



**FINAL IDP 2017/18- 2021/2022
5TH GENERATION**

Prepared by:
Executive Department
IDP/PMS Section

Supported by: IDP Steering Committee
IDP Representative Forum

Hlabisa Municipality
Lot 808 off Masson Street Hlabisa 3937
035- 838 8500

info@big5hlabisa.gov.za
www.big5hlabisa.gov.za



A sustainable economy achieved through service delivery and development facilitation for prosperity and improved quality of life.

Vision Statement

In light of the

Vision

We are visionary leaders who serve through community driven initiatives, high performance, sound work ethic, innovation, cutting edge resources and synergistic partnerships.

Our Core Values

Professionalism

Integrity

Competency

Team work

TABLE OF CONTENTS

I. MAYOR'S FOREWORD	1
II. MUNICIPAL MANAGER'S OVERVIEW	3
III. POWERS AND FUNCTIONS	4
IV. STRUCTURE OF THE DOCUMENT	5
1. SECTION A: EXECUTIVE SUMMARY	6
1.1. INTRODUCTION	6
1.2. SPATIAL OVERVIEW	6
1.3. BRIEF DEMOGRAPHIC PROFILE	9
1.4. WARDS AND TRADITIONAL AUTHORITY	10
2. DEVELOPMENT OF THE 2017/2018 IDP	12
2.1. MEC's Comments for 2016/2017 IDP Review	13
2.2. PLANNING AND DEVELOPMENT PRINCIPLES	25
2.2.1. Government Policies and Imperatives	25
2.2.2. Sustainable Development Goals (SDGs)	25
2.2.3. National Development Plan	26
2.2.4. The Provincial Growth and Development Strategy (PGDS)	26
2.2.5. Provincial Growth and Development Plan (PGDP)	26
2.2.6. District Growth and Development Plan	27
2.2.7. The Back to Basics	27
2.2.8. State of the Nation Address (SONA) – 2017	27
2.2.9. State of the Province Address (SOPA) – 2017	28
3. SECTION C: SITUATIONAL ANALYSIS	29
3.1. DEMOGRAPHIC CHARECTERESTICS	29
3.1.1. Demographic Indicators	29
3.1.2. Population by size	29
2.1.3. Population Distribution	31
A. Type of dwelling	31
3.1.4. Population Composition	32
A. Dependency ratio	32
3.1.5. Population Groups	33
3.1.6. Distribution of population by gender	34
3.2. SOCIO – ECONOMIC INDICATORS	38
3.2.1. Population by Households Size	38

3.2.2. Female headed households	39
3.2.3. Child Headed households	40
3.2.4. Income Status	42
3.3. POPULATION DENSITY	43
3.4. POPULATION BY EDUCATION LEVEL	43
3.5. EMPLOYMENT STATUS	44
3.6. HOUSEHOLD SERVICES	44
3.6.1. Distribution of households using electricity for lighting, heating and cooking	44
3.6.2. Households with access to refuse removal	45
3.6.3. Distribution of household by type of toilet facility	47
3.6.4. Households with access to piped water	48
4. SPATIAL AND ENVIRONMENTAL ANALYSIS	49
4.1. SPATIAL ANALYSIS	49
4.1.1. Administrative entities	49
4.1.2. Structuring Elements	49
4.1.3. Existing Nodes & Corridors	50
I. Primary Development Nodes	50
II. Secondary Development Nodes/Services Centres	51
III. Tertiary Development Nodes	52
4.1.4. Roads and Corridors	54
4.1.5. Broad Land Uses	54
4.1.6. Land Ownership	57
I. Privately owned	57
II. Commercial land	57
III. Traditional Authority Land	57
IV. Land Reform	57
V. Land Claims	57
4.1.7. Land Capability	59
4.2. ENVIRONMENTAL ANALYSIS	59
4.2.1. Introduction	59
4.2.2. BIOPHYSICAL ENVIRONMENT	60
I. CLIMATE	60
II. HYDROLOGY	60
1. Major watercourses and wetlands	60
2. ECOLOGICAL STATUS OF THE MAJOR RIVERS	60

3. FACTORS DRIVING THE ECOLOGICAL INTEGRITY OF RIVERS AND WETLANDS	61
A) Socio-Economic Factors:	61
4.2.3. CLIMATE CHANGE.....	64
4.2.4. WASTE MANAGEMENT ANALYSIS.....	67
LANDFILL SITES.....	67
A) HLABISA WASTE DISPOSAL SITE	67
B) HLUHLUWE WASTE DISPOSAL	67
4.2.5. DISTRICT-WIDE WASTE DISPOSAL SITE COMPLIANT CHECK.....	68
A) Recycling, Reuse, Recovery and Waste Minimization Initiatives	69
B) illegal dumping	70
4.2.6. MUNICIPAL ENVIRONMENTAL CAPACITY ANALYSIS.....	72
I. ENVIRONMENTAL GOVERNANCE	72
II. Human Resource Capacity	72
III. Environmental Planning Tools: Integrated Waste Management Plan	72
4.2.7. AGRICULTURE	72
I. AGRICULTURAL POTENTIAL OF THE MUNICIPALITY	72
4.2.8. ALIEN INVASIVE SPECIES	73
4.2.9. Disaster Management.....	76
I. Municipal Institutional Capacity	76
A) Staffing.....	76
B) Policies.....	76
C) Resources.....	76
4.2.10. Risk Assessment.....	77
Severe hazards	77
I. Risk Reduction and Prevention.....	79
II. Response and Recovery.....	79
A) Municipal Capacity in terms of Response and Recovery	79
B) Training & Awareness	79
C) Funding Arrangements	79
4.3. SECTORAL ANALYSIS	81
BACKGROUND.....	81
4.3.1. OFFICE OF THE MUNICIPAL MANAGER	82
4.3.2. CORPORATE SERVICES DEPARTMENT.....	84
4.3.3. BUDGET AND TERSARY SERVICES DEPARTMENT.....	91
4.3.6. SOCIAL AND ECONOMIC DEVELOPMENT SERVICES DEPARTMENT	100

Municipal Institutional Capacity & Status of Critical Posts	100
4.4. Human Resource Development.....	104
4.4.1. Institutional Arrangements to drive IDP	104
(a) Office of the Municipal Manager	104
(b) IDP Steering Committee	105
(c) IDP Representative Forum	105
(d) Council	105
4.5. SWOT ANALYSIS	105
4.6. SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS	106
4.6.1. Water and Sanitation.....	106
I. Water Services Context	106
UMkhanyakude District Backlog Analysis	107
II. Water Schemes.....	109
The Big 5 Hlabisa Capital Projects	109
The Big 5 Hlabisa Drought Relief Programme.....	109
III. Sanitation	110
IV. Solid Waste Management.....	110
4.6.2. Transportation Infrastructure.....	110
I. Road Networks.....	110
II. Road and Transport Infrastructure Analysis	110
III. Access to Community Facilities	113
IV. Human Settlement	113
Housing trends	116
4.6.3. Telecommunication	116
Water Supply	116
4.6.4. Energy.....	116
4.7. LOCAL ECONOMIC DEVELOPMENT & SOCIAL DEVELOPMENT ANALYSIS ..	118
4.7.1. Local Economic Development Analysis	118
4.7.2. Local Economic Development Strategy	118
4.7.3. Key Natural Asset /Resources Analysis.....	118
4.7.4. Competitive & Comparative Advantages	120
4.7.5. Main Economic Contributors.....	121
4.7.6. Employment and Income Levels.....	122
4.7.7. Agriculture	122
7.7.8. Tourism.....	122
4.7.8. Small Medium and Micro Enterprises (SMMEs)	123

4.7.9.	Informal Sector.....	123
4.7.10.	Manufacturing (Industrial)	123
4.7.11.	Threats and restrictions facing Manufacturing Sector	124
4.7.12.	Expanded Publics Works Programme	124
4.7.13.	Services	124
4.7.14.	Mining.....	125
4.7.15.	LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS	127
4.8.	SOCIAL DEVELOPMENT ANALYSIS	128
4.8.1.	Broad Based Community Needs -2012/2015 - 2017/2018.....	128
4.8.2.	Education	128
4.8.3.	Health	128
4.8.4.	Safety & Security.....	128
I.	Protection Services	128
II.	Fire Protection.....	128
III.	Community Policing Forum	129
	TRAFFIC MANAGEMENT	129
4.8.5.	Community Development.....	129
4.8.6.	Development of the People with Disabilities, elderly, women and youth.....	129
4.8.7.	Social Development: SWOT Analysis	130
4.9.	FINANCIAL VIABILITY & MANEGEMENT ANALYSIS	131
4.9.1.	Financial Viability & Management.....	131
4.9.2.	Capability of the Municipality to execute Capital Projects	131
4.9.3.	Indigent support.....	131
4.9.4.	Revenue Enhancement & Protection Strategies	132
4.9.5.	Municipal Consumer Debt Collection	132
4.9.6.	Grants & Subsidies	132
4.9.7.	Municipal Infrastructure Assets & Maintenance (Q&M).....	133
4.9.8.	Current & Planned Borrowings	133
4.9.9.	Municipal Credit Rating	133
4.9.10.	Supply Chain Management	133
4.9.11.	Supply Chain Management	133
4.9.12.	Bid Committees	135
4.9.13.	Challenges	135
4.9.14.	Municipal Financial Viability and Management Emerging Key Issues ..	135
4.9.15.	Financial Viability & Management SWOT Analysis	136
4.10.	GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	136

4.10.1.	Good Governance Analysis	136
4.10.2.	National and Provincial Programmes	136
1.	Operation Sukuma Sakhe (OSS)	136
2.	Intergovernmental Relations (IGR)	137
4.10.3.	district igr structures	137
1.	District Mayor's Forum	137
2.	Municipal Managers Forum	137
3.	Chief Financial Officers Forum	137
4.	Technical Forum	137
5.	Planning Development Forum	137
6.	Community Forum	137
7.	Communication (DCF)	137
8.	Corporate Services Forum	137
9.	Waste Management Forum	137
10.	Development Planning Shared Services (DPSS)	138
11.	District Technical Advisor Committee (DTAC) on PMS	138
4.10.4.	Local Municipal Structures	138
1.	IDP Steering Committee (IDP SC)	138
2.	IDP Representative Forum	138
3.	Council	138
4.	Municipal Public Accounts Committee (MPAC)	138
5.	Audit Committee	138
4.10.5.	Status of Municipal Policies and Sector Plans	138
4.10.6.	Municipal Risk Management	139
4.10.7.	Public Participation Analysis	139
4.10.8.	Ward Committee Functionality	140
4.10.9.	Good Governance & Public Participation SWOT Analysis	140
4.10.10.	COMBINED SWOT ANALYSIS	141
5.	SECTION D: DEVELOPMENT STRATEGY	144
5.1.	INTRODUCTION	144
5.2.	NATIONAL AND PROVINCIAL POLICY PERSPECTIVE	144
	NATIONAL DEVELOPMENT PLAN	144
5.3.	KZN Provincial Priorities	145
5.4.	PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)	145
	VISION	146
	MISSION	146

OUR VALUES	146
5.5. STRATEGIC ISSUES	146
2. STRATEGIC OBJECTIVES	147
6. SECTION E1: STRATEGIC MAPPING.....	161
6.1. Spatial Development Framework	161
2. DEVELOPMENT CONTEXT.....	173
1. Big 5 (NORTH Eastern part of the Municipality)	173
6.2. Environmental Sensitive Areas	178
7. SECTION E2: IMPLEMENTATION PLAN	179
FINANCIAL PLAN	203
PURPOSE.....	203
SECTOR DEPARTMENTAL PROJECTS WITHIN BIG 5 HLABISA LM.....	226
SECTION G: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2017/2018(SDBIP).....	243
SECTION H: ORGANISATIONAL SCORECARD 2017/2018	246

I. MAYOR'S FOREWORD

I. MAYOR'S FOREWORD

The season of planning of the Integrated Development Plan in local government is upon us, where all the stakeholders including communities and organized formations are expected to register their respective interest and footprint on the future plans and developments of the Big 5 Hlabisa Local Municipality for the coming financial year.

The five (5) year Integrated Development Plan that we adopt now in May 2017, which effectively marked the beginning of new term of the Integrated Development Plan. This process therefore forms the first IDP of the fifth generation and we have collectively determined the terms and conditions of our social contract together with you as our stakeholders, principals and partners. This Integrated Development Plan could not come at the most opportune time. This is made so in the light of the policy certainty and direction which come into effect and established through the adoption of the National Development Plan.

To give practical expression to the policy direction of the National Development Plan, as well as other National Priorities, the Big 5 Hlabisa Local Municipality through its Integrated Development Plan, has placed itself at the centre of interaction with the stakeholders. This is done through various engagements and public participation platforms we have developed to obtain and ascertain community interests as well as their priorities.

During the period of public participation, communities, stakeholders and our partners were called upon to make necessary inputs which are geared towards making sure that the Integrated Development Plans are aligned to our collective aspirations and priorities with an objective of confronting the on-going challenges predicated on the triple axis of poverty, unemployment and inequalities.

All the efforts and foundation that we laid in the past years are beginning confirm the correctness of our policies, strategies and plans given the current strong and sustainable investment in the regional economy, as well as judging by the level of expansions, investment and development in the region by both Government and private sector and the consequent impact on the quality of life and economic growth in the region.

On the other hand we are working with different investors, to mitigate both permanent and temporary layoffs, thus ensuring the continuation and job security and production to meet the

market demand. In the past local communities have raised concerns about too many 'governments' at local level and duplication created by two tiers local Government system and we have duly responded.

We have concluded an intensive consultation and public participation programme with our communities regarding the creation of single tier system of local governance in Big 5 Hlabisa and so far all the legal processes have been followed and complied with. Flowing from these engagements and submissions, it will be in the best interest of the communities that governance is consolidated into a single tier in Big 5 Hlabisa so that duplication, wastage, confusion and conflicting roles can be effectively eliminated and accountability as well as stability is achieved.

Small Medium and Micro Enterprises (SMMEs) and Cooperatives remain the epicentre of our focus and development through heightening capacity building and access to other opportunity available in other spheres of Government and private sector to support SMMEs, Cooperatives and Emerging farmers. In partnership with the National Department of Rural Development and Land Reform we intend developing an extra feasibility studies for possible Precincts and those feasibilities will be building on the successful work that we will achieve.

There are capital projects that will be kick-started in the next financial year to restore confidence to our communities and to attract more investors into our towns thus creating ambience for further investment and growth in both towns.

In the short term critical challenge of youth unemployment that has been highlighted by both the National Development Plan and the Census 2011 results, will be receiving serious attention and in the short term we will be increasing intake in the Community Works Programme and Expanded Public Works Programme targeting poverty stricken Wards across the municipal area.

I call on all and sundry, to take the time out and have a go at this Big 5 Hlabisa Integrated Development Plan. In doing so, we will arrive at our envisaged future as one, walking hand in hand in seamless service of our communities.

Thanking you;

Mayor of Hlabisa Local Municipality

Cllr V F Hlabisa

II. MUNICIPAL MANAGER'S OVERVIEW

The Big 5 Hlabisa Local Municipality remains focused on delivering on its mandate and functions and I am happy to be getting this maximum cooperation from the whole staff and colleagues and our delivery partners as well as other Spheres of Government.

We have developed our strategies based on the review of the baseline information to come to the second that informed our Integrated Development Plan (IDP). In the next financial year, I will be concluding the process of organisational review that is inclusive of resources required to implement such as organisational structure. The process of reviewing the organisational structure has been delayed due to the limitations on our resources. Amongst other considerations in achieving the strategy as adopted by Council.

We remain proud with the efforts we have put on both the level of awareness about service delivery record, information dissemination, stakeholder engagements and the public participation processes. These efforts have paid off as manifested by less service delivery protests experienced during the current financial year. Flagship projects identified which are in the implementation phase are progressing well and at the same time, progress on the implementation of some other projects will be announced during the Integrated Development Planning Roadshows to be held in November 2017.

We have had reasonable and stable labour peace in our environment and this is attributed to functional relationship we continue to enjoy with the Unions within the Local Labour Forum and this relationship will be even more important as we move forward.

We continue to work hard to reduce the cost of running this municipality through employing austerity measures including realizing value for money. All the financial and non-financial measures in the next financial year are geared towards improving our audit performance from the unqualified audit to a clean audit opinion consistent with the operation "Clean Audit".

We have put our ducts in a row to achieve a clean audit. To this end we have made appointments of members for the Audit Committee for a period of three (3) years and I have no doubt that the skill mix in the Committee will help us to achieve the clean audit objective. Oversight by the Municipal Public Accounts Committee (MPAC) has brought new impetus and focus within the municipality. The Integrated Development Plan we are presenting here has been structured in accordance with the legal requirements of the Local Government: Municipal Systems Act, No. 32 of 2000.

To this end the IDP we are presenting is the first version of the fifth generation for the financial year 2017/18. The diagnostic analysis conducted has assisted us to determine service delivery gaps and backlogs thus enabling us to craft relevant strategies and sector plans. These are captured in detail herein. In order to ensure streamlined development in the entire region we developed a Spatial Development Framework to which all development should be aligned. In order to achieve the plans and objectives we have set for the 2017/18 financial year we have allocated a budget which defines the resources to be used. In this IDP we have also looked critically at the objectives we intend to achieve and how performance to will be monitored.

These objectives adhere to the principles of being Specific, Measurable, Achievable, Realistic and Time-bound. As a consequence thereof monitoring and evaluation will be more targeted and progressive.

Pursuant to co-operative governance we have aligned our plans with those of the other spheres of government, more specifically those of KwaZulu-Natal Provincial Government.

Thanking you;

Municipal Manager
Dr VJ Mthembu

III. POWERS AND FUNCTIONS

The Constitution of the Republic of South Africa Act 108 of 1996, precisely Schedule 4, Part B, read together with Section 152 thereof, and containing the objects of local government, vests the powers and functions of the municipality. Meanwhile, municipal transformation and institutional development relates to a fundamental and significant change relating to the way the municipalities perform their functions, how resources are deployed and the institutional strategies which are implemented with a view to ensuring optimum results in service delivery to the community. It is envisaged that transformation and institutional development shall be seen to take place when the following is addressed as part of the Municipality's strategic planning and direction

Powers and functions of Big 5 Hlabisa municipality are outlined below:

UMkhanyakude District Municipality and Local Municipalities		
DISTRICT MUNICIPAL FUNCTIONS	SHARED FUNCTIONS DISTRICT AND LOCAL	LOCAL MUNICIPAL FUNCTIONS
Potable Water Supply	Fire Fighting services	Air Pollution
Sanitation Services	Local Tourism	Building regulations (National Building Regulations)
Electricity Reticulation	Municipal Airports	Child Care Facilities
Municipal Health Services	Municipal Planning	Pontoons, Ferries, Jetties, Piers and Harbours
Regional Airport	Municipal Public Transport	Storm Water Management System In Built up areas
	Cemeteries, Funeral Parlours and Crematoria	Trading regulations
	Markets	Beaches and Amusement Facilities
	Municipal Abattoirs	Billboards and the Display of advertisement in Public places
	Municipal Roads	Cleansing
	Refuse Removal, Refuse Dumps and Solid Waste	Control of Public Nuisances
		Facilities for the Accommodation, Care and Burial of Animals
		Fencing and Fences
		Licensing of Dogs
		Local amenities
		Local Sport Facilities
		Municipal Parks and Recreation
		Noise Pollution
		Pounds
		Public Places
		Street Trading
		Street Lighting
		Traffic and Parking

IV. STRUCTURE OF THE DOCUMENT

The structure of this IDP document is divided into sections as recommended by KZN COGTA:

SECTION A	: EXECUTIVE SUMMARY
SECTION B	: PLANNING AND DEVELOPMENT PRINCIPLES
SECTION C	: SITUATIONAL ANALYSIS
SECTION D	: DEVELOPMENT GOALS AND STRATEGIES
SECTION E	: SPATIAL STRATEGIC INTERVENTION
SECTION F	: FINANCIAL PLAN
SECTION G	: ANNUAL OPERATIONAL PLAN - SDBIP
SECTION H	: ORGANISATIONAL AND INDIVIDUAL PMS
SECTION I	: PROJECTS
SECTION J	: ANNEXURES
SECTION K	: APPENDICES

1. SECTION A: EXECUTIVE SUMMARY

1.1. INTRODUCTION

The focus of integrated development plan (IDP) is to reduce poverty and social economics issues at the local level. The IDP is a radical plan of municipal government and administration, it gives reality to the model shift in terms of how municipalities should integrated development planning, using community based goals through the process of integrated development planning ,to identify the needs of the community and equalities projects programmers a five year strategic plan for service.

Big 5 Hlabisa Municipality takes the IDP Phases as an analysis phase, aimed at ensuring that decision will be based on people's priority needs , problems and accessible resources ,profound understanding of the dynamic influencing development in the municipality.

The IDP is an instrument of both local mobilization and intersectoral and intergovernmental coordination, and covers the breadth of the local program. Hence, it must be viewed as the confluence of all planning, budgeting and investment in the Big 5 Hlabisa municipal area and must incorporate and illustrate national, provincial and district policy directives.

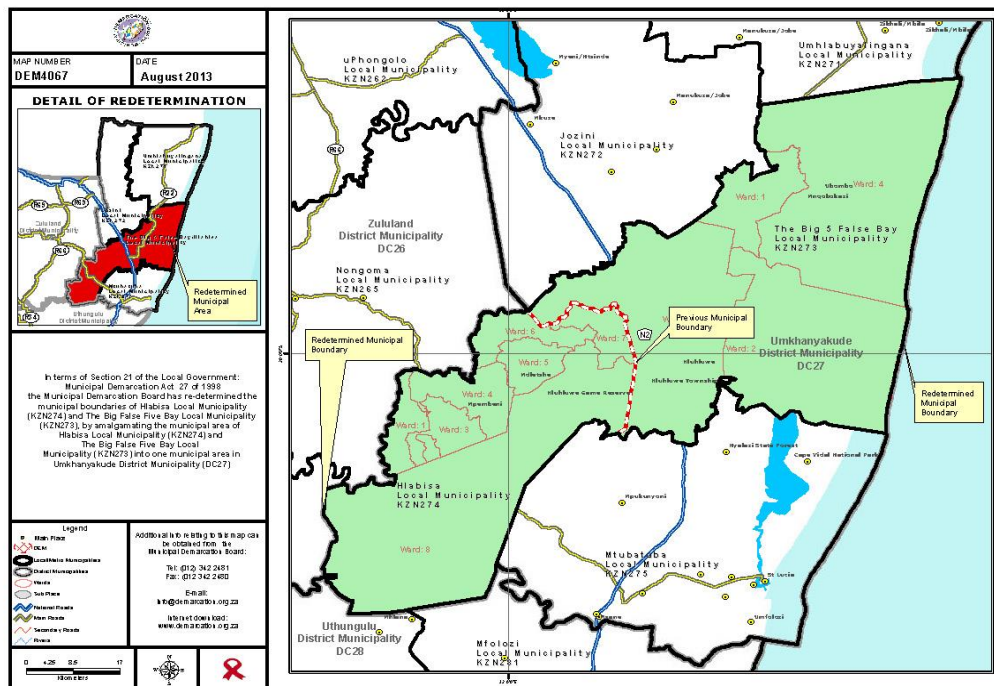
The plan also seeks to integrate and balance the economic, ecological and social pillars of sustainability without compromising effective service delivery. In view of the commitment to the local agenda, it is imperative that there must be institutional capacity and know-how, as both are required to implement and coordinate the efforts needed across sectors and spheres of Government

1.2. SPATIAL OVERVIEW

Big 5-Hlabisa Local Municipality is located in the Northern- western part of KwaZulu-Natal Province. It is one of four local municipalities that make up uMkhanyakude District family and is centrally located among all local municipalities of uMkhanyakude family. The municipality is a product of a type C amalgamation process between the former Big 5 False Bay and Hlabisa Local Municipality, initiated by the Demarcations Board in terms of the Municipal Structures Act.

The name of the municipality is reflective of the historical context of the two former municipalities. The Municipality is predominantly rural with only one semi-urban area being Hluhluwe in ward 5. The municipality is demarcated into 13 wards and has twenty three (23) councilors. Hluhluwe and Hlabisa are the main towns and center of employment opportunities, shopping and recreational facilities Easily accessible off the N2 national route, the municipality lies adjacent to the False Bay (western) side of the Isimangaliso Wetland Park (previously known as the Greater St Lucia Wetlands Park).

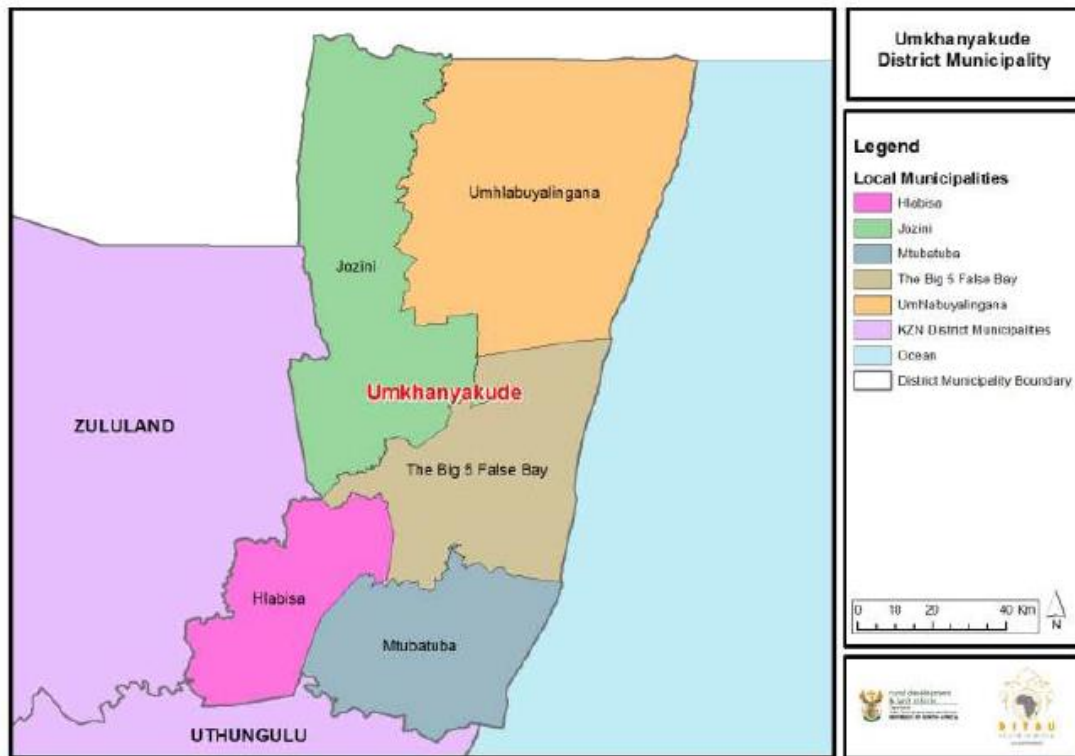
FIGURE 1: LOCALITY MAP OF BIG 5 FALSE BAY



A large proportion of the land is used for agriculture and game lodge activities and is sparsely settled. The north-eastern parts of the municipality are occupied by fairly densely settled three rural traditional communities (Makhasa, Mqobokazi and Nibela). The major draw card of Hlabisa is the tourism industry centred on the Hluhluwe-Umfolozi Game Reserve, located 280 km north of Durban, is the oldest proclaimed park in Africa. It consists of 960 km² (96,000 ha) of hilly topography in central Zululand, KwaZulu-Natal, South Africa and is known for its rich wildlife and conservation efforts. The park is the only state-run park in KwaZulu-Natal where all the Big Five Game occurs. Due to conservation efforts, the park now has the largest population of white rhino in the world. The municipality has infrastructure development backlogs and therefore commits itself to reduce backlogs by 2030.

The Big 5-Hlabisa Municipality was established in 4 August 2016 after the Local Government Elections. The municipality has a low revenue base and depends on grant funding from the Government. However the municipality will employ sound revenue strategies to enhance revenue collection. The Big 5-Hlabisa Local Municipality forms part of the uMkhanyakude District, which has been identified as an ISRDP Node by the Presidency. This programme has been put in place, to, inter-alia, assist the Municipality with human, technical and financial capacity to ensure development and alleviate poverty.

FIGURE 2: UMKHANYAKUDE DISTRICT OVERVIEW



1.3. BRIEF DEMOGRAPHIC PROFILE

The Big 5 False Bay demographic profile, according to the Census 2011 and Community Survey 2016 is illustrated below:

WARD 01 – 05	PERCENTAGE		WARD 06 - 13	PERCENTAGE
Total Population	107 183			
Young (0 – 4)	37,5% + 41, 4%		Young (0 – 4)	71925
Working Age (15 + 64)	58,1%		Working Age (15 + 64)	41,4 %
Elderly (65+)	4.4%		Elderly (65+)	53,8%
Dependency	72		Dependency	4,8
Sex Ratio	88		Sex Ratio	84,5
Growth Rate	1,13% (2001-2011)		Growth Rate	84,5
Population Density	14 Person Km2		Population Density	046 Person / km2
Unemployment Rate	26,5% + 52%		Unemployment Rate	61,9%
Youth Unemployment Rate	31,6% +61,9%		Youth Unemployment Rate	Not indicated
No Schooling Age 20+	26%		No Schooling Age 20+	21,9%
High Education Age 20+	5% + 3,2%		High Education Age 20+	3,2%
Matric Aged 20+	24,4%		Matric Aged 20+	26,9%
Number of households	7,998+ 12586		Number of households	12,586

1.4. WARDS AND TRADITIONAL AUTHORITY

The Municipal area consists of 13 Wards and six Traditional areas namely Makhasa, Nibela, Mngqobokazi, Mpembeni, Matshamnyama and Mdletsheni.

FIGURE 3: TRADITIONAL AUTHORITIES WITHIN UMKHANYAKUDE DISTRICT

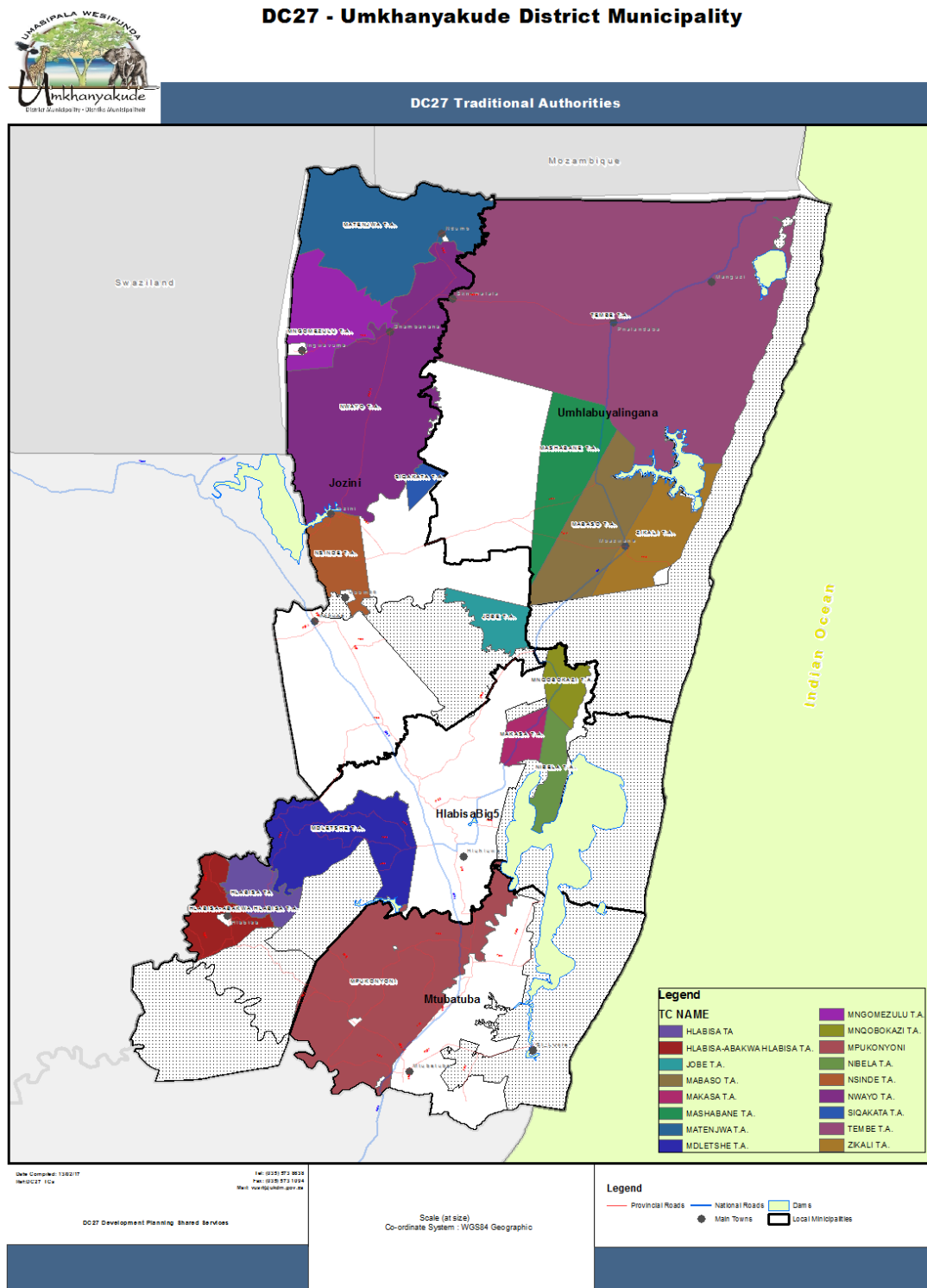
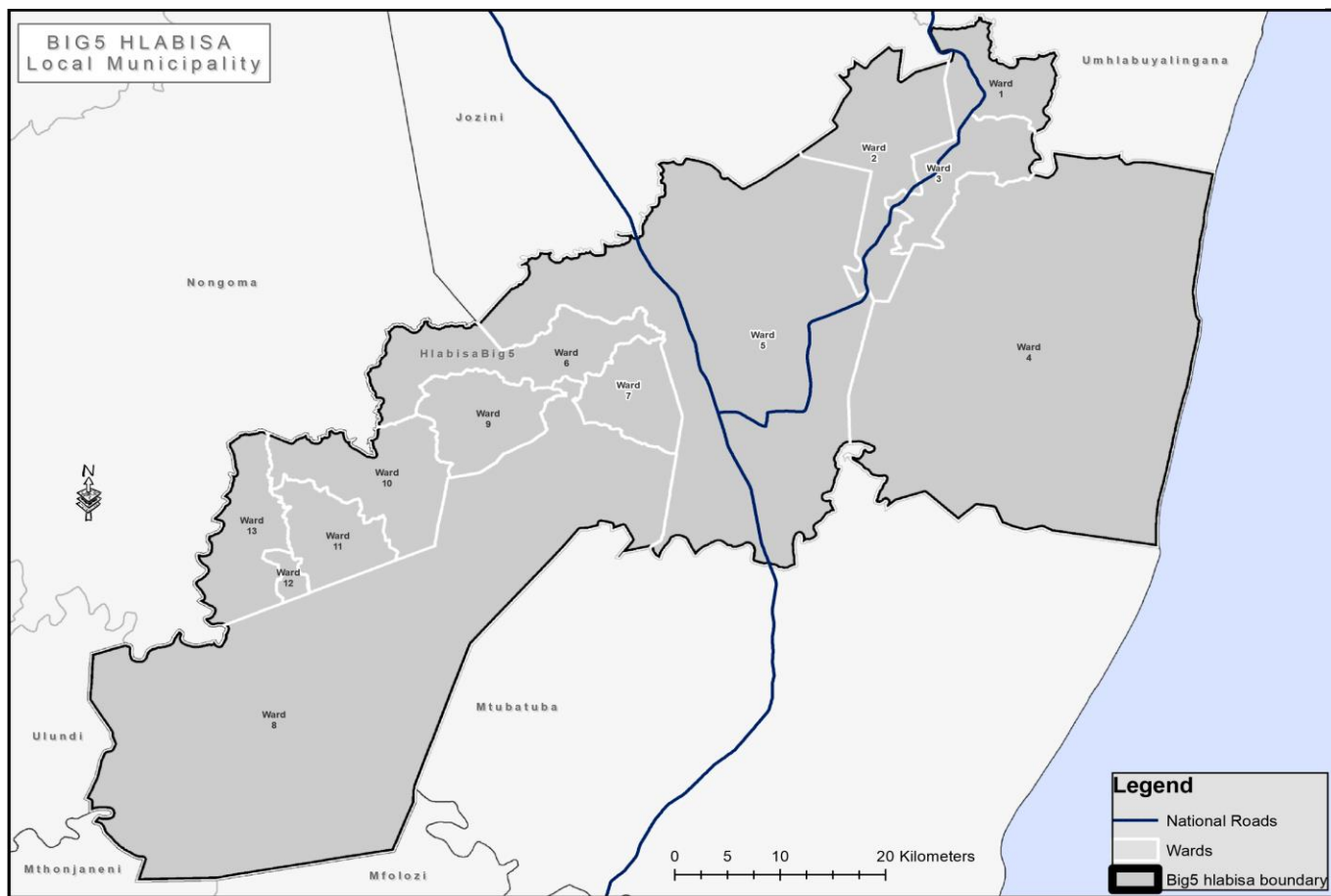


FIGURE 4: WARD LOCATION AT BIG 5 HLABISA LM



2. DEVELOPMENT OF THE 2017/2018 IDP

The development of the IDP Process Plan is guided by the Municipal Systems Act, Act 32 Of 2000. In terms of Section 25 (1) of the Act, *Each Municipal Council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the Municipality which:*

- *Links, integrates and co-ordinates plans and take into account proposals for the development of the Municipality;*
- *Align the resources and capacity of the Municipality with the implementation of the plan;*
- *Forms the policy framework and general basis in which annual budgets must be based;*
- *Complies with the provisions of this Chapter; and*
- *Is compatible with National and Provincial development plans and planning requirements binding on the Municipality in terms of legislation.*

The process of developing the IDP which was entirely driven internally. This process is the primary responsibility of the Council, officials and other stakeholders to ensure that integrated planning is undertaken. The Big 5 Hlabisa Council is responsible for the approval of the IDP for the District and the responsibility cannot be delegated. Clear accountability and management of the IDP process belongs to the Municipality and thus, should be owned and controlled by the Municipality. Councillors, senior officials, local municipalities, sector departments and parastatals, and civil society amongst others, have distinct roles to play during integrated development planning processes.

The Executive Mayor is responsible for driving the whole IDP process and provides leadership in the development and reviews of the IDP. The day-to-day management of the IDP process has been delegated to the Office of the Municipal Manager who consistently chairs the IDP Steering committee. The IDP Manager deals with coordination of the day-to-day issues relating to the IDP. These include adherence to IDP Process plan, coordination of stakeholders, support to Local municipalities and documentation of the IDP.

The senior management attends the IDP steering Committee meetings. The IDP Steering Committee is a technical working team of dedicated senior management officials, who together with the Municipal Manager and/or the IDP Manager must ensure a smooth compilation and implementation of the IDP. To ensure full participation, IDP Steering Committee meetings have been aligned with the Management Committee meeting (MANCO).

The IDP Manager compiles the IDP document through consultation with various sets of information and directs its output to the IDP Representative Forum for debates and further inputs and refinement of the plan. The IDP Representative Forum is the structure that provides a platform for public participation through involvement of different community structure representatives, political leaders, traditional leaders and government entities which provide support throughout the planning process.

The IDP development process for 2017/18 is the first one during the fourth term of local government and incorporates the main components of the District Growth and Development Plan (DGDP) especially the status quo analysis as well as the strategies phases. In essence the IDP review process captured the relevant components of the DGDP and used targets relevant to the 5-year lifespan of the IDP.

One of the fundamental features of the integrated development planning process is the involvement of community and stakeholder organizations in the process. Participation of affected and interested parties is very important to ensure that the IDP addresses core issues as experienced by the citizens of the District. As in the past, community participation was fundamental part of the IDP process and community participation programmes should be conducted, both in terms of monitoring the implementation of IDP, as well as the revision of the IDP process.

The community will have an opportunity to participate in the process through the IDP Forum which will comprise of the Mayors, all political parties and various stakeholders in the municipality area of

jurisdiction. The IDP Forum meetings will be open to the general public and represent all stakeholders.

2.1. MEC'S COMMENTS FOR 2016/2017 IDP REVIEW

The municipality received IDP comments based on 2016/2017 IDP that was submitted and assessed. The following issues were highlighted by the MEC and action being undertaken has therefore been highlighted below. The municipality has endeavored to attend to most issues and due to financial constraints not all matters have been addressed however; it is the municipality's intention to address them within the current period of the IDP.

Briefly comments raised by MEC on the assessment of the IDP Review 2015/16 as follows under table

KPA 01- INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION			
KEY ISSUE	RECOMMEDATION/ACTION PLAN	RESPONSIBILITY	TIME FRAME
Human Resource strategy is not in place	Human Resource Strategy is now in Place	Dir. – Corporate	
Recruitment of staff for environmental Section	The municipality is already employed environmental officer and Waste management officer	Dir. – Corporate	
Employment Equity not in place	The plan has been developed and approved by council.	Dir – Corporate	
Workplace Skill Plan	Develop workplace Plan aligned with Municipal strategic objective	Dr Corporate	
ICT Policy Framework	ICT Policy Framework is now in place	Dr – Corporate	
KPA 02 – Basic Service Delivery and Infrastructure			
KEY ISSUE	RECOMMENDATION/ACTION PLAN	RESPONSIBILITY	TIME FRAME
Provide information on access to service in the former Hlabisa municipal area	Comment Noted	Dir. Technical Services	30 June 2017
Provide information on access to sanitation and water in former Hlabisa area	Monthly progress report will be provided to portfolio Committee	Dir -Technical services	12 Monthly progress report
Develop ,adopt and implement an IWMP for your entire area	Consolidated IWMP will be finalised on the 30 January 2018	Dir – Technical	30 January 2018

using current legislative requirements				
Mapping for entire municipal area showing all the different types of transportation infrastructure.	The Municipality is still waiting for District GIS to Consolidated the infrastructure plans		Dir – Technical	
Develop the transportation Infrastructure Operations and maintenance (O& M) Plan	Policy is in place the municipality is in the process to develop infrastructure master plan by 30 June 2018			30 June 2018
Provide the information on access to electricity by using recent official statistics and information provided By Eskom to improve this section using tables ,graphs and maps	Comment Noted			
Update information on access to community facilities	Comment Noted			
Provide mapping showing the access to telecommunications	Comment Noted			
KEY ISSUE	RECOMMENDATION / ACTION PLAN		RESPONSIBILITY	TIMEFRAME
KPA 03 – Social and Local Economic Development				
Provide the LED Strategy	The Draft consolidated LED Strategy is now in place it will be adopted by 30 August 2017		Dir – Planning Services	30 December 2017
LED information was poor stated	Comment Noted			

Pursue the PGDP-DGDP alignment	Comment Noted			
Communication with Private Sector	Investment attraction strategy		Dir. – Planning service	30 December 2017
KPA 04 – Financial Viability and Management				
There is absence of consolidated information in financial management			Comment Noted	
KEY ISSUE	RECOMMENDATION / ACTION PLAN		RESPONSIBILITY	TIME FRAME
KPA 05 Good Governance and Public Participation				
Wards Committee Functionality	Wards Committee Functionality has been indicated		Municipal Manager	
Develop ,adopt and implement a communication Plan/ Strategy for newly amalgamated municipality in order to promote public participation	Communication Plan / Strategy is now in place		Municipal Manager	
KEY ISSUE	RECOMMENDATION / ACTION PLAN		RESPONSIBILITY	TIME FRAME
KPA 06 – Cross Cutting Interventions				
Complied with Section 26(e) of the Municipal System Act 32 of 2000 and Sections 12(1) and Section of the Spatial Planning	SDF in place however. It is partial compliant MSA regulations and SPLUMA		Dir. Planning Services	
Develop the Spatial development Framework (SDF)	Development of Spatial Development Framework 31 March 2018		Dir. Technical Services	31 March 2018
SPLUMA	Development of SPLUMA BY – Law		Dir - Planning	Council Adoption by

	and sent for public comments			March 2017
Key Observation				
Commended for : OSS, Back to Basics and Overall credibility of the document				
Strategic Thrust Of The KPAs				
Provide the Municipal combine objective and strategies in IDP	Comment Noted .		Municipal Manager	30 June 2017
Provide objective and strategies should be drafted utilizing the available guidelines that are available	Comment Noted		Municipal Manager	30 June 2017
Implementation of Operation Sukuma Sakhe				
Progress made with the roll out of Operation Sukuma Sakhe consolidation Municipal area of jurisdiction	Comment Noted			
Report on the other OSS structure as well as on implementation achievements	Comment Noted			
Basic To Basics				
The municipality must corporate with the Back to Basic programme in its strategic planning process.	Comment Noted			
OVERALL CREDIBILITY ASSESSMENT OF IDP				

TABLE 1: POLICY & LEGISLATIVE CONTEXT

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
Municipal Systems Act	<p>Chapter 5 provides for the preparations of IDP's indicates that the SDF should be aligned with the national and provincial planning as well as the affected neighbouring municipalities. Section 23 (1) of the Act indicates that a municipality must undertake developmentally orientate planning.</p> <p>S26 (e) stipulates that the SDF must include the provision of basic guidelines for a land use management system for the municipality</p> <p>S26 (e) lists an SDF as a core component of an IDP and requires that the SDF provides basic guidelines for a municipal land use management.</p>	<p>The Big 5-Hlabisa SDF should :</p> <ul style="list-style-type: none"> • Identify relevant national and provincial legislation • Identify matters that require alignment between local and district planning
National Spatial Development Perspective (NSDP)	<p>The purpose of the plan aims to assist in implementing the spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality by re-organise and the apartheid spatial relations. It examines the spatial dimensions of social exclusion and inequality, recognising the burden that unequal and inefficient spatial arrangements place on communities.</p> <p>This plan has developed a set of development principles which guide the development, investment and development decisions. The principles identified are as follows:</p> <ul style="list-style-type: none"> • Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key. • Principle 2: Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside. • Principle 3: Beyond the constitutional obligation identified 	<p>The Big 5-Hlabisa SDF should address issues of spatial restructuring.</p> <ul style="list-style-type: none"> • The municipality should thus focus on identifying on sectors and areas that require service delivery especially rural areas. • The Big 5 Hlabisa SDF should aim to yield catalytic effects. • The SDF should identify growth nodes which are viewed as potential areas. It can promote either clustering of economic activities in areas with high potential for economic development or, where feasible. • It can promote spread of economic benefits which are not dependent on clustering within the areas of the municipality where relatively low

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>in Principle 2 above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.</p> <ul style="list-style-type: none"> • Principle 4: Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. • Principle 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centers <p>These guidelines are regarded or recognised as critical tools for bringing about coordinated government action and alignment to meet social, economic and environmental objectives.</p>	<p>economic potential exist by identifying potential and suitable activities for those parts.</p>
Provincial Growth Development Strategy (PGDS)	<p>The PGDS aims to build this gateway by growing the economy for the development and the improvement of the quality of life of all people living in the Province. Whilst the Provincial Government of KZN is leading this process, its success depends on strong compacts with labour, civil society and business. Thus it is critical that all stakeholders be synchronised in the single-minded pursuit of shifting KZN's growth path towards shared growth and integrated, sustainable development. The strategy indicated strategic goals to be achieved for the province (<i>See the Strategic Framework</i>)</p> <p>The adopted vision for the province reads as follows:</p>	<p>The Big 5 Hlabisa should make use of the PGDS informant's maps and data available.</p> <ul style="list-style-type: none"> • The PGDS has made use of the Provincial SDF, therefore the Big 5 Hlabisa SDF output should provide similar framework at a local scale for public and private sector investment by highlighting areas of development opportunity.

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>The “By 2030 KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World”</p> <p>The purpose of the PGDS in KwaZulu-Natal is to:</p> <ul style="list-style-type: none"> • Be the primary growth and development strategy for KwaZulu-Natal to 2030; • Mobilise and synchronise strategic plans and investment priorities in all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners in order to achieve the desired growth and development goals, objectives and outcomes; • Spatially contextualise and prioritise interventions so as to achieve greater spatial equity; • Develop clearly defined institutional arrangements that ensure decisive leadership, robust management, thorough implementation and on-going review of the growth and development plan. <p>The strategy further stated that in order for the 2011 KZN PGDS to deliver on shared growth and integrated, sustainable development through its interventions, all spheres of government must commit to the following:</p> <ul style="list-style-type: none"> • The implementation of catalytic projects and interventions, • Effective participation in the institutional implementation framework, • The incorporation of the strategic goals and objectives in their priorities and programmes, • The reporting of progress, and 	<ul style="list-style-type: none"> • In that sense, the developed SDF will structure and develop a sensible development that works towards a common goal and ensure that development on local level does not take place in an ad hoc silo on its own. • It also should address key issues of implementation blockages whilst providing strategic direction. • It should provide a constructive vision formulated by relevant stakeholders and the community in order to achieve • It should identify development corridors and nodes aligned with the PGDS and PSEDS development corridors and activity nodes. • It should address development issues found in the municipality and achieve objectives as required by the municipality.

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<ul style="list-style-type: none"> The provision and allocation of the required support and resources. 	
New Growth Path	<p>The New Growth identifies the employment issues as its main focus point. The development of decent work and improvement and reducing inequality and defeating poverty has been discovered through the New Growth Path. The policy then aims to restructure the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. The Government is committed to forging such a consensus and leading the way by:</p>	<p>The SDF should introduce development projects which will bring about job opportunities. The SDF must create and delineate potential areas for development which attract people to</p>
National Development Plan 2030	<p>The National Development Plan is a broad strategic framework which aims to set out a coherent and holistic approach to confronting poverty and inequality based some of the interlinked priorities on the following:</p> <ul style="list-style-type: none"> Faster and more inclusive economic growth Building the capabilities A capable and developmental state <p>The plan presents a long-term strategy which include but not limited to the following :</p> <ul style="list-style-type: none"> Aims to increase employment and broaden opportunities through education, vocational training and work experience, public employment programmes, health and nutrition, public transport and access to information. Expand welfare services and public employment schemes, enabling the state to service and support poor communities, particularly those with high levels of crime and violence. Improve the quality of education in underperforming 	<p>The Big 5-Hlabisa SDF should consider propose future development which includes the need for housing, proper social facilities, proper infrastructure where it is highly required. Rural areas in Big 5 False Bay lack of adequate road network thus the framework will aim to improve such development issues by means of introducing potential corridors and infrastructure projects. With the substantial focus on job creation and economic development spatial planners will have to ensure that adequate space is available to accommodate the required economic growth. It is therefore essential to estimate the contributions of the various sectors and the related space requirements.</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>schools and further education and training colleges.</p> <ul style="list-style-type: none"> Promote mixed housing strategies and more compact urban development to help people access public spaces and facilities, state agencies, and work and business opportunities. Invest in public transport, which will benefit low-income households by facilitating mobility the plan emphasises the urgent need to make faster progress on several fronts to sustainably reduce poverty and inequality. 	
Spatial Planning Land Use Management Act 16 of 2013	<p>The act introduces provision to:</p> <ul style="list-style-type: none"> promote a uniform planning and development system promote spatial justice, resilience, sustainability and redress facilitate spatial alignment and coordination provide for the establishment of MPT and other tools 	<p>The Municipality must, in order to determine land use and development applications within its municipal area, establish a Municipal Planning Tribunal.</p> <p>Designate a municipal official to act as an inspector for the purpose of enforcing the provisions of the land use scheme and undertake inspections</p> <p>Make a determination on the type of Appeal Authority, which can be, the executive committee or the executive mayor of the municipality</p>
Comprehensive Rural Development Programme (CRDP)	<p>This framework was approved in 2009 by the Cabinet. The CRDP is a programme which adopts a participatory community based planning that is aims at being effective in rural areas to improve rural development. It aims to respond and addressing poverty and food insecurities by maximising the use and management of natural resources to create vibrant, equitable and sustainable rural communities.</p> <p>This can be achieved through coordinated and integrated broad-based agrarian transformation as well as strategic investment in the relevant economic and social infrastructure to the benefit of all rural</p>	<p>The SDF should ensure that the elements of rural development, sustainability and integration are taken into account and should also promote investment in the rural parts of the municipality. The SDF should aim at promoting public participation to gain consensus on decision making regarding the development needs proposed by the community or municipality in order to achieve a credible SDF for the municipality.</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>communities and not only those involved in agriculture. The success of rural development will culminate in sustainable and vibrant rural communities. Integrated rural development is a concept for planning and thus a strategy for multi-sectorial and multi-faceted interventions designed to ensure sustained improvements in the lives of rural dwellers and rural economies. Rural development programmes are more effective and with sustainable impact if implemented in combination with community-based traditional knowledge. Public participation is therefore a suitable approach to address rural development issues therefore achieve a successful and acceptable rural development to communities.</p> <p>This programme aim to achieve the mandate which was raised by the Ministry and Department of Rural and Land Reform. The mandate introduced includes the following:</p> <ul style="list-style-type: none"> • Intensify the land reform programme to ensure that more land is made available to the rural poor, while providing them with technical skills and financial resources to productively use the land to create sustainable livelihoods and decent work in rural areas. • Review the appropriateness of the existing land redistribution programme, introduce measures aimed at speeding up the pace of land reform and promote land ownership by South Africans. • Expand the agrarian reform programme, which will focus on the systematic promotion of agricultural cooperatives throughout the value chain, including agro-processing in the agricultural areas. • Support measures will be developed to ensure improved access to markets and finance by small farmers, including fencing and irrigation systems. • Establish a much stronger link between land and agrarian reform programmes, as well as water resource allocation to 	<p>The SDF should address land reform issues for Big 5-Hlabisa e.g. rural areas which fall under the Ingonyama Trust, it is therefore required that the municipality has to liaise with the Ingonyama Trust Board in order to proclaim the land. PDA Application for development within these areas may be required for the purpose of following the stipulated regulations.</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>ensure that the best quality of water resources are available to all our people, especially the poor.</p> <ul style="list-style-type: none"> • Ensure that all schools and health facilities have access to basic infrastructure such as water and electricity by 2014. • Introduce the provision of proper sanitation systems in rural areas. • Strengthen the partnership between government and the institution of traditional leadership to focus on rural development and the fight against poverty. • Work together with farming communities to improve the living conditions of farm dwellers, including the provision of subsidised houses and other basic services. • The development programme further identifies development priorities and land reform issues to be addressed for rural development which include but no limited to the following: • Improved economic infrastructure, social infrastructure, increasing the pace of land distribution and increasing the pace of land tenure for rural areas. 	
Urban Development Framework	The Urban Development Framework committed the government to the goals of the habitat agenda which is essentially adequate shelter for all and the development of sustainable human settlements. It set a number of goals, identified priority interventions, and introduced programmes in support of the national urban development vision and addressing the urban land question.	The SDF should therefore aim to integrate the Hluhluwe town with the adjacent potential areas for development by improving housing and infrastructure, creating habitable and safe communities and promoting economic development. CBD Study/UDF should be compiled in the SDF as one of the catalytic projects.
White Paper on Land Policy and related policies	The central thrust of the policy is the land reform programme, which aims to contribute to economic development, both by giving households the opportunity to engage in productive land use and by increasing employment opportunities through encouraging greater investment. The programme is made up of three elements viz. land	There are land reform projects within the municipality. Initiatives to ensure the sustainability of the land should be encouraged.

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	restitution, land redistribution and land tenure.	
Breaking New Ground	<p>The policy promotes the achievement of a non-racial, Integrated society.</p> <p>The focus of the policy is to change the delivery of housing at scale, to ensuring that housing delivery results in Development of sustainable human. Settlements and quality housing.</p> <p>The objectives of the policy are specified as follows:</p> <ul style="list-style-type: none"> • Accelerating the delivery housing as a key strategy for poverty alleviation • Utilising provision housing as the major job creation strategy • Ensure property can be accessed by all as an access for wealth and empowerment. • Leveraging growth in the economy • Combating crime, promote social cohesion and improving quality of life for the poor. • Supporting the functioning of the entire residential property boom and the second economy slump; and • Utilising housing as an instrument for the development if sustainable human settlements. 	<p>The aspects of the policy which needs to be taken into consideration in the Big 5 Hlabisa SDF relate to:</p> <ul style="list-style-type: none"> • The Big 5-Hlabisa SDF should indicate the potential areas for housing development projects. This will then promote and create sustainable human settlements. It should aim to provide for different typologies in different settlement areas; however try to integrate the built form according to the area type and the development principles. • For example the eradication of informal settlements through in situ upgrading in desired locations coupled with the relocation of household where development is not possible or not desirable. Accessing well located land for housing projects.

2.2. PLANNING AND DEVELOPMENT PRINCIPLES

2.2.1. GOVERNMENT POLICIES AND IMPERATIVES

The IDP document for 2017/2018 will reflect on the development mandate that the Council intends implementing. The following issues have been considered during the preparation of the IDP document:

- Responding on the Outcome Delivery Agreement (Outcome: 12) and its seven (7) outputs, as signed by the Minister (COGTA); all nine (9) Provincial COGTA MECs and all Mayors on the 1st of October 2010;
- Responding to KZN priority issues ;
- Addressing Local Government manifesto;
- Responding to the comments and issues raised by the MEC for COGTA (KZN) in the 2016/2017 IDP;
- Responding to issues identified as part of the Municipal Turnaround Strategy;
- Strengthening focused community and stakeholder participation in the IDP processes; and
- Aligning Sector Departments' strategic plans to the District-wide priorities and service delivery programmes.

This IDP document has also been informed and is aligned to the following strategic documents and National and Provincial strategic objectives:

- Global goals for Sustainable Development;
- National Development Plan;
- National Infrastructure Plan;
- Back-to-Basics Policy;
- Provincial Growth and Development Strategy;
- Operation Sukuma Sakhe
- District Growth and Development Plan;
- Municipal Turnaround Strategy; and
- National Delivery Outcome Agreements (especially outcome nine (9) in relation to Local government and municipalities).

2.2.2. SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals, otherwise known as the Global Goals, build on the Millennium Development Goals (MDGs), eight anti-poverty targets that the world committed to achieving by 2015. The MDGs, adopted in 2000, aimed at a range of issues that included decreasing poverty, hunger, disease, gender inequality, and access to water and sanitation. Enormous progress has been made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the indignity of poverty has not been ended for all. The new SDGs, and the broader sustainability agenda, go much further than the MDGs, addressing the root causes of poverty and the universal need for development that works for all people.

At the United Nations Sustainable Development Summit on 25 September 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. The following goals were adopted:

1. Zero Poverty
2. No Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities

11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Change
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals

2.2.3. NATIONAL DEVELOPMENT PLAN

Through a Diagnostic Report, the National Development Plan identified nine key challenges which are:

- Too few people work;
- The standard of education for most black learners is of poor quality;
- Infrastructure is poorly located, under-maintained and insufficient to foster growth;
- Spatial patterns exclude the poor from the fruits of development;
- The economy is overly and unsustainably resource intensive;
- A widespread disease burden is compounded by a failing public health system;
- Public services are uneven and of poor quality;
- Corruption is widespread; and
- South Africa remains a divided society

The Planning Commission then identifies two challenges that are interrelated those being, too few people work and the quality of education for the majority is poor. Basically the NDP contains proposals for tackling the problems of poverty, inequality and unemployment.

The key challenges identified in the National Development Plan are deeply rooted within the District and as such, the approach of the IDP will seek to develop strategies that will tackle these challenges.

2.2.4. THE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)

The Provincial Growth & Development Strategy (PGDS) is based on the following goals:

- Inclusive Economic Growth (KPA 3)
- Human Resource Development (KPA 1)
- Human and Community Development (KPA 1)
- Strategic Infrastructure (KPA 2)
- Environmental Sustainability (KPA 6)
- Governance and Policy (KPA 5)
- Spatial Equity (KPA 6)

KPAs for the Municipality are linked to the PGDS as indicated in brackets. Furthermore, through COGTA the Municipality will participate in the programme for developing the District growth and Development Plan which is a long-term year plan.

2.2.5. PROVINCIAL GROWTH AND DEVELOPMENT PLAN (PGDP)

The PGDS identifies seven strategic goals and thirty strategic objectives that will drive the Province towards its 2035 vision. The cabinet has identified a need to further prepare an implementation in the form of PGDP. The DGDP is aligned to the PGDP.

2.2.6. DISTRICT GROWTH AND DEVELOPMENT PLAN

The District Growth and Development Plan is meant to play a key role in the integration and alignment of the intentions of the NDP at national level and PGDP at provincial level on the one hand, with the activities of local government operating at the coalface of implementation and interaction with constituent communities on the other.

The aim of the DGDP is therefore to translate the Provincial Growth and Development Plan into a detailed implementation plan at a district level, inclusive of clearly defined targets and responsibilities thus enabling the province to measure its progress in achieving the accepted growth and development goals. In addition to the more detailed focus on the interventions identified by the PGDS-PGDP, the DGDP is expected to propose specific milestones that will have to be achieved per priority sectors. This will be refined in a collaborative approach with all the relevant stakeholders to ensure ownership of targets that will be set for specific time horizons.

The KwaZulu-Natal Provincial Planning Commission facilitates and supports the lead departments to develop detailed trajectories to ensure that the roadmap is clear on what is required to achieve the 2030 Vision for KwaZulu-Natal. The current DGDP is due for a review as it was developed in 2014.

2.2.7. THE BACK TO BASICS

President of the Republic of South Africa jointly with Minister: COGTA held Local Government Summit on the 18th of September 2014 with all municipalities countrywide in Gauteng Province.

The Back to Basics Programme is all about fulfillment of municipalities on their constitutional mandate i.e. Putting People / Community first for their lives to change for the better. Five (5) key pillars of Back to Basics Programme identified as follows:

- Basic Services;
- Good Governance;
- Public Participation;
- Financial Management; and
- Institutional Capacity

2.2.8. STATE OF THE NATION ADDRESS (SONA) – 2017

His Excellency, President Zuma during the State of the Nation Address on his speech mainly spoke about radical socio-economic transformation he mentioned that South Africa is guided by National Development plan and should be free from poverty, inequality and unemployment. He also mentioned that the economy of the Country is still not growing fast enough to create jobs that are needed and there are some people including youth who have not worked for years.

He mentioned that based on those reasons the Country should focus on the few areas packaged as the Nine-Point Plan to reignite growth so that the economy can create the much needed jobs. He then mentioned that focus areas include industrialisation, mining and beneficiation, agriculture and agro-processing, energy, small, medium and micro enterprises (SMME's), managing workplace conflict, attracting investments, growing the oceans economy and tourism.

Mr President mentioned the work that the Government is doing to ensure reliable bulk water supply in various areas of the Country to support economic growth whilst increasing access to vulnerable and rural Municipalities. The government is putting more effort to curb high water losses which in some municipalities far exceed the national average, which is currently at 37%; about 10 000 unemployed youth are being trained as plumbers, artisans and water agents. More will be recruited this year to reach the total of 15 000. He urged everyone including municipalities to support the War on Leaks programme.

The President continued mentioning that the government has established InvestSA and investment one-stop shop nationally and will open provincial centres in KwaZulu-Natal. He then mentioned that in 2014 the government launched the operation Phakisa Big Fast Results Methodology in the ocean economy, health, education and mining sectors. The purpose was to find few key projects where the

Country's growth could be unlocked by implementing the NDP. The President also mentioned that tourism has been identified as a key job driver thus tourist arrival numbers are increasing which presents 13% growth in tourist arrivals.

The President continued and reported that the government runs effective poverty alleviation programmes such as Expanded Public Works Programme (EPWP). In addition, social grants are now reaching close to 17 million people monthly, mainly elderly persons and children. Many families would not be able to put food on the table if it were not for social grants.

Lastly the President mentioned that the government should move beyond words to practical implementation of programmes and must play a role in the economy to drive transformation as a start the new regulation making it compulsory for big contractors to subcontract 30% of business to black-owned enterprises have been finalised and were gazetted on 20 January 2017.

2.2.9. STATE OF THE PROVINCE ADDRESS (SOPA) – 2017

The Premier of the KZN Province stated saying that it is important that as a democratic government based on the will of the people it is imperative that the government renew on the historic month and pledge to build a prosperous province working with leaders of society and the community at large. In renewing the pledge knowing that millions of people today are better than yesterday and tomorrow will bring more joy than today.

Not forgetting the fact that as neighbouring villages get clean water, electricity, clinics and proper roads, other people are still waiting patiently for these service. As many people move from informal to formal houses, it must be ensured that those who are waiting for their turn will surely come as day the follows the night. The province is determined to move with speed to achieve high rates of economic growth that would result in job creation and reduction of unemployment.

He also said that it is weighing heavily in government the fact that there are thousands of people who still live in abject poverty. As public representatives, elected through a popular vote, conscience tells that freedom and democracy will remain without the real substance unless there is real improvement in the lives of ordinary members of society. He then quoted that “when we started this term of office in 2014, we knew that our freedom would not be complete while millions continued to live in poverty”

3. SECTION C: SITUATIONAL ANALYSIS

3.1. DEMOGRAPHIC CHARECTERESTICS

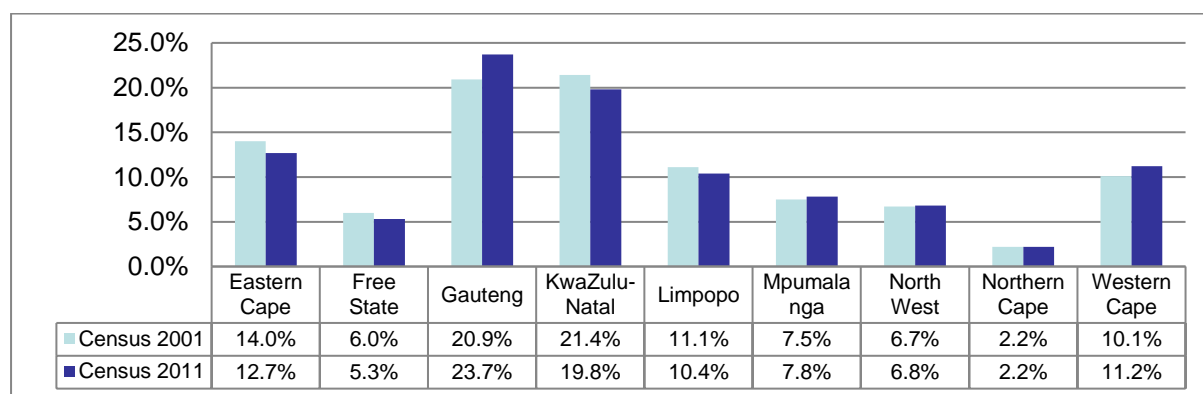
3.1.1. DEMOGRAPHIC INDICATORS

This section reflects the demographic characteristics of Big False Bay Local Municipal area. This will cover qualitative where possible quantitative summary of demographic variable and social infrastructure of the area. The population figures and projections used are based on Statistics South Africa, Census 1996, 2001 and 2011 and **Community Survey 2016**

The municipality has not commissioned any studies or surveys to assist with the situational analysis (commonly referred to as backlog studies) due to financial and capacity constraints. Embarking upon the analysis process for Big 5-Hlabisa Municipality has required widespread research into the most reliable sources of data to use.

3.1.2. POPULATION BY SIZE

The South African population by province, according to Census 2001 was 9 584 129 and 2011 was 10 267 300. There has been a percentage growth of 21.4 % in 2001 compared to 19.8% growth in 2011 graphically depicted as follows:



Provincial **Municipal**

Population

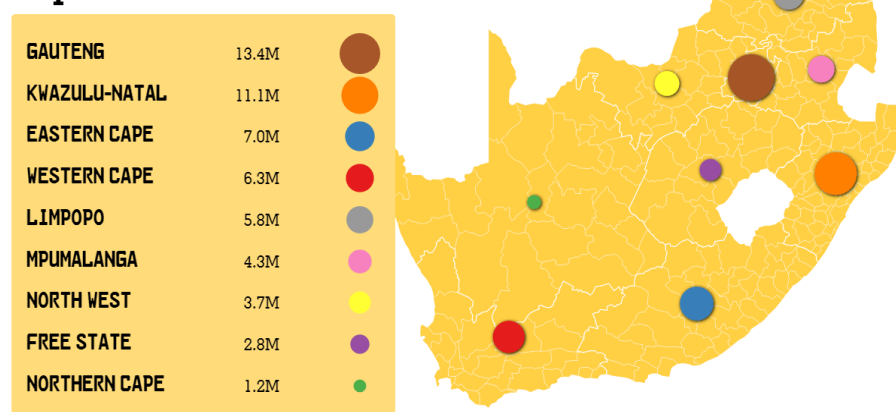


Figure 06: Population by size

In relation to the population figures at a Provincial level the population for the district family of uMkhanyakude contributes 5.9% and Big 5 Hlabisa contributes 0.3%. Corrections to be made)

Big 5 Hlabisa Municipality had a population of 28 857 in 1996, 31484 in 2001 and further increased to 116 622. The percentage growth was 1, 7%. According to census 2011 the population increased from 31 482 in 2001 to 35 258. The percentage growth was 1, 1%. It is therefore evident that the growth rate slightly decreased in the period between 2001- 2011 as compared to 1996 to 2001 and The Big 5 Hlabisa is least populated within the district as depicted in the table below:

According to Census 2011 the combined population of 13 wards under the new Big Five Hlabisa Municipality was 107 147. The distribution of Population according to new 13 wards:

TABLE 2: BIG 5 HLABISA POPULATION SIZE

Municipality	Number of households
	Total
DC27: UMkhanyakude	151 245
KZN271: Umhlabuyalingana	39 614
KZN272: Jozini	44 584
KZN275: Mtubatuba	41 792
KZN276: Big 5 Hlabisa	25 255

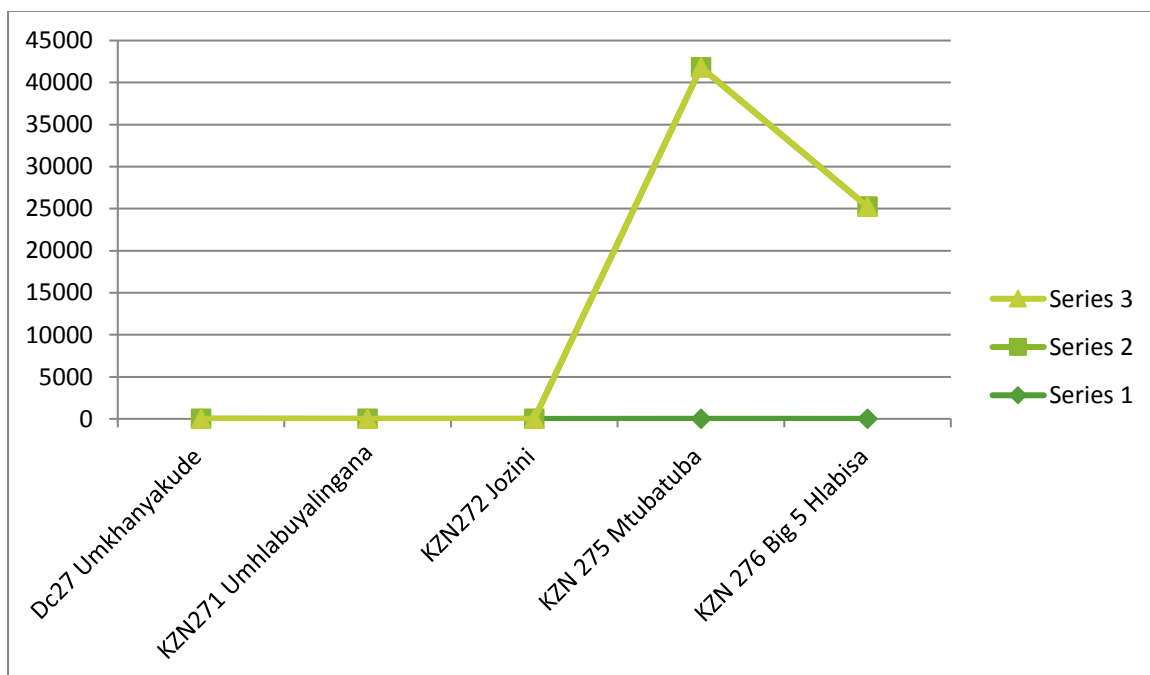


Figure 06 indicate Big 5 hlabisa Population size

According to Community Survey 2016 the population for the new Big Hlabisa Municipality was 116 622.

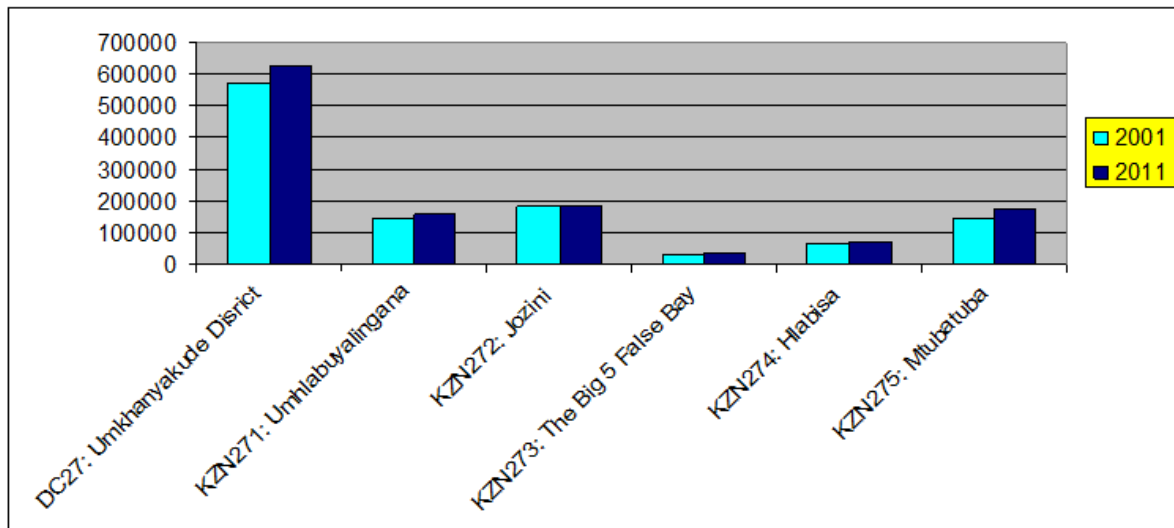


Figure 07: Stats SA census 2011 Distribution of population by size in comparison with other uMkhanyakude Local Municipalities (Stats SA census 2011)

2.1.3. POPULATION DISTRIBUTION

A. TYPE OF DWELLING

With regards to the population distribution within Big 5 Hlabisa Municipality majority of the households are

Found in the informal dwelling as compared to formal and traditional dwelling. The stats are depicted in the tables and figure below.

TYPE OF DWELLING AND HOUSEHOLDS

Municipality	Main dwelling		
	Formal housing	Informal housing	Traditional housing
DC27: UMkhanyakude	106 090	5 028	38 306
KZN271: Umhlabyalingana	27 731	968	10 896
KZN272: Jozini	29 196	1 681	13 111
KZN275: Mtubatuba	31 439	1 843	7 442
KZN276: Big 5 Hlabisa	17 724	536	6 856

Table12: Distribution of households by type of main dwelling and municipality 1996, 2001 and 2011, Stats SA census 2011

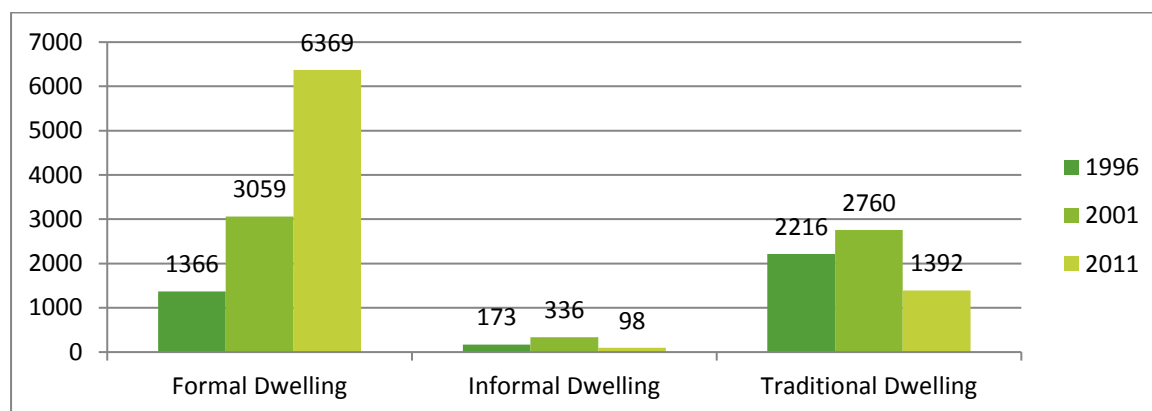


Figure 08: Population Distribution by Type of Dwelling, Stats SA census 2011

3.1.4. POPULATION COMPOSITION

A. DEPENDENCY RATIO

The dependency ratio within uMkhanyakude family has been increasing rapidly since 1996 and in particular Big 5-hlabisa. In 1996 the dependency ratio on population aged 65 yrs and older was **1 080 in 1996** and increased to **1 423** in 2001 the figures went up to 1535 in 2011. The increase can be attributed to a number of factors.

The implication on this pattern indicates that people on the ages above 65 are becoming more and more depended on economically active people. Population on the age 14 yrs and younger growth on dependency can be as a result of the increase in birth rate and are dependent on the economically active group.

	Population age 14 yrs and younger			Population aged 65 yrs and older			Population aged between 15 and 64 yrs			Dependency ratio		
	1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
Municipality												
DC27: Umkhanyakude	225 462	249 280	251 930	22 072	26 451	28 051	247 419	297 610	345 865	100,0	92,6	81,0
KZN271: Umhlabuyalingana	56 327	62 230	62 934	6 564	7 748	7 930	61 202	72 588	85 872	102,8	96,4	82,5
KZN272: Jozini	69 393	83 238	76 949	5 915	7 397	7 330	74 789	93 571	102 223	100,7	96,9	82,4
KZN273: The Big 5 False Bay	11 655	13 193	13 227	1 080	1 423	1 535	15 111	16 867	20 497	84,3	86,7	72,0
KZN274: Hlabisa	31 390	31 427	29 752	2 899	3 327	3 463	31 220	34 515	38 710	109,8	100,7	85,8
KZN275: Mtubatuba	56 697	59 193	69 069	5 614	6 557	7 793	65 097	80 069	98 564	95,7	82,1	78,0

Table 13: Dependency ratio Census 2011

KZN273: The Big 5 False Bay	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-14	5 773	5 883	11 655	6 782	6 411	13 193	6 719	6 507	13 227
15-64	6 947	8 165	15 111	7 752	9 115	16 867	9 246	11 250	20 497
65+	452	629	1 080	517	906	1 423	540	995	1 535
Total	13 171	14 676	27 847	15 050	16 432	31 482	16 505	18 753	35 258

Table 14: Distribution of the population by functional age groups and municipality- 1996, 2001 and 2011

3.1.5. POPULATION GROUPS

The race composition of Big 5-Hlabisa and the entire UMkhanyakude district region is predominantly black, followed by whites making a small proportion. It is however noted that whites are mostly found in Hluhluwe (ward 05). The rest of other groups are very few. A characteristic well in line with the demographic profile of that part of the country. Blacks make up 95.8% of the population groups followed by whites making up 3.2%, the coloured make up 0.3% and the Asians/Indian make up 0.24%. The population groups are depicted in the table below.

MUNICIPALITY	BLACKAFRICAN	COLOUR ED	INDIAN OR ASIAN	WHITE	OTHER	TOTAL
DC27Umkhanyakude	618130	1153	1390	4189	984	625846
KZN271 Umhlabuyalina	155712	141	192	527	164	156736
KZN272 Jozini	184 962	184	444	533	380	186502
Big 5 Hlabisa	105 308	197	530	1671	251	107 957

Mtubatuba	172148	631	555	1902	189	175425
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Distribution by population distribution by group in comparison with LMs in DC 27(Source: Stats SA)
(correction to be made)

The table above indicates population groups at Big 5 Hlabisa Municipality, the majority of population group is black followed by whites however majority of whites are Hlululuwe.

Population by groups Census 2011, 2007 CS

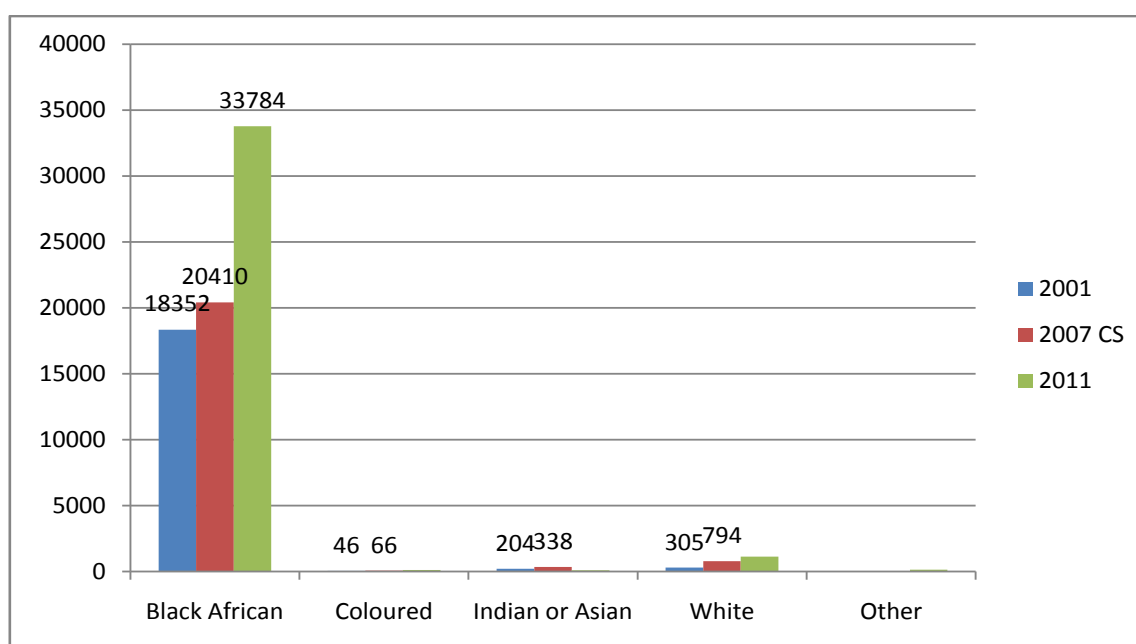


Figure09: Distribution of population by group 2001 Stats SA Census, 2007 Community Survey and Stats SA Census 2011.

3.1.6. DISTRIBUTION OF POPULATION BY GENDER

Out of all local municipalities in UMkhanyakude, Big 5 Hlabisa Municipality has the smallest imbalance in gender ratios, i.e. the most evenly matched proportion of males and females. The most significant implication of this is that the migration of male family members to find work away from home might occur less than in other parts of the district

The gender breakdown of the individual wards of Big 5 Hlabisa shows a stark difference between gender proportions in Ward 3 (urban areas, commercial farms and game lodges) and the traditional areas. Higher proportions of males in Ward 3 could be accounted for by farm workers living on the commercial farms (possibly originally residing in one of the tribal wards). None of the tribal wards (1, 2 and 4) display unusually high proportions of females to males; the distinction is none-the-less pronounced.

According to Community Survey 2011 the population distribution per Gender for UMkhanyakude Municipalities is as follows:

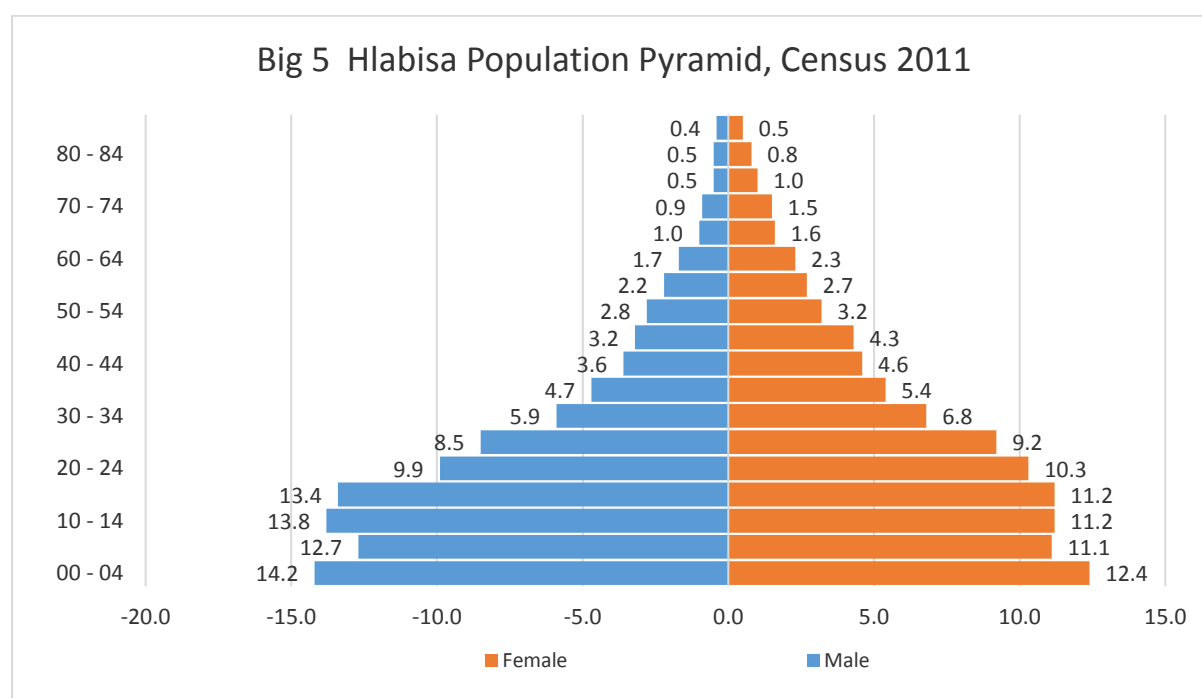
Community CS 2016	Population by	Gender per	Municipality
Municipality			
	Male	Female	Population
DC27: UMkhanyakude	323993	365097	689090
KZN271 :Umhlabuyalingana	80679	91398	172077
KZN272 : Jozini	93282	104933	198215
KZN275 : Mtubatuba	95377	106800	202177
KZN276 : Big5 Hlabisa	54655	61967	116622

KZN273: The Big 5 False Bay	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	1 899	1 879	3 778	2 110	2 007	4 117	2 343	2 323	4 666
5 - 9	1 986	1 989	3 974	2 304	2 179	4 483	2 092	2 076	4 168
10 - 14	1 888	2 015	3 903	2 368	2 225	4 593	2 283	2 109	4 392
15 - 19	1 569	1 579	3 148	2 052	2 113	4 165	2 220	2 104	4 324
20 - 24	1 282	1 403	2 685	1 462	1 481	2 943	1 628	1 939	3 567
25 - 29	943	1 167	2 110	1 083	1 220	2 303	1 406	1 724	3 129
30 - 34	714	1 023	1 737	768	1 111	1 878	978	1 269	2 247
35 - 39	673	823	1 496	615	897	1 511	777	1 021	1 798
40 - 44	513	661	1 174	569	672	1 241	602	863	1 465
45 - 49	443	498	942	405	540	946	526	809	1 335
50 - 54	318	320	639	352	445	797	463	594	1 056
55 - 59	285	318	603	206	281	488	360	498	858
60 - 64	206	373	579	239	355	594	286	430	717
65 - 69	208	301	510	176	356	532	159	294	453
70 - 74	125	151	277	164	296	459	153	281	434
75 - 79	66	86	152	83	115	198	88	186	274
80 - 84	34	47	81	47	72	119	82	144	226
85+	19	43	62	47	67	114	58	89	147
Total	13 171	14 676	27 847	15 050	16 432	31 482	16 505	18 753	35 258

According to Community Survey 2016 the population distribution per Gender for UMkhanyakude Municipalities is as follows:

Big 5 Hlabisa	Male	Female
0 - 4	-15.6	13.4
5 - 9	-13.8	11.6
10 - 14	-14.4	11.9
15 - 19	-14.7	12.0
20 - 24	-9.7	10.1
25 - 29	-7.2	8.1
30 - 34	-4.8	5.6
35 - 39	-3.8	4.7
40 - 44	-3.1	4.1
45 - 49	-2.9	4.1
50 - 54	-2.6	3.4
55 - 59	-2.3	2.8
60 - 64	-1.9	2.3
65 - 69	-1.2	1.6
70 - 74	-0.9	1.6
75 +	-1.3	2.6
Grand Total	100.0	100.0

Table 17: Distribution of population by age and sex, The Big 5Hlabisa Municipality 2011- 2016
Source Census Stats SA.



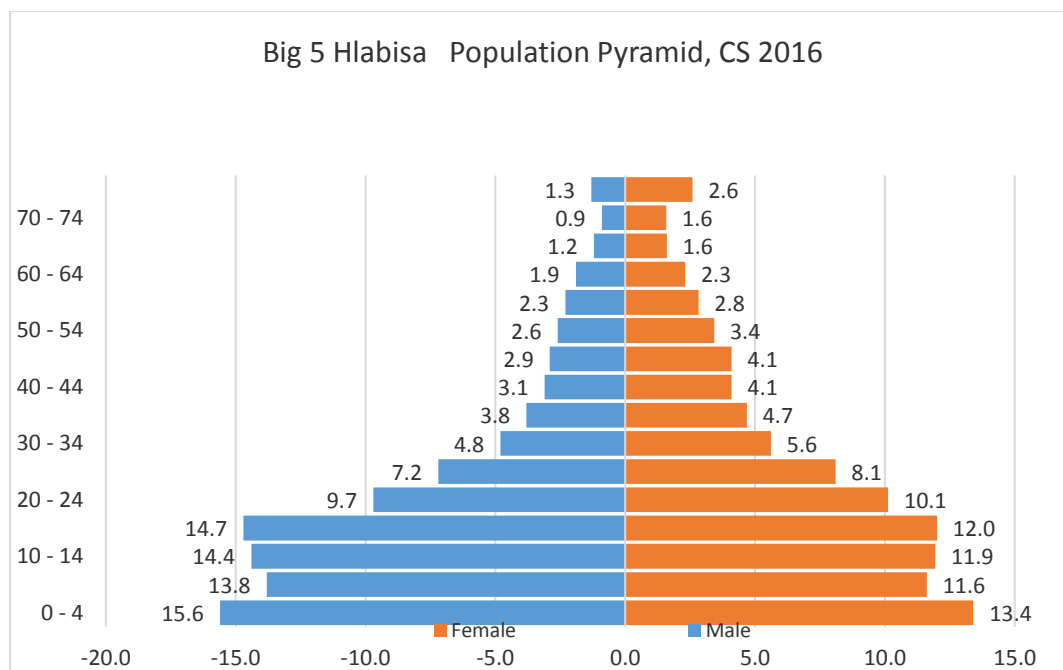


Figure 10 Population Pyramid, Distribution of population by Age and Sex, Source: Stats SA Census 2011.

3.2. SOCIO – ECONOMIC INDICATORS

3.2.1. POPULATION BY HOUSEHOLDS SIZE

The household structures differ greatly in suburban as compared to rural and traditional. Suburban household might comprise 3-5 members in one physical building, and a traditional rural black household that might house up to 10 or more people in a cluster of structures. Such differences in settlement patterns and cultures complicate statistical projections over large areas. The 2001 and 2011 Census gives household sizes across the whole spatial spectrum.

The table below indicates the number of households for Big 5-Hlabisa Municipality in terms of statistics information for 2001 was 6214 and 7998 in 2011. There has been a slight increase and various factors might have impacted on this pattern. It is noted that Big 5 Hlabisa has the second smallest number of households as compared to other municipalities within uMkhanyakude District. Big 5 Hlabisa total population in 2001 was 16825 in 2011 was 20584 and in 2016 moved to 25255

MUNICIPALITY	2001	2011	2016
DC27: Umkhanyakude	101563	128195	151 245
KZN271: Umhlabuyalingana	26324	33857	39614
KZN272: Jozini	33589	38849	44584
KZN276 The Big 5 Hlabisa	16825	20584	41792
KZ 275 Mtubatuba	24826	34905	25255

Table 18: Table: Distribution of population by households income in Source Stats Census 2001 and 2011

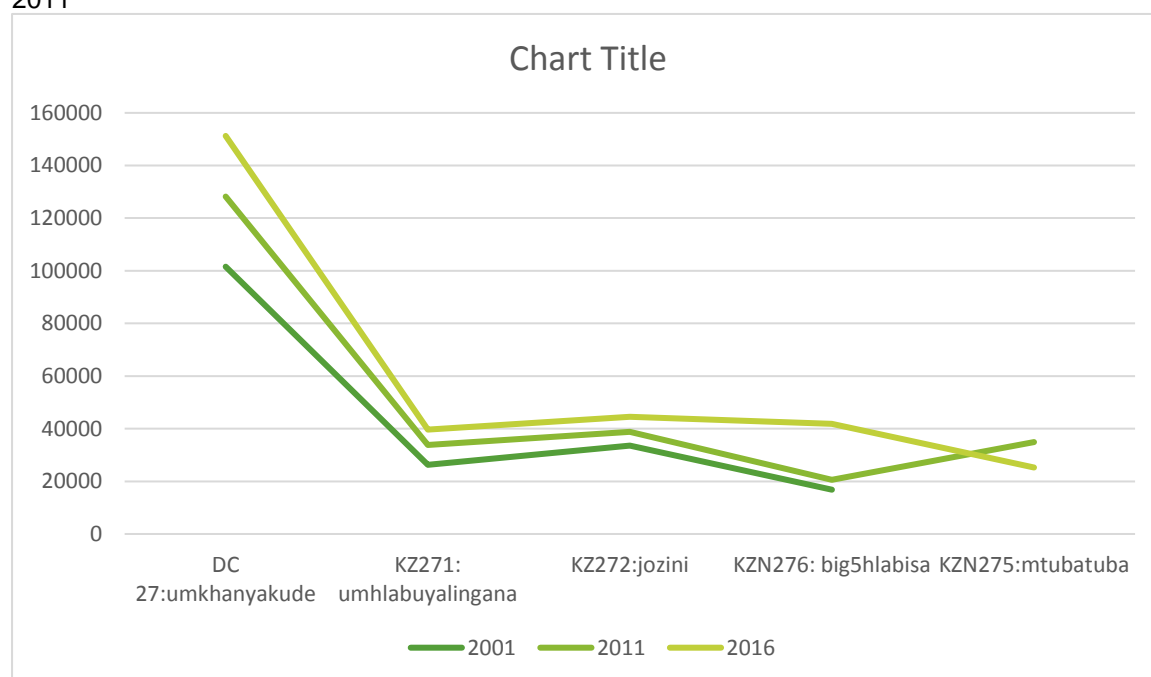


Figure: 11 Distribution of population by household's income, Source Census 2011 - 2016 Stats

MUNICIPALITY	TOTAL POPULATION			NUMBER OF HOUSEHOLDS			EVERAGE HOUSEHOLD SIZE		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
DC27: Umkhanyakude	503 757	562047	612 389	72 714	101563	128195	6,9	5,5	4,8
KZN271: Umhlabuyalingana	128 616	140078	154 410	19 464	26 324	33 857	6,6	5,3	4,6
KZN272: Jozini	151 747	180664	184618	22 100	33 589	38 849	6,9	5,4	4,8
KZN276 Big 5 Hlabisa	123689	98212	105250	12430	16825	20584	8,2	4,8	4,0
KZN275: Mtubatuba	128 559	143093	171296	18 721	24 826	34 905	6,9	5,8	4,9

Table 20: Average household size by municipality Census Stats SA 1996, 2001 and 2011

According to Statistics SA census 1996, 2001 and 2011, the total population of Big 5 was approximately 28 857 in 1996, 29 945 in 2001 and 35 258 in 2011. The number of households were 3 835 in 1996, 6 214 in 2001 and further increased to 7 998 in 2011.

According to Statistics SA census 1996, 2001 and 2011, the total population of Hlabisa was approximately 65978 in 1996, 68 267 in 2001 and 69992 in 2011. The number of households were in 8 595 in 1996, 10 611 in 2001 and further increased to 12 586 in 2011

There has not been major increase considering figures depicted in the table above. A multiple of factor can be attributed to the trend above. Factors will also range from decline to quality of life or HIV/AIDS epidemic posing a challenge to the Municipality thus the need to intensify HIV/AIDS interventions.

3.2.2. FEMALE HEADED HOUSEHOLDS

The numbers of female headed households at Big 5 Hlabisa were 1798 in 1996, 3077 in 2001 and further increased to 4149 in 2011. In 2016 increase to 5600. The increase can be attributed to a number of factors ranging from HIV/AIDS epidemic to rural urban, migration due to factors linked to the economic factor of the municipality which includes limited employment opportunities, better access to basic services in major urban centers and general decline in quality of life. It is evident that there is a challenge at Big 5 in this regard. The development interventions must therefore be put in place to deal with the following:

- economic issues that might lead to migration
- issues that will further impact negatively on human and community development
- Job creation

Municipality	No. of households headed by women			% of female headed households		
	1996	2001	2011	1996	2001	2011
DC 27: Umkhanyakude	33876	51 785	69101	46,6	51,0	53,9
KZ 271: Umhlabuyalingana	9215	13 597	18 250	47,3	51,7	53,9
KZ 272: Jozini	8655	17190	20 865	39,2	51,2	53,7
KZ 273: The Big 5 Hlabisa	6642	9294	11566	46,9	49,5	51,9
KZ 275: Mtubatuba	9363	11796	18420	50,0	47,2	52,8

Table 21: Distribution of female headed households Source: Census 1996, 2001 and 2011 Stats SA

3.2.3. CHILD HEADED HOUSEHOLDS

The numbers of child headed households at Hluhluwe were 84 in 1996 and 188 in Hlabisa, the number increased to 113 in 2001 at Hluhluwe and to 171 in Hlabisa and 116 in 2011 at Hluhluwe while increased to 181 in Hlabisa. It is obvious that there is a negative trend with regards to child headed households and this increase is worrying factor. There could be a number factors contributing ranging from orphaned household due to HIV/AIDS

The unemployment rate increased from 27, 1% in 1996 to 47, 1% in 2001. It shows that 2001 was a challenging periods as majority of the economically active population was not employed in 2001. This has however improved in 2011. The percentage of unemployed people decreased from 47, 1 in 2001 to 26, and 5 in 2011.

MUNICIPALITY	No. of households headed by children (0-17 yrs.)			% of households headed by children(0-17yrs)		
	1996	2001	2011	1996	2001	2011
DC 27: Umkhanyakude	1349	1268	2032	1,8	1,1,	
KZ 271: Umhlabuyalingana	366	374	466	1,9	1,4	
KZ 272: Jozini	388	454	692	1,7	1,8	
KZ 276: Big 5 Hlabisa	272	284	297	2,1	1,5	
KZ 275: Mtubatuba	324	187	576	1,7	1,7	

Table 22 child headed households by municipality Census 1996, 2001 and 2011, Stats SA

Age - 5 year age groups by Sex		
for Person Weight, KZN276: Big 5 Hlabisa Municipality		
	Male	Female
00-04	8637	8600
05-09	7514	7573
10-14	7187	7434
15-19	7594	6848
20-24	5765	6439
25-29	5228	5279
30-34	3310	3935
35-39	1876	2395
40-44	1447	2669
45-49	1177	2277
50-54	1311	1881
55-59	1119	1862
60-64	1012	1407
65-69	572	1000
70-74	430	1077
75-79	214	573
80-84	178	331
85+	83	386
Grand Total	54655	61967

Table 22 child headed households by municipality Census 1996, 2001 and 2011, Stats SA

The Percentage of population aged 20 and above in KZN province with no education in 2001 was 10.8% and has increased to 21.9% in 2011. At a district level the percentage was 25.0 in 2001 and increased to 46.3 in 2011. The rate at which the percentage has increased between 2001 and 2011 is worrying factor and therefore requires attention.

3.2.4. INCOME STATUS

The average household's income is depicted in the table below. Among all local municipalities within UMkhanyakude family, Hluhluwe is has an average household income much higher than the rest of other municipalities. The average household income for Big 5 is R 57 218 making it R 10 000 higher than other municipalities within the family except Mtubatuba Municipality which as is approximately R 2000.00 less than Hluhluwe Community

Majority of the population lives in household that falls into R 9601 and R 19 600, while second largest proportion of the households earn between R 4801 – R 9600, furthermore it is noted that ward 4(Nibela) has the largest number of households as compared to other wards but ward 03 is the ward with the highest income level as compared to the rest of the other wards. This can be attributed to a number of factors ranging from the fact Hluhluwe is the main service centre with major shopping and farm areas contributing to employment opportunities in the area and with also population with much higher level of education.

Municipality	Average household income	
	2001	2011
DC27: Umkhanyakude	19 173	47 201
KZN271: Umhlabuyalingana	16 122	36 164
KZN272: Jozini	16 418	47 018
KZN276 Big 5 Hlabisa	36 275	104 481
KZN275: Mtubatuba	27 284	55 920

Table 23: Distribution of average household income by uMkhanyakude district family Census 2001 & 2011

3.3. POPULATION DENSITY

The relatively low population density of 41 ppl/km² of Big 5 Hlabisa is to be expected. This reflects:

- Only one significant urban settlement (Hluhluwe town, including Phumlani);
- A large proportion of commercial agriculture in the municipal area ;
- A significant number of game lodges and Game Farms in the municipal area;
- Significantly populated but scattered rural homesteads spread across large areas;
- The Makhasa (Ward 2) is far more densely populated than the other two traditional areas, despite having a very similar sized population;
- The Nibela peninsula is less densely populated than Makhasa but more densely populated than Mngobokazi, which is the least densely populated of the rural wards but also the largest in size;
- Aside from the settlement at Hluhluwe town, the rest of Ward 3 is very sparsely populated (14.1 ppl/km²). This ward accommodates all of the commercial agriculture and game lodge activity that occurs in Big 5 Hlabisa Municipality .b

Density has a strong cost implication for service provision. The known low densities of the tribal areas (Wards 1, 2 and 4) already pose development challenges. Although other factors undoubtedly need to be taken into account, the densities listed below imply that Mngobokazi would be the most difficult to service, followed by Nibela and that Makhasa would be the least difficult or costly of the three. Wards densities in terms of number of people per km² are expressed below:

3.4. POPULATION BY EDUCATION LEVEL

Majority of the Youth population at Big 5 Hlabisa

More than 50 % (i.e. 34% primary schooling and 24% attending schooling) are school-going kids. This is an indication of youthfulness of the population of Big 5 Hlabisa. Based on the above figure, 16% of the total population has no schooling. A trend similar to other local municipalities within the District indicates decrease in number of student acquiring post grade twelve qualification, which implies that a number of students get lost along the system.

District and Local municipality	Municipal sub-category	2011							
		Total population			Youth (15-34 years)			Youth proportion	Persons aged 20 years+ who have completed grade 12
		Male	Female	Total	Male	Female	Total		
527 DC27: UMkhanyakude	C2	288 646	337 200	625 846	103 612	122 797	226 409	36.2	87 940
582 KZN271: Umhlabuyalingana	B4	71 769	84 967	156 736	24 914	29 962	54 876	35.0	19 499
583 KZN272: Jozini	B4	86 116	100 386	186 502	30 963	37 227	68 190	36.6	25 440
584 KZN276: Big 5 Hlabisa	B3	49447	57736	107183	17937	20696	38 633	36.0	14529
586 KZN275: Mtubatuba	B3	81 314	94 111	175 425	29 798	34 912	64 711	36.9	28 471

3.5. EMPLOYMENT STATUS

Almost half of the total population is not economically active. A trend consistent to the District indicates that a bulk of those unemployed and not economically active comprises of youth.

The figure below indicated employment status district wide

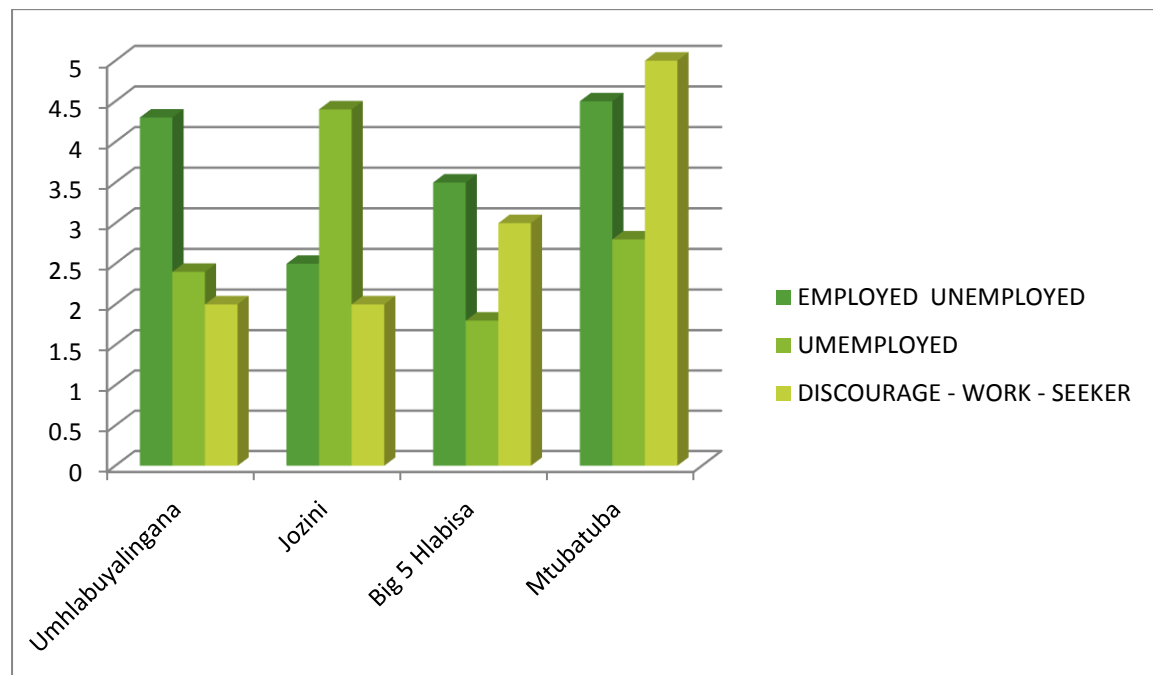


Figure 13 Distribution of population by employment status, Source Census 2011, Stats SA

3.6. HOUSEHOLD SERVICES

3.6.1. DISTRIBUTION OF HOUSEHOLDS USING ELECTRICITY FOR LIGHTING, HEATING AND COOKING

The number of households using electricity in 1996 in KZN was 61, 7 in 2001 and increased to 779 in 2011. At a district level, the uMkhanyakude figures were 29, 4 in 2001 and increased to 38, 4 in 2011 in Big 5 Hlabisa. The distribution is further depicted in table as follows for Big 5 Hlabisa and the whole family of uMkhanyakude.

Municipality	Electricity			
	In-house (Conventional/Prepaid meter)	Connected to other source (household pays/dont pay for)	Solar home system	No access to electricity
DC27: UMkhanyakude	75 364	5 536	3 596	62 887
KZN271: Umhlabuyalingana	6 177	1 153	1 069	30 250
KZN272: Jozini	17 306	1 255	1 483	22 734
KZN275: Mtubatuba	34 495	1 334	309	4 712
KZN276: Big 5Hlabisa	17 387	1 795	735	5 192

Table 09 households using electricity for lighting , heating and cooking

3.6 1.1 Main Source of energy for lighting

Main source of energy for lighting for Household weight, KZN276:Big 5 Hlabisa	
None	224
Electricity from mains	17697
Other source of electricity (e.g. generator; etc.)	120
Gas	12
Paraffin	61
Candles	6264
Solar	850
Other	26
Unspecified	-
Grand Total	25255

3.6.2. HOUSEHOLDS WITH ACCESS TO REFUSE REMOVAL

Majority of the household use their own disposal site for refuse. In 1996 2422 households used their own refuse dump and in 2001, the number increased 3868 and out 7998 in 2011 households 5092 utilise their own refuse. The number of households with access to refuse removal by the municipality has been increasing as follow, in 1996 165 households had access, and in 2001 the number increased to 1062 and further increased to 111972 in 2011. The trend is depicted in the table below.

	Removed by local authority/priv ate company at least once a week	Removed by local authority/ private company less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Unspecified	Not applicable	Total
The Big 5 Hlabisa Municipality	1473	499	196	4896	795	140	-	-	7998
Ward 1	91	12	6	1713	26	11	-	-	1859
Ward 2	99	10	43	1017	221	38	-	-	1428
Ward 3	1234	472	139	939	129	59	-	-	2972
Ward 4	48	5	8	1227	419	32	-	-	1740
Ward 12									

Table 29: Households with access to refuse removal Census 2011

	Remove d (at least once a week)	Removed (less often than once a week)	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other
DC27: UMkhanyakude	6 023	1 420	2 548	1 448	121 863	13 184	4 760
KZN271: Umhlabuyalingana	140	117	800	66	33 246	4 240	1 004
KZN272: Jozini	2 224	669	692	91	33 081	5 535	2 292
KZN275: Mtubatuba	3 266	364	478	302	36 343	951	88
KZN276: Big 5 Hlabisa	393	269	578	989	19 193	2 458	1 376

Table 29: Households with access to refuse removal Census 2016

3.6.3. DISTRIBUTION OF HOUSEHOLD BY TYPE OF TOILET FACILITY

Flush or chemical toilet

The Number households with access to flush or chemical toilet facility in the municipal area are depicted in the table below as 399 in 1996, 1737 in 2001 and 3118 in 2011.

Pit latrine

In 1996, 348 households has access to pit latrine, the figure increased to 886 in 2001 and further to 3629 in 2011

Bucket latrine

The census information indicates that in 1996, 15 households were using bucket latrine, in 2001 the number increased to 45 and further to 74 in 2011. Though these figures are reported but the municipality confirms no bucket system in the area.

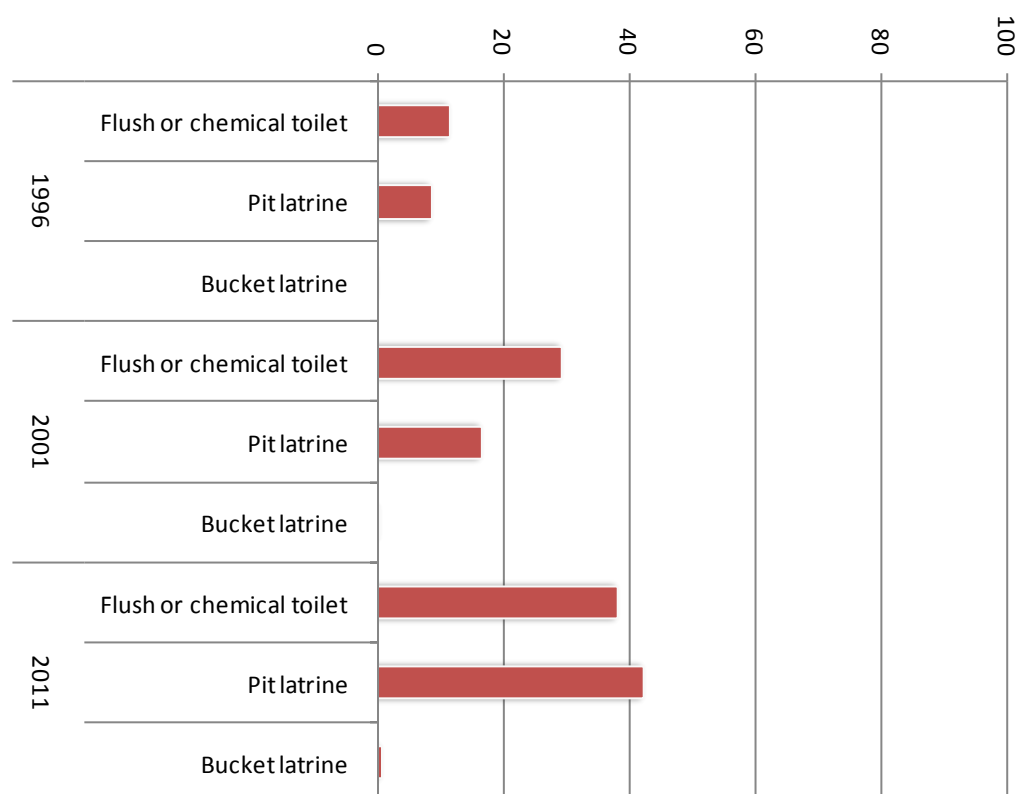


Figure 16: Distribution of household by type of toilet facility, Source: Census 2011 Stats SA

Municipality	Toilet facility			
	Flush/Chemical	Pit (with/without ventilation)	Bucket	None
DC27: UMkhanyakude	45 813	82 572	1 449	15 460
KZN271: Umhlabuyalingana	5 872	27 314	10	5 213
KZN272: Jozini	13 596	21 153	1 263	5 422
KZN275: Mtubatuba	14 115	23 034	17	3 370
KZN276: Big 5 Hlabisa	12 231	11 070	158	1 455

Table 30: Distribution of household by type of toilet facility, Source Census 2016, Stats SA

3.6.4. HOUSEHOLDS WITH ACCESS TO PIPED WATER

The number of households with access in 1996, 2001 and 2011. The table below shows households with access to piped water between the ages of 14 years and from 1996, 2001 and 2011. The number of households with access to piped water inside the dwelling at uMkhanyakude is very low as compared to the rest of the districts and is depicted in the table below.

Municipality	Main source of water for drinking		
	Piped (inside dwelling and yard)	Piped (on community stand)	No piped water access
DC27: UMkhanyakude	45 056	15 876	90 313
KZN271: Umhlabuyalingana	12 322	2 759	24 533
KZN272: Jozini	13 267	7 526	23 791
KZN275: Mtubatuba	12 743	4 729	24 320
KZN276: Big 5 Hlabisa	6 725	862	17 668

TABLE 30: DISTRIBUTION OF HOUSEHOLDES WITH ACCESS TO PIPED WATER 1996, 2001, 2016
(STATS SA)

SPATIAL AND ENVIRONMENTAL ANALYSIS

3.2. SPATIAL ANALYSIS

The KwaZulu-Natal is one of the nine (9) provinces of South Africa which lies on the North East Coast of the country and it is the third smallest in size with total area of 94,361 km² inhabited by a total population of 10,456,900 people making it the second most inhabited after Gauteng Province.

UMkhanyakude is one of the ten districts in KZN and has total number of 625 846 people from its four local municipalities as follows:

- uMhlabuyalingana Local Municipality
- Jozini Local Municipality
- Big 5 -Hlabisa Local Municipality
- Mtubatuba Local Municipality

Jozini Municipality has the largest population amongst a total number of 128, 195 households in uMkhanyakude family of municipalities. The Big 5-Hlabisa Local Municipality is bordered by 3 Municipalities in the UMkhanyakude District, namely Mtubatuba (KZ275) in the South, Jozini (KZ272) to the North- West and uMhlabuyalingana Municipality to the North-East.

The main road linkages in the district are the N2 which is major route which links Hluhluwe with Richards Bay and Pongola and the R22, also known as the Lobombo Spatial Development (LSDI) Initiative, which links Hluhluwe to the Mozambique Border and the R618 linking the south western part of the municipality to the Zululand district. These roads have also been identified as Major Corridors within the uMkhanyakude District.

3.2.1. ADMINISTRATIVE ENTITIES

In terms of the Municipal systems Act 32 of 2000 and the Municipal Structures Act, The Big 5-Hlabisa local Municipality has two satellite offices located within the town of Hluhluwe (North Eastern) and Hlabisa (South Western). Both these offices are responsible for the political and administrative function assigned to it in terms of the powers and functions. However strong Traditional Authority areas exist within wards and is administered by the Ingonyama Trust board as far as tenure is concerned.

3.2.2. STRUCTURING ELEMENTS

The municipality as a product of an amalgamation process stretches over a wider spectrum of land and thus presents a challenge for spatial representation of the municipal jurisdiction. For the purpose of this IDP, the two 'former municipal areas will be discussed inter-changeably to allow for a true reflection of the status quo. Hence the municipality will be referred to using its spatial location in relation to the new municipality.

Hluhluwe area being referred to as the north-eastern part of the municipality and Hlabisa area being referred to as the South-Western part of the municipality. The North-eastern part of the municipality (former Big 5 False Bay) can be divided into four distinct portions, namely: Urban areas of Hluhluwe and Phumlani, private game farms and conservation areas, the three Traditional Authority areas and the commercial farm land. The South-western wing of the municipality is generally characterized by traditional rural settlements under different traditional Authorities with Hlabisa town being the center for services and private game reserves which play a vital role in the tourism sector of the municipality

The population settlement density is generally below 150 people per km². A higher population density is found in Ward 1 (Makhasa Traditional Authority area). Higher densities are also found at the rural nodal areas.

Specific location/spatial characteristics are evident that have shaped the spatial development of the Big 5-Hlabisa Municipality. These include:

- **Accessibility**

The N2 is the main link between Durban, the KZN North Coast, Gauteng and Mpumalanga. It traverses the area on the west. The LSDI road to Mbazwana and Manguzi is the main access to the eastern portion of the municipality. Sandy soil conditions in Hluhluwe area particularly ward 04(Nibela) complicate access and many roads are not accessible during the rainy season.

- **Urban Edge**

The delineation of an Urban Edge is crucial in achieving development principles as entrenched in the chapter 2 of the Spatial Planning Land Use Management Act, 16 of 2013. A proper enforcement of urban edge would help address the urban sprawl, the intensification of development and the integration of urban areas. The Urban Edge defines the zone within which the municipality will in future attempt to upgrade levels of development and infrastructure based on the availability of resources in the municipality.

The function of the Urban Edge is used to:

- Contain urban sprawl
- Protect significant environments and resources
- Re-orientate growth expectations
- Density built environments
- Restructure growth patterns
- Rationalize service delivery area

The Urban Edge comprises the existing urban components of Hluhluwe and Hlabisa and their immediate surroundings. The main aim of the urban edge is to attain effective and efficient functionality of the town. This will be achieved by concentrating on areas that have potential for infill in relation to the existing settlements in order to achieve growth.

Hluhluwe urban edge is proposed to concentrate development within the mobility routes such as N2 and R22.

3.2.3. EXISTING NODES & CORRIDORS

The following nodal hierarchy is proposed to be implemented in the Big 5 Hlabisa Municipality. The nodes and their functions are mentioned here whilst the proposed spatial development of the nodes are discussed as part of future land Uses.

I. PRIMARY DEVELOPMENT NODES

The study also identified the following complex consisting of the following areas as the primary development nodes in the municipality:

TABLE 4: PRIMARY NODAL DEVELOPMENT

Node	Nodal Development
Hluhluwe	The town of Hluhluwe remains the major development area (from an urban perspective) in the municipal area. The town is at the gateway to the LSDI road, close of the N2 and an existing service Centre to the commercial farming community. The town provides its catchment with a wider variety of social and administrative services as well as community facilities than the other urban nodes in the municipality. From a spatial development perspective, development in and

	around the town of Hluhluwe should focus on infill and densification, thereby ensuring the maximum use of infrastructure and services. It is also important that critical maintenance to the town's infrastructure is done to ensure it maintains its important development role.
Hlabisa	<p>The main economic centre in the area. With a densely populated residential area on the southern and south easter parts of the Municipality. The following interventions/developments are envisaged within this node:</p> <ul style="list-style-type: none"> -Low Intensity Industrial development based on local manufacturing skills as proposed in the LED Strategy; -Commercial Development; -Decentralization point for local administration of provincial and local government services; -Higher order social and commercial services; -Integration with major urban centres -Housing development

II. SECONDARY DEVELOPMENT NODES/SERVICES CENTRES

The following areas were identified as secondary development nodes, based on the presence of large population densities, and services delivered via the present of government departments. These localities have existing social infrastructure that consist of primarily of education facilities or clinics, which are unfortunately not always linked to the Traditional Courts in the area.

TABLE 5: SECONDARY NODAL DEVELOPMENT

Node	Nodal Development
Mpembeni	Mpembeni serves a large (but dispersed) community to the east of Hlabisa Town. This Node houses the Mpembeni Traditional Court situated there and therefore this node serves as the Seat of the Mpembeni Area. Subsequently this is a central and well place3d area for the provision and distribution of social infrastrurcture to the Mpembeni Community
Ezibayeni	Ezibayeni is the largest of the two nodes serving the eastern part of the Hlabisa Municipality. This note also houses the Traditional Office of the Mdletshe Traditional Council, and is cetrally situated to disseminate social services to the surrounding
Makhasa	The Makhasa Rural Node is the major economic (from a commercial and value adding perspective) and social node in the rural areas of the municipality. It is classified as such given its locality on the LSDI road and the fact that access to both the Nibela Peninsula and the Phinda Game Reserve is gained from it. There are already a number of developments in the node with a major sport stadium completed. There is also increasing pressure for the further development of the node as its economic and social role is recognized by the community and investors alike. As such, it is imperative that a framework for the development of the Makhasa Node be prepared in the short term to ensure the orderly (and sustainable) development of

the node.

III. TERTIARY DEVELOPMENT NODES

Tertiary nodes are the second 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. In identifying suitable/optimal locations. These include, amongst other factors:

- Density and distributed of population to be served
- Level of existing economic activity
- Proximity of transport routes and modes of transport
- Topography of locality
- Land Tenure arrangements
- Level of service infrastructure
- The following nodes were identified as tertiary nodes:
- Ngebeza
- Nhlwathi
- Mthekwini
- Mganwini
- Rural Settlement Clusters

Rural Clusters are the lowest order nodes found within Big 5 Hlabisa Municipality. High level services cannot be provided cost-effectively within these areas and initiatives will be aimed at basic service delivery.

TABLE 6: TERTIARY NODAL DEVELOPMENT

Node	Nodal Development
Mnqobokazi	The Mnqobokazi Rural Node is the minor economic (commercial and value adding) and social node in the municipality. <i>It has similar characteristics to the Makhasa Node but does not have the same development pressure and extent.</i> It is also located along the LSDI road but is not at such an important intersection of the Makhasa Node. While the development of a framework for the node is also important it should follow the Makhasa node framework. As with the Makhasa Node, the node has a large catchment community that relies on the social services accessible at the node
Nibela	With regards to the nodal development of Nibela it is important to recognize that, <i>although many people live in the area, the area is more isolated (in terms of access) than the economic and social nodes.</i> However, the area <i>has significant tourism development potential.</i> As such, the <i>Nibela node is classified as a social and tourism node.</i> The node has a definite role to provide social services to the community while it is likely that only limited economic activity would be sustainable in the node given its location. At present, a process is underway to investigate and propose delineation for the node along with land use management guidelines.

The SDF for the municipality, as a forward planning document, is informed by a number of current trends as well as the municipal strategic focus areas. The strategic focus areas of the municipality that have an impact that can be affected and presented spatially are depicted hereunder:

- To create an enabling environment for effective service delivery
- To actively pursue social and economic development
- To maintain a strong environmental focus

The SDF for Big 5 Hlabisa is based on land use and natural features (as well as existing community facilities), the transportation network and nodes, i.e. areas of development or investment. Future development proposals around these are informed by the strategic focus areas listed above

Land uses and natural features in and adjoining the municipal area that are significant from a spatial development perspective are the Greater St Lucia Wetland Park, Private Game Reserves. The population density map shows that the areas listed above have very low population densities as well. The distribution of community facilities (namely schools and clinics) clearly follows the areas of highest population density and is not located in these areas of environmental significance. From a spatial development perspective these areas are protected by way of an Interface Area that buffers the areas of environmental significance from extensive development intrusion. Rather, limited agriculture and eco-tourism is suggested to be undertaken in these interface areas.

With regard to the Transportation Network the SDF does not indicate corridors but rather transport routes with a distinction between the types of transport network. Thus, there is caution not to identify corridors that may be perceived to be promoting ribbon development. The following type of transport routes are identified in the SDF

- The N2 and the LSDI Road are national roads. They present the municipal area with development potential in that they provide access to areas with development potential by way of other non-national roads that intersect with them. Access off these roads is not readily attained /permissible. The N2 in particular (and the LSDI road to a smaller degree) carries larger volumes of traffic than the other roads through the municipal area at higher traveling speeds. As such, the N2 and the LSDI are classified in terms of the SDF as Main Transport Routes. Importantly, these routes have limitations on the distance (not only access) of development from them by way of road building lines. These have to be abided by for safety purposes and the fact the infrastructure services are in the road reserve of the LSDI road in particular.

There are a number of Tourism Routes identified in the SDF as well.

- The first one is the P466. It primarily provides access to the various private game reserves located in the northern portion of the municipal area between the N2 and the LSDI road. This area described above is referred to as a "Management Area" in the draft rural LUMS. A variety of tourism and recreational related activities take place in this area that need to be managed in terms of the appropriate legislation.
- The R22 route is a gateway route for Hluhluwe and a tourism corridor
- Secondly, the route from Hluhluwe in a westerly direction, across the N2, towards the northern entrance of the Hluhluwe Umfolozi Game Reserve is proposed as a tourism route in the SDF. A portion of this route is the entrance into Hluhluwe town from the N2.
- The circular route that provides access to the False Bay and numerous private resorts to the west of Lake St Lucia is also a very important tourism route in the SDF.
- A further route that is considered to be a tourism route is the route that provides access from Makhasa to Nibela (in a south easterly direction) and towards Mnqobokazi in the north. It is the proximity of the area that is served by this route to Lake St Lucia and the Greater St Lucia Wetland Park that has contributed to its proposed tourism route status. The area referred to has inherent tourism potential.

- Access to the various private game reserves is also gained from Makhasa in a westerly direction as shown on the SDF map as well.

3.2.4. ROADS AND CORRIDORS

With regard to the Transportation Network the SDF does not indicate corridors but rather transport routes with a distinction between the types of transport network. Thus, there is caution not to identify corridors that may be perceived to be promoting ribbon development. The following type of transport routes are identified in the SDF

The N2 and the LSDI Road are national roads. They present the municipal area with development potential in that they provide access to areas with development potential by way of other non-national roads that intersect with them. Access off these roads is not readily attained /permissible. The N2 in particular (and the LSDI road to a smaller degree) carries larger volumes of traffic than the other roads through the municipal area at higher traveling speeds. As such, the N2 and the LSDI are classified in terms of the SDF as Main Transport Routes. Importantly, these routes have limitations on the distance (not only access) of development from them by way of road building lines. These have to be abided by for safety purposes and the fact the infrastructure services are in the road reserve of the LSDI road in particular.

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- Access to the various private game reserves is also gained from Makhasa in a westerly direction as shown on the SDF map as well.

3.2.5. BROAD LAND USES

A draft Land Use Management Framework Plan that also serves as the Rural Town Planning Scheme for the municipality, has been prepared that proposes the following zones.

- Agriculture
- Education
- Medium Impact Mixed Use
- Management Area
- Traditional Settlement
- Existing and future movement corridors
- Existing Railways
- National Parks and Equivalent Reserves

- Communications Towers

The following comments should be noted:

- The extent of the Hluhluwe Town Planning Scheme area is indicated as a town planning scheme area and has its own zonings and land development controls.
- The Management Area is defined and has its own policy statements and recommended land management controls.
- In each of the three Traditional Authority Areas, the municipality has identified the need for rural housing development which is progress. Communities have been provided with access to housing and the current and future projects are underway. Department of Human Settlement is in the process of initiating rural housing projects. These projects will include the preparation of settlement plans that will, once completed, become formal zoning plans that form part of the Municipal LUMS.

The following descriptions for the rural zones referred to on the previous page are expanded upon hereunder out of the draft Land Use Management Framework Plan:

ZONE	DESCRIPTION
Agriculture	The primary purpose of this zone is to protect land agricultural land within the greater municipal area. The zone is to ensure that agricultural land is utilized in accordance with national legislation and regional policy guidelines related to sustainable development, agricultural production and natural resources.
Existing Roads	This zone shows the major existing roads that have structured and affect land use patterns in Big 5 False Bay Municipality.
Existing Railway	Shows the existing railway and other structural features of the municipality.
Management Area	<p>This zone is in close proximity to the town of Hluhluwe and is located between the Mzinene River to the west and north and the Greater St Lucia Wetland Park (GSLWP), a World Heritage Site to the east. This area is designated as 'Mixed Use Tourism' in the IDP and has had numerous development inquiries and applications for residential and holiday accommodation.</p> <ul style="list-style-type: none"> • The intention of this zone is firstly, to prevent urban sprawl, secondly to carefully assess the potential impact of any proposed development on this land adjoining the GSLWP, a World Heritage Site, and thirdly to try to ensure a range of tourist accommodation for all income groups. Assessing the economic potential of development in any area is difficult especially if those doing the assessing are carrying no commercial risk. For this reason the controls have been designed to ensure that the environmental impact of proposed developments remains a priority in assessing proposals in this zone. • To avoid the creation of high land values that result from identifying nodes for development of agricultural land each development application must be subject to an environmental scoping report subject to a Record of Decision from the Department of Agriculture and Environmental Affairs before development can be approved. • The area has been intensively subdivided over the years and includes many subdivisions less than 10Ha in extent. The intention is to limit development in this area to low density developments that will provide accommodation and options for eco-tourism ventures but preserve the sense of place. • The agricultural suitability of land in this zone is rated as moderate

ZONE	DESCRIPTION
	<p>and the vegetation of this bio-resource group in this area is sandy bush and palm veld with extensive farming (Bio-resource Program KZN).</p> <ul style="list-style-type: none"> It is also recommended that the high capital costs of developing tourist accommodation be investigated with a view to developing a government assisted loan policy to assist the development of tourist oriented accommodation.
Medium Impact Mixed Use	<p>This zone is to encourage the development of a central business district in the SERC's in Makhasa and Mnqobokazi and the Opportunity Node in Nibela. All development required in urban areas that serve the adjoining rural areas is encouraged to locate in these mixed use areas so that in the future it will ultimately be possible for the authorities in the area to service them on a sustainable basis.</p> <ul style="list-style-type: none"> For the reasons outlined earlier discussions held with the Traditional Authorities, to develop acceptable methods of incorporating them into existing land management procedures and the proposed LUMS, were not successful. It is suggested that negotiations between the councilors and the Traditional Authorities be commenced as soon as possible. There is a need to establish a mutually agreed administrative mechanism in the short term to ensure that changing land use information from the Traditional Areas, whether authorized in terms of development legislation or not, is included in the land use information database of the municipality. This mechanism could ensure that land use allocations and changes made in the Traditional Areas are passed on to the municipality. This would ensure that the actual ongoing land uses in these areas can be recorded the municipality's land use information database even though the formal legal processes for integrating land allocation procedures in the Traditional Areas have not yet been established. This information will be extremely valuable to all authorities involved in development and can only improve future land development decisions. It is not suggested that any laws be flouted by any authorities and applications of any uses requiring approval from government authorities must be made.
National Parks and Equivalent Reserves	<p>This zone recognizes all existing Game Parks in the municipal area. The parks are all managed by competent public or private authorities and have controlled public access.</p>
Education	<p>The location of the existing schools throughout the rural areas of Big 5 False Bay are shown where the scale of the LUMFP permits.</p>
Communication Towers	<p>The position of telecommunication towers are indicated on the LUMFP.</p>

3.2.6.LAND OWNERSHIP

Land Ownership within Big 5 can be summarized as follows:

I. PRIVATELY OWNED

Majority of the land is privately owned, followed by state. There are quite a number of farms in Hluhluwe (ward 03) and ward 01, 02 and 04 are under Ingonyama Trust Board (ITB) posing a threat to the municipality as regulating development within such area becomes a challenge since the inception of Planning Development Act (PDA)

II. COMMERCIAL LAND

Land ownership is divided into Full tenure and some sectional title in the Hluhluwe town, Phumlani Township and the commercial farm and private conservation areas. These areas comprise of approximately 45% of the total land area under the administration of the Big 5 Hlabisa Municipality and offer the possibility of a larger variety of tenure options.

III. TRADITIONAL AUTHORITY LAND

The 3 Traditional Authority Areas in the rural wards are all under the Administration of the Ingonyama trust board and tenure options are limited to PTO's for residential developments on short and long term leases for all other types of development. The latter comprises approximately 55% of the land mass

IV. LAND REFORM

Agriculture and tourism are the foundation of the municipal economy. However, the vast majority of people in the municipality do not benefit from activity in these sectors and those who do are merely employees in these sectors. In order to achieve real economic transformation the sensitive issues of land reform and specifically land redistribution will have to be addressed. There is a Land Restitution claim over farms in Ward 2 and 3.

V. LAND CLAIMS

A total of three claim areas in Hluhluwe have been identified. It is noted that all the three areas have been stated as settled areas by the Department of Rural Development and Land Reform (DRDLR). It is hoped that with the recently reviewed legislation will help in resolving some of the land claims. The table below specifies the land claims in details as follows:

TABLE 7: LAND CLAIMS WITHIN BIG 5 HLABISA LM

Claim Name	Park Name	Property Description	Ha	Status	Settlement date	Land Transfer	Challenges	Action to be taken
False Bay	Isimangaliso Wetland Park(IWP)		2213	Settled	2007	No	<ul style="list-style-type: none"> - No Title Deed, - Un-surveyed state land. - Demand for approved grants as part of the settlement agreement 	1. Procure Survey services. 2. Engage beneficiaries regarding new grants approach.
Makhasa	(IWP)	A portion of the Remainder of the farm Katema-Nedersetting No. 14250	3323	Settled	2007	No	1. No Title Deed, unsurveyed state land. 2. Demand for approved grants as part of the settlement agreement	1. Procure Survey services. 2. Engage beneficiaries regarding new grants approach.
Mnqobokazi	(IWP)	Portion of Remainder of the farm Katema-Nedersetting No. 14250 Portion 23 of the farm Katema-Nedersetting No. 14250	9123	Settled	2007	No	1. No Title Deed, unsurvey state land. 2. Demand for approved grants as part of the settlement agreement	1. Procure Survey services. 2. Engage beneficiaries regarding new grants approach.

3.2.7. LAND CAPABILITY

The land Capability of an area is ultimately what informs a sustainable Spatial Development Framework and the following needs to be taken into account

- Balance between urban and rural land development.
- Urban and rural areas should be developed in support of each other.
- The discouragement of urban sprawl by encouraging settlement on serviced land within existing nodes.
- The direction of new development towards logical infill areas.
- Rural settlements should be developed to an acceptable standard of services and infrastructure.
- Compact urban form is desirable.
- Development should integrate social, economic, institutional and environmental aspects.
- Sensitive, vulnerable, highly dynamic or stressed ecosystems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure.
- Development should be within limited resources (financial, institutional and physical).
- Stimulate and reinforce cross boundary linkages, i.e. between the Municipality, conservation areas and the Greater St Lucia Wetland Park.
- A Spatial Development Framework (SDF) should indicate areas where strategic intervention is required and should act as marketing tool to indicate where development can be promoted.

3.3. ENVIRONMENTAL ANALYSIS

3.3.1. INTRODUCTION

The purpose of the environmental analysis is to ensure that municipal development strategies and projects take existing environmental problems and threats into consideration as well as environmental assets that require protection or controlled management.

While the principal duty of a municipality is to govern the affairs of that municipality in accordance with the Constitution and relevant legislation, especially the Structures Act and the Systems Act; the environmental right contained in the Bill of Rights imposes another important duty on municipalities. As such municipalities play a fundamental role in the protection of the environment. In fact, they are obliged to ensure that the environment is protected for present and future generations.

The National Environmental Management Act (Act 107 of 1998), or otherwise referred to as NEMA, together with The Environmental Conservation Act (Act 73 of 1989), promote Integrated Environmental Management (IEM) in South Africa in order to promote and support sustainable development.

The Big 5 Hlabisa municipality (KZ276) is one of the three coastal municipalities in uMkhanyakude District, and as such sharing its borders with the iSimangaliso Wetlands Park world heritage site. The municipality district is characterised by its game reserves, both private and state owned, marine protected areas and natural forests.

3.3.2. BIOPHYSICAL ENVIRONMENT

The biophysical environment is regarded as the biotic and abiotic components of the natural environment, and their interrelationship with each other

I. CLIMATE

The Big 5 Hlabisa falls within the humid subtropical region. A summary of the climatic conditions measured at the Hluhluwe - Glenpark [28°8'S, 32°17'E] weather station is as follows:

- Highest total rainfall = 190.0 mm - January 2011;
- Lowest total rainfall = 36.6 mm - January 2008;
- Highest temperature = 32 °C - March 2011; and
- Minimum temperature = 10.3 °C - June 2011.

II. HYDROLOGY

1. MAJOR WATERCOURSES AND WETLANDS

The Big 5 Hlabisa LM has a relatively flatter topography. There is a combination of perennial and non-perennial river systems. The municipality is drained by the Mzinene River, which flows into iSimangaliso Wetland Park to eventually drain into the Indian Ocean. The Hluhluwe River (a perennial system) drains eastward toward iSimangaliso Wetland Park.

There is also the Mfolozi River (forming the southern boundary of the municipal area) and the Nyalazi River (draining the central area), which also forms the eastern boundary of the area. The Nyalazi River drains northwards toward iSimangaliso Wetland Park. This municipal area is also rich in wetland habitat units, including floodplain and pan-type wetland habitat units.

2. ECOLOGICAL STATUS OF THE MAJOR RIVERS

Monitoring as part of the River Health Programme (RHP) within the UKDM is seemingly lacking as only relatively few monitoring points are routinely surveyed. This is partly due to inaccessibility and rurality of many of the watercourses, lack of personnel and resources to undertake regular monitoring or to expand on the monitoring schemes to incorporate more sites.

Of the eleven (11) monitoring sites within or associated with the uMkhanyakude District; three (3) are along the Mkuze River, Mzinene River, Hluhluwe River and 2 along the Mfolozi River. Indeed, it is reported that not enough data are available to produce either a technical report or a State of Rivers report on the ecological state of the rivers in the Usutu to Mhlathuze WMA (DWA, 2007). This would include the rivers within the Big 5 Hlabisa.

The Big 5 Hlabisa LM is regarded as a major source of fresh water in the region. In recent years, declining quantity of fresh water is observed in the rivers and streams of the municipality as is the case generally in the country. Catchment management objectives and agencies are inactive in the municipality. Given that South Africa is a water stressed country, the water resources (including riparian zones, river banks, vegetation conservation etc.) within the municipality has to be effectively managed. Studies show that the water demand within the Umfolozi catchment within which the Hlabisa LM falls by far exceeds the available supply.

Substantial reaches and catchments of many of the major rivers are incorporated within formally protected areas and therefore have a high conservation status. This has largely allowed for the major rivers to have retained overall ecological integrity and functionality. A major ecological driving force of the larger rivers is erosion within the catchment areas – especially within the catchments that support tribal lands utilised for livestock grazing and subsistence agriculture. Soil erosion within these areas is of major

significance to the watercourses within the region, leading to sedimentation and consequential smothering of aquatic habitat.

Overburdened rivers deposit these silts and sediments within the estuaries and coastal lagoons, which impacts the estuarine ecological integrity by unnatural closure of the estuarine mouth into the ocean. This inhibits interaction of the rivers within the oceans, which impacts on biodiversity at the regional scale because of the lack of migrational movement of aquatic biota.

Upper Mfolozi River catchment suffers from faecal and nutrient (Vryheid and nearby informal settlement areas) and the Black Mfolozi suffers elevated sulphate levels due to mining activities within the catchment areas (Mosai, 2004), but these seem to not pose a risk to the Mfolozi River within the Big 5 Hlabisa. The lower Mfolozi River is reportedly highly impacted through sugarcane farming that has largely transformed riparian zones and coastal swamplands. The PES of the lower Mfolozi River should then also rather reflect a Class C PES (DWA, 2002). Water quality assessments (DWA, 2012) indicate that the Mfolozi River has a general increased sulphate, phosphate and chloride content between the periods of 2006 to 2008. These water constituents are indicative of impacts emanating from the mining, agricultural and urban sectors.

TABLE 8: PES OF MAJOR RIVERS IN BIG 5 HALBISA LM

WMA	Major rivers	PES	River type
W31K	Mduna River	A	Non perennial
W32C	Mhlosinga River	A	Non perennial
W32C	Mzinene River	A	Non perennial
W32C	Ngweni River	A	Non perennial
W32C	Mzinene River	A	Non perennial
W32D	Wela River	B	Perennial
W32E	Nzimane River	B	Perennial
W23A	Mfolozi River	A	Perennial
W32G	Nyalazi River	B	Perennial
W31K	Mduna River	A	Non perennial

3. FACTORS DRIVING THE ECOLOGICAL INTEGRITY OF RIVERS AND WETLANDS

A) SOCIO-ECONOMIC FACTORS:

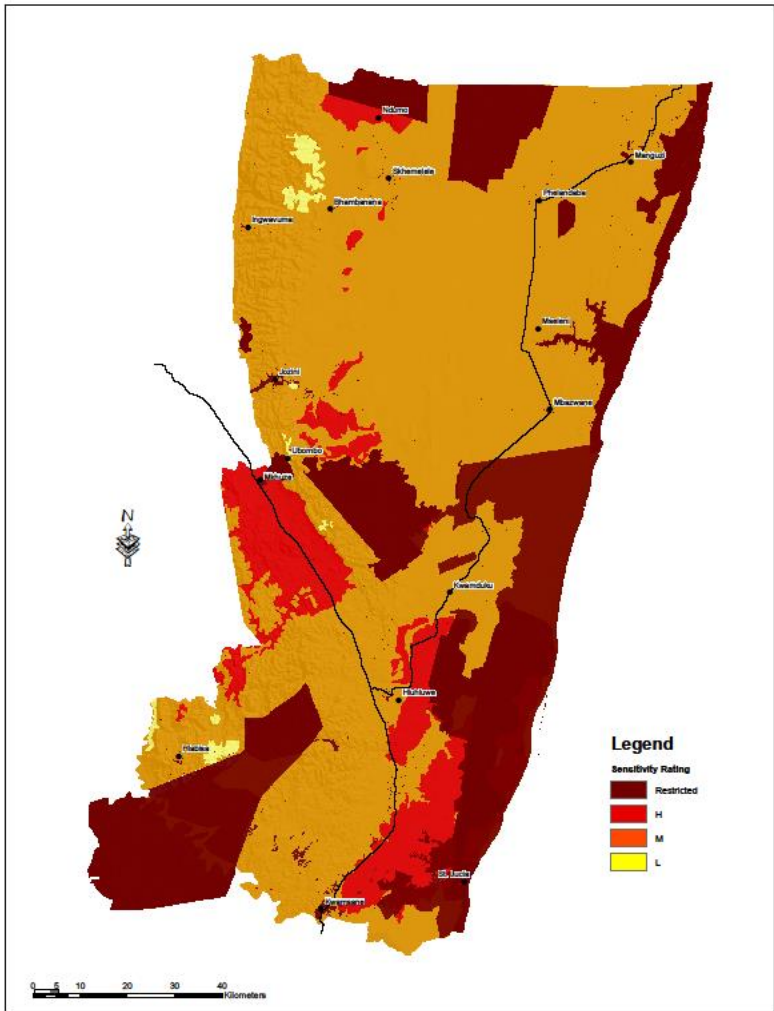
The natural resources most profoundly impacted are surface waters (for consumption, basic domestic use (washing, bathing, etc.), irrigation of subsistence crops, watering of subsistence livestock herds, etc.). Further to this, watercourses are also utilised for waste disposal (solid wastes, urban and domestic refuse) as well as water-borne waste disposal (sewerage and industrial effluents).

As the rural areas are transformed to a more urban setting, these impacts are exacerbated by the increase in population densities surrounding the water resources. Basic service delivery is very often inadequately provided (which is the case for most of the more populated areas within the UKDM) and therefore dependency on the water resources grows together with the impacts associated with high population densities. This is mostly through sewerage contamination of the watercourses. Coupled to the direct dependency on the surface waters as a resource, the catchment areas also suffer impacts through vegetation clearing for subsistence agriculture, grazing of livestock and clearing of areas to make provision of housing.

These are impacts within the catchment areas that also have profound impacts on the surface waters as a resource as well as the ecological integrity of the surface waters as a habitat unit. The locality of the watercourses within the topographical profiles (the bottom of valleys, etc.) usually means that the watercourses receive the runoff from the entire catchment. The overall ecological health of an aquatic or wetland system can therefore be a reflection of the overall health of the catchment area.

The uMkhanyakude District as a whole faces increasing levels of disaster risk. It is exposed to a wide range of natural hazards, including severe storms that can trigger widespread hardship and devastation. This could lead to flooding of storm water management systems, overflowing of sewerage disposal systems and flooding of waste disposal systems. Flooding and overtopping of these mechanisms will lead to dangerous effluents and leachates entering the aquatic and wetland habitats through storm water runoff.

FIGURE 5: DC 27 ENVIRONMENTAL SENSITIVITY MAP



3.3.3. CLIMATE CHANGE

Climate change concern is not for Big 5 Hlabisa Municipality only, but it is a global. National, Provincial and local government concern. Development Intervention needs consider changes in climate. The development is sustainable if it considers issues of development without compromising future development of the area that will be realized if social, economic and environmental issues inform development of the area. The SDF articulate the pattern that must be followed in developing the municipal space.

Climate change pose challenges, the municipality will develop alternative energy source which will further promote the use of alternative energy including renewable energy technologies furthermore the municipality will ensure the following:

- Ensures the municipality's preparedness to climate change risks
- Develop Climate Change Strategy and implementation plan
- Operated waste disposal site according to legal requirements
- Control illegal dumping and eradicate dumping hotspots
- Development of Integrated Waste Management Plan (IWMP)

The climate change further impacts on disaster management risk and it has been realized that Big 5 Hlabisa experience the following disasters:

- Hydro-meteorological Hazards - Severe Storms (Lightning)
- Hydro-meteorological Hazards – Extremely Hot Temperatures
- Hydro-meteorological – Drought

In response to disaster management risks posed by Climate Change the municipality has developed a Disaster Management Plan which is currently at a draft stage

FIGURE 6: BIODIVERSITY SUMMARY FOR BIG 5 HLABISA LM

BIODIVERSITY SUMMARY FOR FORMERLY THE BIG FIVE FALSE BAY LM			
TRANSFORMATION	TERRESTRIAL ECOSYSTEM		
Areas remaining natural - 73723.8ha (69.5%)	Biomes		Threatened Terrestrial Ecosystems
Areas where no natural habitats remain - 32362ha (30.5%)	Indian Ocean Coastal Belt	42892ha (40.43%)	<i>Critically Endangered (CR)</i>
PROTECTED AREAS	Savanna	63188.5ha (59.57%)	N/A
<ul style="list-style-type: none"> iSimangaliso Wetland Park, Makasa Nature Reserve Kosi Bay System 	Vegetation Types		<i>Endangered (EN)</i>
FRESHWATER ECOSYSTEM	Freshwater Lakes	53.9ha (0.05%)	N/A
Water Management Area	Lowveld Riverine Forest	564ha (0.53%)	<i>Vulnerable (VU)</i>
USUTU TO MHLATHUZE - 106080.3ha (100%)	Makatini Clay Thicket	999.1ha (0.94%)	Black Rhino Range - KZN 41
Rivers	Maputaland Coastal Belt	38270.3ha (36.08%)	Eastern Scarp Forest - FOz V1
Msunduzi, Mkuze, Mzinene, Hluhluwe	Northern Zululand Sourveld	1065.9ha (1%)	Lowveld Riverine Forest - FOa 1
Wetlands	Sand Forest	2742.2ha (2.59%)	
735 covering 5758.2ha (5.4%)	Scarp Forest	4.7ha (0%)	
COASTAL & INSHORE MARINE SYSTEM	Southern Lebombo Bushveld	7776ha (7.33%)	
N/A	Subtropical Coastal Lagoons	1ha (0%)	
	Subtropical Freshwater Wetlands	1650.7ha (1.56%)	
	Subtropical Salt Pans	360.2ha (0.34%)	
	Tembe Sandy Bushveld	4906ha (4.62%)	
	Western Maputaland Clay Bushveld	11879.9ha (11.2%)	
	Zululand Lowveld	35806.3ha (33.75%)	

BIODIVERSITY SUMMARY OF FOMERLY HLABISA LM				
TRANSFORMATION		TERRESTRIAL ECOSYSTEM		
Areas remaining natural - 100597ha (71%)		Biomes	Threatened Terrestrial Ecosystems	
Areas where no natural habitats remain - 41130.4ha (29%)		Indian Ocean Coastal Belt	11166.1ha (7.88%)	Critically Endangered (CR)
PROTECTED AREAS		Savanna	130562.3ha (92.12%)	N/A
<ul style="list-style-type: none"> Corridor Game Reserve, iSimangaliso Wetland Park, Hluhluwe Game Reserve, Imfolozi Game Reserve St Lucia System 		Vegetation Types	Endangered (EN)	
		Freshwater Lakes	179.6ha (0.13%)	Hlabisa Forest Complex - 579.7ha (0.41%) FOR 2
FRESHWATER ECOSYSTEM		Lowveld Riverine Forest	44ha (0.03%)	KwaZulu-Natal Coastal Forest - FOz VII1 1.3ha (0%)
Water Management Area		Maputaland Coastal Belt	10073.7ha (7.11%)	Vulnerable (VU)
USUTU TO MHLATHUZE - 141723.9ha (100%)		Northern Coastal Forest	3ha (0%)	Black Rhino Range - KZN 41 4399ha (3.1%)
Rivers		Northern Zululand Sourveld	30862.8ha (21.78%)	Eastern Scarp Forest - FOz V1 1590.4ha (1.12%)
Mfolozi, Mzinene, Hluhluwe, Nyalazi, Nzimane, Wela, Mona		Sand Forest	73.5ha (0.05%)	Hluhluwe Scarp Forest - KZN 58 208.6ha (0.15%)
Wetlands		Scarp Forest	2325.7ha (1.64%)	
322 covering 2185.7ha (1.5%)		Subtropical Coastal Lagoons	32.8ha (0.02%)	
COASTAL & INSHORE MARINE SYSTEM		Subtropical Freshwater Wetlands	1055.7ha (0.74%)	
N/A		Western Maputaland Clay Bushveld	16.6ha (0.01%)	
		Zululand Coastal Thornveld	19096.2ha (13.47%)	
		Zululand Lowveld	77964.7ha (55.01%)	

3.3.4. WASTE MANAGEMENT ANALYSIS

LANDFILL SITES

Big 5 Hlabisa LM has inherited 2 waste disposal site from the previous Hlabisa and The Big Five False Bay municipalities. These 2 sites are located in 2 main towns within the municipality, i.e. Hlabisa and Hluhluwe town. Both sites are illegal, with only the Hluhluwe site having been license for closure (not immediate closure).

The status of the 2 Big Five Hlabisa sites is indicated in the table below:

Name of Facility	Status	Licence NR	Capacity of site	Available airspace
Hlabisa Waste Disposal	Operational	Not Licensed	2400	6.45yrs
Hluhluwe Waste Disposal	Closed	Licensed for closure	4000	6.47yrs

A) HLABISA WASTE DISPOSAL SITE

Hlabisa Landfill site is situated to the west of the town of Hlabisa. The dimensions are approximately 60m X 20m. The Site is not fenced. The Municipality is the owner and operator of the site. There is not appointed person on the site and the public is not charged to dispose of their waste there. Domestic collection is done by means of a tractor/trailer combination, being a Ford 5640 and a 7m³. The tractor is old but still in a serviceable condition. Waste is disposed of on-site and then burned by municipal workers when necessary. The waste is not covered at all with soil or an acceptable alternative in accordance with the minimum requirements set out by DWAF. No recycling is done on site although the mainstream of the waste is domestic with a lot of glass and metal products suitable for recycling. The approximate life-span of the site is at least for another six years as the volumes are very low and burning minimizes the bulk of the volume.



B) HLUHLUWE WASTE DISPOSAL

Hluhluwe Landfill Site is situated to the East of the town of Hluhluwe, approximately two kilometers out of town. The dimensions are approximately 100m x 50m. The site is not fenced. The public is not charged to dispose of their waste there. Domestic collection is done by means of a tractor/trailer combination, being a Ford 3000/5000 and a 7m³ trailer. The tractor is in a poor condition and needs urgent servicing.

Residents are expected to drop off their own garden refuse. Waste is disposed of on-site and burned when the need arises. There is no control of the waste types that enter the site, which is evident by the large volume of hazardous asbestos fibres found on site. Waste is also not covered in accordance with the minimum requirements. No recycling is done on site although there is a lot of glass and metal products suitable for recycling. There is however a small community that makes a subsistence living from the landfill and they have settled to the North Western side of the site. The approximate life-span of the site is for another 5-8 years as this site is quite old and there is not much room left for expansion. A recycling centre would extend the life-span considerably due to the mainstream of the waste being glass, plastic and metal products from guesthouses and local homes. The site has been licenced for closure, and should be closed in 10 years.



3.3.5. DISTRICT-WIDE WASTE DISPOSAL SITE COMPLIANT CHECK

On a quarterly basis the uMkhanyakude Environmental Management Unit conduct a waste disposal site compliant check exercise on all waste disposal sites within the District. This to determine the level of improvement within which municipalities manage their waste disposal sites. Since almost all waste disposal sites are illegal, there is poor compliant with most of the checklist indicators.

The waste disposal compliant check for Hlabisa Waste Disposal sites is further highlighted in the table below

UMKHANYAKUDE DISTRICT-WIDE WASTE DISPOSAL SITES COMPLIANT CHECK																		
Indicators>>>>>	Licence	Operating Plan	Access	Register	Access control	Liner	Controlled disposal	Cover	Equipment	Personnel	Leachate management	Stormwater management	Groundwater monitoring	Audits	Nuisance	Monitoring committee	Waste Information	Recycling activity on site
Name of the Site																		
Hlabisa Waste Disposal site																		
Hluhluwe Waste Disposal Site																		

LEGEND:	
	Fully-compliant
	Partially compliant, but not a significant detrimental impact
	Not compliant and/or significant detrimental impact
	Licensed for closure
	Currently being licensed

A) RECYCLING, REUSE, RECOVERY AND WASTE MINIMIZATION INITIATIVES

The municipality does not have any recycling policy for either its municipal staff nor for the municipality as a whole. Domestic waste at all the landfill sites was observed to contain large amounts of recyclable material despite the recycling activities. This included plastics and paper grades. General waste at households was observed to contain a large amount of recyclable material. This included plastic and paper grades. There are no accurate records of the quantities of waste generated in different areas of the municipality. It is therefore not possible to set recycling, reuse, recovery and minimization targets.

There are however initiatives by private individuals (recyclers). These collect selective recyclable waste material in Hluhluwe and Hlabisa towns for recycling purposes. It should be noted that given the population number, the volume of waste generated, The Big Five Hlabisa town should consider establishing a buy-back centre instead of a landfill site.

B) ILLEGAL DUMPING

Hlabisa town is one of the cleanest towns in uMkhanyakude. The opposite can be said of the Hluhluwe town. As it is the case with other towns, illegal dumping is rife at Hluhluwe town. The indiscriminate disposal at the Hluhluwe waste disposal aggravate the problem. During windy days, waste gets blown away from the waste disposal site into the adjacent Phumulani Village and even as far as the town. Almost every street corner in the Phumulani village has a dumping spot.



3.3.6. MUNICIPAL ENVIRONMENTAL CAPACITY ANALYSIS

1. ENVIRONMENTAL GOVERNANCE

The prioritization and consideration of environmental management issues in a municipality depend on a functional environmental governance structure. In the absence of a functional structure the likelihood is that environmental management issues would not be taken into consideration, and in some cases the end result would be absence of environmental management policies/plans. In cases where there are some environmental management policies/plans; the absence of a functional environmental management unit and a dedicated environmental management official would most likely result in lack of integration of such a plan into municipal planning processes (the IDP) which in turn leads to poor or non-implementation of the plan.

2. HUMAN RESOURCE CAPACITY

The Big Five Hlabisa has a semi-functional Environmental Management Unit. Semi-functional in a sense that a unit exists in terms of the municipal organogram, but it is not fully-occupied in terms of human resources. Only an Environmental Management Officer post is filled. There is also a Waste Management Officer, however that official is not within the Environmental Management Unit.

3. ENVIRONMENTAL PLANNING TOOLS: INTEGRATED WASTE MANAGEMENT PLAN

The municipality is new and as such, does not have any environmental management tools. There is no IWMP nor Waste By-Laws in place. The municipality has however started with the process of developing its IWMP. The terms of References for the appointment of the service provider have been developed and submitted to the relevant portfolio for recommendation.

3.3.7. AGRICULTURE

The Big 5 Hlabisa municipality area consists of moderate to high agriculture potential land and is rich in terms of natural resources. However, due to bad land use practice which include overgrazing that lead to deforestation, the municipality has not been able to utilize natural advantage to its maximum. As a result, soil erosion is evident in a number of areas. This is more prevalent in areas or tribal areas where most of people keep livestock and do not stick to accepted grazing capacity. Therefore, it is important to develop strategies that will mitigate negative impact on the use of natural resources.

I. AGRICULTURAL POTENTIAL OF THE MUNICIPALITY

With its 2 main towns (Hluhluwe and Hlabisa), the majority of the Big 5 Hlabisa LM population are rural dwellers, and many households rely at least partially on subsistence agriculture to meet some of their food requirements. Big 5 Hlabisa has the combination of both subsistence and commercial agriculture. Subsistence agriculture is the most wide-spread in the old Hlabisa municipality side, covering most of the area. In the then Big 5 False Bay municipality, there are large areas under commercial and subsistence agriculture around Hluhluwe.

The area with the highest agricultural potential is the Nibela Tribal Authority (TA) area (ward 04) and the commercial farm areas. The rainfall drops from the East (coastal) to the west (inland). Improved agriculture production can be remedied by the introduction of sound agricultural management and irrigation. Soil conditions and climate culminates to create the perfect conditions for pineapple production, and the Hluhluwe area has distinguished itself in producing 98% of table pineapples in the country. Queen and Cayan pineapples are in huge demand for the fresh fruit market. It is however a concern that processing locally be prioritized to boost the local economy. Further interventions are investigated as to how processing of pineapples can be further developed within the area.

One of the greatest difficulties in considering the impact of climate change on agriculture is that crop and vegetation responses to change have been projected to be highly localised. For the majority of cultivated land, the most likely best-case scenario is that small reductions in yield will occur.

The most recent climate projections for the country suggest that rain-fed agriculture in Umkhanyakude is likely to be negatively affected due to lower annual rainfall, higher temperatures, increased hydrological risk, increased rainfall variability, drying of top soils, less water in the soil for plants, and increased irrigation requirements. Such a change may have serious implications for food security and livelihoods locally, and nationally.

3.3.8. ALIEN INVASIVE SPECIES

Some of the environmental issues caused by the invasive alien plants in UMkhanyakude include:

- Impacts food security because they compete with crops;
- They decrease grazing capacity;
- Livestock poisoning: e.g. lantana; and
- Alien plants increase intensity of fires.

Some work is taking place regarding alien plant control in the district for example programmes by DAEA, EKZNW, iSimangaliso Wetland Park and DWA. Over 40 species of alien vegetation with various levels of abundance have been identified within the uMkhanyakude District; and the following invasive alien species are found within the Big 5 Hlabisa municipal area:

- *Chromolaena odorata*,
- *Lantana camara*,
- *Opuntia ficus-indica*,
- *Melia azedarach*,
- *Psidium guajava*,
- *Solanum mauritianum* and
- *Cesalpinia decapetala*.

The species are considered to constitute an immediate threat to the ecology of the Big 5 Hlabisa municipal area.

TABLE 9: ENVIRONMENTAL/SPATIAL SWOT ANALYSIS FOR BIG 5 HLABISA LM

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Land & Environmental Diversity • Availability of Development Planning Shared Service (DPSS) • Availability of Environmental Capacity at District (Waste management) • Locality of Municipality at centre of the district • Economic Development & Environmental opportunities - Isimangaliso, LSDI Corridor& N2 • Vast Local and indigenous knowledge on environmental matters, conservation and preservation 	<ul style="list-style-type: none"> • Lack of SEA and EMP • Lack of Enforcement capacity (human, Skills, policies and financial) (Spatial And Environmental) • Lack of Planning & Environmental compliance knowledge among community • Lack of Functional GIS Unit (Could link Spatial information with Valuation Roll, Financial information, Capital Investment Framework, Assets register, SDBIP & PMS) 	<ul style="list-style-type: none"> • Available data resources & Plans (Provincial & District) • Funding availability for Spatial Planning Revenue enhancement: Planning applications & building plans can generate income and be used for rates payment (Application fees and Rates first to be paid prior to plans and applications processed) • Increased interest from private sector in Development opportunities around Hluhluwe • Alternative Energy opportunities • Hluhluwe Town, KwaMduku and KwaGiba have potential to expand its economic base beyond Agriculture and Tourism. e.g. Service Industry, Light Industry & Commercial • Large portions of land in Municipal ownership available for subdivision and 	<ul style="list-style-type: none"> • Low capacity to implement & Enforce Plans • Environmental degeneration of unregistered Waste management Site (rehabilitation & development of new site) • Threat of irregular Water & Electricity supply on Development & Investment Planning • Increased poaching and environmental destruction places municipality and district in a negative light nationally and internationally, affecting investment.

		disposal/ Development.	
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3.3.9. DISASTER MANAGEMENT

The Municipal Systems Act No. 32 of 2000 requires all municipalities (metropolitan, district and local governing authorities) to undertake an integrated development planning process to produce dynamic and relevant IDPs.

The Disaster Management Plan is a core component of the IDP hence Section 26 (g) of Municipal Systems Act No. 32 of 2000, requires the IDP to reflect an applicable Disaster Management Plan.

Furthermore Section 53 (2) (a) of Disaster Management Act No. 57 of 2002 stipulate that a disaster management plan for a municipal area must form an integral part of the municipality's integrated development plan.

The Municipality has a Disaster Management Plan, however its preparation is undertaken and the draft should be in place by 30 June 2015. There are current engagements with COGTA to assist in the development of the plan. Risk assessment on all ward was conducted through support from COGTA.

There is a Disaster Management Framework at a district level provided on the annexure file and according to the assessment conducted in Big 5, drought, fires, floods, epidemics, storm, hazmat and railway accidents are considered to be the most prevailing threats.

I. MUNICIPAL INSTITUTIONAL CAPACITY

A) STAFFING

Big 5 Hlabisa Local Municipality has a Disaster management, Fire and Rescue Services Section under Municipal Protection Services Unit. The Unit has two (2) Disaster Management Officers, one station officer and (15) Firefighters.

- Six Fire Fighters
- Two Shift Leaders
- One Station Officer

B) POLICIES

Big 5 Hlabisa Local Municipality currently has no municipal disaster management policy framework but the municipality uses the district disaster management policy framework for guidance and direction regarding Municipal disaster management function. However the municipality is in the process of developing its own disaster management policy framework.

C) RESOURCES

The District Disaster Management Centre was established in Hluhluwe and the Project was completed in by end of 2014 and was handed over to the District by the MEC Nomusa Dube – Ncube. There is currently a portfolio committee, however the extent to which disaster risk management activities are addressed by the committee is not clear and therefore needs to be clarified.

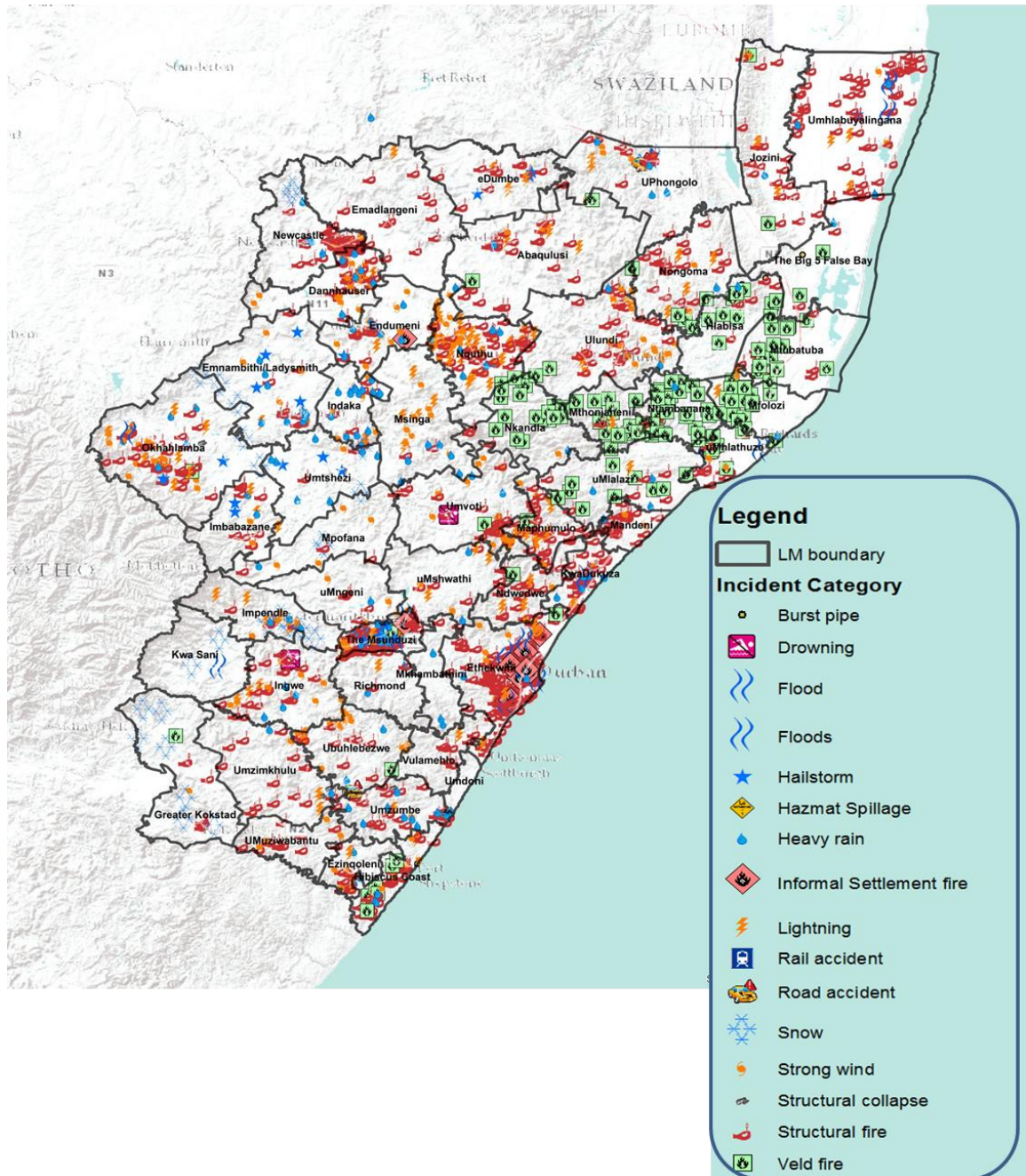
3.3.10. RISK ASSESSMENT

The municipality undertaken a risk assessment where the community was made aware of disaster management concept following to this process was identification of most common disasters. Priority hazards identified at Big 5 Hlabisa Municipality are as follows:

SEVERE HAZARDS

- Lightening
- Strong winds
- Hail
- Heavy rain

DISASTER INCIDENTS (2006-2015)



I. RISK REDUCTION AND PREVENTION

The importance of Risk Reduction and Prevention cannot be underestimated; currently the municipality is involved in awareness campaigns at local schools and in the community on disaster management.

II. RESPONSE AND RECOVERY

A) MUNICIPAL CAPACITY IN TERMS OF RESPONSE AND RECOVERY

The municipality utilizes its staff for response and recovery in event disasters caused by fire.

B) TRAINING & AWARENESS

Training and awareness campaigns on disaster management are still a concern, but there has been an improvement. School awareness campaigns are conducted in local schools. This will be strengthened further in 2016/2017 moving forward

C) FUNDING ARRANGEMENTS

The Municipality does not have funding capacity to develop the disaster management plan and therefore has undertaken its development in-house through support from COGTA and all the relevant stakeholders.

Disaster Management SWOT Analysis

Attributes	Helpful to achieving the objective	Harmful to achieving the objective
Internal origin (attributes of the system)	Strengths <ul style="list-style-type: none"> • Good management • Disaster Management Plan is in place with all identified risks but waiting for councillor approval • All role players in the disaster management arena (including Government, None-Governmental Organizations, Traditional Authorities and the Private Sector) work together to prevent and or mitigate the occurrence of disasters • Disaster Management Advisory Forum is in place 	Weaknesses <ul style="list-style-type: none"> • Insufficient human resource (Staff) • Vehicle shortage • Efficient provision of disaster management services is reliant on ongoing cooperation between all role players within the municipal and district areas • Lack of resources , equipment • Lack of capacity to adequately handle all kinds of Disaster related incidents. • Insufficient funds allocated to the section.
External origin (attributes of the environment)	Opportunities <ul style="list-style-type: none"> • Employment of more staff. • Existing disaster management centre located at the Traffic Station • Potential growth in terms of expanding and economical 	Threats <ul style="list-style-type: none"> • More than 60% of the area is prone to lightning and strong winds. • 98% of the area is rural, sandy soil, bushy and mostly can be accessed by 4x4 vehicles

3.4. SECTORAL ANALYSIS BACKGROUND

Big 5 Hlabisa Municipality strives to transform itself into a sustainable high performance organisation, in which employees are developed, valued, empowered and motivated therefore quality management is embedded in all managerial practices and processes, and service delivery in terms of the IDP takes priority.

Improvement in on the issues of Employment Equity Plan (EEP) National Requirements is one of our concerns, due to geographic location of our municipality it becomes a challenge to attract staff in terms of employment equity targets however Attraction & Retention has been developed to address the challenge. The municipality complies with EEP standards and has set targets under section D and E1 of this document.

Employment equity seeks to address the disparity in employment representation within corporate South Africa in terms of Employment Equity Act No. 55 of 1988. Big 5 Hlabisa consider employment equity as one its priorities and works towards Employment Equity (EE) targets. The Employment Plan is developed and submitted to the Department of Labour (DOL) in compliance the act requirements. The municipality's recruitment policy and Employment Equity Policy considers issues of transformation and will always enhance sound labour relations.

Chapter 7 of the Municipal Systems Act (MSA) gives guidance on how municipalities should structure local public administration and Human Resource Resources. Sec 55 requires the municipality within its administrative and financial capacity to establish and organize its administration in a manner that would enable the municipality to be:

- responsive to the needs of the community
- to facilitate a culture of public service and accountability amongst its staff
- Be performance orientated and focus on section 152 of the constitution and give effect to its duties on as per section 153, where municipalities are guided on how they should structure themselves in a manner that will enhance service delivery.

The purpose of conducting an institutional analysis is to ensure that the municipal development strategies take existing institutional capacities into consideration and that institutional shortcomings are addressed. The Institutional capacity of the municipality is very important for the municipality to realize its vision and objectives, therefore issues of institutional capacity and transformation will be prioritized during the term of this IDP. Further to this there the SWOT analysis will unpack issues of concern and existing capacities and opportunities that the municipality has to further improve on its development processes.

Briefly the Big 5 Hlabisa Municipality is structured as follows:

The Office of the Municipal Manager is led by the Municipal Manager who is Accounting Officer and a Head of Administration.

Under the Municipal Manager, the Municipality is categorised into 6(six) functional departments, namely:

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

3.4.1. OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager provides the momentum of the administration and integrates all the disparate components of the Municipality and is responsible for strengthening of the communication with the community.

The Municipal Manager is the head of the municipal administration as well as being accounting officer for the purposes of financial management and accountability. All above mentioned departments are led by Directors and have functional units. It is also commendable that the municipality has been able to further work on its organisational structure and issues of alignment were considered.

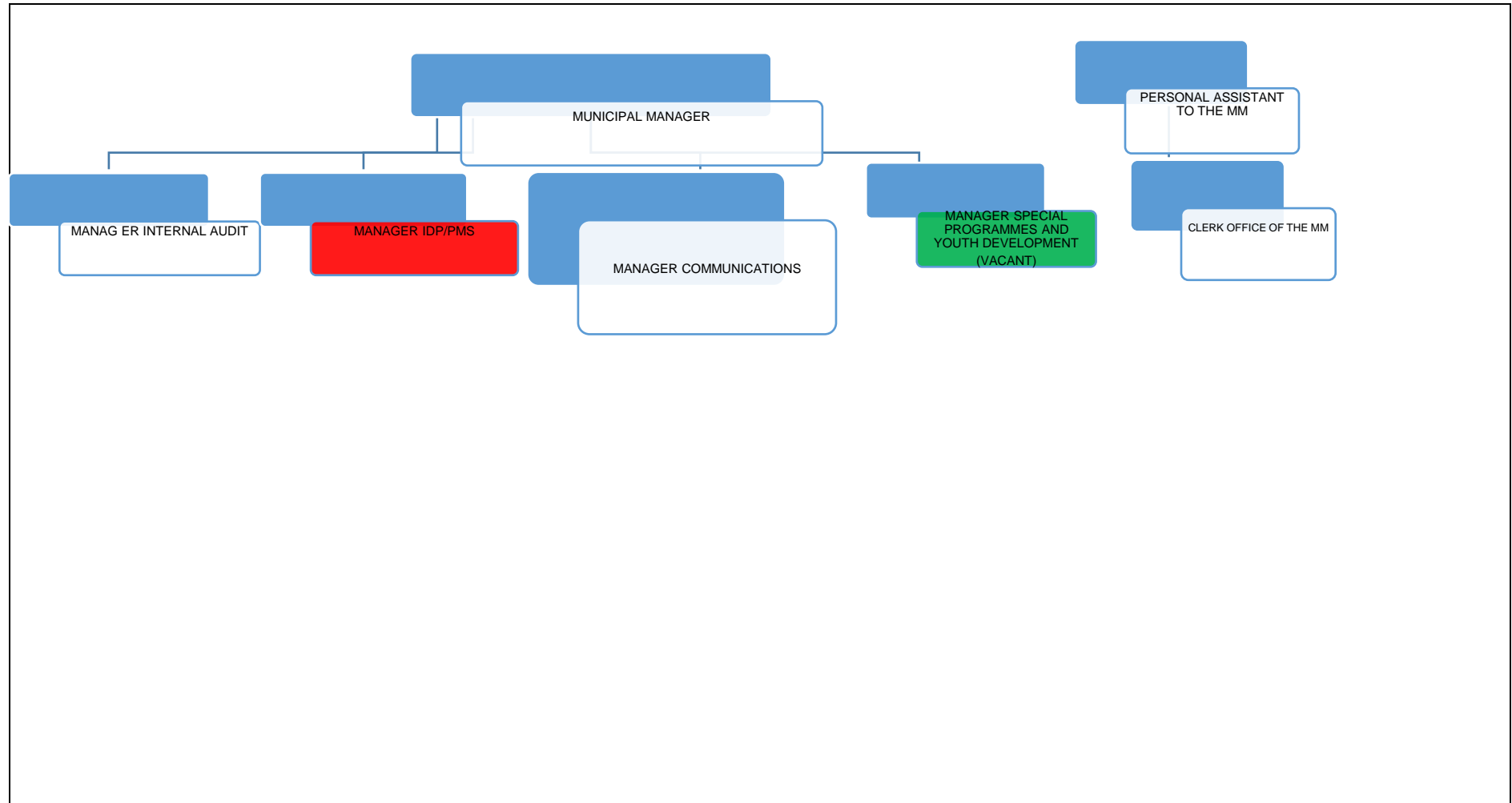
Big 5 Hlabisa has high vacancy rate on Senior Management positions, The Acting arrangements are used to address the challenge, however due to the period as per regulations for appointment of senior managers this arrangement can sustain the municipality. The municipality further formalised support arrangements with Hlabisa municipality for Community Services and Infrastructure Development and Basic Services Department.

The functions of the Office of the Municipal Manager are as follows:

- Rendering strategic leadership during development, implementation and monitoring of the Integrated Development Plan (IDP) and the Performance Management System (PMS)
- Establishing, develop and manage economically viable, effective and accountable administration.
- Taking full liability for sound financial management.
- Coordinating and manage Intergovernmental Relations (IGR).
- Ensuring sound co-operative governance.
- Managing the Municipality's administration in accordance with the Constitution, Local Government Structures Act, and the Municipal Systems Act, the Municipal Finance Management Act, the Public Management Act and all other provincial and national legislation applicable.

The Office of the Municipal Manager is structured as follows

Organogram for Department of Municipal Manager



Sections 66 of the Municipal Systems Act further emphasize the need for the municipality to establish its staff and to provide job description for each post in the establish The process for development of job descriptions is in progress and will be finalised before the merger for both municipalities The Municipality had further engagement with SALGA in March 2013 to further strengthen the process

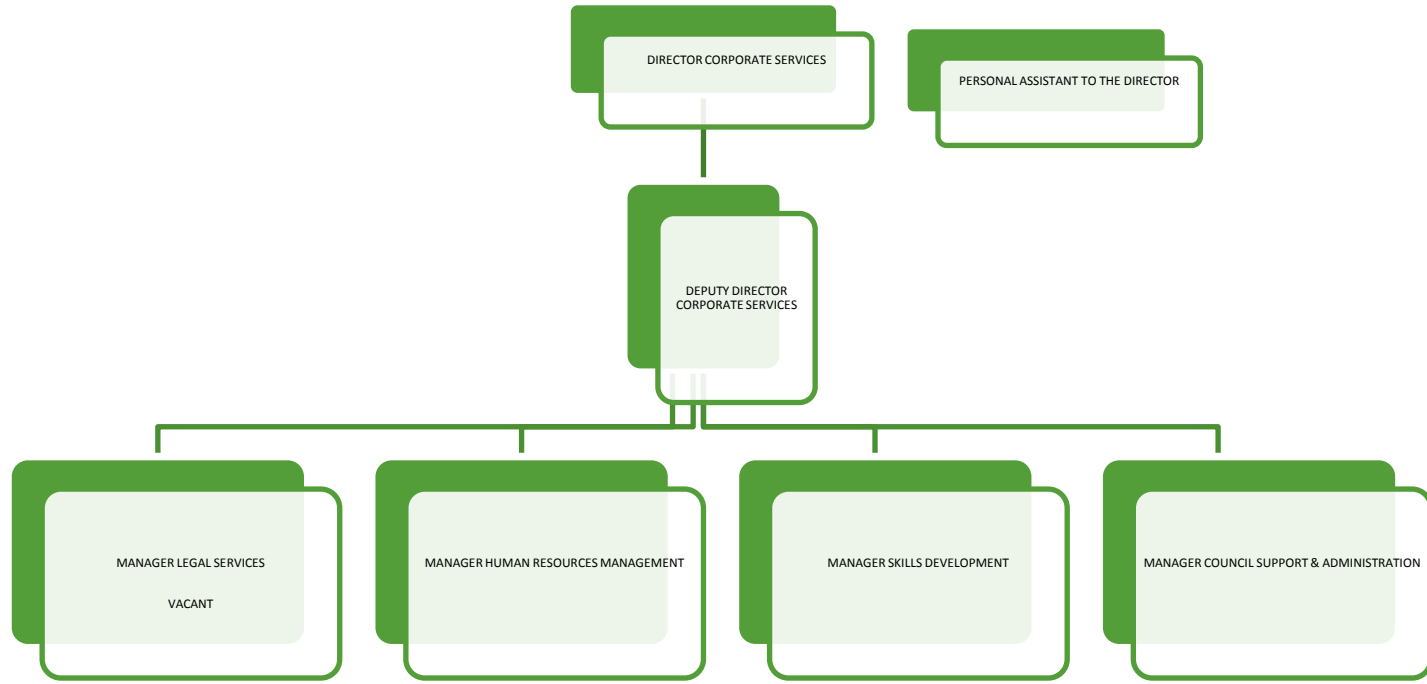
3.4.2. CORPORATE SERVICES DEPARTMENT

The Department of Corporate Services is responsible for ensuring that proper policies and Work Procedures are in place for proper operations. A set of policies, procedures and by laws are in place and are reviewed annually and as need arises to ensure relevance to Municipal objectives as set out in the IDP

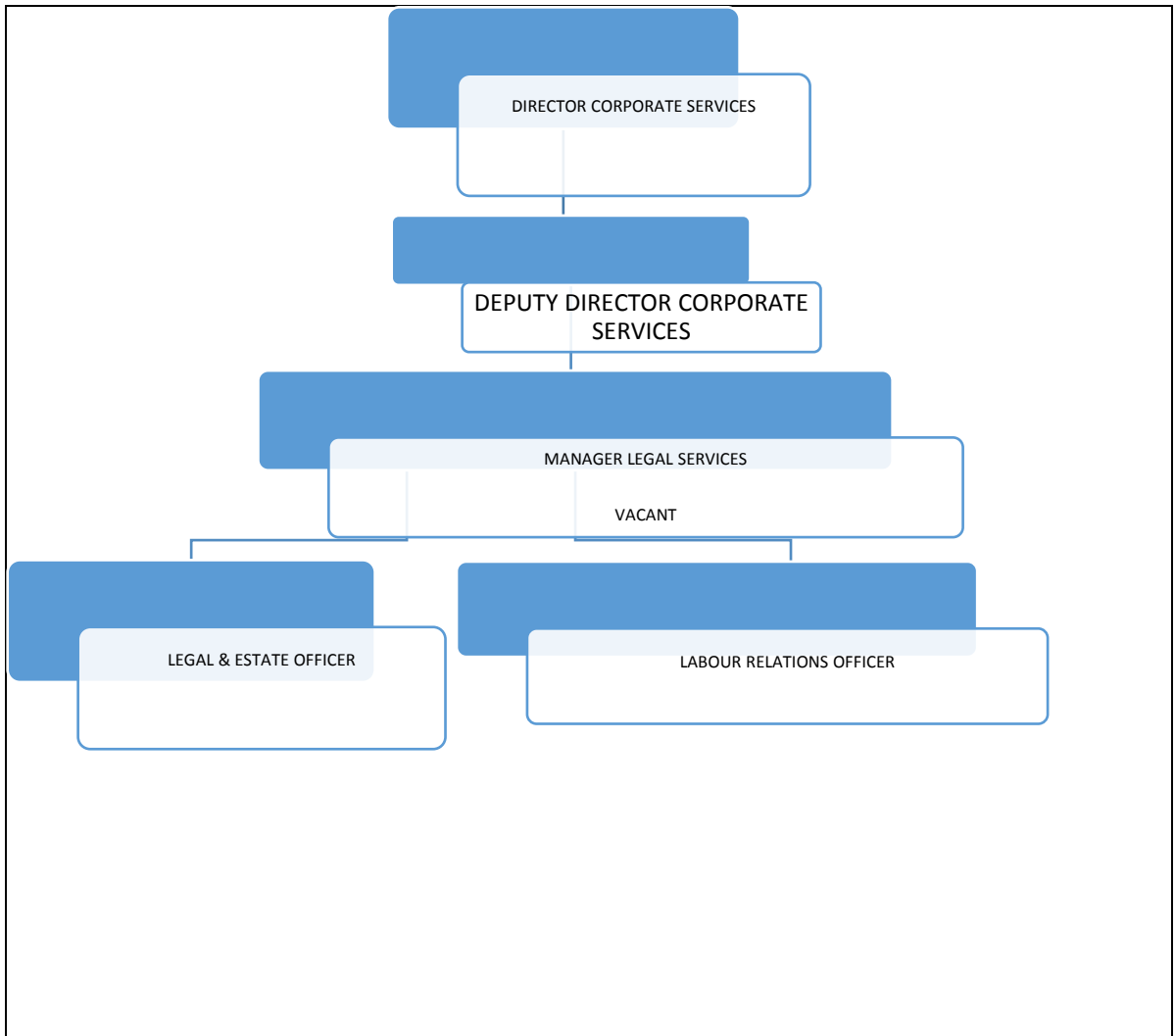
Human Resource is the overall umbrella in the organization for how the employees continue to grow professionally and personally. The municipality has to ensure that it invest on employee development by orientating the employees into the organizational culture thereby enabling the achievement of the vision and strategic agenda. Big 5 Hlabisa Municipality has development interventions in place for the institutions and its employees. The department comprise of the following sections

- (a) Human Resource Management
- (b) Administration
- (c) Legal Services
- (d) Information Communication Technology

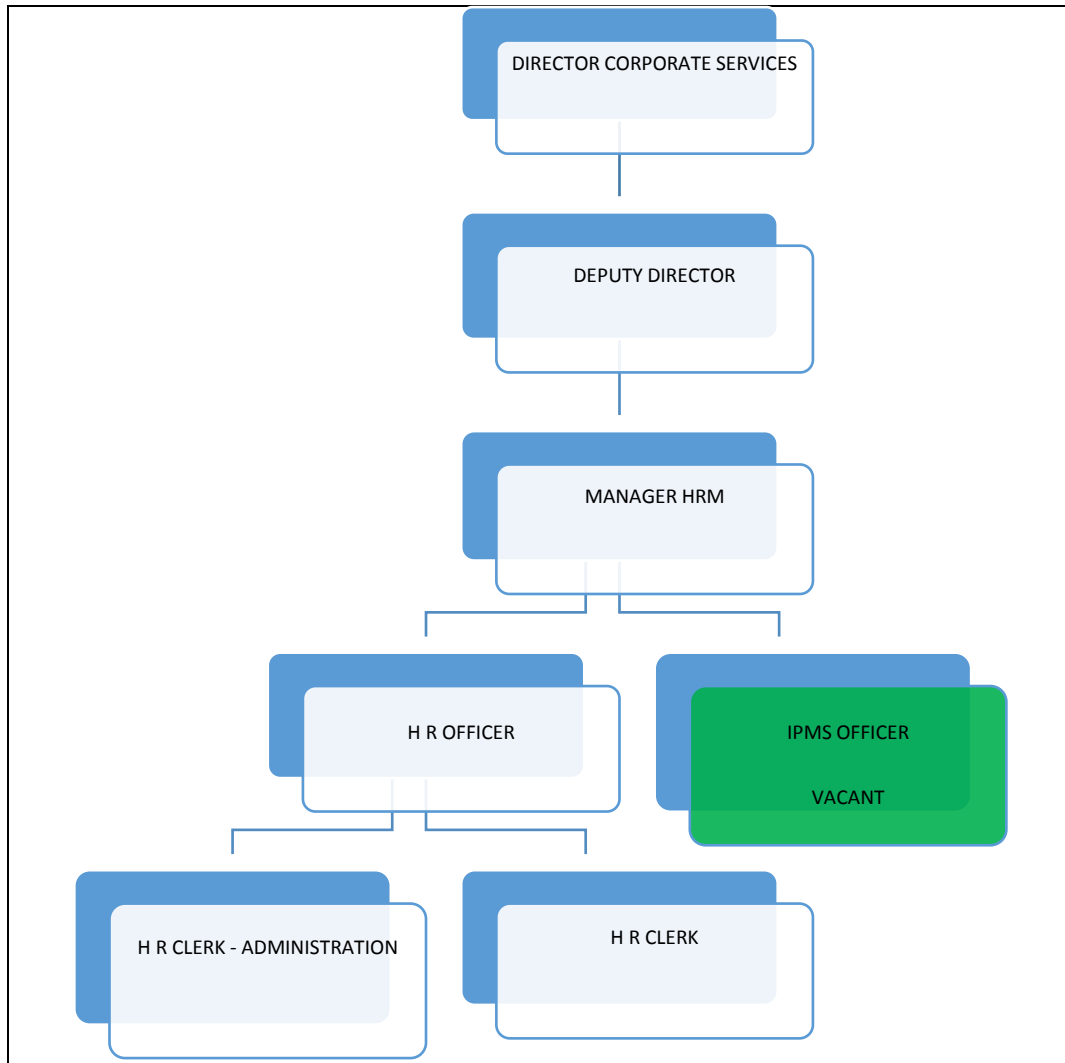
The Corporate Services Department Organograms illustration its Sections is illustrated below:



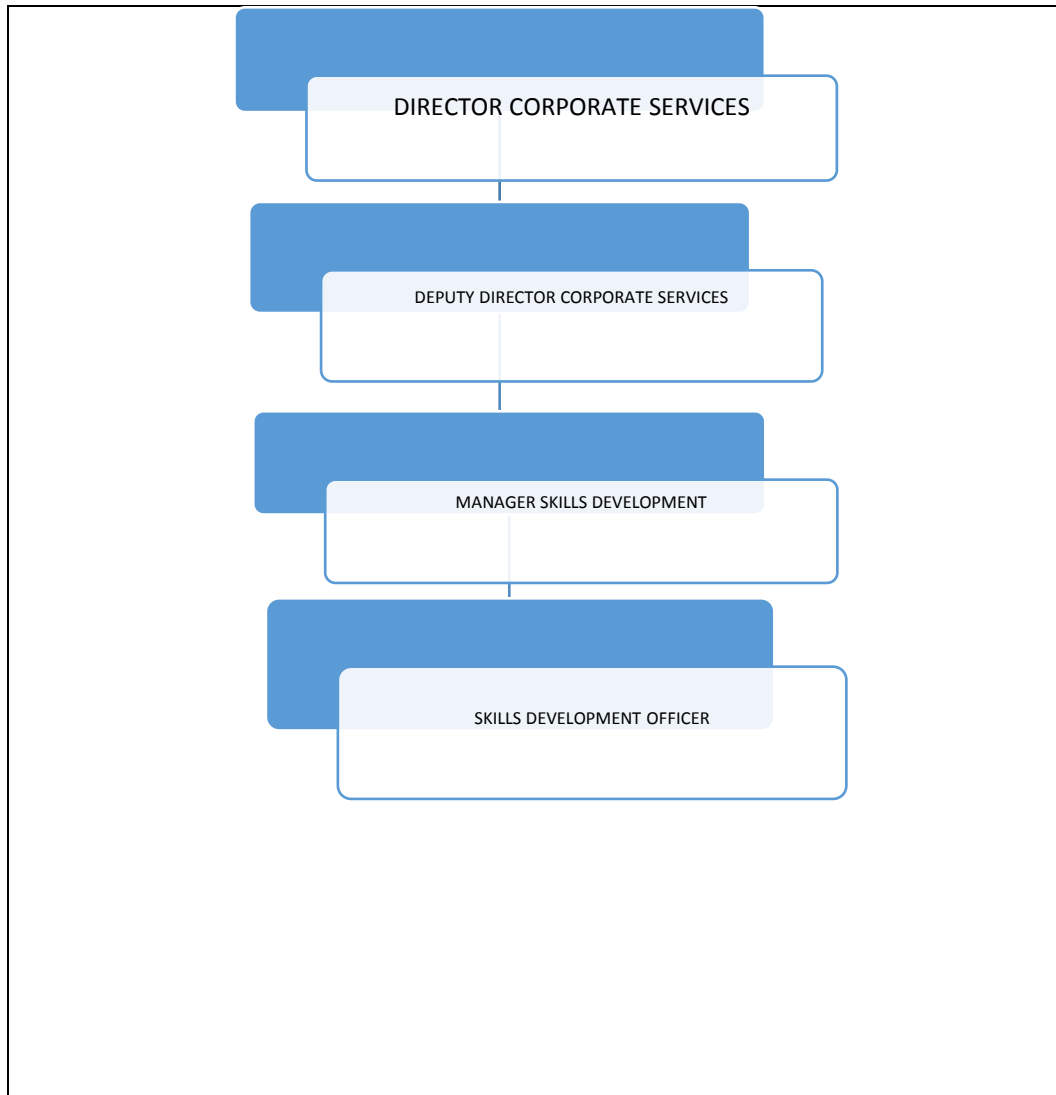
CORPORATE SERVICES – LEGAL SERVICES



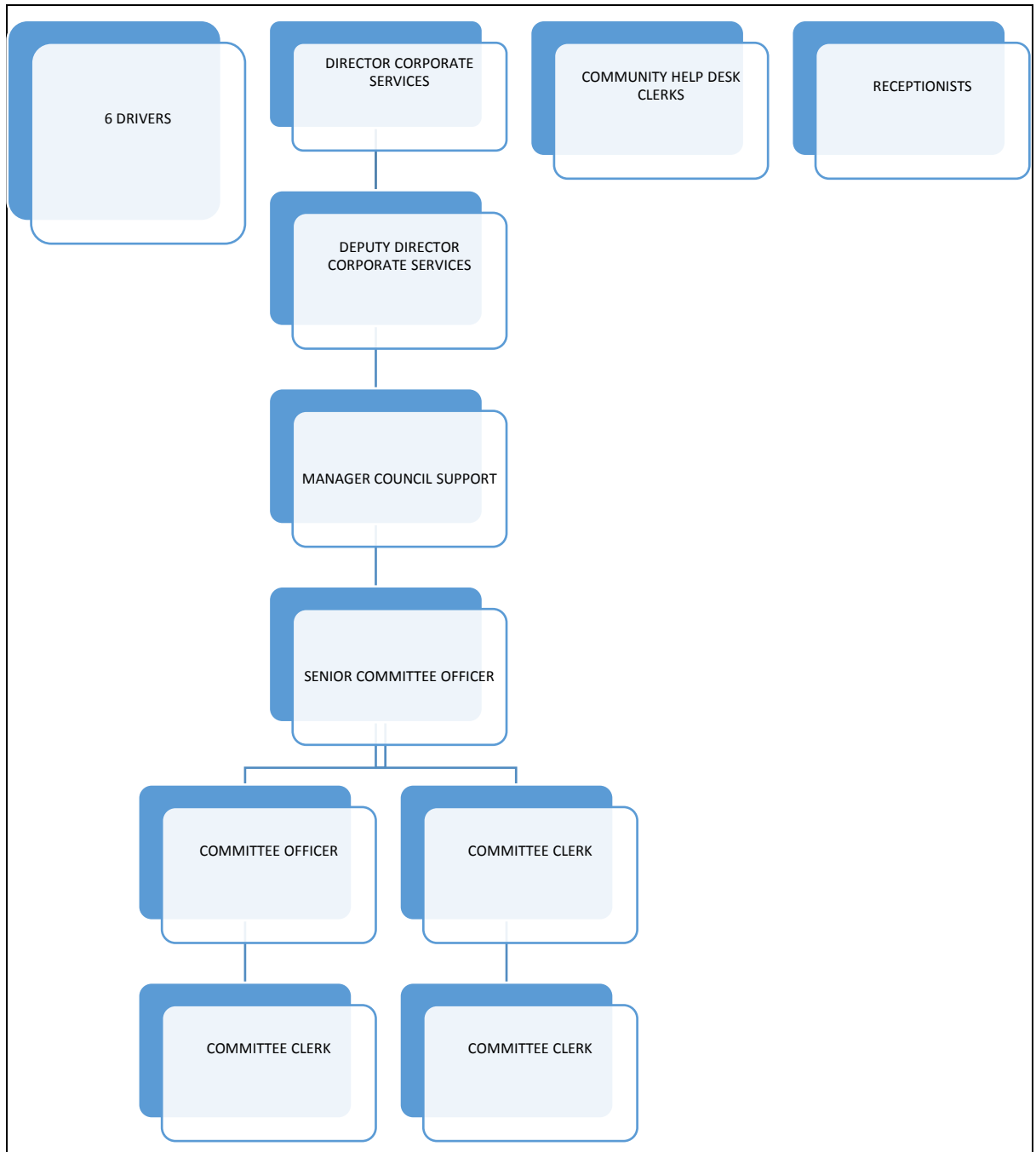
CORPORATE SERVICES – HUMAN RESOURCES



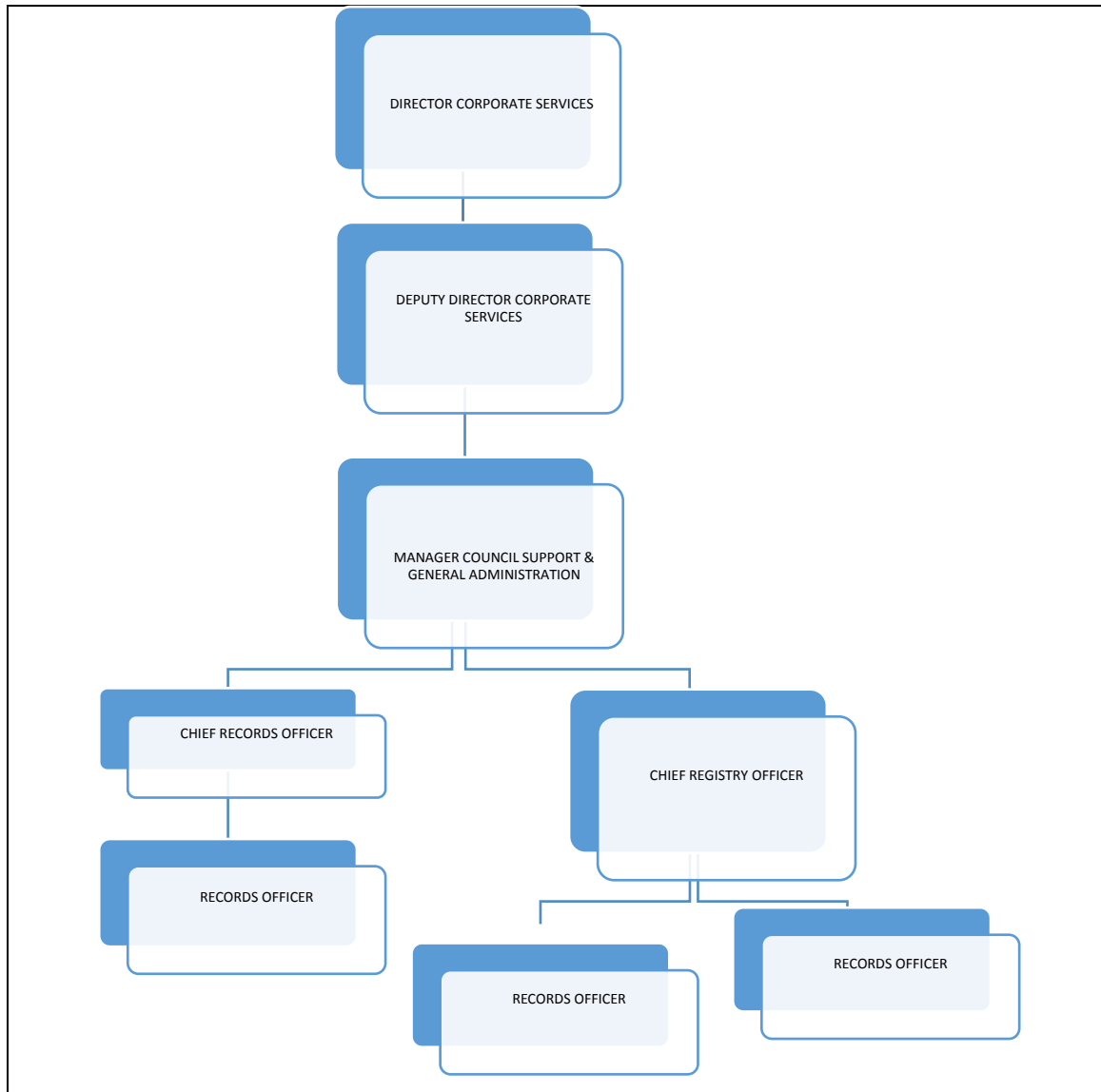
CORPORATE SERVICES – SKILLS DEVELOPMENT



CORPORATE SERVICES – COUNCIL SUPPORT



CORPORATE SERVICES – COUNCIL SUPPORT & GENERAL ADMINISTRATION



3.4.3. BUDGET AND TERSURY SERVICES DEPARTMENT

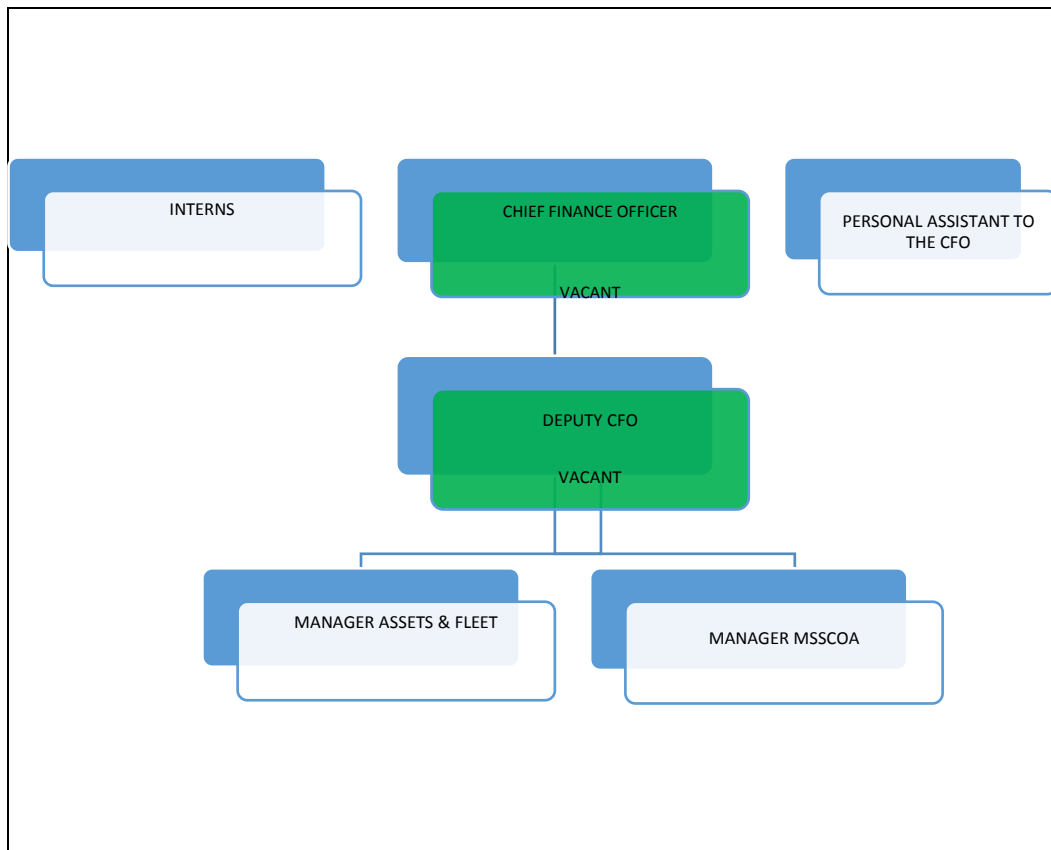
The Department Financial Services consists of the following components:

- Supply Chain Management
- Income
- Expenditure
- Budget and reporting

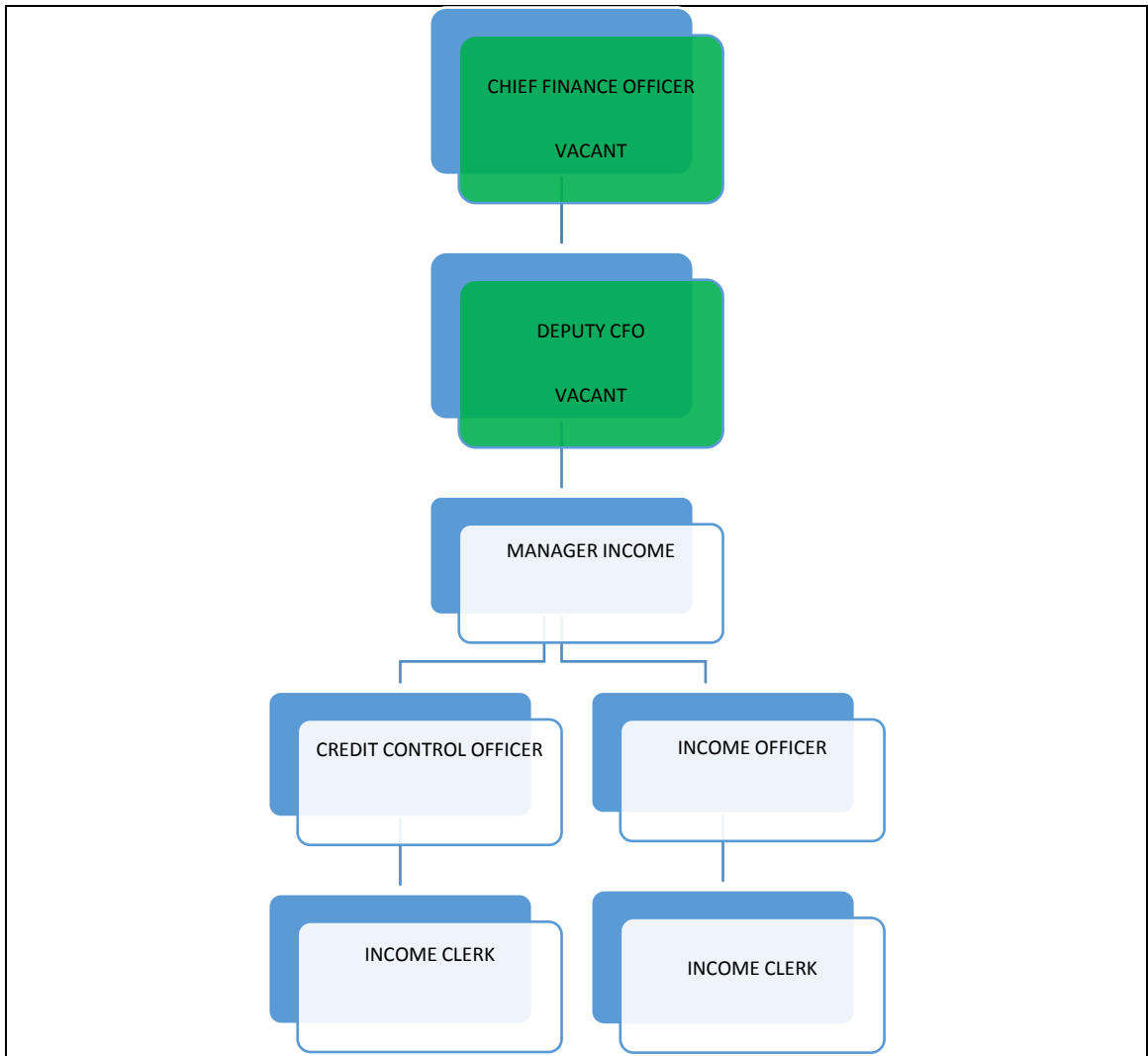
Departmental responsibilities

- Income & Expenditure Control
- Financial Planning, Reporting And Statements
- Procurement And Municipal Inventory Control

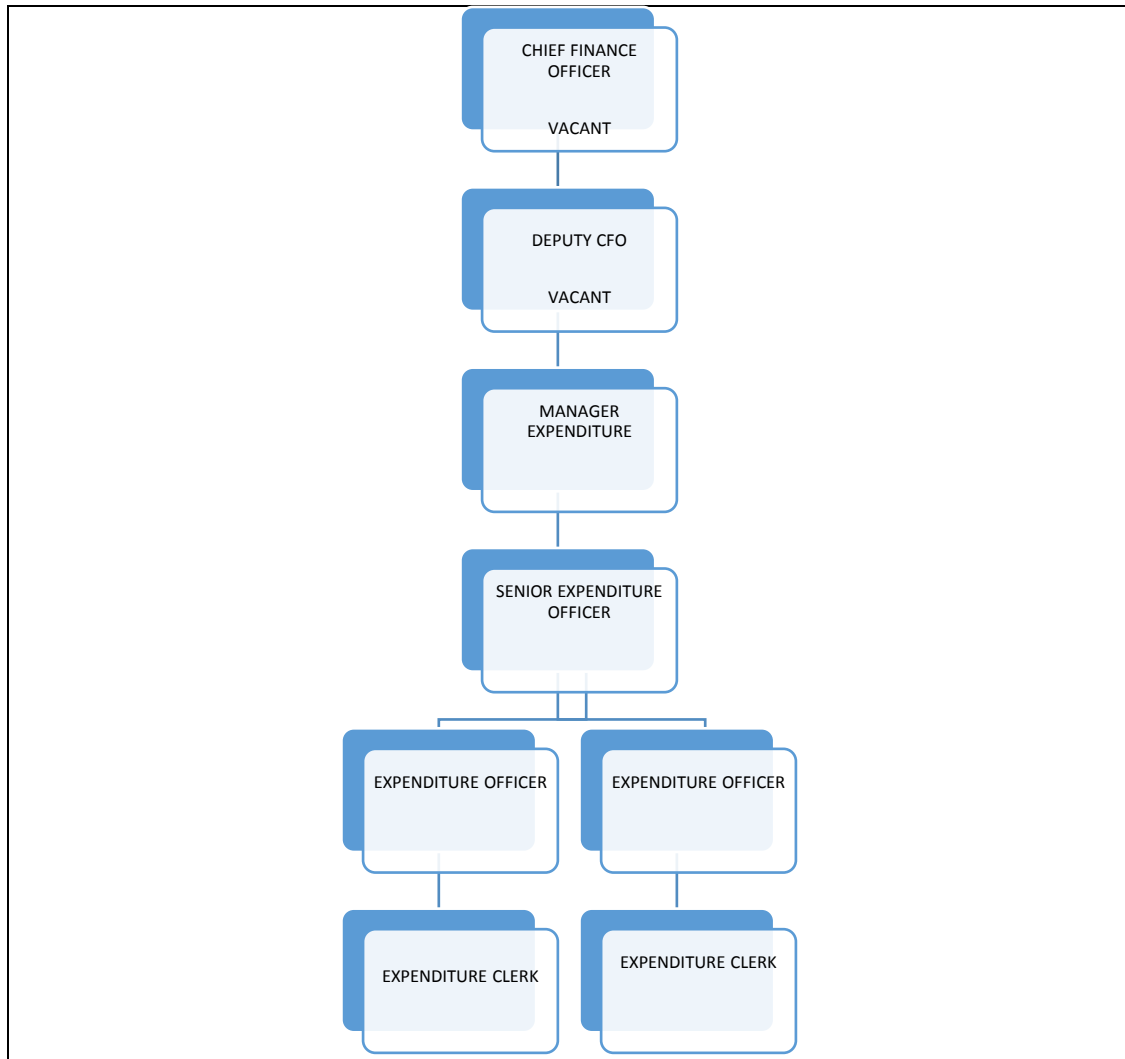
BUDGET / TREASURY OFFICE MANAGEMENT



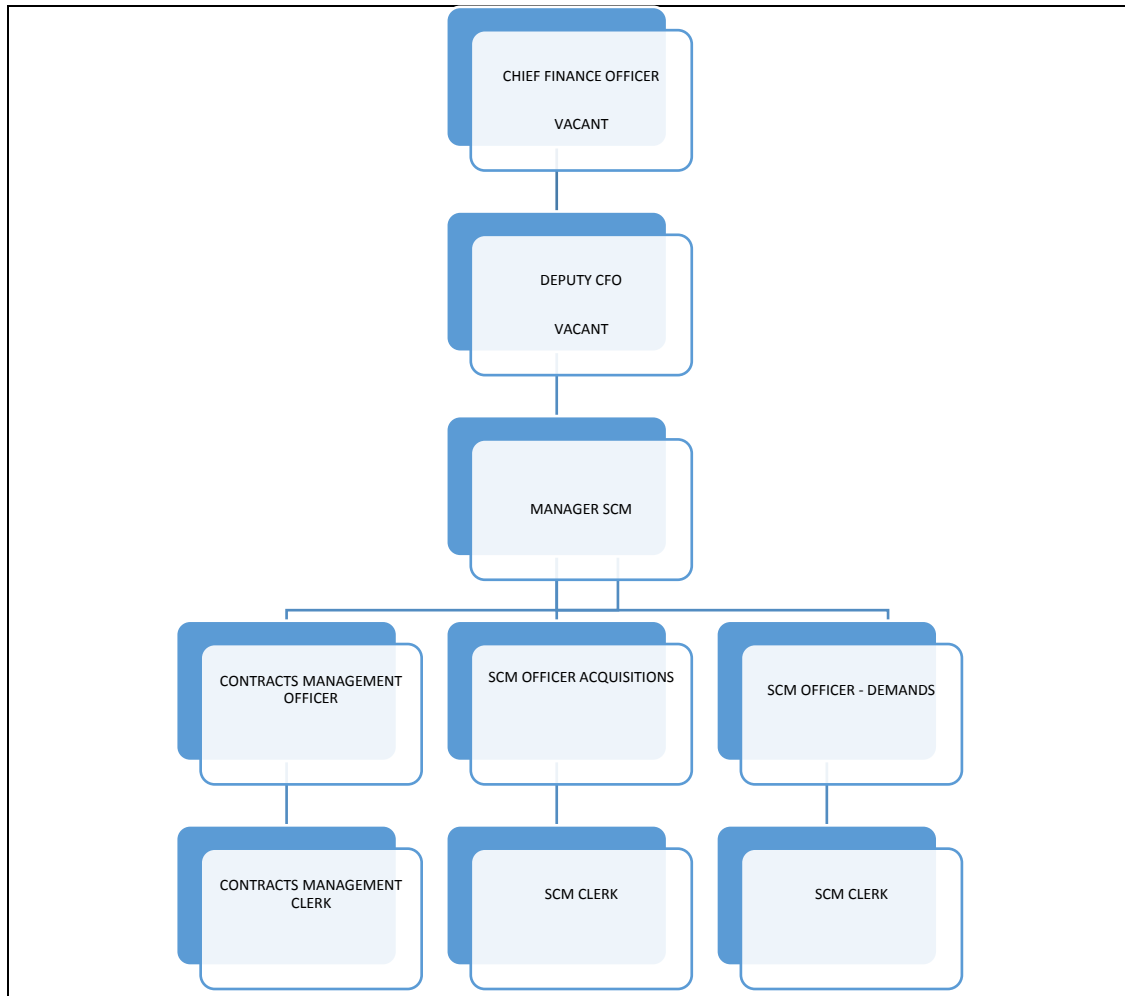
BUDGET / TREASURY OFFICE – INCOME



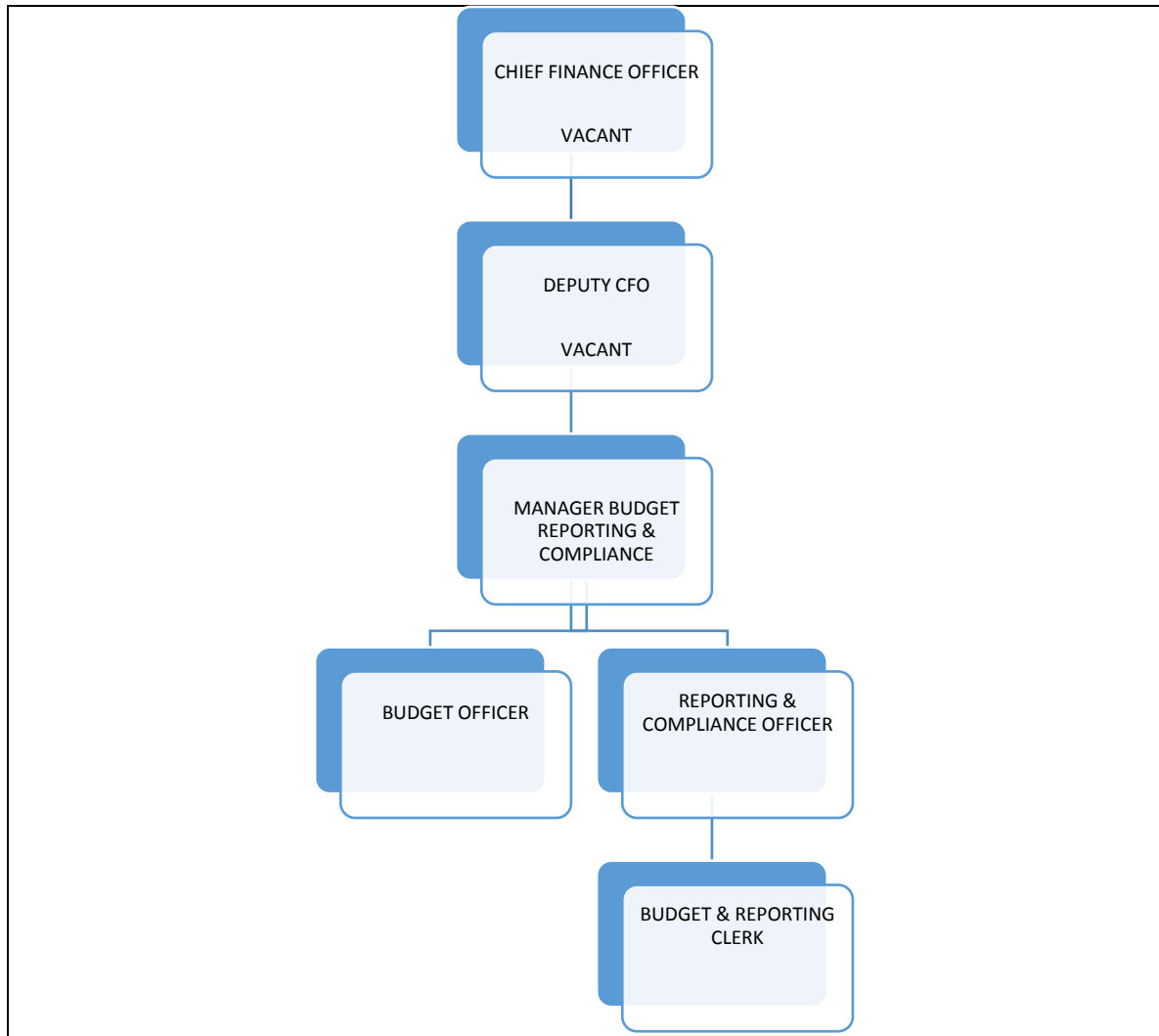
BUDGET / TREASURY OFFICE – EXPENDITURE



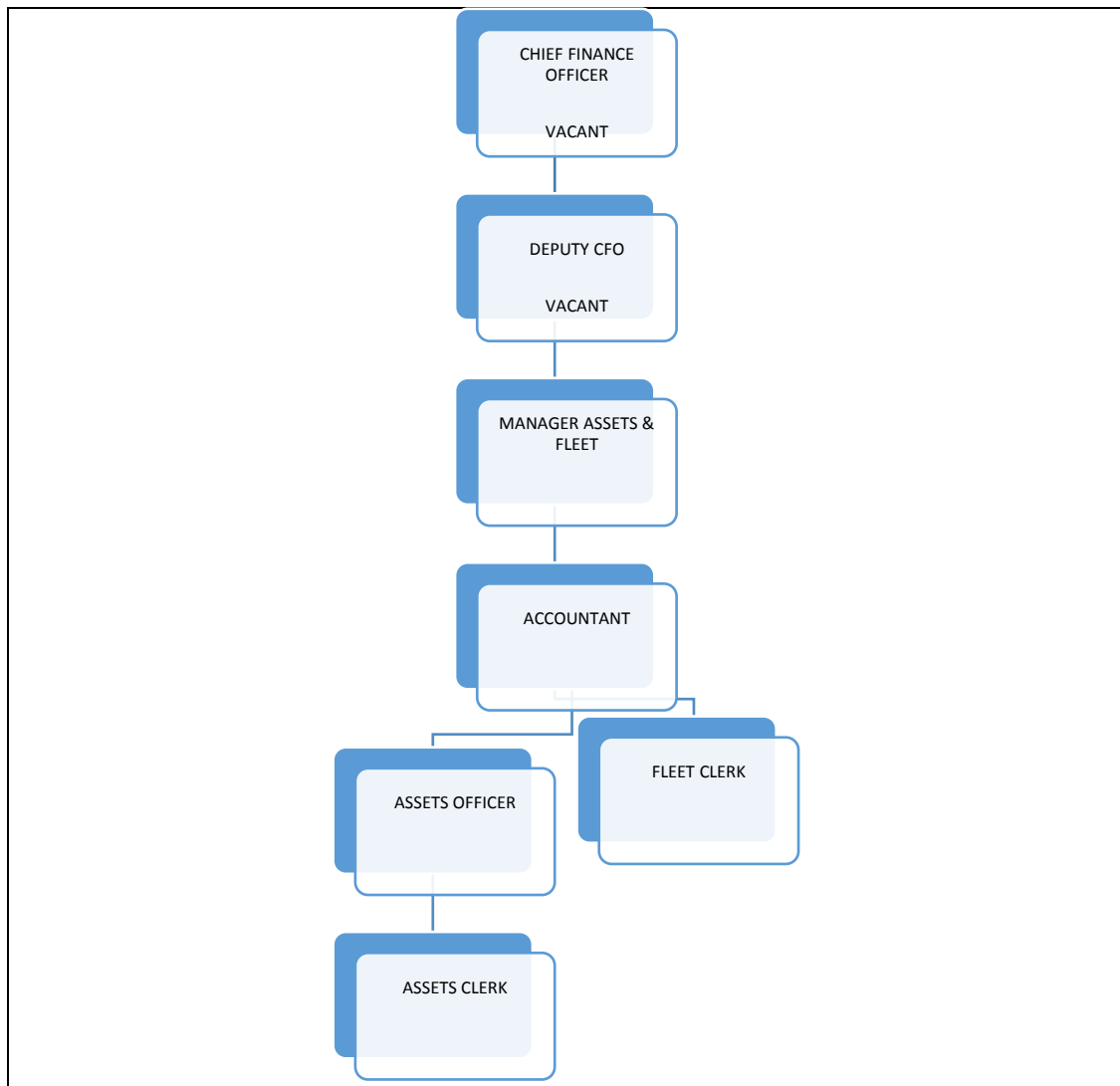
BUDGET / TREASURY OFFICE – SCM



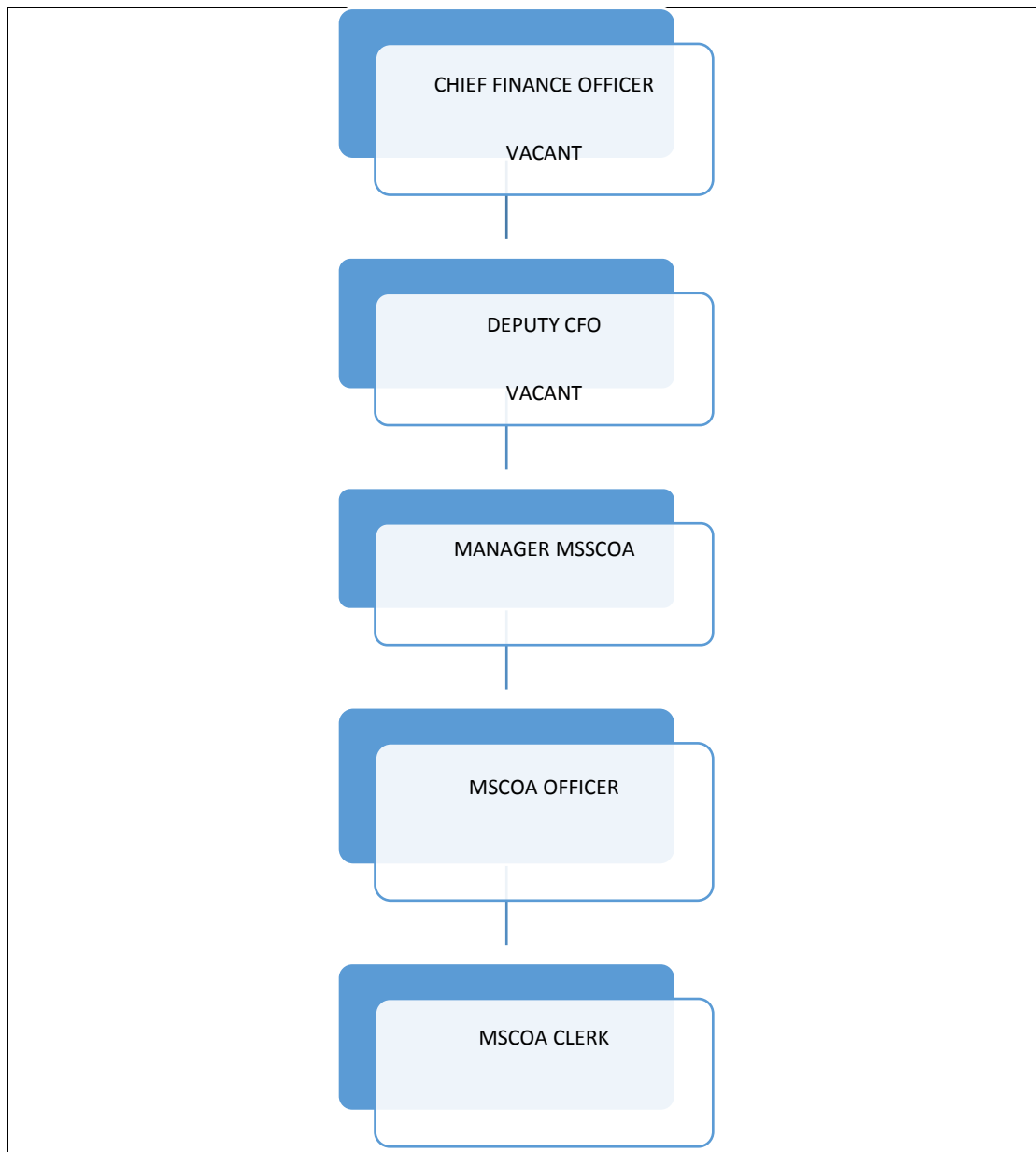
BUDGET / TREASURY OFFICE – BUDGET REPORTING AND COMPLIANCE



BUDGET / TREASURY OFFICE – ASSETS & FLEET



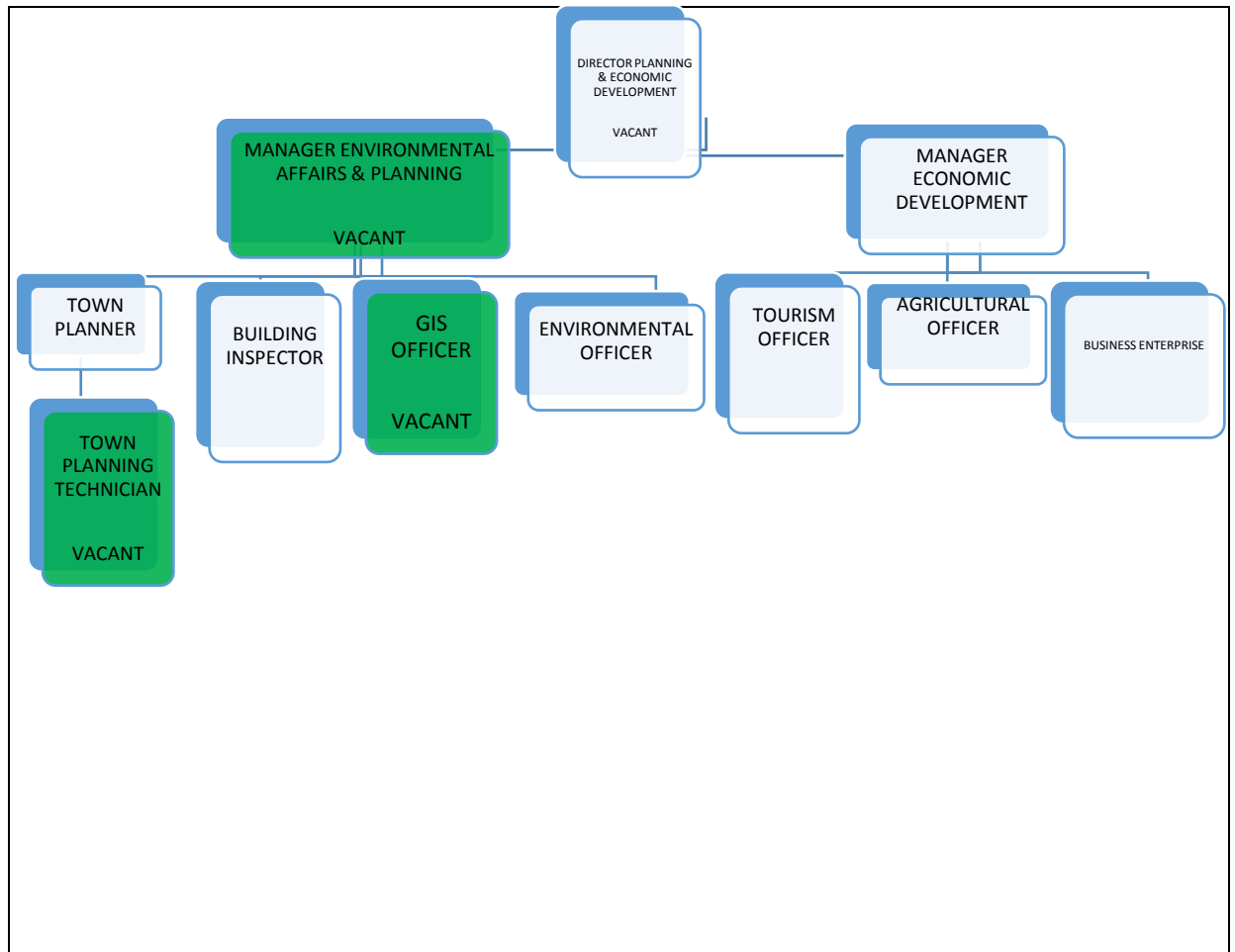
BUDGET / TREASURY – MSSCOA



3.4.4. ECONOMIC AND DEVELOPMENT PLANNING SERVICES

The department comprise of the following components:

- Building Inspectorate
- Town Planning
- Geographic Information System (GIS)
- Environmental Planning
- Local Economic Development

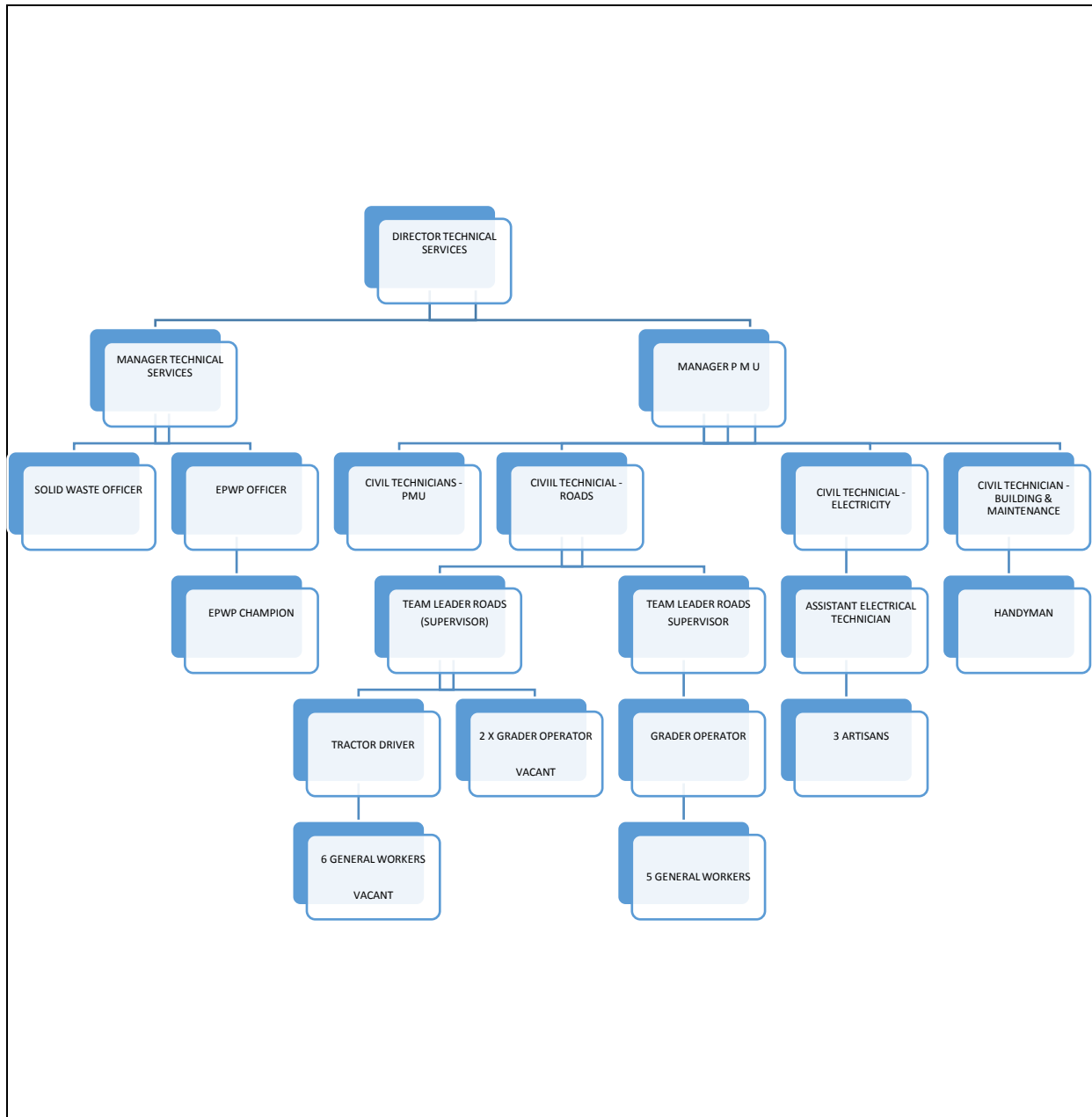


3.4.5. TECHNICAL AND DEVELOPMENT PLANNING SERVICES

Technical and Development Planning Services has the following components

- Project Management Unit
- Technical Services

TECHNICAL SERVICES



3.4.6. SOCIAL AND ECONOMIC DEVELOPMENT SERVICES DEPARTMENT

The Directorate of Community Services provides efficient and effective community services to the Community of Big 5 Hlabisa and has seven divisions as follows:

- Special Programmes
- Social Services
- Waste Management
- Protection Service

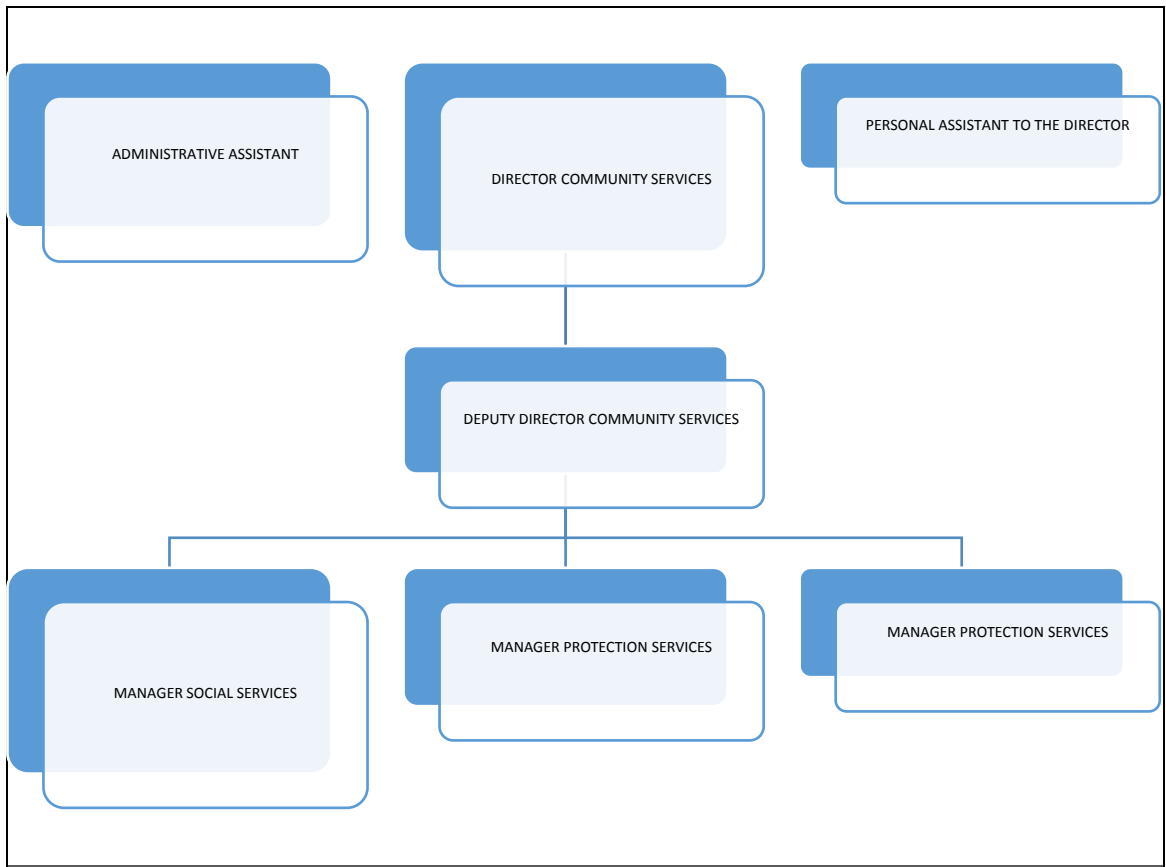
MUNICIPAL INSTITUTIONAL CAPACITY & STATUS OF CRITICAL POSTS

The Institutional capacity of the municipality determines its ability to deliver on local government agenda. The sustainability of this municipality is embedded on its financial capacity. Addressing capacity challenges has always been a priority for the municipality and tremendous success is witnessed during 2012/2013 as most of the positions were identified and the organogram was revised to improve alignment with the IDP. Some middle management positions were filled in the beginning of 2013/2014. The position of a Director Technical Services will be filled by 31 October 2014. Consideration to fill the Director, Development Planning is also under considerations

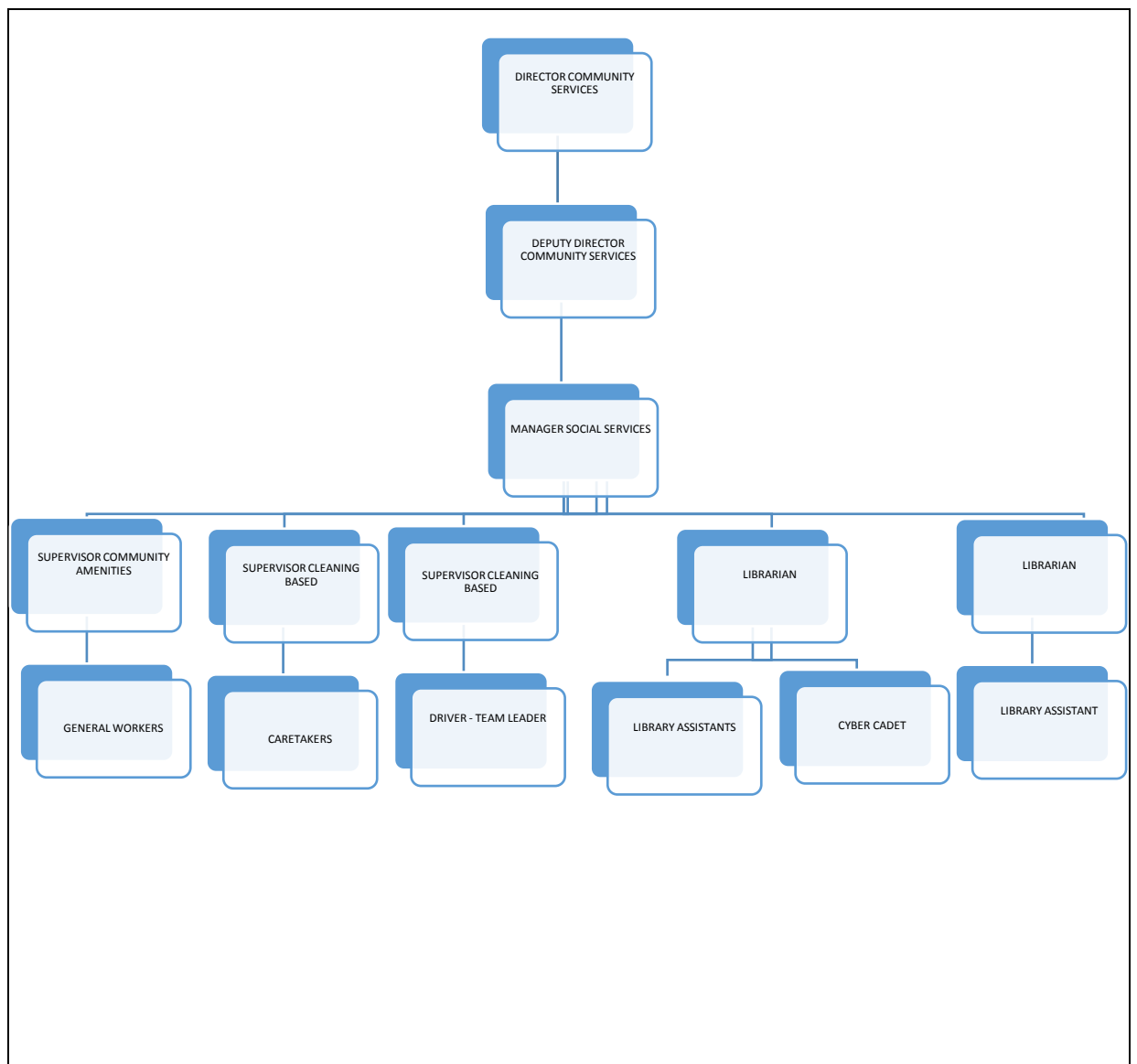
The status of critical positions is depicted in the table below.

Position	Status
Municipal Manager	Filled
Director, Economic Development and Planning	Vacant
Chief Financial Officer	Vacant
Senior Manager, Corporate Services	Filled
Senior Manager, Community Services	Filled
Senior Manager, Technical Services	Filled

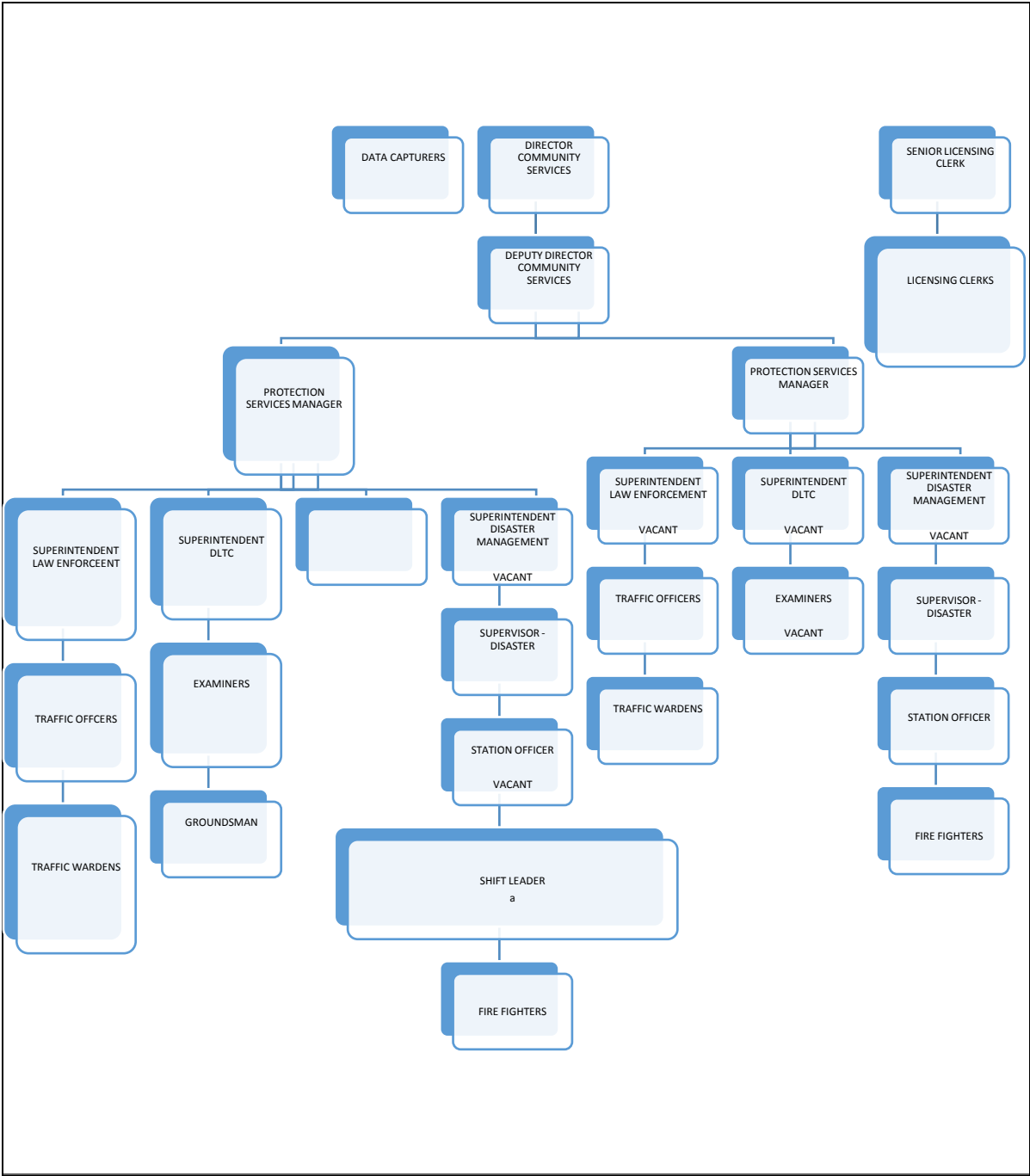
COMMUNITY SERVICES MANAGEMENT



COMMUNITY SERVICES – SOCIAL SERVICES



COMMUNITY SERVICES – LAW ENFORCEMENT & DLTC



3.5. HUMAN RESOURCE DEVELOPMENT

The achievement of the Municipal 5 (five) year strategic agenda is reliant on its ability to develop the necessary competencies and maintain the organization's capacity to execute its mandate.

In this regard, the continuous improvement of organizational skills capacity for sustained performance is the heart of the Human Resource Development (HRD) Plan, which seeks to support implementation of a 5-year strategic program. In order to meet the Municipality's challenges, it needs to be ensured that employees possess the necessary skills, knowledge and aptitude to deliver services in line with Municipality's stated objectives and service delivery plans.

The key objective of the HRD Plan is to develop organizational capacity through the development of our leaders, managers and workforce in order to respond to current and future challenges, and anticipated impacts, thereby complementing our vision, development strategy and our strategic objectives.

A consolidated Human Resource Development Strategy will be prioritized for 2017/2018 to enhance sustainable development planning. Skills capacity is the main priority for the municipality. Skills on Environmental Management, Building Inspectorate, and GIS are still a concern and the municipality has vacancy on these areas. Currently the municipality relies on a shared service for GIS; however filling of these positions will be addressed during the placement of staff in the current structure for Big 5 Hlabisa Municipality.

The strategic vision of the municipality cannot be realised if issues of capacity in this respect is not addressed. The municipality reviews Workplace Skills Plan (WSP) annually. The following policies are in place to guide the operation of the municipality, further to this the status of municipal policies is provided in the

- Recruitment and Selection policy,
- Retention policy and Exit Policy

To enhance skills capacity and compliance with municipal 2013 competencies Senior Management, Finance Interns enrolled for CPMD. Some of the staff in the middle management staff also been considered in the 2017/2018 financial year.

3.5.1. INSTITUTIONAL ARRANGEMENTS TO DRIVE IDP

Institutional arrangements to drive the IDP process and its implementation are in place and their functionality has further improved as compared to the previous financial years.

(A) OFFICE OF THE MUNICIPAL MANAGER

The office of the Municipal Manager compiles the IDP document through consultation with various sets of information and directs its output to the IDP Representative Forum for debates and further inputs and refinement of the plan. The IDP Representative Forum is the structure that provides a platform for public participation through involvement of different community structure representatives, political leaders, traditional leaders and government entities which provide support throughout the planning process.

The following structures are in place and are being formalised for the new municipality, Big 5 Hlabisa to drive the IDP, Budget and PMS Process.

- IDP Steering Committee(IDP SC)
- IDP Representative Forum

The above mentioned committees are key drivers of the IDP process, however the municipality has realised the challenges in getting sector departments and other relevant stakeholders to attend and participate meaningfully during IDP RF meetings. A different approach to revive participation will be investigated to enhance sustainable development. One –on – one meeting will be intensified during the IDP cycle and further initiatives

(B) IDP STEERING COMMITTEE

The IDP SC is technical committee and a platform for development planning deliberations and proposed interventions. Steering Committee is responsible for the management and the drafting of the IDP in terms of Section 30(a) of the Municipal Systems Act. This committee provided secretarial support to the IDP Representative Forum (IDP RF)

(C) IDP REPRESENTATIVE FORUM

The purpose of the IDP Representative forum is to provide platform to external municipal stakeholders for debating issues and contributing to find workable solutions to existing and competing community needs. It is chaired by the Mayor. Issues of development planning, strategic solutions in existence are addressed. The sector departments also assist on the mandate with expertise to accelerate development and address service delivery backlogs.

Submissions for planned programs and projects are also made in this forum. As a result of this forum there has been remarkable improvement and municipality will strengthen the functionality of this forum. The members of the forum are registered on the database which is reviewed on annual basis.

(D) COUNCIL

Provide strategic leadership and is responsible for the approval of the IDP and communicate it to the community through ward committee meeting thereby further strengthening the functionality of public participation.

3.6. SWOT ANALYSIS

TABLE 10: INSTITUTIONAL SWOT ANALYSIS

Strengths	Weaknesses	Opportunities	Threats
PMS Unit is in place	Poor consultation with stakeholders	Strategic location of the municipality	Inability to attract and retain skilled staff
Political stability	Lack of policies implementation	Financial improvement subsequent to the merger of Formerly Hlabisa and Big Five False Bay	

3.7. SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS

3.7.1. WATER AND SANITATION

This section seeks to assess the level of infrastructure provision in Big 5 Hlabisa. It is very crucial to understand the issues of infrastructure in the Municipality so as to be realistic when setting spatial development goals in relation to housing.

I. WATER SERVICES CONTEXT

The water services backlog was determined utilizing a combination of Census 2011, the UKDM asset register, and verified data from consultants to produce a combined GIS infrastructure database that shows a backlog of 30% of the population (access below National Standard). This is a significant improvement from the Census 2011 backlog of 53%. The combined backlog in 2011 for Big 5 Hlabisa Municipality is 57.1 considering the draft uMkhanyakude WSDP 2016.

UMKHANYAKUDE DISTRICT BACKLOG ANALYSIS

Local Municipality	Population	Percentage of the population with access BELOW National standard level of water service			
		Census 2011 Level of Water Services	Asset Register Infrastructure Data	Verified Consultants Infrastructure Data	Combined Infrastructure Data
Umhlabuyalingana	155140	52.7%	50.6%	60.2%	28.5%
Jozini	185790	62.4%	67.4%	47.1%	42.3%
The Big 5 Hlabisa	107 097	55.0%	65.2%	66.5%	58.7%
Mtubatuba	175359	44.0%	50.3%	28.9%	17.6%
uMkhanyakude	623387	53.2%	54.1%	43.3%	30.0%

	Piped (tap) water inside dwelling/yard			Piped (tap) water on a communal stand		No access to piped (tap) water			
	1996	2001	2011	1996	2001	2011	1996	2001	2011
DC27: Umkhanyakude	5 347	15 928	47 406	7 159	27 251	31 879	59330	58 384	48 909
KZN271: Umhlabuyalingana	1 149	3 394	10 107	1 633	4 974	9 278	16 382	17 955	14 472
KZN272: Jozini	1 019	3 968	11 784	2 370	12 352	10 851	18 503	17 270	16 214
KZN276: Big 5 Hlabisa	761	2676	7802	1223	3663	5388	10381	10486	7715
KZN275: Mtubatuba	2 419	5 890	17 713	2 032	6 263	6 363	14 065	12 673	10 828

Table 37: Households with access to piped water Census 1996 to 2001 and 2011

II. WATER SCHEMES

The following water schemes exist with the municipality

HLUHLUWE WATER SUPPLY SCHEME

The bulk supply system located at Hluhluwe dam consists of a treatment facility at the dam with a rated capacity of 1980kl/d. Plans to augment the plant are currently underway. Potable water is pumped through a 300mm rising main to a 5000kl reservoir located in the Mdletshe area. From Mdletshe water is transferred to Hluhluwe town. Bulk consumers include:

- Mdletshe rural \pm 360kl/d
- Commercial farmers (19) and a game ranch \pm 130kl/d
- Hluhluwe town \pm 880kl/d

The water scheme in Hluhluwe is currently upgraded to increase the capacity of the plant due to increase in water demand. The water receives raw water from the released in Hluhluwe dam. Farmers are using bigger volumes of water for irrigation upstream. This causes water reaching the plant to be very limited.

BOREHOLE DRILLING PROGRAMME 2014/15

- 3 boreholes equipped under drought relief at Mnqobokazi, Nibela, Hluhluwe Farms
- 19 boreholes equipped in Hlabisa at Nonpondo, Macabuzela, Makhowe, Ezibayeni, Ngodini, Ekuphindisweni, Magengebula, Qunwani, eMthekwini, Sqiwini, Gula, Ophaphasi, Ntabenkoni2q, Mpempeni, Magengula, Ngodini, Mzinene, Madulini, Matshamhlope
- 4 boreholes were drilled with uMngeni Water at Mnqobokazi, Bangizwe, Qomkuphila, kwaGiba

THE BIG 5 HLABISA CAPITAL PROJECTS

Project Name	Category	2016/17	2017/18	2018/19
Refurbishment of Hluhluwe WWTW	Sanitation	10 448 642	R0,00	R0,00
Hlabisa Mandlakazi	Water	15 000 000	11 579 817.78	R0,00
Hluhluwe Phase 1 Upgrade	Water	2 000 000	4 946 784.00	R0,00
Augmentation of Hluhluwe Waste Water Treatment Works and New Sewer Network	Sanitation	R0,00	25 000 000	30 000 000
Refurbishment of Hluhluwe WWTW	Sanitation	R600 000	R0.00	R0.000

THE BIG 5 HLABISA DROUGHT RELIEF PROGRAMME

Project Description	Approved Budget	Progress	Target No of Households to be served
Hluhluwe Phase 2 Upgrade Upgrading the Hluhluwe phase 2 WTW from a 1.8ML/d to a 3.8ML/d package treatment plant,	13,177,327	Construction - 60%. Expected end date 30 May 2016	5250
Borehole Drilling		Big 5 Hlabisa Drilling complete -25/25 successful boreholes drilled, 4/25 dry. (4/4 boreholes) completed. 2 are equipped and commissioned	

III .Sanitation

SANITATION SCHEMES IN HLUHLUWE

This scheme serves 170 households. Each household has access to a flush toilet. The wastewater treatment plant has a capacity of 92Ml/year. The scheme is currently under the ownership of the Department of Water Affairs.

The table below reflects the percentage distribution of households by type of toilet facilities, as per 1996, 2001 and 2011 survey conducted by Stats SA:

Municipality	Toilet facility			
	Flush/Chemical	Pit (with/without ventilation)	Bucket	None
DC27: UMkhanyakude	45 813	82 572	1 449	15 460
KZN271: Umhlabuyalingana	5 872	27 314	10	5 213
KZN272: Jozini	13 596	21 153	1 263	5 422
KZN275: Mtubatuba	14 115	23 034	17	3 370
KZN276: Big 5 Hlabisa	12 231	11 070	158	1 455

Table 36: households by type of toilet facility

3 SOLID WASTE MANAGEMENT

Solid waste management is indeed a concern ensure sustainable development where the is a balance between the economic, social and environmental aspect in the area, therefore the municipality has been able to engage the Environmental Services as the development of Integrated Waste Management Plan is underway through assistance National support. Further articulation has been undertaken under the Environmental Status Quo Analysis above

3.7.2. TRANSPORTATION INFRASTRUCTURE

I. ROAD NETWORKS

N2 and the LSDI are classified in terms of the SDF as Main Transport Routes. The N2 in particular (and the LSDI road to a smaller degree) carries larger volumes of traffic than the other roads through the municipal area at higher travelling speeds. There are a number of Tourism Routes identified in the SDF as well.

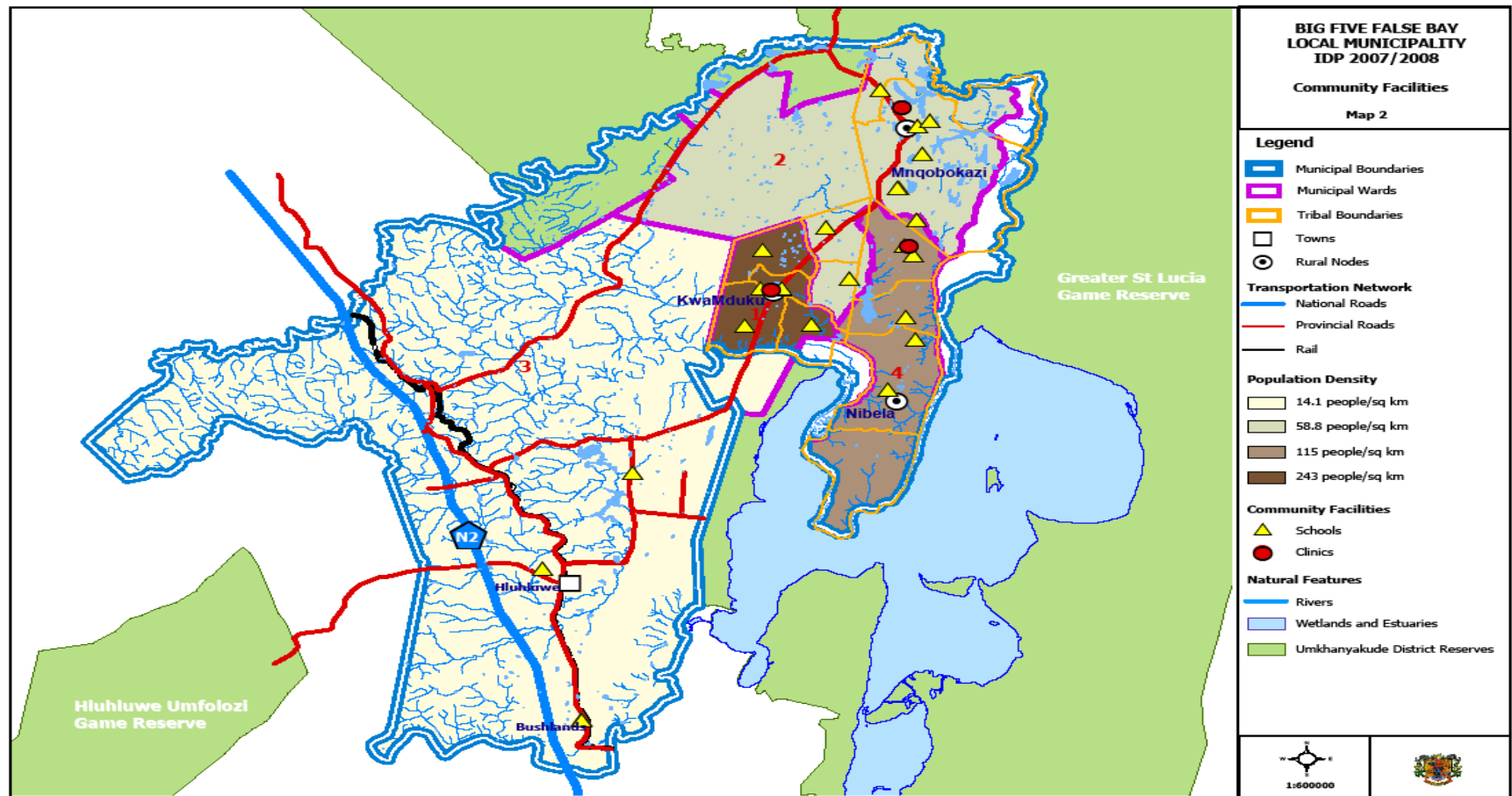
The first one is the P466. It primarily provides access to the various private game reserves located in the northern portion of the municipal area between the N2 and the LSDI road. This area described above is referred to as a “Management Area” in the draft rural LUMS.

The R22 route is a gateway route for Hluhluwe and a tourism corridor. Secondly, the route from Hluhluwe in a westerly direction, across the N2, towards the northern entrance of the Hluhluwe Umfolozi Game Reserve is proposed as a tourism route in the SDF. A portion of this route is the entrance into Hluhluwe town from the N2.

II. ROAD AND TRANSPORT INFRASTRUCTURE ANALYSIS

The Municipality has a short supply of good all weather roads. This restricts the provision of some services such as waste removal. In addition, access to economic opportunities is also limited. The main problem in Big 5 Hlabisa is the lack of access experienced by rural communities as rural roads are not in a good condition. Public transportation such as taxis and buses are most commonly used across the municipality. For those areas where road conditions are bad, informal transportation through mainly the bakkies is used.

The municipality relies heavily on MIG funding for infrastructure development. The rural transport forum is in place, but its functionality requires some improvement. The transport plan is not in place and the municipality does not have funding for its development, however funding arrangements will be initiated with potential funders



III. ACCESS TO COMMUNITY FACILITIES

Access to community facilities varies as some of the wards have better access than others, however most ward have access to schools, creches, community halls, clinics and sportfield. The municipality will much updated information in the next IDP 2017/18. There is a also a proposed study to further inform development planning for the 4th generation IDP.

IV. HUMAN SETTLEMENT

Housing delivery is one of the main service delivery needs for the community of Big 5 Hlabisa. During the needs identification process it was raised as a concern and the municipality intends to work tirelessly with the Department of Human Settlement and all relevant stakeholders to make positive impact and to provide sustainable human settlement. The Housing sector plans were developed in 2009, the consolidated Housing Sector Plan for Big 5 Hlabisa will be reviewed in 2017/18.

The projects are as follows.

Project Name	Project Type	No. Of Units	Project Milestone	Budget 2017/18 Stage 1	Budget 2017/18 Stage 2
Giba	Rural	1100	Feasibility	TBC	TBC
Hluhluwe Phase 1	IRDP	190	Completed	TBC	TBC
Hluhluwe Phase 2	IRDP	530	Completed	TBC	TBC
Makhasa Phase 1	Rural	1000	Completed	TBC	TBC
Mnqobokazi Phase 1	Rural	1000	Completed	TBC	TBC
Nibela	Rural	800	Construction	TBC	TBC
Mnqobokazi Phase 2	Rural	1300	Construction	TBC	TBC
Phumlani Phase 3	ISU	500	Planning	TBC	TBC

Makhasa Phase 2	Rural	1700	Construction	TBC	TBC
Malabela	Rural	2402	Feasibility	TBC	TBC
Tin Town Slum Clearance	ISU	2160	Feasibility	TBC	TBC
Hlabisa Phase 2	Rural	1000	Feasibility	TBC	TBC
Mdletshe Phase 2	Rural	2500	Planning	TBC	TBC
Mpembeni Phase 2	Rural	1000	Construction	TBC	TBC
Mdletshe Phase 1	Rural	1000	Construction	TBC	TBC
Hlabisa Phase 1	Rural	1000	Completed	TBC	TBC
Mpembeni Phase 1	Rural	976	Completed	TBC	TBC

HOUSING TRENDS

The following trends are noted in Big 5 Hlabisa Municipality

- Illegal land invasion (informal settlement), particularly in ward 03
- There is a trend of young upcoming population in ward 3 for work purposes. This trend has resulted in the need for middle income residential housing development
- Rural Housing Development in ward 1, 2 and ward 4

3.7.3. TELECOMMUNICATION

- The municipality coordinates its development activities with the following stakeholders through the following mechanisms:
- IDP Roadshow
- Local Radio Station (Maputaland Radio, Zululand FM, Shine FM)
- Newspaper publications
- Public debates
- Local Posters
- Igagasi Radio

All the above mechanism seems to reach the community accordingly. According to the Stats SA information households have access to a number of forms of telecommunication ranging from households using radio, television, computer, cell-phone, landline/telephone and access to internet. The most popular communication method is cell phone followed by radio.

The most accessible telecommunication method is radio. In 2001 out of 6 214 households, 4275 had access to radio in 2011 out of 7998, 5 453 had access. The numbers of households with access to cell phones in 2001 were 1243 and in 2011 the number increased to 6975. Other telecommunication methods are not that much accessible expect. The figures of households with access to computer were 3191 in 2011 and Internet where a number of households with access were 2326.

Municipality	Radio		Television		Computer	
	2001	2011	2001	2011	2001	2011
DC27: Umkhanyakude	75 983	86 777	21 971	55 338	1 029	6 837
KZ271: Umhlabuyalingana	19 732	22 530	4 692	11 928	144	1 311
KZ272: Jozini	24 940	26 977	6 249	15 459	273	1 590
KZ276: The Big 5 Hlabisa	13209	14106	3368	8920	175	998
KZ275: Mtubatuba	19 103	23 164	7 662	19 029	438	2 938

Table 39: Distribution of households by access to a radio, television, refrigerator, computer, landline/telephone, Census 2011

Municipality	Refrigerator landline		Landline telephone		Cell phone		Internet
	2001	2011	2001	2011	2001	2011	
DC27: Umkhanyakude	24 619	52 081	5 903	4 198	20 368	110 674	32 613
KZ271: Umhlabuyalingana	4 755	9 555	1 480	647	4 285	28 320	7 466
KZ272: Jozini	6 655	13 706	1 279	870	6 089	33 308	8 761
KZ 276: The Big 5 Hlabisa	4044	9130	574	709	3277	18130	5926
KZ275: Mtubatuba	9 166	19 692	2 553	1 971	6 696	30 915	10 461

Table 40: Distribution of households by access to Cell-phone, landline/telephone and access to internet by municipality- 2001 and 2011, Source Census 2011

It is indicative that Big 5 Hlabisa and uMkhanyakude has a huge backlog on electricity provision as compared to other district as a result use of energy varies from electricity to, gas, paraffin and other methods. According to the census 2001; only 18.6% of the total number of households has access to electricity for lighting, the percentage increased to 42.6% in 2011. This translates into a huge backlog in terms of electricity provision.

The table below indicates population with access to electricity for lighting. Other methods of energy used include, candles, paraffin, gas etc. the table also depicts % usage of energy alternative methods.

The Eskom coverage indicates that an adequate supply is available to the major town in Big 5 Hlabisa, which is Hluhluwe/ Hlabisa town and Hluhluwe is surrounded by commercial farmlands. However there are deficiencies in the electrification grid in the deep tribal authority areas.

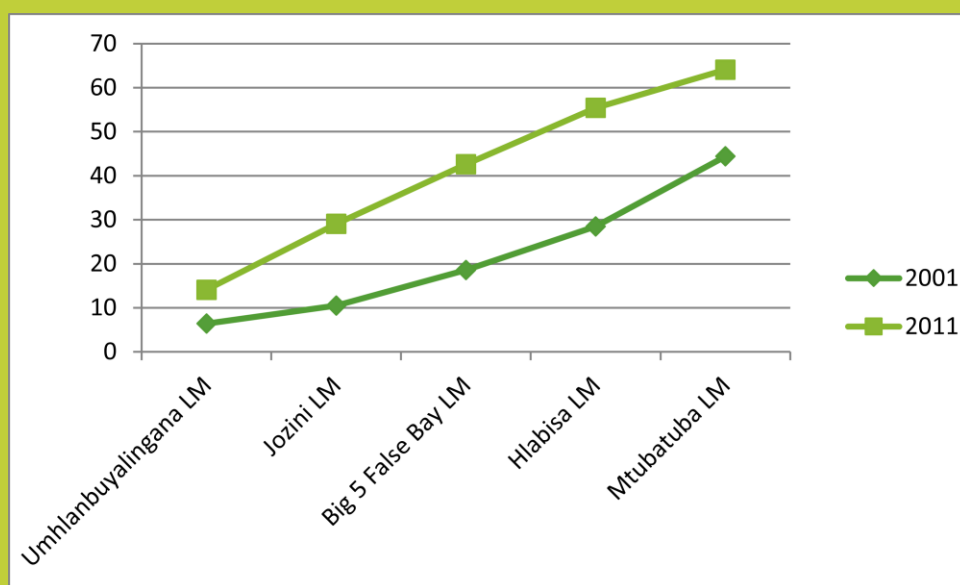


Figure 20: % of households with access to electricity for lighting, Census 2001, 2011

The table below indicates other sources of energy at a ward level

Table 45 Households by source of energy

Source: StatsSA 2011

	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None	Unspecified	Not applicable	Total
	2407	344	48	2773	314	145	19	4	1946	-	-	7998
Ward 1	402	160	13	864	37	1	2	-	378	-	-	1859
Ward 2	224	56	15	657	80	135	5	1	257	-	-	1428
Ward 3	1622	79	13	347	9	6	8	-	888	-	-	2972
Ward 4	159	48	7	90	188	3	4	3	423	-	-	1740

	Inability to attract and retain technical skills and vacant positions		Climate Change
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Table 46: SWOT analysis service delivery and infrastructure analysis

3.8. LOCAL ECONOMIC DEVELOPMENT & SOCIAL DEVELOPMENT ANALYSIS

3.8.1. LOCAL ECONOMIC DEVELOPMENT ANALYSIS

The Big 5 Hlabisa municipality is located in uMkhanyakude district which is one of the poorest and poverty stricken district municipalities in KwaZulu-Natal. However, the municipal area has enjoyed a number of economic resources i.e. quarry and river soil that could be utilized to stimulate economic growth and development required in the area.

To this end, the economic history of the study area indicates that, the success of the area has been driven by the tourism, agriculture, trade and retail and service sectors. Nevertheless, the socio-economic ills have persisted throughout the years and the local economy has failed to absorb the local labour force and minimize poverty levels. Furthermore, lack of value adding activities have been cited in the Spatial Development Framework.

3.8.2. LOCAL ECONOMIC DEVELOPMENT STRATEGY

The Municipality is in the process of developing a consolidated LED Strategy and Investment Attraction Strategy which provides an overview of the economic situation in the area and it seeks to guide future economic development.

3.8.3. KEY NATURAL ASSET /RESOURCES ANALYSIS

The section that follows presents the economic analysis. The analysis include the economic drivers in the in the municipality reflecting their current performances to the local economic growth and development.

DEMOGRAPHIC INDICATORS	1996	2001	2011	SOURCE
Population size				
Total population	28857	31482	35 258	Stats SA
Growth rates	1,7	1,7	1,1	Stats SA
Change				Stats SA
Population Distribution				
Population density				Stats SA
Urban formal	1 366	3 059	6 369	Stats SA
Urban informal	173	336	92	Stats SA
Rural formal				Stats SA
Traditional	2 216	2 760	1 392	Stats SA

Population composition				
Young 0-14	11 655	13 193	13 227	Stats SA
Working age (15 – 64)	1 080	1 423	1 535	Stats SA
Elderly(65+)	173	336	98	Stats SA
Sex ratio(women/100 men)				Stats SA
Dependency ratio	15 111	16 867	20 497	Stats SA
Population groups				
Black African			7646	Stats SA
Coloured			20	Stats SA
White			291	Stats SA
Indian/Asian			22	Stats SA

Table 47: Demographic Indicators, Census 2011

SOCIO-ECONOMIC INDICATORS	1996	2001	2011	SOURCE
Households and Services				
Average number of rooms				Stats SA
Average household size	7,5	4,8	4,0	Stats SA
Female headed households	1798	3077	4149	Stats SA
Child headed households	84	113	116	Stats SA
Access to piped water	454	1978	7679	Stats SA
Access to electricity	669	2863	8821	Stats SA
Literacy rate				Stats SA
Attending educational Institution				
No schooling	6059	605	2529	Stats SA
Primary enrolment rate	2325	1478	2529	Stats SA
Teacher: learner ratio				Stats SA
Secondary enrolment rate	2202	2675	4371	Stats SA
% Completed matric	1189	1671	4168	Stats SA
Matric pass rates				Stats SA

% Completed higher education	338	553	828	Stats SA
Income status				
Average household income		20 709	57 218	Stats SA

Table 48: Socio Economic Indicators Census 2011

3.8.4. COMPETITIVE & COMPARATIVE ADVANTAGES

The family of uMkhanyakude district municipalities has a number of competitive advantages which sets it apart from the rest of the country upon which its development and growth legacy will be built. Big 5 Hlabisa Municipality stands out as one the Local municipalities in the family which is distinct and interdependent to Hlabisa, Mtubatuba municipalities.

The following competitive advantages will benefit the municipality during the term of the 3rd generation of the IDP. The development planning will be further enhanced. The municipality seeks embrace its richness by coming up with strategy that will take advantage of the following:

Element	DISCRIPTION
Strategic Location	The two national roads (N2 & R22 and P235, previously known as R68) are an important infrastructure for public transport and movement of goods between the three countries namely South Africa, Swaziland and Mozambique. Big 5 False Bay is centrally located to all municipalities within the district.
Isimangaliso Wetland Park (IWP) and More than 200 kilometers of a Pristine Coastline	<p>UMkhanyakude also has a World Heritage site which was declared in December 1999 by the UNESCO. The total area occupied by IWP is about 3 320 KM² and has Lake St Lucia which is the largest estuary in Africa. The IWP also provides with the following attributes:</p> <ul style="list-style-type: none"> • 220 km coastline and beaches • Unique destinations - Maphelane, Lake St Lucia, Cape Vidal and the Eastern Shores, Charters Creek and the Western Shores, False Bay, Sodwana Bay, uMkhuze, Lake Sibaya, Coastal Forest and Kosi Bay • Natural heritage (St' Lucia, Black Rock, Sodwana Bay to Kosi Bay) • Natural habitat for sea animals <p>Big 5 False Bay falls within one of Isimangaliso's destinations as mentioned above and part of Nibela is the closest ward to Isimalingaliso</p>
Good Climate	The entire district of Umkhanyakude District Municipality has the one of the best climatic conditions in KwaZulu Natal and South Africa which also benefits Big 5 Hlabisa, this includes the best sunshine and windy conditions (which is conducive for renewable energy generation); weather conditions for good agricultural activity. It is one a few areas that you can grow crops round the year. It also provides leverage for tourism development. Fish farming is one of the development interventions that need to be exploited.

Element	DISCRIPTION
Cultural Heritage	<p>KwaZulu Natal has a total number of 294 Traditional Authorities and the entire district has 18 (eighteen) Traditional Authorities among eighteen Traditional Authorities Big 5 Hlabisa has 6 (six) Traditional Authorities positioning itself as one of the richest areas in KwaZulu Natal in terms of cultural heritage. Out of four wards in the municipality three wards are traditionally led. The following Traditional Authorities are found within Big 5 False Bay.</p> <ul style="list-style-type: none"> • Makhasa Tribal Authority – ward 02 • Nibela Tribal Authority – ward 04 • Mngobokazi Tribal Authority – ward 01
Agriculture Potential	<p>Big 5 Hlabisa is rich in Agriculture and therefore major catalytic projects have been identified to unleash the agricultural potential. Hluhluwe is considered as one of the biggest pineapple growers. Stock farming is one of the prominent agricultural activities in the area. The favourable climatic conditions will strengthen agricultural interventions.</p>
Tourism	<p>In the case of the Big 5 Hlabisa municipality, the importance of tourism in the development of the local economy is accentuated by St Lucia World Heritage Site and the Hluhluwe- Imfolozi Game Park. Furthermore, the N2 Lubombo Spatial Development Initiative cuts across the municipality.</p>

3.8.5. MAIN ECONOMIC CONTRIBUTORS

The following are the key economic drivers in Big 5 False Bay:

- Tourism
- Agriculture
- Industry
- Manufacturing
- Wholesale and retail
- Services
- Financial
- Social economy (SMMEs and cooperatives)

3.8.6. EMPLOYMENT AND INCOME LEVELS

The average households income for Big 5 Hlabisa is R 57 218 and is much higher compared to other local municipalities in the district family and is depicted in the tables below and further to this table is income levels at a ward level

MUNICIPALITY	2001	2011
DC27: Umkhanyakude	101563	128195
KZN271: Umhlabuyalingana	26324	33857
KZN272: Jozini	33589	38849
KZN276: The Big 5 Hlabisa	16825	20584
KZ 275 Mtubatuba	24826	34905

Table 18: Table: Distribution of population by households income in Source Stats Census 2001 and 2011

3.8.7. AGRICULTURE

The Municipality is currently compiling its Agricultural Development Plan which further guide development interventions within this sector and unleash the existing potential.

Improved agriculture production can be remedied by the introduction of sound agricultural management and irrigation.

The Big 5 Hlabisa area has varied agricultural potential. The area with the highest agricultural potential is the Mngobokazi (ward 01). The following agricultural activities are undertaken

- Pineapple growing
- Sweet Potatoes
- Essential Oil
- Sugar cane
- Sugar Beans
- Timber plantation

The municipality intends to further facilitate local processing; currently there are engagements with COGTA and Agriculture on sweat potatoes production and processing locally. There are current engagements with Department of Trade & Industry on local pineapple processing which are however not yet at an advanced stage, but there are some deliverables which would be realised during 2016/2017.

The agricultural potential in ward one is followed by Nibela (Ward 04) which has distinguished itself on small scale fishery

Soil conditions and climate culminate to create the perfect conditions for pineapple production, and the Hluhluwe has distinguished itself in producing 98% of table pineapples in the country. Queen and Cayan pineapples are sought after for the fresh fruit market.

The municipality works with Department of Agriculture on the following food security projects:

- Community gardens
- Poultry

7.7.8. TOURISM

UMkhanyakude District is recognized by the KwaZulu-Natal Tourism Authority (KZNTA) as a unique tourist destination within the Province, and has potential to develop into a world-class destination. This is based on the districts rich and diverse natural resource base and the strategic location of the district, which positions it to benefit from the SADC development initiatives. The Lubombo Spatial Development Initiative, LubomboTransfrontier Conservation Area and UMkhanyakude District Municipality all identifies tourism as a leading economic and growth sector that needs to be promoted within the district.

The primary attractions within UMkhanyakude District include a combination of various wildlife and coastal zones, previously marketed as a component of 'Zululand', with a number of individual tourism publicity associations focusing on individual areas such as Maputaland, Hluhluwe and St Lucia. It appears that the current status is one of being a previous component of 'Zululand' and developing its own identity.

3.8.8. SMALL MEDIUM AND MICRO ENTERPRISES (SMMEs)

The development of mass trading is one of the most important developments in the political economy of Big 5 Hlabisa Municipality. The creation of employment and income opportunities for thousands, and the provision of cheap and symbolically important goods and services to urban marginal, have resulted in informal trade drastically changing the lives of the poor and has forced forward redefinition of Big 5 Hlabisa life, space and culture. The majority of the informal traders are women; the emergence of street trading is a history of active and defiant women creating a productive sphere for them in an oppressive environment.

In response the above Big 5 Hlabisa has developed Informal Trading Policy, which addresses amongst other things the improved management and control of informal trading

The focus on SMME development for Big 5 Hlabisa as a critical factor for economic growth means that the municipality must promote the economic change through channels, the established firms, markets and new entrepreneurial businesses.

It is important to recognise that supporting SMME development at a local government level, involves creating linkages and networking among the local agencies concerned with the different components of SMME development, as well as building sustainable partnerships among local government bodies, government organizations', the private sector, NGOs, and communities, in order to ensure continuing support for SMMEs to grow, sustain and expand their businesses.

Currently the municipality is involved in the following interventions

- Increased agricultural production
- Capacity building and training
- Reduction in unemployment rate
- Employment creation
- Social development
- Support to existing enterprises
- Poverty reduction
- Avail municipal land to SMME

3.8.9. INFORMAL SECTOR

The informal economy makes an imperative influence to the economic and community life of most South Africans, including most residents in Big 5 Hlabisa. It established quickly in the 1990s due to deregulation of the economy and the changeover to a self-governing political system. The informal economy in Big 5 Hlabisa municipal area is ranging from street traders and shebeen owners to child carers and domestic workers.

The following is the list of activities falling within the Informal Sector

- Street traders
- Hairdressing and hair cut
- Traditional medicine
- Restaurants/ Food outlets
- Traditional wear,
- Shoes and shoe repairs
- Trader in pedestrian
- Taxi drivers
- Traders found in public open spaces

3.8.10. MANUFACTURING (INDUSTRIAL)

Although commerce and industry comes third after services and agriculture as an economic driver but, it is not a major one. At present this is dominated by retail and business services such financial institutions and retail outlets. Big retail outlets are still not located in the municipality. This can be attributed to the low purchasing power parity in the municipality as demonstrated by low levels of employment and low levels of earnings.

Wholesale and industry represents about 14% of the economic activities in the municipality. Big 5 Hlabisa is the major economic hub of the municipality with various government services centers, retail outlets and retail banking and other financial services centers being located in the town.

Currently there are no major industrial activities taking place in the Big 5 Hlabisa municipality. Light industry has also not taken place as it could have been. This means that all major commodities and needs of the communities in the municipality are imported from Richards Bay, Empangeni and other major centres.

This is an area with a potential for growth and again the development of a Commerce and Manufacturing Plan by the municipality may be necessary to identify and package opportunities, particularly for small business development.

3.8.11. THREATS AND RESTRICTIONS FACING MANUFACTURING SECTOR

Challenges Facing Manufacturers in Big 5 Hlabisa Municipality are:

- Skills Shortages;
- Lack of Water and Electricity, and
- Planning & Zoning Regulations

3.8.12. EXPANDED PUBLICS WORKS PROGRAMME

EPWP is a key government initiative which contributes to Government Policy Priorities in terms of decent work and sustainable livelihoods; It also seeks to ensure provision of poverty and income relief through temporary work for the unemployed to carry out social useful activities.

The Big 5-Hlabisa Municipality is currently participating in the phase three EPWP initiative. It must be noted that the Municipality did not participate in the previous two phases. In this phase the Municipality has received R **1 million** grant/funding from the National Treasury and as a result **58 (at Hluhluwe) and 40(Hlabisa)** job opportunities and **18** Full Time Equivalents (FTEs) were created during the current financial year (2017-2018). The participants are divided into different wards and are working on three different projects, and these are listed below:

- Hluhluwe Town Beautification
- Roads and Infrastructure Development
- Storm water drainage
- Hlabisa Town Beautification

The project targets will be achieved and within the budget received. Through this initiative, it must be noted that the Municipality is now responding to issues of waste management and refuse collection. Of particular importance, the participants were recruited from all wards of the Municipality and the initiative has received a reasonable support from the community.

3.8.13. SERVICES

Big 5 Hlabisa Municipality is main service centre and the following government departments are in existence:

- Medical
- Education
- Home Affairs

- Safety and Security
- Agriculture
- Transport

3.8.14. MINING

Mining has not been identified as a major economic driver in Hluhluwe but there is an existing quarry in ward 3 and there registration and mining permit will liaised with Department of Minerals & Energy. There is however a potential for river soil mining in ward 01 and ward 04, at this stage feasibility has not been confirmed but consideration will be made in 2017/2018

3.8.15 LED PROJECTS

POLICY & DOCUMENT PREPARATION

LED Policy Framework & Strategy

Investment policy review

Tourism Action Plan

INFRASTRUCTURE & FACILITIES

Solar Geyser Project

Waste Management System Project

Informal Traders Market stall development (containers)

Container mini-mall clusters

- ❖ The mini mall concept is liked by almost everyone with the following:
- ❖ *bakery*
- ❖ *butchery*
- ❖ *fresh produce shop*
- ❖ *fish and chips shop*
- ❖ *laundry*
- ❖ *hair salon*
- ❖ *mini general dealer*
- ❖ *solar appliances & cell phone shop*

MINING

Mining - anthracite

MANUFACTURING & INDUSTRIALIZATION

Partnering with IDC & DTI

Solar plant

Geyser assembly plant

Solar farms

Food & Fruit Processing and packaging

AGRICULTURE / AQUACULTURE & PROCESSING

LIVESTOCK

Farmers (Goats, Piggery, Cattle, Sheep & Poultry) Projects

Aquaculture - Tilapia

CROPS

Grains

Cotton Project

Peanuts Project

Sweet Potato Project

Essential Oil

Sugar Cane Growing

PROCESSING & PACKAGING

Amarula Project

Jam Project

Pineapple Processing Plant

Maize Meal Plant

RETAIL & MARKETING

Farmers market

Container Malls

HUMAN DEVELOPMENT & CAPACITY BUILDING

Info projects

Incubators

Skills development on Agricultural Projects

SMME & CO-OP ESTABLISHMENT

Acquisition of capital and funding

SMME's & Cooperatives Projects

Incubator, Mentoring, Skills Development

3.8.15. LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS

STRENGTH	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • LED policy guidelines & Sector Plans in place(LED Strategy, Informal Economy Policy, & Investment Strategy • Functional Internal Municipal Forum 	<ul style="list-style-type: none"> • High staff turn over • Delay in Strategic Documents Review • Lack of Implementation Plans • Lack of Staff Capacity • Poor Consultation With Key Stakeholders 	<ul style="list-style-type: none"> • High Agricultural & Tourism potential • Funding opportunities Sector Departments (CoGTA ,DTI & IDC) & Donor funders • Strategic location N2 route and R22 and R168 • Revenue from Local Farmers and Sector Dept. 	<ul style="list-style-type: none"> • Untransformed tourism industry • Land tenure • Climate change • Low Revenue Base

Table 51: SWOT analysis: LED

3.9. SOCIAL DEVELOPMENT ANALYSIS

3.9.1. BROAD BASED COMMUNITY NEEDS -2012/2015 - 2017/2018

During the analysis phase of the IDP the consultative meetings held as mentioned in section A of the document where the councilors and the mayor, councilors and the IDP unit visited the community to identify critical issues on ground. Analysis was out of the issues raised and the municipality had several strategic sessions where the strategic objectives were developed for future development of the communities. The strategic objectives were developed and articulated in section D of this document. Programs and Projects are also further outlined in section H of the document. In summary the following needs have been prioritised.

3.9.2. EDUCATION

The uMkhanyakude family has the lowest educational levels as compared to other districts according to the Stats SA Census 2011. The enrolment at primary schools has been improving since 1996. The numbers of children with primary education and that have some secondary education and have completed it have also been increasing. The number of households with access to higher education and that have been able to complete it are very low and therefore require some attention.

It is however noted and becoming a concern that the matric pass rate has not been favourable since 2008 and is depicted in the table below the pass rate was provided by the Department of Education. The access to educational facilities is analyzed under Service Delivery and Infrastructure Development subtopic community facilities.

3.9.3. HEALTH

The municipality does not directly provide this service but works with the Department of Health on Local AIDS council and provided a venue for mobile health in ward 03. The environmental health is provided by the uMkhanyakude District Municipality and officials are deployed for each local municipality.

3.9.4. SAFETY & SECURITY

Safety and Security is categorized as follows:

I. PROTECTION SERVICES

Protection Services comprise of the following sections:

- Traffic Management
- Disaster Management

II. FIRE PROTECTION

This component has been institutionalised and according to the official organogram it is part of Protection Services. However the Fire Protection posts have not yet filled due financial constraints. Currently Fire Protection services are being offered by Rural Metro on a month to month basis. Rural Metro undertakes community awareness sessions on fire hazards and prevention. In the case of fire related disasters the municipality has access to tents and blankets from UMkhanyakude District Municipality which are distributed based on the assessment report.

III. COMMUNITY POLICING FORUM

Big 5 Hlabisa has prioritized issues of safety and security and has managed to establish the following forums to address issues of safety and security, however this function need to be replicated at the ward level.

Community Policing Forum

Community Policing Safety Committee

The following crime activities are reported

- House Breaking
- Stock theft
- Rape

The main purpose of this forum is to mobilize the participation of community structures on issues of crime awareness and prevention.

TRAFFIC MANAGEMENT

Currently the municipality provides Traffic Law Enforcement and payment of traffic fines. There is a well-established Drivers Licence Testing Center in Hlabisa which is fully functional. There is also a project complete for Leaner Driver licensing in Hluhluwe that is current nearing completion and pending final approval by DOT. Arrangements on how both of the centers will work is underway. The facility for Leaners License is complete and it is proposed that learners license examining will commence upon approval probably before end of June 2016. Future plans involve Driver's Licence Testing, Vehicle testing center, overloading control.

3.9.5. COMMUNITY DEVELOPMENT

Community development involves youth development, development of people with disabilities and various programmes are coordinate at both the district level and at a municipal level. There are programmes to empower the community on the issues that seeks to address social ills

3.9.6. DEVELOPMENT OF THE PEOPLE WITH DISABILITIES, ELDERLY, WOMEN AND YOUTH

The municipality is actively involved in empowerment of people living with disabilities. Various Interventions including facilitation of bursaries and capacity building are ongoing. The municipality actively participates in the disability forum at the district level and has its own forum at a ward level and municipal level and local disability forum has recently been established.

There is currently no elderly forum at a municipal level, but forum exist at the district level. The municipality facilitates golden games at ward level and local level. Establishment of the forum will be considered in 2013/2014.

The youth development forum establishment is at an advanced stage at all ward levels and currently being re- established at a municipal level.

Women empowerment is considered as a priority and the forum is being established at ward level to address issues affecting women furthermore OSS is live and vibrant in a number of issues. There is women forum at the district and the municipality actively participates. The awareness campaigns on 16 days of activism are also facilitated with all relevant sector departments.

HIV/AIDS and crime are most prevalent in the municipality. Social crime prevention will be developed in consultation with key stakeholders. There has also been increase in drug abuse, however communities are involved in dealing with social ills through the ward drugs action committee. It is hoped that this intervention will contribute to reduction of crime and drug related incidents.

3.9.7. SOCIAL DEVELOPMENT: SWOT ANALYSIS

STRENGTH	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Institutionalisation of special programs• Functional Operation Sukuma Sakhe• Establishment of Drug abuse action committes	Some positions on Special Programmes are unfunded	Government support through Programmes like Operation Sukuma Sakhe, Civil Society support	<ul style="list-style-type: none">• HIV/AIDS prevalence• Uncoordinated social services• High poverty levels

3.10. FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

3.10.1. FINANCIAL VIABILITY & MANAGEMENT

Big 5 Hlabisa municipality's Constitutional Mandate of ensuring the provision of services to communities in a sustainable manner requires long term financial sustainability to support the service delivery objectives. Long term financial sustainability must be ensured by the application of sound financial principles, strengthening of financial management systems and promotion of transparency.

The multi-year budgeting method is currently being used to ensure stability. The method balances funding of capital expenditure with the impact on future operational budgets in the medium and long-term. Sound financial principles must be addressed by ensuring that compliance to legislation is maintained and policies, delegations, roles and responsibilities are properly monitored. The municipality is grant dependent and cannot fund capital projects in the short and medium term.

This is a key strategic area in ensuring that Big 5 Hlabisa Municipality is well capacitated and in a healthy financial state to effectively provide service delivery within the municipal area. The section is responsible for the following

- Financials
- Revenue Management
- Financial Structure and Liquidity
- Supply Chain Management

However, it needs to be noted that some of the functional areas are not yet operational and therefore no situational analysis reporting has been done.

Big 5 Hlabisa is low capacity municipality category B reliant largely on grants from National and Provincial Treasury. The municipality has implemented Municipal Property Rates Act 6 of 2004. It is anticipated that with the recently developed Revenue Enhancement Strategy that income will increase gradually over the next three years.

The Free Basic Electricity is currently provided to some indigents pending the completion of indigent register which is underway. The indigent policy is being developed and the whole process will run concurrently. Challenges are experienced with the outstanding debts from various government departments which further affect the financial sustainability of the municipality. Former Big 5 and Hlabisa municipality received unqualified audit opinion from the Auditor General for 2014/15.

3.10.2. CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

The Municipality is constrained financially and therefore relies heavily on MIG funding to execute Capital Projects. Strategies to enhance revenue are in place and are further articulated in the Revenue Enhancement Strategy. The Municipality has been able to execute Infrastructure projects with MIG funding.

3.10.3. INDIGENT SUPPORT

The level of unemployment and subsequent poverty in Municipal Area is high, there are households which are unable to pay for normal municipal services. The Municipality has adopted indigent policy to ensure that these households have access to at least basic municipal services. The municipality is currently supporting 318 household on free basic electricity. Once the indigent register is finalized and adopted by council, further indigent households will be identified and benefits from the support.

During 2014 the register was compiled and adopted by council in line with the in the qualifying criteria adopted with the reviewed policy. The register will also be reviewed in 2015 in line with amendments in the indigent policy. According to Statistics SA census 2011 the Big 5 Hlabisa has a high unemployment and poverty stricken.

3.10.4. REVENUE ENHANCEMENT & PROTECTION STRATEGIES

It is essential that the Municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to source, amount and timing of revenue. The municipal sustainability is based on the following critical elements:

- Communication Strategy
- Accurate Billing
- Revenue Collection (Debt and Credit Management)

The municipal revenue business models need to focus on maximising revenue collection, reducing inefficiency and costs, and reducing uncollectable debt. A holistic approach to the municipality sustainability is crucial to ensuring that all the above mentioned critical elements are simultaneously addressed. The following are the highlights of the strategy:

- A comprehensive data-cleansing exercise should be carried out using desktop electronic techniques supported by manual interventions in areas identified by the desktop analysis. This exercise should incorporate trend analyses to identify unusual activities related to meter readings/billings which could be a result of other unidentified issues that require attention.
- The credit control policy and procedures should be reviewed and amended to allow for deduction for outstanding amounts from the salaries of employees. This will require legal opinion on the process.
- Review the current communication participation strategy to ensure that it caters for the involvement of the community in the development of the municipality's policies and review thereof.

These strategies were given priority in the municipality and the improvement in the debts collection and revenue are the result of this exercise.

3.10.5. MUNICIPAL CONSUMER DEBT COLLECTION

The Municipality bills for the rates and refuse removal. Major services are provided to households. The effects of the global economic downturn / decline have resulted in an increase in the total consumer debt since 2012.

The consumer debt age analysis shows a huge increase in percentage from 2011/12 to 2013/14 financial years as a result of additional properties being billed following the data cleansing exercise which is still ongoing. There is a dedicated debt recovery unit which was established and mandated to resolve all outstanding account queries and motivate for write offs on irrecoverable debt. The enforcement of credit control has been implemented which include involving legal services to recover the debt.

3.10.6. GRANTS & SUBSIDIES

The municipality is grant dependent and in receipt of the following grants for its Operation capacity and capital projects execution:

- Equitable share (ES)
- Finance Management Grant (FMG)
- Municipal Systems Improvement Grant (MSIG)
- Integrated Electrification Programmer (INEP)
- Municipal Infrastructure Grant (MIG)
- Library Grant

The equitable share allocation is important supplement to existing municipal revenue

3.10.7. MUNICIPAL INFRASTRUCTURE ASSETS & MAINTENANCE (Q&M)

The municipal strategies that the municipality employs to ensure sound asset management are captured in the Asset Management Policy, the Operational Plan (SDBIP) and the OPMS. The municipality is currently ensuring that all its assets are in order and has set up a dedicated unit to ensure proper mechanisms and systems are in place. This was a response to various analyses that the municipality has been undertaken by the municipality which has been pointing to asset management as one of the main challenges, and most importantly in the attempt to address the AGs comments. The following challenges have been sighted with regards to asset management:

- Inadequate policies and procedures.
- Lack of human resource capacity.
- Inadequate asset register and asset management plan.
- Lack of asset management software system.

The repairs and maintenance trends for 2015/16 to 2017/18 is as follows

- | | |
|-----------|----|
| • 2014/15 | 3% |
| • 2015/16 | 4% |
| • 2016/17 | 4% |

3.10.8. CURRENT & PLANNED BORROWINGS

The municipality does not have any current or planned borrowings in the future.

3.10.9. MUNICIPAL CREDIT RATING

The municipal credit rating was not measured through the rating urgency because the municipality in the past years had not envisioned borrowing finances which made the municipality not concern much about its credit rating. But in a sense the Municipality is credit worthy as we managed to enter into the Hire Purchase for Municipal Vehicles.

3.10.10. SUPPLY CHAIN MANAGEMENT

The format of the Supply Chain Management System as per the Municipal Finance Management Regulations, (9) of the MFMA regulation is as follows:

- Demand Management
- Acquisition Management
- Logistics Management
- Disposal Management
- Risk Management
- Performance Management

Big 5 Hlabisa Municipality adopted the following model in its Supply Chain Management Unit:

- Acquisition Management
- Contracts and Risk Management
- Supplier development
- Logistics and Warehouse Management
- Trade Creditors Accounts Management

3.10.11. SUPPLY CHAIN MANAGEMENT

The format of the Supply Chain Management System as per the Municipal Finance Management Regulations, (9) of the MFMA regulation is as follows:

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Big 5 Hlabisa adopted the following model in its Supply Chain Management Unit:

- Acquisition Management
- Contracts and Risk Management
- Supplier development
- Logistics and Warehouse Management

These sections within the Supply Chain Management unit have the following functions or outputs required.

(a) Acquisition Management (has two components)

- **Demand planning process:** the institutionalization of the planning process to ensure balancing of the budgets needs as informed by the IDP vs. activities for the institution.
- **Sourcing Strategies:** Buying function for different items as per the requirements of the departments using a quotation system (values <R30000) through the rotation of suppliers from our accredited database, in a cost effective manner.

(b) Contracts and Risk Management (has three components)

- **Contracts Management:** deals with procurement of goods and services above >R30 000 through a competitive bidding process, to enable both parties to a contract to meet their obligations in order to deliver the objectives required from the contract.
- **Performance Management:** It involves provision of an internal monitoring system in order to determine on the basis of retrospective analysis, whether the authorized supply chain management processes are being followed and whether the desired objectives are being achieved.
- **Risk Management:** This refers to the optimization of the efficiency, effectiveness and economy of the service or relationship described by the contract, balancing costs against risks (and taking appropriate actions to mitigate the impact of risk) in the supply chain management system.

(c) Supplier development

- **Stakeholder's relations:** training and capacitating of the SMMEs, Cooperatives with regards to the procurement processes of Big Hlabisa Municipality
- **Improving on-time delivery:** Suppliers to understand the criticalness goods and services can provide major competitive benefits, in the form of lower costs, improved quality, on-time delivery and customer service, hence the introduction of the supplier development unit to develop and train our suppliers to be competitive and able to deliver the required services on time.
- **Reducing order fulfillment cycle time:** Supplier development can result in significant improvements in supplier performance.
- **Database development and maintenance:** population of a credible, updated and reliable database for all service provider, categorized according to commodities of supplies.

(d) Logistics and logistics management (has three components)

- **Warehousing and storage of inventory:** The coordination of services of the institution and storage of goods procured for the institution.
- **Inventory and Management:** purchased inventory as consumables of the institution is received, kept (at minimal acceptable levels) and managed in this section for the use by the line departments.
- **Disposal Management:** a system for an effective disposal or letting of assets, including unserviceable, redundant or obsolete assets. The situational analysis of the municipal Supply Chain Management system is revealing the following and possible solutions are also provided:

3.10.12. BID COMMITTEES

Regulation 26 of the Municipal SCM stipulates that a municipal SCM system must provide for committee system for competitive bids consisting of at least a Bid **Specification, Bid Evaluation and Bid Adjudication**

The following Bid committees exist at Big 5-Hlabisa municipality and are functional,

(a) Bid Specification

The Bid Specification is responsible for compiling of bid specification in an unbiased manner to allow potential bidders to offer their goods and services. Each Bid Committee has its own chair

(b) Bid Evaluation

The Bid Evaluation Committee is responsible for evaluation of all bids received which include verification of the capability of a bidder to execute the contract and other important issues

(c) Bid Adjudication

The Bid adjudication committee must consider the recommendations of a Bid Evaluation ensuring that all necessary legislative requirement have been undertaken

3.10.13. CHALLENGES

Challenges encountered by the Supply Chain Management Unit relate to the following:

- Demand management has not been institutionalized and the function is not staffed.
- Rotation of service providers not adhered to;
- Preferential procurement from previously disadvantaged individuals relies on procurement point's allocation for all service providers.
- Risk and performance components of procurement strategies of the institution not functional;
- The section has not been budgeted and therefore staffed, and has not been factored into the strategic function of the supply chain system of the institution
- The disposal section or component of the section is not functional;
- There is also no system in place to detect service providers in the service of the State, hence Auditor General does have the system and negatively affects the audit opinion.

The above analysis gives an ideal situation which will allow the output and outcomes of the Supply Chain System of the municipality to be realized as derived from the applicable legislations and policy, i.e. BCM SCM policy, MFMA, BBBEE and PPPFA} aimed at not only procuring services and goods of the municipality as per the IDP strategic objectives and within the available budget and period, but also to skew the procurement spent in a manner that will ensure a Supply Chain System that assists in job Creation in the region, beneficiation of vulnerable groups (women, youth, disabled and historically disadvantaged groups), promotion of skills and capacitating small businesses, circulation of the rand spent within the municipal area to boost and encourage the economy within the region.

3.10.14. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT EMERGING KEY ISSUES

The emerging key issues with regards to the Municipal Financial Viability and Financial Management analysis are summarized as follows:

- Improve debt collection.
- Clear measurable budget and implementation plans aligned to the SDBIP
- Exceeding subsistence and travelling budget.
- Municipal Demarcation
- Balancing of GV to billing system

3.10.15. FINANCIAL VIABILITY & MANAGEMENT SWOT ANALYSIS

STRENGTH	WEAKNESSES	OPPORTUNITIES	THREATS
Efficient financial and information management systems Sound financial planning and management Compliance	Under Spending of allocated budget- most capex Lack of funds for servicing of land Unable to implement revenue enhancement strategy Audit opinion- Grant Dependency Indigent register- data cleansing Poor ICT System Controls	External funding opportunities and twinning agreements with other organ of state Implementation of the property rate Act Clean audit Attraction of investors to increase revenue. Middle income housing- rate base	Ageing infrastructure and backlogs on basic service- maintenance costs. Poor maintenance of infrastructure High unemployment Informal settlement Change of Laws – MPRA Attractive incentives for employees Credit worthiness Low revenue base

3.11. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

3.11.1. GOOD GOVERNANCE ANALYSIS

The Municipality values the participation of its residents in governance. To this end, the Municipality has established Ward Committees in all 4 wards. Ward Committees provide an important vehicle for the Municipality to consult with its communities. In addition to Ward Committees, the Municipality has initiated other mechanisms of deepening and broadening public participation. The residents are also engaged through their participation in sectorial and other forums. The Municipality's public participation is occasionally reinforced by District izimbizo particularly IDP/Budget consultative meetings and outreach programmes. The Municipality are currently reviewing our public participation strategy so as to reflect an integrated approach.

The Anti – corruption strategy is in place and the Municipality has not experienced incidents of fraud and corruption. As one of its priority areas, the Municipality recognises the importance of the previously marginalised sectors, including youth, women, children, aged and people with disabilities. More committees will be established during 2016/17.

One of the key challenges facing the Municipality with regard to sector development is the integration of sector activities with the municipal planning systems.

3.11.2. NATIONAL AND PROVINCIAL PROGRAMMES

1. OPERATION SUKUMA SAKHE (OSS)

The Municipality embraces Sukuma Sakhe as platform to address issues at a ward level. It is institutionalized within the municipality and chaired by the Mayor. The war rooms were fully established in all wards and chaired by the ward councilors. Sectorial representation has improved.

The municipality will further strengthen institutional arrangement of OSS under Community Services Department. This programme serves as a vehicle between all sectors in development planning and wellbeing of the communities. Briefly issues ranging from poverty alleviation and social ills are addressed by the municipality and spheres of government. The municipality also participates in the annual Public Service Week as part of OSS intervention

2. INTERGOVERNMENTAL RELATIONS (IGR)

Big 5 Hlabisa Local Municipality is responsible for facilitating inter-governmental relations within its area of jurisdiction. In line with the Intergovernmental Relations Framework Act, the municipality has taken upon itself to improve intergovernmental engagements to ensure that proper intergovernmental planning guide public, private and donor investment in the municipality.

Intergovernmental Relations were revived and some were established in 2013, with the purpose of addressing issues of common interest within the district and beyond. The functionality has however not been satisfactory during 2014. The table below indicates a schedule of meetings within UMkhanyakude.

3.11.3. DISTRICT IGR STRUCTURES

1. DISTRICT MAYOR'S FORUM

The Forum consists of all the Mayors within the Family of Municipalities and chaired by the District Mayor. Issues of common alignment and common interest are deliberated upon in this forum

2. MUNICIPAL MANAGERS FORUM

The Forum consist of all Municipal Managers within the Family of Municipalities and forum is chaired by District Municipal Manager "a key forum for strategic alignment, co-ordination and integration" that serves as an inter-governmental structure where Municipal Managers in the district meet and deliberate on issues of common interest and integration.

3. CHIEF FINANCIAL OFFICERS FORUM

The Forum consists of all Chief Financial Officers within the Family of Municipalities. The forum mainly deliberates on matters of financial management and sustainability with the family. Best practices are also shared. This forum is chaired by the CFO from uMkhanyakude District Municipality

4. TECHNICAL FORUM

The Forum consists of all Technical Directors within the Family of Municipalities and chaired by Municipal Manager from Jozini Municipal

5. PLANNING DEVELOPMENT FORUM

The Forum consist of all IDP, PMS, LED and Development Planning, Environmental Planning and Management within the Family of Municipalities

6. COMMUNITY FORUM

The Forum consist of all Community and Social Services within the Family of Municipalities

7. COMMUNICATION (DCF)

The Forum consist of all Communication representatives within the Family of Municipalities

8. CORPORATE SERVICES FORUM

The Forum consists of all Corporate Services Directors representatives within the Family of Municipalities and is chaired by the Director Corporate Services from uMkhanyakude District Municipality.

9. WASTE MANAGEMENT FORUM

A district- wide waste management forum was established and must be resuscitated in 2016/17. The issues of waste management within uMkhanyakude family are further deliberated upon to ensure environmental sustainability and that development of the future generation is not compromised. The forum comprise of the following stakeholders:

- Umkhanyakude District
- Department of Agriculture & Environmental Affairs
- Mtubatuba Municipality
- Jozini Municipality
- Big 5 Hlabisa Municipality

- International Labour Organisation

10. DEVELOPMENT PLANNING SHARED SERVICES (DPSS)

The Development Planning Shared Service is in place and has been functional since its inception in. The following issues for uMkhanyakude Family are addressed by DPSS:

- Spatial Planning
- Environmental Management
- Development Administration
- Geographic Information System
- Strategic Planning(IDP)
- Performance Management System

11. DISTRICT TECHNICAL ADVISOR COMMITTEE (DTAC) ON PMS

The District Technical Advisor Committee is also in place. It comprises of all IDP Managers, PMS Managers, GTA PMS Specialist of uMkhanyakude family. The issues of performance management are deliberated upon to promote and strengthen performance management culture within the family municipality. Issues of capacity to cascade PMS to all levels have not been adequately addressed as some municipality do not have enough staff to execute the task adequately. The committee meets quarterly.

3.11.4. LOCAL MUNICIPAL STRUCTURES

The following governance structures are in existence for proper coordination of the development planning issues. The IDP process plan is in place and guides and informs development from planning to drafting of the document and its implementation as well as monitoring and evaluation.

1. IDP STEERING COMMITTEE (IDP SC)

The IDP SC is in place and functional and there has been a tremendous improvement since 2012/2013. The Directorates are all participative in the IDP process and the municipality would further enrol staff at levels for a better improved participation, though the subject has become standard agenda in some departments

2. IDP REPRESENTATIVE FORUM

The IDP RF is in place and serves the purpose to deliberate on development strategic agenda for the Municipality. The stakeholder participation is still a challenge. The Representation in the forum still needs to be strengthened. The issue is raised on IDP meetings at levels of Government but to date no improvements have been realised, but it is hope that it will be collectively resolved in the future

3. COUNCIL

The Big 5-Hlabisa Council is responsible the strategic direction in line with the municipal vision and approves the IDP upon its completion.

4. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The MPAC is in existence in terms of chapter 12 of the Municipal Finance Management Act section 129 (MFMA). The committee is functional and its oversight role is improving. Capacity building is ongoing to further enhance its functionality

5. AUDIT COMMITTEE

Big 5 and Hlabisa both have audit committees in terms of chapter 14, section 166 of the Municipal Finance Management Act No. 56 (MFMA). The current audit committees are functional since the term of the audit committees end 30 June however transitional arrangements are on –going to ensure continuity, therefore.

3.11.5. STATUS OF MUNICIPAL POLICIES AND SECTOR PLANS

Policy Development was undertaken by Big 5 Hlabisa as one of the transitional measures to ensure continuity. The Corporate Service Department has been strengthened to ensure that policies are developed and reviewed annually. The municipality has capacity to develop and workshop policies. This will be further improved during 2016/17 to ensure that staff and council are in same understanding of policies and procedures.

The Municipality cannot operate in the absence of Bylaws. Some of the bylaws are in place, but there is still a gap due to financial constrain some of the Bylaws were developed but could not be gazetted. Further information on the status of municipal by-laws is articulated in table below. The Municipality will source funding from potential funders and it has been included in the Implementation plan. The table will be updated and be detailed in the final document

3.11.6. MUNICIPAL RISK MANAGEMENT

Risk Management is considered as a crucial aspect at Big 5-Hlabisa to implement and maintain effective, efficient and transparent systems of risk management and control. The Municipality receives support from Provincial Treasury to conduct risk assessment and the workshop was conducted on the 11th of October 2013. The municipality was able to get assistance in identification of risk and come up with strategies in addressing issues raised. The Strategic phase (section D further deals with strategies to address areas of risk identified. A risk assessment committee was established and it is hoped that its functionality will be strengthened during 2015/2016 Risk identified as major and crucial in the risk assessment workshop have been considered in the strategic phase of this document

3.11.7. PUBLIC PARTICIPATION ANALYSIS

In terms of chapter 4, section 16 and chapter of the Municipal Systems Act no. 32 of 2000, the municipality is required to involve the community in municipal affairs. The municipality ensures that its community is informed consulted and engaged on the following strategic issues:

- IDP
- Budget and
- Performance Management

The extent to which the community understand the above mentioned issues has not reach a level where the municipality will conclude is saying that public participation is at an adequate level. Some of the communities over a long period engagement with the municipality are beginning to understand some of the development issues, but majority still do not understand. This could be attributed to a number of aspects ranging from the level of understanding due to language and cultural barriers and political issues and municipal institutional capacity to adequately implement public participation. The Municipality is currently reviewing its Public Participation Strategy and issues and it is hoped that public participation will be strengthened.

The municipality utilizes the following mechanisms for public participation which are articulated in the IDP Process Plan:

Media – Radio, and other print media Publications

Website – posting of strategic documents in the website in terms of section 75 of the MFMA

IDP Representative Forum – a forum for all stakeholders to deliberate on development

Road shows – A district – wide IDP/Budget road show will be hosted in April to engage communities on Draft IDP and Budget. The IDP Public Participation meetings were convened as follows:

IDP ROAD SHOWS	
Date	Ward
16 Nov 2016	Cluster C, Ward 1,2,3,4,5
23 Nov 2016	Cluster B , Ward 13,12,11,10
30 Nov 2016	Cluster A , Ward 06,07,08,09
25 April 2017	Cluster C, Ward 1,2,3,4,5
03 May 2017	Cluster B , Ward 13,12,11,10
05 May 2017	Cluster A, Ward 6,7,8,9

3.11.8. WARD COMMITTEE FUNCTIONALITY

The Big 5 Hlabisa is made up of only 13 wards. All thirteen (13) ward committees were established in August 2011. Some of the ward committee members participate well in Operation Sukuma meetings at War Room level. The participation of Councillor for ward 4 in Operation Sukuma Sakhe issues is highly appreciated. Challenges experienced with participation and what needs to be done to improve.

The challenge is that war room meetings are sometimes not given a priority by some of the ward committee members and ward councilors seemed to have more commitments and important things to attend than war room meetings.

3.11.9. GOOD GOVERNANCE & PUBLIC PARTICIPATION SWOT ANALYSIS

STRENGTH	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• An Appropriate Organogram• Relevant Forums Established• Existence of Public Facilities• Improved Relations Between Administration, Council, Traditional Leadership	<ul style="list-style-type: none">• Lack of Policies• Inadequate Sector Plans• Lack of Maintenance/Support of Relevant Structures• Poor/No Maintenance of Public Facilities	<ul style="list-style-type: none">• Continued Support From Various Sector Departments• Learn From Other Local Municipalities	<ul style="list-style-type: none">• Non Compliance• Failure to Meet Targets

3.11.10. COMBINED SWOT ANALYSIS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
KPA 01 : INSTITUTIONAL DEEVELOPMENT & TRANSFORMATION			
<ul style="list-style-type: none"> • Enough staffing according to the competency of individuals/ adequate human resources. • Existence of good governance structures including the MPAC, Audit Committee but not limited to 	<ul style="list-style-type: none"> • Insufficient skilled personnel i.e. environmental management, building inspectorate, IT • Inability to retain & attract skilled staff • Poor institutional memory • Lack of office space 	<ul style="list-style-type: none"> • Good relationship with Tribal authorities 	<ul style="list-style-type: none"> • Inability to attract and retain staff
KPA 02: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT			
<ul style="list-style-type: none"> • Strategic Location(R 22 & N2) • Municipal buildings (habitable, functional) • Plant & equipment (new fleet, fleet maintenance contract, fleet tracking system, fuel management system) • Municipal infrastructure • Roads (compliance with national road's legislation, functional roads) • Electricity (quality, sustainability, compliance to regulatory framework) • Sanitation (compliance, functionality, maintenance contract); • Public safety services; • Community development; • Social amenities management; and • Sport and recreation development facilitation 	<ul style="list-style-type: none"> • Infrastructure degradation & backlogs • Municipal buildings (maintenance, shortage of space); • Plant & equipment (old, under maintained, non-availability) • Municipal infrastructure • Lack of bulk infrastructure for new developments • Roads (lack of roads in rural areas, road maintenance) • Electricity (distribution capacity, under resourced, lack of electricity in rural); • Sanitation (waste water treatment works capacity, lack of sanitation infrastructure in CBD); • Water (under maintained infrastructure, bulk 	<ul style="list-style-type: none"> • Coastline, bushveld and wildlife • Municipal buildings (maintenance, shortage of space); • Plant & equipment (old, under maintained, non-availability) • Municipal infrastructure • Lack of bulk infrastructure for new developments • Roads (lack of roads in rural areas, road maintenance) • Electricity (distribution capacity, under resourced, lack of electricity in rural); • Sanitation (waste water treatment works capacity, lack of sanitation infrastructure in CBD); • Water (under maintained 	<ul style="list-style-type: none"> • Non-payment culture in community and government department; • Inadequate resources to deal with increasing demands (financial constraints); • Economic recession; • Poverty / unemployment impacting negatively on available resources; • High electricity tariffs / penalties; • Long lead times on EIA's; • Insufficient of water resources;

		infrastructure, bulk infrastructure in rural areas, water loss)	
			<ul style="list-style-type: none"> • Service delivery related social unrest. • Electricity supply capacity; • Illegal connections; • Vandalism of infrastructure;
KPA 03 SOCIAL & ECONOMIC DEVELOPMENT			
<ul style="list-style-type: none"> • Public safety services; • Community development; • Social amenities management; and Sport and recreation development facilitation • Urban and rural development planning, human settlement planning; • Local economic development (development towards Hluhluwe and Hlabisa) • Agricultural potential 	Local economic development (tourism marketing, tourism promotion, SMME development)	<ul style="list-style-type: none"> • Poor management of resources. • Nature conservation. • Tourism destination Tourism attraction. • Culture and heritage 	<ul style="list-style-type: none"> • High poverty level
KPA 04: GOOD GOVERNANCE AND PUBLIC PARTICIPATION			
<ul style="list-style-type: none"> • Existence of good governance structures including the MPAC, Audit Committee but not limited to • Legal compliance • Oversight Environmental Management System 		Good relationship with Tribal authorities	
KPA 05 : FINANCIAL VIABILITY & MANAGEMENT			

<ul style="list-style-type: none"> Financial management; Asset management; Information / knowledge management (Deputy information officer position) Sharing resources, e.g. vehicles, and municipal offices. 	<ul style="list-style-type: none"> People management (labour relations, policy compliance, individual performance management); ICT management (network, ERP, delivery time); and Information / knowledge management (data management, abdicating roles and functions). Poor resources. 		<ul style="list-style-type: none"> Low revenue base
STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
KPA 06 : CROSS CUTTING INTERVENTIONS (SPATIAL DEVELOPMENT & ENVIRONMENTAL MANAGEMEN			
<ul style="list-style-type: none"> Open space management; Municipal health; and Environmental compliance facilitation 		<ul style="list-style-type: none"> Plenty of idling land Land & Environmental Diversity 	<ul style="list-style-type: none"> Rhino poaching Climate change Environmental Factors (drought, low rainfall, fire disasters)
<ul style="list-style-type: none"> Economic Development & Environmental opportunities ->Isimangaliso, LSDI Corridor& N2 	<ul style="list-style-type: none"> Low capacity to implement & Enforce Plans Insufficient economic intelligence data 	<ul style="list-style-type: none"> Large portions of land in Municipal ownership available for subdivision and disposal/ Development 	

4. SECTION D: DEVELOPMENT STRATEGY

4.1. INTRODUCTION

Strategic Planning is fundamental to the long-term sustainable management of a municipality. In this regard, the municipality has to prepare a 5-year IDP to serve as a framework for all development and investment decisions within the municipal area. To realize the Vision and to ensure sustainable growth within the municipality in accordance with its priorities aligned to national and provincial targets, the following strategies and objectives seek to unravel some of the key challenges which, if not adequately addressed will have an adverse impact in terms of improving the wellbeing of the residents and on which the details of the key performance areas were expounded on and on which the plans, programmes and projects of the municipality are based.

This section highlights on Big 5-Hlabisa Municipality's Long Term Growth and Development Goals. It will therefore highlight on the components of the Long Term Growth and Development Goals as follows:

- National Development Plan
- KZN Provincial Priorities
- National and Provincial Policy Perspective
- Vision, Mission and Core Values
- Big 5-Hlabisa Municipality Strategic Issues
- Strategic Objectives and Strategies

The Strategic Objectives and Strategies are structured in line with the Key Performance Areas (KPA's) of the Five Year Local Government Strategic Agenda as indicated below:

- Spatial Development Framework
- Service Delivery
- Sustainable Economic Growth and Development and LED
- Financial Viability
- Institutional Arrangements
- Performance Management System
- Governance

4.2. NATIONAL AND PROVINCIAL POLICY PERSPECTIVE NATIONAL DEVELOPMENT PLAN

The National Development Plan highlights the following:

1. Key drivers of change
2. Demographic trends
3. Economy and employment
4. Economic infrastructure
5. Transitioning to a low carbon economy
6. Inclusive rural economy
7. Positioning South Africa in the world
8. Human settlements
9. Improving education, innovation and training
10. Promoting health
11. Social protection
12. Building safer communities
13. Building a capable state
14. Promoting accountability and fighting corruption
15. Transforming society and uniting the country

In alignment of the National Plan the Big 5 Hlabisa has identified the following priorities as they are relevant to the a municipal context as a results the municipal strategic objectives are influenced by the following in the third generation . This is further articulated in the strategic objectives.

- Inclusive rural economy
- Human settlement

- Social protection
- Building safer communities
- Building a capable state
- Promoting accountability and fighting corruption

4.3. KZN PROVINCIAL PRIORITIES

The following provincial priorities are highlighted and the municipality has been aligned its strategic goals to following five highlighted provincial priorities

1. To maximize KZN position as a gateway to South and Southern Africa;
2. To ensure human and utilization of natural resources are in harmony;
3. To create safe, healthy and sustainable living environments;
4. To aspire to healthy and educated communities;
5. To ensure all employable people are employed;
6. To develop a more equitable society;
7. To ensure that all people have access to basic services;
8. To offer world class infrastructure;
9. To boost investors' confidence to invest in KZN;
10. To develop a skilled labour force aligned to economic growth needs;
11. To create options for people on where and how they opt to live, work and play;
12. To entrench people centeredness;
13. To provide strong and decisive leadership; and
14. To foster social compacts.

4.4. PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)

The PGDS is a vehicle to address the legacies of the apartheid space economy, to promote sustainable development and to ensure poverty eradication and employment creation. The PGDS offers a tool through which national government can direct and articulate its strategy and similarly for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting out of concert with local municipalities. It enables intergovernmental alignment and guides activities of various role players and agencies (provincial sector departments, parastatals, district and municipalities). The PGDS will enhance service delivery.

It is a framework for public and private sector investment, indicating areas of opportunities and development priorities. It addresses key issues of implementation blockages whilst providing strategic direction.

The PGDS on the one hand involves preparing policies, strategies and guidelines and on the other hand it involves preparing mechanisms to align and facilitate the implementation, monitoring and evaluation of key growth and development priorities.

VISION

The vision underpins an integrated approach to improving the standard of living of all people in the area of Big 5 Hlabisa Municipality area. In order to achieve this vision, the municipality will have to persist functioning in an accountable and financial sound manner. The vision for the Big 5 Hlabisa municipality is as follows:

A sustainable economy achieved through service delivery and development facilitation for prosperity and improved quality of life.

MISSION

In light of the vision

We are visionary leaders who serve through community driven initiatives, high performance, sound work ethic, innovation, cutting edge resources and synergistic partnerships.

OUR VALUES

- Professionalism
- Integrity
- Competency
- Team work

4.5. STRATEGIC ISSUES

The municipality finalised its analysis phase as the most important phase of the IDP and forms basis for strategic phase. Various sessions were held on the, 13 December 2016 and 26 January 2017 to come up with strategies that could impact positively on people's lives, issues of concern ranges from basic services, social issues more especially the nation building programs and initiatives. Infrastructure development is being addressed. Nation building and embracing culture are also the main focus in this IDP. The municipality also has recognized the existence of tribal authorities in the area and will therefore ensure that issues of planning are addressed jointly.

The agricultural potential can never be underestimated. The municipality will ensure that poverty is alleviated and that its communities are empowered on agricultural interventions; however this cannot be achieved without cooperative governance with all the relevant sectors and all stakeholders.

The Organizational Performance Management has focused on the issues at strategic level and the Individual PMS will further articulate on all Key Performance Areas in detail and target will be clearly defined. Operation Sukuma Sakhe (OSS) has been acknowledged as good initiative and platform that tackles issues affecting our communities at grass-root level. The municipality relies heavily on MIG funding for infrastructure development.

Highlight on the Municipality's strategic issues:

- To strengthen IGR structures implementation
- Capacity building for Traditional authorities in terms of IDP, PMS, Budget
- Forging partnerships within traditional authorities to enhance joint planning
- Sustainability of IGR structure.
- To mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the

- To address issues of youth, women, disable and vulnerable sectors of society on integrated bases.

1. STRATEGIC PLANNING SESSIONS

Strategic planning sessions on the Big 5 Hlabisa Municipality was held on the 13 December and 26 January 2016. Deliberations were aimed at institutionalizing a culture of planning, strategies, budgeting, monitoring, and evaluation, reporting and aiming at improving its performance as well as service excellence. The session indeed served the purpose; uMkhanyakude District Municipality was present in the session and tremendously supported the municipality.

2. STRATEGIC OBJECTIVES

The following are the strategic objectives for the municipality for the period 2017/18-2021/2022 FY and focus is made on sustainable development.

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
KPA 01: INSTITUTIONAL DEVELOPMENT			
To provide an effective filing system	Annual review of records management policy by 31 May 2018.	IDT/01/18	31 May 2018
	Review of File Plan by 31 May 2018	IDT/02/18	31 May 2018
To enhance institutional memory	% of current staff workshoped on a comprehensive induction programme by 30 Sept 2017	IDT/03/18	30 September 2017
To ensure skillful labour and educated citizenry	Development of a WSP by 30 April 2018	IDT/04/18	30 April 2018
	% of staff trained in line with WSP by 30 June 2018	IDT/05/18	31 March 2018
	% of councilors trained in with WSP	IDT/06/18	30 June 2018
	No. of Partnerships agreements signed with Training Institutions by 31 May 2018	IDT/07/18	31 May 2018
To enhance Employee wellness	Number of wellness programme conducted per quarter.	IDT/08/18	30 May 2018
To reduce the impact of HIV/AIDS	Review of HIV/AIDS Workplace Policy by 31 May 2018	IDT/09/18	31 May 2018
To ensure a sustainable human resources development	Annual Review of Human Resource Development Strategy by 31 May 2018	IDT/10/18	31 May 2018

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
	Review of Employment Equity Plan(EEP) and submission to Council for approval by 31May 2018	IDT/11/18	EEP report submission to Department of Labour by 31 October 2017
	Implementation of the Employment Equity Plan	IDT/12/18	EEP report submission to Department of Labour by 31 October 2017
	Annual review of Organizational Structure by 30 April 2018	IDT/13/18	30 April 2018
	Monthly Labour Forum meetings	IDT/14/18	labour forum meetings by 31 May 2018
Development and implementation of Attraction and Retention policy	Review of Attraction and Retention policy by 31 May 2018	IDT/15/18	Approved Attraction and Retention policy by 31 May 2018
To ensure effective and efficient performance management	Review of PMS Framework by 31 July 2017	IDT/16/18	Council approved PMS Framework by 30 June 2017
	Development of SDBIP 2018/19 by 28 June 2018	IDT/17/18	Signed SDBIP by the mayor within 28 days after the adoption of Budget
	Signing of performance agreements by 31 July 2017	IDT/18/18	100% of performance

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			agreements signed by 31 July 2017
	Quarterly performance assessment for Senior Managers	IDT/19/18	Three Performance Assessment conducted by 30 May 2017
	Preparation and submission of quarterly performance reports to council	IDT/20/18	Three Performance Reports submitted to council by 30 May 2018
	Quarterly performance assessment of municipal service providers	IDT/21/18	Three performance reports submitted to MM by 30 May 2018
KPA 02: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT			
Provision of Sustainable infrastructure	Construction of Manqoba Community Hall	BSD/01/18	100% complete Manqoba Community Hall by 30 March 2018
	Upgrade of Phumlani Gravel to Black top	BSD/02/18	100% complete upgrade Phumlani Gravel to Black top by 30 March 2018
	Upgrade of Ncwabakazi Sportfield	BSD/03/18	100% complete upgrade of Ncwabakazi

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			i Sportfield by 31 May 2018
	Upgrade of Jabhisa Sportfield	BSD/04/18	100% complete upgrade of Jabhisa Sportfield by 30 March 2018
	Construction of Ezibayeni Sportfield	BSD/05/18	100% complete of Ezibayeni Sportfield by 30 March 2018
	Construction of Hlabisa Tax Rank	BSD/06/18	100% complete of Hlabisa Tax Rank
	Construction of Madondo Community Hall	BSD/07/18	100% complete of Madondo Community Hall by 30 March 2018
	Electrification of household in Ward 3 , Ward 4 and irelands in various Wrds	BSD/08/18	Electricifac ton of household in Ward 3 and Ward 4 by 30 May 2018
Maintenance of Infrastructure	Development of Master Plan by 30 May 2018	BSD/09/18	Completed Master Plan and submission to council by 31 May 2018
	Maintenance and repairs of 80 m2 potholes in ward 05 and 12 tarred roads by 30 May 2018	BSD/10/18	80 m2 of potholes maintained by 30 May 2018

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
	Maintenance of ward 05 and ward 12 streetlights by 30 May 2018	BSD/11/18	120 street lights maintained by 30 May 2018
	Maintenance of 250km Rural Access roads in thirteen ward by 30 May 2018	BSD/12/18	250km roads maintained by 30 May 2018
KPA 03 LOCAL ECONOMIC DEVELOPMENT			
To facilitate sustainable economic growth and development throughout the municipality	Development of LED Strategy by 31 March 2018	LED/01/18	31 March 2018
To promote Rural development & improved social welfare	Promote poverty alleviation projects to all Wards	LED/02/18	13 poverty alleviation projects supported by 30 June 2018
	Issuing of Business licence	LED/03/18	Five (5) Business licences issued by 31 Dec 2017
	Number of Co-operatives established and registered by 30 June 2018	LED/04/18	Nine (9) co-corporative established and registered by 30 June 2018
To promote government LED programmes through EPWP	Promote Government LED Programmes iro. EPWP	LED/05/18	143 jobs created through EPWP Programme by 30 June 2018
	Co-ordination of SMME's trainings	LED/10/18	Four (4) SMME's training

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			coordinated by 30 June 2018
Tourism Development & Promotion	Tourism awareness and Trainings	LED/11/18	Two (2) tourism awareness and training by 30 June 2018
KPA 04: GOOD GOVERNANCE AND PUBLIC PARTICIPATION			
To provide an effective and appropriate response to all disaster related occurrences within the municipality	Number of disaster awareness campaigns conducted (x12 Hluhluwe and x12 Hlabisa) by 30 May 2018	GG/01/18	Twenty four (24) disaster awareness campaigns conducted by 30 May 2017
	Review of Disaster Management Sector Plan by 31 Dec 2017	GG/02/18	Submission to Council for Approval by 31 Dec 2017
	Review of a comprehensive disaster management plan by 31 Dec 2017	GG/03/18	Council approval by 31 Dec 2017
	Review of Disaster Management Framework Plan by 30 Sept 2017	GG/04/18	Council Approval by 30 Sept 2017
	Establishment of Disaster Management Advisory Forum by 31 Dec 2017	GG/04/01/18	Disaster Management Advisory Forum in place by 31 Dec 2017
To improve community safety programmes within municipal area of jurisdiction	No of multi-disciplinary Road blocks conducted (12 Hlabisa and 12 Hluhluwe by 30 June 2018	GG/05/18	24 multi disciplinary Road blocks conducted by 30 June 2018
To encouraged participation in Sports and Recreation	Establishment of Sports Council by 28 Feb 2017	GG/06/18	Sports Council in place by 28

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			Feb 2017
	Coordination of Mayoral Cup games by 30 Dec 2017	GG/06/18	List of sports codes participants iro netball, soccer,volley ball by 31 Dec 2017
	Coordination of Indigenous Games by 30 Sept 2017	GG/07/18	List of indigenous games paticipants in place by 30 Sep 2017
	Coordination of Department of Sports and Recreation(DSR/SALGA) Games by 31 Dec 2017	GG/08/18	List of DSR/SALGA Games participants in place by 31 Dec 2017
	Review of HIV/AIDS Strategy by 30 May 2018	GG/09/18	Council Approval by 30 May 2018
To encourage participation in Arts, Culture and Heritage	Co-ordiantion of King Shaka Day by 30 Sept 2017	GG/10/18	Co-ordination of King Shaka Day by 30 Sept 2017
	Co-ordination of ingoma events by 31 Dec 2017	GG/11/18	Co-ordination of ingoma events by 31 Dec 2017
	Co-ordination of Reedance Ceremony for Ngwavuma anf Nongoma by 30 Sept 2017	GG/12/18	two (2) reedance Ceremony coordinated by 30 Sept 2017
	Co-ordination of Umkhosi wesivivi by 30 Sept 2017	GG/13/18	Umkhosi wesivivi coordinated by 30 Sept 2017
	Co-ordination of Senior citezens	GG/14/18	Senior

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
	christmas Party by 31 Dec 2017		citizens Christmas Party by 31 Dec 2017
	Take a girl child to work by 31 May 2018	GG/15/18	Coordination of take a girl child to Work by 31 May 2018
	Take a boy child to work by 31 May 2018	GG/16/18	Co-ordination of take a boy child to work by 31 May 2018
	Coordination of man's dialog by 30 Sept 2017	GG/17/18	Co-ordination of men's dialog by 30 Sept 2017
	Co-ordination of Womans celebration by 30 Sept 2017	GG/18/18	Co-ordination of Womans Celebration by 30 Sept 2017
	Coordination of disability day 31 Dec 2017	GG/19/18	Disability Day coordinated by 31 Dec 2017
	To coordinate disability parliament by 31 Dec 2017	GG/20/18	Disability parliament coordinated by 31 Dec 2017
	To coordinate disability Sport Day by 31 Dec 2017	GG/21/18	Disability Sport Day coordinated by 31 Dec 2017
	Facilitating and coordinating literacy week by 30 June 2018	GG/22/18	Two literacy week by 30 June 2018
	Facilitating and coordinating world play day by 30 June 2018	GG/23/18	Facilitating and

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			coordinating world play by 30 June 2018
To promote community participation	Cordination of quarterly Ward Committee Meetings by 30 June 2018	GG/24/18	twelve(12) wards committee meetings per ward coordinated by 30 June 2018
	Submission of Public participation reports to the Speaker on quarterly basis	GG/25/18	Three reports submitted by 30 June 2018
	Coordination of IDP Public Participation Roadshows in thirteen Municipal wards	GG/26/18	Five (5) IDP Public Participation Roadshows coordinated by 30 June 2018
	Submission of Quartely Reports on complaints attended and resolved by 30 June 2018	GG/27/18	Four (4) Quartely Reports on complaints attended , resolved and submitted to council by 30 June 2018
To ensure accountable and transparent governance	Favourable Audit opinion by 31 Dec 2017	GG/28/18	31 December 2017
	To assess and manage risk	GG/29/18	Risk Assessment workshop convened by 30 Sep 2017
	To manage risk by 30 June 2018	GG/30/18	Four (4) Risk Assessment Report submission to MANCO

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			meetings 30 June 2018
	Review of delegations Register	GG/31/18	
To ensure effective & efficient Governance and Administration	Number of EXCO Meetings held by 30 June 2018	GG/32/18	Twelve (12)Exco meetings by 30 June 2018
	Number of Council Meetings held by 30 June 2018	GG/33/18	Four (4) Council meetings by 30 June 2018
	Number of MPAC Meetings held by 30 June 2018	GG/34/18	Four MPAC meetings held by 30 June 2018
	Development of Annual Report 2016/17	GG/35/18	Submission to Council for approval by 31 Jan 2018
	Development of Oversight Report	GG/36/18	Submission to Council for approval by 31 March 2018
	Secretariat support to Council Committees as per approved schedule of meetings	GG/37/18	Twelve (12) Corporate services portfolio committee supported by 30 June 2018
	Number of events coordinated by 30 June 2018	GG/38/18	Twelve (12) events coordinated by 30 June 2018
Publicity and Marketing of Big5 Hlabisa Municipality	Number of Muncipal Newsletter printed by 31 March 2018	GG/39/18	Two (2) municipal newsletter printed by 31 Marc

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	IDP REF.	TARGET 2017/18
			2018
	Co-ordination of Mayoral Radio Slots on quarterly basis	GG/40/18	Four (4) mayoral Radio slots coordinated by 30 June 2018
	Placing ,distributing and designing all advertisements in both the print media and electronic form	GG/41/18	Four (4) advertisements by 30 June 2017

STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	IDP REF	TARGET 2017-2018
KPA 05: FINANCIAL VIABILITY AND MANAGEMENT			
To increase revenue collection and revenue management	Development of Revenue Enhancement Strategy by 31 March 2018	FVM/01/18	Council approval by 31 March 2018
To have a SCM system that is in line with MFMA Municipal Policy & SCM Regulations & SCM Regulations including contract Management & reduced UIFWE	Development of Supply Chain Management Policy by 31 May 2018	FVM/02/18	Council Approved SCM Policy by 31 May 2018
	Council approved procurement Plan in line with Budget & IDP before the beginning of the financial year by 31 May 2018	FVM/03/18	Council approved Procurement Plan by 31 May 2018
To maintain and manage Municipal Assets in an effective manner	Quarterly reports to council on contract management by 30 June 2018	FVM/04/18	Four Quarterly reports submission to Council and National Treasury (NT) by 30 June 2018
	Quarterly complete UIFWE Reports submitted to Council by 30 June 2018	FVM/05/18	Four Quarterly complete UIFWE Reports submitted to Council by 30 June 2018
	Reports on the implementation of SCM to	FVM/06/18	Quarterly submission to

	relevant bodies ie council		Council and National Treasury (NT)
	Development of Asset Management Policy by 31May 2018	FVM/07/18	Council Approval by 31 May 2017
	Consolidated Fixed Assets Register in a GRAP compliant manner	FVM/08/18	Fixed asset register in place by 30 Nov 2017
	Review of Fixed Assets Register & Assets Verification on quarterly basis by 30 June 2018	FVM/09/18	Three (3)Quarterly Reports of Fixed Assets Register & Assets Verification
	Monthly updates of assets	FVM/10/18	Twelve monthly reports
Sound and compliant expenditure management that is in line with MFMA	Capital & Operational Expenditure Implementation plan that is in line with Grant Conditions	FVM/11/18	Quarterly Reports submission on the Capital & Operational Expenditure Implementation
	% spent on Capital Budget by 30 June 2018	FVM/12/18	100% of annual capital budget by 30 June 2018
	% spent on Operational Budget by 30 June 2018	FVM/13/18	100% spent on Annual Operational budget by 30 June 2018
Improved budgeting and financial reporting in the municipality that is in line with IDP	Council approved budget process plan by 31 Aug 2017	FVM/14/18	Budget process plan by 31 st Aug 2017
	Development of a Financial Plan 2018/2019 and submission to council by 30 May 2018	FVM/15/18	Council Approval by 30 May 2017
	Development budget and ten budget related policies by 30	FVM/16/18	Council approved Budget

	May 2018		and ten Budget related policies by 30 May 2018
	Council approved Budget and ten Budget related policies by 30 May 2018	FVM/17/18	Ten Monthly reports submitted by 30 June 2018
	Mid-year budget review and submission to Council by 31 Jan 2018	FVM/18/19	Submission to Council and PT by 31 Jan 2018
	Development of Valuation Roll by 30 May 2018	FVM/19/18	Submission of Valuation Roll to Council by 30 May 2018
	Quartely MSCOA reports submission to EXCO by 30 June 2018	FVM/20/18	Four (4) Quartely MSCOA Reports submitted to EXCO by 30 June 2018
	Quartely MSCOA reports submission to council by 30 June 2018	FVM/21/18	Four (4) Quartely MSCOA Reports submitted to council by -30 June 2018
STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	IDP REF	TARGET 2017-2018
KPA 06: CROSS CUTTING INTERVENTIONS			
To promote and preserve a safe and healthy environment	Establishment of Environmental Management Unit	CC/01/18	One Environmental Management Practitioner employed by 30 Sep 2017
	Development of Integrated Management Plan (IWMP) By 31 December 2017	CC/02/18	Draft IWMP in place by 31 Dec 2017
	Development of Environmental Management Plan by 31 Dec 2017	CC/02/18	Council approved EMP by 31 Dec 2017
	Identification of suitable land for the Landfill Site by 30 May 2018	CC/03/18	Suitable Land for a Landfill site by 30 May 2018
Promote spatial Transformation	Development of the following : Building Regulation, Informal Traders Policy By-Laws by 31 December	CC/04/18	Two By-laws developed by 31 Dec 2017

	2017		
	Development of land use Management Scheme and submission to Council for approval by 31 Dec 2017	CC/05/18	Council approved Land Use Management Scheme by 31 Dec 2017
	Review of SDF and submission to Council for approval by 30 May 2018	CC/06/18	Council approved SDF by 30 May 2018
	Review of Housing Sector Plan and submission to Council for approval by 31 March 2018	CC/07/18	Council approved Housing Sector Plan by 31 March 2018
To ensure a credible Integrated Development Planning	Development of IDP Process Plan 2018/19 by 31 st of August 2017	CC/08/18	Council approved IDP Process Plan by 31 st of August 2017
	Coordination of a Strategic Planning Sessions by 28 Feb 2018	CC/09/18	Two sessions coordinated by 28 Feb 2018
	Development of IDP 2018/19 and submission to Council by 30 June 2018	CC/10/18	Council approved IDP by 30 June 2017

5. SECTION E1: STRATEGIC MAPPING

5.1. SPATIAL DEVELOPMENT FRAMEWORK

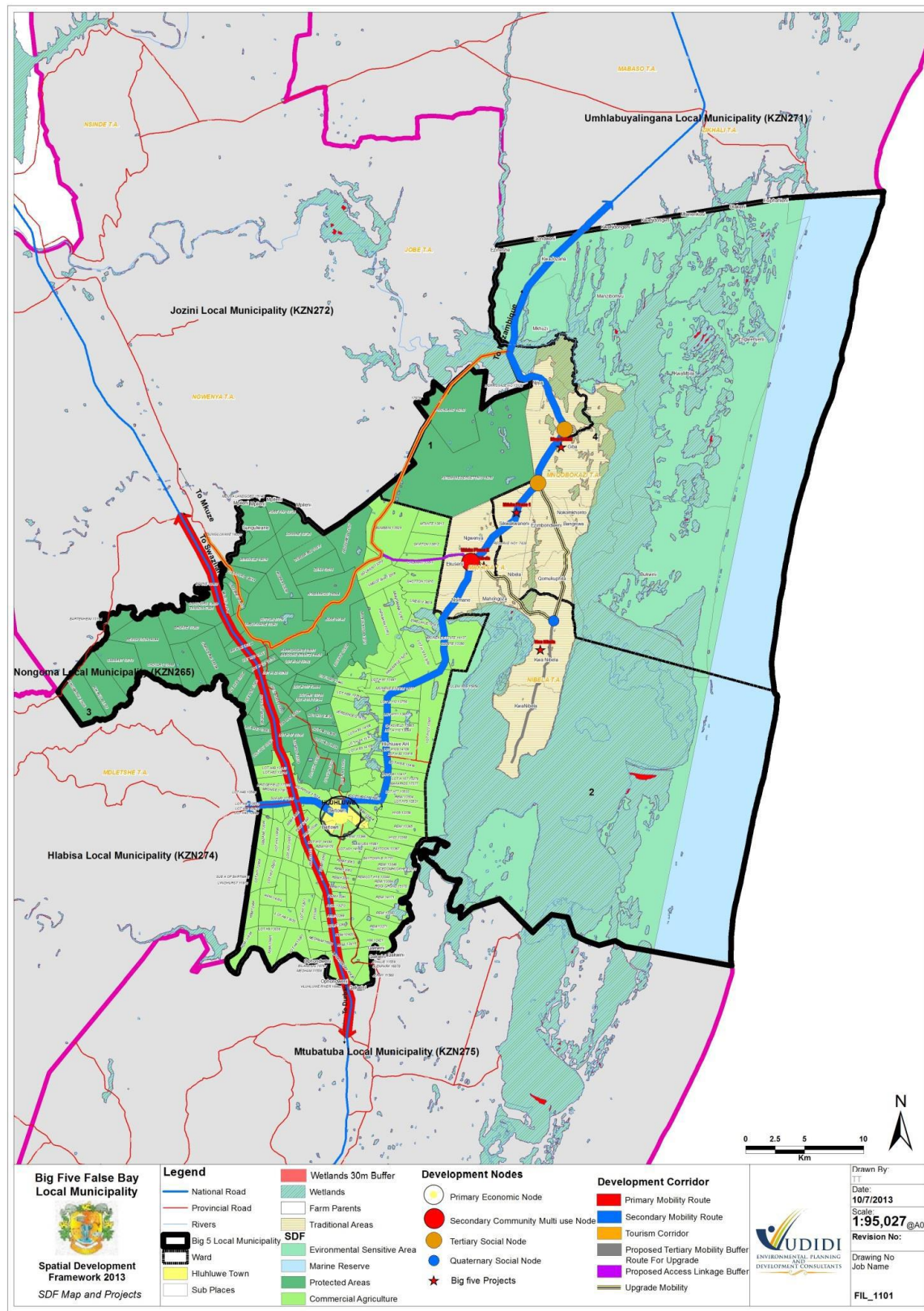
The Municipal Structures Act (Act No. 23 of 2001) requires that, as part of the IDP, a spatial development framework needs to be developed which “must include the provision of basic guidelines for a land use management system for the municipality” (Municipal Structures Act, 2001: Section E). Hlabisa Municipality has initiated a process towards the formulation of a detailed spatial development framework (refer to Annexure A). The information included herein will be reviewed and amplified and refined where necessary.

The aim of the Spatial Development Framework (SDF) is to identify areas suitable for various types of integrated development in a formalised and extensive manner. Furthermore a Spatial Development Framework (SDF) is a sector plan of a municipal IDP (Integrated Development Plan). The SDF is the visual representation of a municipality's vision, goals and strategies. As such, it is essentially a forward planning document that should not only reflect the current reality but also future development options, i.e. the SDF should be used to guide decision making as well.

Big 5 False Bay and Hlabisa Local Municipality finalized the development of a comprehensive Spatial Development Framework during the past financial years, The 1st review will be done during 2017/2018, which will take cognizance of the imminent merger between Hlabisa and Big 5 False Bay Municipality.

The SDFs for both municipalities which articulates the broad spatial vision of the municipality, development corridors and nodes. It also encompasses issues of what environmental sensitivities and protected area. The SDFs are represented below separately as a comprehensive one for Big 5 Hlabisa has not been developed as yet.

Hluhluwe



Location

The Big 5 is situated directly north of the Mtubatuba Municipality and it stretches as far north as the Mkuze game Reserve, with the Hlabisa Municipality comprising its western boundary and the Greater St Lucia Wetland Park/False Bay Park its eastern boundary. Hluhluwe is accessible from the N2 it is the main between the KZN Coast Gauteng and Mpumalanga. It traverses the area on the west. The SDI road to Mbazwana and Manguzi is the main access to the eastern portion of the municipality. Sandy soil conditions in the Big 5 Hlabisa area complicate access and many roads are not accessible during the rainy season.

The Big 5 Hlabisa Municipal area can be divided into three distinct portions, namely. The private game farms, the three tribal authorities and the commercial farm land.

Spatial Development Framework Development

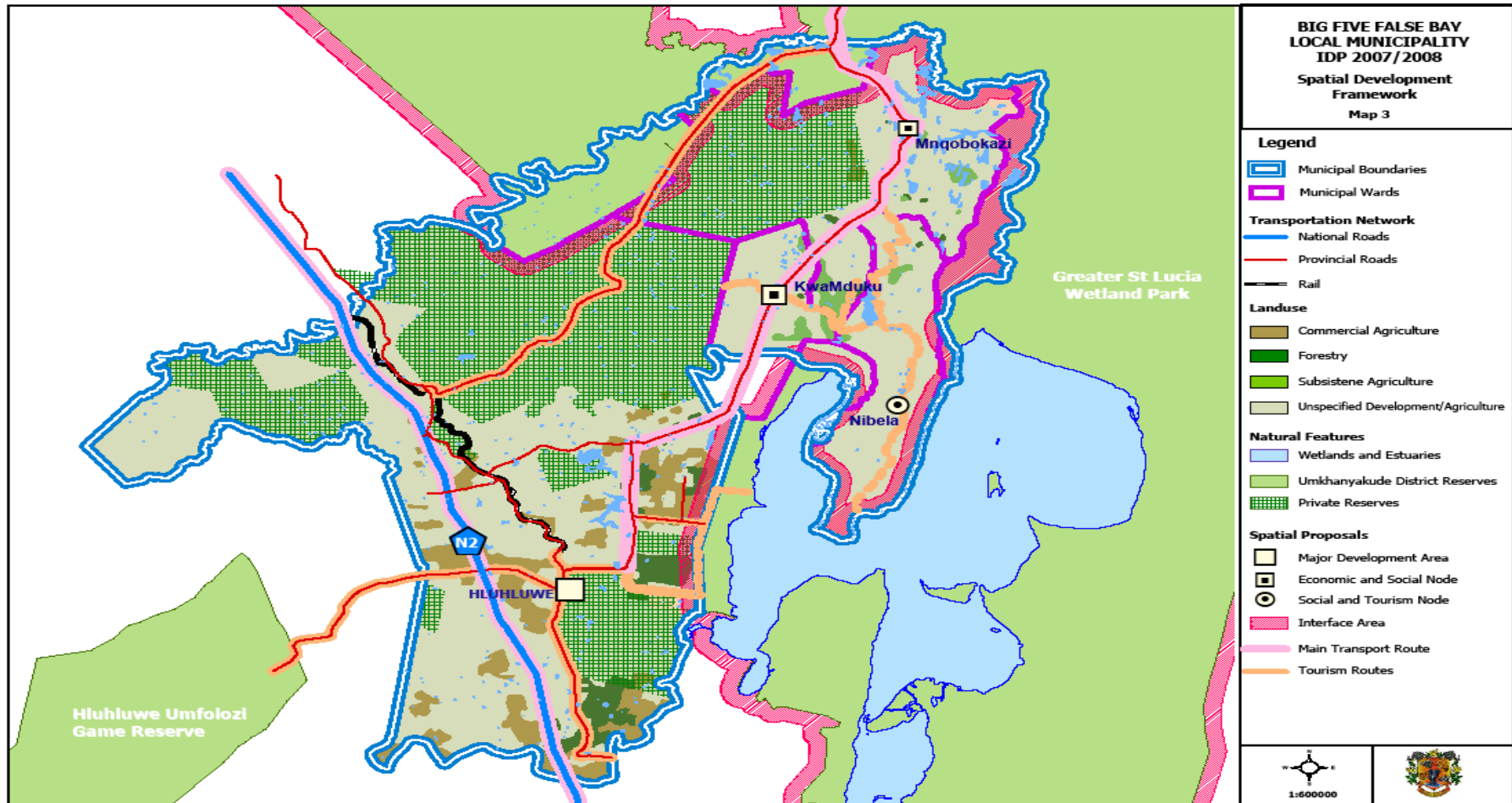
The Big 5 False Bay Local Municipality was assisted by the KwaZulu-Natal Department of Co-Operative Governance and Traditional Affairs (KZNCOGTA) to compile a detailed Spatial Development Framework (SDF) that is sustainable, legally, compliant and provides clear guidance for the development of the land use scheme through the land use framework. As such, KZNCOGTA appointed Uddi, Project Development Company and Black Balance Projects to facilitate this process.

The SDF sets objectives, strategies and policy guidelines, that direct development and development options to ensure that the envisaged long-term urban and rural structure and target deliverables are realised.

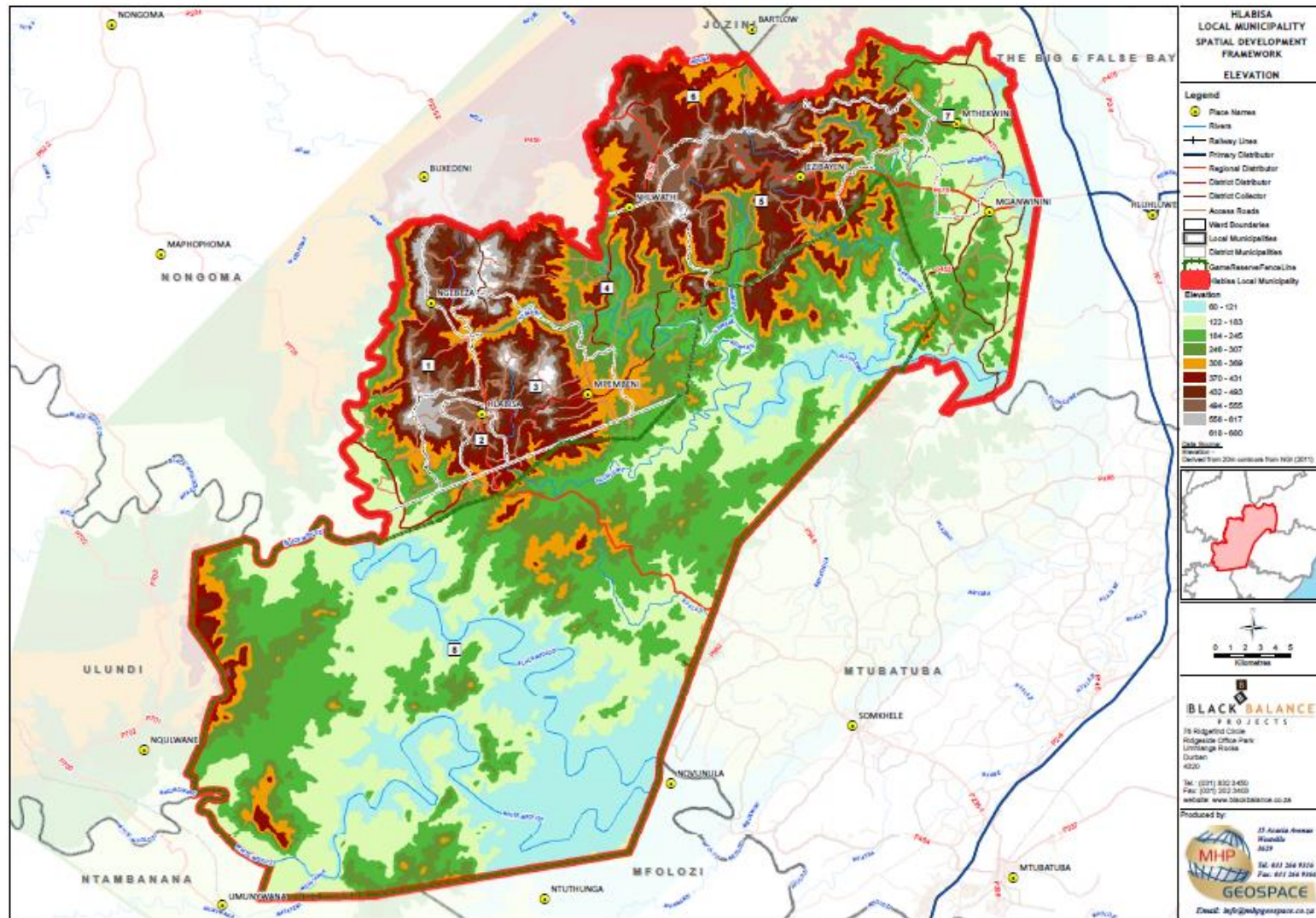
The SDF complies with the following pieces of legislation:

- Municipal Systems Act and the Municipal Planning and Performance Management Regulations, 2001,
- Strategic Environmental Assessment (SEA) Guidelines developed by CSIR,
- Provincial Spatial Planning Guidelines, 2009.
- Spatial Planning Land Use Management Act 16 of 2013 (SPLUMA)
- Kwa - Zulu Planning & Development Act 2008

Hluhluwe



Hlabisa SDF



1. POLICY AND LEGISLATIVE CONTEXT

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
Municipal Systems Act	<p>Chapter 5 provides for the preparations of IDP's indicates that the SDF should be aligned with the national and provincial planning as well as the affected neighbouring municipalities. Section 23 (1) of the Act indicates that a municipality must undertake developmentally orientate planning.</p> <p>S26 (e) stipulates that the SDF must include the provision of basic guidelines for a land use management system for the municipality S26 (e) lists an SDF as a core component of an IDP and requires that the SDF provides basic guidelines for a municipal land use management.</p>	<p>The Big 5-Hlabisa SDF should :</p> <ul style="list-style-type: none"> • Identify relevant national and provincial legislation • Identify matters that require alignment between local and district planning
National Spatial Development Perspective (NSDP)	<p>The purpose of the plan aims to assist in implementing the spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality by re-organise and the apartheid spatial relations. It examines the spatial dimensions of social exclusion and inequality, recognising the burden that unequal and inefficient spatial arrangements place on communities.</p> <p>This plan has developed a set of development principles which guide the development, investment and development decisions. The principles identified are as follows:</p> <ul style="list-style-type: none"> • Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key. • Principle 2: Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside. • Principle 3: Beyond the constitutional obligation identified in Principle 2 above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector 	<p>The Big 5-Hlabisa SDF should address issues of spatial restructuring.</p> <ul style="list-style-type: none"> • The municipality should thus focus on identifying on sectors and areas that require service delivery especially rural areas. • The Big 5 Hlabisa SDF should aim to yield catalytic effects. • The SDF should identify growth nodes which are viewed as potential areas. It can promote either clustering of economic activities in areas with high potential for economic development or, where feasible. • It can promote spread of economic benefits which are not dependent on clustering within the areas of the municipality where relatively low economic potential exist by identifying potential and suitable activities for those parts.

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>investment, to stimulate sustainable economic activities and to create long-term employment opportunities.</p> <ul style="list-style-type: none"> • Principle 4: Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. • Principle 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centers <p>These guidelines are regarded or recognised as critical tools for bringing about coordinated government action and alignment to meet social, economic and environmental objectives.</p>	
Provincial Growth Development Strategy (PGDS)	<p>The PGDS aims to build this gateway by growing the economy for the development and the improvement of the quality of life of all people living in the Province. Whilst the Provincial Government of KZN is leading this process, its success depends on strong compacts with labour, civil society and business. Thus it is critical that all stakeholders be synchronised in the single-minded pursuit of shifting KZN's growth path towards shared growth and integrated, sustainable development. The strategy indicated strategic goals to be achieved for the province (<i>See the Strategic Framework</i>)</p> <p>The adopted vision for the province reads as follows: The “By 2030 KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World”</p> <p>The purpose of the PGDS in KwaZulu-Natal is to:</p> <ul style="list-style-type: none"> • Be the primary growth and development strategy for KwaZulu-Natal to 2030; 	<p>The Big 5 Hlabisa should make use of the PGDS informant's maps and data available.</p> <ul style="list-style-type: none"> • The PGDS has made use of the Provincial SDF, therefore the Big 5 Hlabisa SDF output should provide similar framework at a local scale for public and private sector investment by highlighting areas of development opportunity. • In that sense, the developed SDF will structure and develop a sensible development that works towards a common goal and ensure that development on local level does not take place in an ad hoc silo on its own. • It also should address key issues of

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<ul style="list-style-type: none"> • Mobilise and synchronise strategic plans and investment priorities in all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners in order to achieve the desired growth and development goals, objectives and outcomes; • Spatially contextualise and prioritise interventions so as to achieve greater spatial equity; • Develop clearly defined institutional arrangements that ensure decisive leadership, robust management, thorough implementation and on-going review of the growth and development plan. <p>The strategy further stated that in order for the 2011 KZN PGDS to deliver on shared growth and integrated, sustainable development through its interventions, all spheres of government must commit to the following:</p> <ul style="list-style-type: none"> • The implementation of catalytic projects and interventions, • Effective participation in the institutional implementation framework, • The incorporation of the strategic goals and objectives in their priorities and programmes, • The reporting of progress, and • The provision and allocation of the required support and resources. 	<p>implementation blockages whilst providing strategic direction.</p> <ul style="list-style-type: none"> • It should provide a constructive vision formulated by relevant stakeholders and the community in order to achieve • It should identify development corridors and nodes aligned with the PGDS and PSEDs development corridors and activity nodes. • It should address development issues found in the municipality and achieve objectives as required by the municipality.
New Growth Path	<p>The New Growth identifies the employment issues as its main focus point. The development of descent work and improvement and reducing inequality and defeating poverty has been discovered through the New Growth Path. The policy then aims to restructure the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. The Government is committed to forging such a consensus and leading the way by:</p>	<p>The SDF should introduce development projects which will bring about job opportunities. The SDF must create and delineate potential areas for development which attract people to</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
National Development Plan 2030	<p>The National Development Plan is a broad strategic framework which aims to set out a coherent and holistic approach to confronting poverty and inequality based some of the interlinked priorities on the following:</p> <ul style="list-style-type: none"> • Faster and more inclusive economic growth • Building the capabilities • A capable and developmental state <p>The plan presents a long-term strategy which include but not limited to the following :</p> <ul style="list-style-type: none"> • Aims to increase employment and broaden opportunities through education, vocational training and work experience, public employment programmes, health and nutrition, public transport and access to information. • Expand welfare services and public employment schemes, enabling the state to service and support poor communities, particularly those with high levels of crime and violence. • Improve the quality of education in underperforming schools and further education and training colleges. • Promote mixed housing strategies and more compact urban development to help people access public spaces and facilities, state agencies, and work and business opportunities. • Invest in public transport, which will benefit low-income households by facilitating mobility the plan emphasises the urgent need to make faster progress on several fronts to sustainably reduce poverty and inequality. 	<p>The Big 5-Hlabisa SDF should consider propose future development which includes the need for housing, proper social facilities, proper infrastructure where it is highly required.</p> <p>Rural areas in Hluhluwe lack of adequate road network thus the framework will aim to improve such development issues by means of introducing potential corridors and infrastructure projects.</p> <p>With the substantial focus on job creation and economic development spatial planners will have to ensure that adequate space is available to accommodate the required economic growth. It is therefore essential to estimate the contributions of the various sectors and the related space requirements.</p>
Spatial Planning Land Use Management Act 16 of 2013	<p>The act introduces provision to:</p> <ul style="list-style-type: none"> • promote a uniform planning and development system • promote spatial justice, resilience, sustainability and redress • facilitate spatial alignment and coordination • provide for the establishment of MPT and other tools 	<p>The Municipality must, in order to determine land use and development applications within its municipal area, establish a Municipal Planning Tribunal.</p> <p>Designate a municipal official to act as an inspector for the purpose of enforcing the provisions of the land use scheme and undertake</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
		<p>inspections</p> <p>Make a determination on the type of Appeal Authority, which can be, the executive committee or the executive mayor of the municipality</p>
<p>Comprehensive Rural Development Programme (CRDP)</p>	<p>This framework was approved in 2009 by the Cabinet. The CRDP is a programme which adopts a participatory community based planning that is aims at being effective in rural areas to improve rural development. It aims to respond and addressing poverty and food insecurities by maximising the use and management of natural resources to create vibrant, equitable and sustainable rural communities.</p> <p>This can be achieved through coordinated and integrated broad-based agrarian transformation as well as strategic investment in the relevant economic and social infrastructure to the benefit of all rural communities and not only those involved in agriculture. The success of rural development will culminate in sustainable and vibrant rural communities. Integrated rural development is a concept for planning and thus a strategy for multi-sectorial and multi-faceted interventions designed to ensure sustained improvements in the lives of rural dwellers and rural economies.</p> <p>Rural development programmes are more effective and with sustainable impact if implemented in combination with community-based traditional knowledge. Public participation is therefore a suitable approach to address rural development issues therefore achieve a successful and acceptable rural development to communities.</p> <p>This programme aim to achieve the mandate which was raised by the Ministry and Department of Rural and Land Reform. The mandate introduced includes the following:</p> <ul style="list-style-type: none"> • Intensify the land reform programme to ensure that more land is made available to the rural poor, while providing them with technical skills and financial resources to productively use the land to create sustainable livelihoods and decent 	<p>The SDF should ensure that the elements of rural development, sustainability and integration are taken into account and should also promote investment in the rural parts of the municipality.</p> <p>The SDF should aim at promoting public participation to gain consensus on decision making regarding the development needs proposed by the community or municipality in order to achieve a credible SDF for the municipality.</p> <p>The SDF should address land reform issues for Big 5-Hlabisa e.g. rural areas which fall under the Ingonyama Trust, it is therefore required that the municipality has to liaise with the Ingonyama Trust Board in order to proclaim the land. PDA Application for development within these areas may be required for the purpose of following the stipulated regulations.</p>

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	<p>work in rural areas.</p> <ul style="list-style-type: none"> • Review the appropriateness of the existing land redistribution programme, introduce measures aimed at speeding up the pace of land reform and promote land ownership by South Africans. • Expand the agrarian reform programme, which will focus on the systematic promotion of agricultural cooperatives throughout the value chain, including agro-processing in the agricultural areas. • Support measures will be developed to ensure improved access to markets and finance by small farmers, including fencing and irrigation systems. • Establish a much stronger link between land and agrarian reform programmes, as well as water resource allocation to ensure that the best quality of water resources are available to all our people, especially the poor. • Ensure that all schools and health facilities have access to basic infrastructure such as water and electricity by 2014. • Introduce the provision of proper sanitation systems in rural areas. • Strengthen the partnership between government and the institution of traditional leadership to focus on rural development and the fight against poverty. • Work together with farming communities to improve the living conditions of farm dwellers, including the provision of subsidised houses and other basic services. • The development programme further identifies development priorities and land reform issues to be addressed for rural development which include but no limited to the following: • Improved economic infrastructure, social infrastructure, increasing the pace of land distribution and increasing the pace of land tenure for rural areas. 	
Urban Development Framework	The Urban Development Framework committed the government to the goals of the habitat agenda which is essentially adequate shelter for all and the development of sustainable human settlements. It set a number of goals, identified priority interventions, and introduced	The SDF should therefore aim to integrate the Hluhluwe town with the adjacent potential areas for development by improving housing and infrastructure, creating habitable and safe

INSTRUMENT	BRIEF SUMMARY	IMPLICATION FOR BIG 5-HLABISA SDF
	programmes in support of the national urban development vision and addressing the urban land question.	communities and promoting economic development. CBD Study/UDF should be compiled in the SDF as one of the catalytic projects.
White Paper on Land Policy and related policies	The central thrust of the policy is the land reform programme, which aims to contribute to economic development, both by giving households the opportunity to engage in productive land use and by increasing employment opportunities through encouraging greater investment. The programme is made up of three elements viz. land restitution, land redistribution and land tenure.	There are land reform projects within the municipality. Initiatives to ensure the sustainability of the land should be encouraged.
Breaking New Ground	<p>The policy promotes the achievement of a non-racial, Integrated society.</p> <p>The focus of the policy is to change the delivery of housing at scale, to ensuring that housing delivery results in Development of sustainable human. Settlements and quality housing.</p> <p>The objectives of the policy are specified as follows:</p> <ul style="list-style-type: none"> • Accelerating the delivery housing as a key strategy for poverty alleviation • Utilising provision housing as the major job creation strategy • Ensure property can be accessed by all as an access for wealth and empowerment. • Leveraging growth in the economy • Combating crime, promote social cohesion and improving quality of life for the poor. • Supporting the functioning of the entire residential property boom and the second economy slump; and • Utilising housing as an instrument for the development if sustainable human settlements. 	<p>The aspects of the policy which needs to be taken into consideration in the Big 5 Hlabisa SDF relate to:</p> <ul style="list-style-type: none"> • The Big 5-Hlabisa SDF should indicate the potential areas for housing development projects. This will then promote and create sustainable human settlements. It should aim to provide for different typologies in different settlement areas; however try to integrate the built form according to the area type and the development principles. • For example the eradication of informal settlements through in situ upgrading in desired locations coupled with the relocation of household where development is not possible or not desirable. Accessing well located land for housing projects.

2. DEVELOPMENT CONTEXT

I. HLUHLUWE (NORTH EASTERN PART OF THE MUNICIPALITY)

The population settlement density is generally below 150 people per km². A higher population density is found in Ward 2 (Makhasa Traditional Authority area). Higher densities are also found at the following rural nodal areas Mnqobokazi, Nibela and Makhasa.

Specific location/spatial characteristics are evident that have shaped the spatial development of the Hluhluwe Area. A comprehensive articulation has been made under section C, Situational Analysis of this document

- **Accessibility**

The N2 is the main link between Durban, the KZN North Coast, Gauteng and Mpumalanga. It traverses the area on the west. The SDI road to Mbazwana and Manguzi is the main access to the eastern portion of the municipality. Sandy soil conditions in Hluhluwe Bay area complicate access and many roads are not accessible during the rainy season.

- **Agglomeration**

The development in the Traditional Authority (TA) areas, i.e. Makhasa, Nibela and Mnqobokazi is scattered settlement pattern with an absence of a strong nodal hierarchy. As a result service provision, both physical and social, is poor and the delivery of services to such a dispersed settlement remains problematic and expensive. The establishment of a nodal hierarchy is critical to ensure the efficient delivery of services and infrastructure to these areas.

- **Agricultural potential**

The Big 5 Hlabisa area has limited agricultural potential. The area with the highest potential is the Nibela TA area. The rainfall drops from the East (coastal) to the west (inland). Improved agriculture production can be remedied by the introduction of sound agricultural management and irrigation

- **Development Nodes and Corridors**

Development nodes and corridors within Big 5 are articulated as follows:

Primary Node - Hluhluwe Town (Ward 03)

The town of Hluhluwe remains the major development area (from an urban perspective) in the municipal area. The town is at the gateway to the LSDI road, close of the N2 and an existing service centre to the commercial farming community. The town provides its catchment with a wider variety of social and administrative services as well as community facilities than the other urban nodes in the municipality. From a spatial development perspective, development in and around the town of Hluhluwe should focus on infill and densification, thereby ensuring the maximum use of infrastructure and services. It is also important that critical maintenance to the town's infrastructure is done to ensure it maintains its important development role.

Secondary Node – Makhasa (Ward 02)

The Makhasa Rural Node is the major economic (from a commercial and value adding perspective) and social node in the rural areas of the municipality. It is classified as such given its locality on the LSDI road and the fact that access to both the Nibela Peninsula and the Phinda Game Reserve is gained from it. There already a number of developments in the node with a major sport stadium being developed. There is also increasing pressure for the further development of the node as its economic and social role is recognized by the community and investors alike. As such, it is imperative that a framework for the development of the Makhasa Node be prepared in the short term to ensure the orderly (and sustainable) development of the node. This framework plan will also have to provide guidelines in terms of access to developments adjoining the LSDI road.

Tertiary Node - Mngobokazi (Ward 01)

The Mngobokazi Rural Node is the minor economic (commercial and value adding) and social node in the municipality. It has similar characteristics than the Makhasa Node but does not have the same development pressure and extent. It is also located along the LSDI road but is not at such an important intersection of the Makhasa Node. While the development of a framework for the node is also important it should follow the Makhasa node framework. As with the Makhasa Node, the node has a large catchment community that relies on the social services accessible at the node

Tertiary Node Nibela (Ward 04)

With regard to the nodal development of Nibela it is important to recognize that, although many people live in the area, the area is more isolated (in terms of access) than the economic and social nodes. However, the area has significant tourism development potential. As such, the Nibela node is classified as a social and tourism node. The node has a definite role to provide social services to the community while it is likely that only limited economic activity would be sustainable in the node given its location. At present, a process is underway to investigate and propose delineation for the node along with land use management guidelines.

The SDF for the municipality, as a forward planning document, is informed by a number of current trends as well as the municipal strategic focus areas. The strategic focus areas of the municipality that have an impact that can be affected and presented spatially are depicted hereunder:

- To create an enabling environment for effective service delivery
- To actively pursue social and economic development
- To maintain a strong environmental focus

The SDF for Big 5 Hlabisa is based on land use and natural features (as well as existing community facilities), the transportation network and nodes, i.e. areas of development or investment. Future development proposals around these are informed by the strategic focus areas listed above

Land uses and natural features in and adjoining the municipal area that are significant from a spatial development perspective are the Greater St Lucia Wetland Park, Private Game Reserves as well as District Reserves (Umkhanyakude DMA).

The population density map shows that the areas listed above have very low population densities as well. The distribution of community facilities (namely schools and clinics) clearly follows the areas of highest population density and is not located in these areas of environmental significance. From a spatial development perspective these areas are protected by way of an Interface Area that buffers the areas of environmental significance from extensive development intrusion. Rather, limited agriculture and eco-tourism is suggested to be undertaken in these interface areas.

With regard to the Transportation Network the SDF does not indicate corridors but rather transport routes with a distinction between the types of transport network. Thus, there is caution not to identify corridors that may be perceived to be promoting ribbon development. The following type of transport routes are identified in the SDF

- The N2 and the LSDI Road are national roads. They present the municipal area with development potential in that they provide access to areas with development potential by way of other non-national roads that intersect with them. Access off these roads is not readily attained /permissible. The N2 in particular (and the LSDI road to a smaller degree) carries larger volumes of traffic than the other roads through the municipal area at higher traveling speeds. As such, the N2 and the LSDI are classified in terms of the SDF as Main Transport Routes. Importantly, these routes have limitations on the distance (not only access) of development from them by way of road building lines. These have to be abided by for safety purposes and the fact the infrastructure services are in the road reserve of the LSDI road in particular.

There are a number of Tourism Routes identified in the SDF as well.

- The first one is the P466. It primarily provides access to the various private game reserves located in the northern portion of the municipal area between the N2 and the LSDI road. This area described above is referred to as a “Management Area” in the draft rural LUMS. A variety of tourism and recreational related activities take place in this area that need to be managed in terms of the appropriate legislation.
- The R22 route is a gateway route for Hluhluwe and a tourism corridor
- Secondly, the route from Hluhluwe in a westerly direction, across the N2, towards the northern entrance of the Hluhluwe Umfolozi Game Reserve is proposed as a tourism route in the SDF. A portion of this route is the entrance into Hluhluwe town from the N2.
- The circular route that provides access to the False Bay and numerous private resorts to the west of Lake St Lucia is also a very important tourism route in the SDF.
- A further route that is considered to be a tourism route is the route that provides access from Makhasa to Nibela (in a south easterly direction) and towards Mngobokazi in the north. It is the proximity of the area that is served by this route to Lake St Lucia and the Greater St Lucia Wetland Park that has contributed to its proposed tourism route status. The area referred to has inherent tourism potential.
- Access to the various private game reserves is also gained from Makhasa in a westerly direction as shown on the SDF map as well.

II. HLABISA AREA

The following nodal hierarchy is proposed to be implemented in the Hlabisa Municipality. The nodes and their functions are mentioned here whilst the proposed spatial development of the nodes are discussed as part of future land Uses.

Nodal Development Classification

Primary Development Nodes

The study also identified the following complex consisting of the following areas as the primary development nodes in Hlabisa:

Hlabisa

The main economic centre of the Municipality. With a densely populated residential area on the southern and south easter parts of the Municipality.

The following interventions/developments are envisaged within this node:

- Low Intensity Industrial development based on local manufacturing skills as proposed in the LED Strategy;
- Commercial Development;
- Decentralization point for local administration of provincial and local government services;
- Higher order social and commercial services;
- Integration with major urban centres
- Housing development

Secondary Development Nodes/Services Centres

The following areas were identified as secondary development nodes, based on the presence of large population densities, and services delivered via the presence of government departments. These localities have existing social infrastructure that consist of primarily of education facilities or clinics, which are unfortunately not always linked to the Traditional Courts in the area.

Secondary Nodal Developments

Node	Nodal Development
Mpembeni	Mpembeni serves a large (but dispersed) community to the east of Hlabisa Town. This Node houses the Mpembeni Traditional Court situated there and therefore this node serves as the Seat of the Mpembeni Area. Subsequently this is a central and well placed area for the provision and distribution of social infrastructure to the Mpembeni Community

Ezibayeni	Ezibayeni is the largest of the two nodes serving the eastern part of the Municipality. This node also houses the Traditional Office of the Mdletshe Traditional Council, and is centrally situated to disseminate social services to the surrounding
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The following interventions/developments are envisaged within this node:

- Provision of social infrastructure to communities
- Limited commercial development to serve in needs of communities being serviced
- Decentralization point for local administration of provincial and local government services

Tertiary Development Nodes

Tertiary nodes are the second 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. In identifying suitable/optimal locations. These include, amongst other factors:

- Density and distributed of population to be served
- Level of existing economic activity
- Proximity of transport routes and modes of transport
- Topography of locality
- Land Tenure arrangements
- Level of service infrastructure

The following nodes were identified as tertiary nodes:

- Ngebeza
- Nhlwathi
- Mthekwini
- Mganwini

Rural Settlement Clusters

Rural Clusters are the lowest order nodes found within the Municipality. High level services cannot be provided cost-effectively within these areas and initiatives will be aimed at basic service delivery.

Intended Future Land Uses

The table below depicts the land use topics that are discussed and which land use categories are proposed for each of the nodes. Detail is given in the section below.

Node/Area	Development corridor	Residential-Formal	Residential Rural	Industrial	Expansion Area	Commercial & Mixed Use	Mining	Agriculture	Urban Agriculture	Tourism
Hlabisa	X	X		x	x	X			x	
Mpembeni		X				X				
Ezibayeni		X		x	x	X				
Ngebeza		X								
Nhlwathi		X				X				
Mthekwini		X			x	X				
Mganwini		X				X				
Municipal Wide			X				x	x		X

5.2. ENVIRONMENTAL SENSITIVE AREAS

The municipal area contains sites of environmental sensitivity which should be afforded protection so as to be preserved for future generations. The municipality's IDP recognizes the importance of these areas and the adoption of the LUMS for the municipality will identify priority areas for management and types of development and will suggest appropriate management techniques to ensure that these assets are not undermined during development. In this regard the areas identified by KZN Wildlife as mandatory reserves need to be protected from developments which may have a negative impact as it contains flora and fauna which are found/breed only in these areas.

In addition uMkhanyakude District Municipality's (UDM) and the KwaZulu-Natal Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) embarked on a process to develop an Environmental Management Framework (EMF) for the district. Nema Consulting was appointed to prepare the uMkhanyakude EMF. The projects were successfully done and seek to ensure that issues of environmental management are considered and any development happening in the district does not compromise development of future generations

According to the EMF Regulations (Government Notice No. R547 of 18 June 2010), an EMF is a study of the biophysical and socio-cultural systems of a geographically defined area to reveal where specific land uses may best be practiced and to offer performance standards for maintaining appropriate use of such land.

An EMF includes a framework of spatially represented information connected to significant environmental (i.e. ecological, social and economic) parameters, such as ecology, hydrology, infrastructure and services. A key function of an EMF is to proactively identify areas of potential conflict between development proposals and critical/sensitive environments (DEAT, 1998).

6. SECTION E2: IMPLEMENTATION PLAN

IDP INDIC. NO.	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	BASLINE	ANNUAL TARGET		QUARTER 1		QUARTER 2		QUARTER 3		QUARTER 4		RESP. DEPT	REASON FOR VARIANCE	COMMENTS/CORRECTIVE MEASURE
				TARGET	ACTUAL	JUL-SEP		OCT-DEC		JAN - MAR		APRI-JUN				
						TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
KPA 01: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION																
IDT/01/18	To provide an effective filing system	Annual review of records management policy by 31 May 2018.		Council approved policy by 31 May 2018								Approved policy by 31 May 2018		Corporate Services		
IDT/02/18		Review of File Plan by 31 May 2018		Council Approved file plan by 31 May 2018								Approved file plan by 31 May 2018		Corporate Services		
IDT/03/18	To enhance institutional memory	% of current staff workshoped on a comprehensive induction programme by 30 Sept 2017		100% staff workshoped on the comprehensive induction programme by 30 Sept 2017		100% staff workshoped on the comprehensive induction programme by 30 Sept 2017								Corporate Services		
IDT/04/18	To ensure skillful labour and educated citizenry	Development of a WSP by 30 April 2018		Council approved WSP and submission to LGSETA by 30 April 2018		N/A						Approved WSP and submission to LGSETA by 30 April 2018	N/A	Corporate Services		
IDT/05/18		% of staff trained in line with WSP by 30 June 2018		100% staff trained by 30 June 2018		25 % staff trained by 30 Sept 2017		25% staff trained by 31 Dec 2017		25% staff trained by 31 March 2018		100% staff trained by 30 jun 2018		Corporate Services		

IDT/06/18		% of councilors trained in line with WSP by 30 June 2018		100% councillors trained by 30 June 2018		25% councillors trained by 30 Sept 2017		25% councillors trained by 31 Dec 2017		25% councillors trained by 31 March 2018		100% councillors trained by 30 June 2018		Corporate Services		
IDT/07/18		No. of Partnerships agreements signed with Training Institutions by 31 May 2018		Four (4) agreements signed with Training Institutions by 31 May 2018		One (1) agreement signed by 30 Sept 2017		One (1) agreement signed by 31 Dec 2017		One (1) agreement signed by 31 March 2018		One (1) agreement signed by 31 May 2018		Corporate Services		
IDT/08/18	To enhance Employee wellness	Number of wellness programme conducted per quarter.		4 wellness programs by 31 May 2018		One (1) Wellness program by 30 Sept 2017		One (1) wellness program by 31 Dec 2017		One (1) wellness program by 31 March 2018		One (1) wellness programs by 31 May 2018		Corporate Services		
IDP/09/18	To reduce the impact of HIV/AIDS	Review of HIV/AIDS Workplace Policy by 31 May 2018		Council approved HIV/AIDS Policy by 31 May 2018								Council approved by 31 May 2018		Corporate Services		
IDT/10/18	To ensure a sustainable human resources development	Annual Review of Human Resource Development Strategy by 31 May 2018		Council Approved Human Resource Development Strategy by 31 May 2018								Council Approved by 31 May 2018		Corporate Services		
IDT/11/18	To ensure a transformational efficient and effective administration.	Review of Employment Equity Plan(EEP) and submission to Council for approval by 31May 2018		Council approved EEP by 31 May 2018			N/A					Council approved by 31 May 2018		Corporate Services		

IDT/12/18		Implementation of the Employment Equity Plan		EEP report submission to Department of Labour by 31 October 2017				EEP report submission to Department of Labour by 31 October 2017			N/A			Corporate Services		
IDT/13/18		Annual review of Organisational Structure by 30 April 2018		Two (2) Annual Review of Organisational Structure & Submission to Council for approval by 30 April 2018						One (1) Review of organisational structure and submission to Council for Approval by 30 Marc 2018		One (1) Review of organisational structure and submission to Council for Approval by 30 April 2018		Corporate Services		
IDT/14/18		Monthly Labour Forum meetings by 30 June 2018		labour forum meetings by 30 June 2018		three (3) meetings held by 30 Sept 2017		three (3) meetings held by 31 Dec 2017		three (3) meetings held by 30 Marc 2018		three (3) meetings held by 30 June 2018		Corporate Services		
IDT/15/18	Development and implementation of Attraction and Retention policy	Review of Attraction and Retention policy by 31 May 2018		Approved by Council Attraction and Retention policy by 31 May 2018								Approved Attraction and Retention policy by 31 May 2018	N/A	Corporate Services		

IDT/16/18	To ensure effective and efficient performance management	Review of PMS Framework by 31 July 2017		Council approved PMS Framework by 31 July 2017		Council approved PMS Framework by 31 July 2017	N/A							Executive Dept.		
IDT/17/18		Development of SDBIP 2018/19 by 28 June 2018		Signed SDBIP by the mayor within 28 days after the adoption of Budget							Signed SDBIP 2018/19 by the mayor within 28 days after the adoption of Budget	N/A	Executive Dept.			
IDT/18/18		Signing of performance agreements by 31 July 2017		100% of performance agreements signed by 31 July 2017		100% of performance agreements signed by 31 July 2017							Executive Dept.			
IDT/19/18		Quarterly performance assessment for Senior Managers		Three Performance Assessment conducted by 30 June 2018		One Performance Assessment conducted by 30 September		One Performance Assessment conducted by 30 Nov 2016		One Performance Assessment conducted by 31 Jan 2017		One Performance Assessment conducted by 30 June 2018		Executive Dept.		

IDT/20/18		Preparation and submission of quartely performance reports to council		Three Performance Reports submitted to council by 30 June 2018							Three performance reports submitted to council by 30 June 2018		Executive Dept.		
IDT/21/18		Quartely performance assessment of municipal service providers		Three performance assesement of service providers by 30 June 2018							Three performance reports submitted to MM by 30 June 2018		Executive Dept.		
KPA 02 : LOCAL ECONOMIC DEVELOPMENT															
LED/01/18	To facilitate sustainable economic growth and development throughout the municipality	Development of LED Strategy by 31 March 2018		Council approved LED Strategy by 31 March 2018						Council approved LED Strategy by 31 March 2018					
LED/02/18	To promote Rural development & improved social welfare	Promote poverty alleviation projects to all Wards		thirteen (13) poverty alleviation projects supported by 30 June 2018				Four (4) poverty alleviation projects supported by 31 Dec 2017		Four (4) poverty alleviation projects supported by 31 Mar 2018		Five (5) poverty alleviation projects supported by 30 June 2018			

LED/03/18		Issuing of Business licence						Five (5) Business licences issued by 31 Dec 2017		Five (5) Business licences issued by 31 Marc 2018		Five (5) Business licences issued by 30 June 2018			
LED/04/18		Number of Co-operatives established and registered by 30 June 2018		Nine (9) co-orporatives established and registered by 30 June 2018				Four (4) co-operatives established and registered by 31 Dec 2017		Three (3) co-orpearatives established and registered by 31 Marc 2018		Two (2) co-orporatives established and registered by 30 June 2018			
LED/05/18	To promote gorrvement LED programmes through EPWP	Promote Government LED Programmes iro. EPWP		143 jobs created through EPWP Programme by 30 June 2018								143 jobs created through EPWP Programme by 30 June 2018			
LED/06/18		Co-ordination of SMME's trainings		Four (4) SMME's training co-ordinated by 30 June 2018		One (1) SMME's training co-ordinated by 30 Sept 2017		One (1) SMME's training coordinated by 31 Dec 2017		One (1) SMMM's training cocordinated by 31 Marc 2018		One (1) SMME's training coordinated by 30 June 2018			

LED/07/18	Tourism Development & Promotion	Tourism awareness and Trainings		Two (2) tourism awareness and training by 30 June 2018				one (1) tourism awareness campaign coordinated by 31 Dec 2017				One (1) tourism training coordinated by 30 June 2018				
KPA 03 : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
BSD/01/18	Provision of Sustainable infrastructure	Construction of Manqoba Community Hall		100% complete Manqoba Community Hall by 31 May 2018		05% complete Manqoba Community Hall by 30 Sept 2017		25 % complete Manqoba Community by 31 Dec 2017		50% complete Manqoba Community by 30 Marc 2018		100% complete of Manqoba Community Hall by 31 May 2018		Technical Services		
BSD/02/18		Upgrade of Phumlani Gravel to Black top		100% complete upgrade Phumlani Gravel to Black top by 31 May 2018		05% complete Phumlani Gravel to Black top by 30 Sept 2017		25% complete Phumlani Gravel to Black top by 30 Sept 2017		50% complete of upgrade of Phumlani Gravel to Black top by 30 Marc 2018		100% complete of upgrade of Phumlani Gravel to Black top by 31 May 2018		Technical Services		
BSD/03/18		Upgrade of Ncwabakazi Sportfield		100% complete upgrade of Ncwabakazi Sportfield by 31 May 2018		05% complete Ncwabakazi Sportfield by 30 Sept 2017		25% complete Ncwabakazi Sportfield by 31 Dec 2017		50% complete Ncwabakazi Sportfield by 30 March 2018		100% complete Ncwabakazi Sportfield by 31 May 2018		Technical Services		

BSD/04/18		Upgrade of Jabhisa Sportfield		100% complete upgrade of Jabhisa Sportfield by 31 May 2018		05% complete Jabhisa Sportfield by 30 Sept 2017		25% complete Jabhisa Sportfield by 31 Dec 2017		50% complete upgrade of Jabhisa Sportfield by 30 March 2018		100% complete upgrade of Jabhisa Sportfield by 31 May 2018		Technical Seviles		
BSD/05/18		Contruction of Ezibayeni Sportfield		100% complete of Ezibayeni Sportfield by 31 May 2018		05% cmplete Ezibayeni Sportfield by 30 Sept 2017		25% cmplete Ezibayeni Sportfield by 30 Sept 2017		50 % complete Ezibayeni Sportfield by 30 March 2018		100 % complete Ezibayeni Sportfield by 31 May 2018		Technical Services		
BSD/06/18		Construction of Hlabisa Tax Rank		100% complete of Hlabisa Tax Rank by 31 May 2018		05% complete Hlabisa Taxi Rank by 30 Sept 2017		25% complete Hlabisa Taxi Rank by 31 Dec 2017		50 % complete Hlabisa Taxi Rank by 30 March 2018		100 % complete Hlabisa Taxi Rank by 31 May 2018		Technical Services		
BSD/07/18		Construction of Madondo Community Hall		100% complete of Madondo Community Hall by 31 May 2018		05% Complete Mandodo Community Hall by 30 September 2017		25% Complete Madondo Community Hall by 30 December 2017		50% complete Madondo Community Hall by 30 March 2018		100% Complete Madondo Community Hall by 31 May 2018		Technical Services		
BSD/08/18		Electrification of household in Ward 3 , Ward 4 and infiles in various Wards		Electricifaction of household in Ward 3 and Ward 4 by 30 May 2018								Electrication of Ward3, Ward 4and infiles invarious wards by 31 May 2018		Technical Services		

BSD/09/18	Maintenance of Infrastructure	Development of Master Plan by 31 May 2018		Completed Master Plan and submission to council by 31 May 2018					N/A			Completed Master Plan and submitted to Council by 31 May 2018		Technical Services			
BSD/10/18		Maintenance and repairs of 80 m2 potholes in ward 05 and 12 tarred roads by 31 May 2018		80 m2 of potholes maintained by 31 May 2018						40 m2 of potholes maintained by 31 March 2018		80 m2 of potholes maintained by 31 May 2018		Technical Services			
BSD/11/18		Maintenance of ward 05 and ward 12 streetlights by 31 May 2018		120 street lights maintenad by 31 May 2018		30 streetlights maintained by 31 Dec 2017		30 streetlights maintained by 31 Dec 2017			30 streetlights maintained by 31 March 2018		120 streetlights maintained by 31 May 2018		Technical Services		
BSD/12/18		Maintenance of 250km Rural Access roads in thirteen ward by 31 May 2018		250km roads maintained by 31 May 2018		20km roads maintained by 31 Sept 2017		50km roads maintained by 31 Dec 2017			100km roads maintained by 30 Marc 2018		80km roads maintained by 31 May 2018		Technical Services		
KPA 04 GOOD GOVERNANCE AND PUBLIC PARTICIPATION																	
GG/01/18	To provide an effective and appropriate response to all disaster related occurrences within the municipality	Number of disaster awareness campaigns conducted (x12 Hluhluwe and x12 Hlabisa) by 31 May 2018		Twenty four (24) disaster awareness campaigns conducted by 31 May 2018		Six (6) disaster awareness campaigns conducted 30 Sep 2017		Six (6) disaster awareness campaigns conducted 31 Dec 2017		Six (6) disaster awareness campaigns conducted 30 March 2018		Six (6) disaster awareness campaigns conducted by 31 May 2018		Community Serv.			

GG/02/18		Review of Disaster Management Sector Plan by 31 Dec 2017		Submission to Council for Approval by 31 Dec 2017				Submission to Council for Approval by 31 Dec 2017					Community Serv.		
GG/03/18		Review of a comprehensive disaster management plan by 31 Dec 2017		Council approval by 31 Dec 2017				Submission to Council for Approval by 31 Dec 2017					Community Serv.		
GG/04/18		Review of Disaster Management Framework Plan by 30 Sept 2017		Council Approval by 30 Sept 2017		Council approval by 30 Sept 2017							Community Serv.		
GG/05/18		Establishment of Disaster Management Advisory Forum by 31 Dec 2017		Disaster Management Advisory Forum in place by 31 Dec 2017				Disaster Management Advisory Forum in place by 31 Dec 2017					Community Serv.		
GG/06/18	To improve community safety programmes within municipal area of jurisdiction	No of multi disciplinary Road blocks conducted (X 12 Hlabisa and X12 Hluhluwe) by 30 June 2018		24 multi disciplinary Road blocks conducted by 30 June 2018		Six (6) disciplinary Road blocks conducted by 30 Sept 2017		Six (6) disciplinary Road blocks conducted by 31 Dec 2017		Six (6) disciplinary Road blocks conducted 31 March 2018		Six (6) disciplinary Road blocks conducted 30 June 2018	Community Serv.		
GG/07/18	To encourage participation in Sports and Recreation	Establishment of Sports Council by 28 Feb 2017		Sports Council in place by 28 Feb 2017						Sports Council in place by 28 Feb 2017			Community Serv.		

GG/08/18		Coordination of Mayoral Cup games by 31 Dec 2017		List of sports codes participants iro netball, soccer,volleyball by 31 Dec 2017				List of sports codes participants iro netball, soccer,volleyball by 31 Dec 2016						Community Serv.		
GG/09/18		Coordination of Indegenous Games by 30 Sept 2017		List of indegenous games participants in place by 30 Sep 2017		List of indegenous games participants in place by 30 Sep 2017								Community Serv.		
GG/10/18		Coordination of Department of Sports and Recreation(DSR/SALGA) Games by 31 Dec 2017		List of DSR/SALGA Games participants in place by 31 Dec 2017				List of DSR/SALGA Games participants in place by 31 Dec 2017						Community Serv.		
GG/11/18		Review of HIV/AIDS Strategy by 31 May 2018		Council Approval by 31 May 2018								Council Approval by 31 May 2018		Community Services		
GG/ 12/18	To encourage participation in Arts, Culture and Heritage	Co-ordination of King Shaka Day by 30 Sept 2017		Co-ordination of King Shaka Day by 30 Sept 2017		Co-ordination of King Shaka Day by 30 Sept 2017								Community Serv.		
GG/13/18		Co-ordination of ingoma events by 31 Dec 2017		Co-ordination of ingoma events by 31 Dec 2017		Co-ordination of ingoma events by 31 Dec 2017								Community Serv.		
GG/14/18		Co-ordination of Reedance Ceremony for Ngwavuma and Nongoma by 30 Sept 2017		two (2) reedance Ceremony coordinated by 30 Sept 2017		two (2) reedance Ceremony coordinated by 30 Sept 2017								Community Serv.		
GG/15/18		Co-ordination of Umkhosi wesivivane by 30 Sept 2017		Umkhosi wesivivane co-ordinated by 30 Sept 2017		Umkhosi wesivivane co-ordinated by 30 Sept 2017								Community Serv.		

GG/16/18		Co-ordination of Senior citizens christmas Party by 31 Dec 2017		Senior citizens christmas Party by 31 Dec 2017		Senior citezens Christmas Party by 31 Dec 2017								Community Serv.		
GG/17/18		Take a girl child to work by 31 May 2018		Coordination of take a girl child to Work by 31 May 2018		Take a girl child to work by 31 May 2018						Take a girl child to work coordinated by 31 May 2018		Community Serv.		
GG/18/18		Take a boy child to work by 31 May 2018		Co-ordination of take a boy child to work by 31 May 2018								Take a boy child to work co-ordinated by 31 May 2018		Community Serv.		
GG/19/18		Coordination of mens dialog by 30 Sept 2017		Co-ordination of mens dialog by 30 Sept 2017		Mens dialog co-ordinated by 30 Sept 2017								Community Serv.		
GG/20/18		Co-ordination of Womans celebration by 30 Sept 2017		Co-ordination of Womans Celebration by 30 Sept 2017		Womans Celebration coordinated by 30 Sept								Community Serv.		
GG/21/18		Coodination of diasability day 31 Dec 2017		Diasability Day coordinated by 31 Dec 2017				Diasability Day co-ordinated by 31 Dec 2017						community Serv.		
GG/22/18		To coordinate disability parliament by 31 Dec 2017		Disability parliament coordinated by 31 Dec 2017				Disability parliament coordinated by 31 Dec 2017						Community Serv.		
GG/23/18		To coordinate disability Sport Day by 31 Dec 2017		Disability Sport Day co-ordinated by 31 Dec 2017				Diasability Sport Day co-ordinated by 31 Dec 2017						Community Serv.		

GG/24/18		Facilitating and coordinating literacy week by 30 June 2018		Two (2) literacy week by 30 June 2018		One (1) literacy week coordinated by 30 Sept 2017						One (1) literacy week by 30 June 2018		community Serv		
GG/25/18		Facilitating and coordinating world play day by 30 June 2018										Facilitating and coordinating world play by 30 June 2018		Community Serv.		
GG/26/18	To promote community participation	Cordination of quartly Ward Committee Meetings by 30 June 2018		twelve(12) wards committee meetings per ward coordinated by 30 June 2018		Three (3) wards committee meetings per ward coordinated by 30 Sept 2017		Three(3) wards committee meetings per ward coordinated by 31 Dec 2017	N/A	Three (3) Ward committee meeting per ward by 31 Marc 2018		Three(3) wards committee meetings per ward coordinated by 30 June 2018		Community Serv.		
GG/27/18		Submission of Public participation reports to the Speaker on quarterly basis		Three reports submitted by 30 June 2018		One report by 30 Sept 2017		One report by 31 Dec 2017		One report by 31 March 2018		One report by 30 June 2018		Executive Dept.		
GG/28/18		Coordination of IDP Public Participation Roadshows in thirteen Municipal wards		Ten (10) IDP Public Participation Roadshows coordinated by 30 June 2017		Five IDP Public Participation Roadshows cordinated by 31 Dec 2017						Five (5) IDP Public Participation Roadshows coordinated by 30 June 2018		ExecutiveDept.		

GG/29/18		Submission to Council of Quartely Reports on complaints attended and resolved by 30 June 2018		Four (4) Quartely Reports on complaints attended, resolved and submitted to council by 30 June 2018		One (1) report on complaints attended, resolved and submitted to council by 30 Sept 2017		One (1) report on complaints attended, resolved and submitted to council by 31 Dec 2017		One (1) report on complaints attended, resolved and submitted to council by 31 Marc 2018		One (1) report on complaints attended, resolved and submitted to council by 30 June 2018		Executive Dept.		
GG/30/18	To ensure accountable and transparent governance	Favourable Audit opinion by 31 Dec 2017		Unqualified Audit Opinion by 31 Dec 2017				Unqualified Audit Opinion by 31 Dec 2017						Executive Dept.		
GG/31/18		To assess and manage risk		Risk Assessment workshop convened by 30 Sep 2017		Risk Assessment workshop convened by 30 Sep 2017								Executive Dept.		
GG/32/18		To manage risk by 30 June 2018		Four (4) Risk Assessment Report submission to MANCO meetings 30 June 2018		One (1) Risk Assessment Report submission to MANCO meetings 30 Sept 2017		One (1) Risk Assessment Report submission to MANCO meetings 31 Dec 2017		One (1) Risk Assessment Report submission to MANCO meetings 31 March 2018		One (1) Risk Assessment Report submission to MANCO meetings 30 June 2018		Executive Dept.		
GG/33/18		Review of delegations Register		Council approval by 30 Sept 2017		Council approval by 30 Sept 2017								Executive Dept.		

GG/34/18	To ensure effective & efficient Governance and Administration	Number of EXCO Meetings held by 30 June 2018		Twelve (12)Exco meetings by 30 June 2018		Three meetings per quarter		Three meetings per quarter		Three meetings per quarter		Three meetings per quarter		Corporate Serv.		
GG/35/18		Number of Council Meetings held by 30 June 2018		Four (4) Council meetings by 30 June 2018		One(1) Council meeting per quarter		One (1) Council meeting per quarter		One (1) Council meeting per quarter		One (1) Council meeting per quarter		Corporate Serv.		
GG/36/18		Number of MPAC Meetings held by 30 June 2018		Four MPAC meetings held by 30 June 2018		One (1) MPAC meeting per quarter		One (1) MPAC meeting per quarter		One (1) MPAC meeting per quarter		One (1) MPAC meeting per quarter		Corporate Serv.		
GG/37/18		Development of Annual Report 2016/17		Submission to Council for approval by 31 Jan 2018						Submission to Council for approval by 31 Jan 2018				Executive Dept.		
GG/38/18		Development of Oversight Report		Submission to Council for approval by 31 March 2018						Submission to Council for approval by 31 March 2018				Executive Dept.		
GG/39/18		Secretariat support to CouncilCommittees as per approved schedule of meetings		Twelve (12) Corporate services portfolio committee supported by 30 June 2018		Three (3) Corporate services portfolio committee supported by 30 Sept 2017		Three (3) Corporate services portfolio committee supported by 31 Dec 2017		Three (3) Corporate services portfolio committee supported by 31 March 2018		Three (3) Corporate services portfolio committee supported by 30 June 2018		Corporate Serv.		

GG/40/18				Twelve (12) Community services portfolio committee supported by 30 June 2018		Three (3) Community services portfolio committee supported by 30 Sept 2017		Three (3) Community services portfolio committee supported by 31 Dec 2017		Three (3) Community services portfolio committee supported by 31 March 2018		Three (3) Community services portfolio committee supported by 30 June 2018		Corporate Serv.		
GG/41/18				Twelve (12) Finance portfolio committee supported by 30 June 2018		Three (3) Finance portfolio committee supported by 30 Sept 2017		Three (3) Finance portfolio committee supported by 31 Dec 2017		Three (3) Finance portfolio committee supported by 31 Marc 2018		Three (3) Finance portfolio committee supported by 30 June 2018		Corporate Serv.		
GG/42/18				Twelve (12) Infrastructure and Planning portfolio committee supported by 30 June 2018		Three (3) Infrastructure and Planning portfolio committee supported by 30 Sept 2017		Three (3) Infrastructure and Planning portfolio committee supported by 31 Dec 2017		Three (3) Infrastructure and Planning portfolio committee supported by 31 March 2018		Three (3) Infrastructure and Planning portfolio committee supported by 30 June 2018		Corporate Serv.		
GG/43/18		Number of events coordinated by 30 June 2018		Twelve (12) events coordinated by 30 June 2018		Three (3) events coordinated by 30 Sept 2017		Three (3) events coordinated by 31 Dec 2017		Three (3) events coordinated by 31 Marc 2018		Three (3) events coordinated by 30 June 2018		Executive Dept.		
GG/44/18	Publicity and Marketing of Big5 Hlabisa Municipality	Number of Muncpal Newslatter printed by 31 March 2018		7000 municipal newslatter printed by 31 Marc 2018		3 500 newslatter printed by 30 Sept 2017				3 500 newslatter printed by 31 Marc 2018				Executive Dept.		

GG/45/18		Co-ordination of Mayoral Radio Slots on quarterly basis		Four (4) mayoral Radio slots coordinated by 30 June 2018		One (1) Mayoral Radio Slot coordinated by 30 Sep 2017		One (1) Mayoral Radio Slot coordinated by 31 Dec 2017		One (1) Mayoral Radio Slot coordinated by 31 March 2018		One (1) Mayoral Radio Slot coordinated by 30 June 2018		Executive Dept.		
GG/46/18		Placing ,distributing and designing all advertisements in both the print media and electronic form		Four (4) advertisements by 30 June 2017		One (1) advertisement by 30 Sept 2017		One (1) advertisement by 31 Dec 2017		One (1) advertisement by 31 March 2018		One (1) advertisement by 30 June 2018		Executive Dept.		
KPA 05: FINANCIAL VIABILITY AND MANAGEMENT																
FVM/01/17	To increase revenue collection and revenue management	Development of Revenue Enhancement Strategy by 31 March 2018		Council approval by 31 March 2018						Council approved by 31 March 2018			N/A	Finncial Services		
FVM/02/18	To have a SCM system that is in line with MFMA Municipal Policy & SCM Regulations & SCM Regulations including contract Management & reduced UIFWE	Development of Supply Chain Management Policy by 31 May 2018		Council Approved SCM Policy by 31 May 2018								Council Approved SCM Policy by 31 May 2018	N/A	Finncial Services		
FVM/03/18		Council approved procurement Plan in line with Budget & IDP before the beginning of the financial year by 31 May 2018		Council approved Procurement Plan by 31 May 2018								Council approved Procurement Plan by 31 May 2018	N/A	Finncial Services		

FVM/04/18	To maintain and manage Municipal Assets in an effective manner	Quarterly reports to council on contract management by 30 June 2018		Four Quarterly reports submission to Council and National Treasury (NT) by 30 June 2018		Quarterly submission to Council and NT by 30 Sept 2017		Quarterly submission to Council and NT by 31 Dec 2017		Quarterly submission to Council and NT by 31 Marc 2018		Quarterly submission to Council and NT by 30 June 2018	N/A	Finncial Services		
FVM/05/18		Quarterly complete UIFWE Reports submitted to Council by 30 June 2018		Four Quartely complete UIFWE Reports submitted to Council by 30 June 2018		Quarterly complete UIFWE Report submitted to Council by 30 Sept 2017		Quarterly complete UIFWE Report submitted to Council by 31 Dec 2017		Quarterly complete UIFWE Report submitted to Council by 31Marc 2018		Quarterly complete UIFWE Report submitted to Council by 30 June 2018		Finncial Services		
FVM/06/18		Reports on the implementation of SCM to relevant bodies ie council		Quarterly submission to Council and National Treasury (NT)				Quarterly submission to Council and NT	N/A	Quarterly submission to Council and NT	N/A	Quarterly submission to Council and NT	N/A	Finncial Services		
FVM/07/18		Development of Asset Management Policy by 31May 2018		Council Approval by 31 May 2017								Council Approval by 31 May 2017		Financial Services		
FVM/08/18		Consolidated Fixed Assets Register in a GRAP compliant manner		Fixed asset register in place by 30 Nov 2017				Fixed asset register in place by 30 Nov 2017						Financial Services		

FVM/09/18		Review of Fixed Assets Register & Assets Verification on quarterly basis by 30 June 2018		Three (3) Quarterly Reports of Fixed Assets Register & Assets Verification				One Quarterly Reports of Fixed Assets Register & Assets Verification by 31 Dec 2017		One Quarterly Reports of Fixed Assets Register & Assets Verification by 31 March 2018		One Quarterly Reports of Fixed Assets Register & Assets Verification by 30 June 2018		Financial Services		
FVM/10/18		Monthly updates of assets		Twelve monthly reports		Three monthly reports		Three monthly reports	N/A	Three monthly reports	N/A	Three monthly reports	N/A	Financial Services		
FVM/11/18	Sound and compliant expenditure management that is in line with MFMA	Capital & Operational Expenditure Implementation plan that is in line with Grant Conditions		Quarterly Reports submission on the Capital & Operational Expenditure Implementation		Quarterly Reports submission on the Capital & Operational Expenditure Implementation	N/A	Quarterly Reports submission on the Capital & Operational Expenditure Implementation	N/A	Quarterly Reports submission on the Capital & Operational Expenditure Implementation	N/A	Quarterly Reports submission on the Capital & Operational Expenditure Implementation	N/A	Financial Services		
FVM/12/18		% spent on Capital Budget by 30 June 2018		100% of annual capital budget by 30 June 2018		100% of quarterly capital budget by 30 Sep 2017		100% of quarterly capital budget by 31 Dec 2017		100% of quarterly capital budget by 31 March 2018		100% of quarterly capital budget by 30 June 2018				

FVM/13/18		% spent on Operational Budget by 30 June 2018		100% spent on Annual Operational budget by 30 June 2018		100% spent on Quarterly Operational budget by 30 Sep 2017		100% spent on Quarterly Operational budget by 31 Dec 2017		100% spent on Quarterly Operational budget by 31 March 2018		100% spent on Quarterly Operational budget by 30 June 2018				
FVM/14/18	Improved budgeting and financial reporting in the municipality that is in line with IDP	Council approved budget process plan by 31 Aug 2017		Budget process plan by 31 st Aug 2017		Budget process plan by 31 st Aug 2017	N/A							Financial Services		
FVM/15/18		Development of a Financial Plan 2018/2019 and submission to council by 30 May 2018		Council Approval by 30 May 2017								Council Approval by 30 May 2018		Financial Services		
FVM/16/18		Development budget and ten budget related policies by 30 May 2018		Council approved Budget and ten Budget related policies by 30 May 2018								Budget and Ten Budget related policies by 30 May 2018		Financial Services		

FVM/17/17		Submission of Reports on the implementation of budget in terms of section 71 and 52 (d) of MFMA to Council and PT by 30 June 2017		Ten Monthly reports submitted by 30 June 2018		One monthly reports submitted to PT by 30 Sep 2017		Three monthly reports submitted to PT by 31 Dec 2017		Three monthly reports submitted to PT by 31 March 2018	N/A	Three monthly reports submitted to PT by 30 June 2018		Financial Services		
FVM/17/1/18				Three Quarterly Reports by 30 June 2018				One Quarterly Report by 31 Dec 2017		One Quarterly Report by 31 March 2018		One Quarterly Report by 30 June 2018		Financial Services		
FVM/18/18		Mid-year budget review and submission to Council by 31 Jan 2018		Submission to Council and PT by 31 Jan 2018						Submission to Council and PT by 31 March 2017				Financial Services		
FVM/19/18		Development of Valuation Roll by 30 May 2018		Submission of Valuation Roll to Council by 30 May 2018								Submission of Valuation Roll to Council by 30 May 2018				
FVM/20/18		Quarterly MSCOA reports submission to EXCO by 30 June 2018		Four (4) Quarterly MSCOA Reports submitted to EXCO by 30 June 2018		One quarterly report submitted to EXCO by 30 Sept 2017		One quarterly report submitted to EXCO by 31 Dec 2017		One quarterly report submitted to EXCO by 31 March 2018		One quarterly report submitted to EXCO by 30 June 2018		Financial Services		

FVM/21/18		Quartely MSCOAs reports submission to council by 30 June 2018				One quartely report submitted to council by 30 Sept 2017		One quartely report submitted to council by 31 Dec 2017		One quartely report submitted to council by 31 March 2018	N/A	One quarterly Report submitted to council by 30 June 2018		Finncial Services		
KPA 06: CROSS CUTTING INTERVENTIONS																
CCI/01/18	To promote and preserve a safe and healthy Environment	Establishment of Environmental Management Unit		One Environmental Management Practitioner employed by 30 Sep 2017		One Environmental Management Practitioner employed by 30 Sep 2017								Economic Dev. Exec. Planning		
CCI/02/18		Development of Integrated Waste Management Plan (IWMP) by 31 Dec 2017		Draft IWMP in place by 31 Dec 2017		Council approved Draft IWMP by 31 Dec 2017								Economic Dev. Exec. Planning		
CCI/02/1/18				Council approved IWMP by 30 March 2018						Council approved IWMP by 30 March 2018				Economic Dev. Exec. Planning		
CCI/03/18		Development of Environmental Management Plan by 31 Dec 2017		Council approved EMP by 31 Dec 2017		Council approved EMP by 31 Dec 2017								Economic Dev. Exec. Planning		

CCI/04/18		Identification of suitable land for the Landfill Site by 30 May 2018		Suitable Land for a Landfill site by 30 May 2018								Suitable Land for a Landfill site		Economic Dev. Exec. Planning		
CCI/05/18	Promote Spatial Transformation	Development of the following : Building Regulation, Informal Traders Policy By-Laws by 31 December 2017		Two By-laws developed by 31 Dec 2017				Two By-laws developed by 31 Dec 2017						Economic Dev. Exec. Planning		
CCI/06/18		Development of land use Management Scheme and submission to Council for approval by 31 Dec 2017		Council approved Land Use Management Scheme by 31 Dec 2017		Council approved Land Use Management Scheme by 31 Dec 2017								Economic Dev. Exec. Planning		
CCI/07/18		Review of SDF and submission to Council for approval by 30 May 2018		Council approved SDF by 30 May 2018								Council approved SDF by 30 May 2018		Economic Dev. Exec. Planning		
CCI/08/18		Review of Housing Sector Plan and submission to Council for approval by 31 March 2018		Council approved Housing Sector Plan by 31 March 2018						Council approved Housing Sector Plan by 31 March 2018				Economic Dev. Exec. Planning		
CCI/09/18	To ensure a credible Integrated Development Planning	Development of IDP Process Plan 2018/19 by 31 st of August 2017		Council approved IDP Process Plan by 31 st of August 2017		Council approved IDP Process Plan by 31 st of August 2017								Executive Dept.		

CCI/10/18		Coordination of a Strategic Planning Sessions by 28 feb 2018		Two sessions coordinated by 28 Feb 2018				One session coordinated by 31 Dec 2017		One session coordinated by 28 Feb 2017				Executive Dept.		
CCI/11/18		Development of IDP 2018/19 and submission to Council by 30 June 2018		Council approved IDP by 30 June 2017								Council approved IDP by 30 June 2018		Executive Dept.		

FINANCIAL PLAN PURPOSE

- The purpose of this document is to outline the comprehensive multi-year financial plan that will ensure long-term financial sustainability for the municipality.
- Due to the current context of the municipality the information provided is generic, however one the financials of the two former municipalities have been consolidated, issues will be addressed in the final document
- A multi-year financial plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base. It will also enable the municipality to move towards self-sufficiency in meeting the growing demands of service delivery.
- The focus here is to outline the role forecasting as a critical tool of local government finance and to provide guidelines to strengthen local public finances in improving the financial management. In particular, proper financial management must: adequately control the total level of revenue and expenditure, appropriately allocate public resources among functional areas and programs, and, ensure that departments operate as efficiently as possible. This Plan is prepared in terms of section 26(h) of the *Local Government Municipal Systems Act*, as amended, which stipulates that municipalities must prepare a financial plan as part of their Integrated Development Plan. The three-year Financial Plan includes an operating Budget and Capital budget, informed by the IDP priorities. It takes into account the key performance areas of the IDP. All programmes contained in the budget are reflected in the IDP. The key benefit of financial planning and budgeting is that it gives stakeholders the opportunity to stand back and review their organizational performance and the factors affecting operational requirements.

These can include:

- Greater ability to make continuous improvements and anticipate problems
- Sound financial information on which to base decisions
- Improved clarity and focus
- A greater confidence in your decision making
- In contrast with accounting records, which are retrospective, a financial planning or in simple terms budgeting is generally a projection of future revenues and expenditures. At a minimum, a financial plan is used to control financial transactions as well as a management and planning tool. Because local government provides services, forecasts are needed to plan for and control the receipt and expenditure of monies to meet these ends.

BACKGROUND

- A financial plan is prepared for a period of at least three years, however it is preferred that it should be for over a period of five or more years
- A multi-year financial plan is prepared to ensure financial sustainability of the municipality, paying particular attention to the municipality's infrastructure requirements.
- It is also an important component of the municipality's Integrated Development Plan.
- A prudent multi-year financial plan identifies and prioritizes expected needs based on the municipality's Five-year Integrated Development Plan and details estimated amounts of funding from various sources

- The multi-year financial plan will also ensure that the municipality has greater financial health and sustainability, making it easier to collaborate on projects with other levels of government and various public and private stakeholders. This will further enhance the ability of the municipality to have access to more financing, funding and grants.
- Municipalities require access to adequate resources and budgetary powers to fulfil their assigned functions. Municipalities need to have access to adequate sources of revenue – either own resources or intergovernmental transfers – to enable them to carry out the functions that have been assigned to them. Municipalities should be encouraged to fully exploit these sources of revenue to allow for realistic planning and should ensure efficient allocation of these financial resources. The rural nature of the municipality and the fact that 95% of all land are under Tribal Management have a serious effect on the revenue base. Tribal land is exempted from property rates with the effect that the Councils revenue collected from property rates are very limited.

Linking the IDP and the Budget

- The general principle in constructing a municipal budget is that the developmental policy proposals that are contained in the IDP of the municipality must be costed and budgeted for. Having looked at the municipality's IDP, you may want to verify whether priority issues have also been budgeted for in alignment with the IDP documentation. This information should, at least to some extent, be found in the municipality's budget.
Alignment for the capital budget to the IDP occurred mostly at a project level and not necessarily at a strategic level. Having undertaken an assessment of spending patterns against IDP Priorities, it was found that the IDP and the Budget (Operating and capital) is actually more aligned to the IDP than originally expected. But, the allocation of the budget (operating and capital), is something that need to be addressed through the development of a prioritization/allocation model against IDP priorities aligned to financial strategies.

1. EXECUTIVE SUMMARY OF DRAFT BUDGET FOR 2017/2018

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were received as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

The budget/IDP process occurred according to the budget timetable approved by Council during August 2016. This ensured compliance with the LG: MFMA and subsequent circulars in the preparation and approval of the multi-year budget/IDP.

The Budget and Medium Term Revenue and Expenditure Framework (MTREF) was also prepared taking cognizance of the contents of the Local Government: Municipal Finance Management Act No 56 of 2003, Circular No. 86, and the LG: MFMA Budget Formats Guide received from National Treasury.

The main challenges experienced during the compilation of the 2017/2018 Budget and MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging roads and other municipal amenities;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- High staff turnover rate including the vacancies in some positions in the Municipality including Chief Financial Officer's position being vacant.
- Affordability of capital projects-original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2017/18 budget and MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2017/18 Budget and MTREF:

- The 2016/2017 Adjustments Budget priorities and targets for municipality, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2017/2018 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of refuse services. In addition, tariffs need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2017/2018 Budget and Medium-term Revenue and Expenditure Framework:

Consolidated Overview of the 2017/2018 Budget and MTREF

Details	Adjustments Budget 2016/17	Budget Year 2017/2018 (R'000)	Budget Year 2018/2019 (R'000)	Budget Year 2019/2020 (R'000)
Total operating revenue (excluding capital transfers)	158 390	154 753	162 869	169 799
Total operating Expenditure	157 982	154 088	163 343	169 286
(Surplus)/Deficit for the year	407	665	-473	513
Total Capital Expenditure	23 800	21 664	22 697	23 788

Total operating revenue has decreased by 2 per cent or -R3, 637 million for the 2017/2018 Financial year when compared to the 2016/2017 Adjustments Budget.

Total operating expenditure for the 2017/2018 financial year has been appropriated at R154,088 million and translates into a budgeted surplus of R665 thousand. When compared to the 2016/2017 Adjustments Budget, operational expenditure has decreased by 2 per cent in the 2017/2018 budget.

The capital budget of R21,800 million for 2017/2018 is 8 per cent lesser when compared to the 2016/2017 Adjustments Budget. The capital budget is mainly funded from Government grants over the MTREF (MIG).

Operating Revenue Framework

For Big 5 Hlabisa to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times, strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy; Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 70 per cent annual collection rate for property rates and other key service charges;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policy of the Municipality.

The following table is a summary of the 2017/2018 Budget and MTREF (classified by main revenue source):

Accounts Description	Revised Budget Budget 2016/2017	% INCREASE 2016 / 2017 2017 / 2018	Projected Draft Budget 2017/2018	Projected Budget 2018/2019	Projected Budget 2019/2020
MDT GRANT	9 714 000.00		4 566 000.00	-	-
EXPANDED PUBLIC WORKS PROGRAMES	3 545 000.00		2 051 000.00	-	-
PHOTOCOPYING	11 000.00	6%	10 860.00	11 511.60	12 123.60
CLEARANCE CERTIFICATE	10 000.00	4%	10 400.00	11 024.00	16 854.00
RENTAL FACILITIES	358 400.00	8%	183 050.88	194 033.93	415 640.64
CEMETRIES	5 738.00	6%	6 082.28	6 447.22	13 483.20
BUILDING PLANS	104 941.00	13%	120 000.00	127 200.00	67 416.00
DUMP SITES	90 000.00	0%	90 000.00	95 400.00	134 832.00
FEDERAL AIRLINES	55 000.00		55 000.00	58 300.00	61 798.00
BUSINESS LICENCES	6 649.00	4%	6 914.96	7 329.86	5 049.80
EQUITABLE SHARE	79 379 000.00		84 732 000.00	93 374 000.00	98 617 000.00
MUNICIPAL INFRASTRUCTURE GRANT	23 800 000.00		21 664 000.00	22 697 000.00	23 788 000.00
NATIONAL ELECTRIFICATION PROGRAMME	20 000 000.00		14 000 000.00	14 000 000.00	14 000 000.00
OFFICE RENTAL	-	10%	21 588.07	3 370.80	3 370.80
LICENCES AND PERMITS	2 425 000.00		2 309 150.00	2 794 880.00	2 794 880.00
SALES OF DOCUMENTS	64 500.00	17%	64 500.00	147 270.00	147 270.00
HIRING OF SPORTSFIELDS	10 000.00	0%	10 000.00	62 985.60	62 985.60
TRAFFIC FINES	1 930 000.00		1 500 000.00	2 173 480.00	2 173 480.00
INTEREST:OUTSTANDING DEBTORS	738 333.35	6%	782 633.35	1 993 625.60	1 993 625.60
INTEREST:EXTERNAL INVESTMENTS	769 000.00	8%	500 000.00	1 202 652.40	1 202 652.40
FINANCE MANAGEMENT GRANT	3 650 000.00	0%	3 800 000.00	4 056 000.00	4 316 000.00
RATES GENERAL	8 142 000.00	4%	14 427 717.25	15 778 760.46	15 778 760.46
REFUSE REMOVAL INCOME	1 701 000.00	6%	1 961 611.94	2 081 308.66	2 081 308.66
LIBRARY SUBSIDY	1 880 000.00		1 880 000.00	1 992 800.00	2 112 368.00
		0%			
	158 389 561.35	-2%	154 752 508.73	162 869 380.12	169 798 898.75

Revenue generated from government grants forms a significant percentage of the revenue basket for the Municipality. In the 2016/17 financial year, revenue from rates total R8,142 million or 5 per cent of total revenue. This increases to R14,428 million, R15, 779 million and R15, 779 million in the respective financial years of the MTREF.

Property rates is the third largest revenue source totalling 5 per cent or R14,427 million rand by 2017/18. The second largest sources are revenue from Licences and permits which is measured in terms of GRAP 23 (revenue recognition).

Operating grants and transfers totals R111,029 million in the 2017/18 financial year and increases to R113,423, and a continuous increase to R123,045 million by 2019/20.

2..1 Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement, etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by their operational efficiency gains or service level reductions. Within this framework, the municipality has undertaken the tariff setting process relating to service charges as follows.

2.2 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.


National Treasury's MFMA Circular No.51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio to residential properties to be 0.25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17 (h) of the MPRA). In addition to this rebate, a further R45 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy;
- As per the Municipal Property Rates Act (MPRA) Section 93A transitional arrangement for public service infrastructure the municipality has taken into account that rates levied should be not more than 60 percent of the rate charged in 2016-17 Financial Year and the Property Rates policy provides an indication that these amendments have been taken into account
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2017/18 financial year based on a 4 per cent increase from 1 July 2017 is contained below:

TABLE 11: MUNICIPAL PROPERTY RATES TARIFFS (RATE RANDAGE)

BIG 5 HLABISA LOCAL MUNICIPALITY KZ276 PROPOSED TARIFF OF CHARGES FOR 2017/2018								
								
						PROPOSED		
Description						EXC VAT	VAT	INC VAT
1	REFUSE COLLECTION							
	Refuse - Commercial	138.68	1 072.57	-933.89	1 072.57	1 115.47	156.17	1 271.64
	Refuse - Residential Town	110.95	154.18	-43.23	154.18	160.35	22.45	182.80
	Refuse - Public Benefits Organisations	138.68	-	138.68	138.68	147.01	20.58	167.59
	Refuse - Residential Location	-	93.89	-93.89	93.89	99.52	13.93	113.46
2	Sewerage							
	Per load	307.02	-	307.02	307.02	325.44	45.56	371.00
3	SPORTFIELD HIRE							
	Sportfield Hire(where entrance fees are not charged)							
3.1								
3.1.1	Sportfield Hire	2 192.98	-	2 192.98	2 192.98	2 324.56	325.44	2 650.00
3.1.2	Refundable Sportfield deposit	500.00	-	500.00	500.00	500.00	-	500.00
3.2	Sportfield Hire(where entrance fees are charged)							
3.2.1	Sportfield Hire	3 508.77	-	3 508.77	3 508.77	3 719.30	520.70	4 240.00
3.2.2	Refundable Sportfield deposit	500.00	-	500.00	500.00	500.00	-	500.00
3.3	Sportfield Hire - Sports Development Projects							
3.3.1	Sportfield Hire	Free	-	free	-	-	-	-
3.3.2	Refundable Sportfield deposit	500.00	-	500.00	500.00	500.00	-	500.00
3.4	Sportfield Hire - Municipal Functions							
3.4.1	Sportfield Hire	Free	-	-	Free	Free	0	-
3.4.2	Refundable Sportfield deposit	Free	-	-	Free	Free	0	-
3.5	Sportfield Hire - Sport & Recreational Associations							
3.5.1	Sportfield Hire	2 192.98	-	2 192.98	2 192.98	2 324.56	325.44	2 650.00
3.5.2	Refundable Sportfield deposit	500.00	-	500.00	500.00	500.00	-	500.00
4	HALLS HIRE							
	Halls Hire(where entrance fees are not charged)							
4.1								
4.1.1	Halls Hire	1 750.00	632.43	1 117.57	1 750.00	877.19	122.81	1 000.00
4.1.2	Halls Hire per hour	-	-	-	-	109.65	15.35	125.00
4.1.3	Refundable Halls Deposit	500.00	632.43	-132.43	500.00	500.00	-	500.00
4.2	Halls Hire(where entrance fees are charged)							
4.2.1	Halls Hire	1 315.79	-	1 315.79	1 315.79	1 315.79	184.21	1 500.00
4.2.2	Halls Hire per hour	-	-	-	-	174.34	24.41	198.75
4.2.3	Refundable Halls Deposit	500.00	-	500.00	500.00	500.00	-	500.00
4.3	Hall Hire - Sports Development Projects							
4.3.1	Halls Hire	Free	-	-	Free	Free	0	-
4.3.2	Refundable Halls Deposit	500.00	-	-	500.00	500.00	-	500.00
4.4	Hall Hire - Municipal Functions							
4.4.1	Halls Hire	Free	-	-	Free	Free	0	-
4.4.2	Refundable Halls Deposit	Free	-	-	-	-	-	-
4.5	Hall Hire - Sport & Recreational Associations							
4.5.1	Halls Hire	1 315.79	-	1 315.79	1 315.79	1 394.74	195.26	1 590.00
4.5.2	Refundable Halls Deposit	500.00	-	500.00	500.00	500.00	-	500.00
4.6	Hall Hire - Public Gatherings (School Activities & Political Party Gatherings)							
4.6.1	Halls Hire	Free	Free	-	Free	Free	0	-
4.6.2	Refundable Halls Deposit	500.00	500.00	-	500.00	500.00	0	500.00
5	CERTIFICATES							
5.1	Rates Clearance Certificate	243.62	91.70	151.92	243.62	253.37	35.47	288.84

6	PHOTOCOPYING								
6.1	A4 Copy - Printed one side	0.88	-	0.88	0.88	0.88	0.12	1.00	
6.2	A4 Copy - Printed Both sides	1.75	-	1.75	1.75	1.75	0.25	2.00	
6.3	A3 Copy - Printed one side	1.32	-	1.32	1.32	1.32	0.18	1.50	
6.4	A3 Copy - Printed Both sides	2.63	-	2.63	2.63	2.63	0.37	3.00	
6.5	A4 Printer	1.75	-	1.75	1.75	1.75	0.25	2.00	
7	LIBRARY FEES								
7.1	Membership Fees	Free	Free	-	-	-		-	
7.2	Lost card replacement	8.78	-	8.78	8.78	8.77	1.23	10.00	
7.1	Fines:lost books	Cost price of the book							
7.1	Fines:DVD/CD/VIDEO TAPES	Cost price of the item lost							
7.1	Late return of books fee per day	Cost it determined by the system				-			
8	TRAFFIC FEES								
8.1	Learners license booking fee	150.00	-	150.00	150.00	131.58	18.42	150.00	
8.1	Learners issue fee	60.00	-	60.00	60.00	52.63	7.37	60.00	
8.1	Learners License re-issue	80.00	-	80.00	80.00	70.18	9.82	80.00	
	PrDP Licence Application	150.00	-	150.00	150.00	131.58	18.42	150.00	
	prDP Licence issue	250.00	-	250.00	250.00	219.30	30.70	250.00	
	Drivers Licence Havy Motor Vehicle Test booking	300.00	-	300.00	300.00	263.16	36.84	300.00	
	Drivers Licence issue fee	250.00	-	250.00	250.00	219.30	30.70	250.00	
	Temporary drivers licence	90.00	-	90.00	90.00	78.95	11.05	90.00	
	Drivers licence renewals	250.00	-	250.00	250.00	219.30	30.70	250.00	
	Drivers Licence Light Motor Vehicle	250.00	-	250.00	250.00	219.30	30.70	250.00	
12.	BUILDING PLANS								
	Basic Fee	-	578.95	-578.95	578.95	578.95	81.05	660.00	
	Per square meterage portion	-	12.72	-12.72	12.72	12.72	1.78	14.50	
	10m2 - 999m2 (or portion thereof)	-	1 447.37	-1 447.37	1 447.37	1 447.37	202.63	1 650.00	
	Basic Fee	-	7.46	-7.46	7.46	7.46	1.04	8.50	
	Per square meterage portion	-	4 157.89	-4 157.89	4 157.89	4 157.89	582.11	4 740.00	
	1000m2-4999 (or portion thereof)	-	5.70	-5.70	5.70	5.70	0.80	6.50	
	Basic Fee	-							
	Per square meterage portion	-							
	5000m2 and above	-							
14.	MARKET STALLS RENTALS ANNUALY	192.98	-	192.98	192.89	192.98	27.02	220.00	
15.	ENCROUCHMENT FEES	350.88	-	350.88	350.88	10 000.00	-	10 000.00	
16.	MISCELLNEOUS FEES								
	Copy of valuation roll	219.30	134.08	85.22	219.30	228.07	31.93	260.00	
	Hiring of Municipal office space / Municipal boardroom per hour	263.16	-	263.16	263.16	278.95	39.05	318.00	
	Use of Hlabisa Park for (weddings, parties and other social gatherings)	986.84	-	986.84	986.84	1 046.05	146.45	1 192.50	
17.	CEMETRY TARIFFS	-	1 340.74	-1 340.74	1 340.74	1 421.18	198.97	1 620.15	
18	LICENCE APPLICATIONS								
	Annual permit fee, informal traders	394.74	-	394.74	394.74	418.42	58.58	477.00	
	Business Licence Application	986.84	255.20	731.64	986.84	1 026.32	143.68	1 170.00	
	Business Licence penalty	1 015.63	-	1 015.63	1 015.63	1 076.56	150.72	1 227.28	
	Monthly fee informal traders	49.34	-	49.34	49.34	52.30	7.32	59.63	
	Permit violation penalty fee	49.34	-	49.34	49.34	52.30	7.32	59.63	
	Dumping permits	-	134.24	-134.24	134.24	142.29	150.83	293.13	
19	LIBRARY CONFERENCE ROOM / DISCUSSION ROOM								
	Schools	-	-	-	-	-	-	-	
	Government Departments	-	438.60	-	438.60	464.92	65.09	530.00	
	NGO's	-	-	-	-	-	-	-	
	Tertiary institutions	-	-	-	-	-	-	-	
	Private sector	1 973.68	-	1 973.68	1 973.68	2 092.10	292.89	2 384.99	
	Hire of activity room	-	294.96	-294.96	336.25	356.43	49.90	406.32	
22	Tractor hire per hour	-	160.82	-160.82	183.11	194.10	27.17	221.27	
23	Tender document								
	R 200,000.00 - R 999,999.00	-	-	-	219.30	219.30	30.70	250.00	
	R 1,000,000.00 - R 1,999,999.00	-	-	-	307.02	307.02	42.98	350.00	
	R 2,000,000.00 - R 2,999,999.99	-	-	-	394.74	394.74	55.26	450.00	
	R 3,000,000.00 or more	-	-	-	482.46	482.46	67.54	550.00	
26	Hire of grader(per hour)	-	392.52	-392.52	392.52	416.07	58.25	474.32	

2.3 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a surplus the comments from treasury were considered. It is widely accepted that the rendering of this service should at least break even, which is currently the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributor to this surplus is that this service is partially outsourced.

A 4 per cent increase in the waste removal tariff is proposed from 1 July 2017. Higher increases will not be viable in 2017/18 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 6 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

2.4 Rental of facilities and Equipment

In previous years, the dissolved municipality has built a number of community halls. There was no formal procedure in place for the hiring of those halls. In the budget year 2017/18, the municipality has reviewed the policy on hiring halls. This will enable the municipality to increase its revenue attributable to rental of facilities. Hence the budgeted amount for 2017/18 financial year has grown by almost 15%.

2.5 Interest earned on external investments

The Budgeted revenue against this line item is projected to decrease by 34 percent as per Table above. The municipality will invest funds received

Linking the IDP and the Budget

EXECUTIVE SUMMARY OF DRAFT BUDGET FOR 2017/2018

Consolidated Overview of the 2017/2018 Budget and MTREF

Operating Revenue Framework

2..1 Tariffs

2.2 Property Rates

2.3 Waste Removal and Impact of Tariff Increases

2.4 Rental of facilities and Equipment

by almost 15%.

2.5 Interest earned on external investments

that will not be immediately used, all investments will be short term and will be called back within the financial year however there is high expenditure and commitments which results in the decrease of this line item.

2.6 Interest earned on outstanding debtors

Interest earned-outstanding debtors reflect an increase of 6 percent in 2017-18 financial year and this increase is based on the current average interest charge in 2016-17 financial year, which is charged at 1.5 percent per month as stipulated in the municipality's Credit control policy.

2.7 Traffic Fines

The municipality has budgeted R1,500 million in Traffic Fines which has decreased by R430 000 Thousand when compared to 2016/17. This estimation is based on engagements with the service

provider and plans that will be implemented to see this amount realised, and is also based on the current monthly billing averaged at R125 000.00 per month for both Municipalities.

2.8 Other Revenue

Municipality has taken over the services of fire fighting and equipment used by the external service provider, this enable the municipality to general at least some revenue from the service from Airport owners (Federal Airlines) and also farmers that might need the service from time to time, the anticipated revenue from this service is estimated to be R55 000.00 this line item includes sale of documents, Photocopies, Business Licences and other minor revenues.

2.9 Licenses and Permits

The Municipality has budgeted for Licenses and permits of R2,309 million this is based on the current collection and revenue generated from this line item we are also expecting a high turnover on licensing and permit as the Hluhluwe testing station will be opened in 2017/2018 financial year.

3. Operating Expenditure Framework

The Municipality's expenditure framework for the 2017/18 budget and MTREF is informed by the following:

- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherences to the principle of no project plan *no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level of the 2017/18 budget and MTREF (classified per main type of operating expenditure):

Accounts Description	Revised Budget Budget 2016/2017	% INCREASE 2016 / 2017 2017 / 2018	Projected Draft Budget 2017/2018	Projected Budget 2018/2019	Projected Budget 2019/2020
SALARIES AND ALLOWANCES	38 686 402.04		41 433 136.58	44 374 889.28	47 525 506.42
BONUS	3 230 826.47		3 460 215.15	3 705 890.42	3 969 008.65
OVERTIME	-		-	-	-
TRAVELLING ALLOWANCES	4 373 160.00		4 683 654.36	5 016 193.82	5 372 343.58
TELL/CELL ALLOWANCES	98 401.71		105 388.23	112 870.80	120 884.62
HOUSING ALLOWANCES	40 810.00		43 707.51	46 810.74	50 134.31
GROUP LIFE	-		-	-	-
MEDICAL AID	2 331 618.30		2 497 163.20	2 674 461.79	2 864 348.57
PENSION FUND	5 168 173.89		5 535 114.24	5 928 107.35	6 349 002.97
INDUSTRIAL COUNCIL	-		-	-	-
SKILLS LEVY	640 068.99		685 513.89	734 185.37	786 312.54
STANDBY ALLOWANCE	81 201.12		86 966.40	93 141.01	99 754.03
FIREARM ALLOWANCE	11 000.00		11 781.00	12 617.45	13 513.29
UIF	328 252.21		351 558.12	376 518.74	403 251.57
WORKMENS COMPENSATION			-	-	-
LEAVE	660 000.00		706 860.00	757 047.06	810 797.40
ACTING ALLOWANCE	210 398.00		225 336.26	241 335.13	258 469.93
SALGA	83 413.00		89 335.32	95 678.13	102 471.28
PERSONAL FACILITY	-		-	-	-
LGBC	16 220.16		17 371.79	18 605.19	19 926.16
NON-PEN	157 850.00		169 057.35	181 060.42	193 915.71
DISABIL	74 990.41		80 314.73	86 017.07	92 124.29
			-	-	-
	56 192 786.30	7%	60 182 474.13	64 455 429.79	69 031 765.31
ALLOWANCES -MAYOR	675 448.07	0%	675 448.07	1 099 312.17	1 099 312.17
ALLOWANCES -EXCO MEMBERS	309 680.80	0%	309 680.80	699 840.00	699 840.00
ALLOWANCES -COUNCILLORS	5 364 134.27	0%	5 364 134.27	6 086 807.10	6 086 807.10
	6 349 263.14	0%	6 349 263.14	7 885 959.27	7 885 959.27

Accounts Description	Revised Budget Budget 2016/2017	% INCREASE 2016 / 2017 2017 / 2018	Projected Draft Budget 2017/2018	Projected Budget 2018/2019	Projected Budget 2019/2020
ADVERTISING	200 000.00	33%	337 000.00	350 480.00	368 004.00
AUDIT FEES	3 670 000.00	0%	3 784 000.00	3 784 000.00	3 784 000.00
BANK CHARGES	180 000.00	0%	100 000.00	104 000.00	109 200.00
CAREER GUIDANCE	500 000.00	33%	1 000 000.00	1 040 000.00	1 092 000.00
CLEANING	300 000.00	33%	450 000.00	468 000.00	491 400.00
COMMITTEE EXPENSES	600 000.00	0%	1 500 000.00	1 560 000.00	1 638 000.00
CONTRACT SERVICES	10 502 000.00	0%	10 851 800.00	11 285 872.00	8 900 000.00
HIV/AIDS PROGRAMME	300 000.00	33%	500 000.00	520 000.00	546 000.00
ELECTRICITY & WATER	1 000 000.00	0%	799 000.00	830 960.00	872 508.00
SOD TURNINGS	200 000.00	33%	350 000.00	364 000.00	382 200.00
POVERTY ALLEVIATION	500 000.00	0%	2 000 000.00	2 080 000.00	2 184 000.00
PUBLICITY	300 000.00	0.67	500 000.00	520 000.00	546 000.00
IDP PLANNING AND ROADSHOWS	600 000.00	67%	600 000.00	624 000.00	655 200.00
ARTS AND CULTURE	500 000.00	0%	500 000.00	520 000.00	546 000.00
SENIOR CITIZENS	400 000.00	33%	500 000.00	520 000.00	546 000.00
DISASTER MANAGEMENT	730 000.00	33%	700 000.00	728 000.00	764 400.00
GENDER PROGRAMMES	250 000.00	33%	400 000.00	416 000.00	436 800.00
CHILDREN & DISABILITY SUPPORT PROGRAM	250 000.00	33%	400 000.00	416 000.00	436 800.00
YOUTH SUPPORT PROGRAMMES	500 000.00	33%	1 000 000.00	1 040 000.00	1 092 000.00
FINANCIAL SERVICES CONSULTANTS	3 000 000.00	0%	3 000 000.00	3 120 000.00	3 276 000.00
ELECTRIFICATION	20 000 000.00	0%	14 000 000.00	14 560 000.00	15 288 000.00
EPWP	905 030.67	33%	700 000.00	728 000.00	764 400.00
FUEL & OIL	350 000.00	0%	800 000.00	832 000.00	873 600.00
INSURANCE	400 000.00	0%	-	-	-
LEGAL FEES	400 000.00	0%	400 000.00	416 000.00	436 800.00
ANNUAL LICENCE FEES	200 000.00	0%	200 000.00	208 000.00	218 400.00
PRINTING & STATIONERY	750 000.00	-182%	650 000.00	676 000.00	709 800.00
FBE	810 000.00	0%	745 000.00	774 800.00	813 540.00
S & T	500 000.00	0%	650 000.00	676 000.00	709 800.00
SPORTS & RECREATION	402 515.00	0.33	430 000.00	447 200.00	469 560.00
STAFF TRAINING	500 000.00	0%	900 000.00	936 000.00	982 800.00
DEPRECIATION	8 791 667.00	0%	6 800 000.00	7 000 000.00	7 350 000.00
UNIFORMS	600 000.00	8%	600 000.00	624 000.00	655 200.00
FINANCE CHARGES	150 000.00	0%	120 000.00	124 800.00	131 040.00
MEMBERSHIP FEES	50 000.00	33%	150 000.00	156 000.00	163 800.00
CONSUMABLES	100 000.00	33%	155 000.00	161 200.00	169 260.00
EQUIPMENT & SMALL TOOLS	300 000.00	33%	400 000.00	416 000.00	436 800.00
DEBT IMPAIRMENT	2 600 000.00	0%	3 000 000.00	3 120 000.00	3 276 000.00
LED	100 000.00	0%	300 000.00	312 000.00	327 600.00
SOCIAL UPLIFTMENT/ EVENTS	200 000.00	0%	300 000.00	312 000.00	327 600.00
TOWN PLANNING	200 000.00	33%	200 000.00	208 000.00	218 400.00
GENERAL EXPENDITURE	100 000.00	-	120 000.00	124 800.00	131 040.00
					-
	62 891 212.67	-3%	60 891 800.00	63 104 112.00	63 119 952.00
BUILDINGS					
CIVIL & ENGINEERING WORKS					
COMPUTER					
RENOVATION LIBRY					
GENERAL	5 500 000.00	105%	5 000 000.00	5 200 000.00	5 460 000.00
VEHICLES		0%	-	-	-
COMMUNITY HALLS					
	5 500 000.00	-9%	5 000 000.00	5 200 000.00	5 460 000.00
MIG FUNDED AND INTERNALLY GENERATED	27 049 000.00		21 664 000.00	22 697 000.00	23 788 000.00
TOTAL EXPENDITURE	157 982 262.11	(0.05)	154 087 537.27	163 342 501.07	169 285 676.58

EMPLOYEE RELATED COST

The budgeted allocation for employee related costs for the 2017/18 financial year totals R60,182 million, which equals 39 per cent of the total expenditure. The following has been taken into consideration on the determination of Employee related costs:

The increase on Basic salaries of 8% rounded off from (6% plus 1.5 % for CPI) based on the signed three year collective SALGBC agreement which is still applicable during 2017/18 financial year. An annual increase of 7.7 per cent has been included in the two outer years of the MTREF.

The salary increase did not take into account salary disparities yet, salary disparities will be catered for using the demarcation grant and it is the amount R4,566 million. There has been a high staff turnover rate from 2015/2016 emanating from the dissolved municipalities.

The cost associated with the remuneration of councillors is determined by the Minister of Co-Operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998) and it was clearly mention in Circular 86 of the MFMA that was utilised when preparing the 2017/2018 Budget. The most recent proclamation in this regard has been considered in compiling the municipality's budget. It has been budgeted to be R6,349 Million for 2017/2018 financial year.

The total employee related costs including councillors remuneration is budgeted to be 39% of the total expenditure before considering salary disparities. This is a bit higher than the norm range of 25-40% percent as per MFMA Circular No.71 this is the result of Merger and a high volume of municipal employees.

DEBT IMPAIRMENT

The provision of Debt impairment was determined based on an annual collection rate of 70 percent for Property rates and Refuse, 30% for Fines and the Debt Write-off Policy of the Municipality. For the 2017/18 financial year this amount equates to R3,000 million and with the minor increase for the two outer years. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Since 2015/16 Fines revenue for dissolved municipalities has been decreasing and for this Municipality one would expect that Debt impairment expenditure will also decrease, however due to the fact the municipality does not have an Indigent register the municipality has not been able to write off long outstanding debt relating to Consumer debtors. Thus there is a possibility that debt impairment budget includes Debt relating to Indigent customers.

DEPRECIATION

Provision for Depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the asset consumption, the 2016-17 Asset Register is not yet updated hence all the estimates for 2017/18 depreciation are based on the asset register for 2015-16 financial year and the dissolved municipalities Audited Financial Statements. Budget appropriations in this regard total to R6,800 million for the 2017/18 financial year and equates to 4 percent of the total expenditure.

FINANCE CHARGES

The Municipality has budgeted for R 120,000 for finance lease. Municipality is leasing machineries and a provision for Landfill site. Bank Charges have been budgeted for against other expenditure.

Other Material

Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. This group of expenditure has been prioritised to ensure sustainability of the municipality's infrastructure & other community facilities. For 2017/18 the appropriation against this group of expenditure is 3 per cent of operating expenditure (R5, million)

MSCOA

The municipality is sitting at 67% on the implementation of MSCOA as the outcome of this statement the municipal Draft Budget that will be presented to council is MSCOA compliant and the Tables are filled on version 6.1 as per Treasury Circular 86 of the MFMA. The Municipality has budgeted for MSCOA under Financial Consultants line item on the table above. The line item will be adjusted accordingly as it is anticipated that more funding will be required to fully implement this project.

CONTRACTED SERVICES

Contracted services have been identified as a cost saving area for the municipality. As part of the compilation of the 2017/18 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced.

TRANSFERS AND GRANTS

This line item has decreased in 2016-17 from R20,810 to R14,745 in 2017-18, the decrease is the result of the INEP Grant amount that has decreased during this financial year.

OTHER EXPENDITURE

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. A full breakdown has been provided in table above.

4. FREE BASIC SERVICES: BASIC SOCIAL SERVICES PACKAGE

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy, an amount of R745000 is budgeted to provide for this service in the 2017/18 financial year.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.3. FINANCIAL STRATEGY FRAMEWORK

- Big 5 Hlabisa Municipality is a developing and growing municipality striving for service delivery excellence. Therefore many challenges are faced with regards to financial planning and are ever changing due to the dynamic setting of local government
- The priority for the municipality, from the financial perspective is to ensure viability and sustainability of the municipality. The multi-year financial plan and related strategies will therefore need to address a number of key areas in order to achieve this priority. These strategies are detailed below:

1.3.1 REVENUE ENHANCEMENT STRATEGY

- To seek alternative sources of funding;
- Expand income base through implementation of new valuation roll;
- The ability of the community to pay for services;
- Identification and pursuance of government grants;
- Tightening credit control measures and debt collection targets;
- Improve customer relations and promote a culture of payment;
- Realistic revenue estimates;
- The impact of inflation, the municipal cost index and other cost increases; and
- The creation of an environment which enhances growth, development and service delivery.

1.3.2 ASSET MANAGEMENT STRATEGY

- The implementation of a GRAP compliant asset management system;
- Adequate budget provision for asset maintenance over their economic lifespan;

- Maintenance of asset according to an infrastructural asset maintenance plan;
- Maintain a system of internal control of assets to safeguard assets; and
- Ensure all assets owned and/or controlled except specific exclusions are covered by insurance.

1.3.3 FINANCIAL MANAGEMENT STRATEGIES

- To maintain an effective system of expenditure control including procedures for the approval, authorization, withdrawal and payment of funds;
- Preparation of the risk register and application of risk control;
- Implement controls, procedures, policies and by-laws to regulate fair, just and transparent transactions;
- Training and development of senior financial staff to comply with prescribed minimum competency levels;
- Implement GRAP standards as gazette by National Treasury; and
- Prepare annual financial statements timeously and review performance and achievements for past financial years.

1.3.4 OPERATIONAL FINANCING STRATEGIES

- Effective cash flow management to ensure continuous, sufficient and sustainable cash position;
- Enhance budgetary controls and financial reporting;
- Direct available financial resources towards meeting the projects as identified in the IDP; and
- To improve Supply Chain Management processes in line with regulations.

1.3.5 CAPITAL FINANCING STRATEGIES

- Ensure service delivery needs are in line with multi-year financial plan;
- Careful consideration/prioritization on utilizing available resources in line with the IDP;
- Analyse feasibility and impact on operating budget before capital projects are approved;
- Determine affordable limits for borrowing;
- Source external funding in accordance with affordability;
- Improve capital budget spending; and
- Maximizing of infrastructural development through the utilisation of all available resource.

1.3.6 COST-EFFECTIVE STRATEGY

- Invest surplus cash not immediately required at the best available rates;
- Restrict capital and operating expenditure increases in relation to the inflation rate taking into consideration the macro economic growth limit guideline and municipal cost increases.
- To remain as far as possible within the following selected key budget assumptions:
 - ❖ Provision of bad debts of at least
 - ❖ Overall cost escalation to be linked to the average inflation rate;
 - ❖ Tariff increases to be in line with inflation plus municipal growth except when regulated;
 - ❖ Maintenance of assets of at least 6% of total operating expenditure;
 - ❖ Capital cost to be in line with the acceptable norm of 18%;

1.3.7 MEASURABLE PERFORMANCE OBJECTIVES FOR REVENUE

- To maintain the debtors to revenue ratio below 10%;
- To maintain a debtors payment rate of above 90%;
- To ensure that the debtors return remain under 60 days; and

- To keep the capital cost on the Operating Budget less than 18%.

1.4 FINANCIAL MANAGEMENT POLICIES

- The purpose of financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are key budget related policies:

1.4.1 TARIFF POLICY – the policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal System Act, Act 32 of 2000;

Status: Adopted

1.4.2 RATES POLICY – a policy required by the Municipal Property Rates Act, Act 6 of 2004. This policy provides the framework for the determination of rates; this has been implemented with the Municipal Property Rates Act with effect from 1 July 2009. Policy has to be reviewed annually when the draft budget is submitted. **Status: Adopted**

1.4.3 INDIGENT SUPPORT POLICY – The criterion for benefits under this scheme is part of the credit control policy. An indigent is kept up to date in a form of a monthly register and a separate indigent policy has been developed in line with this. The survey forms to qualify for the indigent support must be completed annually. The Municipality may annually as part of its budgetary process, determine the municipal services and levels thereof which will be subsidized in respect of indigent customers in accordance with the national policy but subject to principles of sustainability and affordability. An indigent customer shall automatically be deregistered if an audit or verification concludes that the financial circumstances of the indigent customer have changed to the extent that he/she no longer meets the qualifications. The indigent customer may at any time request deregistration.

Status: Adopted

1.4.4 BUDGET POLICY – The annual budget is the central financial planning document that entails all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The accounting officer confirms the municipal's priorities in the formulation of the draft and the final budget document proposal. A budget, as per S71 of the MFMA, is subject to monthly control and be reported to Council with recommendations of action to be taken to achieve the budget's goals. The budget is also subject to a mid-term review which might result in a revised budget, thereby resulting in the adjustments budget, which is in terms of S28 of the MFMA. Unfinished capital project budgets shall not be carried forward to future fiscal years unless the project expenditure is committed or funded from grant funding, which will require the rolling over of those funds together with the project. This policy set out the principles which must be followed in preparing a Medium-Term Revenue and Expenditure Framework Budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies. **Status: Adopted**

1.4.5 ASSET MANAGEMENT POLICY – the objective of the policy is to prescribe the accounting and administrative procedures relating to property, plant and equipment; **Status: Adopted**

1.4.6 ACCOUNTING POLICY – the policy prescribes the basis of presentation of the Annual Financial Statements in accordance with the Generally Recognized Accounting Practices and Accounting Standards; **Status: Adopted**

1.4.7 SUPPLY CHAIN MANAGEMENT POLICY – this policy is developed in terms of Section 11 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services **Status: Adopted**

- 1.4.8 SUBSISTENCE AND TRAVEL POLICY** – this policy regulates the reimbursement of travelling and subsistence cost to officials and councillors attending official business **Status: Adopted**
- 1.4.9 CREDIT CONTROL AND DEBT COLLECTION POLICY** – this policy provides for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied. **Status: Adopted**
- 1.4.10 INVESTMENT POLICY** – this policy was compiled in accordance with the Municipal Investment Regulation R308 and ensures that cash resources are managed in the most efficient and effective manner possible **Status: Adopted**
- 1.4.11 SHORT-TERM INSURANCE POLICY** – the objective of the policy is to ensure the safeguarding of Council's assets **Status: Adopted**
- 1.4.12. PRINCIPLES AND POLICY ON BORROWINGS-** The purpose of this policy is to ensure that borrowing forms part of the financial management procedures of the Municipality and to ensure that prudent borrowing procedures are applied consistently. **Status: Adopted**

1.5. REVENUE FRAMEWORK

- In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability of every municipality.
- The reality is that we are faced with developmental backlogs and poverty, challenging our revenue generation capacity. The requests always exceed the available funds. This becomes more obvious when compiling the municipality's annual budget
- Municipalities must table a balanced and more credible budget, based on realistic estimation of revenue that is consistent with their budgetary resources and collection experience
- The revenue strategy is a function of key components such as:
 - Growth in town and economic development;
 - Revenue enhancement;
 - Achievement of above 90% annualized collection rate for consumer revenue;
 - National Treasury guidelines;
 - Approval of full cost recovery of specific department;
 - Determining tariff escalation rate by establishing/calculating revenue requirement; and
 - Ensuring ability to extent new services and recovering of costs thereof
- The South African economy is slowly recovering from the economic downturn and it will still take some time for municipal revenues to increase through local economic growth.
- Consequently cash flows are expected to remain under pressure for the 2015/16 financial year and a conservative approach is followed to project expected revenues and cash receipts.

1.6. GRANT FUNDING

- The Division of Revenue Act contains allocations from National and Provincial, which allocations are recognized as government grants and factored as follows over the medium term:
- Government grants forecasted for the 2015/16 financial year reflect an increase of 26% from the 2014/15 financial year.
- The Equitable share allocation to the local sphere of government is an important supplement to existing municipal revenue and takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities
- It is an unconditional grant and allocations are contained in the Division of Revenue Act (DORA)

- The structure and components of the formula are summarized as follows:

$$\text{Grant} = \text{BS} + \text{D} + \text{I} + \text{R} + (-) \text{C}$$
 where:
 BS = Basic Service Component
 D = Development component
 I = Institutional Support Component
 R = Revenue-raising Capacity Correction
 C = Correction and stabilization factor
- A municipality is prioritizing its budget towards poor households and national priorities such as free basic services and the expanded public works programmes
- Operating grants for 2015/2016 comprises 80% of the total government grants forecasted and capital grants 20% of the total government grants.
- Government grants contribute 65 % of the total revenue of the municipality.

1.7 TARIFF SETTING

Big 5-Hlabisa Municipality derives its revenue from the provision of services such refuse removal. A considerable portion of the revenue is also derived from property rates and grants by national governments as well as other minor charges such as traffic fines.

As in the past, increase cost primarily driven by the Consumer Price Index (CPIX), dictates an increase in the tariffs charged to the consumers and the ratepayers. It therefore follows that all the tariffs will have to be increased by a percentage in line with the forecasted CPIX estimated at 5.8% in 2016 financial year and 5.5% and 5.3% for the 2017 and 2018 financial years respectively.

It is realised that the ability of the community to pay for services rendered is also under tremendous pressure and that the economic outlook for the near future require everybody to make sacrifices.

The additional revenue that will be generated through tariff increased has to ensure continued service delivery.

The latest figures released by Stats SA indicate contractions in several spheres of the economy and this confirms that the disposable income of households remain under a lot of strain.

By drastically increasing tariffs on essential commodities, more strain will be added for the already cash stripped resident households.
 Increases beyond the CPIX included in the medium term will only add to bad debt which is already high and a decline in the cash flow.
 It must be kept in mind that household cash flow will definitely be strained by tariff increase of ESKOM

The implementation of the Credit Control and Debt Collection Policy, particularly with regards to the appointment of the Debt Collection Agency will aid in ensuring that the municipality meet the collection rate of 90% and above. It is however envisaged that with the pressure on tariff increases to fund the medium term budget, the payment rate will become under pressure and special attention will have to be paid on managing all revenue and cash streams especially debtors.

The Equitable Share allocation is mainly used to provide free basic services to approximately 337 indigents. Indigent support provided is as follows:

1.8. EXPENDITURE FRAMEWORK

Some of the salient features and best practice methodologies relating to expenditure include the following:

- Asset renewal strategy (infrastructure repairs and maintenance a priority) Balanced budget constraint (expenditure cannot exceed revenue)
- Capital programme aligned to asset renewal strategy

- Operational gains and efficiencies resulting in additional funding capacity on the capital programme as well as direction of funding to other critical areas, and
- Strict principle of no project plan (business plan) no budget allocation (funding allocation)

- 1.8.1 In terms of the projections for the 2015/16 financial year, indicative salary increase is 5.8% per annum
- 1.8.2 The total employee related costs is 30% of operating expenditure.
- 1.8.3 The cost associated with the remuneration of councillors is determined and informed directly by way of the Remuneration of Public Office Bearers Act 1998 (Act No. 20 of 1998)
- 1.8.4 Aligned to the best practice methodology of preserving and maintaining current infrastructure, the expenditure framework has essentially catered for infrastructure maintenance
- 1.8.5 Repairs and maintenance budget in future years should be given a priority but the challenge is maintenance plan that is not available
- 1.8.6 Expenditure Framework in Major sources

1.9 CAPITAL REQUIREMENTS & FUNDING

- 1.9.1 The above figures are based on the projects identified through the IDP process project phase and reflect estimated amounts based on the availability of funding. It is clear that other projects do not have funding hence only funded projects are listed in the above
- 1.9.2 It is imperative that capital budgets are prioritized to reflect consistent efforts to address backlogs in basic services and the refurbishment and expanding of existing infrastructure.
- 1.9.3 It is important to realize that these figures are only indicative of the different services and may vary as priorities change.
- 1.9.4 From the above it is clear that for the next three years many challenges lie ahead to appropriate capital expenditure towards available sources of funding and to obtain alternative funding sources to address the needs as identified in the IDP.
- 1.9.5 In terms of infrastructure development and to reach the government service delivery targets, 85% of the capital programmes has been allocated for this purpose.
- 1.9.6 The projected sources of funding over the medium term have been carefully considered

INTERNALLY FUNDED CAPITAL PROJECTS

Details	Ward	Funding		2017/18	2018/19	2019/20
Mgwenya Community Hall	2	MIG				
Mangoba Community Hall	3	MIG		3 m		
Nqutshini Community Hall	4	MIG				
Phumlani upgrade of gravel road to Black top	5	MIG/COGTA		8 m/10 m		
Ncwabakazi Sports Field	6	MIG		1,5 m		
Eziphuthwini Comm Hall	6	MIG		3m		
Mdulwini to Makhowe road	7	MIG				
Jabhisa Sports field	7	MIG		1,5 m		
Nkositini Road	8	MIG				
Zibayeni Sports field	9	MIG		3m		
Mgangatho Paypoint	10	MIG				
Osakweni road	11	MIG				
Hlabisa Taxi rank	12	COGTA		15m		
Madondo Community Hall	13	MIG		3m		
Bhekani Market Stalls	1	MIG				
Mphakathini Community Hall	2	MIG				
Mahongoza Community Hall	3	MIG				
Ezimpondweni Community Hall	4	MIG				
Hluhluwe Town Market Stalls	5	MIG				
Gabadela Sports field	6	MIG				
Chwakeme to Shobede road	7	MIG				
Mpelenyane Road	8	MIG				
Mansiya Community Hall	9	MIG				
Ntabenkomo Sportsfield	10	MIG				
Mathunzini to Ngoqonga road	11	MIG				
Hlabisa Sports Complex	12	MIG				
Mahongoza Community Hall	3	MIG				
Ngebeza Stadium	13					
Makhasa blacktop 3km	2	MIG				
Skwakwane sportsfield	3	MIG				
Nibela road/Qomukuphila road	4	MIG				
Siluba road	6	MIG				

Details	Ward	Funding		2017/18	2018/19	2019/20
Mganwini to Mabheshwini Road	7	MIG				
Esikhaleni to Chemane Road	8	MIG				
Nkonjane to Gqamu Road	9	MIG				
Gazu station through Zangomfe to KwaVezi road	10	MIG				
Vumbe Bridge	11	MIG				
Khalokazi road	13	MIG				
Makhowa and Various wards		Department of Energy	450			
Mduku phase 3			520			
Irelands in Various wards			382			
			Budgeted Funding	20,000,000	9,000,000	12,000,000

PROJECT BY UMKHANYAKUDE DISTRICT MUNICIPALITY

Project Name	Category	2016/17	2017/18	2018/19
Refurbishment of Hluhluwe WWTW	Sanitation	10 448 642	R0,00	R0,00
Hlabisa Mandlakazi	Water	15 000 000	11 579 817.78	R0,00
Hluhluwe Phase 1 Upgrade	Water	2 000 000	4 946 784.00	R0,00
Augmentation of Hluhluwe Waste Water Treatment Works and New Sewer Network	Sanitation	R0,00	25 000 000	30 000 000
Refurbishment of Hluhluwe WWTW	Sanitation	R600 000	R0.00	R0.000

DROUGHT RELIEF PROGRAMME

PROJECT DESCRIPTION	APPROVED BUDGET	PROGRESS	TARGET NO OF HOUSEHOLDS TO BE SERVED
Hluhluwe Phase 2 Upgrade Upgrading the Hluhluwe phase 2 WTW from a 1.8ML/d to a 3.8ML/d package treatment plant,	13,177,327	Construction - 60%. Expected end date 30 May 2016	5250
Borehole Drilling		Hlabisa : Drilling complete -25/25 successful boreholes drilled, 4/25 dry. Big 5: (4/4 boreholes) completed. 3 are equipped and commissioned	

PROGRAMS/SECTOR PLANS

	PROJECT/PROGRAM NAME	LOCATION	BUDGET	TIMEFRAME
1.	Housing Sector Plan	N/A	R 500 000	
2.	LED Strategy	N/A	R 500 000	
3.	Integrated Waste Management Plan	N/A	R 1000 000	
4.	Road Storm Water Master Plan	N/A	R 1000 000	
5.	Electricity Master Plan	N/A	R 500 000	
6.	Spatial Development Framework	N/A		
7.	Baseline Study	N/A	R 500 000	
8.	HIV/AIDS Programme		R 300 000	
9.	Operation Sukuma Sakhe		R 250 000	
10.	Gender Disability Programme		R 300 000	
11.	Children and Elderly Programme		R 300 000	

	PROJECT/PROGRAM NAME	LOCATION	BUDGET	TIMEFRAME
12.	Youth Development Programme		R 400 000	
13.	Public Participation		R 500 00	
14.	Sports Development Programmes		R 400 000	
15.	Arts, Culture and Recreation		R 300 000	
16.	Disability Development Programme		R 300 000	

SECTOR DEPARTMENTAL PROJECTS WITHIN BIG 5 HLABISA LM

PROJECTS BY DEPARTMENT OF HUMAN SETTLEMENT

Project Name	Project Type	No. Of Units	Project Milestone	Budget 2017/18 Stage 1	Budget 2017/18 Stage 2
Mnqobokazi Phase 2	Rural	1300	Construction	TBC	TBC
Phumlani Phase 3	ISU	500	Planning	TBC	TBC
Makhasa Phase 2	Rural	1700	Construction	TBC	TBC
Malabela	Rural	2402	Feasibility	TBC	TBC
Tin Town Slum Clearance	ISU	2160	Feasibility	TBC	TBC
Giba	Rural	1100	Feasibility	TBC	TBC
Hluhluwe Phase 1	IRDP	190	Completed	TBC	TBC
Hluhluwe Phase 2	IRDP	530	Completed	TBC	TBC
Makhasa Phase 1	Rural	1000	Completed	TBC	TBC
Mnqobokazi Phase 1	Rural	1000	Completed	TBC	TBC
Nibela	Rural	800	Construction	TBC	TBC
Hlabisa Phase 2	Rural	1000	Feasibility	TBC	TBC
Mdletshe Phase 2	Rural	2500	Planning	TBC	TBC

Project Name	Project Type	No. Of Units	Project Milestone	Budget 2017/18 Stage 1	Budget 2017/18 Stage 2
Mpembeni Phase 2	Rural	1000	Construction	TBC	TBC
Mdletshe Phase 1	Rural	1000	Construction	TBC	TBC
Hlabisa Phase 1	Rural	1000	Completed	TBC	TBC
Mpembeni Phase 1	Rural	976	Completed	TBC	TBC

1.11. CONCLUSION

- 1.11.1 The continued improvement and development of an effective financial planning process aids the actualization of fulfilling its facilitating role to capacitate the community to build a prosperous future for all.
- 1.11.2 The Financial planning imperatives contribute to ensuring that the Municipality remains financially viable and that municipal services are provided economically to all communities.
- 1.11.3 The Multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation.
- 1.11.4 The strategy towards cash backing will certainly ensure the sustainability of the Municipality over the medium-to long-term.
- 1.11.5 The Municipality is currently fully reliant on grant funding to address the huge backlog in infrastructure. It is not possible at this point in time to take up further loans due to the high level of outstanding debtors. This then also impacts on the Council's ability to address revenue allocation for previously un-serviced areas from internal revenue.

AUDIT ACTION PLAN 2016/17 FINANCIAL YEAR

Par.	Finding	Root Cause	Planned Management Activity	Target Date	Means of verification	Responsible Person
MATTERS ON AUDIT REPORT- ANNEXURE A						
1.	Presented prior year amounts for expenditure not comparable.	Accurate financial statements are not prepared and reviewed.	Management will ensure that the AFS are reviewed by the Internal Auditors and the Audit Committee before they are submitted for audit. Interim AFS to be prepared	31/08/2017 31/03/2017	<ul style="list-style-type: none"> - Comments by Internal Audit. - Comments by Audit Committee. - Interim AFS 	Chief Financial Officer
2.	The Statement of changes in net assets not compiled appropriately.	Managed did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Management will ensure that the AFS are reviewed by the Internal Auditors and the Audit Committee before they are submitted for audit.	31/07/2017	<ul style="list-style-type: none"> - Comments by Internal Audit. - Comments by Audit Committee. - Minutes from meetings 	Chief Financial Officer
3.	Irregular expenditure understated and information not provided for audit.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	<p>To develop and implement a check list to prevent UIFWE.</p> <p>Identified UIFWE will be reported to council from time to time for consideration.</p> <p>2015/16 UIFWE register will be updated from time to time. The updated register will be tabled to Council adoption. And be submitted to the relevant stakeholders as required by legislation</p>	<p>31 January 2018</p> <p>Quarterly</p> <p>28 February 2017</p>	<ul style="list-style-type: none"> - Check List on all vouchers - Council Resolutions - Proof of submission of the UIFWE register to all stakeholders as required 	Chief Financial Officer/SCM Manager
4.	Unauthorised, irregular and fruitless and wasteful expenditure not prevented	Management did not review and monitor compliance with applicable laws and regulations.	To develop and implement a check list to prevent UIFWE.	On all vouchers	<ul style="list-style-type: none"> - Check List on all vouchers 	Chief Financial Officer/SCM Manager

5.	Non-compliance with MFMA – no investigations and reporting of unauthorised, irregular and fruitless and wasteful expenditure	Sufficient monitoring controls were not in place to ensure that municipality complies with all applicable laws and regulations.	Identified UIFWE will be reported to council from time to time for consideration, and ensure that investigations are done.	Monthly	- Investigation Report	MM/Chief Financial Officer
6.	Annual report made public more than seven days after it was adopted	Management did not review and monitor compliance with regulations regarding performance management.	Management will ensure that the Annual Report is published within seven days after adoption by council.	31/03/2017	- Council Resolution - Advert	PMS
7.	Mid-year performance assessments were not done within the required timeframe	Management should put processes in place to ensure evidence is available to prove that the municipality has complied with the relevant laws and regulations.	Management will ensure that the Mid-year Performance Report is done timeously.	25/01/2017	Proof of submission to the relevant stakeholders	Chief Financial Officer
8.	Measures taken to improve performance not included in the APR	Sufficient monitoring controls were not in place to ensure that municipality complies with all applicable laws and regulations.	Management will ensure that measures are in place , this will undertaken through monthly PMS Report	28 February 2017	Monthly performance Report submission to MM	PMS
9.	Inconsistency between planned targets in the revised SDBIP and reported targets in the APR	There must be detailed reviews of all performance reports from monthly, quarterly to annual performance report for consistency with the SDBIP and IDP; any inconsistencies identified during the monthly, quarterly and annual reviews must	SDIBIP will be reviewed to ensure consistency	28 February	Signed and Revised SBDIP	PMS

		be used to correct annual performance report.				
10.	Reported targets not valid, accurate and complete	Performance reports are not sufficiently reviewed to ensure that targets reported are valid, accurate and complete.	Management will review SDBIP to ensure that target are accurate ,valid and complete	28 February 2017	Revised SDBIP	PMS
11.	Evidence for the following targets reported in the annual performance report was not provided for audit purposes.	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support performance reporting.	PMS works hoped all secretaries on record keeping (POE 's) further training will be undertaken	31 March 2017	PMS Training Report	PMS
12.	Assets could not be physically verified	Management did not effectively and adequately monitor fixed assets systems.	Verification will be done	Quarterly	- Signed Inventory Sheet	Asset Manager
13.	PPE items not capitalised and recorded onto the GL with related depreciation	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Management will ensure review of interim financial statement to ensure that PPE is accurate and supported.	31/03/2017	- A complete Asset File. - Interim AFS - Comments from Audit Committee and Internal Auditors.	CFO
14.	Vat on invoices not posted in the general ledger	Management did not prepare regular, accurate and complete financial reports that are supported and	Management will ensure the all invoice capturing is meticulously reviewed before posting .	01/01/2017	- Accounts Payable Batch	Chief Financial Officer

		evidenced by reliable information.				
15.	Amounts in the TB do not reconcile to the amounts in the financial statements	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Management will ensure that the AFS are reviewed by the Internal Auditors and the Audit Committee before they are submitted for audit. Interim AFS to be prepared	31/08/2017 31/03/2017	<ul style="list-style-type: none"> - Comments by Internal Audit. - Comments by Audit Committee. Interim AFS 	Chief Financial Officer
16.	Acting allowances overpaid	Incorrect application of the Collective agreement by the municipal personnel, thus management did not review and monitor compliance with applicable laws and regulations	Management will ensure adherence to the content of the Collective Agreement and the approved municipal Acting Allowance Policy.	Ongoing	<ul style="list-style-type: none"> - Paid acting allowance. 	Director Cooperate Services
17.	Over payment of benefits due and salary payment after termination	There is a lack of co-ordination between the Human Resources department and the Payroll office.	Management will enhance the co-ordination between the Human Resources department and the payroll office.	Ongoing	<ul style="list-style-type: none"> - No overpayment payment of salaries after termination. 	Director Cooperate Services
18.	MFMA s70 (2)- Net Overdraft position	Management did not review and monitor compliance with applicable laws and regulations.	Management will make sure that the municipality is in a sound financial position at all time.	Ongoing	<ul style="list-style-type: none"> - Cash and the bank plus value of assets to be greater than the liabilities. 	Chief Financial Officer
19.	Municipal bank account not administered by the accounting officer	Management did not review and monitor compliance with applicable laws and	Management will ensure that the municipal bank account is administered by the Accounting Officer.	Ongoing	<ul style="list-style-type: none"> - Screen short of accounts signatories and proof of payment. 	MM

		regulations.				
20.	Invoices with no Vat registration number for Big 5 False Bay Municipality	Management did not perform proper reviews to ensure that tax invoices submitted by the Suppliers to the Municipality are tax compliant.	Management will ensure that the Invoice compliance check list is in place and is implemented.	Ongoing	- Check list in the voucher.	Chief Financial Officer
21.	Overpayment of councillors salaries and allowances	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Fully implementation of the upper limits for councilors.	Ongoing	- Councilors salaries	Chief Financial Officer
22.	Employment contract not available	There is a lack of oversight in the human resources management department.	Management will ensure that all the required documents are in the employees files.	Ongoing	- Employee File	Director Cooperate Services
23.	Third party payments were not made on a timely basis	Management did not review and monitor compliance with applicable laws and regulations.	Management will ensure that third party payments are paid not later than 7th day of the following month.	Ongoing	- Payment Voucher	Chief Financial Officer
24.	No Employee approval for deductions effected	Management did not review and monitor compliance with applicable laws and regulations.	Management will ensure that there are no deductions without the approval of the employee unless it is a court order or collective agreement.	Ongoing	- Supporting documentation for each deduction.	Director Cooperate Services
25.	MEC Approval for acting more than three months not provided	Management did not review and monitor compliance with applicable laws and regulations.	Management will ensure compliance in relation to acting period for senior managers.	Ongoing	- Acting Period	Director Cooperate Services
26.	Suppliers not paid within 30 days of	Management did not	Management will have two pay run	Ongoing	- Age Creditors	Chief Financial

	receipt of invoice	review and monitor compliance with applicable laws and regulations.	on 15 th on the 30 th each.			Officer
27.	Conditional grants not cash backed	Management did not review and monitor compliance with applicable laws and regulations.	The conditional grant will ring-fenced	Ongoing	- Grants register	Chief Financial Officer
28.	Awards were made to persons whose owners or partners are in the service of the state	Management did not review and monitor compliance with applicable laws and regulations.	Management will make sure that the all employees sign declaration form	Yearly	- Declaration Form	Chief Financial Officer
29.	Payment voucher and declaration of interest not provided for supplier in service of the state	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting	Management will develop the SCM check list to ensure the elimination of suppliers without declarations	1 February 2017	- SCM Checklist	SCM Manager
30.	Contracts not properly managed	Management did not review and monitor compliance with applicable laws and regulations.	Management will develop a monthly Project Reconciliation document to ensure that the amount paid for each project does not exceed the Project Amount.	Monthly	- Project Reconciliation	Chief Financial Officer
31.	Non-compliance with MFMA circular 13	Management did not review and monitor compliance with regulations regarding performance management.	The municipality will extend compliance checklist which will include all laws and regulations that apply to the municipality.	31 March 2017	- Reviewed Compliance checklist approved by MANCO	Chief Financial Officer
32.	Inconsistency between planned indicators in the revised SDBIP and reported indicators in the APR	There are no sufficient reviews of performance reports	Suffinseny SDIPB reviewed will be undertaken by PMS and MM	28 February 2017	Revised SDBIP	PMS

		(monthly, quarterly bi-annual and annual reports) to ensure that there are consistent with the service delivery budget implementation plan and the integrated development plan.				
33.	Indicators per the revised SDBIP not well defined and measurable	Indicators and targets in the APR report and were not prepared in a manner that met all the criteria for usefulness.	SDBIP will be reviewed to ensure SMART principles	28 February 2017	Revised SDBIP	PMS
34.	Consultants: No Gap/ needs analysis	Prior to consultants being invited to submit bids or proposals, a full GAP/ needs assessments should be performed.	Management will ensure that a need assessment is done before employing the service of a consultant	Annually	- Need Assessment Report	SCM Manager
35.	Consultants: Management reviews	Management did not implement effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored. Management also did not establish and communicate policies and procedures to enable and support the execution of internal control objectives, processes	<p>Management will ensure that a Skills Audit is done annually</p> <p>Management will ensure that the employees are capacitated I their line of work.</p> <p>Management will ensure that a need assessment is done before employing the service of a consultant</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>- Skills Audit Form</p> <p>- Training</p> <p>- Need Assessment Form</p>	Director Corporate Services

		and responsibilities.				
36.	Consultants: Transfer of skills	The accounting officer has not performed an adequate assessment of the requirements of the SCM policy and the SCM guide to ensure compliance.	Management will ensure that a skill transfer is included on all SLA entered to the municipality.	Ongoing	- SLA	Legal Services
37.	Consultants: No penalty clause	Management did not understand the risk associated with the contract/ SLA not including a penalty clause in cases of non or poor performance.	Management will ensure that all Contracts entered in to by the municipality are reviewed and include penalty clause by the legal department.	Ongoing	- Contracts - SLA	Legal Services
38.	Consultants: limitation	A system to ensure that documentation was filed and records were maintained was not in place.	Management will ensure that all requested information is provided for audit.	Ongoing	- Audit Request	Chief Financial Officer
39.	Road infrastructure – Maintenance and renewals of roads	Management did not exercise adequate oversight responsibility to ensure that policies, plans and systems governing the effective service delivery responsibilities were in place, approved and implemented.				
40.	Service level agreements not monitored by IT Management	The responsibility for the monitoring of services provided was not delegated to a specific individual due to the lack of capacity	Management will make sure that there is a person responsible for monitoring the Service Level Agreement.	31/08/2016	- Service Provider Assessment Form	Chief Finance Officer

		and expertise to perform IT-related functions.				
41.	No designated information security official	The Director Corporate Services did not implement effective HR management to ensure that adequate and sufficiently skilled resources are in place.	Management will make sure that the Information Security Officer is appointed.	31/08/2016	- Appointment Letter	Communications Manager
42.	No process in place to ensure up-to-date security of all systems software	The responsibility for the patch management process was not delegated to a specific individual.	Management will ensure the delegation of the patch management process.	31/08/2016	- Patch Management Security Form	Communications Manager
43.	No processes are in place to ensure that users' access and privileges on all financial systems would periodically be review	No formalised policies and procedures to provide guidance on the processes to be followed.	Management will make sure that the User Access Policy is in place.	31/08/2016	- Approved Policy - Council Resolution	Communications Manager
44.	No processes in place for the independent reviews of activities of the person responsible for granting users access to the system	No formalised policies and procedures to provide guidance on the processes to be followed.	Management will make sure that the User Access Policy is in place.	31/08/2016	- Approved Policy - Council Resolution	Communications Manager
45.	No formally documented and approved processes in place to manage upgrades	The entity did not have the required skills to develop the change management security policy due to vacancies with the IT department.	Management will ensure that the Change Management Security Policy is in place and is implemented. Management will make sure that the IT position is field.	31/08/2016	- Council Resolution - Patch Management Form - Appointment letter	Communications Manager
46.	Vendor access to VIP is not monitored	There are insufficient skills within the IT	Management will make sure that the Vendor sign the User Access Form	Ongoing	- User Access Form	Communications Manger

		department to monitor the vendors.	before using the system.			
47.	IT Policies not reviewed and approved by council	Leadership did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	Management will ensure that the IT policies are reviewed and adopted	Annually	- Council Resolution	Communications Manager
48.	Expenditure paid more than 30 days from receipt of invoice	Management did not review and monitor compliance with applicable laws and regulations.	Management will ensure the systematic process of receiving invoices to ensure monitoring of creditors. The following will be regularly maintained: - Invoice register - Monthly supplier reconciliation - Weekly review of creditors age analysis	1 February 2017 ongoing	- Invoice Register - Monthly supplier reconciliations Proof of weekly reviews of age analysis	Chief Financial Officer
49.	Transactions not procured through inviting quotations from at least 3 different providers and tax clearance certificates not obtained	Procurement of goods and services are not made in accordance with Supply Chain Management regulations.	Management will develop a comprehensive SCM checklist for all procurement made within the municipality	1 February 2017	- SCM Checklist	SCM Manager
50.	Mid-year budget and performance assessment was not performed by the accounting officer.	Management did not review and monitor compliance with applicable laws and regulations.	Mid- year and budget assessment will be conducted Municipal Manager	31 January 2017	Mid- year budget and performance	PMS
51.	Current year performance results are not compared to prior year as per MSA requirements.	Management did not review and monitor compliance with applicable laws and regulations.	Comparison will be undertaken prior year	28 February 2017	Mid-Year Report and APR	PMS
52.	Inconsistency of objectives in the IDP,	Management did not	IDP, Annual Performance Report	31 March 2017	Draft IDP , SDBIP and	PMS

	SDBIP and Annual Performance Report	review and monitor compliance with applicable laws and regulations.	SDBIP will be reviewed		APR	
53.	Reported targets not accurate for basic service delivery	Accurate reports on predetermined objectives are not prepared and properly reviewed.	Reports will be prepared to ensure accurate and will be verified with POE	28 February 2017	Quarterly Reports	PMS
54.	No standard operating procedures and internal controls for the development objectives and no information provided for LED priority	There is a lack of involvement by senior management in planning, implementation and reporting of development objectives.	Standard operating procedures will developed	30 June 2017	Standard operating procedures manual	PMS
55.	Performance indicator not well defined and verifiable	Accurate reports on predetermined objectives are not prepared and properly reviewed.	Report will be prepared to ensure accuracy	On-going	Quarterly Reports	PMS
56.	Inaccurate bonus amount paid to employee	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Management will ensure that once bonuses are calculated a great deal of cross checking is done to eliminate errors.	On going	- Bonus payments	Chief Financial Officer
57.	Incorrect classification of subsistence and travel	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Management will ensure reviews for classification	Monthly	- GL Review	Chief Financial Officer

58.	Assets not in the FAR	Fixed asset counts are not regularly performed and discrepancies investigated and resolved on a timely basis.	Management will ensure that Asset Count is done on quarterly basis	Quarterly	- Signed Inventory Sheet	Chief Financial Officer
59.	Understatement of expenditure - creditors paid with no initial invoice raised	Management did not prepare regular, accurate and complete financial that are supported and evidenced by reliable information.	Management will ensure that monthly review of Age Creditors	Monthly	- Creditors Reconciliation	Chief Financial Officer
60.	Expenditure incurred not within limits of approved budget	Management did not ensure that expenditure incurred is within the limits as per the budget.	Management will ensure that monthly reconciliations are performed	Monthly	- Supplier Reconciliation	Chief Financial Officer
61.	VAT not properly reconciled to VAT 201s	Lack of independent review of the VAT reconciliations and VAT transactions by an independent senior personnel. The municipality is relying more on the work of the consultant and no effort is made to ensure that the amounts provided by the consultant are valid and accurate.	Management will ensure the all VAT 201 are meticulously reviewed before submission.	Monthly	- Proof of review on each VAT 201 submitted.	Chief Financial Officer
62.	Limitation of scope	There is a lack of implementation of proper record keeping in a timely manner to	Management will ensure timeous provision of required information.	Ongoing	- Registry Records	Chief Records Officer

		ensure that complete, relevant and accurate information is accessible and available to support both financial and performance reported information.				
63.	No evidence of performance review performed on the objectives	Management did not review and monitor compliance with applicable laws and regulations.	Performance reviewed will be undertaken	28 February 2017	Mid- year performance report	PMS
64.	Targets not included in the mid-year budget and performance report	Management did not review and monitor compliance with applicable laws and regulations.	Management will reviewed reports	28 February 2017	Mid -year and performance report	PMS
65.	Consultants policy	Management did not establish and communicate policies and procedures to enable and support the execution of internal control objectives, processes and responsibilities.	Management will ensure that a Consultants Policy is developed and implemented.	31/01/2017	- Consultants Policy	Chief Financial Officer
66.	Staff using personal emails for work purposes	Approved user access policies and procedures had not been established to ensure that sufficient IT internal controls would be implemented.	Management will ensure that all employees have work emails.	31/01/2017	- Email Account	MM
67.	Non-compliance with User Access Account Management Procedures	Insufficient controls around the granting of access rights to the	Management will ensure that the User Access policy is adopted.	31/08/2017	- Council resolution - Access	Communication Manager

		system.	Fully implemented of the policy.		request forms.	
68.	No reviews of activities of the person responsible for granting users access to systems	No formalised policies and procedures to provide guidance on the processes to be followed.	Management will ensure that the User Access policy is adopted. Fully implemented of the policy.	31/08/2017 Ongoing	- Council resolution - Access request forms.	Communication Manager
69.	Backups are not verified and checked for successful completion	Backup and restoration policies and procedures have not been implemented to ensure that sufficient IT internal controls are in place.	Management will make sure that backups are verified and checked.	Daily	- Backup report	Communication Manager
70.	User Access Management	IT Policies and procedures are not being implemented.	Management will ensure that the approved IT Policies are fully implemented.	31/01/2017	User access form	Communications Manager

SECTION G: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2017/2018(SDBIP)

Introduction

The Service Delivery and Budget Implementation Plan (SDBIP) is prepared in terms of the Municipal Finance Management Act (MFMA), section 53. The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA. The budget gives effect to the strategic priorities of the municipality and is not a management or implementation plan. The SDBIP therefore serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of-year targets and implementing the budget.

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality.

The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships, service contracts and the like.

SECTION H: ORGANISATIONAL SCORECARD 2017/2018