

**Mkhambathini
Municipality**
For the Community

SECTION D

**SPATIAL
DEVELOPMENT
FRAMEWORK**

4.1 SPATIAL DEVELOPMENT FRAMEWORK

In terms of section 26 (e) of the Local Government Municipal Systems Act, Act 32 of 2000 “An Integrated Development Plan must reflect a Spatial Development Framework which must include the provision of basic guidelines for a Land Use Management system for the municipality”.

A spatial development framework is a framework that seeks to guide overall spatial distribution of current and desirable land uses within a municipality, in order to give effect to the vision, goals and objectives of the municipal IDP.

The Spatial Development Framework can provide strategies which:

- (a) Indicate desired patterns of land use within the municipality.
- (b) Address the spatial reconstruction of the municipality.
- (c) And provide strategic guidance in respect of the location and nature of development within the municipality.

The Municipality can be split into four main bands of activity and character namely: the Northern Area Maphumulo TA; the Camperdown Primary Node; the Central Commercial Farming Area to include Umacala Gwala TA; and the Southern Area Isimahla, Embo-Timuni TAs. The spatial development framework informants reflect that the major concentrations of population are in the relatively remote north and the south of the Municipal area, and therefore a special focus has been given to these two areas for development intervention, apart from the other areas which have also been taken into account.

4.1.1 Northern Area (Maphumalo Tribal Authority) and Commercial Farmlands near Ashburton and Lion Park Interchange

An opportunity point is located at the lion park interchange on the N3. This area lends itself to a variety of mixed uses and should be developed as a mixed use development node. The mixed use development node will include uses such as office parks, residential layouts, clean low impact industry and industrial offices or industrial headquarters ideally placed between Pietermaritzburg and Durban.

The road from the Lion Park interchange leading to Maphumulo Tribal Area has been upgraded as a secondary transportation route but providing a main link from the N3 between Pietermaritzburg and Durban to the Maphumulo Tribal Authority area.

A Secondary node has been identified as an expansion of the development that has taken place on the Outer West side of the Msunduzi River near Ophokweni in this area adventure tourism and tourism is an important element in this area and as such

certain roads have been recommended for upgrading, the one is linking through from B566 to Maqongqo and then the link from Maqongqo to Nagle Dam forming a loop back to the development node.

Another road is recommended as a tourism route and this is the one that links through near the Lion Park through to the Ximba Tribal Area. The conservation area of Table Mountain which is an important natural resource in this area and a tourist attraction has been expanded to include the contour line running at the base of the mountain. This area is set aside for adventure tourism and for appreciation of the mountain and the natural resources that it offers.

4.1.2 Southern Tribal Authority Areas Of Isimahla And Embo-Timuni

The Isimahla area and Embo-timuni tribal areas blend themselves to eco and adventure tourism as they have special natural features in them such as mountains and rivers and streams and rugged topography which are an attraction to adventure seekers and tourists wishing to see the more undeveloped areas of the Province.

- A tertiary node has been identified at Isimahla and two tertiary nodes have been identified in the Embo-timuni area.
- In order to promote eco adventure tourism routes have been identified and are shown linking Eston with the tribal areas and ultimately the Umkomaas River and into Vulamehlo Municipality.
- For the more hardened adventure features and also to create economic opportunities for those living in the area a 4 x 4 link is proposed between Ezimwini and Ngilanyoni.

4.1.3 Commercial Farming Area between Camperdown and Ezimwini To Include Mid Illovo, Eston And Manderston And Itala Game Reserve Area

This area remains an agri eco-tourism and food production area and the proposals made in the second draft SDF remain the same except for the following:

- Mid Illovo becomes a tertiary node as it serves the farming community in the Area.
- Eston remains a secondary node which has been made larger to incorporate the sugar mill.

4.2 THE PRIMARY MOVEMENT CORRIDOR

4.2.1 The N3 Corridor

The N3 bisecting Camperdown and passing through the Mkhambathini Municipality is identified as a Primary Movement Corridor. This type of corridor is of National and Provincial importance. It links Metropolitan areas and is the main road transport conduit of people and goods. This important inter-provincial route links the economic powerhouse of South Africa, i.e. Gauteng /Tshwane Metropolises to the port of Durban and the eThekweni Metropolitan Area as well as to the rest of the African Sub-Continent and is central to the development of these areas and to tourism. Clearly its

function is greater than a Primary Corridor. While it is also an important local corridor its main function needs to be sustained.

Development on either side of this corridor should be a variety of mixed use of a low to medium impact and be visually attractive when observed from the N3. It should not be hazardous to corridor users.

4.2.2 Primary Corridor

The R603 is the Primary Corridor which links the Municipality to the South Coast. It is of Provincial and Municipal importance. It serves the commercial agriculture community, rural residential communities and also serves as a tourism link. Development along this corridor should be safe and attractive to enhance tourist appreciation and should not be permitted on an ad hoc basis.

4.2.3 Secondary Transport Route

The road from the Lion Park interchange leading to Maphumulo Tribal Area has been upgraded as a secondary transportation route but providing a main link from the N3 between Pietermaritzburg and Durban to the Maphumulo Tribal Authority area.

A small corridor from the N3 along the proposed secondary transportation route is proposed which should also be for mixed use purposes. The length of this corridor would extend approximately 1.5 to 2km from the interchange in addition to the opportunity point identified at this intersection/ interchange.

4.2.4 Eco – Adventure Tourism Routes

Adventure tourism and tourism is an important element in the Maphumulo area and as such certain roads have been recommended for upgrading, the one is linking through from B566 to Maqongqo and then the link from Maqongqo to Nagle Dam forming a loop back to the development node. Another road is recommended as a tourism route and this is the one that links through near the Lion Park through to the Ximba Tribal Area.

In order to promote eco adventure tourism routes have been identified and are shown linking Eston with the tribal areas and ultimately the Umkomaas River and into Vulamehlo Municipality.

For the more hardened adventurers and also to create economic opportunities for those living in the area a 4 x 4 link is proposed between Ezimwini and Ngilanyoni, which are divided by extremely rugged terrain. The position of the final route would need to be located to the satisfaction of the Inkosi and local community at Embo Tumini.

4.3 . NODES

In terms of the Mkhambathini SDF, the Settlement Hierarchy proposed for the municipal area is as follows:

- a. P rimary Node - Administrative and Economic Centre:
- b. S econdary Nodes – Distribution Point
- c. T ertiary Nodes - Delivery of Supplementary Services:

4.3.1 Primary Node

Camperdown is the major residential and commercial center within the Mkhambathini Municipality. Given the principles set out in Chapter 1 of the DFA, and in view of the Council’s planning and development objectives, the primary node includes areas of small subdivision around the established center to as close as possible represent the shape of an even circle around the main core to deviate from the ribbon like development that has occurred in the past. (see **SDF Map**). This shape will allow for a better economy of services provision in the future and also make better use of the road network comprising the R603, P369, D234, D409 and D832 traversing the nodal area.

The area has a largely urban setting and incorporates the major economic and administration activities. It accommodates the municipal offices, schools, police station, a hotel/bottle store and a variety of commercial and retail outlets. The “village in the country” atmosphere which is evident in some portions of the area is an important attribute which needs to be conserved and enhanced, particularly as new areas are opened up for residential and other development.

The node is traversed and separated by the Primary Movement Corridor which is the National Road Route (N3) and to the West it links onto the Primary Corridor connecting the Municipality to the South Coast (R603), providing a high degree of accessibility. It is recommended that the concept of mixed use be employed around the existing core to provide a variety of development opportunities as the Primary Node expands. The emphasis is on providing a growth of mixed usage between already developed areas and into the areas of small subdivision to the south. More detailed planning of the node in the form of a local area development plan needs to be undertaken, taking into account amongst other considerations: the proximity of the N3 Freeway and position of intense farming areas (e.g. chicken broilers) and their amenity impact on future residential areas; issues such as air quality (e.g. smell); water quality; visual landscape quality; compatibility with tourism objectives and the Primary Movement Corridor. This could be done when the LUMS is next updated. However in the interim development in the new mixed use areas would need to be considered on its own merit.

4.3.2 Secondary Nodes

The areas of Opokweni overlapping into the Outer West Municipality and Eston have been identified as Secondary Nodes or Service Centres. These areas play an important role as service centres to communities and farmers in the northern and central portions of the municipality, providing housing and a smaller range of commercial and social services than what is offered in the Primary Node. An emergent or third secondary node is identified at Ngilanyoni due to its central location within a highly populated

area and its position on the Eco Adventure Route route through to Vulamehlo Municipality. At present its status remains as tertiary but its development should be monitored and its status reviewed at a later stage.

The Ophokweni node: A Secondary node has been identified as an expansion of the development that has taken place on the Outer West side of the Msunduzi River near Ophokweni. This node should be expanded over the Msunduzi River to also service the Maphumulo TA area and make use of the abundant flat land across the river from the development currently taking place. It should not duplicate facilities occurring in the Outer West area but should provide complimentary facilities to serve both Maphumulo TA and Ximba TAs.

4.3.3 Tertiary Nodes

Tertiary nodes have been identified at Maqongqo (north), Mid-Illovo (central, Tilongo, Ngilanyoni and Ezimwini (south).

Tertiary nodes are the lowest order nodes which may develop a nucleus and emerge into higher order nodes over time. A range of services for local communities could be concentrated within these nodes in a sustainable way depending on:

- In identifying service satellites a number of factors should be considered to determine the most suitable / optimal locations. These include, amongst other factors:
 - Density and distribution of population to be served
 - Level of existing economic activity
 - Proximity of transport routes and modes of transport
 - Topography of locality
 - Land Tenure arrangements
 - Levels of service infrastructure

4.3.4 Opportunity Point/Node

An opportunity point is located at the lion park interchange on the N3 to capitalize on the interchange infrastructure already in place and the extensive undulating land available at this point. This node when once developed will be the gateway to the Mkhambathini Municipal area when entering from the North.

This area is easily accessible and visible from the N3 and should be developed as a mixed use development node. The mixed use development node should include uses such as office parks, residential layouts, clean low impact industry and industrial offices or industrial headquarters ideally placed between Pietermaritzburg and Durban.

4.4 LAND USE MANAGEMENT SYSTEMS

A Land Use Management System has been developed for the Mkhambathini Municipal area. The LUMS was approved by Council in 2008 and forwarded to the Provincial Planning Commission for consideration.

The LUMS aimed at establishing awareness amongst communities to promote the sound use and management of land, which would result in the sustainable use of resources within the municipality. Funding was sourced from Department of Local Government and Traditional Affairs and consultants were appointed to prepare the LUMS.

The LUMS incorporates the following:

- Land Use Framework providing the link between the SDF and the Land Use Schemes (LUS);
- A Land Use Scheme (LUS) covering the whole of the municipal area, reflecting the desired land use zones agreed upon, through a process of public participation and consultation;
- A LUS document containing the management rules and statutory requirements for the respective zones in the LUS;
- An updated cadastral base for the priority focus areas containing the land use information which will feed into the municipality's broader LUMS;
- The necessary management overlays for specific areas;
- The LUMS must be in line with legislative requirements;
- The LUMS needed extensive community participation.



SECTION E

SECTOR INVOLVEMENT

5.1 DEPARTMENT OF AGRICULTURE (LANDCARE PROJECT)

Funding Proposal For The Prevention of Dongas and Vegetation in the Area of Emanyavini Tribal Authority

Purpose

The main purpose of the project will be to heed the call by government to develop rural areas. The aim of the project is to work in conjunction with the community of Emanyavini for socio, environmental and economic development to alleviate poverty, through the prevention of dongas and vegetation.

Grant Component

Year 1	Costs
Tools to determine alien plants chemical, mechanical, and biological	R 45 000.00
Training (capacity building skill management)	R 38 000.00
Land Preparation (level, digging trenches)	R 30 000.00
Gabions	R 240 000.00
Labour Costs	R 30 000.00
Running Cost	R 23 333.00
Year 2	Costs
Running Cost	R 23 333.00
Labour Cost	R 30 000.00
Fencing	R 60 000.00
Year 3	Costs
Labour Cost	R 30 000.00
Running Costs	R 23 333.00
Infrastructure	R 420 000.00

5.2 DEPARTMENT OF HOUSING

Priority Areas for 2010/2011

- Slum Clearance
- Strengthen governance and service delivery
- Job Creation
- Rural Housing
- Upgrade Public Sector Hostels
- Rental Housing
- Capacity Building

The Development of Housing Plans

- Considerable progress has been made within uMgungundlovu District
- 6 municipalities have approved housing plans in place (Mpofana, uMngeni, Richmond, uMshwathi, Mkhambathini, Impendle)
Msunduzi : inception
- HSP – housing focus in IDP
- HSP – to inform District infrastructure planning
- HSP – to provide greater spatial linkages

CURRENT HOUSING PROJECTS- CASH FLOW PROJECTIONS & MTEF CONDITIONAL GRANT INFRASTRUCTURE

Local Municipality	Slums/ Informal Upgrade	EPWP	Project Status	Project Type	Total Project Cost (start)
Mkhambathini Local Municipality	Informal Upgrade	Yes	Stage I	Rural	R 31,474,000
	Informal Upgrade	Yes	Stage I	Rural	R 25,139,200
	Informal Upgrade	Yes	Stage I	Rural	R31,424,000
	Informal Upgrade	Yes	New	Greenfields/ slums	R16,250,000
	Informal Upgrade	Yes	Stage I	Rural	R65, 259,000
	Slums Clearance	Yes	Preparation	Slums Greenfields	R26,286,650

CHALLENGES

- Creating sustainable human settlements
- Maximizing IDP linkages
- Alignment with MIG funding program of district
- Creating awareness of HSP
- Actual implementation of HSP
- Building municipal capacity

5.3 KZN AGRICULTURE AND ENVIRONMENTAL AFFAIRS

5.3.1 Overview of Environmental Management

- In the Bill of Rights of the Constitution of South Africa, everyone has the Right to live in an environment that is not harmful to their health and wellbeing; and
- To have the environment protected for the benefit of present and future generations.
- The roles & responsibilities for Environmental Management and Governance extend through all three spheres of Government

5.3.2 Completed Projects and Programmes for 2009/2010

- Msunduzi EMF completed
- Compliance & Enforcement awareness and capacity building programme
- Environmental co-operative forum established with uMngeni Municipality
- Urban greening in Georgetown and Sobantu (to be continued into 2010/11 financial year)
- Arbor Day; Heritage Day; Biodiversity; World Environment Day; Wetland day events co-ordinated
- Eco-schools initiatives expanded throughout District

5.3.3 Proposed Projects for 2010/2011

- Education and Awareness: Aligned to War on Poverty programme
- Completion of District IWMP
- Completion of uMshawathi / Albert Falls EMF
- Completion of integrated SDF/SEMP/LED for Impendle Municipality
- Initiation of uMgungundlovu District SEA project in collaboration with UMDM
- Urban greening programme
- External funding dependant: EMF for Mkhambathini / N3 Corridor area

5.3.4 PROPOSED PROJECTS AND PROGRAMMES MTEF 2011/12/13

Projects	2010/11	2011/12	2012/13
Environmental Awareness & Capacity building	R150 000	R175 000	R180 000

Urban greening	R300 000	R300 000	R350 000
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5.4 Eskom

5.4.1 Challenges

- Meeting 2012 Government Expectation
- Mobilising Resources
- Integrating IDP With Eskom Plans
- Lack Of Sector Planning From LM
- Government Special Programmes
- Feedback To LM Dora Section 23

5.4.2 STATUS OF ELECTRIFICATION

Number	Municipality Name	Total no of Households	No of Households Electrified	No of Households Not Electrified
DC22	uMgungundlovu			
• KZ221	uMshwathi	23,732	13,485	10,247
• KZ222	Umgeni	20,489	15,500	4,989
• KZ223	Mooi River/Mpofana	9,599	5,729	3,870

• KZ224	Impendle	7,335	6,216	1,119			
• KZ225	Msunduzi	130,385	115,957	14,428			
• KZ226	Mkhambathini	12,550	6,811	5,739			
• KZ227	Richmond	12,537	6,861	5,676			

5.4.3 3 Year plan - Mkhambathini Municipality

DM_CODE	LM_CODE	Local Munic	Project Name	Dependency	Conns
DC22	KZ226	Mkhambathini	Ismont , kwadengu, gul		998
DC22	KZ226	Mkhambathini	Eston Nb12 - Njobokazi		116
DC22	KZ226	Mkhambathini	Eston Nb13 - Ngilayoni		585
DC22	KZ226	Mkhambathini	KwaMgugu / Ogagwini /		1107
DC22	KZ226	Mkhambathini	Nungwane 01	Ngwadini 132/22/11kV SS Establish	59
DC22	KZ226	Mkhambathini	Camperdown 01 NU		2707

DC22	KZ226	Mkhambathini	Nungwane 02	Ngwadini 132/22/11kV SS Establi	1819
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5.5 Department of Health

5.5.1 Focus Areas

- Improving service delivery
- Comprehensive approach to management of HIV & AIDS especially access to ARV's
- Poverty alleviation & food security
- Good governance
- Infrastructure Development
- Epidemic Preparedness for 2010 World Cup

5.5.2 Budget 2010/2011

- **The provincial Department of Health is continues to financial pressure that has been brought on by various factors including:**
- Under budgeting for service delivery and wage bill from Central Treasury.
- The average 10% salary increase and the OSD for other medical professions.
- High essential cost drivers such as gas, fuel, electricity and the cost of consumables.
- The Province is currently headed toward a further over-expenditure for this financial year although cost control measures have been put in place.

This scenario presents a challenge with forward projection for the expansion of services in the District. As the budget we will be receiving this year is exactly the same as we received last year!

5.5.3 Primary Health Care

A full time Primary Health Care Manager has been appointed to manage this essential component of service delivery.

MUNICIPALITY	PROGRAMMES	PLANS
<p>C22 – Umgungundlovu ❖ KZ221 – Umshwathi ❖ KZ222 – Umnjeni ❖ KZ223 – Mpofana ❖ KZ224 – Impendle ❖ KZ225 – Msunduzi ❖ KZ226 – Mkhambathini ❖ KZ227 - Richmond</p>	<p>PHC</p>	<p><u>Extension of hours of service:</u> Bambanani, Emtulwa , Nxamalala, Mafakathini, Injabulo, Maguzu, Ndaleni, Mbuthisweni will continue to provide 24hr on call services. 16 mobile teams servicing 275 mobile stopping points .</p> <p><u>PHC Outreach Programmes:</u> Dental services are available at Gomane, Richmond, Bruntville, EastBoom and Imbalenhle as well as Appelsbosch Hospital (new development). Services are also provided in uMngeni Municipality.</p>

5.5.4 CLINIC UPGRADING AND BUILDING PROGRAM – ACTIVE PROJECTS

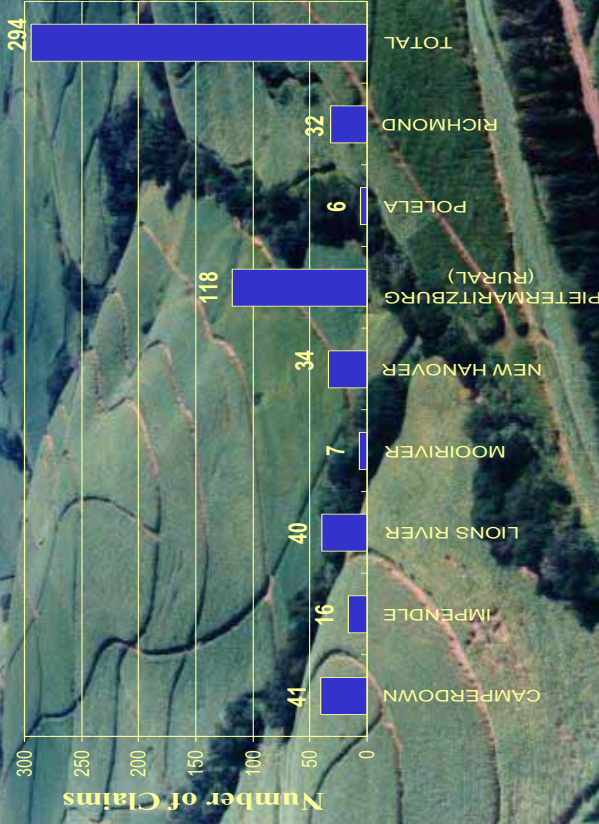
LOCAL MUNICIPALITY	CLINIC	STATUS
Umshwati	Emabedwini Efaye Bhamshela	All new Infrastructural Projects currently on hold due to Budget constraints. Efaye is at Window Level currently Bhamshela process is on hold due to budget and will recommence as soon as financial situation normalizes.
Msunduzi	Kwampande	On hold as above
Mkhambatini	Ezimwini	On hold as above
Richmond	Hopewell Phatheni	On hold as above

5.6 LAND CLAIMS COMMISSION

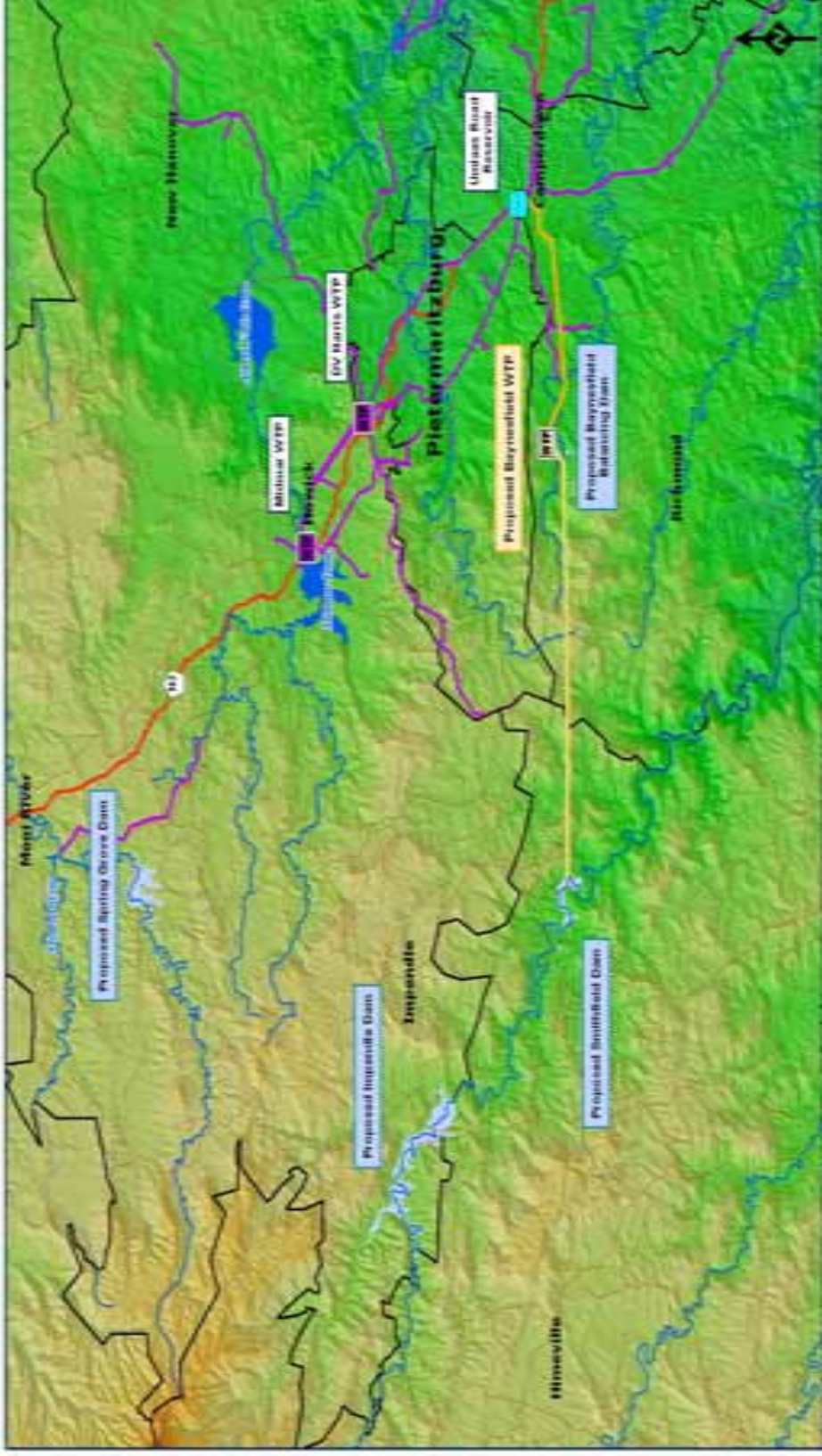
Land Claims Commission - KZN Summary Lodged Claims per LM

UMGUNGUNDOLOVU DISTRICT MUNICIPALITY	No. of Claims	
	Originally Lodged (includes duplicates)	No. of Claims as Consolidated (excludes duplicates)
CAMPERDOWN	71	56
IMPENDLE	48	27
LIONS RIVER	45	48
MOORIVER	11	9
NEW HANOVER	58	41
PIETERMARITZBURG (RURAL)	221	184
PIETERMARITZBURG (URBAN)	2321	1024
POLELA	14	8
RICHMOND	66	41
TOTAL	2855	1438

Land Claims Commission - KZN UMGUNGUNDOLOVU DM Outstanding Claims per LM



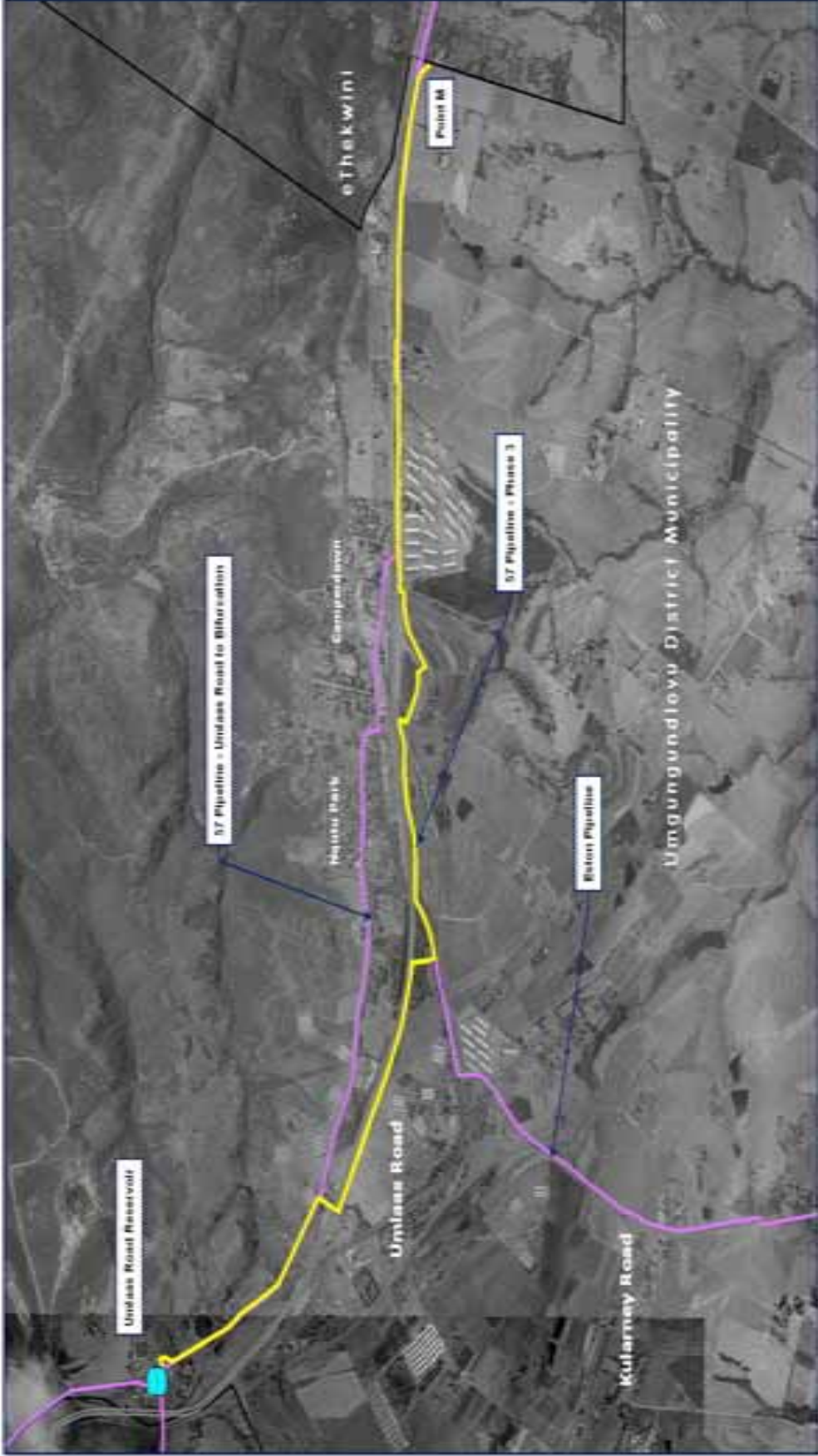
The Mkomazi Water Supply Project



Purpose: If water demands continue to grow at current rates, then even with water demand management initiatives in place, the safe assured yield may be exceeded when MMTS-2 is commissioned. The purpose is therefore to augment the water resources.

- A DWAF-UW collaboration which will be composed of 2 phases.
- Phase 1 will involve the construction of Smithfield Dam, located along the central reaches of the Mkomazi River (Ingwe Local Municipality). A tunnel/pipeline & WTP in Richmond Local Municipality will transfer the water to the Umlaas Road Reservoir in Mkhambathini Local Municipality.
- Phase 2 will be implemented once the yield of the Smithfield Dam has been fully utilised and will involve the construction of a second dam (Impendle Dam) upstream of the proposed Smithfield Dam (Impendle Local Municipality).
- Status: The feasibility study for water resource component due to start in April 2009; the feasibility study for the water infrastructure component due to start in July 2009. Most optimistic date for commissioning is 2019.

57' PIPELINE




Purpose: To upgrade the existing 57' Pipeline to meet increased demands.

Expected Outcomes: The new '57 Pipeline will be a 8700m long, 1400mm diameter steel pipeline with a capacity of 450MI/day

- **Progress to Date:** This project is in construction and commissioning is anticipated to occur at the end of next year (2011).
- **Total Project Cost:** R128,660,000
- **Budget:** 2010/2011 – R33,000,000
2011/2012 – R5,000,000

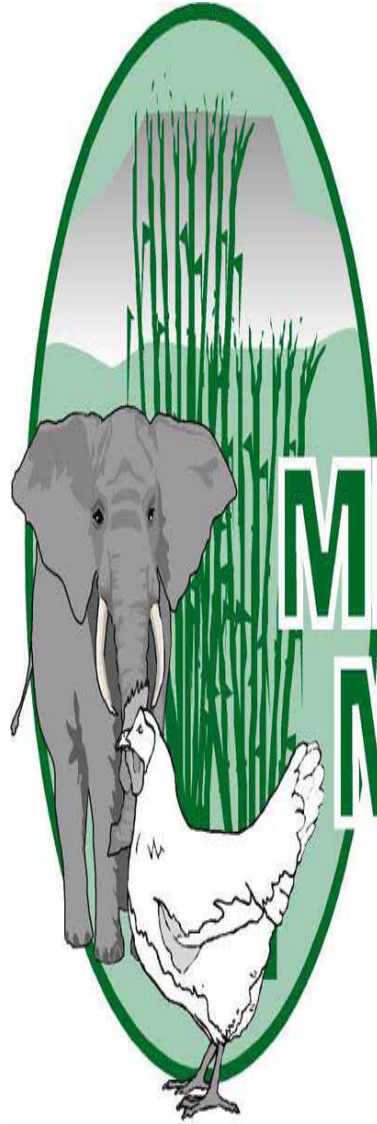


Name of Project	Purpose	Location	Expected Outcomes	Progress to Date
<p>The Mkomazi Water Supply Project</p>	<p>If water demands continue to grow at current rates, then even with water demand management initiatives in place, the safe assured yield may be exceeded when MMTS-2 is commissioned. The purpose is therefore to augment the water resources.</p>	<p>Ingwe, Richmond, Mkhambathini and Impendle Municipalities.</p>	<p>- Phase 1 will involve the construction of Smithfield Dam, located along the central reaches of the Mkomazi River (Ingwe Local Municipality). A tunnel/pipeline & WTP in Richmond Local Municipality will transfer the water to the Umlaas Road Reservoir in Mkhambathini Local Municipality.</p> <p>- Phase 2 will be implemented once the yield of the Smithfield Dam has been fully utilised and will involve the construction of a second dam (Impendle Dam located in Impendle Local Municipality) upstream of the proposed Smithfield Dam.</p>	<p>Project Planning: DWA and Umgeni Water.</p> <p>Initiation of the feasibility study for water resource component has been delayed due to capacity constraints at DWA; therefore the feasibility study for the water infrastructure component has also been delayed (water resource component is an input into the water infrastructure component). DWA have drawn up the ToR for the Project Co-ordinator and this is anticipated to be advertised this year. Most optimistic date for commissioning is 2020.</p>

	<p>Augment the existing pipeline to meet growing demands in the Outer West area of eThekweni Municipality and to meet the future demands of the Western Aqueduct pipeline</p>	<p>Wards 18 and 37 in The Msunduzi Municipality and Ward 3 in the Mkhambathini Municipality (regional link and therefore beneficiaries are the greater PMB-</p>	<p>New 13.1km of 1,100mm diameter steel pipeline.</p>	<p>Is in the design phase. Construction is planned to commence in June 2011.</p>	
	<p>ED4 to Umlaas Road Pipeline</p>				

	that is currently being constructed.	Durban region).		
<p align="center">Greater Eston Bulk Water Scheme</p>	<p>To provide sustainable potable water to the rural communities in the rugged terrain of southern Mkhambathini. This project will see the implementation of distribution pipelines from the Eston-Umbumbulu Pipeline to the stand-alone reticulation schemes. Umgungundlovu has appointed Umgeni Water as the implementing agent for the bulk component of this project.</p>	<p>Wards 4, 5, 6 and 7 in Mkhambathini Municipality.</p>	<p>Stand-alone reticulation schemes will be supplied with water from the Eston-Umbumbulu Pipeline.</p>	<p>Detailed feasibility of this project is complete. Appointment of PSP for detailed design is in progress. Construction is anticipated to begin in early 2011.</p>
<p align="center">New '57 Pipeline</p>	<p>To upgrade the existing 57' Pipeline to meet increased demands.</p>	<p>Mkhambathini Municipality</p>	<p>The new '57 Pipeline will be a 8,7km long, 1400mm diameter steel pipeline with a capacity of 450ML/day.</p>	<p>This project is in construction and commissioning is anticipated to occur at the end of next year (2011).</p>

<p>Manyavu Water Supply</p>	<p>To augment the current supply system at Manyavu with a dedicated pipeline from the Umlaas Road Reservoir via the Lions Park Pipeline.</p>	<p>Wards 2 and 3 in Mkhambathini Municipality.</p>	<p>Manyavu community will obtain water from the Umlaas Road Reservoir via an extension to the Lions Park Pipeline and some upgrades to portions of the existing network.</p>	<p>Planning has been completed. Umgungundlovu and Umgeni Water are working on sourcing funding for this project.</p>
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Mkhambathini
Municipality
For the Community

SECTION F
IMPLEMENTATION
PLAN

6.1 THREE YEAR IMPLEMENTATION PLAN

Objective	Strategy	Project Name	TOTAL BUDGET	2010/2011	2011/2012	2012/2013
Capital Projects						
Housing						
To provide sustainable human settlement	Liaise with the Department of Housing to ensure that Mkhambathini human settlement needs are implemented in a sustainable manner	Low cost housing project Portion 156 of the farm Uitzoek No.1104 (Stockdale)	R12 000 000.00	R12 000 000.00		
	Stockdale Housing at Mandaston		R12 000 000.00	R12 000 000.00		
Community and public facilities						
To provide public facilities within communities	Establish means of maintaining existing facilities through community involvement	Fencing of Opokweni Garden	R50 000.00	R50 000.00		
		Egcide Creche	R450 000.00	R450 000.00	R450 000.00	
		Mangwaneni Creche	R450 000.00	R450 000.00	R450 000.00	
		Mgwenya Community Hall	R7 000 000.00	R7 000 000.00	R7 000 000.00	
		Ezimwini Hall	R7 000 000.00	R7 000 000.00	R7 000 000.00	
		Ezigeni Creche		R500 000.00		
		Njobokazi Community Hall	R7 000 000.00	R7 000 000.00	R7 000 000.00	
		Upgrade of Makhholweni Hall	R 7 000 000.00	R 7 000 000.00	R 7 000 000.00	

utilization of all arable land by current & potential farmers	Environmental Affairs, Land Reform, RLCC and Farmers Assoc.	Njobokazi Community Garden	R100 000.00	R100 000.00	
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District Projects

Project Name	Budget	Funding Source	Financial Year
Ukhalo Water	R5,665,966	MIG	2010/2011
Ogagwini Water	R39880	MIG	2010/2011
Emakholweni - sanitation	R996,714	MIG	2010/2011
Embothimuni- electricity	R1,600,000	Umdm internal funding	2010/2011

6.2 WARD IDENTIFIED NEEDS

The following projects have been identified at a Ward level at the Ward Committee Meetings. They are unfunded projects at this stage.

NB: THE BRIGHT GREEN REPRESENTS THE IMPORTANCE OF THE PROJECTS THAT ARE URGENTLY REQUIRED.

WARD 1

CAPITAL PROJECTS	POTENTIAL FUNDING SOURCE
Nonzila Sports Field	Sports and Recreation/ MIG
Sinennhlanhla Creche at Maqongqo Location	Dept of Public Works/ MIG
Ezibhananeni Creche	Dept of Public Works/ MIG
Mahlabathini Creche	Dept of Public Works/ MIG
Cabazimi Creche	Dept of Public Works/ MIG
Nonzila Sports Field	Sports and Recreation/ MIG

Stingini Sports Field		Sports and Recreation/ MIG
Emboyi Sports Field		Sports and Recreation/ MIG
Zibhananeni Sports Field		Sports and Recreation/ MIG
Library Resource Centre		Dept of Education
Chibini Sports Field		Sports and Recreation/ MIG
Cabazini Sports Field		Sports and Recreation/ MIG
Mahlabathini Sports Field		Sports and Recreation/ MIG
Stingcini Clinic		Dept of Health
Emboyi Clinic		Dept of Health
Nonzila Clinic		Dept of Health
Naleni/Stingini School		Dept of Education
Upgrading of roads in all areas		Dept of Transport/ MIG
Construction of Zamavovo Trading Enterprise in Cabazini		Dept of Economic Development
Siyakhula Development in Estingini		Dept of Economic Development
Isulthu Project in Cabazini		Dept of Economic Development
Multi-purpose Hall in Stingini Area		Dept of Public Works/ MIG
Thula Trading Enterprise		Dept of Economic Development
LOCAL ECONOMIC DEVELOPMENT PROJECTS		POTENTIAL FUNDING SOURCE
Nonzila Poultry		Dept of Agriculture and Environmental Affairs
Kwagcina Poultry		Dept of Agriculture and Environmental Affairs
Mahlabathini Poultry		Dept of Agriculture and Environmental Affairs
Kwagcina Bakery		Dept of Economic Development
Gabazini Bakery		Dept of Economic Development
Mahlabathini Bakery		Dept of Economic Development
Khayelhe Poultry in Cabazini area		Dept of Agriculture and Environmental Affairs
Telecommunication Facilities		Telkom
Samkelisiwe Catering		Dept of Economic Development
Deep Tanks in all areas		Dept of Public Works / MIG
Ingquluga Trading Enterprise at Ezibhananeni		Dept of Economic Development

Ngonyama Take Away at Cabazini	Dept of Economic Development
Zamovovo Trading Enterprise at Estiyezi	Dept of Economic Development
Thula Trading Enterprise at Estiyezi	Dept of Economic Development
Khayelihle Poultry at Cabazini	Dept of Agriculture and Environmental Affairs
Nonhlanhla Hair Salon At Cabazini	Dept of Economic Development
Siyakhula Development at Estingini area	Dept of Economic Development
Isulethu Project at Cabazini	Dept of Economic Development
Samkelisiwe Catering	Dept of Economic Development
Ezibhananeni Poultry	Dept of Agriculture and Environmental Affairs
Chibini Poultry	Dept of Agriculture and Environmental Affairs

WARD 2

POTENTIAL FUNDING SOURCE	
CAPITAL PROJECTS	POTENTIAL FUNDING SOURCE
Housing, Water at Emphayeni & Ophokweni No 5, 6, 7 & 8	Dept of Housing/ Umgeni Water / uMgungundlovu District Municipality
Creche at Imngquza	Department of Public Works/ MIG
Telephone communication networks	Telkom
Electricity at Ophokweni	Eskom / uMgungundlovu District Municipality
Electricity at Manzamnyama	Eskom / uMgungundlovu District Municipality
Housing at Manzamnyama	Dept of Housing
Construction of School at Ophokweni area	Dept of Education
Water at Manzamnyama	Umgeni Water / uMgungundlovu District Municipality
School at Ophokweni area no.8 & Egside	Dept of Education
Upgrading of road at Makhalanjalo 2km	Dept of Transport / MIG
Upgrading of road at Mzizima 1.5 km	Dept of Transport / MIG
Construction of bridge at Ophokweni	Dept of Transport / MIG
Construction of pedestrian sidewalks along P423 Nagle Dam road	Dept of Transport / MIG
Bridge at Ilombe	Dept of Transport / MIG
Upgrading of road 2km at Makhalanjalo	Dept of Transport / MIG

Road upgrade 1.5 km at Mzizima Area	Dept of Transport / MIG
Upgrade of Mphayeni Netball Field	Sports and Recreation / MIG
Upgrading of Madlala Road at Eggaza area	Dept of Transport / MIG
Upgrading of Madlala Road	Dept of Transport / MIG
Electricity at Entweka area	Eskom / uMgungundlovu District
Upgrade of Okhalweni road at Enthweka area	Dept of Transport / MIG
Upgrading of Bebhuzi Sports Field	Sports and Recreation / MIG
Catering at Entweka, Mphayeni areas	Dept of Economic Development
Upgrading of Sports Field in Bebhuzi	Sports and Recreation/ MIG
Upgrading of Netball field at Mphayeni area	Sports and Recreation/ MIG
Library at Ophokweni	Dept of Education
LOCAL ECONOMIC DEVELOPMENT PROJECTS	POTENTIAL FUNDING SOURCE
Poultry at Entweka area	Dept of Agriculture and Environmental Affairs
Poultry at Impanyeni	Dept of Agriculture and Environmental Affairs
Block Making at Mphayeni area	Dept of Economic Development
Block making at Elombe	Dept of Economic Development
Block Making at Mphayeni	Dept of Economic Development
Community veg garden at Embungwinini area	Dept of Agriculture and Environmental Affairs
Sewing at Manzamnyana area	Dept of Economic Development
Block making at Manzamnyama	Dept of Economic Development
Sewing at Emphayeni Area & Ophokweni	Dept of Economic Development
Catering at Emphayeni area	Dept of Economic Development
Baking at Mphayeni area	Dept of Economic Development
Ikhono Blockmaking	Dept of Economic Development
Egcide Community Garden	Dept of Agriculture and Environmental Affairs
Bead Making Support at Mphayeni Area	Dept of Economic Development
Beads Making Support at No 7	Dept Of Economic Development
Community Garden at Mphayeni Area	Dept Of Agriculture and Environmental Affairs

Bead Making at Ophokweni	Dept of Economic Development
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WARD 3

CAPITAL PROJECTS		POTENTIAL FUNDING SOURCE
Creche at Umlaas road		Dept of Public Works / MIG
Electricity at Ntweka area, Nkanyezini and Vaalkop and dadel-fontein		Eskom / uMgungundlovu District
Housing and roads at Vaalkop (from Lion park to inkanyezini)		Dept of Housing
Sports Field at Mandasto & Lion Park		Sports and Recreation/ MIG
Upgrading of Nkanyezini Road D 277		Dept of Transport / MIG
Housing project at Umlaas road & Lion Park		Dept of Housing
Housing Project at Lion Park		Dept of Housing
High School at Mandastone & Umlaas Road		Dept of Education
Housing and Community Hall at Mandastone		Dept of Housing / Dept of Public Works / MIG
Primary School		Dept of Education
Sports Field at Madastone		Sports and Recreation/ MIG
Transport Shelters along P566 to inkanyezini area		Dept of Transport/MIG
Clinic at Madastone & Umlaas Road		Dept of Health
Creche at Madastone		Dept of Public Works / MIG
Community Hall at Manderstone		Dept of Housing
Cellular Network		Telkom
LOCAL ECONOMIC DEVELOPMENT PROJECTS		POTENTIAL FUNDING SOURCE
Farm Poultry at Mandastone		Dept of Agriculture and Environmental Affairs
Sugar Cane Farming at UmLaas Road		Dept of Agriculture and Environmental Affairs
Chicken farming at Ezinembeni area		Dept of Agriculture and Environmental Affairs
Community Garden		Dept of Agriculture and Environmental Affairs
Library at Nkanyezini area		Dept of Public Works
Youth Centre at Nkanyezini area		Dept of Education
Housing project at umlaas road & Nkanyezini		Dept of Housing

Water Pipeline from Lion park to Nkanyezi	MIG / uMgungundlovu District
Water at Manderstone	uMgungundlovu District
Manderstone Youth Sewing	Dept of Economic Development
Block making	Dept of Economic Development

WARD 4

CAPITAL PROJECTS	POTENTIAL FUNDING SOURCE
Construction of houses for farm dwellers	Dept of Housing
Sanitation at Emabomvini area	MIG
Water in all areas	Umgeni Water / MIG / uMgungundlovu District
Clinics at Eston	Dept of Health
Sports Field at Njobokazi	Sports and Recreation/ MIG
Electricity at Emabomunini area & Njobokazi	Eskom / MIG
Eston Hall	Dept of Public Works / MIG
Upgrading of roads	Dept of Transport
Cemeteries	
Housing at Emabomvini area	Dept of Housing
Rank at Eston	MIG
Police Station at Eston	Dept of Public Works / SAPS
Sidewalks at Cosmore	Dept Of Housing
LOCAL ECONOMIC DEVELOPMENT PROJECTS	POTENTIAL FUNDING SOURCE
Poultry at Njobokazi	Dept of Agriculture and Environmental Affairs
Poultry at Dukes	Dept of Agriculture and Environmental Affairs
Poultry at Mabomuini	Dept of Agriculture and Environmental Affairs
Poultry at Cosmore	Dept of Agriculture and Environmental Affairs
Poultry at Juteni	Dept of Agriculture and Environmental Affairs
Community Gardens at Hiliya	Dept of Agriculture and Environmental Affairs
Community Gardens at Njobokazi	Dept of Agriculture and Environmental Affairs
Community Gardens at Dukes	Dept of Agriculture and Environmental Affairs

Community Gardens at Mabomuini	Dept of Agriculture and Environmental Affairs
Community Gardens at Cosmore	Dept of Agriculture and Environmental Affairs
Community Gardens at Juteni	Dept of Agriculture and Environmental Affairs
Block Making at Njobokazi	Dept of Economic Development
Block Making at Dukes	Dept of Economic Development
Block Making at Mabomuini	Dept of Economic Development
Block Making at Cosmore	Dept of Economic Development
Block Making at Juteni	Dept of Economic Development
Block Making at Hiliya	Dept of Economic Development

WARD 5

CAPITAL PROJECTS	
Water at Umbumbulu Area	POTENTIAL FUNDING SOURCE Umgeni Water / MIG / uMgungundlovu District
Houses at Nungwane, Ogagwini & Mgugu	Dept of Housing
Kwanzobo Hotel	Dept of Economic Development
Electricity at Nungwane, Ogagwini & Mgugu	POTENTIAL FUNDING SOURCE Eskom / MIG / uMgungundlovu District
Clinic at Mahleka	Dept of Health
Halls at Nungwane	Dept of Public Works / MIG
Schools(Primary & Sec)	Dept of Education
Hospital	Dept of Health
F.E.T College	Dept of Education
LOCAL ECONOMIC DEVELOPMENT PROJECTS	
Bakery	POTENTIAL FUNDING SOURCE Dept of Economic Development
Lollipop man	
Market Stalls	
Piggery Farming	Dept of Agriculture and Environmental Affairs
Pension payout, Shelters,water,toilets, soup kitchen	Social Welfare and Population Devt
Dipping Tanks	Dept of Agriculture and Environmental Affairs
Farming	Dept of Agriculture and Environmental Affairs

Home affairs	Home Affairs
Nkanyezini Poultry Project	Dept of Agriculture and Environmental Affairs
Ogagwini Community Garden	Dept of Agriculture and Environmental Affairs

WARD 6

POTENTIAL FUNDING SOURCE	
CAPITAL PROJECTS	
High School at Makholweni Area	Dept of Education
Electricity at Mpangisa area	Eskom/ MIG / uMgungundlovu District
Creche at Desdale	Dept of Public Works / MIG
Upgrading of Makholweni Sports field	Sports and Recreation/ MIG
Upgrading of Makholweni Hall	Dept of Public Works / MIG
Housing at Desdale & Nozaza	Dept of Housing
Hall at Mpangisa area	Dept of Public Works / MIG
Sports Field at Nhlazuka-	Sports and Recreation/ MIG
Housing at Makholweni area	Dept of Housing
Access Roads at Makholweni area	MIG
Housing at Nhlazuka- Thomi	Dept of Housing
Housing at Mphangisa area	Dept of Housing
New Building hall at Nhlazuka-Thomi	Dept of Public Works / MIG
Access Roads at Mphangisa area	MIG
Block making at Desdale area	Dept of Economic Development
Access roads to Nhlazuka-Thomi	MIG
Library at Makholweni & Mpangisa	Dept of Public Works
Land Reform – all farms	Dept of Economic Development
Mobile Police Station at Makholiwe	Dept of Economic Development
Housing for farm Dwellers	Dept of Economic Development
LOCAL ECONOMIC DEVELOPMENT PROJECTS	
Block making at Desdale	POTENTIAL FUNDING SOURCE Dept of Economic Development
Community garden at Nhlazuka-Thomi area	Dept of Agriculture and Environmental Affairs

Poultry at Makholweni area	Dept of Agriculture and Environmental Affairs
Poultry at Mpanyisa area	Dept of Agriculture and Environmental Affairs
Community Garden at Mpangisa area	Dept of Agriculture and Environmental Affairs
Nklazuka Poultry Project	Dept of Agriculture and Environmental Affairs

WARD 7

CAPITAL PROJECTS	POTENTIAL FUNDING SOURCE
Water in all areas	Umgeni Water / MIG / uMgungundlovu District
Electricity in all areas	Eskom/ MIG/ uMgungundlovu District
Upgrading & Construction of roads in all areas	Dept of Transport / MIG
Extension Road L 1941 at Igulube Lezinyawo	Dept of Transport/MIG
Construction of Creche	Dept of Public Works / MIG
Housing	Dept of Housing
Industries	Dept of Economic Development
Sports Fields	Sports and Recreation/ MIG
Library	Dept of Education
High School in Ngoleshini	Dept of Education
College & Computers	Dept of Education
Multi Purpose Centre	Dept of Public Works/ MIG
LOCAL ECONOMIC DEVELOPMENT PROJECTS	POTENTIAL FUNDING SOURCE
Telecommunication facilities	Telkom
Lower Jilafohla Community Garden	Dept of Agriculture and Environmental Affairs



SECTION G

PROJECTS

7.1 One Year Implementation Plan

Project Name	Ward	Budget	Funding Source	Financial Year	Resp
Low cost housing project Portion 156 of the farm Uitzoek No. 1104(Stockdale)	3	R12 000 000.00	DOH	2010/2011	Technical Dept
Maqongqo Rural Housing	1	R12 000 000.00	DOH	2010/2011	Technical Dept
Fencing of Opokweni Garden	2	R50 000.00	MIG	2010/2011	Technical Dept
Kwaponi	4	R450 000.00	MIG	2010/2011	Technical Dept
Bebhuze Sportsfield	2	R 1,3 million	MIG	2010/2011	Technical Dept
Nungwane Hall	5	R1 million	MIG	2010/2011	Technical Dept
Construction og Gqaza Creche	2	R 500,000.00	MIG	2010/2011	Technical Dept
Muzi Gumede Hall	4	R1 million	MIG	2010/2011	Technical Dept
Kwa Gijima Creche & Mpangisa Sportsfield	6	R1,5 million	MIG	2010/2011	Technical Dept
Mahlabathini Sportsfield	3	R1 million	MIG	2010/2011	Technical Dept
Ngoloshini Sportsfield	7	R 2,1 million	Sports & Recreation	2010/2011	Technical Dept
Construction of access roads	1-7	R1,528,000.00	Internal	2010/2011	Technical Dept
Construction of Creches	1	R1 million	MIG	2010/2011	Technical Dept
Construction of Ismont Creche	7	R 500,000.00	MIG	2010/2011	Technical Dept
Kwamahle Housing	5	R1,3 million	DOHS	2010/2011	Technical Dept
Mbambangalo Housing	1	R4 million	DOHS	2010/2011	Technical Dept
Poorrtjie Housing- Slums Clearance	4	R1,2 million	DOHS	2010/2011	Technical Dept
Njobokazi Housing	4	R1,3 million	DOHS	2010/2011	Technical Dept
Local Economic Development Projects					
Emboyi Poultry	1	R50 000	Internal	2010/2011	Comm.Serv.Dept
Poultry at Mphayeni area	2	R50 000	Internal	2010/2011	Comm.Serv Dept
Womens Sewing at Nkanyezini area	3	R50 000	Internal	2010/2011	Comm. Serv Dept
Block Making	5	R50 000	Internal	2010/2011	Comm.Serv.Dept
Poultry at Nhlanzuka-Thomi Area	6	R50 000	Internal	2010/2011	Comm.Serv Dept
Ndaya Poultry	7	R50 000	Internal	2010/2011	Comm.Serv Dept
Poultry at Hiliya	4	R50 000	Internal	2010/2011	Comm.Serv Dept



Mkhambathini
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For the Community

E

SECTION H

**FINANCIAL PLAN &
SDBIP**

8.1 STRATEGIES AND PROGRAMMES

With the above framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective i.e. the financial viability and sustainability of Mkhambathini Municipality.

8.1.1 Revenue Raising Strategies and Programmes

The following are some of the programmes that have been identified for Mkhambathini Municipality:

- The development and implementation of credit control policy: This policy and the relevant procedures will detail all areas of credit control, collection of amounts billed to consumers, procedures for non-payment etc.
- The development and implementation of an indigent policy: This policy will define the qualification criteria for an indigent, level of free basic services that will be enjoyed by indigent households, penalties for abuse etc .
- The development and implementation of a tariff policy: This policy will ensure that fair tariffs are charged throughout the Mkhambathini Municipal area.
- The development and implementation of a property rates and valuation policy: This will ensure that a equitable rates policy and an updated valuation roll is applied to the entire Mkhambathini Municipal area and will aim to ensure that all properties are included in Mkhambathini Municipality's records. Furthermore the policy will ensure that valuations are systematically carried out on a regular basis for all properties.
- The development and implementation of consumer incentive policy: A study is to be undertaken, that will motivate a development of a customer incentive policy, with the objective of incentives or prizes awarded, encouraging consumers to pay their accounts promptly.
- Billing Systems: The Mkhambathini Municipality must aim to enhance their billing systems that will be reliable in providing effective and efficient billing to its consumers. Customer Care must be of importance in any biling system ensuring that customers are knowledgeable of their biling statements. This can be achieved by enhancing customer communications, education and information campaigns with customer education be the most vital when it comes to payment of services, if consumers don't understand what they are contributing towards; it's likely that a non-payment will exist.

8.1.2 Asset Management Strategies and Programmes

The following are some of the programmes that have been identified for Mkhambathini Municipality:

- **The implementation of a fixed asset register and asset management system:** This programme will involve the formulation of a fixed asset

management policy, purchase of a suitable system, the capture of all assets onto this system and maintenance of this system in terms of the new GAMAP requirements.

- Since Mkhambathini Municipality is a medium capacity municipality compliance of such standards are within the financial 2006/2007.
- The Mkhambathini will also develop a fleet management and repairs and maintenance component within its asset management policy that will deal with the effective maintenance of all assets and the use of vehicles.

8.1.3 Financial Management Strategies and Programmes

The following are some of the programmes that have been identified for Mkhambathini Municipality:

- **The development and implementation of an information technology plan:** This plan will ensure that Mkhambathini Municipality's Information Technology needs are met in the most effective manner and that all systems are well managed and secure and that users are also well trained.
- **Management of the Budget office in line with budget reform process of National: Treasury:** The Mkhambathini Municipality must ensure that all staff within the budget office is adequately and constantly trained. The budget office must improve its reporting mechanisms in respect of financial and monitoring or reporting information on budget variances, which must be in line with the legislative prescriptions. These improved billing system ensuring that customers are knowledgeable of their billing reporting mechanisms will result in better control of expenditure and reporting.

8.1.4 Capital Financing Strategies and Programmes

The following are some of the programmes that have been identified for Mkhambathini Municipality:

- **The development and implementation of a debt capacity policy:** This policy will ensure that any borrowings taken by Mkhambathini Municipality will be done in a responsible manner and that repayment of such debt will be affordable.
- **The development and implementation of a LED Plan:** This plan will set ways in which the Mkhambathini Municipality intends to improve its Local Economic Development and also attracting economic investments. This plan must incorporate a framework that is investor friendly and detail incentives, which may be given to attract large scale business.
- **The development and implementation of plan to access donor funding:** This plan will create a framework for accessing funds from local and overseas donors. It will detail the type of projects for which funding will be sought, procedures to be used, donor conditions that are acceptable or unacceptable.

8.1.5 Operational Financing Strategies and Programmes

The following are some of the programmes that have been identified for Mkhambathini Municipality:

Investigation of service delivery options and public private partnerships:
Mkhambathini Municipality must constantly investigate alternatives of providing services whether it's by the Municipality or through a public private partnership depending on the feasibility of such relationship.

Service Delivery Budget Implementation Plan (SDBIP)

The Service Delivery and Budget Implementation Plan will be prepared as required by the Municipal Finance Management Act (MFMA). The Service Delivery Budget Implementation Plan (SDBIP) is utilized to monitor the progress of the projects. The SDBIP is being prepared and will be adopted 28 days after the adoption of the Municipal Budget as required by legislation.

8.2 SUMMARY OF OVERALL BUDGET FOR 2010/11

Final Budget for the year 2010/2011		
	2009/2010	2010/2011
INCOME	R	R
Rates and Services Charges	2,425,317.00	3,722,460.00
Equitable Share	16,242,000.00	20,601,000.00
Grants and Subsidies	10,563,000.00	13,145,000.00
Other	5,804,400.00	2,684,530.00
	35,034,717.00	40,152,990.00
EXPENDITURE		
OPERATING EXPENDITURE		
Salaries and Allowances	13,237,370.00	14,520,265.00
Remuneration of Councillors	2,965,037.00	3,619,203.00
General Expenses	16,878,523.00	17,581,900.00
Repairs and Maintenance	335,000.00	430,000.00
Depreciation	872,405.00	1,700,000.00
Budgeted Surplus	746,382.00	2301 622
	35,034,717.00	37,851,368.00
SALARIES PER DEPT 2009/2010		
Financial Services and Corporate Services	4,497,463.00	4,893,646.00
Library & Community Services	2,754,243.00	3,199,589.00
Licensing & Technical Services	3,819,428.00	4,289,495.00
Municipal Manager & Council	1,749,960.00	2,137,535.00
	12,821,094.00	14,520,265.00
CAPITAL PROJECTS 2009/2010		
Financial Services & Corporate Services	1,237,500.00	70,000.00
Municipal Manager and Council		-
Community Services	710,000.00	-
Technical Services		

	8,391,755.00	10,978,000.00
	10,339,255.00	11,048,000.00
SUMMARY OF SOURCES OF FUNDS		
Contributions from revenue	1,020,000.00	370,000.00
Grants	1,594,255.00	2,150,000.00
Department of Provincial & Local Government -(DPLG)		
Municipal Infrastructure Grant	7,725,000.00	8,528,000.00
Department of Works		
	10,339,255.00	11,048,000.00
TOTAL OVERALL BUDGET	35,034,717.00	40,152,990.00

8.3 REVENUE BY SOURCE

Medium Term Revenue and Expenditure Framework

SCHEDULE 1	Preceding Year 2008/2009	Current Year 2009/2010		Budget Year 2010/2011	Budget Year +1 2011/2012	Budget Year +2 2012/2013	
REVENUE BY SOURCE	Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	
	A	B	C	D	E	F	
<u>Operating Revenue by Source</u>							
						G	
Property rates	1,168,473	2,425,317	2,914,146	2,914,146	3,722,460.00	3,945,807	4,182,556
Property rates - penalties imposed and collection charges	70,291	30,000	30,000	30,000	20,000.00	21,200	22,472
Interest earned - external investments	445,755	120,000	100,000	100,000	100,000.00	106,000	112,360
Fines	0	100,000	15,000	15,000	10,000.00	15,000	15,000
Licenses and permits	1,441,505	3,200,000	2,200,000	2,200,000	2,100,000.00	2,226,000	2,359,560
Income for agency services		250,000					
Government grants & subsidies	12,478,872	26,805,000	27,433,257	27,433,257	33,746,000.00	35,974,000	40,263,000
Other Income	743,666.00	2,104,400.00	302,900.00	302,900.00	454,530.00	197,542.00	249,224.00
Total Revenue By Source	16,348,562	35,034,717	32,995,303	32,995,303	40,152,990	42,485,549	47,204,172

8.4 OPERATING BUDGET

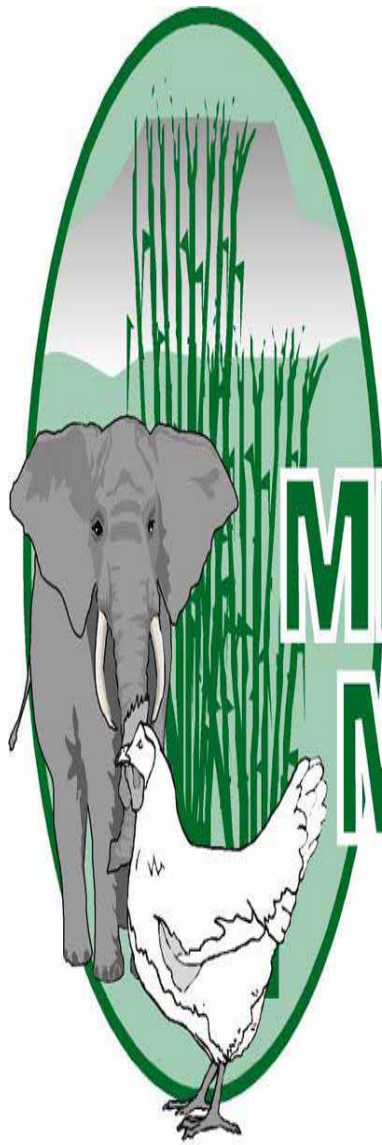
Medium Term Revenue and Expenditure Framework

SCHEDULE 2	Preceding Year 2008/09	Current Year 2009/10	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
OPERATING EXPENDITURE BY VOTE	Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
	A	B	C	D	E	F	G
Employee related costs	11,929,905	13,237,370	12,713,501	12,713,501	14,520,265	15,972,292	17,549,521
Remuneration of Councillors	2,891,166	2,965,037	3,321,930	3,321,930	3,619,203	3,836,355	4,066,536
Depreciation	1,431,619	872,405	1,500,000	1,500,000	1,700,000	1,802,000	1,910,120
Repairs and maintenance	668,451	335,000	165,000	165,000	430,000	455,800	483,148
Contracted services	195,815	75,000				0	0
General expenses	8,042,586	16,803,523	14,757,250	14,757,250	17,581,900	17,531,983	19,851,483
OPERATING EXPENDITURE BY VOTE	25,159,542	34,288,335	32,457,681	32,457,681	37,851,368	39,598,430	43,880,808

8.5 CAPITAL BUDGET ALLOCATIONS

MKHAMBATHINI MUNICIPALITY : CAPITAL BUDGET							
DEPARTMENT	WARD	PROJECT NAME	CATEGORY	2010/11	2011/12	2012/13	FUNDING SOURCE
Municipality	Mun	Airconditioners	Office Equipment	20,000.00		30,000.00	Operating
Finance	Mun	Computers	Office Equipment	30,000.00	100,000.00	100,000.00	FMG
Finance	Mun	Printers	Office Equipment	20,000.00			FMG
Municipality	Mun	Vehicles	Vehicles		780,000.00		Operating
Municipality	Mun	New Tractor		300,000.00			Operating
Municipality	Mun	Whacker hammer	Equipment		200,000.00		Operating
Municipality	Mun	Brush Cutters	Equipment	50,000.00		50,000.00	Operating
Technical Services	4	Costraction of Scott Street	Infrastructure	300,000.00			MIG
Technical Services	4	Rehabilitation of Goodwill Place	Infrastructure		1,500,000.00	1,500,000.00	MIG
Technical Services	1	Creche - Sabelo	Infrastructure	500,000.00			MIG
Technical	1	Thokozani Creche	Infrastructure	500,000.00			MIG

MIG					8,528,000.00	10,257,000.00	12,242,000.00	
FMG					50,000.00	100,000.00	100,000.00	
Sport and Recreation					2,100,000.00			
TOTAL					11,048,000.00	11,337,000.00	12,422,000.00	



Mkhambathini
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SECTION I
ORGANISATIONAL
PERFORMANCE
MANAGEMENT SYSTEM

9.1 PERFORMANCE MANAGEMENT SYSTEM

The Municipal Systems Act sets out an overall framework for the development of specific performance management systems within local government. The Municipal Systems Act requires that the Municipal Manager and all managers reporting to him should have performance agreements which are reviewed annually Mkhambathini's review procedure, which addresses annual reviews, performance plans and bonuses. At the end of each performance review cycle, the Municipal Manager, and all senior management staff are assessed in terms of the targets in their respective performance plans. The purpose of this assessment is to put forward proposed arrangements for the annual evaluation of Section 57 employees in compliance with Regulation 27 (4) (d) and (e) of the Municipal Performance Regulations for the Municipal Manager and Manager's directly accountable to the Municipal Manager and to rate performance and to use this rating to determine annual performance bonus.

The above mentioned regulations stipulate that the annual assessment of section 57 employees must be conducted by separate evaluation panels for the Municipal Manager and the Managers directly accountable to the Municipal Manager. The composition of these panels is as follows:

Municipal Manager (MM)	Senior Managers
a) Mayor	a) Municipal Manager
b) Chair of the Audit Committee	b) Chair of the audit Committee
c) Member and/or MM of another Municipality	c) Member of EXCO
d) Member of EXCO	d) MM of another municipality
e) Member of a Ward Committee nominated by the Mayor	

An Organisational Performance Management System has been prepared for Mkhambathini Municipality. The Performance Management System is being implemented and is updated annually in line with objectives and targets. The uMgungundlovu District Municipality provides guidance in the annual review of the Performance Management System (PMS) scorecards.

Inputs into the Provincial Municipal Performance Report

1. Legislated Key Performance Indicators (KPIs)

No	Item	KPIs	Backlog	Concluding baseline measurement for 2008 / 09	Development targets for 2009 / 2010		Concluding baseline measurement for 2009 / 10	Responsibility	Source of information	Audit of information	
					Delivery target	Budget target				Yes	No
1	Delivery	Number of households with access to basic water		7362	N/A	N/A		District Function			
	Budget										
2	Delivery	Number of households with access to basic sanitation		4773	N/A	N/A		District Function			
	Budget										
3	Delivery	Number of households with access to basic electricity		5329	N/A	N/A		District Function			
	Budget										
4	Delivery	Number of households with access to basic solid waste removal		671	N/A	N/A		District Function			
	Budget										
4	Delivery	Number of households earning less than R1100 having access to Free Basic Water			N/A	N/A		District Function			
	Budget										
5	Delivery	Number of households earning less than R1100 having access to Free Basic Sanitation	N/A		N/A	N/A		District Function			
	Budget										
6	Delivery	Number of households earning less than									
	Budget										

2. Provincial Key Performance Indicators (KPIs)

No	Item	KPIs	Backlog	Concluding baseline measurement for 2008 / 09	Development targets for 2009 / 2010		Concluding baseline measurement for 2009 / 10	Responsibility	Source of information	Audit of information	
					Delivery target	Budget target				Yes	No
18	Delivery	Number of Councillors undergone leadership development training						HR- Training put on hold due to financial constraint of the Municipality			
	Budget										
19	Delivery	Number of senior management (Section 57) undergone leadership development training	5					HR- Training put on hold due to financial constraint of the Municipality			
	Budget										
20	Delivery	Number women councillors	2								
	Budget										
21	Delivery	Number women Mayors	1		1						
	Budget										
22	Delivery	Number of full time councillors appointed in relation to number approved by MEC	3				3	HR	Municipal Records		
	Budget										
23	Delivery	% reduction in short term liabilities (next financial year) covered by cash (current year)									
	Budget										
24	Delivery	% reduction in short term debt (next financial year) covered by current revenue (current financial									
	Budget										

No	Item	KPIs	Backlog	Concluding baseline measurement for 2006 / 07	Development targets for 2007 / 2008		Concluding baseline measurement for 2007 / 08	Corrective action	Source of information	Audit of information	
					Delivery target	Budget target				Yes	No
45	Delivery	% improvement in attendance at ward committee meetings						Ward Committees were established in September 2006. There is no baseline to be used to calculate % improvement.	Municipal Records		
	Budget										
46	Delivery	% increase in customer satisfaction with municipal service delivery (infrastructure)						Customer satisfaction survey was not done by the municipality. The District Municipality has performed a survey.			
	Budget										
47	Delivery	% increase in customer satisfaction with municipal LED delivery									
	Budget										
48	Delivery	% increase in customer satisfaction with municipal good governance									
	Budget										
49	Delivery	% increase in internal (officials) satisfaction with municipal good governance						No survey was conducted			
	Budget										

9.2 MUNICIPAL ANNUAL REPORT

The 2008/2009 Annual Report was prepared in-house by Mkhambathini Local Municipality. The draft Annual report was prepared by 30 October 2009, thereafter the process of advertising followed; the Draft Annual report 2008/09 was advertised in the iLanga and the Natal witness for a period of 21 days. On 23rd February 2010 an orientation meeting was held with relevant ward members and the community to educate them on the process of formulating an oversight report, thereafter on 19 March 2010 an oversight committee meeting was held and the members prepare an oversight report, the final annual report 2008/2009 together with the oversight report was tabled at Council on 24th March 2010 and it was advertised for public comments.

9.3 AUDITOR GENERAL COMMENTS ON 2008/2009 ANNUAL REPORT

The 2008/2009 Annual Report was submitted to the Office of the Auditor General by March 2010. The Auditor General presented the Audit Report and changes were made accordingly.

AUDIT QUERY	REPOSE FROM MUNICIPALITY	RESPONSIBLE PERSON	TARGET DATE
The municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, as required in terms of Section 45 of the MSA	Internal Audit will be conducted during the 2009/2010 financial year. In 2008/2009 there appointed in the year by March 2009.	Chief Finance Manager	2009/2010 Financial Year
As disclosed in notes 24 and 27 to the financial statements, the corresponding figures for 30 June 2008 have been restated as a result of an error discovered during 2009 in the financial statements	Some grant expenditure were not allocated to grants that were related to in 2007/2008 financial year. The municipality will make sure that all expenditure are correctly allocated.	Chief Finance Manager	2009/2010 Financial Year

<p>of the municipality at, and for the year ended, 30 June 2008.</p>			
<p>The accounting officer's report on page 4 of the financial statements indicates that the municipality incurred a net loss of R8,784 million during the year ended 30 June 2009 and, as of that current date, the entity's current liabilities exceeded its current assets by R 959 170. Moreover, an amount of R15, 765 million, which is included in the accumulated surplus at 30 June 2009, was not backed as cash. These conditions, along with other matters as set forth in the accounting officer's report, indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.</p>	<p>The municipality will make a turnaround in the current financial year (2009/2010) going forward as we are in a process of business re-engineering through cutting costs and process re-mapping. The R15, 765 000 relates to reserves which were transferred to accumulated surplus because there were not cashed back.</p> <p>The municipality will make sure there will be no unspent at the end of the financial year, which will decrease liabilities.</p>	<p>Municipal Manager & Chief Finance Manager</p>	<p>End June 2010(2009/2010 Financial Year)</p>



SECTION J

ANNEXURES

10.1 ANNEXURES

ANNEXURE	SECTOR PLAN	STATUS	PROGRESS WITH REGRAD TO DEVELOPMENT/ IMPLEMENTATION
J1	Spatial Development Framework	Completed and Adopted in the year 2007.	Is being implemented.
J2	Disaster Management Plan	Process of implementation	The municipality is currently working together with uMgungundlovu District Municipality to prepare the Disaster Management Plan.
J3	Turn Around Strategy	Completed and adopted by Council on 30 April 2010.	The municipality is currently working towards achieving the targets set out in the turn around strategy.



SECTION K

APPENDICES

11.1 APPENDICES

ANNEXURE	SECTOR PLAN	STATUS	PROGRESS WITH REGARD TO DEVELOPMENT/ IMPLEMENTATION
K1	Land Use Management Framework	Approved by Council in 2008	Land Use Management Framework forwarded to the Provincial Planning Commission for consideration
K2	Land Use Management System	Approved by Council in 2008 and forwarded to the Provincial Planning Commission for consideration.	Mkhambathini has requested additional funding from DLGTA in order to revise the LUMS.
K3	Coastal Zone Management Plan	N/A	-
K4	Waste Management Plan	No Waste Management Plan in place.	No capacity within the Municipality but will utilize a service provider in the next financial year
	A. Water Service Development Plan	N/A	District function
	B. Water Resources Plan	N/A	District function
	C. Forestry Plan	No Forestry Plan developed	-
K5	Integrated Transport Plan	No Integrated Transport Plan in place	-
K6	Municipal Housing Plan	Housing Plan adopted by Council in March 2009.	Service provider (Makhosi Nyoka & Associates) was appointed to assist the municipality with the Municipal Housing Sector Plan.
K7	Energy Master Plan	No Energy Master Plan in place	-
K8	Local Economic Development Plan	No LED Plan in place	The Municipality has an LED Strategy in place which was prepared by District appointed consultants.

			The strategy is attached to the IDP as Appendix K9. Mkhambathini has no funding for the preparation of an LED Plan, but will try to source funding in the next financial year.
K9	Infrastructure Investment Plan (EPWP)	Infrastructure Investment Plan in place	Implemented in all seven wards
K10	Area Based Plan(Land Reform)	No Area Based Plans in place	Dept of Land Affairs appointed consultants to do Area Based Plans
K11	Organisational PMS	The OPMS was adopted in 2009	The OPMS has been adopted and is updated annually.
K12	IDP Process Plan/IDP Framework	The IDP Process Plan was adopted in 2009.	Adopted and implemented
K13	Youth Development Plan	Youth Development Strategy was presented to Council in March 2009.	Youth Development Strategy adopted and is been implemented.
K14	HIV/AIDS Strategy	HIV/AIDS Strategy in place	HIV/AIDS Strategy adopted by Council on May 2009 and is been implemented.