leads to sustainable job growth within the Ubuhlebezwe local area. It is also intended that the development and implementation of strategic action plans will encourage new and improved business ideas, thus resulting in business growth and overall economic development.

- **Informal Economy**

Ubuhlebezwe adopted informal traders policy in 2014. Informal Trading is defined as the economic activity undertaken by entrepreneurs who sell legal goods and services within a space deemed to be public and private property within the informal sector. The informal economy makes an important contribution to the economic and social life of the UBuhLEBEZWE Municipality. Due to the decline in formal employment and consequent increase in unemployment rate, many people seek alternative means of earning an income. It is generally accepted that the informal sector plays a significant role in the local economy more especially in the previously disadvantaged areas. One of the main reasons for this is the inability of national economy's formal sector to create sufficient employment

for the relatively fast-growing labour force. This inability leads to new entrants into the labour market being increasingly forced to turn into the informal sector, to earn a living.

This Policy covers the informal trading activities occurring within the UBUHLEBEZWE Municipality. The policy formulation process involves consultation with a various stakeholders through public participation, as from 22 May 2014.

For the UBUHLEBEZWE Area, Informal Trading is a positive development for the micro business sector as it contributes to the creation of jobs and has the potential to expand further the Council's economic base.

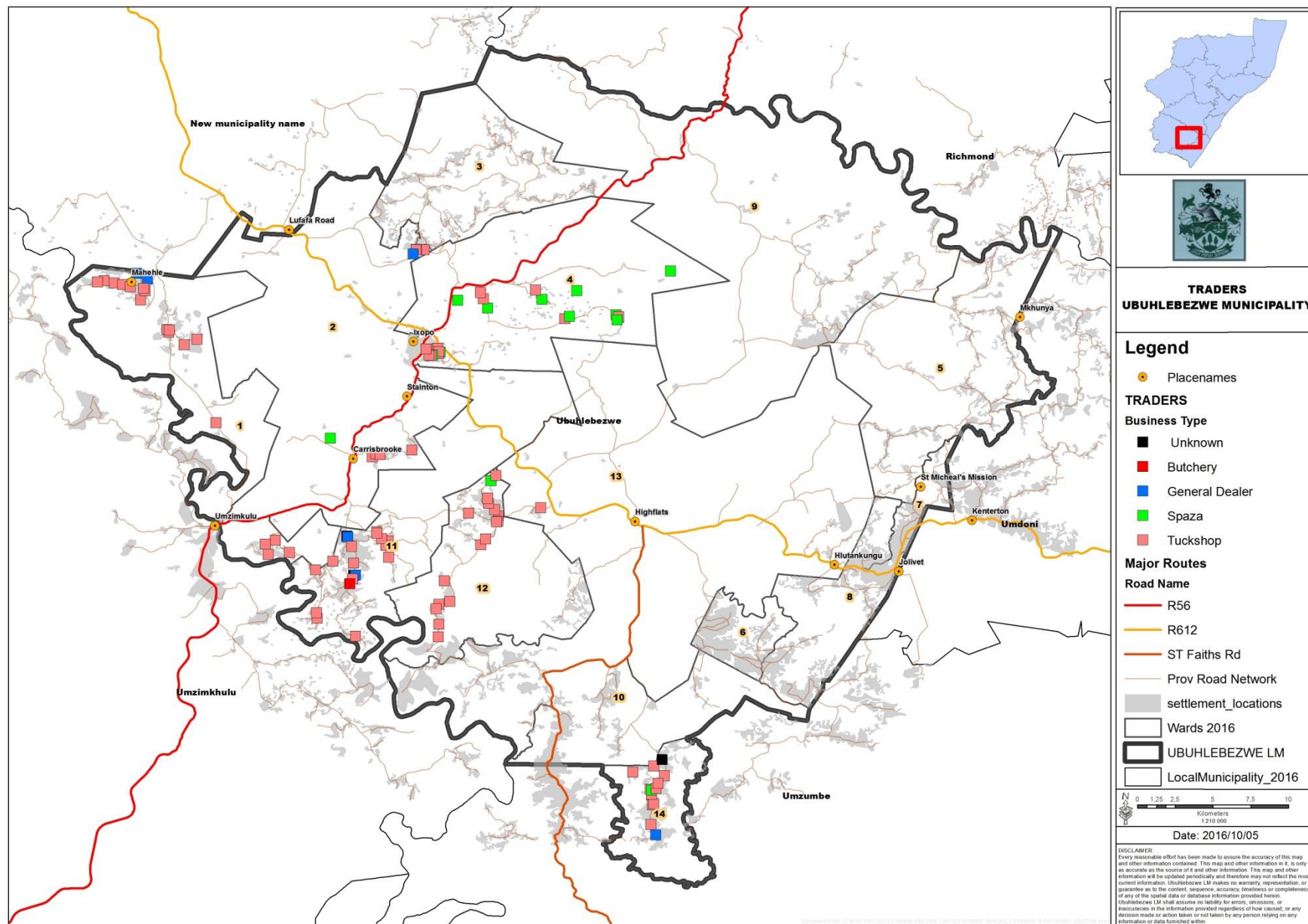


Figure 23: Traders within Ubuhebezwe Municipality

- **Job creation**

Ubuhlebezwe LED Strategy aligns to the District Strategy as far as economic development is concerned, but also align to the Provincial Strategy that is aimed at promoting prosperity and improving quality of life in a sustainable manner. The Ubuhlebezwe LED Strategy responds to the NSDP, the PGDS and the District LED Strategy by focusing on localities of economic growth and economic potential in order to encourage private sector investment, stimulate sustainable economic activities and create long-term employment opportunities.

The municipality recognizes job creation as one of the main criteria's used to evaluate projects for funding. Despite the picture that is given by the economic analysis on the performance of different formal sectors in job creation, the municipalities have initiatives on promoting employment of locals in construction projects and EPWP grant funded projects in maintenance of infrastructure, community facilities and greening projects. The municipality has maintained an average of 100 EPWP workers for the past 3 years.

- **A designated LED unit**

The central function of the LED Unit in the Municipality is to facilitate economic opportunities by bringing private sector and public sector role players together. Ubuhlebezwe experiences a serious lack of infrastructure and entrepreneurs. The LED unit identifies economic opportunities, identify potential entrepreneurs that can realize the opportunities and then ensure that the necessary public sector infrastructure and services are available to support the businesses in their endeavors. The organogram consists of the LED/Tourism Manager, 1 LED/Tourism Officer and a Business Licensing Officer

- **Local economic Development Forum**

An Inclusive Planning and active LED Forum were established. The forum consists of 4 subcommittees teams that sit quarterly to deal with issues within each sector. These subcommittee's teams are Agriculture, Tourism, Honey Project and Business Support.

- **A M&E plan in place to track progress and effectiveness**

Monitoring and evaluation is in place every quarter there is routine inspection done in all projects that are implemented and also monthly all agriculture related projects are visited by LIMA as an expert. Projects are monitored and evaluated continuously. Inclusive Planning and active LED Forum was established. Reports are tabled at Manco, Portfolio committee (social development) monthly. Subcommittees namely: Agriculture, Tourism, Honey and Business Support are normally sit in a quarter.

- **Plans in place to mobilize private sector resources**

Ubuhlebezwe Municipality signed memorandum of Understanding with Lima and World Vision to support Ubuhlebezwe Local Economic Development. Public/Private Partnerships formed with Sappi, Masonite, Mondi, World Vision, LIMA and Harry Gwala and Ubuhlebezwe to resuscitate Bee and Honey Project.

The municipality established LED forum with four committees presenting the progress on each committee which resulted to get funding from World Vision (NGO) , Private Sector Mondi, LIMA, ABSA BANK and Sappi in supporting LED projects. Public/Private Partnerships formed with Sappi, Masonite, Mondi, World Vision, LIMA and Harry Gwala and Ubuhlebezwe to resuscitate Bee and Honey Project.

- **CATALYTIC PROJECTS**

Project Description	Implementing Agent	Funding	Beneficiaries	Status quo
Small holder farm support	LIMA	R 4 363 861.76	800 farmers	The project was approved in august 2016 and the project is under implementation for the period of four years.
Erection of market stalls	Ubuhlebezwe Municipality	R 350 000.00	Street vendors (xopo town)	The project completed and handed over to the beneficiaries in February 2016.
Construction of Light Industrial Park	Ubuhlebezwe Municipality	R 850 000.00	10 (mechanic, automotive & body work) Highflats SMMEs	Business plan submitted to COGTA still waiting the response.
Construction of a highflats agro-processing and packhouse	Ubuhlebezwe Municipality	R 2 000 000.00	Cooperatives and SMMEs	Business plan was approved by the Department of Economic Development with no funds allocated to the project, then further submitted to Department of Rural Development and Land Reform (DRDLR) . Currently the DRDLR is busy conducting the feasibility study for the preparation of the business plan.

Table 22: Catalytic Projects

- **An analysis of the Health sector**

Ubuhlebezwe municipality in partnership with World Vision installed 6 vegetable tunnels for 6 support groups for people that are on chronic medication such as HIV, Diabetes, BP etc. At the beginning of the programme, the support groups were organized for people with HIV and AIDS only. However, due to discrimination that the groups suffered other groups with chronic illnesses were invited to join. Support groups are formed so that people infected with the disease can have a support system where they are free to talk about issues that affect them with people that they trust. According to departments and NGOs that worked with support groups, maintaining support groups is a big challenge because of lack of support. This is one of the critical issues that were raised during Ubuhlebezwe HIV/AIDS summit in July 2012.

These groups need to be involved in sustainable food security programmes that can assist them to get food for subsistence as well as for income generation purposes. Ubuhlebezwe municipality has conducted needs and assets assessment in the six support groups in order to understand their status quo. Based on the assessments it was clear that the groups were interested in vegetable production, although it was perceived as being labour intensive. For this reason the municipality in partnership with World Vision came up with food security mini tunnels with water tanks that were installed in 6 wards. They received a starter pack of seedlings, fertilizer and small garden implements. The groups now have a schedule for meetings, and all other activities that keep them busy and these include planting and harvesting their vegetables for subsistence and income generation purposes.

Government departments such as the Department of Health, Department of Social Development, Department of Agriculture and Department of Sport and Recreation have joined the programme and have played different roles.

The support groups were linked to Department of Social Development funded NPO that have HIV programmes for close monitoring in the wards.

- **Disease profile**

EPIDEMIOLOGICAL (DISEASE) PROFILE

Major causes of deaths in children >5 years:

- Pneumonia
- Gastro-enteritis with dehydration
- TB
- Septicaemia
- Convulsions/seizures

Ten leading causes of loss of lives:

Table 1: Disease profile

Disease Health barometer (%)

Disease	Health barometer (%)
1. HIV & AIDS	19.4
2. TB	16.4
3. Diarrhoeal diseases	6.6
4. LRI	6.5
5. Cerebrovascular disease	5.7
6. Diabetes	3.8
7. Nephritis	2.8
8. Road injuries	2.7
9. Hypertension	2.4
10. Interpersonal	2.0

Source: Department of Health: Ubuhlebezwe sub-district health plan 2017/18

The leading diseases were ranked according to the most to the least leading diseases that are the major causes of loss of lives. HIV is still the leading disease within Ubuhlebezwe municipality. Factors that are contributing to the loss of lives are mostly due to socio-economic factors and delay in seeking medical help.

In 2013/2014 HIV positive test rate among pregnant women was 36.6%, in 2014/15 it went up to 37.5% and down to 35.2% in 2015/16. The trend of maternal deaths went down from 2013/14 to 2015/16. The cause for maternal deaths were Postpartum Haemorrhage (PPH), followed by septic abortion, non pregnancy related (HIV), and pregnancy related sepsis. In 2014/15 it was non-pregnancy related and ectopic pregnancy, embolism. In 2015/16 it was non pregnancy related.

The municipality is still struggling with teenage pregnancy that is continuously going up. This challenge has been approached by strengthening school health services.

Deaths due to severe malnutrition in babies seemed to be going up. In 2013/14, it was 10 out of 95 babies, in 2014/15 out of 93 babies admitted 4 died and in 2015/16, out of 60 children admitted in 2015/16, 6 died. These deaths raised a serious concern in ensuring that Philamntwana centres are functional. The municipality is doing well with TB indicators with a loss to follow up rate of 1.3%

The municipality has established the support groups as stated on the table below:

Table 23: HIV/AIDS support groups

Support Group	Ward	Area/site	No. of participants	Progress	Contact person/s	Contact No
Lufafa	3	Lufafa Multipurpose, Ofafa	15	The group has been selling and consuming vegetables since December 2015.	Mathabethe	072 586 8319
Sizanani	4	Fairview hall-Fairview	10	The group managed to sell and use vegetables for subsistence since December 2015.	Thandiwe Mkhize Mrs Ncama	074 469 7346 082 506 1429
Sinawe	5	Ebutateni skills centre-Sangcwaba	11	The tunnel was installed but no vegetables were planted due to some challenges	Mrs Ndlovu	073 596 6135
Siyanoqoba	6	Masakhane Womens organisation-Ntapha (Hlokozi)	11	The group has been selling and using vegetables since December 2015	Hloniphile	076 081 2163
Vuka siyaphila	7	Jolivet clinic-Jolivet	16	The tunnel is doing very well with the assistance of CCGs and clinic staff	Lele Jwara	082 503 6166
Mpilonde	11	Nokweja	8	Vegetables were planted but they had water challenges	Mr Mkhize Mzokuthula	083 731 9429 074 061 8893/ 0626918363

- **Structures in place for vulnerable groups**

- **Children Forum:**

Children Forum has not yet being launched in Ubuhlebezwe; however it has been launched in a district level. Different stakeholders forms part of this forum, such as religious sector, disability sector, senior citizens sector, mens sector, women sector. Children's programmes are conducted annually, such as Child Protection month awareness campaign, which is carried out on the month of May, which is mostly aimed at fighting child abuse.

- **Disability Forum**

Disability structures are in place in all the 14 wards of Ubuhlebezwe as well as the Local Structure. Disability programmes are conducted annually, such Disability Month awareness campaign, which are carried out on the month of December as well as trainings and workshops through LED Office.

- **Senior Citizens Forum**

Senior Citizens structures are in place in all 14 wards of Ubuhlebezwe as well as the Local Structure. Senior Citizens programmes are conducted annually, such Golden Game that promote active ageing and these games

start at a local level up to the National Level. There are also senior citizens awareness campaigns that conducted during the month of October. The aim of these campaigns is to fight the abuse of elderly citizens.

- **Arts and Culture Forum**

Arts and Culture Structures are in place in all 14 wards of Ubuhlebezwe as well as the local structure. Performing Arts Development programmes are conducted annually, such as Ubuhlebezwe Tourism and Arts Festival, where aspiring artists are provided with a platform to expose their talents. Local Artists are also supported by the municipality with resources such performing instruments and uniforms to improve their level of performance. Trainings and workshops are also conducted to improve their performance.

- **Audit Outcome**

The audit outcome for the 2015/2016 financial year was unqualified without the emphasis of matter. There were no weaknesses identified by the Office of the Auditor General under this section.

- **Social and Local Economic Development SWOT Analysis**

TOURISM	<u>Strengths:</u> Diverse natural attractions Areas of scenic beauty Rare bird species Rail tourism – oldest narrow gauge garrot in the world	<u>Weaknesses:</u> No tourism strategy No funding for marketing Fragmentation amongst stakeholders
	<u>Opportunities:</u> Natural attractions and rare bird species provides an opportunity to attract special interest tourists to the area. The expansion of the rail tourism industry can provide tourists with an experience which is unique to the Ubuhlebezwe region.	<u>Threats:</u> The ability to initiate projects depends on whether funds are available/can be accessed to implement proposals. The lack of co-operation among stakeholders will result in the desired outcome not being achieved.

AGRICULTURE	<p><u>Strengths:</u></p> <p>Strategically located along the R612 and R56.</p> <p>Large labour pool.</p>	<p><u>Weaknesses:</u></p> <p>Lack of housing: although people are employed in the Ixopo area the lack of accommodation results in them living outside of the municipal area and hence their spending power is in other areas/regions.</p> <p>Condition of the roads: the development of business depends on its ability to transport products to consumers and access products from suppliers. The roads within the municipal area are not in good condition and this results in products being damaged while being transported.</p> <p>Unregulated informal sector: competition among hawkers in the informal sector is a problem as there is large number of operators in the retail sector.</p> <p>State of the town in some areas: some areas were a problem in terms of strewn litter, water flowing on the road surface, etc. This could lead to the decay of these areas.</p>
	<p><u>Opportunities:</u></p> <p>The strategic location of Ixopo provides opportunities for the possible location of industrial, commercial and other economic activity.</p>	<p><u>Threats:</u></p> <p>Changes in Market Forces: the global and regional markets are influenced by a range of issues which are not controlled by the local arena. These issues include the supply and demand for commodities, the exchange rate, etc.</p> <p>Impact of HIV/AIDS: the impact that the pandemic can have on the labour force is enormous. The epidemic can result in a decrease in the labour force due to deaths and associated sicknesses. This will hamper economic growth due to the withdrawal of active labour in the region.</p> <p>Performance of the District Municipality in the delivery of Services: the undertaking or expansion of projects/activities will depend on whether the required services are provided/adequate to sustain operations.</p>

<p>AGRICULTURE</p>	<p>Strengths:</p> <p>77% of the land in the municipality is suitable for agriculture.</p> <p>The R56 passes through the municipality, which provides linkage between the municipality and other major towns in the region provides markets by increasing the level of patronage and provides a road network for the transport of inputs and produce.</p> <p>The well-established commercial agricultural sector provides a conduit for the development of emerging farmers into commercial farmers.</p> <p>A fairly developed institutional arrangement exists in the municipality. For example, the district agricultural office is located in Ixopo, emerging farmers are reasonably organised into farmer associations and efforts to form cooperatives are underway. Other support institutions such as the World Vision International are actively involved in agricultural development.</p> <p>A reasonable agricultural support service is provided by the district agricultural office by way of education and extension services to both emerging and commercial farmers. Private companies such as NCD, TWK and general dealers provide inputs.</p>	<p><u>Weaknesses:</u></p> <p>The low skill base of emerging farmers would limit the rate of development into commercial farmers.</p> <p>The prevalence of HIV/AIDS has the potential to retard or even negate the efforts of agricultural development in the municipality.</p> <p>The main climatic limitation to agricultural development in the municipality is low temperature and frost. This limits the range of crops that can be grown, the length of the growing season and the level of production.</p> <p>Land under traditional authority jurisdiction is often marginal and very limited in size for the purposes of commercial agricultural production.</p> <p>Limited water resources in some areas.</p> <p>Most emerging farmers lack capital and collateral to access credit from banks.</p> <p>Although the department of agriculture is located within the municipality, understaffing results in inadequate provision of extension services to emerging farmers.</p> <p>Poor road condition and lack of transport have a negative influence on the marketing of produce for emerging farmers.</p>
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	<p><u>Opportunities:</u></p> <p>There is an opportunity for black contractors to be engaged in some contracts by timber companies.</p> <p>SMME development: The agricultural sector could provide the following SMME opportunities:</p> <ul style="list-style-type: none"> • value adding industry development (cheese, chips, ice-cream, packaging), • bee farming, • Timber out-grower scheme • utilization of timber off-cuts • Organic farming, and herb and spices production <p>Organic farming and herb production provide a niche market and a suitable alternative to small-scale commercial farmers.</p> <p>A fresh produce market will not only enhance economic development but will also boost and complement commercial agricultural development in the municipality.</p> <p>The high demand for dressed chicken in the area provides an opportunity for an abattoir to be established. This could be a local economic initiative for emerging farmers.</p>	<p><u>Threats:</u></p> <p>Land claims and sustainability of production:</p> <p>The prevalence of HIV/AIDS has the potential to retard or even negate the efforts of agricultural development in the municipality.</p> <p>Stock theft is a major demotivation factor to commercial livestock production. Lack of interest in agriculture by youth.</p> <p>Infighting within cooperatives.</p> <p>Currently most rural roads are unusable during the rainy season. If rural roads are not improved the transport of inputs and produce would be negatively affected.</p> <p>Risk of lower production levels than required sustaining an established infrastructure (fresh produce market, abattoir).</p>
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C.3.4 Municipal Financial Viability and Management

• CAPITAL FUNDING AND EXPENDITURE TO ADDRESS SERVICE DELIVERY

The municipality adopted a forward planning strategy wherein all procurement for the services required for capital projects is done a year prior the implementation year of such projects. This assists in eliminating delays that may be due to procurement processes. It also gives enough time to make corrective measures timeously should any unforeseen delay occur.

Funding Capital Budget:- Capital budget is largely finance through conditional grants from National Government as well as provincial Government. The municipality correspondingly finances some of the capital projects based on available own revenue generated.

Below is a table reflecting a summary of funds received, spent and variance for capital grants:

FINACIAL YEAR	FUND SOURCE	Roll Over	AMOUNT RECEIVED	AMOUNT SPENT	AMOUNT UNSPENT	COMMENT
2015-2016	MIG	0	R24,335,000	R-24,335,000	0	N/A
2014-2015	MIG	0	R23 553 000	R-23 553 000	0	N/A
2013-2014	MIG	R5,895,983	R22,038,000	R-27,933,983	0	N/A
2015-2016	SMALL TOWN REHABILITATION	R12,825,345	R0	R-4,257,760	R8,567,585	N/A
2014-2015	SMALL TOWN REHABILITATION	R8,791,803	R9,700,000	R-5,666,457	R12,825,345	N/A
2013-2014	SMALL TOWN REHABILITATION	R5,824,434	R11,143,000	R-8,175,631	R8,791,803	N/A
2015-2016	ELECTRIFICATION		R30 000 000	R30,000,000	0	
2014-2015	ELECTRIFICATION		R28 815 000	R20,371,302	R443,698	N/A
2013-2014	ELECTRIFICATION		0	0	0	N/A


The roll over on the Small Town Rehabilitation grant was due to unforeseen delays on the project Ixopo Bus Rank. This has now been addressed with external stakeholders and the project is ongoing and will be finalized during 2017 financial year.

- Projects indicated in order of prioritization for 2017/2018 financial year

<u>CAPITAL BUDGET PER ASSET CATEGORY</u>			
	Budget	Funding	New/Ongoing
Infrastructure - Road transport MIG	22 674 546,60	MIG & INTERNAL	New&Ongoing
Sports Fields & Stadiums	5 575 848,20	MIG	New&Ongoing
General vehicles	2 150 000,00	INTERNAL	New
Plant & Equipment	350 000,00	INTERNAL	New
Office & IT Equipment	1 231 500,00	INTERNAL	New
Office Furniture	623 800,00	INTERNAL	Replacing
Other Buildings	1 960 000,00	INTERNAL	New
Intangible	710 000,00	INTERNAL	New
ELECTRIFICATION PROJECTS	30 000 000,00	DoE	Ongoing
Other Assets	10 395 000,00	INTERNAL	New
TOTAL	75 670 694,80		

Table 24: CAPITAL BUDGET PER ASSET CATEGORY

- The Investments Register

UBUHLEBEZWE MUNICIPALITY 2016 - 2017 Financial Year 2017 01 Investment Register								
Insitution	Acc Type	Maturity Date	Interest Rate (%)	Deposits (Withdrawals)	Accumulated Investment	Interest Earned	Interest Accrued	% Per Inves
ABSA Bank - Small Twn Rehab.	3 Months - Fixed Deposit	01-Nov	7,40		785 305,52	160 475,78	154,90	0,01
ABSA Bank - Small Twn Rehab.	1 Month - Fixed Deposit	11-Nov	7,20		11 731 202,44	496 616,14	37 077,02	0,09
ABSA Bank - Electrification	1 Month - Fixed Deposit	08-Nov	7,20		11 269 877,48	485 535,73	35 618,98	0,09
ABSA Bank	Account closed	29-Jul	7,20		-	-	-	-
ABSA Bank	3 Months - Fixed Deposit	19-Nov	7,45		10 375 820,38	375 820,38	24 594,95	0,08
First National Bank - Equit. Share	Call Account	29-Nov	3,15		5 573 514	172 513,88	1 786,58	0,04
First National Bank - Equit. Share	Call Account	07-Nov	2,55		628 581	15 083,88	1 679,09	0,00
First National Bank - Equit. Share	14 days - Call Account	08-Nov	4,25		6 152 635	139 594,30	3 944,43	0,05
First National Bank - Equit. Share	3 Months - Fixed Deposit	10-Dec	6,76		5 808 610	555 253,72	53 375,55	0,04
First National Bank - Equit. Share	3 Months - Fixed Deposit				5 000 000		29 383,56	0,04
NED Bank	1 Month - Fixed Deposit	22-Nov	7,20		5 196 456	196 455,65	1 025,05	0,04
NED Bank	3 Months - Fixed Deposit	20-Nov	7,50	-5 000 000,00	5 377 169	377 168,99	16 463,89	0,04
NED Bank								-
STD Bank - Equit. Share	1 Month - Fixed Deposit	06-Nov	2,50		12 895	1 675,26	58,33	0,00
STD Bank - Equit. Share	3 Months - Fixed Deposit	20-Nov	7,73		10 387 918	387 917,66	30 783,53	0,08
STD Bank - Equit. Share	1 Month - Fixed Deposit	15-Nov	7,78		12 110 755	548 835,91	29 497,15	0,09
STD Bank - Equit. Share	Account closed	13-Nov	7,25		13 593	291 718,81	42,57	0,00
Investec - Equit. Share	3 Months - Fixed Deposit	24-Nov			5 043 658	103 883,37	6 510,60	0,04
Investec - Equit. Share					10 051 025	51 024,66	66 243,14	0,08
Ithala Bank - Equit. Share	3 Months - Fixed Deposit	16-Dec	7,55		5 967 464	221 983,99	91 948,00	0,05
Ithala Bank	1 Month - Fixed Deposit	20-Nov	7,50		5 289 845	227 639,58	3 196,51	0,04
Ithala Bank	1 Month - Fixed Deposit	20-Nov	7,50		5 193 680	193 680,47	1 067,19	0,04
Ithala Bank			7,72		5 000 000		54 739,73	0,04
				-5 000 000,00	126 970 005	5 002 878,16	489 190,75	0,96
First National Bank	Current Account	31-Jan			5 573 514	24 628	5 027 506	0,04
Cash and Cash Equivalent				-5 000 000,00	132 543 518	10 030 384		1,00

The municipality has short term investments totaling R126million and cash on hand of R5.5million in its current account as at 31 January 2017. The amount of unspent grants as at 31 January 2017 totaled R33,5million. A synopsis of unspent grants is as follows:

S 71(1) (f) ALLOCATION RECEIVED AND ACTUAL EXPENDITURE ON THOSE ALLOCATIONS						
Allocations	Original Budget 2016/2017	Actual Received YTD	Expenditure January 2017	Expenditure YTD	Unspent T D	% Expenditure Against allocation
Financial Management Grant	1 825 000,00	1 825 000,00	168 361,37	1 213 373,93	611 626,07	66%
Electrification - DOE	30 000 000,00	29 500 000,00	1 153 057,57	16 366 340,89	13 633 659,11	55%
Library Grant	559 000,00	559 000,00	58 730,99	431 128,71	127 871,29	77%
Small Town Rehab - COGTA (carry over)	8 567 584,77		(11 236,42)	3 412 605,27	5 154 979,50	40%
MIG	24 057 000,00	14 500 000,00	(748 694,88)	11 022 744,57	13 034 255,43	46%
Ixopo Sportsfield Maintenance Grant (carry over)	8 278,47	-	-	-	8 278,47	0%
Library Grant - Cyber	179 000,00	179 000,00	21 787,90	178 474,73	525,27	100%
EPWP	1 985 000,00	1 389 000,00	159 027,96	1 128 232,09	856 767,91	57%
Ixopo Sportsfield Grant (carry over)	143 182,42	-	-	-	143 182,42	0%
TOTAL	67 324 045,66	47 952 000,00	801 034,49	33 752 900,19	33 571 145,47	50%

The municipality's cost coverage is 14months with an estimated fixed cost of R7million per month.

- Indigent Policy

Ubuhlebezwe Municipality adopted an indigent policy at a Council meeting held on the 30th of March 2017 which seeks to address social ills within the municipality by supporting indigent households as required by legislation. The municipality offers free basic services in the form of, free basic electricity, refuse removal and exemption from payment of property rates. The municipality further budgets for social programmes that capacitate unemployed youth, persons with disabilities as well as SMME's.

- The purpose of the indigent policy is to ensure:
 - The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and
 - To provide procedures and guidelines for the subsidisation of basic service charges to its indigent households, using the Council's budgetary provisions received from Central Government, according to prescribed policy guidelines.
- Criteria for indigent qualification

In order to qualify for indigent support the following criteria must be met:

- Households where verified total gross monthly income of all occupants over 18 years of age does not exceed a total R 3 500 00 or an equivalent of two (2) state pensions.
- Subsidised services may include refuse removal and property rates.
- Only households where the account holder or property owner has applied as indigent, and whose application has been approved shall qualify for the above concessions.
- For a household to qualify for subsidies or rebates on the major service charges, the registered indigent must be the full-time occupant of the property concerned, and if not also the owner of the property concerned, may not own any other property, whether in or out of the municipal area. The property value will be assessed in line with the Municipal Property Rates. In the event of recognised polygamous customary marriages the applicant should provide property registration documents (title deed/lease agreements) for each property.
- All households that are child headed, even if they are below eighteen (18) years of age, are eligible to apply for the indigent support.
- Households must formally apply for relief on the prescribed documentation and satisfy the qualifying criteria/principles determined by the Council.
- The status of indigent is conferred for a period of not more than twelve months after which re-application must be made.
- **Indigent Register**

With the Indigent Policy being approved by Council, a total number of applicants qualifying to be registered as Indigents totals to 66:

Types of services		Tariffs	
Total Number of Indigents	66	Fairview Refuse Tarrif	24.57 per month
No of FBE	56	Morningside and Ixopo Town	121.10 per month
No. of Rates	23	Welfare Houses Morningside	24.57 per month
No. of Refuse	16	Fire Services	6.27 per month
No. of Fire	7		

- **Indigent Support Free Basic Services (FBS) for three years**

SERVICES	14/15	15/16	16/17
RATES	R 16,728.40	R 21,758.02	R 0.00
REFUSE	R 11,160.48	R 13,638.96	R 0.00
ELECTRICITY	R 572,044.20	R 566,316.12	R 663,221.40
REBATES	R 910,972.80	R 866,028.24	R 908,442.24
TOTAL	R 1,510,905.88	R 1,467,741.34	R 1,571,663.64

Table 25: FBS for three years

- **Revenue Enhancement Strategy**

Ubuhlebezwe Municipality developed a revenue enhancement strategy. The strategy is currently being reviewed to address revenue collection challenges experienced as well as enhancing revenue through exploring other avenues of revenue collection.

Municipal property development is part of the revenue enhancement strategy, which will result in an increase in property rates. A process of hiring of community hall has also been put in place. LED – financing of smme's for local economic development and job creation. These strategies are already being implemented, and this is work in progress, awaiting to see the impact it has in the next financial year.

- **DEBT MANAGEMENT**

Municipal's consumer debt position for the last three years:

2014	R 9 653 540
2015	R20 769 391
2016	R24 580 160
6 Months ending 31 December 2016	R30 795 462

It must also be noted that the municipality implemented a new valuation roll effective from 1 July 2013 which also resulted in an increase in property values thereby increasing overall debt on rates.

A huge amount of debt is sitting beyond 120 days of age.

Age analysis as at 31 January 2017:

Detail	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year	-	Debts
Source										
from Exchange Transactions - Trade and Other Receivables	0	0	0	0	0	0	0	0	0	0
from Exchange Transactions - Electricity	0	0	0	0	0	0	0	8 601	8 601	0
exchange Transactions - Transactions - Waste Water	6 787 632	609 724	563 653	538 636	525 090	516 463	3 435 204	14 846 499	27 822 900	0
Transactions - Waste	0	0	0	0	0	0	0	0	0	0
Transactions - Property Rental	338 156	110 198	91 926	78 116	73 354	69 914	363 795	2 561 093	3 686 552	0
Interest on Arrear Debtor Accounts	0	0	0	0	0	0	0	89 794	89 794	0
irregular or fruitless and	0	0	0	0	0	0	1 273	750 859	752 132	0
Other	0	0	0	0	0	0	0	0	0	0
Other	-2 446 232	33 669	33 283	33 128	31 803	31 740	141 679	710 445	-1 430 486	0
Total By Income Source	4 679 556	753 591	688 862	649 879	630 247	618 116	3 941 951	18 967 292	30 929 494	0
Customer Group										
Organs of State	2 941 901	157 566	156 810	152 401	152 096	152 090	1 641 844	4 109 092	9 463 801	0
Commercial	629 726	356 936	309 918	286 004	277 821	270 780	1 216 919	8 568 061	11 916 165	0
Households	1 106 634	239 078	222 123	211 463	200 318	195 236	1 082 831	6 289 580	9 547 261	0
Other	1 295	11	11	11	11	11	357	559	2 267	0
Total By Customer Group	4 679 556	753 591	688 862	649 879	630 247	618 116	3 941 951	18 967 292	30 929 494	0

The municipality approved a write off of penalties and interests during the 2015 financial year in order to address the collection rate challenges.

Collection rate as at 31 January 2017 was at 84%

2016 - 2017 Collection Rate								
	MTD							
	July	August	September	October	November	December	January	February
Receipts	160 657,54	342 931,97	675 509,22	691 755,73	419 281,84	335 879,35	658 404,64	
Rates	6 933 607,75	790 866,46	792 874,63	793 543,44	803 432,77	798 751,12	798 751,12	
Collection Rate	2,32%	43,36%	85,20%	87,17%	52,19%	42,05%	82,43%	#DIV/0!
Receipts	64 853,25	88 445,83	99 274,59	98 657,73	86 342,88	81 042,18	134 210,39	
Refuse	143 242,08	143 348,31	143 348,31	144 644,62	146 668,83	146 987,52	149 330,42	
Collection Rate	45,28%	61,70%	69,25%	68,21%	58,87%	55,14%	89,87%	#DIV/0!
Receipts	36 771,26	39 884,83	22 049,75	32 581,30	38 841,28	47 386,70	61 738,15	
Rentals	47 907,48	47 907,48	48 175,00	48 175,00	48 175,00	48 416,22	59 392,22	
Collection Rate	76,75%	83,25%	45,77%	67,63%	80,63%	97,87%	103,95%	#DIV/0!
Total Rec	262 282,05	471 262,63	796 833,56	822 994,76	544 466,00	464 308,23	854 353,18	
Total Billing	7 124 757,31	982 122,25	984 397,94	986 363,06	998 276,60	994 154,86	1 007 473,76	
Total Rate	3,68%	47,98%	80,95%	83,44%	54,54%	46,70%	84,80%	#DIV/0!

- **Supply Chain Management**

The SCM Unit is fully capacitated with no vacant posts. A demand management plan is developed and is in line with the budget and SDBIP. The SCM Policy was developed and approved by council.

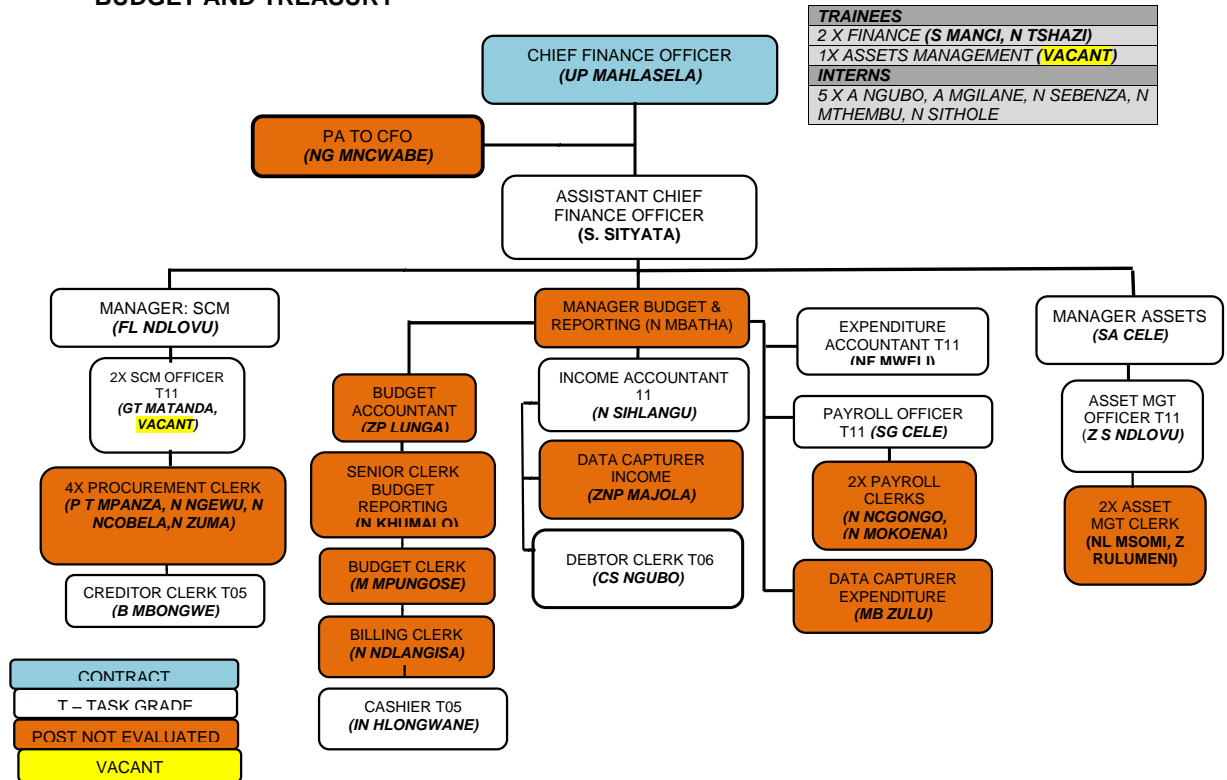
The SCM Policy is aligned to the MFMA, PPPF and SCM Regulations. The policy speaks to the BBBEE and does not add any other points in procuring goods and services other than the prescribed points. There were no material SCM findings reported by the office of the auditor general for the three consecutive years ending 30 June 2016. All deviations were reported to council. There was no irregular, fruitless and wasteful expenditure.

- **Budget and Treasury Office and the Preparation of Annual Financial Statements**

Budgeting and the preparation of annual financial statements are both done in-house with no use of consultants. All key personnel posts were filled with the new post of Budget and Reporting Manager. The staff turnover rate is largely on the junior posts which are filled within a month after resignation.

The following is the BTO organizational structure:

BUDGET AND TREASURY

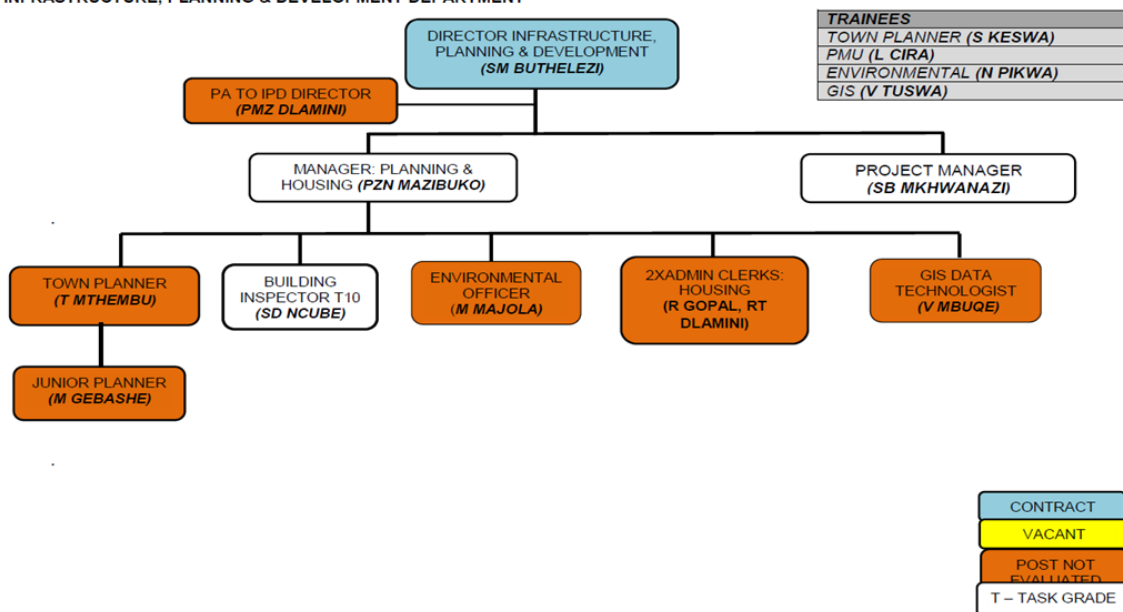


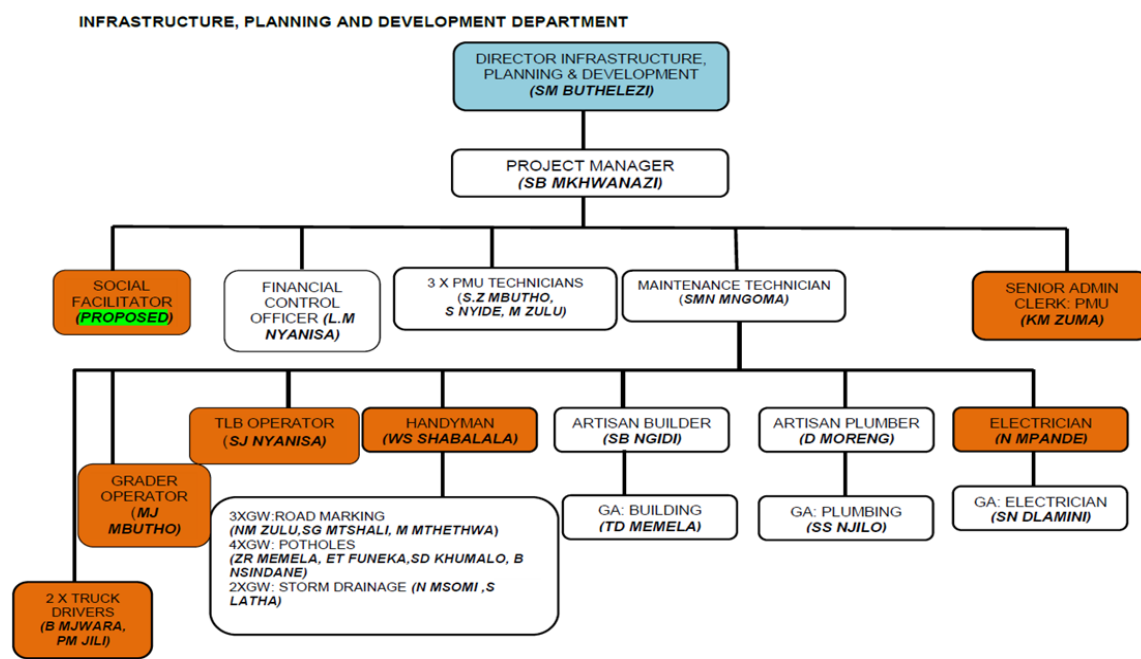
• Infrastructure Planning and Development Department (Technical Services)

Within Infrastructure Planning and Development Department, all key personnel posts were filled with the staff turnover rate largely on the junior posts which are filled within a month after resignation.

The following is the Infrastructure Planning and Development Department organizational structure:

INFRASTRUCTURE, PLANNING & DEVELOPMENT DEPARTMENT





- **Lines of communication between Technical Services and the BTO**

There is an integrated and inter-relations between all departments within the municipality that are well established and also evident in the engagements through different structures and committees, such as MANCO, MPRA Committees, etc.

- **Municipal Assets and Infrastructure**

The municipality adopted an asset management policy which addresses accounting, safekeeping and maintenance of municipal assets. Furthermore the municipality develops a maintenance plan every year which emanates from the annual asset conditional assessment as prescribed by GRAP. The municipality furthermore keeps an updated asset register for all municipal assets, which is reconciled monthly. The assets register addresses, costs, depreciation, acquisitions and disposed assets. Assets are only disposed through a council resolution and through a public auction.

- **Repairs and Maintenance**

The budget for Repairs and maintenance for the year 2016-2017 is R3 382 650. The amount is 4.5% of the total capital budget. The municipality is aware of the norm which is 8%, however the resources are limited. In order to increase the percentage of repairs and maintenance, the municipality does not outsource repairs and maintenance. Furthermore the municipality has budgeted for plant so as to reduce the costs of plant hire. Effectively, the cost of repairs would at least be close to the 8% norm due to cost cutting measures and alienating third parties.

FINANCIAL YEAR	ACTUAL BUDGET SPENT
2014-2015	2 339 133
2015-2016	2 930 058
2016-2017	N/A (as the year is still not yet over)

- **Maintenance Plan**

An Asset Maintenance Plan was prepared for the following types of Infrastructure Assets:

- Municipal Roads
 - (i) Sealed Roads
 - (ii) Unsealed (Gravel) Roads
- Municipal Buildings and Community Facilities
 - (i) Office Buildings
 - (ii) Halls
 - (iii) Sport-fields

- **Three (03) Year Financial Ratios and Cost Coverage Ratios**

The municipality has cost coverage of 14 months, as at 31 January 2017, which is calculated as follows:

Cash and cash equivalents R132 543 518

Unspent Grants R 33 571 145

Fixed monthly costs R 7 000 000

The ratio therefore is 1:14