



# MANDENI LOCAL MUNICIPALITY

---

**INTEGRATED  
DEVELOPMENT  
PLAN**

Final 2023/2024 Review

## **WE ARE PLEASED TO PRESENT THE MANDENI MUNICIPALITY INTEGRATED DEVELOPMENT PLAN & BUDGET FOR 2023/2024 REVIEW.**

The preparation of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000. An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore, it seeks to facilitate strategic decisions on issues of Municipal budgets, Land Use Management Systems, Local Economic Development and Institutional transformation in a consultative and systematic manner.

The report focuses on the financial and operational plans for 2023/2024, documenting our milestones against the 2022/2023 performance and our progress against our Five-Year Delivery Plan 2021/22-2026/27. This report includes a shot of our performance and an overview of our outlook for the future, including our plans to ensure the delivery of services to our people. Further reflecting on Council's commitment to social, economic, environmental and sound governance principles that are important to our community.

It is worth mentioning that the Municipality would never achieve this alone hence strives to maintaining strong relationships with state agencies, businesses and key stakeholders, to plan and shape the Municipal future. Thus, remaining focus during 2023/2024 will be the primary objective.

### **Readership**

This report is intended to provide important information to a broad range of stakeholders including Mandeni residents and ratepayers, local businesses, non-government organizations, our partners and other government departments and agencies. It also provides information on how well we have performed over the year and what to expect in the coming year.

Accessing this Report

This report is available on the Municipal Website at

[www.mandenimunicipality.gov.za.2023IDP](http://www.mandenimunicipality.gov.za.2023IDP)

You can also access copies of this document report at our Civic Centre located in 2 Kingfisher Road, Mandeni, or any of our five libraries.

Tell us what you think

### **Telephone**

Call the Manager IDP and Planning on 032 456 8200.

**Or**

### **Post**

P.O. Box 144,  
Mandeni  
4490.

For the Attention of Municipal Manager

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## List of Abbreviations

- BEE Black Economic Empowerment
- B2B Back-to-Basics Approach
- CBD Central Business District
- CIF Capital Investment Framework
- COGTA Co-operative Governance and Traditional Affairs
- DAFF Department of Agriculture, Forestry, and Fisheries
- DBSA Development Bank of South Africa
- DEA Department of Environmental Affairs
- DGDP District Growth and Development Plan
- DGDS District Growth and Development Summit
- DMC Disaster Management Centre
- DMR Department of Mineral Resources
- DOE Department of Education
- DOHS Department of Human Settlements
- DOT Department of Transport
- DWS Department of Water and Sanitation
- ECD Early Childhood Development
- EDTEA Department of Economic Development, Tourism, and Environmental Affairs
- EIA Environmental Impact Assessment
- EMP Environmental Management Plan
- EPWP Expanded Public Works Program
- EXCO Executive Committee
- FY Financial Year
- GE Gender Equity
- GIS Geographical Information System
- HIV/AIDS Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
- ICLEI International Council for Local Environment Initiatives
- ICROP Integrated Community Relief Outreach Program
- ICT Information Communication Technology
- IDP Integrated Development Plan
- IRSDP iLembe Regional Spatial Development Plan
- IWMP Integrated Waste Management Plan
- KPA Key Performance Area
- KPI Key Performance Indicator
- KZN KwaZulu-Natal
- LED Local Economic Development
- LM Local Municipality



Thugefa Mouth, Ilembe



## **MAYOR'S FOREWORD**

His Worship, the Mayor

**CLLR. TP MDLALOSE**

“We will make 2023/2024 a year of prosperity and timeous service delivery”

Mandeni Municipality has committed 2023 to a robust community engagement and economic development for our residents. It is a pleasure to once again have the opportunity to share with you the progress of our Municipality, as well as the future projects that we wish to implement this year. Our council is committed to ensuring that the lives of our community members are enriched and that poverty alleviation remains one of our major mandates.

Infrastructure development remains high on our municipal agenda in the upcoming financial year, we are also committed to uplifting the livelihood of our youths through supporting various sporting codes, small businesses and youth led organizations.

We want to ensure that all of our people are empowered enough to become financially independent.

In 2023 we will ensure that most of our people find employment through attracting various corporations to come forth and create job opportunities.

We will continue awarding our Matric High Achievers, Schools, teachers and students alike.

We call upon our people to keep abreast with everything that our municipality has to offer, protect all infrastructure and refrain from associating with groups that seek to undermine the good work put in. Let us all work together to move Mandeni forward.

Let's join forces and advance the dream of making Mandeni better.

**Cllr. T.P Mdlalose**

**His Worship the Mayor**



## MESSAGE FROM MUNICIPAL MANAGER

Firstly, I would like to thank the staff, councilors, members of the communities and stakeholders for the support and commitment shown in the 2022/23 financial year.

In the 2022/23 financial year, the Municipality achieved a number of service delivery goals as well as an increase in performance and financial management of our municipality. We have sustained unqualified audit with matters, though our intention is to achieve unqualified audit opinion without matters. In the previous financial year, the municipality acquired the same audit opinion.

The municipality had encountered the challenges caused by KZN floods during the 2021/22 FY leading to damage to infrastructure such as housing, roads and bridges. This affected Mandeni Municipality's operations and the Municipality had to reprioritize the 2022/2023 budget in order to assist the affected communities.

The strategic planning session with our council has resulted in a service delivery plan which is already being implemented in all 18 wards in Mandeni. The plan is not an overnight fix but a short, medium and long term to ensure that all communities within the Mandeni Municipal area have basic essential services.

Establishment of the Mandeni Municipality is as a category B Municipality. This is a municipality that shares municipal executive and legislative authority in its area.

The municipal overall performance as a result of these challenges remained satisfactory but all efforts shall be put in place to ensure that there is improved level and quality of service delivery to the Community with high level of speed.

**Mr. SG KHUZWAYO**

**MUNICIPAL MANAGER**

## **A. Our Profile:**

Mandeni Local Municipality (formerly eNdongakusuka Local Municipality) is an administrative area in the iLembe District of KwaZulu-Natal in South Africa. Manufacturing, elementary work and plant and machine work are the highest non-farming categories of labor. Mandeni includes substantial areas of commercial agriculture, with the bulk of these areas under sugar-cane. Agriculture is the main employment sector in the area. Tourism industry in Mandeni is also observable at the Tugela Mouth area. The history of the area cannot be divorced from the tourism potential.

Mandeni Suburb and the Sundumbili Township are the only major urban centers in Mandeni Municipality. The town functions as a service center for the whole of Mandeni Local Municipality, and beyond the eNdulinde Hills (the south-eastern part of uMlalazi Municipality). It is approximately 5km from the N2 and situated along the MR 102, which runs parallel to the N2, forming a secondary corridor in this regard. There are no substantially-developed service centers in the traditional council areas. Informal settlements with limited to no facilities or infrastructural services occur on the periphery of the developed areas, and within the iSithebe Industrial Area and Sundumbili Township. There is less development taking place in the periphery of the well-established Sundumbili Township, and Mathonsi Traditional Council area eastwards of the hinterland.

The iSithebe Industrial Estate is one of the main industrial areas / nodes within the iLembe District offering cost-effective production space, with import and export commodities outside this region. The SAPPI Tugela Mill and the iSithebe Industrial Estate (iSithebe) provide opportunities to grow, and attract large-scale manufacturing and heavy industry to Mandeni Municipality. While iSithebe is an important heavy industrial development area, Mandeni Municipality is strongly committed to developing its character as an area of scenic beauty and strong developmental contrasts. As a potential and growing tourist destination, this will enhance its visual and aesthetic appeal. The municipality aims to improve physical and functional integration, by establishing a functional town center. Mandeni Municipality aims to increase the economic efficiency of the municipal area and promote investor confidence, thereby attracting more development to the area.

## **B. Our History**

Great battles have been fought by the Zulus against the British in this area through the involvement of King Cetshwayo. The area was one of the most important agricultural areas of the Kingdom of KwaZulu since the reigns of Kings Malandela, Jama, Senzangakhona, Shaka, Dingane and Mpande. During the reigns of Kings Shaka and Dingane, the eNdongakusuka area formed part of the area regarded as Prince Mpande's sphere of influence. He had his house kwaMfemfeeGcotsheni in Ndulinde, which is where Prince Shingana was born and buried in 1911.

Mandeni Local Municipality functions as an important service centre for a substantial rural hinterland which lies to the west beyond the eNdulinde Hills. Mandeni Local Municipality is made out of 18 Wards. There are four Traditional Authorities namely, iNkosi Mhlongo, iNkosi Mathonsi, iNkosi Mcambi and Nkosi Ngcobo. The majority of the land within the municipality is owned by Traditional Authorities. Mandeni Local Municipality covers approximately 545.48km<sup>2</sup>. The municipality is predominantly rural in character, with Ingonyama Trust land accounting for the majority of its landmass.

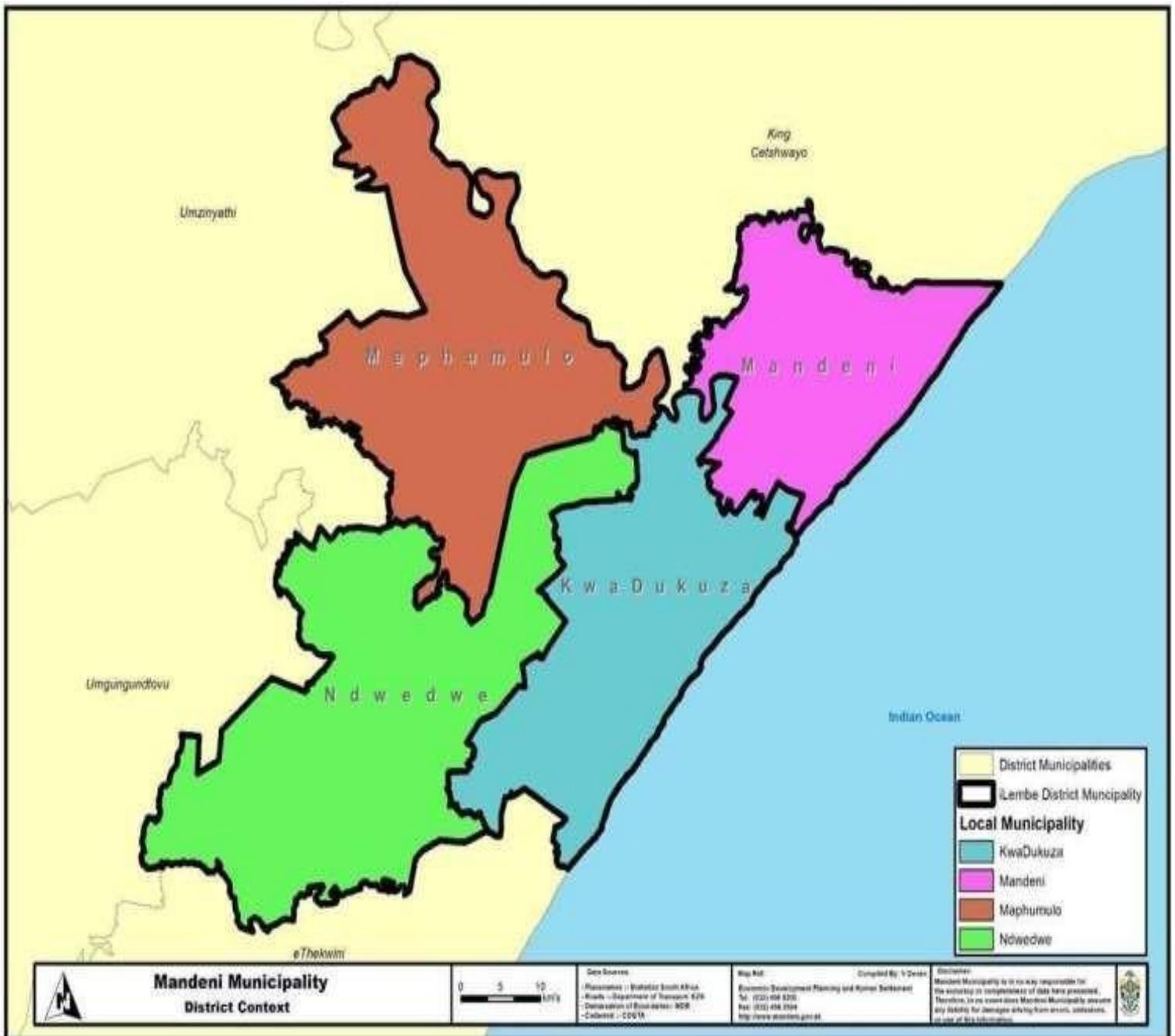
Hlomendlini (Ngcobo) Traditional Council located along the southwestern boundary which covers ward 4 Hlomendlini Township, Novas farm, Sansousis hence sharing boundaries with KwaDukuza Municipality according to the Traditional Council





## B.1. Locality Map:

Figure 1: Locality Map reflecting Mandeni Municipality



## C. Challenges We Face

The main challenges that the municipality faces are related to spatial inequality as a result of the apartheid era. This talks to poor, or lack of access to, infrastructure such as roads, water, and socio-economic facilities and services. The following summarily unpacks the key areas of intervention that the Mandeni Municipality need to focus on:

### **POPULATION GROWTH**

By 2031 the projected increase in Mandeni population will require an additional 17,000 new dwellings, an increase of more than a third from now. This housing must meet the demand for choice and variety in the type of homes available, especially if there are fewer people living in each household.

An average of 110 new dwellings will be required every month for the next 13 years to house our anticipated population increase to 2031.

### **ADAPTING TO CLIMATE CHANGE**

Over the coming decade, natural hazards such as heatwaves, increased overnight temperatures and increased “hot” days during the year, as well as the frequency of extreme rainfall events and high intensity storms are expected to accelerate as the climate changes. Adapting to life in a changing climate will also need to consider wider social and economic shocks.

The CSIRO, the insurance industry and State agencies predict that climate changes have the potential to threaten the future health and livability of communities, especially for those that live in vulnerable areas.

### **ROADS**

Most of the wards have a dilapidated state of gravel roads and access roads. The municipality has identified the need for an Integrated Road Master Plan, which will inform the municipality of the life span of existing access to road infrastructure within the municipality it seeks to upgrade.

### **SOCIAL FACILITIES**

There’s a lack of maintenance of social community facilities in most of the wards, such as sports fields and recreational facilities, and cemeteries.

### **LOCAL ECONOMIC DEVELOPMENT**

A significant number of wards indicated that there is a great need for more local economic development projects, to alleviate poverty, and promote SMME and co-operative development.

### **LACK OF JOB OPPORTUNITIES**

A significant number of wards indicated that there was a dire need for the creation of job opportunities, especially among youth.

### **WATER AND SANITATION**

The lack of regular access to drinking water has been identified as a pressing need for rural wards, especially for the Mathonsi and Macambini areas, as this situation has been perpetuated by the recent drought crisis faced by the region.

### **YOUTH AND WOMEN EMPOWERMENT**

Owing to the fact that youth and women account for the largest segment of the population, youth and women empowerment remains a challenge facing the municipality.

### **HUMAN SETTLEMENT**

The municipality is faced with the serious challenge of the extension of informal settlements that are located within environmentally sensitive areas, at the periphery of Sundumbili Township and iSithebe Industrial Estate.

## **D. Our Vision**

*“To be reliable people-centred and sustainable economic hub by 2030”*

## **E. Key Performance Areas & Measures**

The organizational objectives captured in the development strategy are carefully crafted to ensure that they are simple, measurable, achievable, realistic, and time-scaled (SMART). An organizational scorecard has been developed to measure the performance of the organization as a whole. Strategic planning and management systems are used to: align organizational activities with the vision and strategy, improve internal and external communications, and monitor organizational performance against strategic goals (refer to figure below).

## **F. Developing the Municipal 2023-2024 IDP & Budget Review**

This has been done in accordance with Chapter 5 of the Municipal Systems Act (Act No. 32 of 2000). Although Mandeni Local Municipality has a five-year time horizon, it adopts a medium-to long-term development perspective within the five-year plans, with the annual reviews being a mechanism for incremental progress towards the ideal situation.

The IDP provides for the local implementation of the National and Provincial development initiatives outlined in the National Development Plan, Provincial Growth and Development Strategy and the District Growth and Development Plan.

In developing the 5<sup>th</sup> generation IDP to inform 2023/24 -2026/27, Mandeni had to take into cognition the MEC comments received on the 2022/2023 review together with overall Municipal performance for the 2021/2022 financial year.

2022/23 MEC Comment	Municipal Response
<b>MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>	
<b>1.</b> Additional Information on HR Strategy – Adoption of and Implementation of Staff Retention Policy	The municipality acknowledges that it needs to review its staff retention policy since the last review and adoption was last prepared in 2019.
<b>2.</b> 2. ICT Governance Framework last adopted in 2016, municipality is encouraged to review and develop a new 5-year plan	New ICT Governance Framework has been drafted. Will be tabled for consideration and adoption during the April 2023 Policy review
<b>3.</b> Municipality commended for employing 02 people living with disabilities encouraged to recruit more.	All adverts for employment will include a note encouraging people with disabilities to apply
<b>LOCAL ECONOMIC DEVELOPMENT</b>	
<b>4.</b> Improve information on Ease of Doing Business and Red Tape Reduction	The municipality is working in collaboration with Enterprise iLembe to develop the Investment Incentive Strategy which seeks among other things to improve turnaround time on building plans and development approvals.
<b>5.</b> Encouraged to ensure implementation of reviewed LED strategy using both internal and external funds	For the 2022/23 FY the municipality has secured external funding from the Dept. of EDTEA to implement the LED project
<b>BASIC SERVICE DELIVERY</b>	
<b>5.</b> IDP must provide overall condition of existing infrastructure, total length of both gravel and black top.	Municipality acknowledges that the current Roads Master Plan is outdated and needs to be reviewed therefore a new plan has been budgeted for.
<b>6.</b> Additional information addressing issues of electricity – Eskom Bulk Infrastructure Project	Engagements were held with ESKOM throughout the IDP Representative forum meetings and information obtained from those engagements has been included in this document.
<b>FINANCIAL VIABILITY AND MANAGEMENT</b>	
<b>6.</b> further analysis and reporting on details of Capital funding and expenditure to address service delivery required.	This has been addressed under the Financial analyses of this document.
<b>7.</b> Revenue and debt management exercise should be reassessed to	This has been addressed under the Financial analyses of this document.

enhance revenue and assist the municipality recover debt.	
<b>8.</b> The procurement plan and measures to address Supply Chain Management challenges requires further reporting.	This has been addressed under the Financial analyses of this document.
<b>GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>	
<b>9.</b> Develop a Service Delivery Improvement Plan. Including top 3 services to be improved.	The Municipality is in the process of developing the SDIP
<b>CROSS CUTTING ISSUES</b>	
<b>10.</b> Accompanying maps for capital investment framework for ease of reference.	A Draft Capital investment framework has been done to outline capital investment for 2023/24 FY
<b>11.</b> Develop an Alien invasive control plan as Mandated in line with NEMA	To date the municipality does not have Alien Invasive Plan, however acknowledges that such a plan needs to be done hence will be budgeted during the 23/24 FY
<b>12.</b> Implement waste management plan, emphasis on a). Waste diversion from landfill site. b). eradication of illegal dumping program c). community education	On a quarterly basis the municipality undertake community awareness programs on various issues relating to illegal dumping
<b>13.</b> Internal capacity for monitoring and enforcement is recommended, to deal with industrial dumping taking place in Isithebe	To date the municipality does not have designated Peace Officers responsible for implementation of Environmental enforcement. Therefore recommendation for designated officers has been made and awaiting approval.
<b>14.</b> Advised to integrate and align disaster management information with all strategic document	New plans such as Human settlements sector plan/ SDF/SDP are in draft stage and align to current Disaster Management Plan
15.1. Prioritize budget for disaster management unit	Disaster Management has Budget allocation for 23/24 FY, the municipality has gone on to apply for external funding to deal with disaster.
<b>STRATEGIC THRUST OF THE 6 KPA &amp; SDBIP</b>	
<b>15.</b> IDP to indicate performance of the previous year during formulation of the new review.	This section has been incorporated into the document.
<b>16.</b> Implementation plan not aligned with IDP Framework Guide. Municipality to ensure that 5-years	The implementation has been revised.

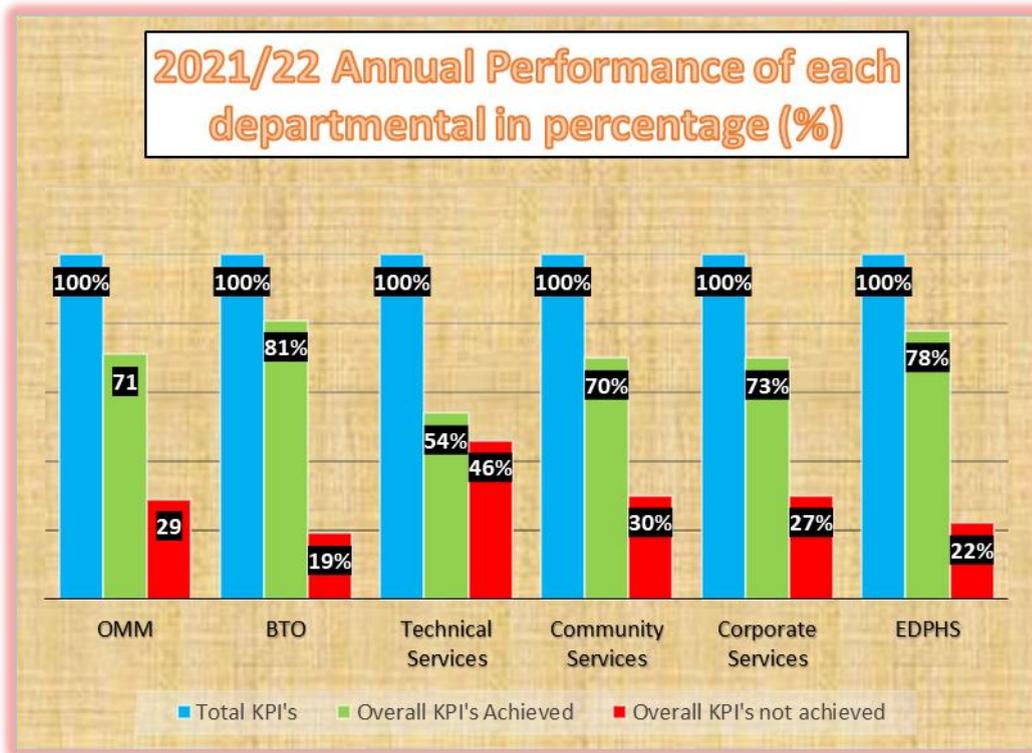
implementation has all the recommended fields.	
<b>17.</b> Municipality advised to review and adopt a PMS framework/ policy annually as part of the IDP Process.	The PMS Policy has been revised and attached to this document.

## G Municipal Overall Performance for 2021/2022 Financial Year.

This Annual Performance Report was hereby submitted in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the summary performance information for the period 01 July 2021 to June 2022 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives and as encapsulated in the Municipality's Integrated Development Plan (IDP).

The 2021/22 Financial Year was one the challenging years for the municipality hence it was affected by KZN floods which caused a negative implication on the service delivery and municipal operations. The impact of KZN floods resulted in a number of people losing their houses thus reducing the municipal revenue as more and more people could not afford to pay their rates and services hence increasing of debt owed to the municipality. The floods also affected the services delivery projects, where number of projects during 2021/22 financial year were suspended and redirected to the next financial year and also the poor performance by service provider prevailed a service deliver in one the catalytic project DLTC during 2021/22 the municipal overall performance deteriorated as result of these challenges, the municipality managed to get an overall performance of **70%** during 2021/22 financial year.

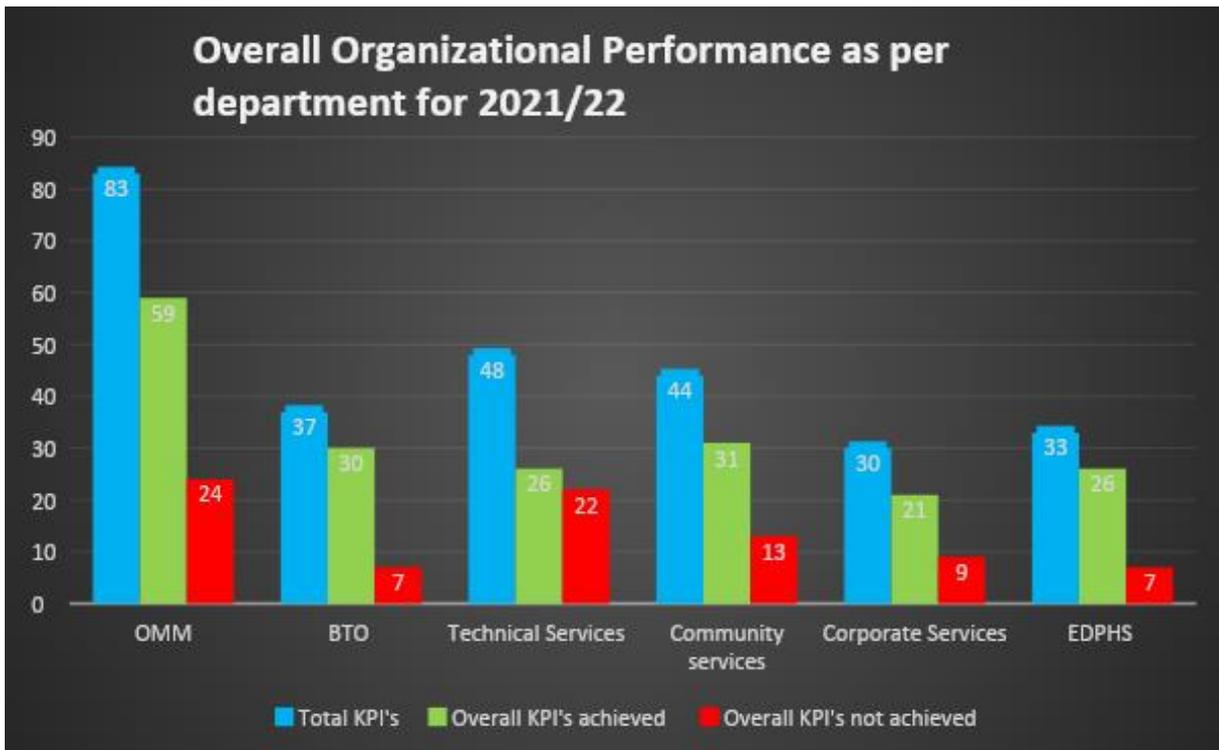
The 2020/21 financial year commenced again with the negative impact since Covid-19 was perpetuating but the municipality put all efforts in place to ensure that the service delivery is improved as rendering of services to community occurred effectively and efficiency, despite operating with this pandemic the municipality managed to achieve number of projects, the municipality also done a tremendous work in creating number of employment through LED/EPWP initiatives. Furthermore, there was also a successful program conducted for youthful drivers and education program. One must tender gratitude to both council and administration for working collectively that is why during 2020/2021 Mandeni Municipality deteriorated from the previous financial year to **77%**, therefore the overall performance for 2021/22 financial year to 70% achieved ( The graphs below illustrates the detail analysis on Municipal performance 2021/22).



Source: Municipal Annual Performance Report 2021/22

Despite those challenges' municipality managed to achieve the roads projects, such as Road rehabilitation at Richard Circle, road rehabilitation at Stratton circle, road rehabilitation at Mathews both of these are in Ward 3. The Municipality also ensures that rural gravel roads repaired and maintained in-house are prioritized so that public from rural areas have an access to roads that are in satisfactory standard, the target of 250 Km that was set at the beginning of 2021/22 financial was over achieved with 376.23 KM. The municipality further ensures that safety of the community is taken into consideration, 25 speed humps were constructed in ward 2,3,7,10, 13;14 and 15. The housing projects were also delayed due to floods. This led to a number of Key Performance indicators not being achievable.

The municipality managed to successfully procure Ndulinde Library Park-home to ensure that communities that are residing in rural areas have an access to education hence Chapter 2 section 29 of the RSA constitution states that everyone has the right to acquire basic education including the adult education. A consistent waste collection activity from all 18 wards as per the approved collection schedule, is still operated well, in order to promote sec 24 of the Constitution which states that everyone has a right to get an environment that is not harmful to their health and wellbeing. As well as procurement of Crew Cap and Cherry picker. The grass cutting was also achieved by empowering local contractors to perform such services in all Mandeni wards. In terms of job creation through infrastructure projects, EPWP the municipality managed to employ 821 participants.



Source: Municipal Annual Performance Report: 2021/22

## LOGICAL FRAMEWORK APPROACH

The IDP is prepared in accordance with the requirements of the Municipal Systems Act and associated regulations, and is intended to serve as a strategic guide for the future development of Mandeni Municipality's area of jurisdiction. This includes both public- and private- sector development initiatives. It is based on the issues articulated by all stakeholders, and is informed by national and provincial development imperatives.

## OBJECTIVES ARE:

Guide decision-making in respect of service delivery and public sector investment.

Inform the budgets and service delivery programs of various government departments and service agencies; Coordinate the activities of various service delivery agencies within Mandeni Municipality's area of jurisdiction; Engage communities and other key interested and affected parties in municipal affairs, especially the continuous integrated development process; and

Position the municipality to make a meaningful contribution to meeting district, provincial, and national development targets and priorities.

Although the IDP informs the annual budget and determines the organizational structure, it considers resource availability and asserts that if resources (inputs) are provided, activities will be undertaken, and the requisite outputs will be produced, leading to the attainment of the intended outcomes and thus making a significant impact in developing Mandeni as an area.

## THE LEGISLATIVE FRAMEWORK

As indicated in the box on the right, in terms of Chapter 5 of the Municipal Systems Act (Act

No. 32 of 2000), all municipalities are required to undertake an IDP process to produce IDPs. IDPs are a legislative requirement, have legal status, and supersede all other plans that guide development at local government level.

#### SECTION 25 (1) OF THE MUNICIPAL SYSTEMS ACT (2000)

Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, and all- inclusive strategic plan for the development of the municipality, which Links, integrates, and co-ordinates plans, and considers proposals for the development of the municipality; Aligns the resources and capacity of the municipality with the implementation of the plan. 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 2023/2024 IDP PROCESS PLAN

As part of its preparation for the 2023/24, Mandeni Municipality formulated and adopted the IDP process plan to ensure proper coordination between and within the spheres of government is achieved within this process. An Integrated Development Planning (IDP) Process Plan was drawn up to ensure proper management of the planning process. Components of the IDP Process Plan:

- o Organizational Arrangements for IDP Review Process;
- o Allocation of roles and responsibilities;
- o Mechanisms for Public Participation;
- o Alignment of the IDP/Budget/Municipal PMS;
- o Alignment Mechanism;
- o Binding Legislation and Planning Requirement; and
- o Action Program and Time Frames

Activity No.	Activity/Task						Responsibility	Estimated Cost
	MANDENI COMMUNITY BASED PLANNING	IDP	Date	BUDGET	Date	PMS		
1.	IDP/BUDGET/PMS Technical Committee Meeting tabling of Draft Process Plan Advertise the draft Process Plan for public comments	IDP/BUDGET/PMS Technical Committee Meeting to discuss Draft Process Plan Advertise the draft Process Plan for public comments	01 Aug 2022	Tabling of 2023/2024 MTREF IDP and Budget time-schedule to the Mayor for approval	26 August 2022	Approved 2022/2023 SDBIP Completed performance agreements	PMS Manager & Budget Manager	Nil in-house
				Advertisement of time-schedule on website, local newspaper and notice boards	31 August 2022			
2.	Tabling of Draft Process Plan that includes Mandeni CBP Mechanism to Council for adoption	Tabling of Draft IDP/Budget/PMS Process Plan to Council for adoption	26 July 2022	<b>Initiate the budget process:</b> <ul style="list-style-type: none"> <li>Proposed Tariff increase for 2022/23</li> <li>Review of National Policies and budget plans and potential price increase of bulk resources with function and department officials</li> <li>Submission of budget request for Capital and Operational budget for 2022/23</li> </ul>	30 September 2022	The compilation of Departmental SDBIP's: KPI review with the relevant departments Ensuring all projects have a budget Submission of quarterly reports	PMS Manager	Nil in-house
Activity No.	ACTIVITY / TASK						RESPONSIBLE PERSON	ESTIMATED COST

	WARD BASED PLANS	IDP	DATE	BUDGET	Date	PMS		
3.	-	Draft Process Plan 2023/2024 open to for comments	30 August 2022					
4.	IDP Representative Forum – Presentation of Final IDP Process after Public Comments + Roadshow plan for November consultation	IDP Representative Forum – Presentation of Final IDP Process after Public Comments + Roadshow plan for November consultation	14 September 2022	Preparing the 2023/24 MTREF Budget Prepare proposed budget plans for the next financial year considering previous year’s performance as per the audited AFS (Capital and Operational budget)	06 December 2022	Back to Basics report to National Cogta	PMS Manager	R2500 - Public Notice + R7000 Catering for Rep Forum meetings (Approximately R10 000)
5.	October to November 2022 1 <sup>st</sup> round of IDP Meetings	October to November 2022 1 <sup>st</sup> round of IDP Meetings	29 October – 30 November 2022	<b>Mid-Year Budget Assessment</b> <ul style="list-style-type: none"> <li>Assess performance of the municipality during the first half of the year for 2022/23</li> <li>Budget Steering Committee</li> </ul>				
	Ward based orientation and training for ward committees		December 2022	<ul style="list-style-type: none"> <li><b>Adjustment Budget 2022/23 MTREF</b></li> <li>Revise an approved annual budget through an adjustment budget by receive inputs from departments)</li> </ul>	03 January 2023  03 January	Back to Basics report to Provincial Cogta	PMS Manager	-

		IDP Representative forum meeting	6 December 2022	<ul style="list-style-type: none"> <li>Budget Steering Committee</li> <li>Approval of an Adjustment budget</li> <li>Submit adjustment budget to NT &amp; PT and publishing it on the municipal website</li> <li>Feedback by Provincial Treasury on the submitted Adjustment Budget.</li> </ul>	2023			
6.	Information gathering and analysis by ward committees	Information gathering and analysis of status quo	December – January 2023	<ul style="list-style-type: none"> <li>First Draft Budget for 2023/2024 MTREF</li> <li>Review proposed National and Provincial allocations to the municipality for incorporation into the draft budget for tabling</li> <li>Budget Technical Committee to review three-year capital budget and operating projects</li> </ul>	March 2023			
				<ul style="list-style-type: none"> <li>Finalize and submit to the Mayor proposed budget and plans for next three-year budget considering the</li> </ul>	21 March 2023			

				<p>recent mid-year review and any corrective measures proposed as part of the oversight report for previous years audited AFS and AR</p>				
				<ul style="list-style-type: none"> <li>▪ Budget Steering Committee Presentation of IDP aligned to Budget</li> <li>▪ Draft Budget 2022/23 MTREF tabled to Council</li> <li>▪ Publishing Draft tabled budget, plans and proposed revisions to IDP, invite local community comments and submit to NT &amp; PT</li> <li>▪ Review any changes in prices for bulk resources</li> <li>▪ Budget and Benchmark Assessment by Provincial Treasury</li> </ul>	02 March 2023	31 March 2023	31 March 2023	15 April 2023
7.	IDP/BUDGET/PMS Technical Committee Meeting	IDP/BUDGET/PMS Technical Committee Meeting	05 December 2022	-	-	Compile and Submit all quarterly PMS	IDP and PMS Managers	

						reports to Exco/ Council and Audit Com		
8.	Ilembe District Sector Alignment Session	Ilembe District Sector Alignment Session	TBC	-	-	Ilembe District Sector Alignment Session	-	-
9.	Review and initiate changes in the municipal ward-based plans for 2023/2024 FY	review and draft initial changes to the IDP and Municipal Budget for 2023/2024 <b>MSA s 34</b>	January - 2023	The review and draft initial changes to the IDP and Municipal Budget <b>MSA s 34</b>	January 2023	-	Chief Financial Officer/Budget/IDP Manager	Nil in-house
10.	IDP/BUDGET/PMS Technical Committee Meeting	IDP/BUDGET/PMS Technical Committee Meeting	1 February 2023	Budget steering committee	17 February 2023	- Mid-Year Budget Assessment Assess performance of the municipality during the first half of the year for 2022/23	-	-

11.	Analysis of the Status quo to inform the 2023/2024 WBP Draft document	Analysis of the Status quo to inform the 2023/2024 IDP Draft document	<b>February 2023</b>	Submit adjustment budget to NT & PT and publishing it on the municipal website	25 February 2023		MANCO Manager Budget Council	-
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12.	-	-	-	-	-	Annual Performance Report Submit annual Performance Report and Performance information to Auditor General (AG). After concluding all quarterly reports from Q1 to Q4, all targets and actuals will be consolidated. Compile a draft APR that has the previous FY and current FY to compare the performanc	Manager Budget & PMS Manager	-
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						<p>e Present the draft APR to Manco, Audit Committee Submit draft to internal audit Make corrections and include inputs raised by all relevant stakeholders Submit final APR to MANCO, Internal Audit Committee, PAC, Council, Auditor General</p>		
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13.	-	-		-		Council approves revised scorecards	Manager PMS	-
14.	-	-		-	-	Senior Manager mid-year performance assessment	Manager PMS, PAC Chair, Mayors, MM's and Exco members	-
15.	Review of Situational Analysis	Review of Situational Analysis	Ongoing				IDP Manager	
16.	-	-		Finalize and submit to the Mayor proposed budget and plans for next three-year budget taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for previous years audited AFS and AR		-	Budget Manager	Nil
17.	-	IDP Representative Forum	01 March 2023	First mSCOA Draft Budget for 2023/2024 MTREF <ul style="list-style-type: none"> <li>▪ Review proposed National and Provincial allocations to the municipality for incorporation into the draft budget for tabling</li> <li>▪ Budget Technical</li> </ul>	01 March 2023	-	Budget Manager	Nil

				<p>Committee to review three-year capital budget and operating projects</p>				
				<p>Finalize and submit to the Mayor proposed budget and plans for next three year budget taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for previous years audited AFS and AR</p>				
				<ul style="list-style-type: none"> <li>▪ Budget Steering Committee Presentation of IDP aligned to Budget</li> <li>▪ Review of Budget Related Policies</li> <li>▪ Draft Budget MTREF tabled to Council</li> <li>▪ Publishing Draft tabled budget, plans and proposed revisions to IDP, invite local community comments and submit to NT &amp; PT</li> <li>▪ Review any changes in</li> </ul>				

				prices for bulk resources Budget and Benchmark Assessment by Provincial Treasury				
18.	Tabling of 1 <sup>st</sup> draft ward Based Plans	Tabling of 1 <sup>st</sup> Draft IDP and Budget to EXCO	28 March 2023	Tabling of 1st Draft IDP and Budget to EXCO	28 March 2023	-	IDP/BUDGET Managers	-
19.	-	Advertise for public comments the on draft IDP	5 April 2023	-	-	-	-	-
20.	Ward based /BUDGET/PMS Community Outreach	IDP/BUDGET/PMS Community Outreach via digital platforms (Mandeni facebook page and radio stations)	5 April 2023	<b>Consultation on Tabled Budget</b> <ul style="list-style-type: none"> <li>▪ Consultation with National and Provincial Treasury and finalize sector plans</li> <li>▪ Revising budget documentation in accordance with consultative processes</li> <li>▪ Budget Steering Committee feedback after Consultation</li> </ul> Review of budget related policies for 2023/24	April 2023  13 May 2022 20 April 2023	-	Mayor and Council IDP/BUDGET/PMS Managers Communication s and public participation	-
21.	-	Align IDP/Budget with Provincial and National Priorities	Ongoing	Align IDP/Budget with Provincial and National Priorities	Ongoing	-	IDP/BUDGET/PMS Managers	Nil
22.	WBP, IDP Representative forum meeting	WBP and IDP Representative forum meeting	25 May 2023					-

23.	Council approves 23/24 Mandeni CBP	Council approves final 2023/24 IDP and Budget	31 May 2023	Approval of Annual Budget Public hearings on the budget, and Council Debate. Council considers views of the local community, NT & PT and other organs of state and municipalities. Preparing the final budget documentation for approval at least 30 days before the start of the budget year, taking into account consultative processes and any other new information of a material nature Council must approve annual budget by resolution, setting taxes & tariffs, approving changes to IDP and Budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of the budget year	31 May 2023	-	Municipal Manager Budget Office  IDP Manager	Nil
24.	Submit Adopted IDP and Budget to MEC for COGTA	Submit Adopted IDP and Budget to MEC for COGTA		Submit Adopted IDP and Budget to Treasury		-	Municipal Manager Budget Office	

25.	Approval of Ward based plans and submission to COGTA	Advertise the adopted IDP and Budget 10 Days after Adoption	Within 10 working days after the Municipal Council has Approved IDP 05 June 2023	Publication of Annual Budget 2023/24 MTREF Submission of Approved budget to NT & PT in both printed and electronic format Publishing the approved budget on the municipal website Promulgation of by laws	Within 10 working days after the Municipal Council has approved annual budget 15 June 2023		Municipal Manager Budget Office	R2500 Stanger weekly)
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**2023/2024 IDP PROCESS PLAN TABLE WITH ACTIVITIES & TIMEFRAMES**



## **PUBLIC PARTICIPATION**

The following mechanisms were used to achieve effective public participation during the preparation of the Mandeni Local Municipality IDP:

The municipality encourages public involvement in the review process, by using existing structures such as Representative Forums, Community Development Workers (CDWs), Ward Committees, and Traditional Authority Structures; The municipality clustered the wards in accordance with proximity and geographic location, with the meeting points being Traditional Courts in the rural parts of the municipality, so as to facilitate greater involvement of Traditional Councils; Focused meetings with ward committees and Traditional Councils, respectively to discuss and develop priorities in the IDP; and The municipality also holds focused meetings with the Ratepayers' Association and the larger business community, i.e. SAPPI and iSithebe industrialists etc.

In accordance with the provisions of its Communication Strategy, the municipality uses the following methods to communicate with its communities:

Public notices

Roadshow Newspaper advertisements; Radio

broadcasts; and The quarterly municipal

newsletter

## **COMMUNITY OUTREACH PROGRAM**

Mandeni Local Municipality took a decision that, in this phase of the IDP Mayoral Imbizo, the municipality would engage its communities within the various wards, by clustering the wards and ensuring that each municipal ward is represented through the ward committees and Community Development Workers. This is to ensure that the needs of the community in each ward / community were captured appropriately, and in a manner that would give the municipality a clear picture of the service delivery needs and achievements. This program included visiting the Ratepayers' Association, in order to ascertain their assessment of needs in terms of service delivery. One of the main issues that were highlighted intensely in this meeting was the issues of safety and security; and the rates structure and associated tariffs. The following program was then formulated, whereby the Honorable Mayor visited each ward within the cluster.

TABLE SHOWING: 1ST ROUND OF COMMUNITY OUTREACH MEETINGS

Date	Targeted Wards	Venue	Time
08 November 2022	Isithebe Cluster: 06, 11, 16, 17, 18,	Makhemphini Sports field	11:00 – 14:00
11 November 2022	Nembe Cluster 05, 10, 12	Nembe Community Hall	11:00 to 14:00
13 November 2022	Macambini cluster 01, 02, 03, 08, 09	KwaChili Sport	11:00 to 14:00
15 November 2022	Sundumbili – 07, 13, 14, 15	Sibusisiwe Hall	11:00 to 14:00
17 November 2022	Hlomendlini cluster 04 and Novas Farm	Hlomendlini Hall	10:00 to 13:00

As part of Section 19 of the Municipal Systems Act 32 of 2000 and Section 22 of Municipal Finance Management Act 56 of 2003, Mandeni Municipality convened its second round of public meeting to engage Mandeni members of the public, Traditional Council, Ward committee, Community Development Workers and Organized groups on the Draft 2023/2024 Integrated Development Plan and 2023/24 mScoa Budget. The public engagement roll-out was as tabled as per notice 50/2023 below:

DATE	TARGETED WARDS	VENUE	TIME
03 May 2023	IDP Representative Forum with Amakhosi and Stakeholder	Council Chamber	09:30 am
04 May 2023	Isithebe Cluster 06, 11, 16, 17 & 18	Msunduzi Sport Field	11:00 am
04 May 2023	Mandeni ratepayers Wards 02, 03 & 04	Mandeni Academy	17:00 pm
18 May 2023	Macambini Cluster Wards 01, 02, 03, 08 & 09	KwaSishi Sports Field	11:00 am
19 May 2023	Mandeni Youth All Wards	Isithebe Community Hall	11:00 am
17 May 2023	Sundumbili Cluster Wards 04, 05, 07, 10, 12, 13, 14 & 15	KwaNgcedomhlophe Stadium	11:00 am

## G. Development Opportunities

### STRATEGIC LOCATION

Mandeni Local Municipality is strategically located midway between Durban and Richards Bay, and lies along one of the most important multi-sectoral development and activity corridors in the province between the two largest port cities, not only in the province, but in the country. A major road and railway network traverses Mandeni Municipality, linking these two economic and industrial hubs. The iSithebe Industrial Estate has grown into an established manufacturing hub, offering cost-effective production space with import and export facilities, linked to the ports in Durban and Richards Bay.

### INDUSTRIAL DEVELOPMENT

The SAPPI Tugela Mill and the iSithebe Industrial Estate (iSithebe) provide opportunities to grow, and attract large- scale manufacturing and heavy industry to Mandeni Municipality. As an important heavy industrial development area, iSithebe has been identified as part of the proposed Richards Bay Special Economic Zone (SEZ) by the KZN Department of Economic Development and Tourism. If this proposal is successful, iSithebe and Mandeni Municipality would benefit from fiscal incentives, designed to attract and accelerate industrial investment. In order to fully unlock and capitalize on future industrial development, there is a need to upgrade the movement and transportation infrastructure network within the municipality. This will entail upgrades to existing rail infrastructure; in terms of passenger- and freight- handling capacity, train stations, sidings, bridges, and level crossings. This will, however, require support from Transnet and PRASA, to pro- actively plan for these upgrades.

The SAPPI Tugela Mill currently has logistics-handling capacity, with overhead cranes and container-handling facilities available, which could be utilized to establish and grow a Logistics Hub in the region, linked to large- scale manufacturing in iSithebe. Energy costs will also be a significant factor in Mandeni Municipality's ability to attract and retain heavy industry; hence, engagements with Eskom are critical to ensure that electricity supply responds to projected growth, while alternative energy sources and cogeneration are considered.

### OUR KEY DEVELOPMENT CHALLENGES

Mandeni Municipality has made major strides towards improvement of the standard of living and conditions for the majority of its population. However, there are still a number of development challenges. These are summarized below.

### SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Access to basic and bulk services is one of the key indicators of the socio-economic wellbeing of an area. Mandeni is a predominantly rural municipality, with expansive rural settlements spread unevenly, and characterized by massive infrastructure backlogs. Existing infrastructure in the urban part of the municipality also requires substantial upgrading and maintenance.

### MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The need to consolidate administrative capacity is one of the key challenges facing Mandeni Municipality. This challenge manifests itself in two ways. This first pertains to human resources and includes recruitment of qualified and experienced staff, improving the expertise of existing staff through carefully selected staff development and training programs, providing strategic support to staff in distress, and staff retention.

The second aspect is the need to set up and maintain systems and procedures for effective and efficient administration. This not only includes the introduction of robust policies, but ensuring that they are adhered to, and consistently reviewed to keep up with rapid changes in the work environment. Embracing technology is also a key aspect of systems and procedures.

## **LOCAL ECONOMIC DEVELOPMENT**

Mandeni Municipality is strategically located along the N2 National Development Corridor and trade route mid- way Between the provincial economic hubs of Durban in the south, and Richards Bay in the north. The municipality includes a long stretch of coastal land with huge potential for industrial, commercial, and eco- tourism development. However, most of this potential remains untapped, with the majority of the strategically located land being used below its economic productive potential. Initiatives to exploit locational advantages should be sensitive to the social dynamics, and undertaken in an all-inclusive manner. In addition, the iSithebe Industrial Estate provides huge opportunities for industrial development and strategic linkages with the Dube Trade Port and the Richards Bay SEZ.





## **GOOD GOVERNANCE AND PUBLIC PARTICIPATION DEEPENING DEMOCRACY**

As a developmental local government, Mandeni Municipality is committed to working with citizens and groups within the community, to find sustainable ways to meet their social, economic, and material needs, and improve the quality of their lives. This assertion complements the right of communities to participate in decisions that affect development in their areas, and a corresponding duty on the part of the municipality to encourage community participation in matters of local governance.

Mandeni Municipality achieves this mainly through ward committees, and a variety of other measures designed to foster open, transparent, and consultative municipal government. Ward councilors chair the ward committees, and ought to rely on them for support in ensuring that the issues and needs of residents are well- represented in the municipal council. However, the functionality and effectiveness of the ward committees remains a major challenge. The number of people per ward and the geographic size of the wards influence democratic representation and participation, as well as the costs of the operations and effective functioning. This highlights the disconnection between the institutional arrangements to foster participation introduced by the State, and the local community's ability to engage with the municipality through these arrangements.

## **DEVELOPING SYNERGISTIC RELATIONS WITH KEY STAKEHOLDERS**

The duties and functions of Mandeni Local Municipality are prescribed by law, and cannot be abdicated or delegated to other organizations. The municipality is responsible for its functions. However, the municipality is not alone in this regard. A number of organization's both within and outside government support municipalities,

conduct business in line with the principle of co-operative government. It is, therefore, critically important for Mandeni Municipality to identify potential partners, and forge strategic partnerships or synergistic relations.

## **FINANCIAL VIABILITY AND MANAGEMENT**

### **INCREASING MUNICIPAL REVENUE**

Although Mandeni Municipality is financially stable and sustainable, the low revenue base is a high risk that threatens its survival. Mandeni is a rural municipality characterized by high levels of poverty, and low levels of economic activity. The revenue base has remained stagnant for a long period, and shows signs of decline. There has been no major private sector investment since the development of iSithebe Industrial Area; or significant expansion of commercial and residential space. This highlights the need to develop viable strategies to stimulate economic growth, and facilitate private sector investment in the area.

The revenue effort also requires attention. This highlights internal aspects, such as the municipality's inefficiency or lack of capacity to collect revenues due to the municipality, on time. These internal aspects manifest in the lack of systems and procedures, inadequate skills

levels, and low levels of competence to undertake operational tasks.

## **CROSS-CUTTING ISSUES**

### **ADDRESSING POVERTY**

Poverty in Mandeni Municipality manifests in different dimensions, with income poverty and human poverty being the most common. Income poverty refers to the lack of sufficient income to satisfy basic food needs, and essential non-food needs such as clothing, energy and shelter. It arises from a high rate of unemployment, poor access to productive resources, lack of marketable skills, and a general lack of job opportunities. Human poverty broadly refers to the lack of basic human capabilities that arise when a large proportion of community members cannot read and write and are not numerate; food insecurity; malnutrition; declining life expectancy; an increase in sickness and deaths related to preventable diseases; and poor access to basic services. Over-crowding also contributes to this situation.

### **MANAGING THE IMPACT OF POPULATION GROWTH**

Mandeni Local Municipality's population increased by 7% from 138 079 in 2011, to 147 808 in 2016. The population of KwaDukuza Municipality increased by 19.7% during the same period. In contrast, the inland rural municipalities of Ndwedwe and Maphumulo experienced a net population decline. Population growth in Mandeni Municipality exerts pressure on existing services, and leads to the densification of settlements located around Mandeni Town, and along major transport routes. The majority of these settlements have not benefitted from spatial planning. It is, therefore, critically important for the municipality to devise strategies to effectively manage this phenomenon

### **CHANGING SETTLEMENT PATTERNS**

Mandeni Municipality is characterized, and is highly influenced, by rural settlement dynamics, which have developed contrary to orthodox spatial planning paradigms. These rural settlements did not necessarily develop according to predetermined systems and procedures. The majority developed and emerged in the context of social identity and livelihood strategies. Settlements have, however, undergone change, and are highly influenced by accessibility and proximity to public transport routes, basic services and social facilities. The net effect is a complex migration pattern that involves population decline in remote, rural areas. Parts of the municipality, and a phenomenal increase in the population along major transport and access routes and around development nodes

## **LONG-TERM VISION**

This vision is derived from current realities and can be broken down into six key strategic goals: Good Governance (sound governance and ethical conduct are the pillars of success in local government);

Improving the quality of life of our citizens (eradicating unemployment, poverty and inequality); Improved and sound revenue (debt collection);

Providing social and economic infrastructure (eradicating backlogs and providing strategic infrastructure to grow the economy);

Grow the economy and create jobs (attract investment and market Mandeni as an investment node); and Promote spatial equity and protect natural resources (the natural and rustic character of the municipality should be our selling point; beaches, nature reserve, Tugela River).

## **LONG-TERM STRATEGIC GOALS**

The following strategic goals are proposed as means to mitigate the challenges: Universal access to basic services and infrastructure development by 2030;

To build cohesive, caring, and sustainable communities; and to improve the health profile of local communities; as well as to intensify the fight against crime (public safety) and corruption;

- To create a conducive environment for job opportunities and investment;
- To create a culture of public service transformation, performance management, and accountability;
- To develop a sustainable and efficient municipality based on sound financial management; and
- To create a sustainable environment for future development and to redress spatial inequality.

## **STRATEGIES AND ACTION PLAN**

The IDP specifically highlights the following strategic thrusts, and all development must achieve or contribute to these, in order to address the challenges facing the Municipality: Promoting development and investment that contributes to the regeneration and renewal of CBD's. The municipality has commissioned an urban regeneration strategy; Establishing a town center in Mandeni;

Promoting and facilitating development and investment along the coast, in a harmonized and environmentally, economically, and socially sustainable manner;

- Promoting investment within defined nodes, and specifically to the functionality of such nodes, i.e. Mandeni, Tugela Mouth, Wangu, and iSithebe Industrial Zone;
- Promoting investment in industrial investment hubs, and providing sufficient, affordable, and reliable infrastructure and services;
- Encouraging settlement within the rural context, along road networks and existing infrastructure;

Introducing incentives that attract development initiatives. The municipality has undertaken a planning exercise, aimed at expanding and marketing the industrial area;

Introducing incentives that attract development initiatives. The municipality has undertaken a planning exercise, aimed at expanding and marketing the industrial area;

Introducing performance project management systems to track and monitor progress;  
Exploring and promoting PPPs as a means to deliver services;

Preserving and protecting the natural environment and applying conservation management;  
Ensuring the regular maintenance and upgrade of existing infrastructure;

Ensuring sustainable livelihoods through the integrated development of all the municipality's assets, i.e. human capital, social capital, natural capital, physical capital, financial capital, and political capital; Engage with external economic stakeholders to develop a shared understanding of economic development, and jointly solve challenges through sector forums (manufacturing, business services, property development, informal enterprises, etc.);

Partnering with other key stakeholders to embark on strategies and programs on creation of job opportunities, targeting, in main, the youth; Supporting co-operatives within the Municipality, by linking them with the co-operative's incentive scheme, and ensuring that they enter value-added productive activities;

Linking the community with governmental economic programs, such as Agri-Park, which links smallholding farmers with markets; Providing focused SMME support, in order to compete with the large national corporate that dominates sectors, such as retail, construction, and forestry; Setting up an SMME support center for local business nodes; for the registration, accreditation and grading, franchising and subcontracting, and innovation and facilitation of co-operation and networking;

Addressing skills development, through partnership with schools, Mandeni TVET, the nearest universities, and SETA; Identifying opportunities for women to enter into value-added productive activities;

Alignment of Municipal LED Projects and Programs with the district agency (Enterprise iLembe) and other provincial and national departments; for example, the National School Nutrition Program; Promoting various tourism developments, e.g. beach upgrade (Dokodweni and Tugela Mouth), and the Ngwenya Game Reserve; Fast tracking the implementation of SPLUMA through locating new investments within prioritized development nodes or identified strategic areas; and Reviving development norms and standards, to inform land use management and services in rural areas.

## **OUTCOMES, OUTPUTS, AND DELIVERABLES**

Further to the strategic action plans, and in pursuit of the development vision outlined above, Mandeni Municipality has a clear set of outcomes, outputs, and deliverables for the short-, medium-, and long-term. These can be summarized as follows:

Sustainable job opportunities in line with national and provincial job creation targets. These

will include effective implementation of the Expanded Public Works Program, Community Work Program, and various other private and public sector-driven initiatives; Development of sustainable human settlements where people can live, work, and play in harmony. Such settlements will generate economic development opportunities, enhance the quality of the environment, and facilitate integrated development. They will also enjoy adequate access to basic services, social amenities and developing a sustainable and viable municipality that collects and generates sufficient funds to carry out local government functions, and perform all its functions and powers efficiently, and effectively;

Client satisfaction across the board, including local communities, the business sector, government departments, and other stakeholders; and Spatial integration, with all areas within the municipality working together in unison, as an integrated and functional spatial system that provides a firm foundation for economic and social development.

## **PERFORMANCE MANAGEMENT**

The organizational objectives captured in the development strategy are carefully crafted, to ensure that they are simple, measurable, achievable, realistic, and time-scaled (SMART). An organizational scorecard has been developed to measure the performance of the organization as a whole. Strategic planning and management systems are used to: align organizational activities with the vision and strategy, improve internal and external communications, and monitor organizational performance against strategic goals



## **CHAPTER B: PLANNING & DEVELOPMENT PRINCIPLES**

### **B.1. Government Policies Imperatives**

#### **NATIONAL DEVELOPMENT PLAN VISION FOR 2030**

The NDP 2030 presents a long-term vision for South Africa and addresses the Government's program to 'attack' poverty and deprivation with the aim of nation-building. The NDP diagnostic report has identified 9 core challenges that require urgent attention:

- 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 higher 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 health system;

Public services are uneven and often of poor quality; Corruption is widespread; and South Africa remains a divided society. The vision highlights a number of focus areas, which are also, in its broader context relevant to an SDF. They are the economy and employment: This requires creating an environment for sustainable employment and economic growth. These conditions may be created through the Identification of key economic sectors, as well as the key Challenges that affect the efficiency of these sectors, such as transport; lack of facilities; and infrastructure. Spatial alignments will also be required, in order to deal with the Impending problems that affect economic growth and levels of employment. This is also directly linked to the economic infrastructure focus area;

#### **1.1. ECONOMIC INFRASTRUCTURE**

There is an unequal distribution of economic infrastructure, which, therefore, increases regional inequalities. The SDF is a key tool in achieving sustainable and inclusive growth; as it can identify the key infrastructural needs, direct investment, and allocation of key resources, such as water and energy (electricity). Dealing with infrastructural sustainability also requires putting in place an effective and efficient transport system, thus creating an environment where there is an affordable, Safe and reliable transport system;

#### **1.2. AN INCLUSIVE RURAL ECONOMY**

The NDP identifies the need for rural communities to have greater opportunities to participate fully in the economic, social and political life of the country. Rural communities, therefore, have a great need for basic infrastructure as well increasing the economic growth through agriculture and tourism. Agriculture is a land- intensive activity, and the identification and protection of agricultural land from development is a high priority, as this also has a direct impact on food security. The SDF is, therefore, one of the key documents that can assist in the accomplishment of this vision; and

### 1.3. HUMAN SETTLEMENTS

This element deals with eradicating the dysfunctional settlement patterns and weak spatial planning. Dealing with sustainable human settlements requires a number of considerations such as transport links, economic opportunities, preserving environmentally sensitive areas and availability of social facilities.

The National Development Plan is, therefore, a key policy document in the compilation of the Mandeni SDF as it identifies key issues as well as the strategies that may be implemented to effectively deal with those challenges

### 1.4. SPATIAL PLANNING AND LAND USE MANAGEMENT ACT NO. 16 OF 2013 (SPLUMA)

The main objective of the Spatial Planning and Land Use Management Act (No. 16 of 2013) is “to provide a framework for spatial planning and land use management within different spheres of government..

#### B.2. Development Principles

**Spatial Justice:** In which past spatial and other development imbalances are redressed through improved access to and use of land; Spatial Development Frameworks and policies at all spheres of government address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterized by widespread poverty and deprivation; spatial planning mechanisms, including land use schemes, include provisions that enable redress in access to land and property by disadvantaged communities and persons; land use management systems are inclusive of all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas; land development procedures will include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and where a planning tribunal considers an application before it, the planning tribunal’s exercise of discretion may not be impeded or restricted on the ground that the value of land or property is affected by the outcome of the application.

**SPATIAL RESILIENCE:** to promote flexibility in spatial plans, policies and ensure that land use management systems accommodate sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

**SPATIAL SUSTAINABILITY:** ensures that special consideration is given to the protection of prime and unique agricultural land; uphold consistency of land use measures in accordance with environmental management instruments; promote and stimulate the effective and equitable functioning of land markets; consider all current and future costs to all parties for the provision of infrastructure and social services in land developments; promote land development in locations that are sustainable and limit urban sprawl; and result in communities that are viable;

**EFFICIENCY:** which ensures that land development optimizes the use of existing resources and infrastructure; decision-making procedures are designed to minimize negative financial, social, economic or environmental impacts; and development application procedures are efficient and streamlined and time frames are adhered to by all parties

**GOOD ADMINISTRATION:** All spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act; no government department may withhold their sector input or fail to comply with any other prescribed requirements during the preparation or amendment of Spatial Development Frameworks; The requirements of any law relating to land development and land use are met timeously; the preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, to include transparent processes of citizen participation and all parties to have the opportunity to provide inputs on matters affecting them; and Policies, legislation and procedures must be clearly set out and inform and empower citizens. Also required by Chapter 5, Section 24(1) of the Act for land use management is the requirement for all municipalities to have a single scheme within five years of the commencement.

### **B.3. Comprehensive Rural Development Program (CRDP)**

Mandeni Municipality has a very strong Rural Component with four Traditional Councils governing a large portion of the Municipality. Subsequently there are a number of rural policies from the Department of Rural Development and Land Reform to be considered.

Overarching to these strategies is the Comprehensive Rural Development Program, which has as its aim the development of rural South Africa, to create vibrant, sustainable and equitable rural communities. The CRDP is different from past government strategies in rural areas due to its approach, which focuses on proactive participatory community-based planning rather than an interventionist approach to rural development.

Through the policies to be implemented as part of the CRDP the following two main themes are present Agricultural Reform; Rural Development; and Land Tenure Reform; National government envisages the rural development to be done through agrarian transformation, which implies the rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, crops, and the communities. The strategic objective of this approach is 'Social Cohesion and Development'.

The diagram below depicts the relationship between the components of the Comprehensive Rural Development Program, which aspects need to be addressed under each component, and how they should interact to reach the strategic goal of Social Cohesion of the Rural Areas.

**FIGURE 2: STRATEGIC OBJECTIVE: SOCIAL COHESION AND DEVELOPMENT**

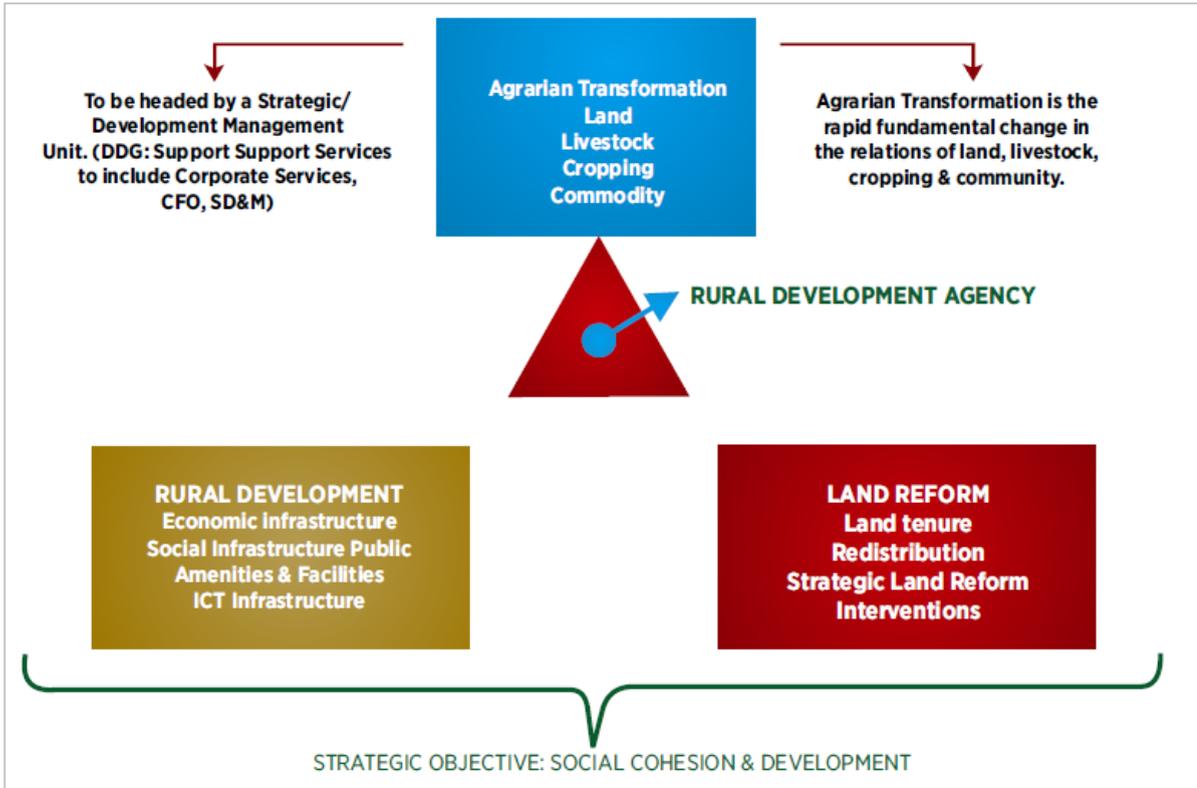


Figure 4: Comprehensive Rural Development Program

It must be noted that this is only a strategy, which differs in its approach from the NSDP, in the sense that it does not refer to specific areas / municipalities, or prescribe what actions need to be taken within specific municipalities. It merely outlines the aspects that must be addressed to ensure the comprehensive development of rural areas. Not all aspects as listed under the three components (e.g. land redistribution / restitution), are applicable to the development of a Spatial Development Framework, as the SDF is a planning tool that focuses on land use, irrespective of ownership. Redistribution, for example, is a political aspect / tool that focuses on land ownership, and, more specifically, the ownership of agricultural land.

The aspects that are applicable to land use, include items such as Economic and Social Infrastructure, Public Amenities, and the protection of agricultural land and activities. The Spatial Development Framework will be the tool that ensures the future development of the rural municipalities by providing direction on the provision of facilities, and identifying economic catalytic projects that will kick-start the development, and exponential growth, of the rural communities in all areas that are deemed as being part of a vibrant community.

## THE SUSTAINABLE DEVELOPMENT GOALS

Figure 5: Sustainable Development Goals Source: Comprehensive Rural Development



SUSTAINABLE DEVELOPMENT GOAL	MLM RESPONSE
SDG 1. End poverty in all its forms everywhere	Co-ordinate Operation Sukuma Sakhe interventions
SDG 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	Co-ordinate development of Farmer Support Production Unit of Manchester Farm unlocking agricultural potential
SDG 3. Ensure Healthy lives and promote well-being for all at all ages	Ensure municipal contribution towards HIV/AIDS; facilitate culture of active lifestyle among youth and elderly e.g. Mayoral Cup, Golden Cup etc.
SDG 4. Ensure inclusive and equitable quality education and	Provide library services with an optimal skills base. Facilitate development sports and community facilities e.g. Chappies Sports Field, High view Park Combo Court, iSithebe community/Arts Centre
SDG 5. Achieve gender equality and empower all women and girls	LED to improve skills base. Ensure empowerment of youth, women and people living with disabilities.
SDG 6. Ensure availability and sustainable management of water and sanitation for all	Facilitate the reduction of water and sanitation and service backlog. Implementation of iLembe Bulk Water supply project
SDG 7. Ensure access to affordable, reliable, sustainable, and modern energy for all	Facilitate access to electricity for all targeted household. Chapter C implementation of INEP projects
SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Unlock agricultural potential, promote manufacturing sector activities and facilitate SMME development.

SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Implementation of municipal Spatial Development Framework: Local Area Plans and Coastal management plan
SDG 10. Reduce inequality within and among countries	N/A
SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable.	Promote municipal integrated planning
SDG 12 . Ensure sustainable consumption and production patterns	Improve community awareness on environmental protection. Implement Coastal Management Plan
SDG 13. Take urgent action to combat climate change and its impacts	Work with iLembe District in developing district- wide Climate Change Strategy
SDG 14. Conserve and sustainable use the oceans, seas and marine resources for sustainable development	Improve community awareness on environmental protection Implement coastal management plan
SDG 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desert if cation, and halt and reverse land degradation and halt biodiversity loss	Improve community awareness on environmental protection Implement coastal management plan
SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	MLM to ensure participative transparent and accountable governance, by improving public participation process and functionality of municipal structures
SDG 17. Strengthen the means of implementation various and revitalize the global partnership for sustainable development including SECO	The municipality has partnered with international organizations, (Switzerland) and ICLEI on economic development and environmental management programs, respectively.

#### B.4. State Of Nation Address – 2023

His Excellency, President Cyril Ramaphosa delivered the State of the Nation Address on the 9<sup>th</sup> of February 2023. Main topic centred around the address were:

1. National state disaster over ESKOM.
2. Public Infrastructure Investment
3. Just Green Transition
4. Postbank (State Bank)

The President spoke at length about the burning crisis of electricity shortage facing our country and which continues to dent the nation's hope of economic recovery. This electricity crisis comes after the country was faced with Covid-19, the 2021 July unrest and looting and also natural disasters in the form of floods that left some parts of the country in a turmoil. Load Shedding, Unemployment, poverty and the rising cost of living as well as crime and

corruption remain a persisting problem in the country.

Resolving the energy crisis was an immediate priority and hence the national state disaster was declared. The President further announced that the presidency will be adding a minister of electricity into the cabinet to deal directly with the energy crisis. Cognizant of our electricity crisis, this calls for us to tread carefully in tackling that predicament as we're faced with global warming, which poses a serious of natural disasters and is a threat to the livelihoods of our people.

In response to climate change, the country marches to forth in its Just Energy Transition in a quest to become a low carbon economy and this will also open new opportunities in untapped markets such as electric vehicles. The railway sector has been faced with lack of investment and hence lack of maintenance amongst other challenges, and to address this the National Rail Policy was adopted to guide modernization and reform in the sector. Public Infrastructure investment is needed to ensure the supply of water in the country and the Department of Water and Sanitation is leading the way in ensuring efficient water supply in the country. Projects such the Lesotho Highlands project are in progress. Infrastructure fund and Infrastructure South Africa continues to invest in Public Infrastructure in South Africa in sectors such as human settlements and SANRAL.

Unemployment remains a significant problem especially amongst the youth, the President outlined that employment in the country will be driven by SMMEs and Co-operatives. Those sectors need support and the government is providing incentives such as the tax-incentive and is actively tackling the reduction of red tapes that may exist in those sectors. A state bank is under construction and the Postbank licensing will form the basis for the establishment of a state bank which will finance SMMEs, youth and women owned businesses and also underserved communities. The National Skills fund and Presidential Employment Stimulus are bringing in much needed skills and work-place experience to young people in a quest to help them become more employable. High crime rates continue to persist in society and to tackle this, new police officers have been recruited as well as call centre workers in the 10111 department.

### B.5. Medium-Term Strategic Framework

MTSF OUTCOMES	MLM RESPONDS
1. A long and healthy life for all South Africans	The municipality is implementing various sporting programs aimed at youth, senior citizens and people with disabilities
2. All people in South Africa are and feel safe	Ensure functionality of community safety forums and implementation of programs
3. Decent employment through inclusive economic growth	Forming partnerships with private and public partnerships with various entities to ensue investment and retention in Mandeni
4. A skilled and capable workforce to support an inclusive growth	Continue with co-ordination of municipal bursary programs and implementation of work place skills plan

5. An efficient, competitive and responsive economic infrastructure network	Facilitate reduction of backlogs in provision of bulk services
6. Vibrant, equitable and sustainable rural communities with food security for all	Unlock agricultural potential via LED strategy that is currently under review
7. Sustainable human settlements and improved quality of household life	Facilitate reduction of backlogs in provision of bulk services
8. A responsive and accountable, effective and efficient local government system	MLM to ensure participative transparent and accountable governance, by improving public participation process and functionality of municipal structures
9. Environmental assets and natural resources that is well protected and continually enhanced	Improve community awareness on environmental protection. Implement Coastal Management Plan
10. Create a better South Africa and contribute to a better and safer Africa and world	Ensure Integrated Planning with all sector departments
11. An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship.	Ensure Integrated Planning with all sector departments
12. Inclusive and responsive social system	Co-ordinate Operation Sukuma Sakhe interventions
13. Transforming and unifying the country	Partner with the District in facilitating programs that encourages social cohesion etc. SALGA Games, Golden Games

Figure 6: MTSF Outcome & Mandeni Response

## B.6. Provincial Growth And Development Plan 2016

In line with the NDP, the Provincial Growth and Development Strategy (PGDS) presents a 2035 development vision, and outlines a medium- to short-term development program for the KwaZulu-Natal province. It identifies seven (7) strategic goals and thirty (30) strategic objectives towards the attainment of the vision. The Mandeni IDP has integrated the principles and strategic goals outlined in the PGDS, and customized them to find meaning in the local context, thus making the IDP not just a tool for coordinating development locally, but also a means for the practical implementation of government development programs.

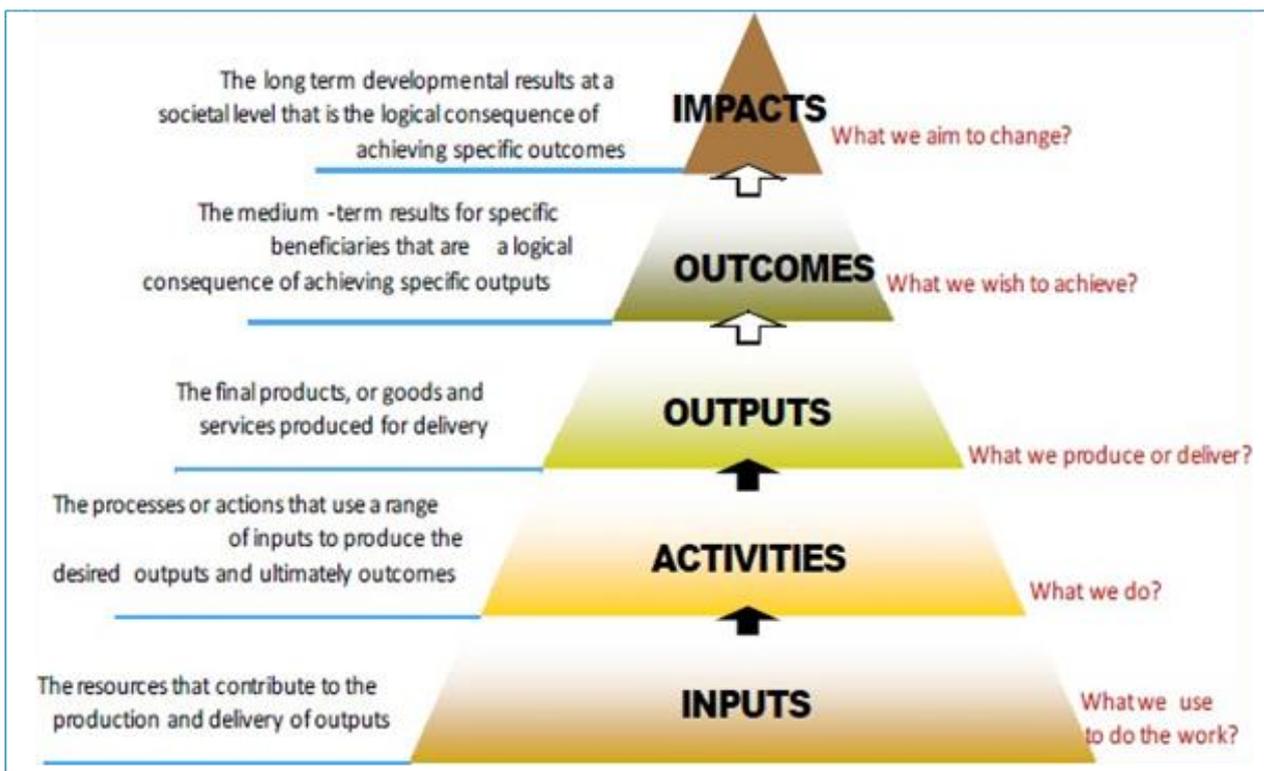
However, the achievement of these objectives and attainment of the goals hinges on the nature and extent of collaboration and partnership among the various social partners; in particular, business, organized labor, civil society and the different spheres of government, and State-owned Enterprises under the leadership of the KZN Government (PGDS)

## B.7. Ilembe District Model

### B.7.1. The DDM Theory Of Change

The approach of the iLembe DDM One Plan is vested in the Theory of Change approach<sup>4</sup>. The Theory of Change is an outcome-based framework that outlines the desired set of long-term goals that are engineered backwards to identify strategies and measurable actions to achieve the long-term goals.

The process of an outcome framework also requires a reporting framework to assess progress made on goal achievement and the impact of implementing strategies and actions. Broken into five main steps, namely, the overall impact, the outcomes that want to be achieved, the outputs on which the outcomes depend, the activities that need to be undertaken to achieve the outcomes and the inputs that are required. The Theory of Change model is diagrammatically presented in Figure 3.



#### B.7.1.2. The Six DDM Transformational Focal Areas

The One Plan is a visionary and transformational plan addressing the following interrelated DDM key transformation focus areas, content themes or principles, namely:

- Demographic Change/People Development.
- Economic Positioning.
- Spatial Restructuring and Environmental Sustainability.
- Infrastructure Engineering.
- Integrated Service Provisioning.

- Governance and Financial Management.

The transformation focus areas do not exist in isolation but rather as interchangeable and integrated mechanisms to achieve the One Plan vision. The One Plan vision articulates a spatial and development vision through economic growth, financial sustainability, good governance practices, infrastructure, and services investment.

In relation to each transformation focus area, the One Plan must articulate the following:

- The current situation or diagnostic assessment.
- The desired future or vision.
- The strategies and interventions
- The Implementation commitments by all three spheres of government and key stakeholders.

### **B.7.1.3. A Strategic Collaboratively Synthesized Plan**

The DDM One Plan is not a simple summation of different sphere/entity plans but a strategic collaboratively synthesized plan that articulates development outcomes, targets and commitments required to catalyze and advance fundamental socio- economic transformation.

In essence, the One Plan is a single integrated and well-coordinated plan for the family of district and local municipalities and, as such, mainly an Inter-Governmental Relations plan bringing together the joint plans of all national, provincial, and local development plans and budgets into one plan.



#### B.7.1.4. National And Provincial Planning Alignment

The iLembe DDM One Plan must align to higher and lower order policies and plans. There are a myriad of National, Provincial, District and Local Municipal, and sector Department policies, plans, and strategies that must be considered in the formulation of the DDM One Plan.

A review of the National, Provincial, District and Local Municipal planning policies, strategies, and research document identified the following key development considerations

KEY ISSUES IDENTIFIED	DIAGNOSTICS
THE NEED FOR A NEW CONSENSUS / SOCIAL COMPACT	To address the immediate crisis in the country and to create conditions for long-lasting stability and development. All role-players should contribute towards making South Africa an effective developmental state. Leadership by government is key for it to have policy clarity on critical issues in order that the social compact can be robust.
INSTITUTIONAL WEAKNESSES LEADING TO POOR ECONOMIC GROWTH AND DEVELOPMENT	Institutions in South African democracy have been significantly weakened over the past decade and do not serve the democracy. The South African economy has been deteriorating over the last ten years. Mining and manufacturing, for example, the two sectors that are in serious decline have in the past been seen as important even after 1994.
LOCAL GOVERNMENT FINANCE AND LEADERSHIP <sup>5</sup>	Only 5% of the country's municipalities are financially stable. In iLembe only KwaDukuza is able to self-finance its operations. The dysfunction is ascribed to poor governance, weak institutional capacity, poor financial management, corruption, and political instability.
GOVERNMENT DOES NOT CREATE JOBS	President Ramaphosa re-stated a known principle that the role of the state is in creating a conducive environment for business to thrive and create growth and employment. It is known that the government does not create jobs. Private sector creates jobs with 80% of all the people employed in South Africa are employed in the private sector.
CLIMATE CHANGE	South Africa is one of the regions of the world that is most affected by climate change. The frequency of droughts, floods and other extreme weather events associated with global warming is increasing. Recently floods have affected several provinces, including KwaZulu-Natal, Gauteng, and the Eastern Cape. The importance of carbon pricing is increasing internationally. iLembe should embrace the new trends

	and develop long-term policies that places it in a position to engage meaningful in the carbon price field.
<b>INVESTMENT ATTRACTION AND RETENTION</b>	Investment attraction remains a key priority to the government. Investment attraction and the need to address investment incentives and developer charges have been identified in iLembe as key strategic aspects.
<b>INFRASTRUCTURE LED GROWTH AND DEVELOPMENT</b>	The government is committed to an infrastructure-led strategy to rejuvenate the South African economy. It is a key pillar of the Economic Reconstruction and Recovery Plan (ERRP) with investments in water, energy, sanitation, housing, roads, health, education, and public transport. This approach is to be adopted by iLembe.
<b>CUTTING RED TAPE</b>	Regulatory and administrative conditions for businesses in most municipalities are constraining economic development. There are many

### **B.8. Alignment With Back To Basics**

The National Department of Co-operative Governance and Traditional Affairs (COGTA) embarked On program called ‘Back to Basics – Serving our Communities Better’. The program acknowledges local government as the primary site for service delivery, and the program seeks to assist local government to enforce its mandate for service delivery. The program identified the following as challenges that need to be addressed: Collapse of municipal infrastructure service; In adequate and slow response to service delivery challenges; Social distance between the public representative and communities reflect poor public participation in the process of local government; Financial viability of some municipality in particular low revenue collection;

Mismatch and or lack of skills of personnel in local government; and Breakdown in values and good governance that is manifested by rent seeking and corruption.

To address the above challenges, the Back to Basics program has identified a set of indicators on which each municipality will report on, on a continuous basis. These are outlined below, and Mandeni Municipality responds to these challenges as outlined.



## CHAPTER C: SITUATIONAL ANALYSIS

### C.1. Demographic characteristics

#### C1.1. Population Size

The demographic profile shown below are at the district level, in comparison to the other municipalities within the district. The Mandeni population has grown by 7% as of the 2011 Census. This growth can be owed to various reasons such as the immigration of people from other cities and increased number of factories that have moved into Mandeni. The following table reflects these changes in comparison to the neighboring municipalities.

##### C.1.1.1. Ilembe Population Growth In Comparison To 2011 Census And 2016 Community Survey

2011 CENSUS	POPULATION	2016 COMMUNITY SURVEY
MUNICIPALITY	POPULATION	
Ilembe	606 808	657 612
Maphumulo	96 724	89 969
Mandeni	<b>138 078</b>	147 808
KwaDukuza	231 187	276 719
Ndwedwe	140 82	143 117

Source: 2016 Community Survey, Stats SA

#### C.1.2. Household Demographics

The following table presents the household statistics for Mandeni Municipality, which were abstracted from Statistic SA, Community Survey of 2016. The table illustrates growth from 38 235 in 2011 to 45 678. This increase in population will result in increased demand for services such as water, clinics, housing, etc.

	RACE	HOUSEHOLDS	% OF TOTAL HOUSEHOLDS
NUMBER OF HOUSEHOLDS	Number of households	45,678	
HOUSEHOLD PERCENTAGE	Black/African	44,497	97.5%
	Colored	118	0.3%
SHARE BY POPULATION GROUP	Indian/Asian	793	1.7%
	White	253	0.6%
MAIN DWELLING	Formal	38,512	84.4%
	Informal	1,631	3.6%
	Traditional	4,763	10.4%
	OTHER	749	1.6%

Source, 2016 Community Survey, Stats SA

### C.1.3. Population Composition By Race Per Ward

The table below shows the distribution of race groups by ward. It is evident that the Black African population is the majority racial group in Mandeni Municipality, followed by the Indian/Asian, Coloured and White race groups. The number of Black Africans is 136 896, which accounts for 96.7% of the total population, and there are 2296 Indians/Asians (1.65%), 743 Colored people, and lastly 2646 white people. The table below provides stats gathered from Census 2011, as statistics of 2016 Community Survey have not been aggregated to ward level yet.

Ward no	Black African	Coloured	Indian/Asian	White	Other
1	8135	9	16	11	2
2	6762	22	9	127	1
3	5384	437	1740	1038	44
4	8656	105	393	58	27
5	7976	13	14	6	2
6	6849	1	5	3	0
7	8997	9	7	1	12
8	9305	7	14	20	12
9	10881	27	13	11	6
10	6482	5	5	2	8
11	4883	1	2	2	1
12	11962	10	9	7	12
13	5707	14	2	2	0
14	7569	20	2	6	10
15	4519	8	3	1	17
16	7547	11	34	13	4
17	5641	7	8	2	32
18	6304	13	9	6	5
<b>TOTAL</b>	133560	718	2286	1318	195

Source 2016 Community Survey, Stats SA

### C.1.4. Age Profile

The pyramid graph below indicates the age distribution in percentage to that of the entire population within the municipality. The graph enables us to understand that in Mandeni the highest population recorded is among the ages 20-24, being youth and the lowest population recorded is among the ages 70-85 and this trend is common among females only. When compared to males the graph indicates that the highest percentage of population is ages 0-4 and 15-19, and the lowest percentage of population is ages 80-84. Refer to the Pyramid Graph below. This analysis provides the understanding that the majority of the population within the municipality is youth thus holding great potential for the area.

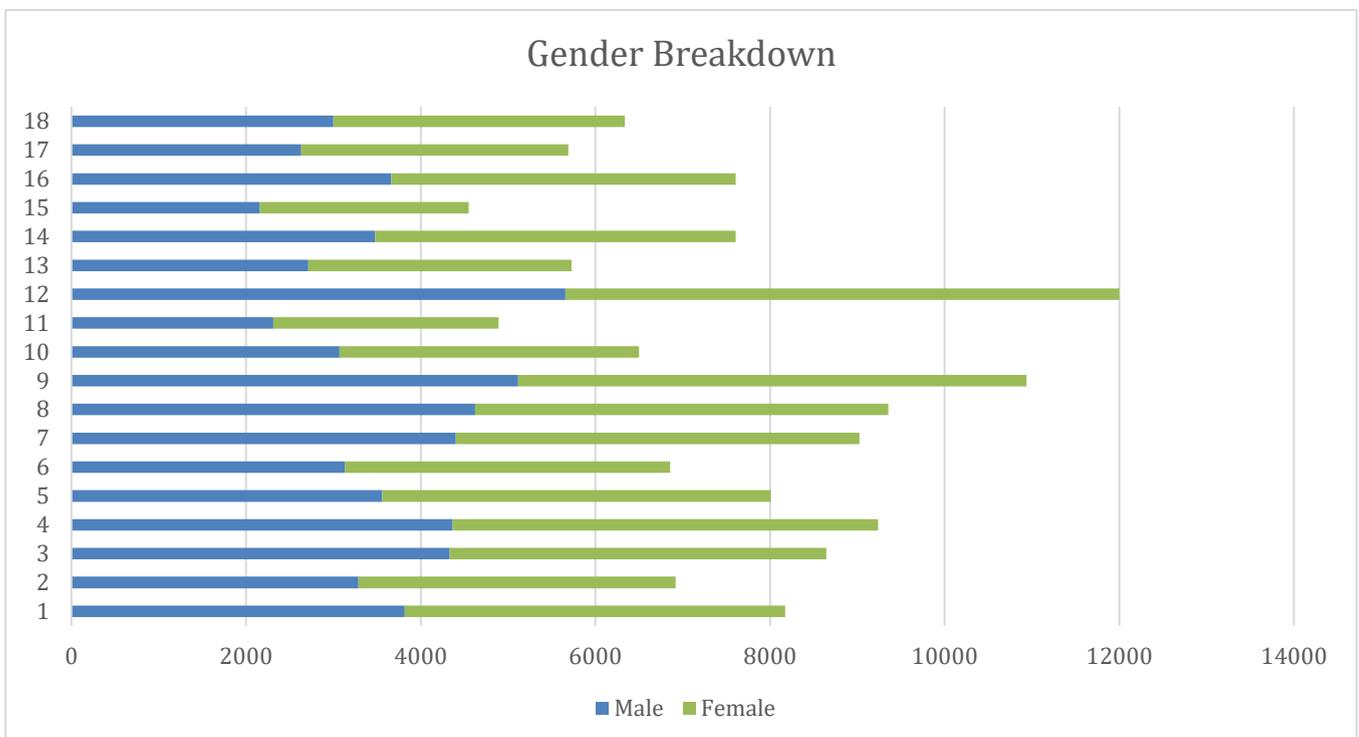


Figure 8: Gender Breakdown

### C.1.5. Age Distribution Analysis

The pyramid graph below indicates the age distribution in percentage to that of the entire population within the municipality. The graph enables us to understand that in Mandeni the highest population recorded is among the ages 20- 24, being youth and the lowest population recorded is among the ages 70-85 and this trend is common among females only. When compared to males the graph indicates that the highest percentage of population is ages 0-4 and 15-19, and the lowest percentage of population is ages 80-84. Refer to the Pyramid Graph below. This analysis provides the understanding that the majority of the population within the municipality is youth thus holding great potential for the area.

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	<b>1,50%</b>															
	Population	1478 08	1500 25	1522 75	1545 60	1568 78	1592 31	1616 20	1640 44	1665 05	1690 02	1715 37	1741 10	1767 22	1793 73	1820 63
	Households	4567 8	4636 3	4705 9	4776 4	4848 1	4920 8	4994 6	5069 5	5145 6	5222 8	5301 1	5380 6	5461 3	5543 3	5626 4
	<b>2%</b>															
	Population	1478 08	1507 64	1537 79	1568 55	1599 92	1631 92	1664 56	1697 85	1731 81	1766 44	1801 77	1837 81	1874 56	1912 05	1950 30
	Households	4567 8	4659 2	4752 3	4847 4	4944 3	5043 2	5144 1	5247 0	5351 9	5458 9	5568 1	5679 5	5793 1	5908 9	6027 1
	<b>3%</b>															
	Population	1478 08	1522 42	1568 10	1615 14	1663 59	1713 50	1764 90	1817 85	1872 39	1928 56	1986 42	2046 01	2107 39	2170 61	2235 73
	Households	4567 8	4704 8	4846 0	4991 4	5141 1	5295 3	5454 2	5617 8	5786 4	5959 9	6138 7	6322 9	6512 6	6708 0	6909 2
	<b>4%</b>															
	Population	1478 08	1537 20	1598 69	1662 64	1729 14	1798 31	1870 24	1945 05	2022 85	2103 77	2187 92	2275 44	2366 45	2461 11	2559 56
	Households	4567 8	4750 5	4940 5	5138 2	5343 7	5557 4	5779 7	6010 9	6251 3	6501 4	6761 5	7031 9	7313 2	7605 7	7910 0
	<b>5%</b>															
	Population	1478 08	1551 98	1629 58	1711 06	1796 62	1886 45	1980 77	2079 81	2183 80	2292 99	2407 64	2528 02	2654 42	2787 14	2926 50
	Households	4567 8	4796 2	5036 0	5287 8	5552 2	5829 8	6121 3	6427 4	6748 7	7086 2	7440 5	7812 5	8203 1	8613 3	9043 9

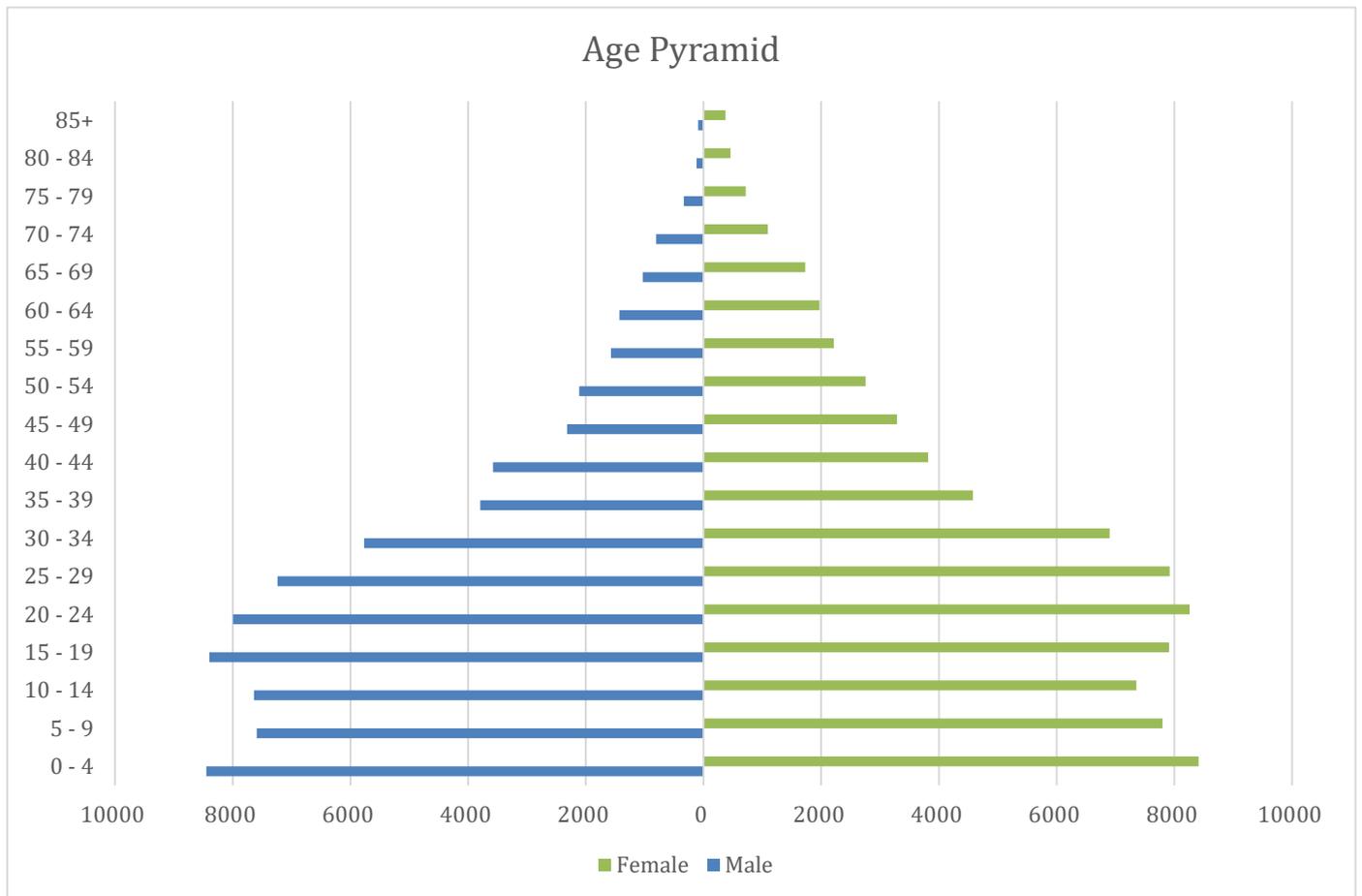


Figure 9: Age Pyramid

### C.1.6. Projected Growth

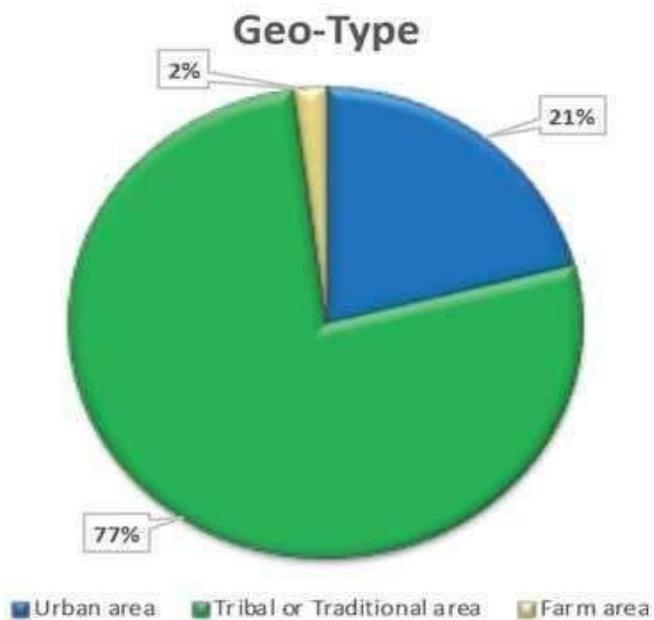
The figure below provides an overview of the population growth that is estimated for 2019 until the year 2030 in line with the Municipal 2030 vision. The population is estimated to increase from 154 560 to 182 063.

Source: 2016 Community Survey, Stats SA

### C.1.7. Geo Type

A total population of 77% reside within Tribal areas, followed by Urban Area where 21 % of the total population resides, thirdly is a small percentage of the population of 2 % resides on Farm Land. The municipality has a huge area, classified as tribal. It is therefore important that programs like Rural Development are fully employed by the municipality in order to improve service standards in those areas. Further it is important that a municipality maintains a good relationship with traditional leaders in the Municipal area so that service delivery will not be compromised.

Figure 10: Geo-Type



### C.1.8. Mandeni Economic Profile

Functional age groups indicate the level of the potential work force in the region. Therefore, the key age group relates to individuals aged 15 to 64 years. The following tables provide a comparison between the 2001 and 2011 census years in respect of the 0-14, 15-64 and 65+ population age cohorts for Mandeni and the other municipalities in the iLembe District.

MUNICIPALITY	POPULATION		AGE STRUCTURE						
	2001	2011	<15	15-64	65+	2001	2011	2001	2011
DC29 ILEMBE	560 390	606 809		34%		61%			5%
DISTRICT									
KZN291 MANDENI	127 327	138 078	32.2%	33.5%	61.2%	62.6%	3.6%	3.9%	
KZN292 KWADUKUZA	167 805	231 187	29.9%	29.0%	65.7%	66.7%	4.3%	4.3%	
KZN293 NDWEDWE	144 615	140 820	34.4%	37.1%	55.0%	56.9%	5.6%	6.0%	
KZN294 MAPHUMULO	120 643	99 724	44.1%	40.6%	46.6%	52.9%	6.3%	6.5%	

Source: 2001 & 2011 Census

The data presented indicates that there has been a slight increase in the <15-year age cohort and a slight increase in the 15-64 age cohort between the 2001 and 2011 census years

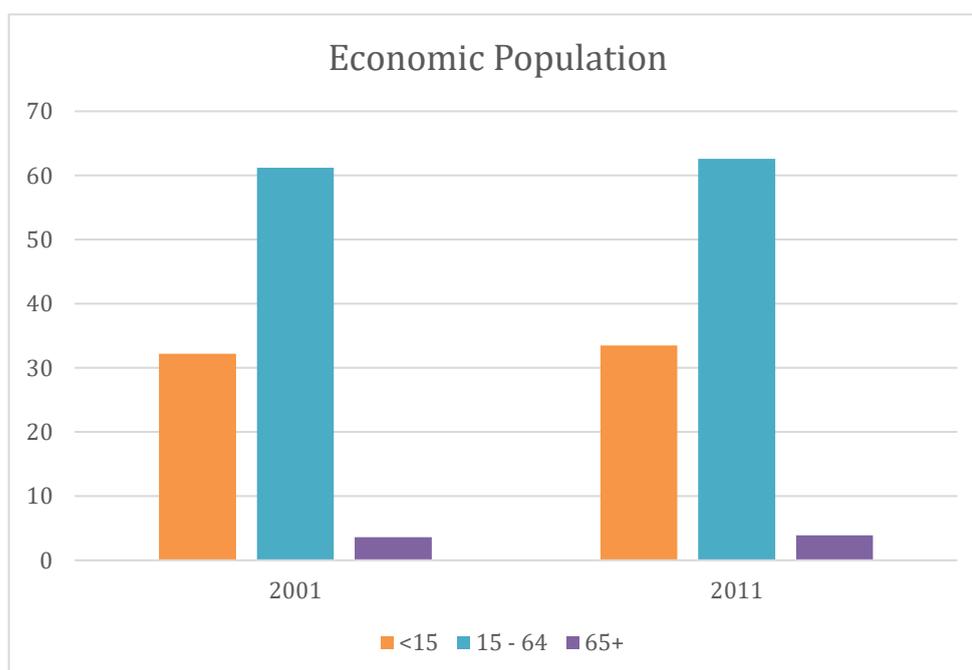


Figure 11: Source: 2002 & 2011 Census

### C.1.9. Economic Realities

The municipality has an important role in the national, provincial and district economies on account of the largest industrial estate in the province of KwaZulu-Natal being located here, with 414 hectares of industrial land, and 520 000 of lettable industrial property available. The site is currently home to 165 Ithala owned factories and 49 privately owned factories. The Estate plays a significant role in attracting investment in the Region. Amongst the dominating industries are SAPPI, KIC, Nampack and Uniform all employing a substantial number of people, still indicating the importance of this industrial estate in the regional economy. As stated the manufacturing sector is the largest contributor (60,6%) to the Mandeni GDP. Over the last decade it grew by only 4,2%. Agriculture is the second largest contributor to the GDP, with 8,3%. This shows the stark comparison between the two activities.

Wholesale and Retail is the third largest contributor to the GDP of the area at 8%.

Tourism industry in Mandeni is also observable at the Tugela Mouth and Dokodweni areas. The history of the area cannot be divorced from the tourism potential. Great battles have been fought by the Zulus against the British in this area through the involvement of King Cetshwayo.

### C.1.10. EMPLOYMENT AND INCOME LEVELS

Unemployment rate in Mandeni declined from 45.1% in 2001 to 28.6% in 2011 reflecting the impact of job creation.

TABLE: UNEMPLOYMENT RATE

MUNICIPAL MUNICIPALI TY	UNEMPLOYMENT RATE			YOUTH (15-34) UNEMPLOYMENT RATE		
	2001	2011	% CHANGE	2001	2011	% CHANGE
ILEMBE	48.0	30.6	-36%	55.8	37.2	-33%
MAPHUMULO	75.9	49.0	-35%	83.3	58.4	-30%
MANDENI	45.1	28.6	-37%	51.5	34.6	-33%
KWADUKUZA	34.3	25.0	-27%	42.6	30.8	-28%
NDWEDWE	67.8	48.7	-28%	76.4	58.3	-24%

Source: Census 2011

Programs of the national government, and the benefits of its location near KwaDukuza and Durban Metro which have both experienced phenomenal economic growth over the last decade. High unemployment particularly amongst the youth can lead to social evils such as crime, drug abuse, prostitution, etc. which are detrimental to economic growth and development in the district. The figure below indicates the percentage of unemployment in iLembe District. Mandeni Municipality is sitting at 28.6% with regards to unemployment as per the recent Statistics, SA 2011 Census. Despite a lower unemployment rate amongst the youth in the municipal area, the 34.6% of the youth that are unemployed is still substantial and can have a negative impact on the growth and development of Mandeni. This situation warrants the municipality to consider development initiatives that can address this challenge. If not addressed as a matter of urgency, the situation is expected to increase levels of frustration and impatience among the youth. In addition to this, the situation will contribute to a cycle of chronic unemployment and poverty: these young people are likely to become the parents of children who will then also grow up in a context of poverty. Job creation is not the core

competency of the municipality however Mandeni Municipality is committed to radical economic transformation which entails making the environment conducive for investors.

Mandeni is still relatively higher when compared with 25% of KwaDukuza and relatively lowest when compared with 49 of Maphumulo and 48.7 of Ndwedwe Manufacturing sector is the main contributor of source of employment in Mandeni. The sector employs approximately 26.86% of the available labour force. Wholesale and retail sector is the second largest employer, followed by finance and insurance employing 25.68% and 22.77% of the municipal labour force respectively. Agriculture, transport and construction sectors employ 3.8%, 2.86% and 2.19% respectively.

INDUSTRY	%
Agriculture, forestry and fishing	3.84
Mining and quarrying	1.08
Manufacturing	26.86
Electricity, gas and water	0.03
Construction	2.19
Wholesale and retail trade, catering and accommodation	25.68
Transport, storage and communication	2.86
Finance, insurance, real estate and business services	22.77
Community, social and personal services	9.07
General government	5.63
TOTAL	100

Source: census 2011

#### C.1.11. Average Household income levels

Household income is one of the most important determinants of welfare in a region. The ability to meet basic needs, such as adequate food, clothing, shelter, and basic amenities, is largely determined by the level of income earned by the household. Poverty is often defined as the lack of resources to meet basic needs and the indicator of poverty in a region is the number of households with income below the poverty line. The figure above indicates that approximately 18,364 (13.3%) of the population has no source of income and this indicates that almost 18,364 of the population of Mandeni live below the poverty line. Whilst the district has an overall decrease in the number of people experiencing such poverty as per the South African Multidimensional Poverty Index (MPI), the indicators include unemployment, years of schooling, child mortality, type of dwelling, etc. Maphumulo and Ndwedwe local municipalities, even though having experienced a decrease of over 5% in the head count, still have the highest number of people living in extreme poverty. The results for people living in extreme poverty in Mandeni and KwaDukuza have only decreased by less than 2% for both municipalities whilst on the other hand, these areas have experienced significant population growth between 2011 and 2016.

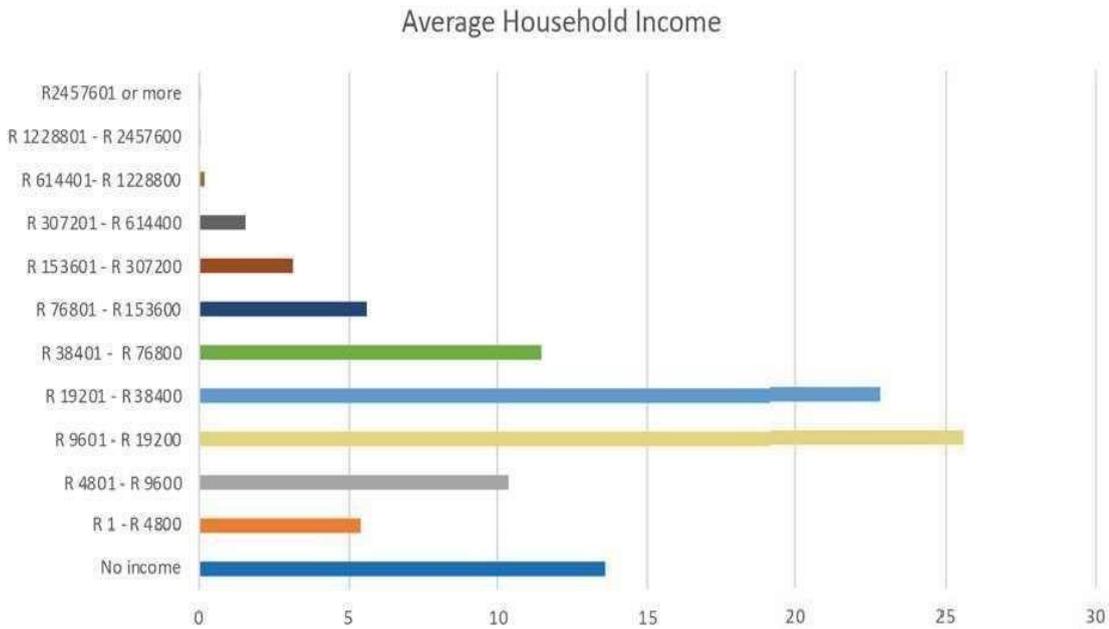


Figure 12: Average Household Income Source: 2011 Census, Stats SA

### C.1.12. Poverty Levels

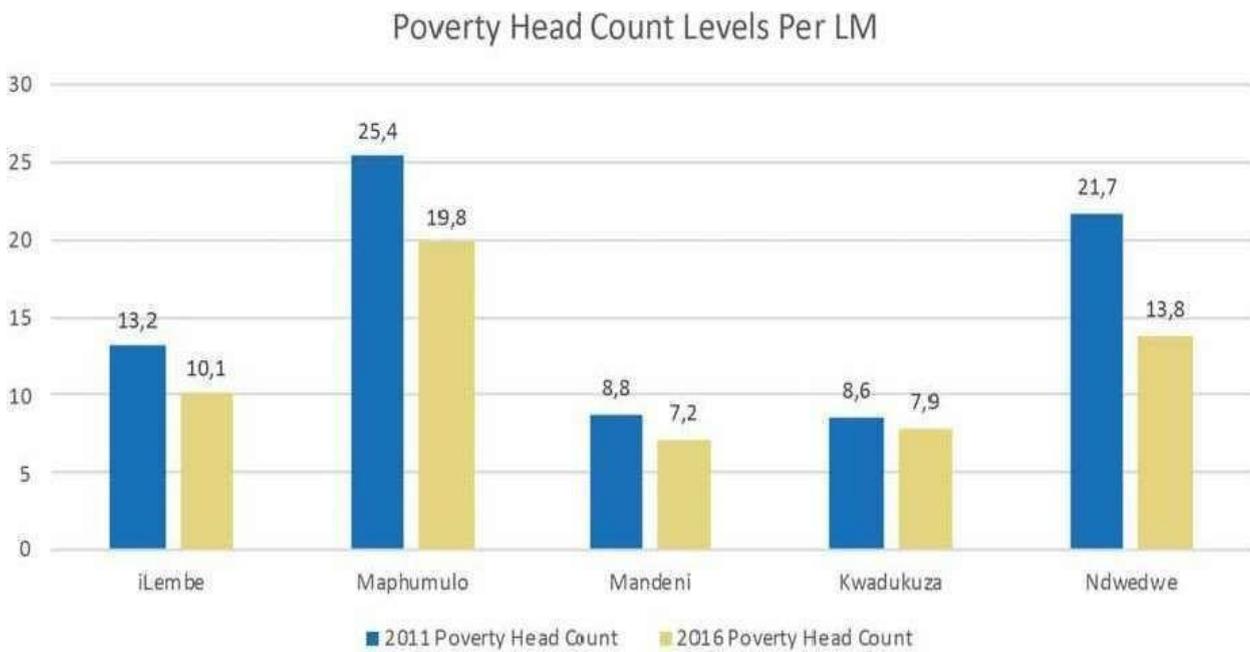


Figure 13: Poverty levels

## **C.2. CROSS CUTTING – (SPATIAL, ENVIRONMENTAL & DISASTER MANAGEMENT)**

### **C.2.1. Spatial Analysis**

#### **C.2.1.1. Administrative Entity Settlement Patterns**

Mandeni Municipality is dominated by traditional owned land, comprising approximately 63% of the total area. Land use within the municipality consists of a mix of commercial land use, residential use, and manufacturing and agricultural activities. Commercial land use is located in the center of the municipality's jurisdiction, where a high level of existing infrastructure service development is concentrated, with residential land use supporting the core activities. As one moves further out of the primary node, one finds industrial development (Isithebe and SAPPI), agricultural activity and rural settlements. The traditional areas are dominated by subsistence farming activities; however, the land is characterized by steep areas that reduce the potential for agriculture. In terms of the land use administrative function there is still a lack of focus in the administration of land use on the periphery of the urban areas.

#### **C.2.1.2. Main Corridor**

The P415 is identified as a main municipal corridor crossing the N2 and linking the coast and the hinterland. It runs from east to west, linking the Tugela Mouth Service Centre and Mandeni/Sundumbili Primary Node. The corridor runs along the primary node in a northerly direction along the P459, passing Isithebe towards Nyoni and Amatikulu. In terms of the Spatial Development Framework, the activity corridor is characterized as a mixed-use development corridor, distributing in various areas and linking different land uses. It also acts as a connecting point with regional routes such as the R102 and N2.

#### **C.2.1.3. Primary Node**

The Sundumbili Business District has been identified as the primary service centre within the municipal SDF and the district SDF. As the heart of the emerging core urban complex encompassing Mandeni, Sundumbili, iSithebe and rest of the rural homesteads, this node is of paramount importance as it also services settlements beyond the borders of Mandeni Municipality. This node is characterized by Ithala Centre, Rencken's Centre and the new Mandeni Mall.

#### **C.2.1.4. Settlement Pattern**

The existing settlement structure is substantially influenced by prevailing topographic conditions, physical access and access to land. Consequently, a series of settlement bands developed parallel to the coast. The prevailing settlement structure is also influenced by the existence of major commercial agricultural activities in the east, the existence of a series of east–west linkages and the particular opportunities of the coast. Another contributing factor to the settlements pattern is land tenure and customary allocation of households by the Traditional Authorities through Amakhosi wherein Mandeni Municipality we have 4 Traditional Authorities namely Mathonsi TA, Fuze TA, Macambini TA and Sikhonyane TA. These TA areas cover approximately 63% of the total area, this clearly highlights that most of our settlement patterns are highly influenced by TA's.

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#### **C.2.1.6. Ingonyama Trust Land**

Mandeni Municipality is made up of four Traditional Authority areas, where the land is administrated by Traditional Councils (TCs). The TC areas cover approximately 63% of the total area and the remaining land is owned by the State and the Ingonyama Trust. The dominant activity within traditional areas is subsistence farming; however, the land is also characterized by steep areas, which reduces the potential for agriculture. TC areas are generally characterized by subsistence farming activities and harsh topographical conditions and have the worst agricultural potential, with the exception of the Macambini Council, which lies along the coast. Large areas are under-utilized with traditional settlement.

#### **C.2.1.7. Land Use Patterns**

Land use within the municipality is a mix of commercial activities, residential, manufacturing and agricultural activities. The existing infrastructural development and minimal provision of social facilities play a major role in supporting the resident population. Industrial developments concentrated in iSithebe and most notably the Amatikulu sugar milling operations and the SAPPI Paper mills at Mandeni. Agricultural land use is the dominant land use within the municipality and is mainly located within traditional areas. The main agricultural activity is subsistence farming.

#### **C.2.1.8. Urban Areas**

Areas of urbanization in the municipality comprise of Mandeni, Sundumbili, Tugela Ext 3 and Tugela Mouth. Land uses within these areas are typically urban mixed uses with acceptable levels of infrastructural and service development and minimal provision of social facilities and services to support the resident population. Industrial development is concentrated in iSithebe industrial park and most notably SAPPI Paper mills at Mandeni. The iSithebe industrial Park and potential expansion around it forms the main industrial node within the municipality. Although the SAPPI plant represents a major industrial area, it is not-intended to serve as a growing industrial node, mainly due to its proximity to residential areas. The Mandeni urban edge borders iSithebe, Sundumbili and Mandeni and includes the identified accelerated growth zones depicted in the local and regional SDF. The Mandeni SDF identified the tourism development strip, Tugela Mouth and wards 1, 2 and 3 located within Macambini traditional authority area that falls within the peri-urban zone.

### **C.2.1.9. DENSE RURAL SETTLEMENTS**

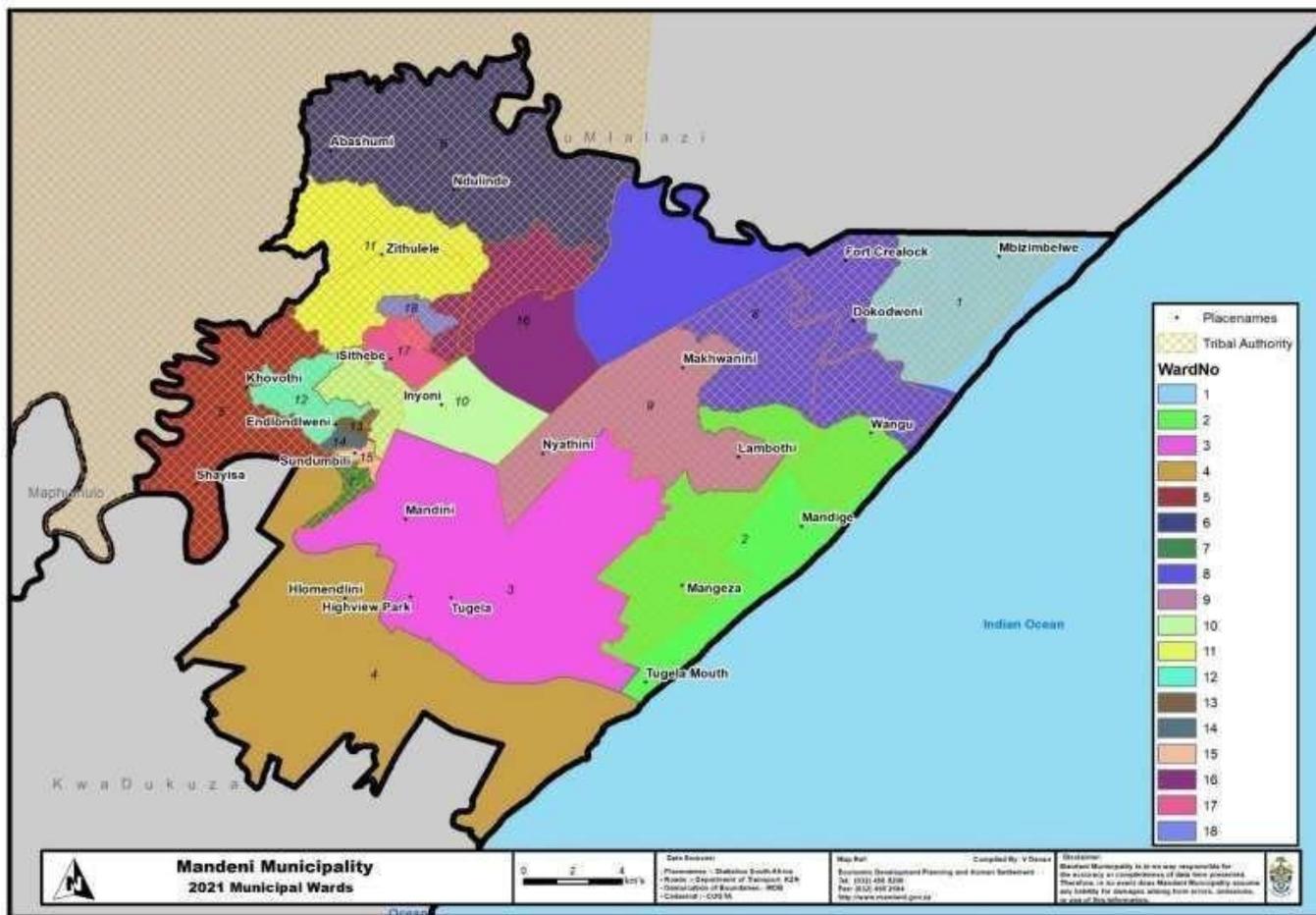
Informal settlements with limited to no facilities or infrastructural services occur on the periphery of the developed areas and within the iSithebe Industrial area and Sundumbili Township. This is also evident in the periphery of the well – established Sundumbili Township and Mathonsi TC eastwards of the hinterland. Village centers such as Wangu in the west and Nyoni in the north eastern side comprise of commercial and service development in the two tribal authorities, Mathonsi and Macambini Tribal Authority.

### **C.2.1.10. SCATTERED RURAL SETTLEMENTS**

Settlement patterns in the remaining areas occur in the form of scattered, unevenly spread rural settlements, reflecting the previous neglect of the former KwaZulu Homeland areas in spatial planning and development initiatives. These settlements owe their genesis to the natural environment, particularly grazing and arable land. Patterns and low densities that are not conducive to the provision of infrastructural services. Smaller rural nodes, such as tribal courts, trading stores or clinics are scattered through the TC. Traditional housing dominates, but a range of other formal and informal.



Figure 14: 2021 Municipal Ward boundaries



### C.2.2. Environmental Analysis

Mandeni Municipality is rich in natural resources, which are mostly occurring along the Tugela River valley, the AmaTigulu River valley, and within the Mandeni coastal area. In addition, there are other natural assets occurring in other parts of the Municipality such as the Ndulinde Hills, and the Landmark Hills around the center of Mandeni, which form the attractive backdrops to development in the area, and which need to be managed wisely for the benefit of present and future generations as envisaged by the National Environmental Management Act of 1998.

The other key natural features found within the Municipality are rivers, wetlands, estuaries, forests, and grasslands. There are other natural resources that are managed by the Nature Conservation authorities such as Ezemvelo KZN Wildlife. Such areas include the AmatiGulu Nature Reserve, Harold Johnson Nature Reserve and the Ngwenya Nature Reserve, which is managed in partnership between SAPPI and the Mandeni Municipality. Two types of biomes are found within Mandeni Municipality, namely: the Indian Ocean Coastal Belt and Savanna Biome. Vegetation types include: The Eastern Valley Bushveld, KwaZulu-Natal Coastal Belt, Maputaland Coastal Belt, Northern Coastal Forest, Subtropical Coastal Lagoons, and Sub-tropical Dune Thicket

### **C.2.2.1. Environmental Management Structure**

For the successful implementation of the environmental management activities and policies, it is critical that a structure is established by the Municipality to be responsible for the management of natural resources. Currently the structure responsible for the implementation of the environmental management programs is the Shared Service, which is housed under the Planning Section, but assisting the entire Municipal Department. Although Mandeni is contributing to the Shared Services, the program was created to play a supporting role to an existing structure within the Municipality which is not the case within the Mandeni Municipality. As such the Shared Services Officer is assisted by the Officials from the iLembe District and Department of Forestry, Fisheries and Environmental, under the Local Government Support, and deployed to the District on a full-time basis. There is a need for the Municipality to consider getting an Environmental Management Officer for easy management of environmental matters, within the Municipality.

### **C.2.2.2. Promoting Integrated Planning**

The National Environmental Management Act provides a framework upon which environmental matters are to be managed in South Africa. The Act further establishes a number of policies promoting integrated planning and achievements of the sustainable development objectives. Although the Municipality is trying to meet the objectives of these policies, the pace is rather slow. This is due to the fact that there is no environmental management structure within the Municipality and also that at times environmental management issues are not viewed as important or as a service per se, as provision of water for example. This is challenging as very often the environmental management activities do not receive the attention required and so the budget.



### **C.2.2.3. Agriculture Potential Areas**

When considering the iLembe District Municipality as a whole, the northern areas of Ndwedwe LM, the central corridor of Mandeni and KwaDukuza LM are commercial farming hubs of the District, which consist mainly of privately-owned sugarcane farms, covers approximately 31% of the iLembe District. In addition to the privately-owned commercial farms, the District implemented a total of 8 Hydroponics (Agri Hub Projects) in the District of which two (2,500m<sup>2</sup> each) are situated within Mandeni Municipality. This project is mainly focusing on highly valued crops such as patty pants, peppers, and cucumbers. All fresh produce, harvested from the tunnels, gets processed at the processing facility and sold to Spar in Ballito and Umhlali. It is in the interest of the Enterprise iLembe to expand the program due to high demand of fresh produce by the markets. This program has generated more jobs, especially among youth. It is important for the Municipality to come with an action plan to duplicate such programs within the entire Municipal area.

According to ArcGIS there is no Class 1 or high potential agricultural land in any of the local municipalities that make up the iLembe District Municipality. A similar scenario can be found in the Mandeni Local Municipality, where there is no Class 1 or 2 arable land. Here the 64.08% arable land comprises 38.04% Class 3 and 26.04% Class 4 land, with the remaining land all being classed as Class 5 or 6 Grazing land at 4.55% and 31.35% respectively. Mandeni therefore has slightly better arable soils than KwaDukuza, despite the fact that the local municipal area is smaller than that of KwaDukuza. The Agricultural Potential of Mandeni Municipality ranges between the following categories of land:

- Category B: Threatened Agricultural Land
- Category C: Primary Agricultural Land
- Category D: Secondary Agricultural Land
- Category E: Mixed Agricultural Land
- Permanently Transformed Areas; and
- Proclaimed Reserves.

These categories are directly linked to the Topography of the Municipality, with high potential agricultural land situated in the More evenly sloped fertile plains along the coast and central municipal area, and the lower agricultural potential land situated in the north western parts of the municipality in the more mountainous areas. In considering development potential, one also needs to consider land regulated by the Subdivision of Agricultural Land Act, 1970, (Act 70 of 1970). The central part of the Municipality where current commercial sugarcane farming is occurring, as well as the areas surrounding the Main development Corridor, namely the R102 is regulated by Act 70 of 1970.

### **C.2.2.4. Biodiversity Management (including Protected Areas)**

Biodiversity is the foundation that supports all living organisms, including human survival. Functioning ecosystems with intact biodiversity are resilient to external shocks, such as drought and floods. These ecosystems reduce people's vulnerability and prevent damage to and loss of economic infrastructure. Common drivers of biodiversity loss within the Municipality include an increasing population, high levels of rural poverty and unemployment. These drivers often led to demand for natural resources and for land for agricultural, urban and industrial development; mining; and plantation forestry. A number of areas within the Municipality, such as Inyoni and Isithebe area, are located in a flood plain. Such developments are affecting the functionality of the existing wetland and catchment occurring within these areas. Most of the farming taking place in these are targeting the wetlands and rivers which is a challenge that needs to be attended to by the Municipality.

The iLembe Biodiversity Sector Plan has been proposed by Ezemvelo KZN Wildlife, as a tool to be used for biodiversity planning and management in the Province. This plan has identified categories to be

followed in managing natural resources, which are as follows:

- Critical Biodiversity Area: Irreplaceable - These are the only localities for which conservation targets for biodiversity features can be achieved;
- Critical Biodiversity Area: Optimal – These are areas that represent the best localities that are optimally located to meet conservation targets;
- Ecological Support Areas – These areas are required to support and sustain the ecological functioning of Critical Biodiversity Areas; and
- Ecological Support Areas: Species – These are areas required for the persistence of species.

It is critical for the Mandeni Municipality to take into consideration this tool for better management of the natural resources in the area.

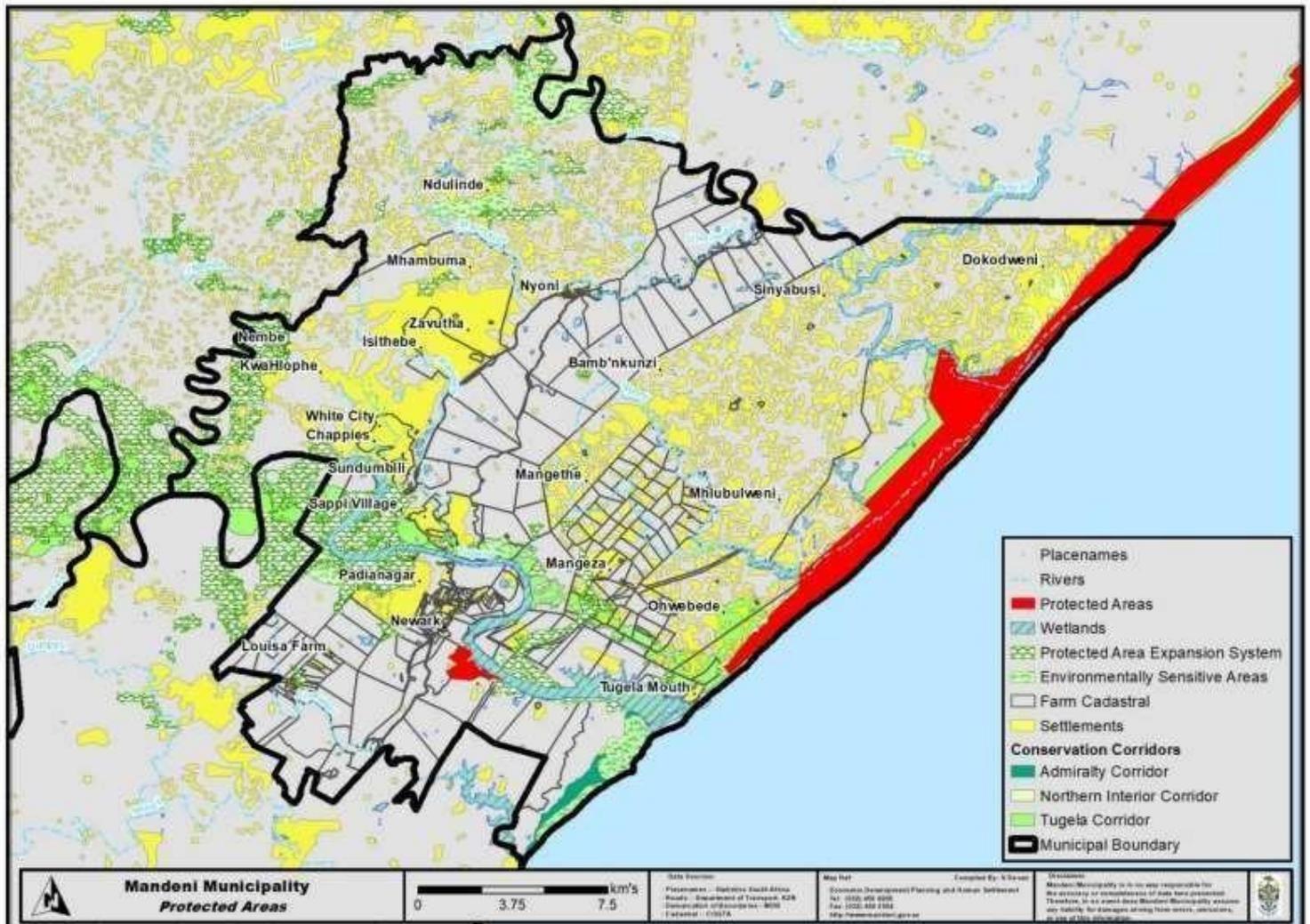
### C.2.2.5. Terrestrial Biodiversity

Terrestrial biodiversity can be defined as the variety of life forms on the land surface of the Earth. According to Ezemvelo KZN Wildlife, Biodiversity located on land can be shown through vegetation and threatened ecosystem information, as this provides for vegetation communities and the habitats provided for species within these communities. Nearly 20% of KZN’s surface area is listed as threatened and the Province is second only to the Western Cape in terms of the number of listed Critically Endangered ecosystems. Listings of threatened species offer a new approach to reducing unnecessary habitat loss through land conversion for agriculture, urban development or forestry, which are the greatest threat to biodiversity. A national list of ecosystems that are threatened and in need of protection was published in December 2011 and below is a list of threatened Flora and Fauna within the Mandeni Municipality as per iLembe EMF.

TABLE: SHOWING A SUMMARY OF THREATENED SPECIES WITHIN THE MANDENI MUNICIPALITY

FLORA	FAUNA
Barleria natalensis	Reptiles
Diaphanant he - Vulnerable	<ul style="list-style-type: none"> <li>• Scelotes inornatus (Legless Burrowing Skink), and</li> <li>• Bradypodion melanocephalum (Black-headed Dwarf Chameleon)</li> </ul>
Senecio exuberans	
Vernonia Africana Vernonia natalensis	Diphenanthrene Mallari  Amphibians <ul style="list-style-type: none"> <li>• Hyperoliids pickersgilli (Pickersgill’s Reed Frog) – Endangered</li> <li>• Kniphofia a paucifora – Critically endangered</li> </ul>
	Birds <ul style="list-style-type: none"> <li>• Anthropoids paradise (Blue crane) –Vulnerable</li> <li>• Balearica regulome (Grey-Crowned crane) – Vulnerable</li> </ul>
	Cochlitoma, Euonyma
	Millipedes <ul style="list-style-type: none"> <li>• Daratogonus zuluensis</li> </ul>
	Insects <ul style="list-style-type: none"> <li>• Parepistaurus Eburneatus</li> </ul>

Figure 15: Ecosystem Status of Natural Resources in Mandeni



### C.2.2.6. Protected Areas

Protected areas are normally categorized into three classes:

- Class 1- formally protected (National Parks, Provincial and Local Authority Nature Reserves and Forest Nature reserves),
- Class 2- protected (Mountain Catchment Areas, Wildlife Management Areas, Private Nature Reserves, National Heritage Sites, Forest Areas, Bird Sanctuaries and Botanical Gardens) and
- Class 3: the protection of the undisturbed mining land. The status of Protected Areas within Mandeni Municipality is summarized in Table 1 below.

TABLE: Showing the status of protected areas within Mandeni municipality

PROTECTED AREAS	DESCRIPTION/STATUS
Nature Reserves	Currently there are three nature reserves within the Mandeni Municipality: <ul style="list-style-type: none"> <li>• Amatikulu Provincial Nature Reserve,</li> <li>• Harold Johnson Provincial Nature Reserve, and Red Hill Provincial Nature Reserve.</li> <li>• Ingwenya Nature Reserve, which is currently renovated by the Mandeni Municipality. These are managed under Nature Conservation Authorities.</li> </ul>
Marine Protected Areas	The Department of Environmental Affairs is proposing the uThukela Marine Protected Area (MPA), which will start from Izinkwazi Coastal Areas and end at eSikhawini at the King Cetshwayo District. This MPA includes a critical marine area within the Mandeni Municipality. Progress made thus far includes consultation with the National Department of Environmental Affairs and other critical stakeholders.
Proposed expansion of Protected Areas	UThukela Priority Expansion Area.

#### C.2.2.7. The Stewardship Program within the Municipality

The Environmental Management Framework (EMF) has identified a number of areas within different wards of Mandeni Municipality having conservation value (Figure 2). It is the intention of the Municipality to encourage the management of such areas under the stewardship program. A stewardship program can be defined as conservation of biodiversity outside the protected areas (nature reserves) particularly on private and communal land. This program will be implemented in partnership with the Ezemvelo KZN Wildlife.

#### C.2.2.8. Alien Invasive Clearance Program

The invasion of alien species is a challenge facing Mandeni Municipality. It is the intention of the Municipality to bring this concern to the attention of other Organs of State dealing with alien species. The map below in Figure 4 shows distribution of alien invasive species within Mandeni Municipality.

Currently the iLembe District Municipality has initiated an alien clearance project targeting few areas within the Local Municipalities. The Mandeni Municipality is one of the benefitting local municipalities. The project will focus on clearance of alien species along the Local River within the Sundumbili Township. In May 2018, the National Department of Environmental Affairs made funding available for the alien clearance. The project targeted the Inyoni Area which consists of wetland systems in good condition.

For the better management of biodiversity within the Mandeni Municipality, biodiversity data can be summarized as follow

Table: Showing summary of biodiversity information for the Mandeni municipality

MAIN ISSUES	MAIN ISSUES
Municipal Area	58 226.3 ha
Remaining natural areas	19 703.4 ha (33.8% of municipality)
Areas where no natural habitat remains	38 013.9 ha (65.3% of municipality)
Major impacts to biodiversity management	<ul style="list-style-type: none"> <li>• Habitat loss due to agriculture, industrial expansion, rural human settlement, overgrazing and management alien invader plant infestation.</li> <li>• Sites of Conservation Value threatened by rural human settlement.</li> <li>• There is the potential to develop ecotourism ventures.</li> <li>• Loss of sensitive sites due to mismanagement/lack of appropriate protection.</li> <li>• Lack of biodiversity information within tribal areas.</li> </ul>
Protected areas	3 reserves covering 1816 ha (3.6% of municipality): <ul style="list-style-type: none"> <li>• AmatiGulu Provincial Nature Reserve, 1476 ha (2.92% of municipality)</li> <li>• Harold Johnson Provincial Nature Reserve, 104ha (0.17% of municipality)</li> <li>• Red Hill Provincial Nature Reserve, 236 ha (0.49% of municipality)</li> </ul>
Biomes	<ul style="list-style-type: none"> <li>• Indian Ocean Coastal Belt 54050.4 ha (92.83% of municipality)</li> <li>• Savannah 3749.8 ha (6.44% of municipality)</li> </ul>
Vegetation Types	<ul style="list-style-type: none"> <li>• Eastern Valley Bushveld 3749.8 ha (6.44% of municipality)</li> <li>• KwaZulu-Natal Coastal Belt 46984.4ha (80.69% of municipality)</li> <li>• Maputaland Coastal Belt 5479.4 ha (9.41% of municipality)</li> <li>• Northern Coastal Forest 1203.8 ha (2.07% of municipality)</li> <li>• Subtropical Coastal Lagoons 284.3 ha (0.49% of municipality)</li> <li>• Subtropical Dune Thicket 98.5 ha (0.17% of municipality)</li> </ul>
Threatened Terrestrial Ecosystems	<ul style="list-style-type: none"> <li>• Eshowe Mtunzini Hilly Grasslands – 16053.2ha (27.57% of municipality) Critically endangered (2) Ecosystems</li> <li>• North Coast Forest Collective – 201 ha (0.35% of municipality) Endangered (1)</li> <li>• KwaZulu-Natal Coastal Forest – 14.5 ha (0.02% of municipality) Vulnerable (1)</li> <li>• KwaZulu-Natal Coastal Belt – 529.2 ha (0.91% of municipality)</li> </ul>
Estuaries	<ul style="list-style-type: none"> <li>• AMatigulu/Nyoni – Permanently open estuary – good condition</li> <li>• Tugela/Thukela – River mouth – fair condition</li> </ul>

### C.2.2.9. HYDROLOGY AND GROUNDWATER

Management of the water resources is critical for the supply of portable water for consumption by human beings. Although the supply of potable water is a function of the iLembe District, it is critical for the Mandeni Municipality to encourage management of water resources for the benefit of the environmental aquatic and terrestrial ecosystems.

Freshwater is essential not only to the life and health of humankind, and the physiological processes of organisms, but also to ensuring economic sustainability by providing a key resource to the industry. It is therefore important to quantify the current state of and impacts on water and the environment and how these are changing over time. Below is a table showing the water resources occurring within the Mandeni Municipality.

Water resources in Mandeni		
Freshwater Ecosystems	Three (3) Water - uMVOTI TO UMZIMKULU 3630.3ha (6.23% of Management Areas municipality) - uTHUKELA 18328.5ha (31.48% of municipality) - uSUTU TO MHLATHUZE 32106ha (55.14% of Municipality)	
	Main Rivers	AmaTigulu uThukela
	Wetlands	550 covering 1170.7ha (2%)

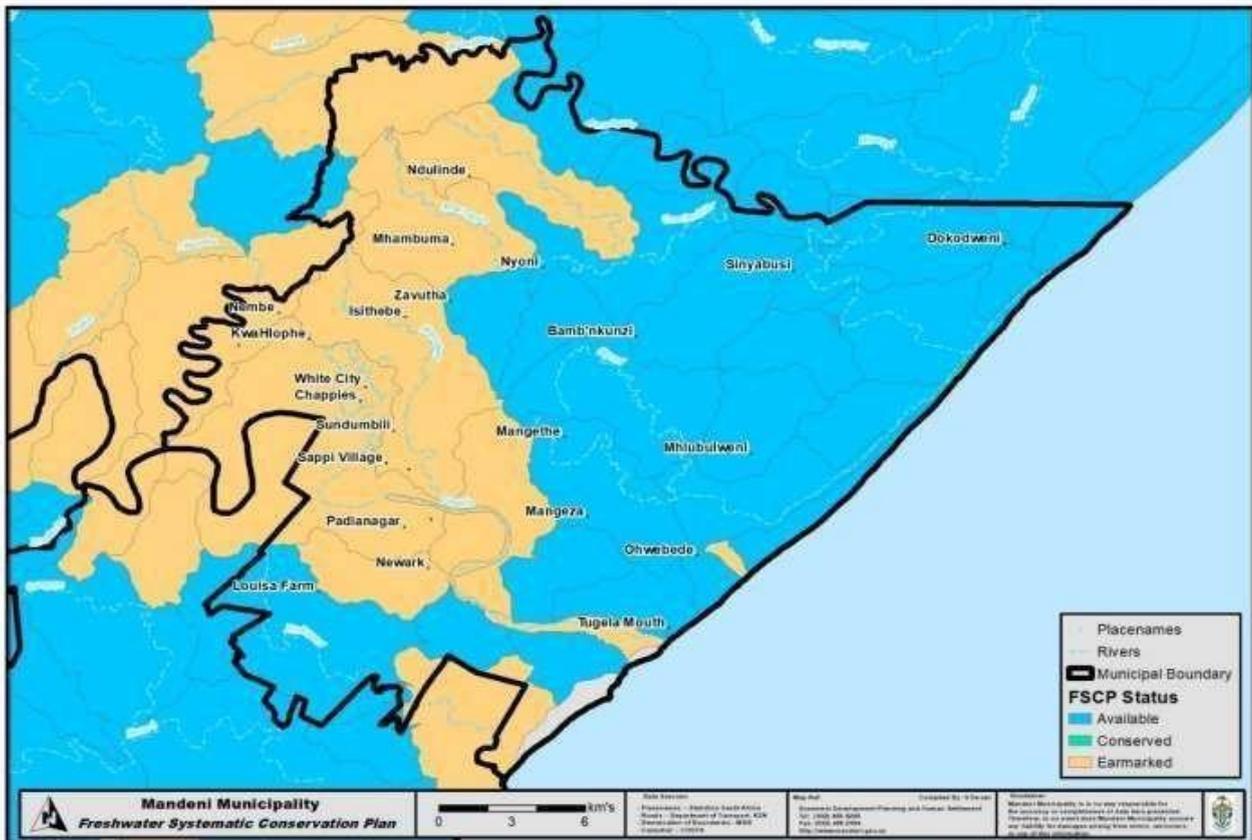
#### *Water Resources within Mandeni Municipality*

A number of wetland systems do occur within the Mandeni Municipality and they require protection from human activities. Other than wetlands acting as another critical water resources or supply, wetlands provides the following services, that is:

- Improved Water Quality, by intercepting runoff from surfaces prior to reaching open water and remove pollutants through physical, chemical, and biological processes;
- Control Erosion & Flood Abatement;
- Habitat Enhancement;
- Recreation etc

Through the Open and Space System the Municipality can be able to manage wetlands within the Municipality. Parks and Garden is the structure that can be responsible for the management of the wetlands.

Figure 16: Freshwater systems



### C.2.2.10. Mining & Biodiversity

Regulation of the mining activities is the function of the Department of Mineral Resources (DMR) as per the Mineral and Petroleum Resources Development Act. However, since most of the mining activities take place within the jurisdiction of the Municipality, efforts should be made to control these activities, in order to achieve the objectives of Section 24 of the Constitution. Mining within Mandeni Municipality can be categorized into quarry and sand mining.

Sand mining is mostly done within river systems, the most affected rivers within the Mandeni Municipality are AmaTigulu River and UThukela River. According to the DMR database, no mining permit has been issued along the above-mentioned Rivers. However, a number of illegal sand miners are currently mining along these two rivers. If these activities are not controlled they will have negative impacts to the river system.

### **C.2.2.10.1. Pressures and Opportunities Related to Biodiversity Management**

#### **C.2.2.10.2. Pressure**

The Convention on Biological Diversity sets out five principal pressures on biodiversity, namely (i) Habitat loss and degradation; (ii) Climate change; (iii) Excessive nutrient load and other forms of pollution; (iv) Over-exploitation and unsustainable use; and (v) Invasive alien species. A large driver of these pressures is human activities that place on the environment to support human lifestyles. Below is a list of other possible impacts on the biodiversity with the District:

- Uncontrolled human settlement and ribbon development is transforming the natural vegetation;
- Overgrazing threatens natural vegetation integrity;
- Alien invader plants infestation is transforming natural vegetation;
- Lack of biodiversity information within tribal areas;
- Loss of sensitive sites due to mismanagement/ lack of appropriate protection;
- Impact of urbanization on the sensitive dune and coastal forests; and
- Impact of urbanization on estuary and riverine vegetation.

#### **C.2.2.10.3. Opportunities**

Opportunities related to biodiversity that would need to be considered include the following:

- Job creation from alien clearing projects, including projects under the Working for Water Program;
- Job creation from rehabilitation of degraded wetlands and other valuable ecosystems, including projects under the Working for Wetlands Program
- Eco-tourism from scenic, wildlife viewing, birding, nature trails; coast, beach;
- Contribution of Protected Areas to ecotourism and economy in terms of being a draw card;
- Ecosystem services derived from ecological infrastructure (intact functioning green systems that deliver services), which can contribute to flood and drought mitigation, protection of infrastructure, water purification, recreational activities, etc.;
- Protected areas already contributing to conservation of the biodiversity network and ecosystem services;
- Combination of land uses (agriculture and protection of biodiversity) on extensive grazing land that can also contribute to the conservation of the biodiversity network;
- Protection of biodiversity network and ecosystem services through municipal managed land; and Protection of network through the encouragement of stewardship via rate reductions, rebates

### C.2.3. Coastal Management

ICMA Requirements	Description	Comments
Coastal Access Land	Section 18 of ICMA (1) states that each municipality whose area includes coastal public property must within four years of the commencement of this Act, make a by-law that designates strips of land as coastal access land in order to secure public access to that coastal public property. The main intention of this Section of ICMA is to promote equitable, safe and environmentally sensitive access to the coastline for all abled and disabled citizens to enjoy, and as a means to further enhance the socio- economic value of our coastline. In light of the above, the Municipalities are required to both designate strips of coastal access land and develop a Coastal Access Management Strategy according to the requirements of the National Environmental Management: Integrated Coastal Management Act, Act 24 of 2008, (ICM Act). This includes setting out the responsibilities of municipalities with regard to coastal access land.	The Mandeni Municipality is in the process of meeting these requirements. The service provider is already on board.
Development of Estuarine Management Plan	Section 33 (1) of the ICMA states that estuaries within the Republic of South Africa must be managed in a co-ordinated and efficient manner and in accordance with a National Estuarine Management Protocol. There are two critical estuaries located within the Mandeni Municipality that is the Amatigulu Mouth on the south and AmaTigulu Estuary north.	The Municipality has Prepared and finalized the development of the Nyoni Estuary Management Plan. The Plan was approved by Council in June 2022.
Municipal Coastal Management Program	Section 48 (1) (a) of the Integrated Coastal Management Act (ICMA), states that a coastal municipality, must, within four years of the commencement of this Act, prepare and adopt a municipal coastal management program for managing the coastal zone or specific parts of the coastal zone within the municipality.	Mandeni Municipality has finalized and adopted the Coastal Management Program (CMP) in 2013 and is due for review
Coastal Planning Scheme	Section 56 (1) of ICMA indicates that a coastal planning scheme may be developed to facilitates the attainment of	Coastal Planning Scheme

### C.2.3.1. Implementation of the Coastal Management Programs

The National Environmental Management: Integrated Coastal Management Act, 2008 requires coastal Municipalities to develop Coastal Management Program (CMPs) to assist in promoting land-uses that are not in conflict with the management of coastal resources. The Mandeni Municipality completed their CMP in 2013 and is currently implementing the recommendations from the Plan as stipulated in Table below. Priorities for Implementation of Mandeni CMP by the Municipality

PRIORITY	OBJECTIVE	IMPLEMENTATION	COMMENTS
Cooperative Governance	To promote stakeholder, engagement and participation, coastal management capacity and the co-ordination of the implementation of the Mandeni CMP.	Municipality to attend the iLembe District Coastal Committee while working on amending the ToRs and the name for the Simunye Forum to function as Mandeni Environmental management forum.	The Municipality attends Municipal Coastal Committee (MCC) meetings on a quarterly basis. There is also a District Environmental Management Forum that discusses the environmental issues including coastal
Coastal Planning and Development	Promote sustainability of coastal settlement and a balance between growth needs and conservation	Development of and formal adoption of the Development Planning Tool (coastal planning scheme).	The CMP has offered recommendations on the precincts and the controls thereof.
Climate Change and Dynamic Coastal Processes	To promote stakeholder engagement and participation, coastal management capacity and the co-ordination of the implementation of the Mandeni CMP.  Promote resilience to the effects of dynamic coastal processes and environmental hazards	Municipality to attend the iLembe District Coastal Committee while working on amending the ToR and the name for the Simunye Forum to function as Mandeni Environmental management forum  Undertake a Climate Change Response Strategy that includes defining Coastal risk and vulnerability. In addition, to align the disaster management plan with the Climate Change Response strategy.	The Municipality attends Municipal Coastal Committee (MCC) meetings on a quarterly basis. There is also a District Environmental Management Forum that discusses environmental issues including coastal management. A District Climate Change Adaptation response plan has been developed and cover segments of issues pertaining to Mandeni.
Coastal Planning and Development	Promote sustainability of coastal settlement and a balance between	Development of and formal adoption of the Development Planning Tool (coastal	The CMP has offered recommendations on the precincts and the
	<b>growth</b>	<b>planning scheme)</b>	controls thereof.

### C.2.3.2. Development of Estuarine Management Plans

The National Environmental Management: Integrated Coastal Management Act, 2008 requires the authorities whose jurisdiction encompasses the Estuaries to develop Estuarine Management Plans (EMPs). There are two main estuaries and several other small estuaries occurring within the Mandeni Municipality. The Municipality needs to develop EMPs for all estuaries occurring within its jurisdiction, especially AmaTigulu and uThukela Mouth. Municipality has prepared and finalized the development of the Nyoni Estuary Management Plan. The Plan was approved by Council in June 2023:

Projects for the implementation of sections of integrated coastal management act

PRIORITY	IMPLEMENTATION	COMMENTS
uThukela Mouth EMP	Development of the uThukela Mouth EMP as required by the Integrated Coastal Management Act	This is one of the projects that has been identified and will be prioritized in the near future.
Nyoni / AmaTigulu EMP	Development of the Nyoni AmaTigulu EMP as required by the Integrated Coastal Management Act	This is one of the projects that has been identified and the development of the plan was finalized in June 2022.
Other small EMPs	Development of the other small EMP for the smaller estuaries as required by the Integrated Coastal Management Act	This is one of the projects that has been identified and will be prioritized in the near future.

### C.2.3.3. Responding to impacts of Climate Change

Climate change is a natural phenomenon where the earth gets warm and cold periods. Under normal circumstances, the planet’s natural systems are resilient enough to adapt to these changes in temperature and rainfall, providing these changes take place over centuries. In the last five decades, however, changes in climate have accelerated and the natural cycle has been altered, with an increase in extreme peaks. This accelerated change in climate is most associated with human activities, especially the emission of the Greenhouse gas (GHG) emissions, deforestation and unsustainable land use.

It has been noticed recently that the Mandeni Municipality is also affected by the change of weather pattern. This is due to the impacts of climate change. Notably, the severe drought that has been recently experienced by the Municipality.

In dealing with the impacts of climate change, the United Nations Framework Convention on Climate Change (UNFCCC) was adopted in 1992, as the basis for the international multilateral response to deal with the human caused (anthropogenic) climate change. The objective of the UNFCCC is to stabilize the greenhouse gas concentrations in the atmosphere level that would prevent dangerous anthropogenic interference with the climate system.

The recent Paris Agreement, which South Africa is a signatory, demands the development of the Intended Nationally Determined Contribution. In this commitment South Africa considers that the country is facing the challenge of climate change as a developing country, with overriding priorities to eliminate poverty and eradicate inequality. Eliminating poverty and eradicating inequality requires addressing major challenges in creating decent employment, which in turn requires sustainable economic development, improving basic education, health and social welfare and many other basic

needs such as access to food, shelter and modern energy services. In addition, South Africa is presently facing acute energy challenges that hamper economic development. As a result of the historical development pathway of its energy sector, South Africa is currently heavily dependent on coal, with a fleet of old and inefficient coal-fired power plants that are nearing, but not yet at, the end of their design life-cycles as well as being reliant on a significant proportion of its liquid fuels being generated from coal.

Mandeni is also affected by these challenges and is expected to contribute to the direction set by the Country as whole. South Africa, including the Mandeni Municipality, is both contributors to, and potential victim of, global climate change given that it has an energy-intensive, fossil-fuel powered economy and is also highly vulnerable to the impacts of climate change. Articles 3 and 4 of the UNFCCC compel parties to take actions to mitigate and adapt to climate change, by developing climate change response strategies to respond to impacts of climate change. The table shows the possible climate change impacts.

RISK	AFFECTED SECTOR	IMPACTS
Severe storms/ Heavy rains	Infrastructure	<ul style="list-style-type: none"> <li>• Damage to Bridges</li> <li>• Poor location of households</li> <li>• Poor quality of building materials for houses</li> <li>• Damage to other critical infrastructure such roads, railway lines etc.</li> </ul>
Lightening	Health	Loss of human life and injuries
	Health	Loss of human life and injuries
	Health	Loss of life
	Water	Loss of water quantity
	Biodiversity Management	Loss of biodiversity which can include: Terrestrial, Freshwater, Estuarine and marine environments
	Human health	Increased risk of wildfires
	Agriculture	Loss of livestock and crops
Loss of Water & land resources	Siltation and soil erosion	Loss of rivers and wetlands
Loss of biodiversity & habitat	Biodiversity Management	Alien plants growth threatens water security
		Loss of biodiversity which can include: Terrestrial, Freshwater, Estuarine and marine
Food security	Agriculture	Loss of productive land
		Decrease of production levels
Flooding	Health	Loss of life
	Infrastructure	<ul style="list-style-type: none"> <li>• Households being submerged in water</li> <li>• Household content being damaged</li> </ul>
	Agriculture	Land degradation
		Livestock and crop damages
		Damage to marine and ecosystem

Sea level rise	Coastal Management	Damage to marine and ecosystem
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The District, through the help of DEA, DRDLR and GIZ, has prepared a Climate Change Vulnerability Assessment and Response Plan. Part of the plan seeks to target and respond to the impacts of climate change felt by local inhabitants. Mandeni Municipality does not have a climate change response plan or strategy dealing with impacts of climate change, as well as programs being implemented by the Municipality. However, the iLembe District Municipality held its first Climate Change summit in 2009 and the second summit in 2014. A number of resolutions were taken during both meetings, which included a proposal for the iLembe District to develop a Climate Change Response Strategy from where the Local Municipalities will develop programs responding to impacts of climate change in their respective areas.

**C.2.3.4. Environmental Education, Awareness programs**

Environmental matters such biodiversity management, conservation, environmental compliance, Climate Change, waste management and recycling and other related concepts are often poorly understood by key stakeholders and role-players within a given area. It is then critical to capacitate stakeholders to encourage common understanding on issues of the management of natural resources and objectives of sustainable development.

Capacitating stakeholders, such as Municipal staff, councilors and the community at large will assist in the building of a resilient society, which is a collective responsibility. This approach can ensure that staff work in a more environmentally sensitive manner and this can improve their compliance on environmental policies, thus helping to ensure the future protection of the Municipal natural resources.

A number of educational and awareness programs are being implemented within the Mandeni Municipality, by the Municipality and other environmental departments and organizations such as the DEDTEA, Department of Environmental Affairs, Department of Health, WESSA and Environmental Health. Other educational initiatives taking place within the Municipality focuses on the celebration of environmental calendar days such as Marine Week, Water Week, and information sessions for general environmental education for the public, clean-up campaigns

### C.2.3.5. Agriculture and Environmental SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Adequate Planning capacity to deliver</li> <li>• Developed Strategic plans for the Municipality</li> <li>• Sector Plans for DM &amp; LMs</li> <li>• Developed bioregional plan for the management of environmental assets</li> <li>• Development of Environmental Policies through national for guidance</li> <li>• Cooperative governance between spheres of government</li> </ul>	<ul style="list-style-type: none"> <li>• Inadequate planning to meet Provincial Targets</li> <li>• Inadequate financial resources to address spatial planning requirements</li> <li>• Lack of available data on Environmental assets of the municipality</li> <li>• Fragmented spatial planning</li> <li>•</li> </ul>
<ul style="list-style-type: none"> <li>• Municipality Located between 2 South Africa’s biggest ports</li> <li>• Good soil conditions for agriculture</li> <li>• Stable climate conditions</li> <li>• Located within 10km radius of Dube Trade Port</li> <li>• Potential to increase number of protected areas</li> <li>• Municipality has a number of heritage sites</li> <li>• Preserve a sense of place</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Location of infrastructure in flood plain</li> <li>• Environmental degradation</li> <li>• Loss of site of Conservation value</li> <li>• Biodiversity loss</li> <li>• Loss of dunes and coastal forests</li> </ul>



### C.3. Disaster Management Aspects & Profile

#### C.3.1. Mandeni Disaster Management

Mandeni Local Municipality Disaster Management Unit was established in December 2012 and is functional. However, the municipality does not have a disaster management centre as a result the current satellite disaster management office that is used for disaster management activities is located at Mandeni Local Municipality offices and is furnished with the required resources.

The objective for the establishment of integrated institutional capacity within the Local Municipality is to enable the effective implementation of disaster risk management policy and legislation.

#### C.3.2. Municipal Disaster Management Plan 2022-2027

The Disaster Management Plan seeks to document the institutional arrangements for disaster risk management planning which includes the assignment of primary and secondary responsibilities for priority disaster risks posing a threat in the municipal area. It further provides the broad framework within which the disaster risk management planning requirements of the Act will be implemented by the departments and other entities included in the organizational structure of the municipality. It establishes the operational procedures for disaster risk reduction, planning as well as the emergency procedures to be implemented in the event of a disaster occurring or threatening to occur in the council's area. It aims to facilitate an integrated and coordinated approach to disaster risk management in the municipality which will ensure that the municipal vision is achieved for disaster risk management. Through establishing risk reduction and resilience building as core principles, and developing adequate capabilities for readiness; and effective and rapid response and recovery.

This disaster risk management plan is in line with the National Disaster Management Framework and addresses disaster risk through four key performance areas (KPAs) and three Enablers:

- KPA 1: Integrated Institutional Capacity for Disaster Risk Management
- KPA 2: Disaster Risk Assessment
- KPA 3: Disaster Risk reduction
- KPA 4: Response and recovery
- Enabler 1: Information Management and Communication
- Enabler 2: Education, Training, Public Awareness and Research
- Enabler 3: Funding arrangements for Disaster Risk Management

#### C.3.3. Mandeni Local Municipality Disaster Risk Management Context

The Mandeni area is exposed to a diversity of hazards of natural origin and man-made hazards including sinkholes, deforestation, veld fires, severe weather events, drought, floods, structural fires and the outbreak of biological diseases such as tuberculosis and cholera. It is also exposed to a variety of technological hazards such as the interruption of services, and various forms of pollution and the transportation of hazardous materials.

The vulnerability in the MLM, which could be exploited by potential hazards, is still rooted in profound poverty, lack of diversity in primary (e.g. agriculture) and secondary (e.g. industrial) products, and the lack of education and resources. Despite the number of developmental projects underway in the MLM, there are still numerous urban as well as rural communities, which are constantly exposed to conditions of vulnerability. As a result their capacity to withstand, cope with and/or recover from the impact of

such natural and anthropogenic risks are severely compromised. In this section we will highlight some of the priority areas, which need an urgent developmental initiative to address this disaster risk.

**C.3.4. Disaster Risk Assessment**

Risk assessment is the first step in planning an effective risk reduction program. It examines the likelihood and outcomes of expected hazard events, including the vulnerability conditions that increase the chances of loss. All municipal departments carry out disaster risk assessments for priority risks relevant to their functional area and where possible, these assessments will be undertaken interdepartmentally to avoid duplication of efforts and to ensure uniformity of findings.

Disaster risk assessment planning requires identification of key stakeholders, as well as consultation with them about the design and/or implementation of the assessment and the interpretation of the findings. Community Services departments and other municipal departments are responsible for systematic risk assessments.

**C.3.5. Situations requiring risk assessments**

Risk assessment is undertaken to ensure that development initiatives minimize their vulnerability reduction outcomes; and plan for unknown risks or disasters to prevent losses and limit endangering impacts. With respect to the implementation of the Act, a risk assessment must be undertaken when one or more of the vulnerability reduction criteria.

KEY VULNERABILITY CRITERIA	EXAMPLES OF WHERE RISK ASSESSMENTS MUST BE DONE
Increased sustainability of a development project or programme to support vulnerable households and communities.	As part of the planning for an infrastructural development, for example, assessing the likelihood of extreme weather, flooding, subsidence and other threats damaging the structure, so that these can be factored into the construction specifications.
Reduction of potential harmful consequences associated with industrial, commercial or other developments	As part of environmental impact assessments for large-scale developments, including industrial, commercial and other enterprises that may increase disaster risk.
Increased understanding of a rapidly changing risk for improved risk management planning	In a flood-prone area that experiences considerable population growth and is facing increased land erosion.
Increased robustness of development initiatives in poor communities and areas	In an informal settlement characterized by recurrent ‘small’ and ‘medium-size’ disaster losses that undermine assets and livelihoods.
Management of high-risk periods and conditions to ensure service and/or business continuity	Electricity transmission lines and rail infrastructure, as well as health and emergency services, to ensure these essential services do not ‘fail’ under expected high-risk conditions.
Provision of appropriate support for at-risk activities, services, areas, communities and households following an ‘alert’.	Following a drought warning or cholera alert in rural areas, to identify communities and households most at risk and to focus or target preparedness and response actions.

**2.3.3. The Methodology for Conducting A Disaster Risk Assessment For Mandeni Municipality**  
 The design and methodology adopted for conducting a disaster risk assessment for the municipality is consistent with the national guidelines and standard. The disaster risk assessment helps determine the level of risk in the municipality. This is done through identifying potential hazards and/or threats;

assessing the conditions of vulnerability that increase the chance of loss for particular elements-at-risk (that is, environmental, human, infrastructural, agricultural, economic and other elements that are exposed to a hazard, and are at risk of loss); assessing impact and coping capacity; determining the level of risk for different situations and conditions; setting priorities for action after prioritizing the hazards according to their risk factor; and continuously monitoring capabilities, risk maps and risk scenarios.

There are many different methods for carrying out risk assessments. In essence the disaster risk assessment for the MLM was based on the following methodology, in future assessments it may however be necessary to deviate, amend or adapt the methodology depending on:

- the type of hazard being assessed;
- the characteristics of the area, infrastructure, service or business concerned;
- the urgency of the assessment; and
- the availability of relevant hazard and vulnerability information.

**C.3.6. The Disaster Risk Assessment of the MLM**

The data presented here is the product of a workshop conducted with disaster management staff members from the MLM and the IDM and a literature study of available documents of both municipalities. As this is a level one plan, the product should be considered and indicative risk profile. It is based on the perceptions of a group of key informants and not on rigorous fieldwork. A comprehensive risk assessment will make part of a level two and level three DRMPs drafted in the future.

Generally, Risk (R) is described as a function of Hazard (H), Vulnerability (V) and Capacity (C), according to the following formula:

**H x V R = function of (C)**

MLM and IDM staff members were asked to identify hazards and name the area’s most at risk to these hazards. In addition, they were asked to explain why these areas are at risk to the identified hazards and to assess current levels of vulnerability and coping capacity for each identified area in relation to the identified hazards. The following discussion provides an overview of the results.

**2.3.4. Hazard Assessment**

The table below indicates the hazards experienced annually in the MLM. The probability of a hazard occurring in a given month is indicated as high, medium or low. This aspect is also colour coded:

Probability	Abbreviation	Colour
High	H	Red
Medium	M	Orange
Low	L	Yellow

In addition, the normal severity in a given month is indicated with a score on the following five-point scale:

Score	Severity
5	Catastrophic
4	Major
3	Moderate
2	Minor
1	Insignificant

Seasonal hazard calendar for the Mandeni Local Municipality.

Priority risk	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Veld fires	L1	L1	L2	L3	H3	H5	H5	H5	H4	M3	L3	L2
Flooding	H3	H3	H3	M2	L1	L1	L1	L1	M2	H2	H3	H3
Structural Fires	M3	M2	M2	M3	M3	M3	M3	M3	M2	M2	M2	M2
Protests	L3	L3	L3	M3	H3	H3	H3	H3	M3	L3	L3	L3
Air pollution	L2											
Road accidents	H3	M2	H3	H3	M2	M2	M2	M2	M2	M2	H2	H3
Pandemic (COVID-19)	M2	M2	M2	M3	M3	M3	M3	M3	M2	M2	M2	M2
Epidemics (Cholera, etc.)	L3	L3	L2	L3	L3	L3						
Drought	L1	L1	L1	L1	H2	H3	H4	H4	H3	M2	L1	L1
Lightning	H4	H4	H4	M3	M2	L1	L1	L1	M2	M3	H4	H4
Strong winds	M3	L2	L2	L2	L2	L2	H34	H4	H3	M2	M2	M3
Hail	M3	M2	L3	L2	L1	L1	L1	L1	L2	L3	M2	M3
Heavy rain	H4	H3	H3	M2	L2	L1	L1	L1	L2	H2	H3	H4
Extreme temperatures	H2	H2	M3	M2	L2	L2	L2	L2	L2	M2	M2	H2
Storm surges	H4	H3	H3	M2	L2	L1	L1	L1	L2	H2	H3	H4
Drowning	H4	M3	M3	M3	L2	L1	L1	L1	L3	M3	H4	H5
Domestic Violence (Women, Children, LGBTQI)	H5	M3	M2	M3	L2	L3	L3	L3	L2	M3	H2	H4

The table above indicates a host of annual hazards. From these, those with the highest probability seem to be severe weather events, flooding and epidemics in the summer months. Structural fires in informal settlements and veld fires are highly likely in the winter months while road accidents are a concern around specific dates, in particular school holidays in November to January as well as March and April. Throughout the year storm surges with a low impact are likely but have a higher impact during the winter months, specifically in Tugela Mouth and Dokodweni. Furthermore, the MLM is aware of the effects of climate change throughout the whole municipality. The following table indicates hazards experienced approximately every five, ten, twenty and fifty years. One in five years hazards are industrial fires, sinkholes and political violence. Drought and transport accidents involving hazardous materials are considered a one in ten-year hazard. Urban flooding and dam failures were identified as one in fifty years hazards.

### C.3.7. Vulnerability Assessment

The above risks impact on local communities in various ways. This section briefly outlines the type of impact each of these hazards may have on affected areas. Severe weather events have an adverse effect on infrastructure such as houses. This is exacerbated by poor building standards in places. Severe weather events may also lead to the displacement of people, psychological trauma, injuries and increases in crime, as people lose their homes and means of income. Severe weather events lead to negative publicity. Areas may be labelled as “disaster prone”. This in turn might spark population growth in other areas. In extreme cases severe weather events might spark political unrest, as authorities are blamed for the situation.

Flooding may have similar impacts to the above. In addition, it might also pose health issues as waterborne diseases spread. It might also damage crops and have an adverse impact on the environment, for example by leading to soil erosion.

Epidemics may have similar effects. Large-scale public health concerns may impact on the local economy as residents have passed away or are ill and thus are not able to work. In extreme cases the coping capacity of medical facilities may be exceeded. Structural fires in formal areas damage infrastructure. This may impact on the local economy and may lead to increases in insurance claims and premiums for those occupying the buildings. Damage to municipal buildings may impact service delivery.

- Structural fires in informal settlements may lead to the displacement of residents as victims are relocated. In addition to a loss of physical assets (homes), these fires may also lead to fatalities and a loss of income, as fires may have destroyed places of work.
- Veld fires can lead to a loss in biodiversity. It can also directly impact local livelihoods by destroying crops and animal fodder. Herds may also be reduced.
- Drought may lead to crop failures and a loss of animal fodder. This could in turn have severe impacts on local livelihoods.
- Road accidents may lead to injuries and deaths. Pollution may occur, should hazardous chemicals be spilt. Accidents may also damage roads and surrounding infrastructure and properties.
- Mass community events in extreme cases may become violent. People may be injured or die in stampedes. This may also have an economic impact, as many human hours may be lost.
- The following table indicates levels of vulnerability and coping capacity for selected settlements regarding annual hazards. Settlements were identified as those most at risk to these hazards

Vulnerability scores were assigned based on the following scale:

Level of vulnerability	Score
Extremely vulnerable	5
Highly vulnerable	4
Moderately vulnerable	3
Low vulnerability	2
Insignificant vulnerability	1

Capacity scores were assigned based on the following scale:

Level of capacity	Score
Full capacity	1
High capacity	2
Moderate capacity	3
Limited capacity	4
No capacity	5

Vulnerability and capacity scores for annual hazards

Priority risk	Settlements	Vulnerability	Capacity
Severe weather events	Isithebe	3	3
	Sundumbili	2	2
	Hlomendlini	3	3
	Macambini	4	5
	Mathonsi	3	3
	Ndulinde	4	3
Flooding	Isithebe	3	2
	Sundumbili	2	3
	Hlomendlini	3	2
	Macambini	5	5

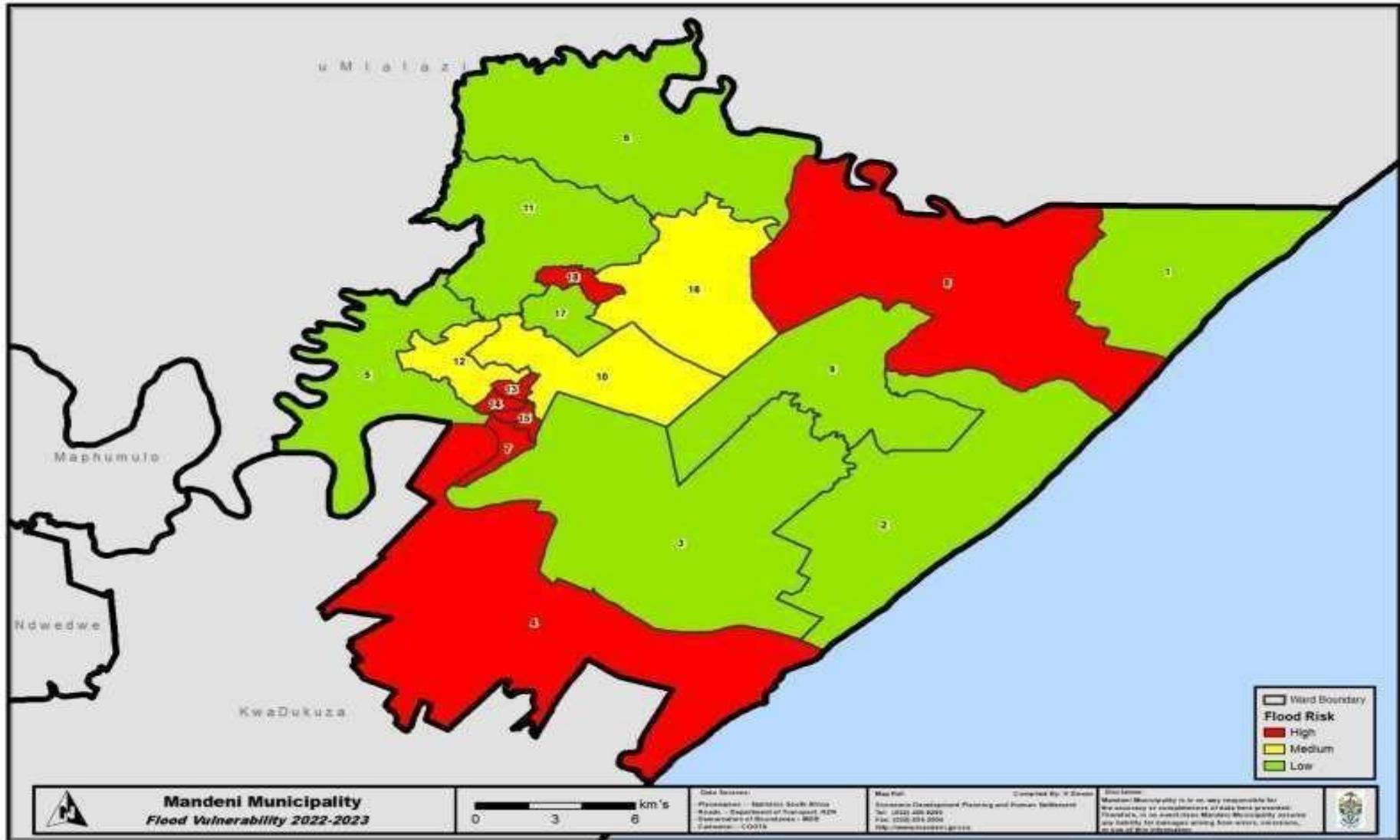
Pandemic/Epidemic	Mathonsi	3	3
	Ndulinde	3	3
	Isithebe	2	2
	Mandeni	1	1
	Hlomendlini	2	2
	Macambini	5	5
	Mathonsi	4	4
	Ndulinde	4	4
Structural Fires (formal)	Isithebe	2	2
	Sundumbili	1	3
	Hlomendlini	2	2
	Macambini	3	2
	Mathonsi	3	3
	Ndulinde	3	1
Structural Fires (informal)	Isithebe	2	2
	Sundumbili	1	3

	Hlomendlini	2	2
	Macambini	3	2
	Mathonsi	3	3
	Ndulinde	3	1
Veld fires	Isithebe	2	2
	Mandeni	1	3
	Hlomendlini	2	2
	Macambini	3	2
	Mathonsi	3	3
	Ndulinde	3	1
Road accidents	N2	4	3
	R102	4	2
	R66	3	3
	P459	4	2
Mass community events	Ncedomhlophe stadium	2	2
	Sibusisiwe Hall	2	2
	Makhempini Sport Field	4	3

The table above indicates that the area’s most vulnerable to various hazards. Amongst these, Ndulinde, Macambini, and Mathonsi seem to be most vulnerable. These areas are also least well-endowed in terms of coping capacity.

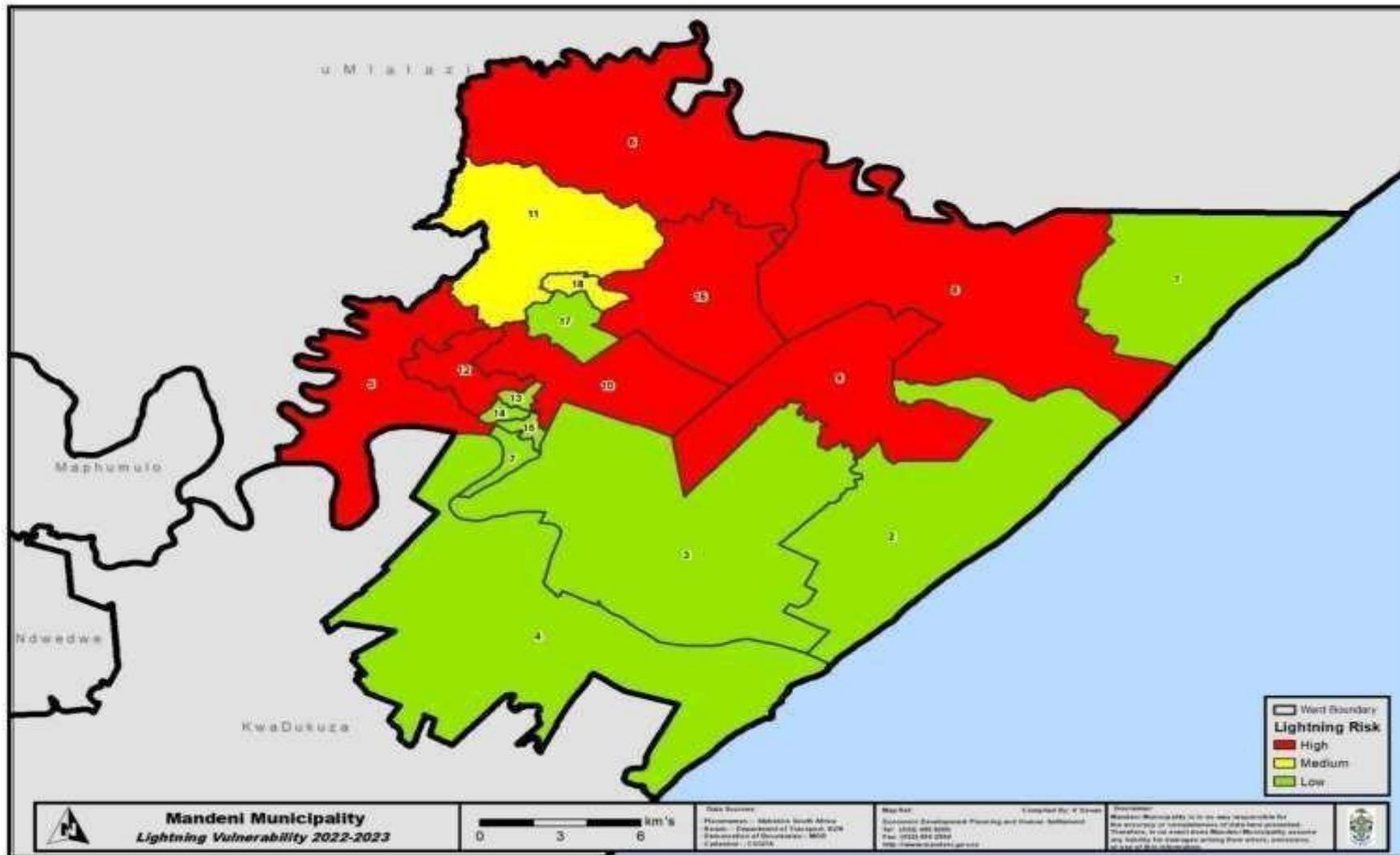
The following table indicates vulnerability and capacity scores for the most at-risk settlements and areas, regarding one in five-year events. Industrial fires and political violence were identified in this regard. Vulnerability to these hazards for the most part seem to be low to moderate. Similarly, capacity scores seem to be limited or moderate for the most part.

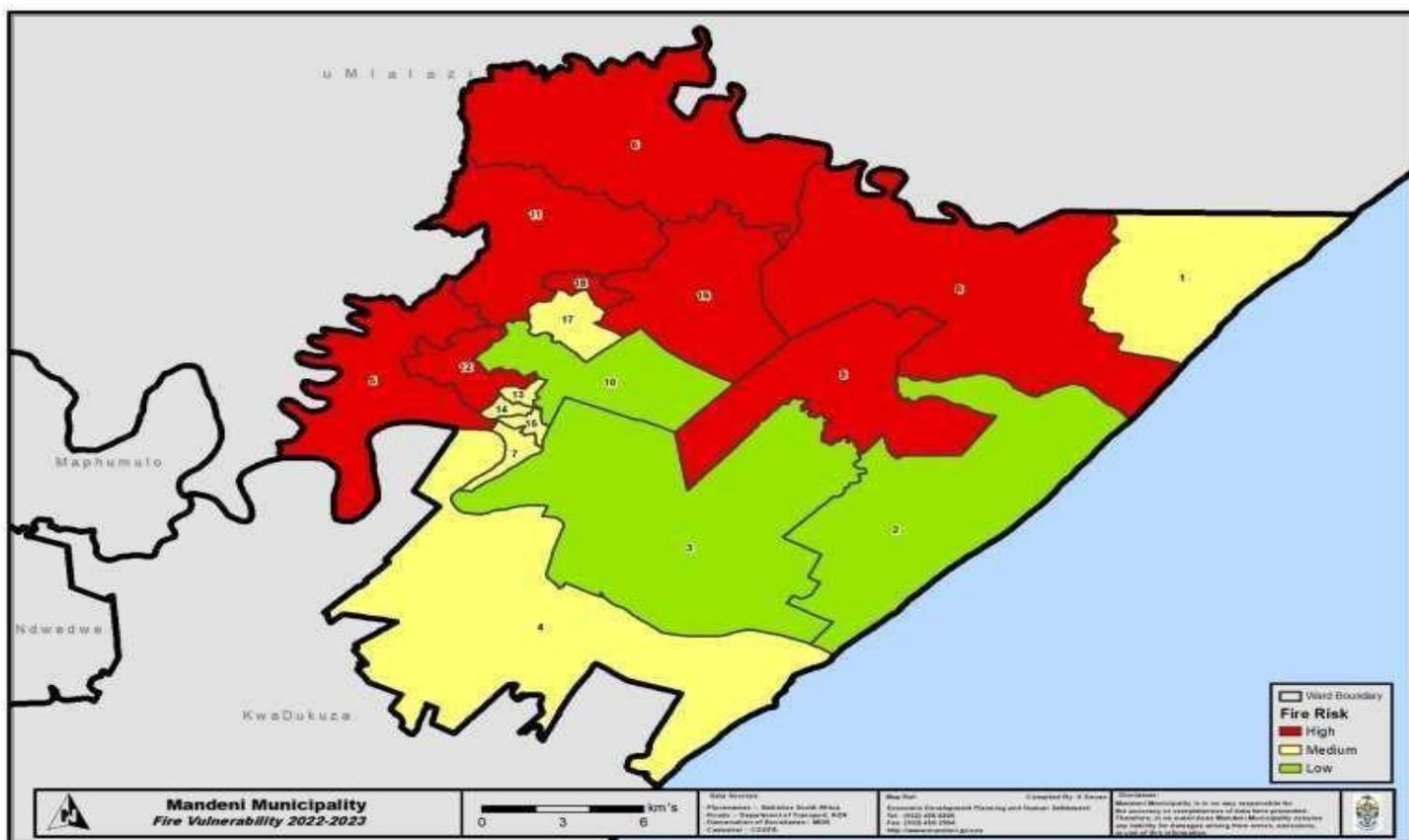




2.2.9.1. Figure 17: Areas vulnerable to floods throughout the municipality

2.2.9.2 Figure 18: Areas vulnerable to lightning





Map showing Areas Vulnerable to Fire Risk

### C.3.8. Disaster Risk Reduction Planning

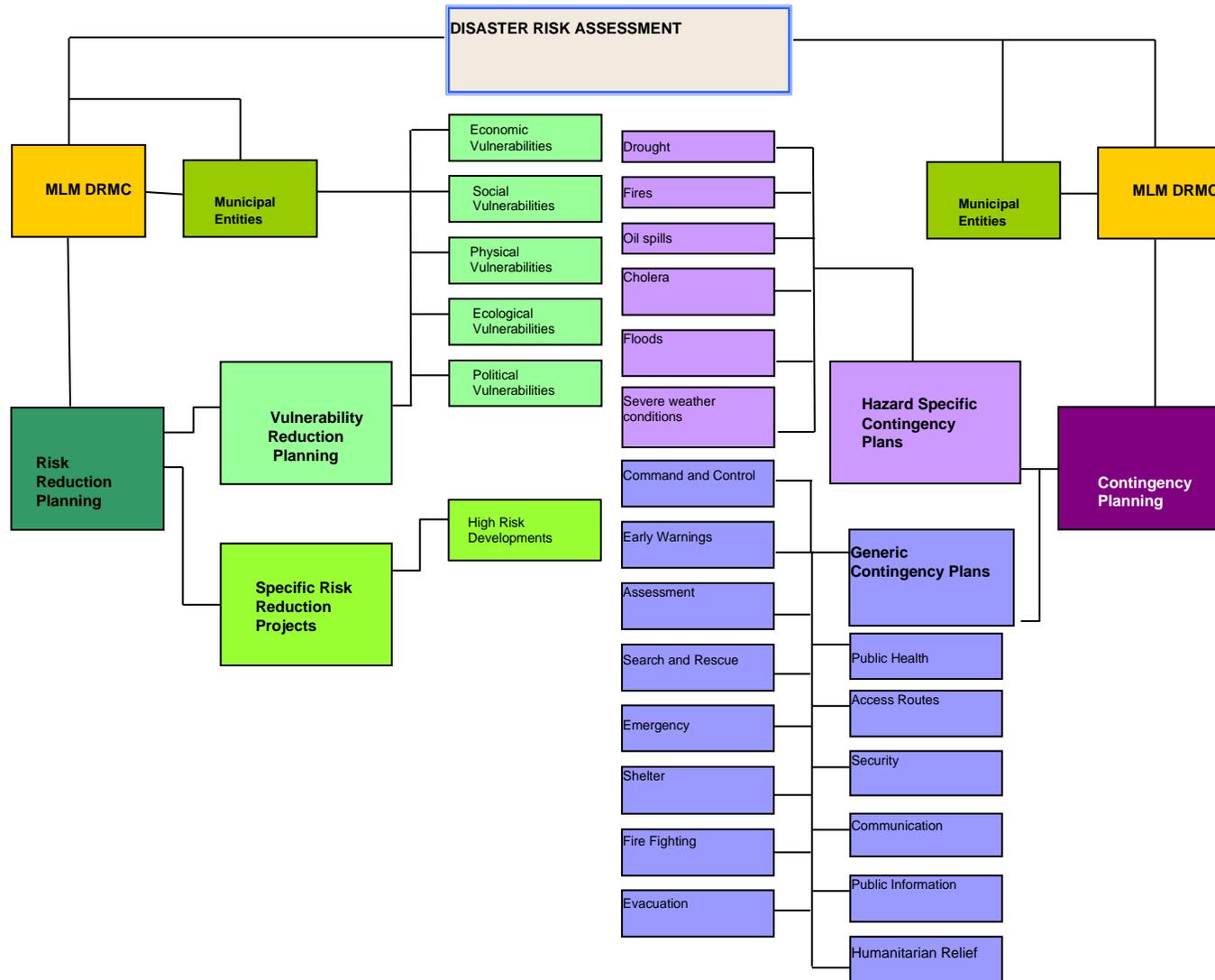
On the left-hand side of the framework, ‘Disaster Risk Reduction Planning’, consists of Vulnerability Reduction Planning and Specific Risk Reduction Projects. Vulnerability Reduction Planning focuses on the general vulnerabilities that are present in the municipality as a whole. The Specific Risk Reduction Projects include on one hand future developments (planned for though the IDP) that should be assessed and on the other hand any area where a combination of vulnerabilities, hazards and/or a lack of capacities pose a specific (or combination of) high risk(s) to the population, infrastructure and environment.

### C.3.9. Contingency planning

The right-hand side of the framework focuses on contingency planning. This type of planning has two components: for the most prevalent hazards, the municipality should have contingency plans in place that can be activated before or during the impact of a specific hazard (‘Hazard Specific Contingency Plans’). As it is impossible to plan for every hazard, the contingency planning should also include generic plans. For the purpose of drawing up such plans, the most important issues have been listed in the framework (public health, command and control, shelter Risk of a certain hazard can change over time. It is therefore necessary that all aspects of the framework are adapted accordingly. Continuous assessment is necessary for a sound and ground-trothed disaster risk management planning.

The six most prevalent threats are listed in the contingency planning section (see Figure below). When contingency plans are written, tested and updated for these plans, the MLM should strive to also cover ‘less prevalent risks’ in the ‘Hazard Specific Contingency Plans’. Contingency plans should also be tested and evaluated regularly, and updated accordingly.

Figure 19: Disaster Risk Assessment flow diagram



### **C.3.10. Response And Recovery**

In order to achieve the requirements of the Act calling for an integrated and co-ordinated policy that will provide for rapid and effective response to disasters and to post disaster recovery, it is imperative that mechanisms are put in place which leaves no room for confusion when a significant event or disaster occurs or is threatening to occur in council's area. This requires clear allocation of roles and responsibilities and concisely defined procedures and protocols for all operational personnel, other relevant role players, communities at risk, and the public in general. This key performance area seeks to ensure that disaster response and recovery planning for the MLM achieves these objectives.

#### **C.3.10. 1. Integrated Response and Recovery Plans**

##### **C.3.10.2. Contingency plans**

The various annexures to this plan contain generic contingency plans as developed by a multi-stakeholder workshop within the MLM. These plans include integrated response to:

- Search and Rescue;
- Evacuation and Sheltering;
- Relief and Logistics;
- Industrial Accidents; and
- CoVID-19 Response.
- Winter Season
- Summer Season
- Elections

Each of these plans contains a number of generic actions, which will remain the same for any response to any given hazard. It remains imperative that these plans are tested through desktop exercises in 2009 in order to refine and align these plans with the development of the hazard specific contingency plans.

The MLM DRMC is further responsible to ensure the development of contingency plans for specific known hazards of rapid onset, which have been identified in the findings of the disaster risk assessment as priority risks in the area of the MLM. These include:

- Severe weather events
- Flooding
- Pandemic
- Epidemic
- Structural Fires (formal)
- Structural Fires (informal)
- Veld fires
- Road accidents
- Mass events

The purpose of such plans is to integrate and co-ordinate multidisciplinary efforts to minimize or limit the potential impact of such events on communities and areas at risk; damage to infrastructure; and the interruption of essential services and business continuity.

Specific responsibility for the development of such plans must be allocated to the specific organ of state or municipal entity, which has been identified as the lead agency and is assigned primary responsibility for that particular risk. For example fire response and recovery would involve the combined efforts of many stakeholders but the primary responsibility must be allocated to a specific organ of state with the other stakeholders assuming secondary responsibilities. In the case of riverine floods for example the Department of Water Affairs and Forestry would be

the lead agency assigned primary responsibility; whereas in the case of other types of flooding and extreme weather events the MLM DRMC would be the lead agency.

In the event of slow onset events the responsibility rests with the organ of state allocated primary responsibility to establish and co-ordinate multidisciplinary efforts to minimize potential loss. For example, in the case of drought the Department of Agriculture would be the lead agency. In order to facilitate the planning process, and in keeping with the already developed contingency plans, Annexure 1-5: can be utilized in this regard, serving as a template.

### C. 11. Disaster Management SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>● Mandeni municipality has a Disaster Risk Management Plan which was developed in-house.</li> <li>● Support from political office bearers, senior and management and District office.</li> <li>● The municipality has a council approved Disaster risk management sector plan (last adopted which is reviewed on an annual basis alongside its projects and programs</li> <li>● Mandeni Disaster management unit is part of the District and Provincial Advisory Forum thus ensuring intergovernmental relations with all spheres of government in the aspects of disaster.</li> <li>● Municipality has a council approved contingency plan in case of major disaster.</li> </ul>	<ul style="list-style-type: none"> <li>● Poor provision of early warning information as systems gathering information sits at the District Office not a local level</li> <li>● Poor road conditions in the majority of the rural wards.</li> <li>● Low employment among communities thus resulting on</li> <li>● high government reliance when the incidents take place, no tools of trade e.g. 4X4 Vehicle</li> <li>● -Poor education background among communities thus the municipality has to allocate budget for capacity building.</li> <li>● -Capacity constraints among municipalities. No capacity of declaring Disaster if it happens both administrative and political.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>● Mandeni municipality has a geo-information database of all incident/vulnerable areas.</li> <li>● The municipality has prioritized and budgeted for 2 fieldworkers to strengthen capacity within the disaster management unit in the fourth coming financial year.</li> <li>● The municipality has budgeted approved risk reduction Programs in place to deal with disaster. The municipality has budgeted approved risk reduction Programs in place to deal with disaster.</li> <li>● There's database of active stakeholders responsible for response and recovery (e.g. IThala fire services, Mandeni rural metro, public safety, Emergency medical services, Red cross foundation etc.).</li> </ul>	<ul style="list-style-type: none"> <li>● Currently there are capacity constraints within the municipality to deal with disaster management.</li> <li>● Poor coping capacity means from the communities in terms of using available resources and abilities to face consequences. In most events communities rely on the municipality for assistance and relief and the response is not often rapid.</li> <li>● No community profiling done</li> <li>● Low levels of volunteerism</li> </ul>

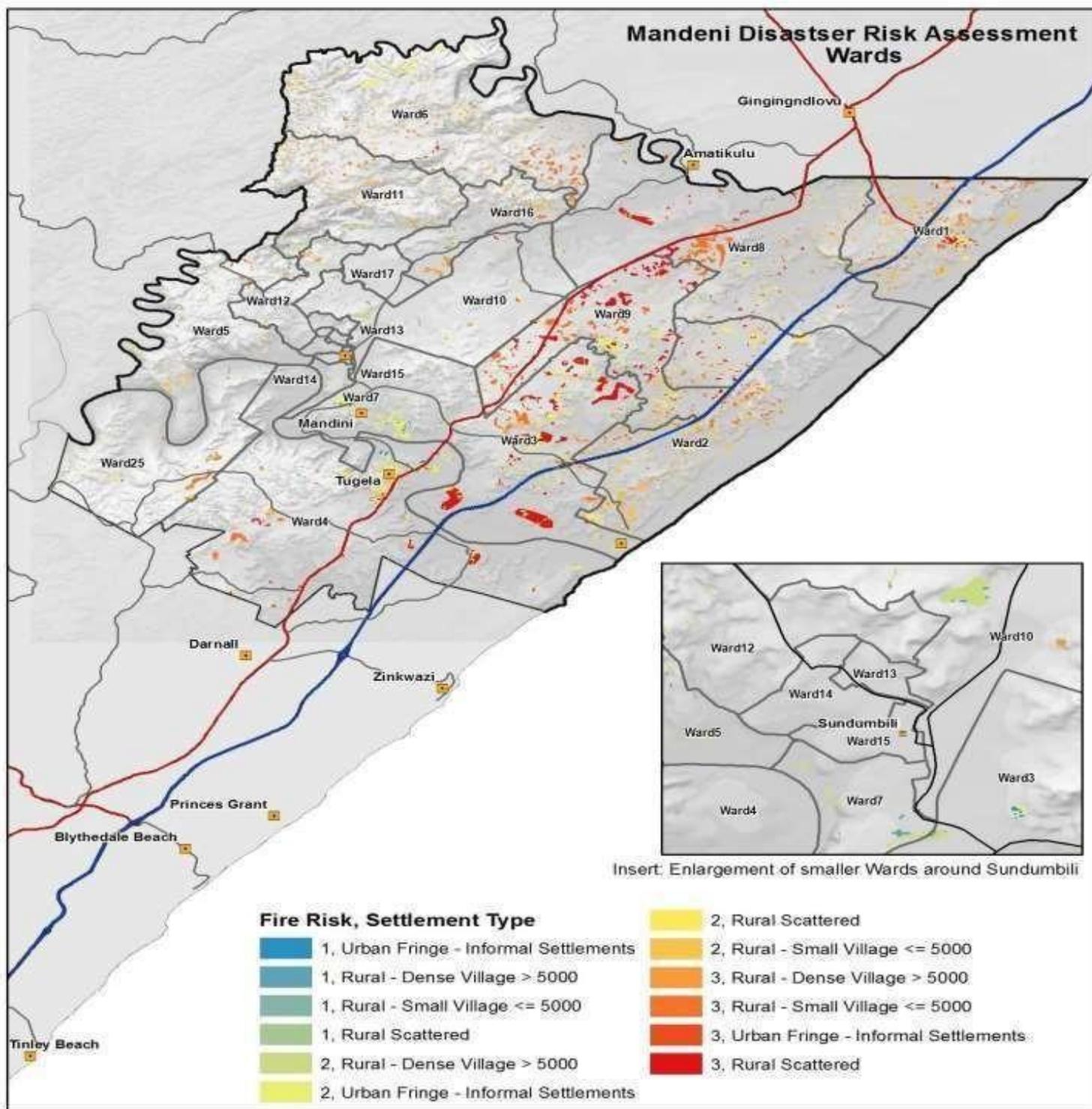


Figure 20: Fire Risk

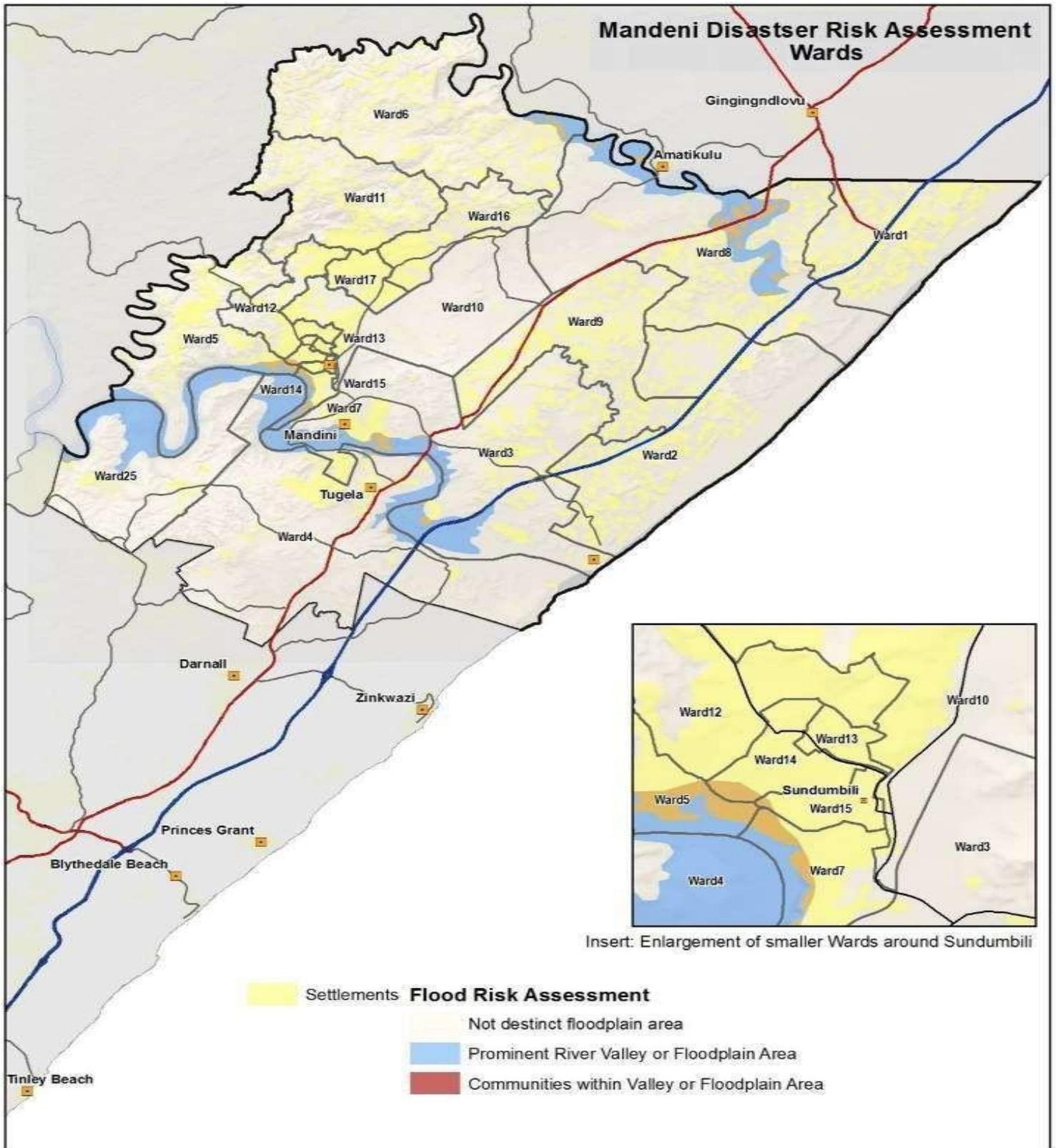


Figure 21: Flood Risk

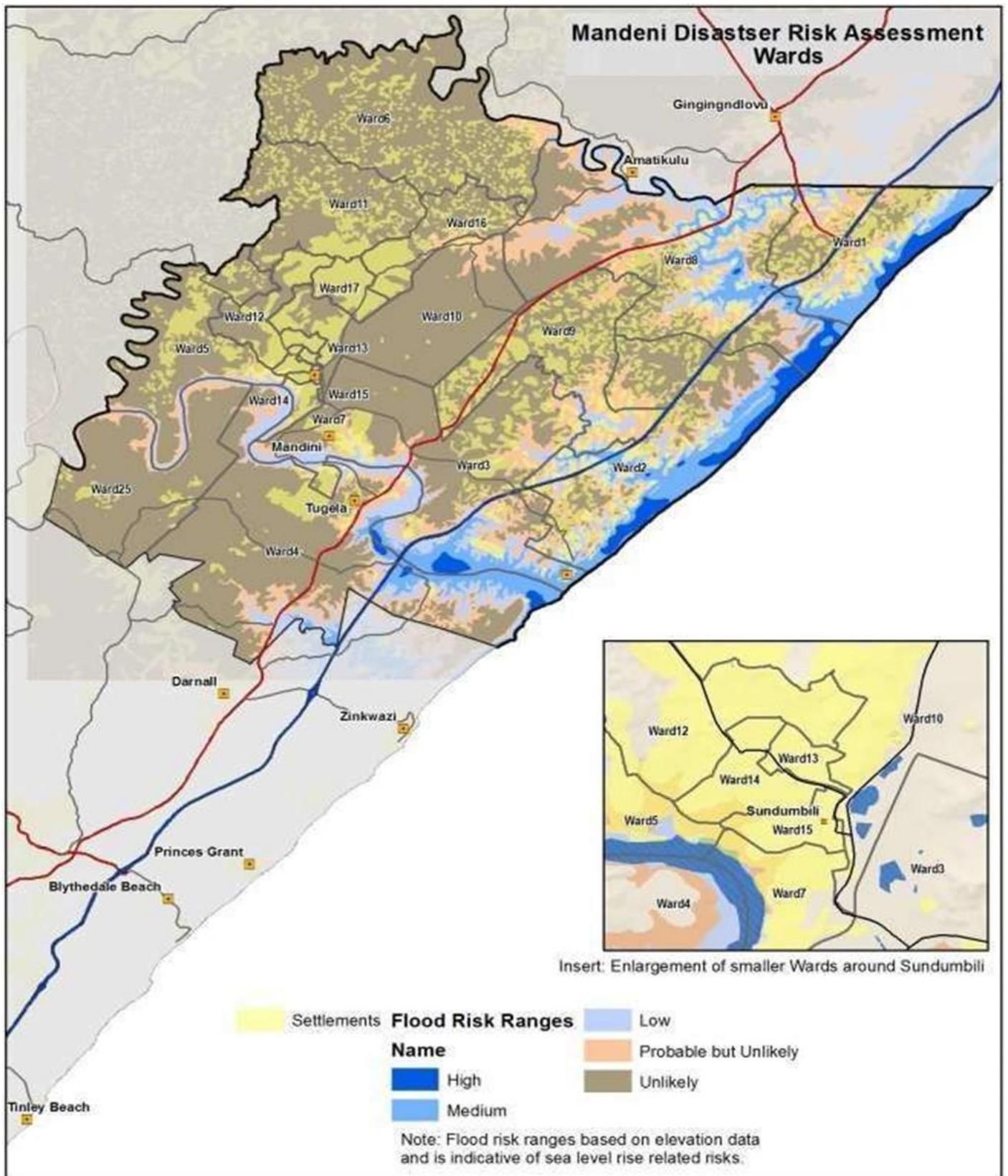


Figure 22: Flood Risk Ranges

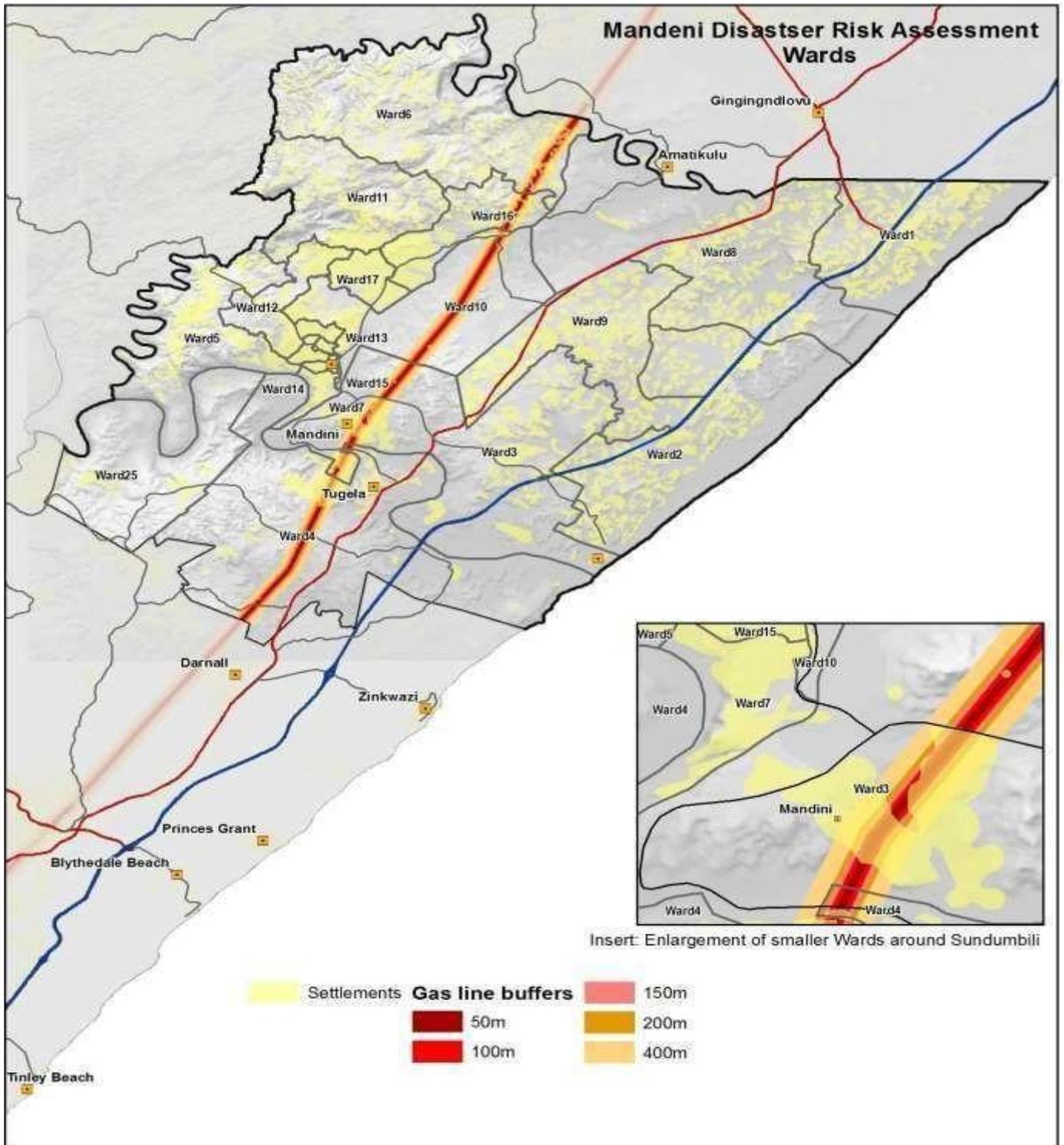


Figure 23: Gas Line Buffers

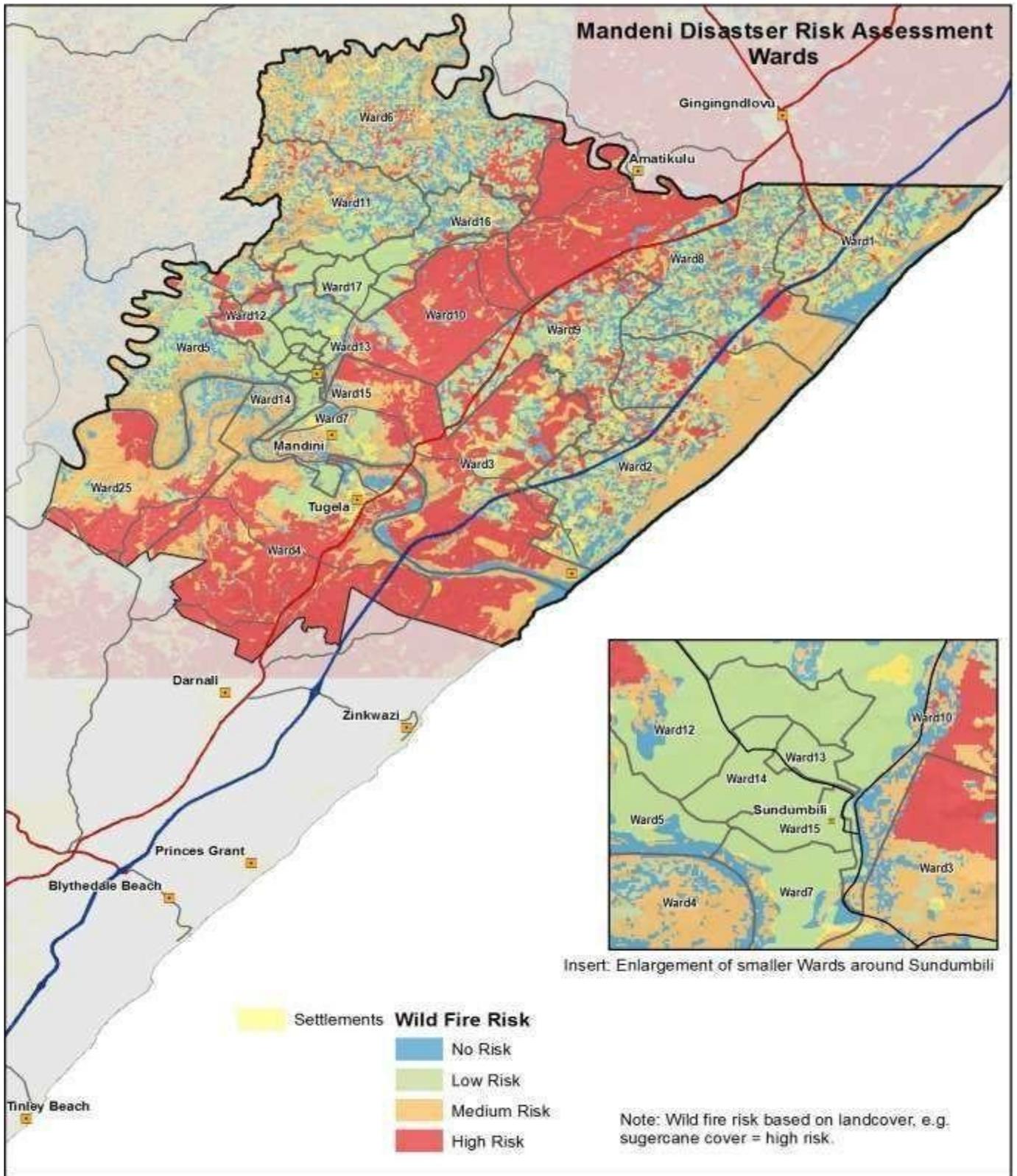


Figure 24: Wild Fire Risk

## C.4. MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

### C.4.1. Human Resource Strategy

In 2021, Mandeni Local Municipality developed the Consolidated Human Resources Strategy (CHRS). The plan will aim to contribute to the long-term sustainability of the municipality by ensuring that the management of human resources is undertaken in a systematic manner that is true to the objectives and spirit of sustainable development. This necessitates a clear understanding of the nature of capacity and capacity building that will be required by the municipality undertaking Service delivery goals and targets. In doing so the new HR plan seeks to link HR management directly to the strategic plan of your organization. The overall purpose of strategic HR planning is to:

- Ensure adequate human resources meets the strategic goals and operational plans of the Municipality - the right people with the right skills at the right time
- Keep up with social, economic, legislative and technological trends that impact on human resources in our area and in the sector
- Remain flexible so that the organization can manage change if the future is different than anticipated

The Strategic HR planning approach predicts the future HR management needs of the organization after analyzing the organization's current human resources, the external labor market and the future HR environment that the organization will be operating in.

### C.4.2. Assessing Current HR Capacity

Based on the organization's strategic plan, the first step in the strategic HR planning process has been to assess the current HR capacity of the organization. The knowledge, skills and abilities of our current staff need have been identified. The skills inventory should go beyond the skills needed for the particular position. For example, recreational or volunteer activities may involve special skills that could be relevant to the organization. Education levels and certificates or additional training should also be included. An employee's performance assessment form can be reviewed to determine if the person is ready and willing to take on more responsibility and to look at the employee's current development plans.



### C.4.3. Powers & Functions

In terms of the Municipal Structure Acts, 1998 the following powers and functions listed below have been assigned to Mandeni Municipality.

CORE/PRIMARY	MANDENI MUNICIPALITY'S FUNCTIONS
Schedule 4 Part B	The municipality has the authority to approve building plans in accordance with the National building Regulations Act
	Electricity and Gas Reticulation is partly done by the municipality together with Eskom, providing electricity in the licensed areas, with the remainder done by Eskom.
	Fire Fighting Services are outsourced
	Municipal Planning: Development Planning receives applications, process them and recommends them to iLembe District Joint Municipal Planning Tribunal, which is a committee that approves applications on behalf of Mandeni municipality together other municipalities of the iLembe Region
	Local Tourism: Tourism falls within the EDPHS department. Support and other programs are provided by the Municipality to assist the local tourism players.
	Municipal planning: The Mandeni Municipality has a planning unit in place that deals with both strategic and spatial planning.
	Air Pollution: Shared services with iLembe District.
	Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law. The municipality is implementing the EPWP program.
Schedule 5 Part B	The municipality has the authority to approve building plans in accordance with the National building Regulations Act
	Electricity and Gas Reticulation is partly done by the municipality together with Eskom, providing electricity in the licensed areas, with the remainder done by Eskom.
	Fire Fighting Services are outsourced
	Municipal Planning: Development Planning receives applications, process them and recommends them to iLembe District Joint Municipal Planning Tribunal, which is a committee that approves applications on behalf of Mandeni municipality together other municipalities of the iLembe Region
	Local Tourism: Tourism falls within the EDPHS department. Support and other programs are provided by the Municipality to assist the local tourism players.
	Municipal planning: The Mandeni Municipality has a planning unit in place that deals with both strategic and spatial planning.
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	Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law. The municipality is implementing the EPWP program.



Mandeni Municipality Organisation Structure  
KZN 291



# MANDENI MUNICIPALITY

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MANDENI  
4490

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## DRAFT FINAL ORGANISATIONAL STRUCTURE 2023/34



Green



Red



Yellow



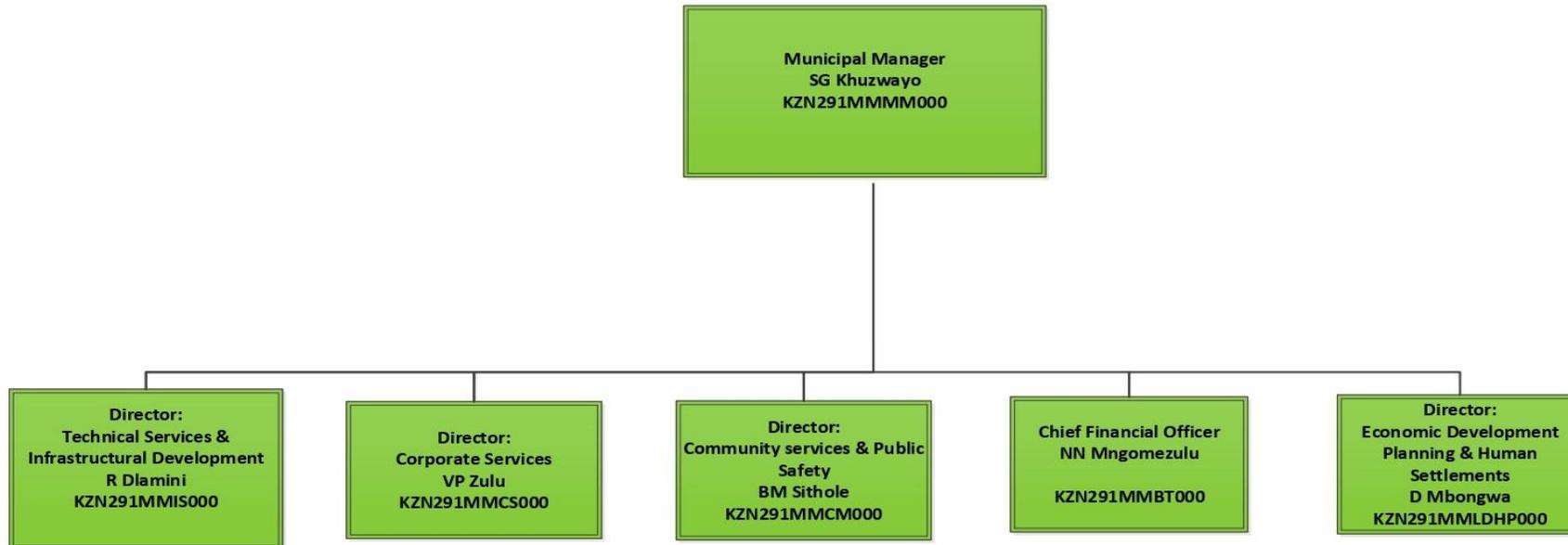
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### LEGEND

Figure 25: 5-year Organizational Structure

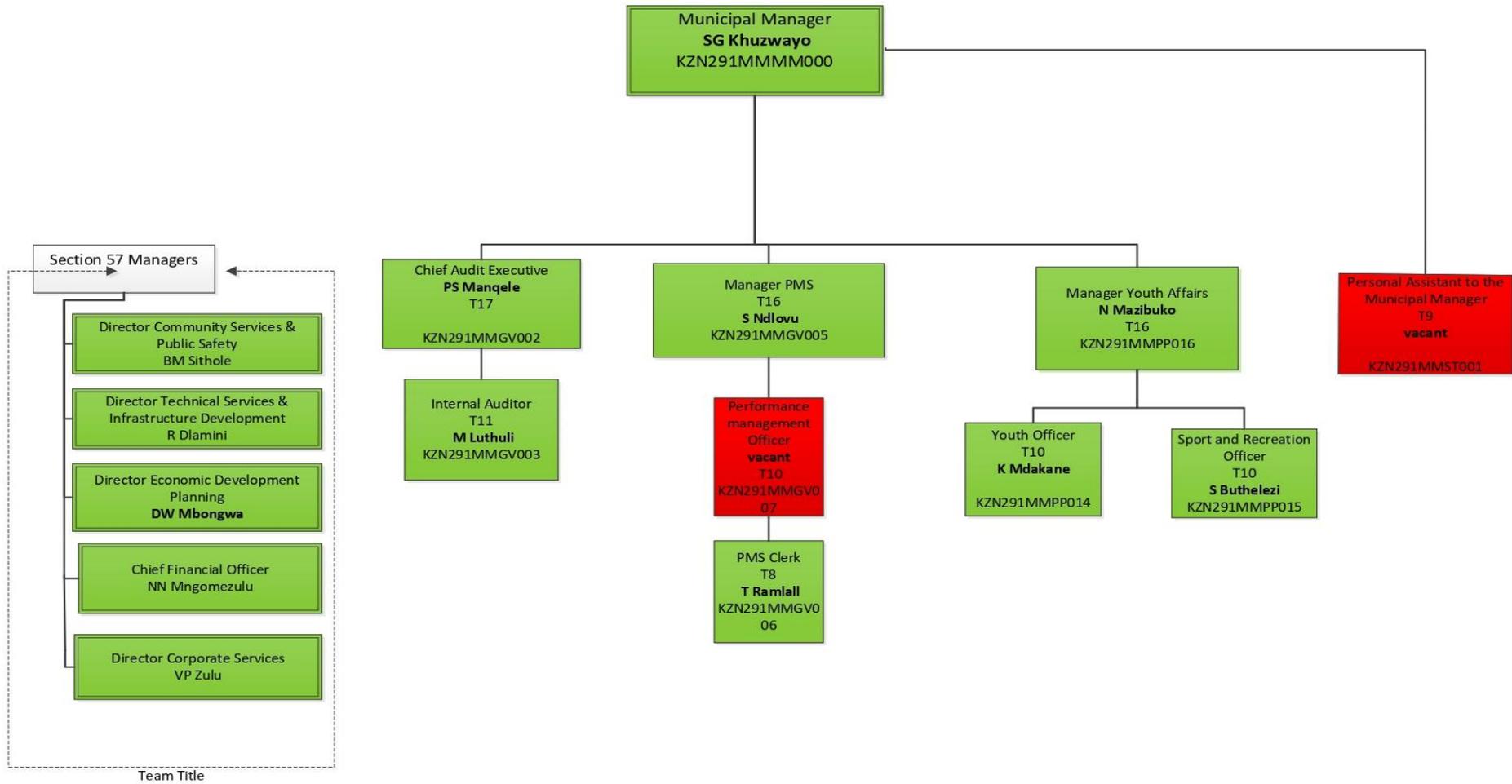


## Mandeni Municipality Organisation Structure KZN 291



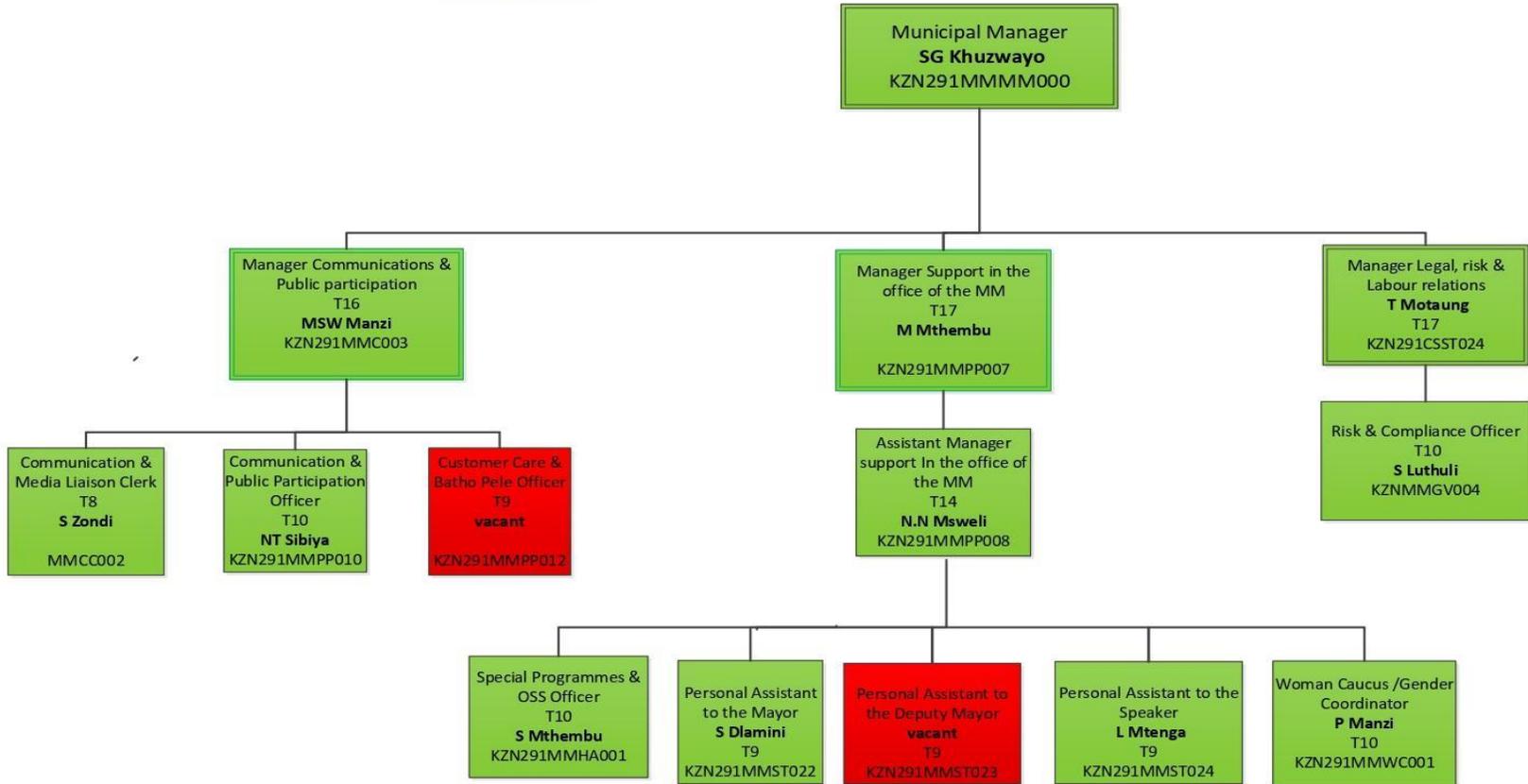


**Municipal Managers Office**  
(Page 1 of 2)



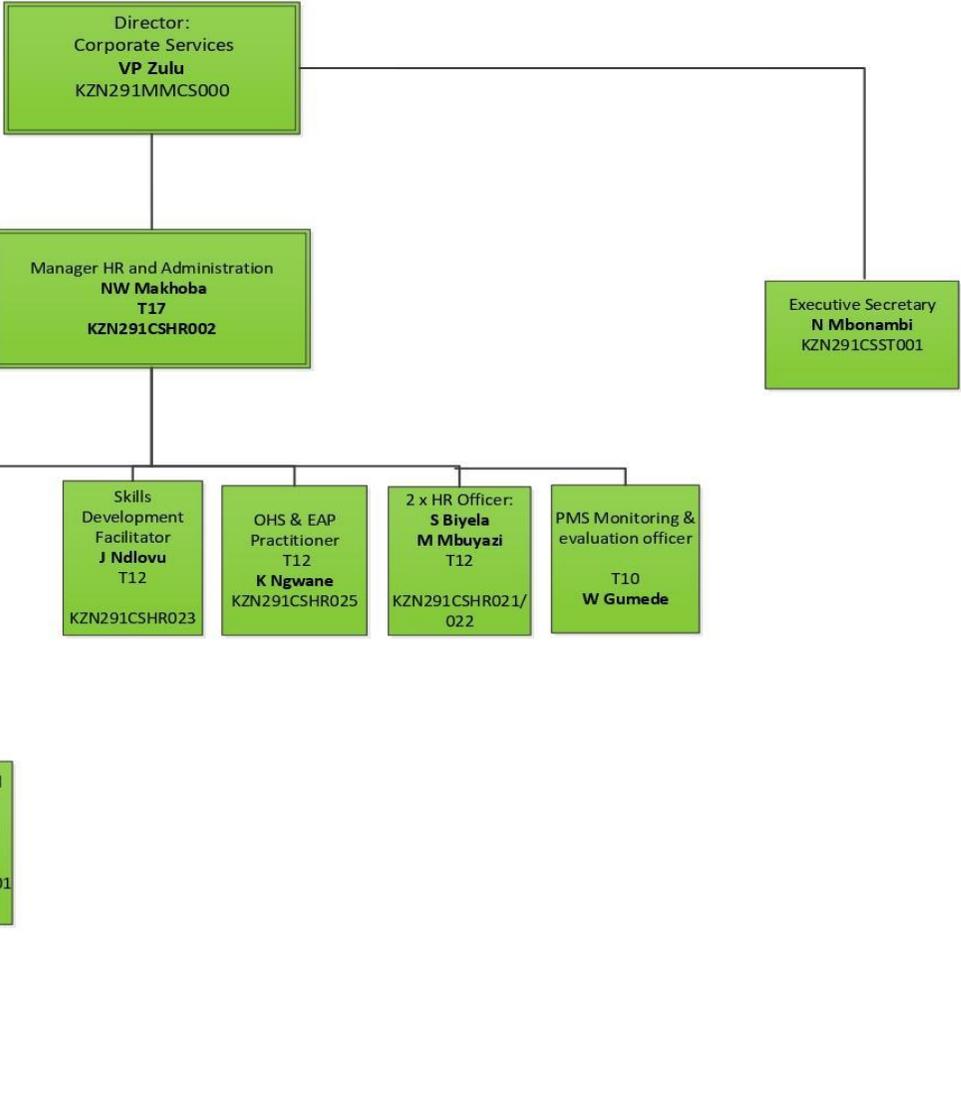


**Municipal Manager's office**  
**(Page 2 of 2)**



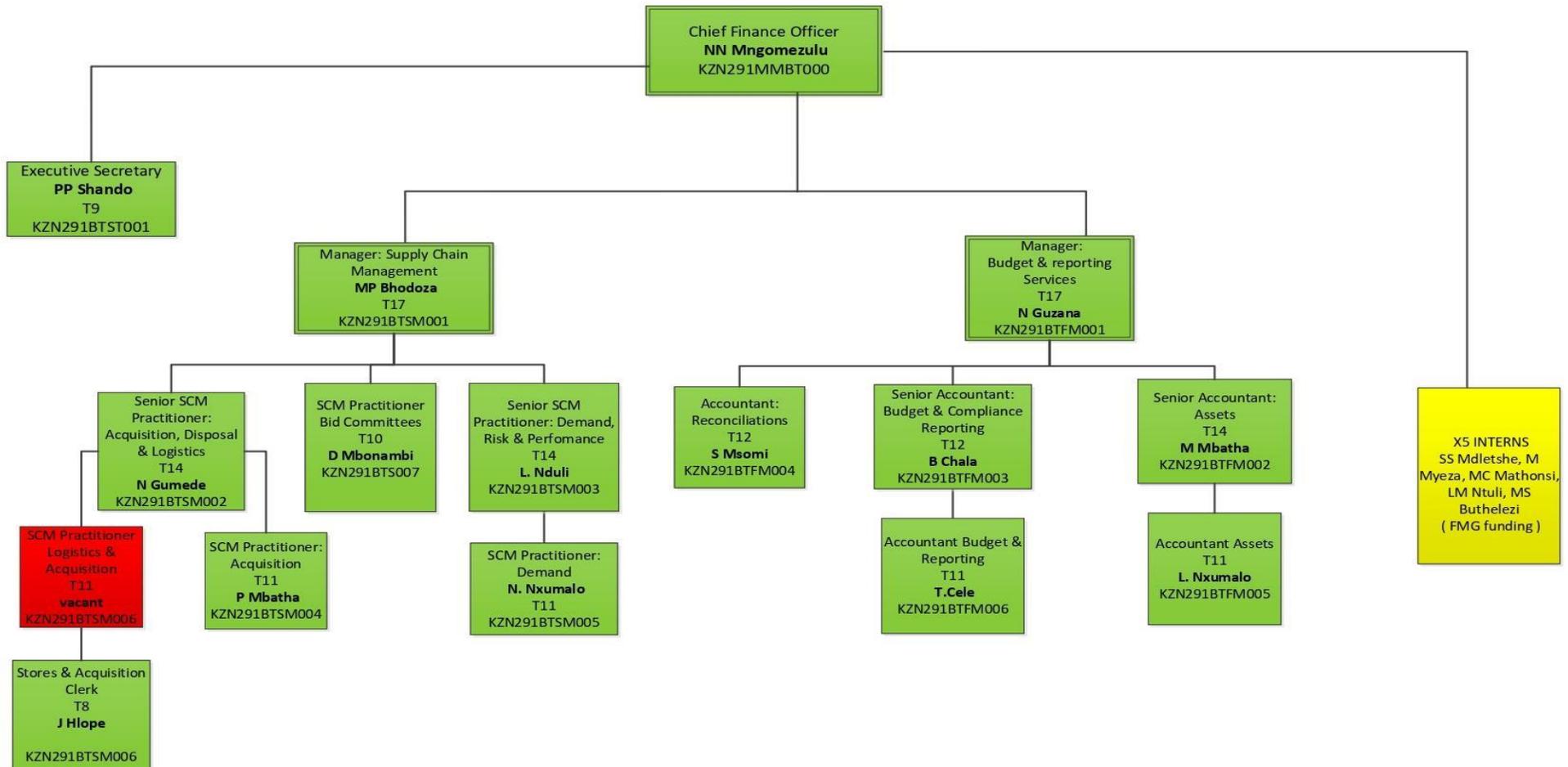


Corporate Services Department  
Human Resources & Administration  
(Page 1 of 2)





**Budget & Treasury Office Department**  
**Supply Chain Management &**  
**Budget Services**  
 (Page 1 of 2)





**Community Services & Public Safety  
Department  
Beaches, parks & gardens  
( page 1 of 5)**

Director CS &PS:  
BM Sithole  
KZN291MMCM000

Manager Community Services  
**M Dlamini**  
T17  
KZN291CMCM002

Executive Secretary  
**DP Mhlongo**  
T9  
KZN291CMST001

Superintendent Public Amenities  
**W.L Ngema**  
T14  
KZN29CMPC003

Grass Cutting  
Contractors: X 15  
KZN291CMPC028-047

Supervisor municipal facilities,  
beaches & cemeteries  
**vacant**  
T12  
KZN291CMSF001

Supervisor Municipal Parks &  
Gardens  
**S.S. Chamane**  
T12  
KZN291CMPC027

Beaches & Swimming Pool Lifeguards  
T8  
**S Mbonambi**  
**J Mkhize**  
KZN291CMSPC001-006  
**X4 VACANT**

CONTRACT X8 VACANT  
SEASONAL LIFE GUARDS  
PS Xulu, SS Shabalala, NA Mzimela, F Sibiyi, S Zondo, SC Ndlovu, EB Mpiisi, M Madlala  
T6  
KZN291CMSP003-10

Caretakers Sports Field  
T6  
**MC Zondi**  
KZN291CMPC006

General Assistants Sports field:  
T3  
**SP Ngcobo**  
KZN291CMPC007-008

Caretaker Halls  
**N Mthiyane**  
T6  
KZN291CMPC009

General Assistant Halls  
**TM Nxumalo**  
**M Mhlongo**  
**Dlamini**  
T3  
KZN291CMPC010-012

Facilities Booking Clerk  
T8  
**ZP Makhoba**  
KZN291CMSF001

Operator Plant machine  
**M Shandu**  
T9  
KZN291CMPC-058

General Assistant Gardens:  
T3  
**S Zikhali**  
**X1 vacant**  
**M Ndwandwe**  
KZN291CMPC048-051

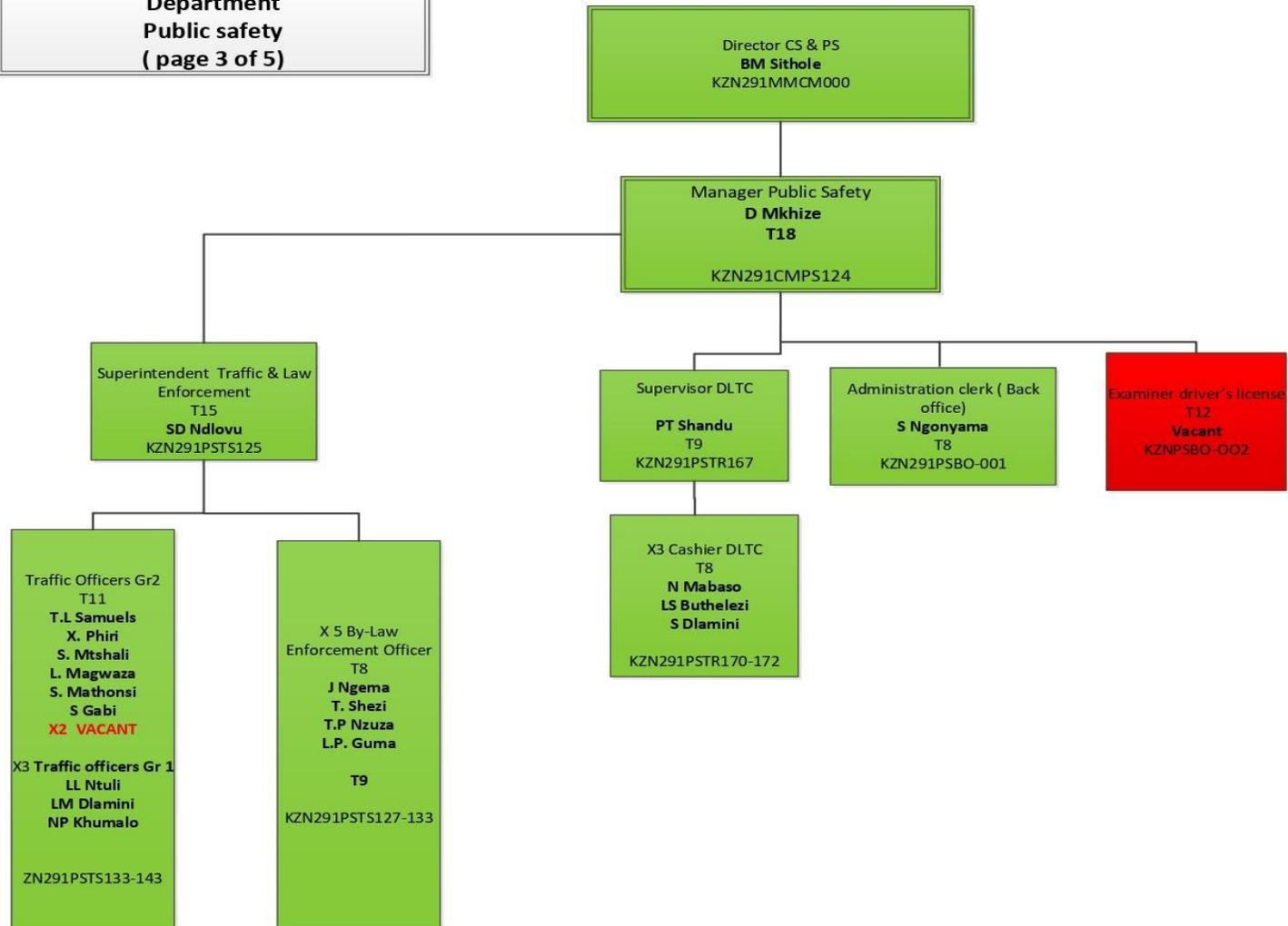
Small Machine Driver Operator  
**ML Ngema**  
**IT Ndaba**  
T5  
KZN291CMPC054-055

General Assistant Nursery Management  
**N Buthelezi**  
**SS Sithole**  
T3  
KZN291CMPC 052-053  
**Z Buthelezi**  
KZN291CMNM001

Brush-cutter  
X3  
T5  
**Vacant**  
KZN291CSBC001

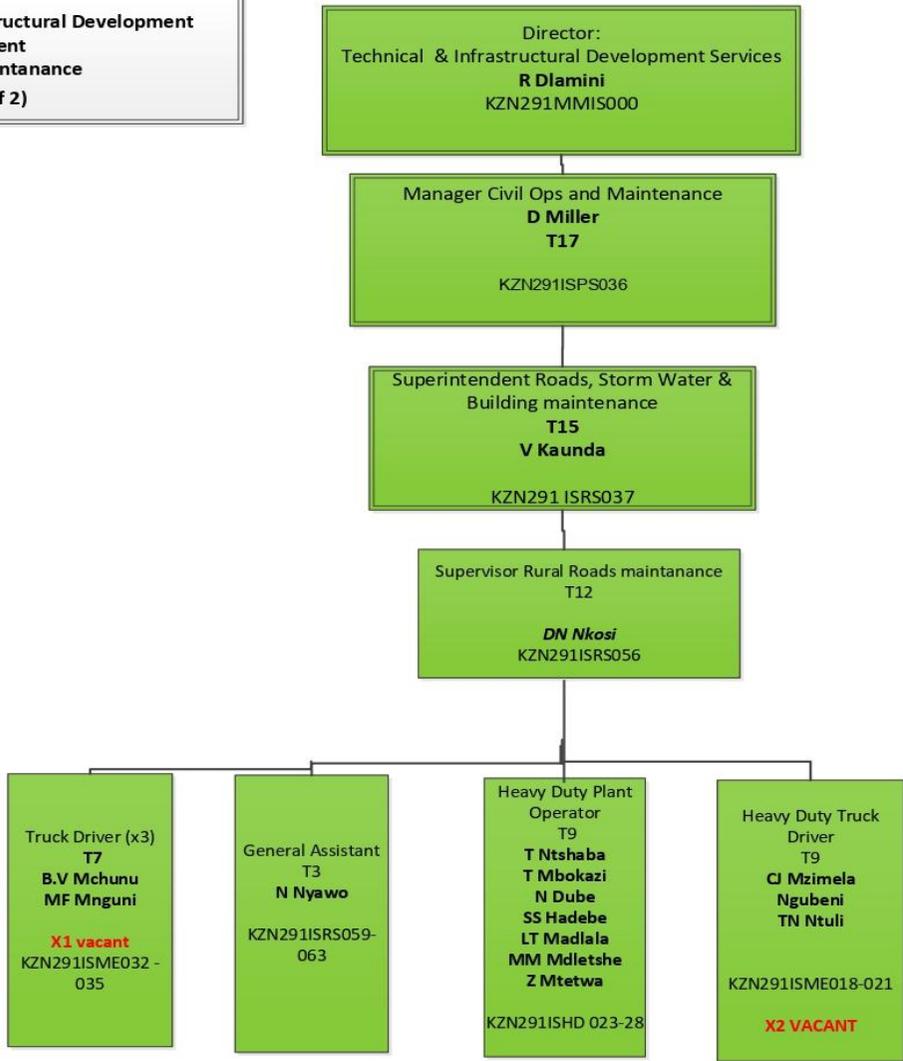


**Community Services & Public Safety  
Department  
Public safety  
( page 3 of 5)**



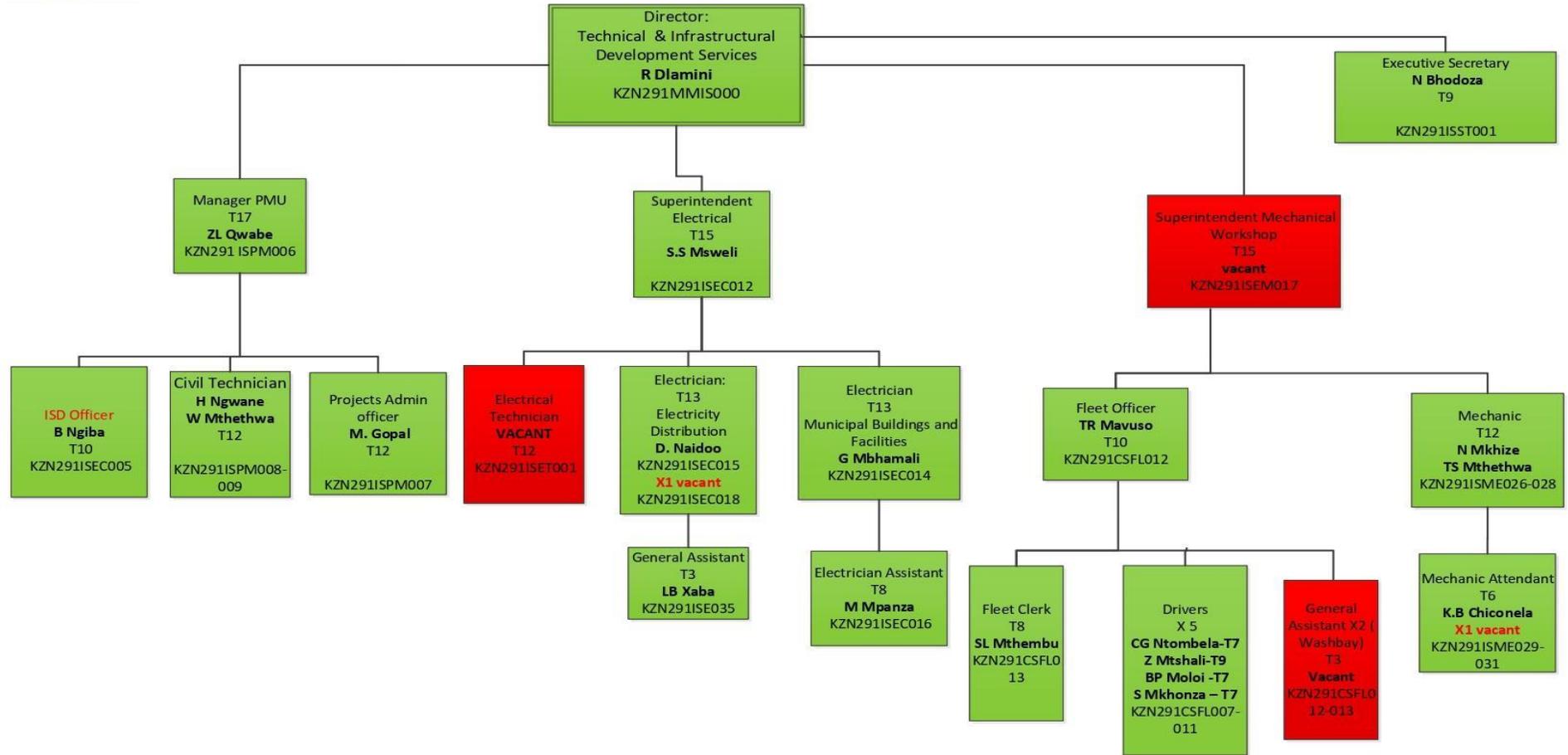


**Technical Services & Infrastructural Development  
Department  
Civil OPS & Maintenance  
(Page 2 of 2)**



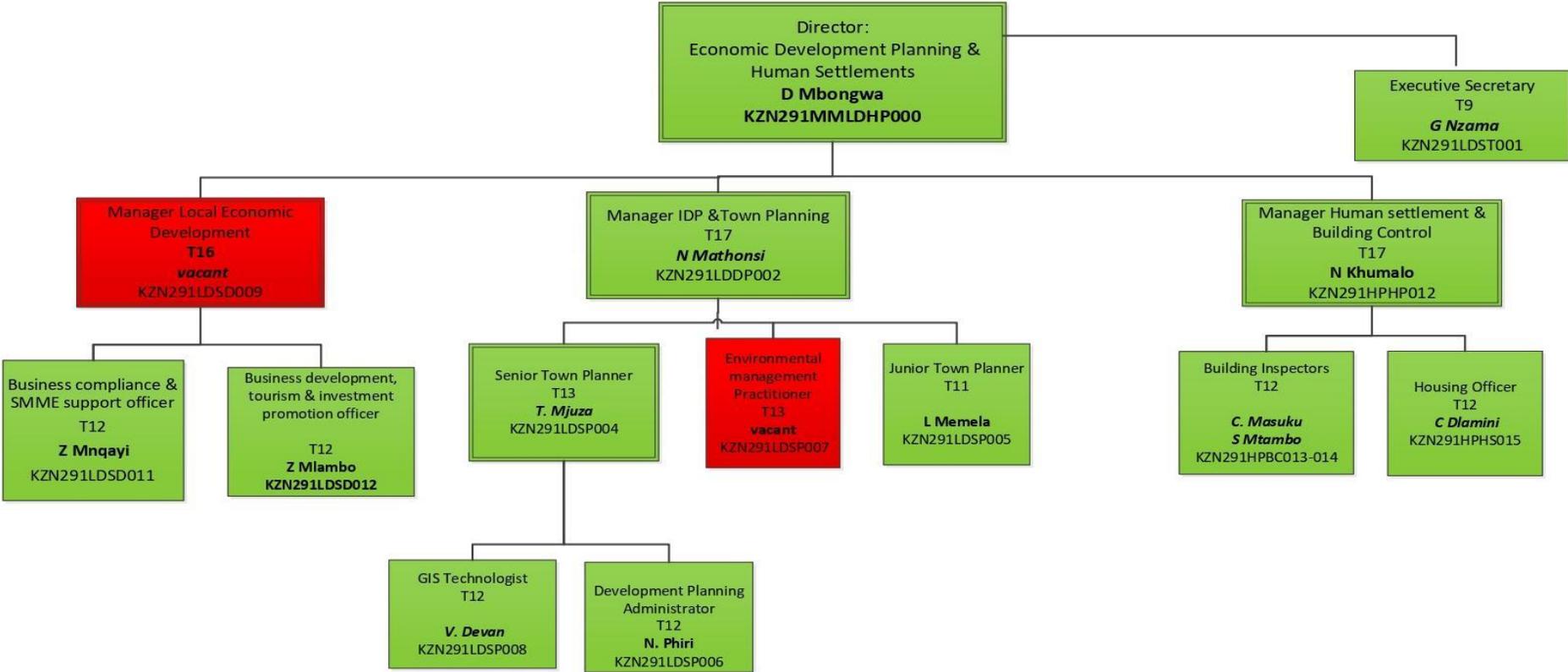


**Technical Services & Infrastructural Development Department**  
 PMU, Electrical and Mechanical Units  
 (Page 1 of 2)





**Economic Development Planning and Human Settlement**  
(Page 1 of 1)



#### C.4.4. Vacancy Rate & Challenges

The current approved organization structure indicates that there are 250 occupied/filled posts. The Mandeni Municipality filled all its section 56 positions during the 2022/2023 financial year. Sustainability of service delivery is the adequate staff provision within the municipality. It is necessary that the Municipality first determine the future supply and demand for human resources. The labor supply may come from existing employees (internal labour market) or from outside the municipality (the external labor market). The estimate of the total number of employees needed, as well as the skills required are known as the demand forecast. The demand forecast is developed based on two main resources such as standard statistical data and knowledge personnel. The underwritten indicates the number of positions vacant and proposed the municipality will be embarking on. These estimates are based on a 5-year organogram.

No	Position	Department	Tg
1.	Customer Care & Batho Pele Officer	Office of MM	9
2.	Supervisor municipal facilities, beaches & cemeteries	Community Services & PS	12
3	SCM Practitioner (Disposal & Logistics)	Finance	10

Figure 27: Vacancy Rate

#### YEAR 2- 2023/2024

No	Position	Department	Tg
1.	1 X Examiners of Driving License	Community Services & PS	12
2.	4 X Lifeguards	Community Services & PS	8
3.	3 X Brush-cutter operators	Community Services & PS	T5
4.	4 X Firefighters	Community services	9
5.	Senior credit control debt management	Finance	14
6.	Debt Collector x1	Finance	T7
7.	PMS Officer	Office of the MM	New submission 10
8.	Environmental Practitioner/Planner	EDPHS	New submission 12 Not evaluated
9.	X2 Heavy Duty Truck Driver	Technical Services	New submission 9
10.	X2 General Assistant	Technical Services Fleet Section	New submission T3
11	Assistant Manager: Disaster Management	Community services	New submission 14

New Interns 2023/2024

No	Office	Department	No of interns
1	Legal	Office of the MM	1
2	LED	EDPHS	1

C.4.5. Employment Equity Plan

Based on the recommendation of the 2021/2022 Human Resource Plan the municipality has developed a new Employment equity Plan setting out employment targets for the next 3 years. It is noteworthy that development of the plan has been submitted to the department of Labor.

C.4.6. Procedures for monitoring And Evaluation of the employment Equity Plan

In terms of structures for monitoring and evaluating the progress of the plan, each structure has a specific role and responsibility. These have been set out as follows

STAKEHOLDER	ROLE AND RESPONSIBILITY	FREQUENCY
EE Forum Members	Ensure the achievement and maintenance of the EE plan throughout the municipality.  The EE forum includes municipal councilors, to ensure alignment with other municipal strategic objectives.	Evaluate on quarter basis
Employees and the community	Communicate the annual objectives of the plan and the adjustment made to employees and the community by posting on notice boards, intranet and the municipal websites inform the community the institutional development by enhancing communication between the community & the institutional development.	Ongoing

C.4.7. Work Place Skills Plan

The Workplace Skills Plan is developed and adopted on an annual basis and submitted to the LGSETA by 30 April 2023 every financial year, to ensure compliance with the Skills Development Act. Skills planning is central to the improvement of the overall skills level of the Municipal officials. The Municipality identifies what skills are required and develops strategies, tasks and schedules to ensure that those skills are enabled in order to deliver on our Integrated Development Plan objectives. For 2023/24 year a total of 12 applications were received for consideration by the Human Resource Development Committee. The following programs are funded through Discretionary Grants, mandatory and Internal Municipal Budget. Through the exercise, the municipality has been able to adequately plan and develop training programs critical for skill enhancement for employees' programs to be funded.

C.4.7.1. List of learning interventions by Name:

List of learning interventions by name - Employed												
LGSETA Strategic Focus Area	Municipal Key Performance Area	Skills Gap	Type of learning intervention	Qualification/Trade Title	SAQA/Trade ID	Learnership Code	Learnership Title	Name of learning intervention (Other)	Work Experience	NQF Level	Funded By	Number trained in this learning intervention
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Local Government Law & Public Administration	Bursary	Certificate: Local Government	23616					NQF Level 5	LGSETA - Discretionary Grant funds	10
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Local Government Law & Public Administration	Bursary	Diploma in Public Administration	67512					NQF Level 6	LGSETA - Discretionary Grant funds	4
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Financial and Accounting	Bursary	Bachelor of Commerce in Financial Accounting	109739					NQF Level 7	Mandatory Grant funds	1
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Financial Management	Bursary	Bachelor of Commerce: Financial Accounting	7059					NQF Level 7	Mandatory Grant funds	1
Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	Project Management	Bursary	Bachelor of Commerce in Project Management	117899					NQF Level 7	Other Municipality funding	1
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	Spatial Analysis Data Skills	Bursary	Bachelor of Spatial Planning Honours	50373					NQF Level 8	Other Municipality funding	1
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	Information Technology	Bursary	Bachelor of Science Honours in Information Technology	73805					NQF Level 8	Mandatory Grant funds	1
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Financial Accounting	Bursary	Postgraduate Diploma: Taxation	12117					NQF Level 8	Other Municipality funding	1

#### C.4.8. Recruitment & Selection Policy

This Recruitment and Selection Policy of Mandeni Municipality aims at introducing fair objective principles and procedures for the staffing of the permanent and contract/temporary employees of the Municipality. This policy does not apply to the appointment of the municipal manager and directors reporting to the municipal manager. Prior to filling a post, the necessity for filling shall be determined via an approved process. Should a post, after having undergone scrutiny, be approved for filling by the relevant authority, employees requiring placement in terms of the Municipality's Placement Policy are given first preference. The essential requirements of a job must reflect the needs of the Municipality and must be appropriate to achieve the strategic objectives of the Municipality.

In terms of advertisement, the validated information forms the basis for the advertisement/brief and all advertisements shall clearly state the relevant minimum job requirement, levels of qualification and experience, and application procedures, together with the closing dates for the receipts of the applications. Posts below assistant manager level will be advertised internally by placement on designated notice boards and other appropriate places. All records pertaining to Recruitment, Selection, and Placement of staff, including those of interviews questions, assessments and scores, and the final results, shall be kept safe in the municipal personal file.

#### C.4.9. Selection Criteria & Assessment

The central guiding principle for selection shall be competence in relation to the essential requirements of the job provided that selection shall favor, as determined by the target suitably qualified applicants as defined in section 20(3) of the Employment Equity Act of 1998.

#### C.4.10. Assessment

The Municipality makes use of assessment techniques that the assessment process is an integrated process and the final decision shall be based on the results of the whole process.

#### C.4.11. Retention Strategies

Not all staff turn-over is negative. Sometimes, allows for new ideas to be introduced into the Municipal environment and for the development and promotion of employees who remain. However, the loss of some employees that have critical and scarce skills can hamper service delivery hence it is important to identify and prioritize such skills. To know which skills need to be prioritized, you need to classify the skills that are important to retain.

Classifying skills is therefore a key step in ensuring a focused and cost-effective retention strategy. This is not meant to discriminate against some categories of employees, but rather to allow for a focused approach towards retaining staff and skills.

#### C.4.12. Skills to be Retained

The skills that need to be targeted within staff strategies are those needed to realize and meet.

The service delivery needs of the department; The department's primary mandate. The following are examples:

- Woman and people with disabilities (in terms of the Employment Equity Act 55 of 1988):
- Measures to control non-discrimination in the workplace should be implemented.
- Measures to control sexual harassment in the workplace should be implemented.
- An accessibility survey should be conducted to establish whether all Municipal buildings are

accessible to those with disabilities.

#### C.4.13. Scarce skills

Scarce skills are those skills that are needed to realize the Department's goals and objectives, but which are difficult to recruit and expensive to replace. These will not always be the same. At some times, a particular skill may be in short supply, while at other times a different skill may be hard to find and expensive to replace. These skills are identified by:

- Analyzing staff turnover;
- Considering acquisition trends in a particular job category or geographical area; and
- Understanding the Department's skills requirements and the compensation for such skills in the labor market.

These key posts must be clearly defined by the Municipal Manager within the organizational context. The posts may but not limited include the following:

- Researches;
- Financial management;
- Engineers;
- Artisans;
- Information Technology; and
- Legal.

#### C.4.14. Valued Skills

According to the Mandeni Recruitment & Selection Policy valued skills are those skills that are not classified as being scarce skills. Examples are employees with qualifications that are valuable to possess and positively contribute to the service delivery goals of the Municipality and the loss thereof will have a negative impact on a Department's ability to meet its goals. These skills are identified by looking at an employee's performance evaluation and the role they perform in the Department High – Risk; skills High – risk skills are the skills that an employee has attained over a long period of time pertinent to the department through years of service experience and such employee has indicated his/her intention to leave soon. These include employees who have indicated an intention to leave the department because of being demotivated or may have reached their career ceiling.

#### C.4.15. Interventions to retain staff

Interventions to retain staff are most effective if they are aimed at specific circumstances and at the same time, interventions are integrated and linked with as wide a variety of human resource practices as possible. The following safeguards will be put into place to ensure that initial processes are conducted and aligned thoroughly. The morale of staff will be maintained because of the consistency in the application of these measures.

Link staff retention with an effective recruitment and selection process. A lot of staff losses are caused by bad selection decisions where the wrong person is appointed for the job. To prevent this, accurate job descriptions must be developed that clearly identifies the core competencies required for successful performance. These job descriptions are to be used during the recruitment and selection process. In some cases, it has also been evident that it is good practice to "hire for capabilities and train for skills". This is where a person is appointed because he/she has the right capability to be able to do the job even though they may not have the necessary skills required since these can be

attained through training.

**Link staff retention to an effective induction process** Best practice studies show that the first few weeks of employment are important for establishing employee commitment to equipment. It is therefore essential that Managers and human resource practitioners lay the foundation for future commitment by being part of the induction process. A good way of addressing this is to have well- structured and dynamic induction programs that stretch from the employee’s first day of work until they have been thoroughly introduced to their jobs.

A useful tool in this regard is to develop a new employee guide that can be given to employees to read even if they have not started working.



C.4. 16. Municipal Transformation & Institutional Development SWOT Analysis

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>- Management/Administration</li> <li>- Full complement of the Management</li> <li>- Skilled Management team</li> <li>- Good leadership (Political and Admin)</li> <li>- Competency level compliance</li> <li>- Scheduled Manco and Top management meetings</li> <li>- Municipal ability to attract and retain skilled workforce thus enable production of Credible IDP and other strategic documents</li> <li>- Annual procurement plan</li> <li>- Employment Equity Plan in pace</li> <li>- Oversight charters (audit committee, internal audit and MPAC)</li> <li>- Oversight committees (MPAC, Audit committee and PMS committee)</li> <li>- Governance committee (Risk Management, IT steering)</li> <li>- Portfolio committee, Exco and Council</li> <li>- Ward Committees are fully functional</li> <li>- Local labor forum fully functional</li> <li>- Delegation framework adopted and in implementation</li> <li>- Delegation Register</li> <li>- Infrastructure program committee (service utilities) in place</li> </ul>	<ul style="list-style-type: none"> <li>- Selective consequence management</li> <li>- Management not taking Audit query seriously</li> <li>- Lack of ownership of unpopular decisions (Managers take decisions which are implemented at lower levels but unpopular to counsellors)</li> <li>- Information for administrative use leaked to politicians Poor Internal communication</li> <li>- Weak/bad organizational culture</li> <li>- Poor consequence management</li> </ul>

OPPORTUNITIES	THREAT
<ul style="list-style-type: none"> <li>- LGSETA funding for training programs for permanent employees of the municipality</li> <li>- Geographical location of the municipality assists in attracting skilled labour</li> </ul> <p>National and Provincial Support</p>	<ul style="list-style-type: none"> <li>- Unemployment impacts negatively to the economic growth and revenue base of the municipality thus stagnating economic revenue growth/collection with the areas of the municipality Ingonyama Trust land affects development as majority of the land within the municipality fall under ITB</li> <li>- Lack of government hospitals thus results in majority of the population including municipal employees having to travel outside municipal jurisdiction for medical assistance</li> <li>- Air pollution from Sappi- has a negative health impact on the well- being of municipal employees.</li> </ul> <p>Ensuring that municipality fully complies with the Municipal Standard chart of Account at the stipulated time frames. The fact that there's no understanding of the Act from all municipal employees means HR has to roll out a Program to educate municipal employees.</p>

## C.5. GOOD GOVERNANCE & PUBLIC PARTICIPATION

### C.5.1. Batho Pele Policy and Procedure Manual

Batho Pele Principles is a concept that was officially initiated by the government in 1997 as an initiative to get public servants to be service oriented and customer focused, to strive for Excellence in service delivery and to commit continuous service delivery improvement. It was designed as a transparent mechanism to allow all customers to hold public servants/officials accountable for the type of service delivery. The White Paper on transforming public service delivery (1997) provides direction on how services should be rendered, informed and guided by 11 principles. The Mandeni Municipality has not yet designated a Batho Pele Coordinator but such measures are in place to acquire the coordinator so that there will be a smooth running of promoting Batho Pele principles.

In relation to implementation, the municipality has rolled out, 2day workshop for all frontline personnel in the municipality. It is said that the roll out of training will take place in four different phases which will result in training of all municipal employees. In light of the current fiscal economic climate, it is worth mentioning that rolling of all four implementation phases will not be possible therefore each phase has been set for each financial year during this current cycle.

The following are Batho Pele Principles that Mandeni Municipality will adopt so that administrative and political structures strive to achieve when delivering service to the people.

### C.5.2. The Eleven Batho Pele Principles

**Consultation:** We can only assume that we know what our customers want. The only way we can find out for certain is by asking them e.g. Surveys, questionnaires, meetings, suggestion box, Izimbizo and by talking to our customers. It is imperative to report back to customers so that they know what to expect, and to our staff so that they know what is anticipated to them.

**Service delivery standard:** Citizens should be told about the level and quality of the service they receive. If possible, they should be given an opportunity to choose the service they want. The standard we set are the tools we use to measure our performance, and, therefore, need to be realistic depending on available resources.

We should also be able to measure the standards so that everyone can see if they are being achieved.

**Access:** there is much more involved when referring to access. It means making it easy for customers to benefit from services we provide. Easy access can be made available e.g. by having a wheelchair ramp, disabled parking bays, taking our service to the community. Staff attitude may determine how approachable your component / department is.

**Information:** Citizens should be given full accurate information about the public service they are entitled to receive. Information is about reaching our customers. Ensure that they are well-informed about what our service departments provide. This may be done in a number of ways e.g. through newspaper, radio, posters and leaflets. It's imperative to remember that customers have different needs and they do not all speak the same language.

**Openness and transparency:** We should be open about our day-to-day activities, how much our departments received, how that money is spent. This information should be available to the public. Annual reports, strategic plans, service commitments, charters etc. This must be available to the public. We should tell our customers where to complain and how to do it.

**Redress:** It should be easy for customers to tell us if they are not happy with our services. We should train staff to deal with complaints in a friendly, helpful manner. An apology, full explanation and effective, speedy remedy should be offered when the promised standard of service has not been delivered. When complaints are made we must give our customers sympathetic ears and have a positive

response to complaints

**Value for money:** We need to make the best use of our available resources. Avoid wastage of time, money and other resources. It also means eliminating waste, fraud and corruption and finding new ways of providing new services at little or no cost.

#### ENCOURAGING INNOVATION AND REWARDING

**Excellency:** Innovation is using new ways of doing things. Encourage partnerships with different sectors in order to improve service delivery. Rewarding excellence is also about rewarding the staff who go an extra mile in making it happen.

#### Service delivery improvement plan

The Mandeni Municipality will be developing a Service Delivery Improvement Plan in line with its constitutional mandate. SDIP will outline the current baseline of the municipality; where do our citizens want us to be, and furthermore, address how we get there. Key services that require improvement will be identified. The SDIP will be developed on those findings.

#### C.5.3. Roll out of operation sukuma sakhe

The Municipality continues to work on a strengthened relationship with the Department of Human Settlements in efforts to exert speed on the turn-around time for the delivery of housing units under the Operation Sukuma Sakhe Programme. The following table aims to provide an overview of the status of status for construction of Operation Sukuma Sakhe Houses within Mandeni.

PROJECT NAME	WARDS	TOTAL UNIT YIELD	UNITS COMPLETE D	UPDATE
Operation Sukuma Sakhe -16 Cases <u>Within Isithebe Rural Housing Project</u>	Wards 11, 12 and 16	16	None	Beneficiary administration currently underway
Operation Sukuma Sakhe - 30 Cases	Wards 2, 5, 7, 9 & 12	30	None	Beneficiary administration is underway and Implementing agent has commenced with the cutting of platforms for approved cases.
Operation Sukuma Sakhe - 49 Cases	Wards 1, 3, 4, 5, 6,7, 9, 10, 12, 15 & 18	49	None	Beneficiary administration currently underway
115 Operation Sukuma Sakhe cases	(Ward 1, 4, 5, 6, 7, 8, 9, 11, 13, 15, 16, 17 and 18)	115	None	Implementing agents will commence with beneficiary administration as of June 2023.

## STRATEGY 1

For Mandeni Municipality, we have always advocated for dedicated personnel to provide support on the co-ordination of the work of the LTT and War Rooms. Such person can be a focal person with requisite skills to deal with people at all levels

## STRATEGY 2

We have identified that one of the strategies for OSS to be vibrant is for members of the community to own it and participate fully in the War Rooms. As such, we have an on-going re-launch program to win community support; we are working with councilors as well as the Ward Committees on this program. One of the strategies we plan to use is to ensure that the concept of War Room and OSS is widely known by members of the community. When a random person is asked about a War Room, a few know about it and where it sits. The Office of the Speaker is identifying office space for all Ward councilors. It is such spaces we hope to use for permanent War Rooms. We will also engage the Department of Co-operative Governance to resource these offices and brand them as well. We will mobilize our organized NGO's and the Local MRM Structure (who already participate in our LTT) to support War Rooms and ensure their functionality at ward level. We have observed that all Wards with CDW's have functional War Rooms but those without; are struggling to convene War Room meetings

As a result, we will tap on the resources that we have of the Ward Committee Secretaries to assist in this regard. Our success stories also involve organizing our NGO's into one formation structure that sits before the LTT and consolidate its report before presenting the same to the LTT. This will assist to ensure that NGO's and NPO's do not compete but instead complement each other and share useful information for improvement in their administration. This is critical for better service delivery to our poor people.

### C.5.4. Municipal Inter - Governmental Relations

Mandeni Municipality is actively involved in IGR, which is championed by iLembe District Municipality. The reports to various committees of the District Council pertaining to Mandeni Municipality should however, be cascaded down to the municipality in a more efficient manner as some of these deal with infrastructure and many other issues that are critical for Mandeni Municipality. The Municipal

Turnaround Strategy (MTAS) indicates huge water and sanitation backlogs. Further to the above the iLembe IGR structure is fully functional and sits consistently through the year, with representation from Mandeni Municipality represented by Municipal Manager. Co-ordination of IGR in iLembe District is faced with a number of challenges; part of those challenges' centers around the issue of co-ordination. When co-ordination is absent, it leads to fragmentation, duplication and the waste of resources. It is the lack of co-ordination that leads to staggered delivery of services, thus prompting public protest co-ordination and planning are the basis upon which intergovernmental Relations is formed. This primarily speaks to co-ordination and planning at an Intra-departmental level, inter-departmental level, at the level of the three spheres and lastly the co-ordination of IGR Structures in a systematic manner

CoGTA undertook an assessment of the IGR Structures within the District. The analysis of the Assessments included the following:

IGR structures	Established	Functional
Mayors Forum	YES	YES
Municipal Managers Forum	YES	YES
Chief Financial Officers (CFO's) Forum	YES	YES
Corporate Services	YES	YES
Planning and Development	YES	YES
Infrastructure	YES	NO
Communications	YES	YES

#### C.5.5. National & Provincial IGR Structures

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) establishes a state that supports interaction and co-operation between the three spheres of government on a continuous basis and therefore provides a set of principles to direct the manner and quality of those interactions. The Mandeni Municipality is also committed in ensuring continuous interactions with all spheres of government by ensuring participation in all the existing national and provincial IGR structures namely:

- Premier's coordinating forum
- Muni-mec
- Technical Munimec

The IGR Reports are presented to all relevant Council structures to ensure continuous transferring of information to all levels within the Municipality.

#### C.5.6. District IGR Structures

At the District level, iLembe District Municipality has assigned authority of arranging the sitting of the district level forums which as family of municipality Mandeni forums part of. The forums have been listed on the table below:

NO	Name of the Forum	Meeting Frequency	Chairperson	Functional
1	Dif - District Intergovernmental Forum (Mayors')	Quarterly	District Mayor	
2	Tsf-Technical Support Forum (Mms')	Monthly	Municipal Manager of iLembe District Municipality	Functional
3	DAFF-DISTRICT AREA FINANCIAL FORUM (Cfos) A Subcommittee To Deal With The Issues Of Asset Management In The District Was Established Under The DAFF In 2015/2016. A Sub-Committee To Deal With SCM In The District Was Established In 2016/2017 Under The DAFF	Quarterly	Municipal Manager of local Municipality	Moderately Functional
4	District Government It Officers Committee (Dgitoc)	Quarterly	Municipal Manager of iLembe District Municipality	Functional
5	Disaster Management Advisory Forum (Dmac)	Quarterly	Municipal Manager of KwaDukuza Local Municipality	Functional

6	Performance Management System Forum (Pmsf)	Quarterly	Municipal Manager of iLembe District Municipality	Functional
7	Local Economic Development Forum (Ledf)	Bi-Monthly	Municipal Manager of Mandeni Local Municipality	Moderately functional
8	District Communicators Forum (Dcf)	Monthly	Municipal Manager of Ndwedwe Local Municipality	Functional
9	Planning And Development Forum (Pdf)	Monthly	Municipal Manager of Mandeni Local Municipality	Functional
10	Infrastructure Forum (If)	Monthly	Municipal Manager of KwaDukuza Local Municipality	Functional
11	Corporate Services Forum	Quarterly	Municipal Manager of Maphumulo Local Municipality	Functional
12	Speakers' Forum	Quarterly	District Speaker	Functional
13	Internal Auditors Forum	Quarterly	Municipal Manager of Maphumulo Local Municipality	Moderately Functional
14	Risk Management Forum	Quarterly	Municipal Manager of iLembe District Municipality	Functional

#### C.5.7. Functionality of Management Structures: Top Management Committee

The Mandeni Municipal Top Management Committee is functional and it is the highest strategic committee of management made up of the Municipal Manager and all Heads of Departments. The top MANCO meets as and when there are matters that require the attention of the Committee.

#### C.5.8. Ward Based Planning

When the concept started there was a general understanding that it was a planning function and therefore it should be dealt with in the planning department. Only recently that a consensus has been reached at the Provincial level with the Dept of Cooperative Governance and Traditional Affairs – Public Participation Forum, that ward-based planning should be undertaken by the respective ward committee at ward level. Since the election and induction of ward committees in December 2022, ward committees have been embarking on the process of community-based planning. To date we have successfully finalized ward based plans for all 18 wards of the municipality.

#### C.5.9. Participation of Amakhosi in Council Meetings

Section 81 of the Municipal Structures Act, outlines that Traditional authorities that traditionally observe the system of customary law in the area of the municipality are required to participate in the proceedings of the council of that municipality. In the context of Mandeni Municipality, the jurisdiction is consisting of 4 Traditional Authorities areas namely:

iNkosi Mathaba

iNkosi Ngcobo

iNkosi Mathonsi

iNkosi Mhlongo

When it comes to attending meetings, the committee's section of the municipality which is responsible for content of council meetings, has been assigned the duty to invite and circulate agenda to the meeting to Traditional council as they do for municipal councilors in events of council meetings. During the year 2021, the municipality further established the Mandeni Traditional leaders Forum subsequent to the district Traditional Leaders forum. The forum is chaired by the Madam Speaker of the municipality with the assistance of Director Corporate Service as the administrative champion. Meetings sit on a quarter basis.

It is noteworthy that through the establishment of this forum the municipality has successfully strengthened its relations with local traditional leaders as this forum enables consideration of their input into municipal process and procedure in the matters of service delivery and policy making.

#### C.5.10. IDP Representative Forum:

The IDP Technical Committee is established during the IDP process and it must continue performing its functions during the IDP review process. It is a technical working group made up of senior officials and relevant officials to support the IDP Manager and ensure a smooth review process. The IDP Manager can delegate functions to the Committee members. The Municipal Manager shall chair the IDP Steering Committee and the secretarial duties performed by the municipal officials of Mandeni Local Municipality.

- Terms of Reference for the Mandeni IDP Technical Committee
- To act as a secretariat for the IDP Representative Forum
- To ensure alignment at a district and local level,
- To support the IDP Manager
- To support and advise the IDP Representative Forum on technical issues,
- To make content recommendations,
- To prepare, facilitate and document meetings,
- To commission relevant and appropriate research studies during the IDP process,
- Processing, summarizing and documentation of project outputs,
- To ensure all stakeholders are included in the IDP Representative Forum

Composition of the IDP Technical Committee and IDP Steering Committee: The IDP Steering Committee is composed of: Chairperson: Municipal Manager/head of departments/ section managers and Planning and related officials.

#### C.5.11. Management Committee (Manco)

The Management committee is functional and it is scheduled to meet every first Monday of each month. The Management Committee (MANCO) is an extended management meeting which is chaired by the Municipal Manager and it includes all Head of Departments and middle management of the Municipality. The strategic intent of this committee is to ensure coherent approach to municipal operations, performance monitoring, identifying of gaps and effective implementation of municipal service delivery plans of the Municipality

#### C.5.12. Internal Audit Unit

Internal audit unit is governed by section 165 of the MFMA which requires that each municipality must have an internal audit unit and that the internal audit function may be outsourced if the municipality requires assistance to develop its internal capacity. As an assurance provider, internal audit units must be independent of management processes and internal auditors must be objective in performing their work. To ensure independence of the internal audit unit, Chief Audit Executive must report to the audit committee functionally and must report to the accounting officer administratively.

Internal audit unit is tasked with some of the following key functions;

- To develop a risk based internal annual internal audit plan.

- To develop key internal audit documents (i.e. internal audit charter, audit and performance committee charter, internal audit methodology, etc.).
- To ensure quarterly sitting of the Audit and Performance Committee on a quarterly basis.
- -To review management processes for adequacy and effectiveness.
- To advise management on how to enhance existing controls and develop new controls.
- To monitor the implementation of audit action plan by management
- To conduct an investigation requested.
- To perform any ad hoc requests.
- Internal audits are made up of 3 individuals led by the CAE who reports directly to the Municipal Manager.

#### C.5.13. Enterprise Risk Management (Erm)

Risk Management functions are governed by section 62(1)(c)(i) of the MFMA which requires the accounting officer to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.

Management is the first line of defense in the risk management process (i.e. management is the function that owns and manages risks of the municipality as a resulting management is responsible for identifying, assessing, controlling and mitigating the risks).

Risk Management Unit is the custodian of the Risk Management Framework, the coordinator of Risk Management throughout the Institution and the Institutional advisor on all Risk Management matters

Risk Management Unit is tasked

with the following key functions

- To develop the overall enterprise Risk Management vision, Risk Management policies, Risk Management Committee Charter.
- To perform the reviews of the Risk Management process to improve the existing process.
- To facilitate Annual Risk Management assessments.
- To Perform the reviews of the Risk Management processes to improve the existing process.
- To develop Annual Risk Management Implementation Plan

To ensure quarterly sittings of the Risk Management

- Committee.
- Raising Awareness and Risk Management Training
- Communicated risk management policy to all officials in the Institution
- Ensures that all risk categories are included in the assessment; (OHS, IT, HR, Fraud, Financial)
- Compiles a Consolidated Risk Register on an annual basis;
- Ensure risk management processes and methodologies are reviewed independently.
- Analyze information and develop risk assessment reports.

#### C.5.14. Risk Register, Anti- Fraud & Anti-Corruption Strategy

Each internal department will keep its risk register which should be monitored on a quarterly basis. The

risk register is developed from Risk Assessment Workshops. Municipalities are required to develop and monitor the following risk registers;

- Strategic risk register
- Operational risk register
- ICT risk register
- Occupational Health and Safety Risk Register
- Fraud risk register
- Compliance risk register
- Anti-Fraud and Corruption Strategy

There is a specifically developed risk register relating to fraud and fraud related risks which was developed during the risk assessment workshop which was facilitated by KZN Provincial Treasury in June 2022. The anti-fraud and anti- corruption strategy was developed and was last reviewed by the Risk Management Committee in April 2022 and was adopted by Council in June 2022.

#### C.5.15. Risk Management Committee

The Risk Management Committee is responsible for assisting the Accounting Officer in addressing its oversight requirements of risk management and evaluating and monitoring the institution's performance with regards to risk management. This committee is appointed by the Municipal Manager and is made up of an independent Chairperson and Senior Management. It reports quarterly to the Audit Committee.



## C.5.16. Comprehensive list of Council policies

<b>Budget and treasury office</b>
1. Communication strategy
2. Asset loss control policy
3. Asset management policy
4. Banking and investment policy
5. Catering policy reviewed
6. Credit control and debt collection policy
7. Draft fleet management policy
8. Draft funding and reserves policy 2022-23
9. Draft indigent support policy 2022-23
10. Draft insurance policy 2022-23
11. Draft inventory management policy 2022-2023
12. Draft mandeni scm policy 2022-2023
13. Draft rates policy 2022-2023
14. Draft tariff policy 2022-2023
15. Draft virement policy 2022-23
<b>Community services and public safety</b>
16. Approved indigent-pauper burial policy 2022 reviewal
17. Cemetery and crematoria by-law
18. Draft gathering by law
19. Firearm policy for mandeni
20. Animal keeping bylaws
21. Pounds by laws
<b>Corporate services</b>
22. 2022 draft in service training students and internship program
23. 2022 draft internal bursary policy
24. Batho pele policy
25. Draft cellphone allowance & telephone usage policy 11052022
26. Draft leave policy 2021-2022 (1)
27. Draft overtime policy 2021-2022
28. Draft recruitment policy
29. Standby allowance policy 2021
30. Draft vehicle allowance policy
31. Hr strategy
32. Ict security policy
33. Ict master systems plan 2017-2022
34. Ict governance policy and charter-edit
35. Ict governance risk and compliance management training and mentoring plan
<b>Economic development planning and human settlements</b>
36. Development charges policy
37. Land disposal policy revised2
38. Informal traders policy review
39. Street naming & renaming of public facilities policy
<b>Office of the municipal manager</b>
40. Draft social media policy for mandeni local municipality
41. Enterprise risk management policy 2022 2023
42. Mandeni youth development strategy
43. Political office bearers vehicle policy
<b>Infrastructure development and technical services</b>
44. Road maintenance policy

### C.5.17. Municipal Bid Committees

The following serves as a list of municipal bid committees and members. Majority of the members that make up these committees are Manco officio or supply chain management officials, with MFMP training. Additional training for members is often undertaken by the Provincial treasury Dept. Treasury this to ensure are abreast with latest procurement legislative provision

Bid committee	Legislative reference	Members of the bid committee
Bid Specification Committee	Section 27 (3) (a) of the Supply Chain Management Policy requires that the bid Specification committee composed of at least one or more officials of the Municipality, preferably manager responsible for the function involved and may when appropriate internal or external specialist advisors. Mandeni Municipality has sorted internal advisors for this committee.	<ol style="list-style-type: none"> <li>1, Manager IT</li> <li>2. SCM Practitioner</li> <li>3. PMU Manager</li> <li>4. Manager Human Settlements and building control (Chairperson)</li> <li>5. Manager PMS</li> </ol>
Bid Evaluation Committee	Section 28 (2) (a), (b), (c) of the Supply Chain Management policy requires that an evaluation must be appointed and compose of officials from departments requiring goods or services.	<ol style="list-style-type: none"> <li>1. Manager Community Services</li> <li>2. Manager Civil, Operations and Maintenance (Chairperson).</li> <li>3. SCM Practitioner</li> <li>4. Manager IT</li> <li>5. Manager Traffic and Public safety</li> </ol>
	(b) At least one Supply Chain Management practitioner of the municipality	
	(c) Members of the Committee are appointed in terms of clause 26 (b), which requires that the chairperson of the specification committee is absent members of the committee present must elect one-off them to preside.	
Bid Adjudication Committee	Section 28 (2) (a), (b), (c) of the Supply Chain Management policy requires that an evaluation must be appointed and compose of officials from departments requiring goods or services.	<ol style="list-style-type: none"> <li>1. CFO (Chairperson)</li> <li>2. Director Corporate Services</li> <li>3. Director EDPHS</li> <li>4. Director Technical Services</li> <li>5. SCM Practitioner</li> <li>6. Director Community Services</li> </ol>
	(b) At least one Supply Chain Management practitioner of the Municipality	
	(c) Members of the Committee are appointed in terms of clause 26 (b), which requires that the chairperson of the specification committee is absent members of the committee present must elect one of them to preside.	

#### C.5.18. Municipal Public Account Committee

The Municipal Public Accounts Committee is a Section 79 committee of Council and is appointed by council to perform an oversight function. The new Municipal Public Accounts Committee was appointed on the December 2021 and consisted of the following members:

##### Name of members

- Cllr. S Shandu (Chairperson)
- Cllr. S. Mdunge
- Cllr. Nkwanyana
- Cllr. S Mathonsi

The MPAC committee held its first induction process in- house by the Chief Audit Executive during March 2022. During this process they were introduced to the charter and guidelines of the MPAC and thereafter held its first official meeting on the 22nd of March 2022. The MPAC meetings sit on a quarterly basis. During this time, they have also successfully reviewed the Annual report, complete and adequate oversight reports to council. The MPAC has a fully developed MPAC charter that was workshopped to all MPAC members and councilors. The MPAC also has a council approved oversight calendar to undertake the Annual Oversight Areas of focus:

MPAC placed specific focus on areas required in line with the MPAC Charter and included but was not limited to:

- Section 71 Financial Reports
- Internal Audit reports
- Performance Management Quarterly reports
- Risk Register
- Auditor General Action Plan and Dashboard report
- Fraud and Statutory matter
- Irregular Fruitless and Wasteful expenditure
- Annual Report and Oversight report process

The MPAC is successfully fulfilling its legislative mandates however has requested that the following interventions occur to ensure it can lend further value to council MPAC members are trained in depth in areas of audit, finance and performance. This training of MPAC members

#### C.5.19. Portfolio Committees

The Executive Committee (EXCO) is the highest decision-making body in council meetings. EXCO takes decisions and implements them between council meetings within the delegation framework. However, the majority of items that are presented to the EXCO are the reports of various portfolio committees: section 79/80:

- Economic Development Planning and Human Settlements Portfolio
- Finance Portfolio
- Community Services and Public Safety Portfolio.
- Infrastructure development and Technical Services Portfolio

#### C.5.20. Land Use Management

The Spatial Planning and Land Use Management Act was assented to the President of the Republic in August 2013. The Act provides a framework for spatial planning and land use management. It essentially reinforces the provisions of the Constitution by ensuring that the function of planning, particularly decision-making relating to development applications, vests with municipalities.

The implications are that all Local Municipalities have to establish Municipal Planning Tribunal (MPT) structures and relevant delegations need to be adopted. Appropriately qualified staff must also be nominated and appointed in the MPT, and procedures to ensure compliance with the Act must be put in place (Bylaw). Both the Joint MPT (Ndwedwe, Maphumulo, and Mandeni) and the MPT (KwaDukuza) are made up of internal and external members specializing in different fields relating to engineering, Town Planning, law and others that are relevant. In terms of compiling with SPLUMA Regulation 14, which talks to preparation of Spatial Development Framework, during the 2021 /2022 FY Mandeni appointed uTshani Consulting Service to undertake preparation of new Spatial Development framework that will look at compiling with these and other latest planning provisions that exist in the planning framework. To date the Plan is currently in draft phase as it will be adopted by council by the end of June 2022.

#### Categorization of applications

In terms of section 35(3) of SPLUMA, a municipality must, in order to determine land use and land development applications within its municipal area, categories development applications to be considered by an official and those to be referred to the Municipal Planning Tribunal. Accordingly, all participating municipalities have opted for schedule 5 of the SPLUMA Regulations. Moreover, the provisions of Authorized Officers and Municipal Development Administrators have been committed.

#### Appeal authority

In terms of Section 51 of SPLUMA, Municipalities are required to decide on the composition of their appeal authority whether it be the Executive Committee or an appointed external body. Accordingly, Mandeni, Maphumulo and Ndwedwe LM have resolved to utilize their Executive Committees. KwaDukuza LM has opted to have two Appeal Authorities, the Executive Committee (EXCO) as well as a body comprised of external members only to deal with appeals when the EXCO is unavailable.

Municipality	Functionality of j/mpt	Bylaw	Delegations
Mandeni	The Service Level Agreement was finalized and advertised.	Published in the KZN Provincial Gazette No. 1562 on 4 December 2015	Adopted
	The JMPT is functional.		
Maphumulo		Published in the KZN Gazette No. 1563, 4 December 2015	Adopted.
Ndwedwe		Published in the KZN Provincial Gazette No. 1467, 13 August 2015	Adopted.
	22/09/2015.		

#### C.5.21. Identification of Key Challenges

Key issues	Description
<b>Good governance and public participation</b>	
Public Participation – ensuring existence and functionality of public participation	
Involvement of Amakhosi in the municipal IDP processes	Minimal to zero participation of amakhosi in the processes of the municipality
Functionality of intergovernmental relations at district and provincial forums	The most critical forums seem to be lagging behind thus service delivery is not coordinated through the appropriate IGR structures
Communication with stakeholders.	The MLM does not have a well-developed system to communicate with
Public participation.	Inadequate public involvement in municipal affairs.
Inter-governmental Relations.	Effective implementation and follow-up of resolutions taken by IGR
Governance Structures.	Individual ownership of decisions/resolutions taken by the collective.
<b>Institutional development and transformation</b>	
Municipal office space.	The municipality is operating from sub-optimal premises and the offices are scattered.
Lack of sufficient staff capacity	The municipality lacks sufficient capacity to undertake all municipal activities efficiently and effectively.
Organizational culture.	Conduct and behavior of staff and councilors.
Employee wellness program.	The municipality does not have a sufficient capacity to implement an effective employee
Information and Communication	Information and Communication Technology systems are fragmented.
Implementation of systems and	Some municipal policies are not implemented.
<b>Municipal financial viability and management</b>	
Revenue collection and enhancement.	Poor implementation of the revenue collection and enhancement strategy.
Indigent policy.	Incomplete indigent register.
Supply Chain Management.	Tender processes take too long to finalize.
Wasteful and fruitless expenditure.	Municipal funds are sometimes spent on items that do not form part of the core mandate of the municipality or advance performance on core
Budget.	Unrealistic budget.

ESKOM License.	The municipality would like to obtain a license to provide electricity to the urban parts of the
Non-declaration of interests.	Staff members do not declare their interests.
<b>Local economic development</b>	

<b>SMMs and co-operatives support and development.</b>	<b>Lack of incubators and support infrastructure.</b>
Declining manufacturing sector.	Maintenance of industrial infrastructure in iSithebe Estate.
Tourism development.	Challenges in attracting investment along the coast.
	Access to productive agricultural land in traditional authority areas.
	Decline in the demand for sugar cane due to substitutes.
Declining contribution of the	Lack of diversification in agriculture.
Economic leakage.	the major urban centers outside of the MLM.

#### C.5.22. Good Governance and Public Participation SWOT

<b>STRENGTHS</b>	<b>WEAKNESS</b>
Strategic location along the N2 national and provincial corridor and R102, which both serve as trade	Environmental degradation and scattered settlement patterns.
Appropriately qualified and experienced senior managers.	Gaps in the financial management systems and supply chain resulting in qualified audit
Astute, energetic and visionary political leadership.	Lack of capacity to look after staff in need/distress
Political stability.	Events-based structure of program for vulnerable groups.
Most administrative systems and procedures are in place.	Lack of detailed spatial and development planning
Relatively well-developed IDP.	High unemployment, income poverty and functional illiteracy
Well-developed internal audit and risk management functions	Distant location of Mandeni Town from the N2 corridor.
Well-developed internal audit and risk management functions	Poor access to Information and Communication Technology in the rural parts of Mandeni
<b>OPPORTUNITIES</b>	<b>THREATS</b>
N2 national development corridor and the R102, which both serve as trade routes.	Unpredictable weather conditions.
Strategic support from the National and Provincial governments for various	Slow growth of the national economy.
Heritage route and the historical role of Mandeni in the formation of the Zulu nation.	
<ul style="list-style-type: none"> <li>Coastal tourism and associated coastal management initiatives.</li> </ul>	

## C.6. BASIC SERVICE DELIVERY

### C.6.1. Water & Sanitation

In 2003 the District became the Water Services Authority and Water Services Provider for the iLembe region, and the Municipality's Water Services Development Plan (WSDP) was adopted in 2016. It is the role of the Technical Services Department of the iLembe District Municipal to provide water and sanitation services throughout the district thereby eliminating backlogs. Below is a graph portraying the level of access to quality piped water within iLembe, as per the data collected by Stats SA through the Census of 2011 compared with the 2016 Community Survey:

Graph: percentage of people with access

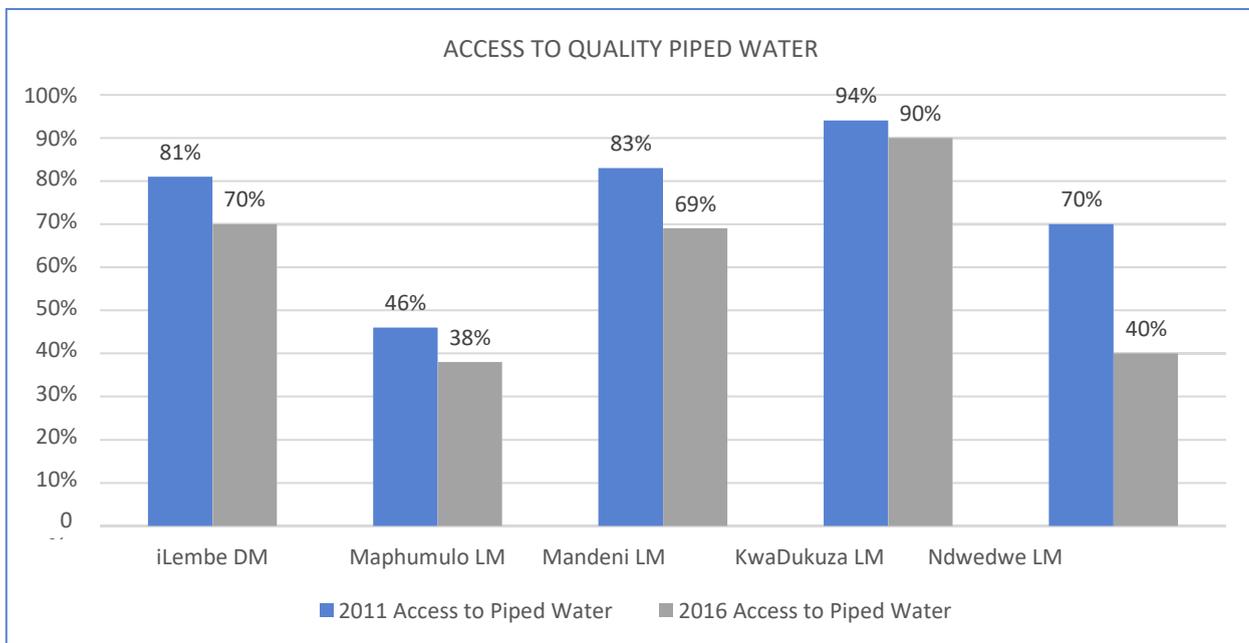


Figure 28: Access to Quality Piped Water: Source: Stats SA 2011 Census vs Stats SA 2016 Community survey

The graph above depicts a partial picture of the reality on the ground. For instance, the percentage of people with access to water decreased significantly in 2016. This was primarily due to the drought conditions that were prevailing at the time.

The following infrastructural characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process: The provision of basic infrastructure is hampered by the topographic constraints, low densities and low affordability levels, particularly in rural and traditional areas. Rural areas are severely affected by a lack of basic services and continued service delivery backlogs. Bulk water supply is a major constraint that affects the entire District and in urgent need of attention. 18.66% of the population still do not have access to clean water and obtain water from rivers and streams. This poses a health risk with further implications regarding the provision of social services. 19% of the population still do not have access to basic sanitation. The urban areas have proper waterborne sanitation systems, but the peri-urban and rural areas rely on pit latrines or no system at all. This places tremendous strain on the environment and poses a health risk. iLembe has been severely hampered by drought, which has diminished the Municipality's ability to provide water to all inhabitants.

### C.6.2. Ilembe Water & Sanitation Master Plan -2016

Bosch Stemele was appointed by the Ilembe District Municipality (IDM) to complete a Regional Master Plan that would include both water and sanitation. The scope of the project is to develop a regional water and sanitation master plan for the entire Ilembe District Municipality area. The Master Plan will develop strategies at three levels, aimed at achieving the project objectives, namely:

- Short Term Action Plan (SAP) for addressing the provision of reliable water and sanitation services within a 5 year horizon;
- Medium Term Action Plan (MAP) for addressing the provision of reliable water and sanitation services within a 5 to 10 year horizon;
- Long Term Action Plan (LAP) for a 10 to 20 year horizon aimed at creating and delivering viable and sustainable water and wastewater infrastructure services.

The Master Plan will include planning for rehabilitation and upgrading of existing water and wastewater infrastructure, as well as proposals for new infrastructure.

#### C.6.2.1. Ilembe Master Plan Study Area

The Ilembe District Municipality (IDM) comprises four Local Municipalities (LM), namely Kwadukuza, Mandeni, Maphumulo and Ndwedwe which make up the master plan area of study.

#### C.6.2.2. Demographics, Town Planning & Future Developments

Table 1: Summary of Household Counts

Local Municipality	2011 Census Population	2011 Census Household Dwellings	2015 Bosch Stemele Household Count*
KwaDukuza	231 189	70 284	63 530
<b>Mandeni</b>	<b>138 078</b>	<b>38 235</b>	<b>42 185</b>
Maphumulo	96 724	19 973	17 295
Ndwedwe	140 817	29 200	31 373
<b>Ilembe DM</b>	<b>606 810</b>	<b>157 692</b>	<b>154 383</b>

Table 2: Average Growth Rates

Local Municipality	Average Growth Rate (%)
KwaDukuza	3.2
<b>Mandeni</b>	<b>0.81</b>
Maphumulo	-2.21
Ndwedwe	-0.27
<b>Ilembe DM (Average)</b>	<b>0.8</b>

### C.6.2.3. Future developments

A list of present and future developments was issued by IDM. These were verified by Bosch Stemele against the Spatial Development Framework Plan (SDFP). This exercise resulted in additional areas that needed to be added to the list of developments, due to their close proximity to development corridors and have therefore been included in this Master Plan.

The estimated densities for the proposed development areas were based on current and similar existing densities of neighboring developments and/or based on information from the Service Level Agreements (SLA) supplied by IDM.

**Table 6: Mandeni Local Municipality ADWF Planning**

MANDENI LOCAL MUNICIPALITY						
WWTW	ADWF (Mℓ/d)					
	Present Capacity Year 0 (2016)	Present <u>Required</u> Capacity Year 0 (2016)	Future Required Capacity Year 5 (2021)	Future Required Capacity Year 10 (2026)	Future Required Capacity Year 20 (2036)	Future Required Capacity Year +20 (Ultimate)
Ex. Sundumbili	12.00	12.00	18.00	18.00	24.00	26.00
Ex. Mandini	1.20	1.20	1.50	1.50	Redundant	Redundant
Ex. Tugela	0.75	0.75	2.00	2.00	Redundant	Redundant
New Tugela	-	-	-	-	6.00	6.00
New Mdlebeni	-	-	1.00	1.00	1.00	1.00

### C.6.2.4. Bulk Sewerage Infrastructure Planning (Pump stations And Pipelines)

Pump stations, rising mains and bulk gravity trunk mains have been proposed in all areas to serve the existing areas and future developments. Proposed pipeline sizes have been added to the GIS and sized to accommodate the ultimate design capacities. The reason for this is that, based on the average growth rates, the future developments are expected to start developing within the 10-20 year (LAP) and the +20 year (ultimate) horizons. New bulk infrastructure has also been proposed that will, in some areas, supersede what is presently in the ground or what has been proposed by others.

Phase planning (i.e. SAP, MAP or LAP) of the bulk infrastructure with respect to specific schemes has not been addressed under this Master Planning report and should be undertaken for each specific area at a preliminary design stage for each area. However, the Master Plan does serve as a guideline for the infrastructure planning going forward.

### C.6.2.5. Sanitation Backlogs Within The Rural Areas

The sanitation backlog areas under this master plan were identified as areas which do not have any form of sanitation provision. These areas were identified through the WSDP Report undertaken by NME in January 2015 and fall within the rural areas of Mandeni, Maphumulo and Ndwedwe Local Municipalities.

**Table 9: Sanitation Backlog Areas**

Local Municipality	Wards	Household Counts
Mandeni	3,9	800
Maphumulo	2, 3, 8	5139
Ndwedwe	15	1457
TOTAL		7396

It is envisaged that the backlog areas would receive VIP toilets and not waterborne sanitation within the scope of this master plan. Most of the rural areas within the Ilembe District Municipality are not served by waterborne sanitation, but through septic tanks or VIPs. It is envisaged that these areas would continue to be served by their present infrastructure and no new bulk infrastructure has been planned for the rural areas.

C.6.2.6. Infrastructure Costs

Note that all costs are base dated to 2016 and will need to be escalated annually by CPI.

C.6.2.6.1. Wastewater Treatment Works Costing Exercise



MANDENI LOCAL MUNICIPALITY										
WWTW	ADWF (Mℓ/d)									
	Present Capacity Year 0 (2016)	Present Required Capacity Year 0 (2016)	Future Required Capacity Year 5 (2021)	Estimate Costs	Future Required Capacity Year 10 (2026)	Estimate Costs	Future Required Capacity Year 20 (2036)	Estimate Costs	Future Required Capacity Year +20 (Ultimate)	Estimate Costs
Ex. Sundumbili	12.00	12.00	18.00	R40,000,000.00	18.00	R -	24.00	R 40,000,000.00	26.00	R 15,000,000.00
Ex. Mandini	1.20	1.20	1.50	R 2,200,000.00	1.50	R -	Redundant	R -	Redundant	R -
Ex. Tugela	0.75	0.75	2.00	R12,000,000.00	2.00	R -	Redundant	R -	Redundant	R -
New Tugela	-	-	-	R -	-	R -	6.00	R 40,000,000.00	6.00	R -
New Mdlebeni	-	-	1.00	R 7,500,000.00	1.00	R -	1.00	R -	1.00	R -
Note: Costs exclude VAT			<b>Sub-Total</b>	<b>R 61,700,000.00</b>		<b>R -</b>		<b>R 80,000,000.00</b>		<b>R 15,000,000.00</b>

#### C.6.2.6.1. Project Phasing and Budget Requirements for Bulk Sewerage Infrastructure

##### Project Phasing and Budget Requirements for Bulk Sewerage Infrastructure

The following table confirms the total bulk infrastructure cost, which includes gravity pipelines, rising mains, pumpstations and wastewater treatment works. The Regional Municipality has been divided into 'cost catchments', each containing its bulk planning infrastructure. The cost catchments have been phased and prioritized according to the three strategic levels of planning, namely:

- Short Term Action Plan (SAP) - within a 5 year horizon;
- Medium Term Action Plan (MAP) - within a 5 to 10 year horizon;
- Long Term Action Plan (LAP) - for a 10 to 20 year horizon

The bulk infrastructure costs have been inserted into GIS, which may be manipulated to conform to any amendments to the master plan

**Table 11: Project Phasing and Budget Requirements for Bulk Sewerage Infrastructure**

Cost Catchments	Area	Year 5 (2021)	Year 10 (2026)	Year 20 (2036)
A	Sithebe	R 12,819,979.48		
B	Inyoni	R 14,000,000.00	R 14,237,548.55	
C	Sundumbili	R 52,370,535.91	R 22,000,000.00	
D	Mandeni	R 28,126,505.77		
E	Tugela	R 20,483,348.95	R 12,000,000.00	R 40,000,000.00
F	KwaMapumulu	R 10,887,619.35	R 8,200,000.00	
G	Mdlebeni	R 13,985,047.15		
H	Sakhamkhanya		R 20,375,276.25	
I	Darnall	R 13,377,434.00		
J	Tugela Mouth			R 40,012,869.68
K	Tugela 2			R 58,538,176.00
L	Nkwazi			R 44,585,871.95
M	Zinkwazi West		R 17,163,225.68	R 17,000,000.00
N	New Guelderland			R 8,159,936.55
O	Stanger North	R 5,000,000.00	R 15,027,216.98	
P	Hyde Park			R 16,487,175.22
Q	Princes Grant		R 70,870,153.66	R 56,000,000.00
R	Stanger North		R 38,260,458.70	
S	Erasmusdam	R 39,470,320.93	R 20,000,000.00	
X	Royal Shaka		R 30,117,632.48	
Y	Chief Albert Lethuli		R 8,033,474.53	
Z	Groutville Extension		R 10,019,903.79	
AA	Myundweni	R 18,696,503.00		
AB	Charlottedale	R 21,661,294.72		
AC	Kijaba Estates			R 38,826,538.30
AD	Tulele Farm			R 17,350,931.54
AE	Etete	R 34,563,000.00		
<b>TOTAL</b>		<b>R 639,910,151.78</b>	<b>R 464,655,925.27</b>	<b>R 1,431,140,531.39</b>
<b>TOTAL</b>				<b>R 2,535,706,608.44</b>

**Table 12: Summary of Total Infrastructure Capital Costs**

ILEMBE DISTRICT MUNICIPALITY SUMMARY							
	Year 5 (2021)		Year 10 (2026)		Year 20 (2036)		TOTAL
Mandeni LM	R	127,800,370	R	48,237,549	R	183,136,918	R 359,174,836
Kwadukuza LM	R	490,899,268	R	408,218,377	R	1,244,003,614	R 2,143,121,259
Maphumulo LM	R	10,887,619	R	8,200,000			R 19,087,619
Ndwedwe LM	R	10,322,894			R	4,000,000	R 14,322,894
TOTAL	R	639,910,152	R	464,655,925	R	1,431,140,531	R 2,535,706,608

**C.6.2.6.1. Sanitation Backlog Areas - VIP Costs**

Local Municipality	Wards	Household Counts	Cost
<b>Mandeni</b>	<b>3,9</b>	<b>800</b>	<b>R 5 600 000.00</b>
Maphumulo	2, 3, 8	5139	R 35 973 000.00
Ndwedwe	15	1457	R 10 199 000.00
TOTAL		7396	R 51 772 000.00

**C.6.2. Existing Sanitation Infrastructure – Replacement Costs**

It is recommended that Ilembe District Municipality continue with their refurbishment/renewal processes, whereby a percentage of the total asset value of all existing sanitation infrastructure is replaced every year.

If it is assumed that the average expected lifespan of infrastructure is 40 years, then it is recommended that a budget of 2.5% of the total present asset value of the sanitation infrastructure is set aside annually for the replacement of existing, aging infrastructure.



The table below indicates the recommended budget that the District Municipality is required to set aside to carry out the refurbishment and renewal of sanitation infrastructure each year.

**Table 14: Existing Sanitation Infrastructure Replacement Costs**

Existing WWTW			Existing Pump Stations			Existing Pipelines				Total Replacement Cost	Replacement Cost/Annum
Ex. WWTW	Present Day Cost/m (2016)	Total Replacement Cost	Ex. PS	Present Day Cost/m (2016)	Total Replacement Cost	Length_m	Assumed Average Pipe Ø	Present Day Cost/m (2016)	Total Replacement Cost		
2	R 50,000,000.00	R 100,000,000.00	27	R 2,760,000.00	R 74,520,000.00	220,970	25	R 1,417.00	R 313,114,069.75	R 487,634,069.75	12,190,851.74
2	R 15,000,000.00	R 30,000,000.00	3	R 648,000.00	R 1,944,000.00	34,168	16	R 1,135.00	R 38,780,375.81	R 70,724,375.81	1,768,109.40
1	R 65,000,000.00	R 65,000,000.00	1	R 876,000.00	R 876,000.00	157,230	20	R 1,247.00	R 196,065,692.41	R 261,941,692.41	6,548,542.31
1	R 12,000,000.00	R 12,000,000.00	0	R 648,000.00	R -	10,000	16	R 1,135.00	R 11,350,000.00	R 23,350,000.00	583,750.00
1	R 7,500,000.00	R 7,500,000.00	0	R 648,000.00	R -	26,347	16	R 1,135.00	R 29,903,289.13	R 37,403,289.13	935,082.23
1	R 7,500,000.00	R 7,500,000.00	0	R 648,000.00	R -	47,164	16	R 1,135.00	R 53,530,618.51	R 61,030,618.51	1,525,765.46
1	R 96,000,000.00	R 96,000,000.00	6	R 2,220,000.00	R 13,320,000.00	77,343	16	R 1,135.00	R 87,784,281.07	R 197,104,281.07	4,927,607.03

**C.6.2.7. Operational and Maintenance Costs**

Operational and maintenance (O & M) costs have been calculated for the proposed scope of work confirmed within this Master Plan.

These costs were based as a percentage of the total capital infrastructure costs and noted in the subsequent table.

Table 15: Pump station Capital O & M Costs - Mandeni

Name	Pumped Flow	Cost	O&M Costs per Annum	Local LM
Bondis Drift SPS	32.7 l/s	R 2,760,000.00	R 45,720.00	Mandeni
Tugela River Lodge SPS	3.2 l/s	R 648,000.00	R 14,904.00	Mandeni
Tugela Tides SPS	3.1 l/s	R 648,000.00	R 14,904.00	Mandeni
Tugela North SPS 1	7.5 l/s	R 648,000.00	R 14,904.00	Mandeni
Tugela SPS 1	49.6 l/s	R 2,760,000.00	R 45,720.00	Mandeni
Seola SPS 3	29.3 l/s	R 2,200,000.00	R 36,000.00	Mandeni
Isithebe SPS	94.1 l/s	R 3,780,000.00	R 81,000.00	Mandeni
Tugela Golf Resort SPS 2	19.1 l/s	R 876,000.00	R 22,752.00	Mandeni
Seola SPS 4	44.6 l/s	R 2,760,000.00	R 45,720.00	Mandeni
Seola SPS 5	17.3 l/s	R 876,000.00	R 22,752.00	Mandeni
Moreland SPS	26.8 l/s	R 2,200,000.00	R 36,000.00	Mandeni
Mandini SPS	165 l/s	R 4,500,000.00	R 81,000.00	Mandeni
Tugela SPS 2	45 l/s	R 2,760,000.00	R 45,720.00	Mandeni
Tugela Golf Resort SPS 1	43 l/s	R 2,760,000.00	R 45,720.00	Mandeni
Tugela North SPS 2	6 l/s	R 648,000.00	R 14,904.00	Mandeni
<b>MANDENI LM</b>	<b>SUB-TOTAL</b>	R 30,824,000.00	R 567,720.00	

#### C.6.2.8. Additional Services Costs

Additional services costs have been considered and will allow for engineering and other specialist services noted as follows:

- Detailed Design
- Geotechnical Investigation
- Environmental Studies and Applications
- Site Supervision / Construction Monitoring

Table 17: Additional Services Costs – in relation to Mandeni Areas

Cost Catchments	Area	Year 5 (2021)	Year 5 (2021) Additional Services	Year 10 (2026)	Year 10 (2026) Additional Services	Year 20 (2036)	Year 20 (2036) Additional Services
A	Sithebe	R 12,819,979.48					
B	Inyoni	R 14,000,000.00		R 14,237,548.55	R 2,562,758.74		
C	Sundumbili	R 52,370,535.91	R 9,426,696.46	R 22,000,000.00			
D	Mandeni	R 28,126,505.77	R 5,062,771.04				
E	Tugela	R 20,483,348.95	R 3,687,002.81	R 12,000,000.00	R 2,160,000.00	R 40,000,000.00	R 7,200,000.00
J	Tugela Mouth					R 40,012,869.68	R 7,202,316.54
K	Tugela 2					R 58,538,176.00	R 10,536,871.68

### C.6.3. Current/Proposed Water and Sanitation Projects in Mandeni Area

The Ndulinde Sub-Regional Water Supply Scheme falls within wards 5, 6, 11, 12, 16 and 17 of Mandeni Local Municipality. The scheme is intended to provide potable water supply to the community that is currently being served through boreholes that are equipped with hand pumps and some springs that are within the area. The source of water is Sundumbili Water Works, which is situated on the northern banks of the Thukela River. The scheme was intended for households with potable water through communal standpipes at a 200m walking distance radius. The scheme was initially estimated to cost R 116,579,664 and would have been implemented in phases until 2023/2024 financial year when it would have been fully commissioned.

This project is implemented to eradicate water backlogs in the entire Ndulinde area and part of Isithebe. Wards 6,11,12&16. Due to a high rate of illegal connections in the area, the municipality has decided to upgrade the infrastructure from communal standpipes to individual yard connections per household.

This has pushed up the cost of the water scheme from R 116,579,664 to R 270,197,304.71. The total number of households to be served is 7,213 with a population of 44,641. The revised completion date is now June 2024, subject to funds being made available from the Department of Water and Sanitation.

The Macambini Sub-Regional Water Supply Scheme falls within wards 1, 2, 3, 8 and 9 of Mandeni Local Municipality. The scheme is intended to provide potable water supply to house connections in the community that is currently served through boreholes, natural springs and water tankers. The scheme will also augment the current supply from the Mlalazi Water Scheme that is under King Cetshwayo District Municipality who act as a bulk water provider to iLembe DM.

This project is implemented to eradicate water backlogs in the entire Macambini area. Wards 1,2,8,9 & 3. Currently implementing phase 5.

During dry seasons, King Cetshwayo DM is unable to meet iLembe DM's demand and this often results in shortage of water to the community of Macambini. The source of water is the Sundumbili Water Works, which is situated on the northern banks of the Thukela River that has been upgraded from 27M/l/d to 40M/l/d in order to increase the capacity of water works. The scheme will serve a total of 100,550 people residing in some 13,850 households. The scheme is estimated to cost R 616 572 540.31 and will be implemented in phases until 2023/2024 financial year when it will be fully commissioned.

To cater for the new housing, commercial and government developments in Mandeni waterborne sanitation. This will unlock potential developments that are earmarked for Mandeni to become a reality. Ward 10. New site is being identified; once the above two schemes have been commissioned, the backlogs for water in Mandeni will be eliminated. The Inyoni Housing Bulk Water and Sanitation Project falls within ward 10 of Mandeni Local Municipality. The project is aimed at providing bulk water and sanitation to 3,050 sites within the housing project that is currently being implemented by the local municipality. The Bulk Water project is complete and has cost R 24,197,304.71 and R 9,367,407.00 for Bulk Sanitation.

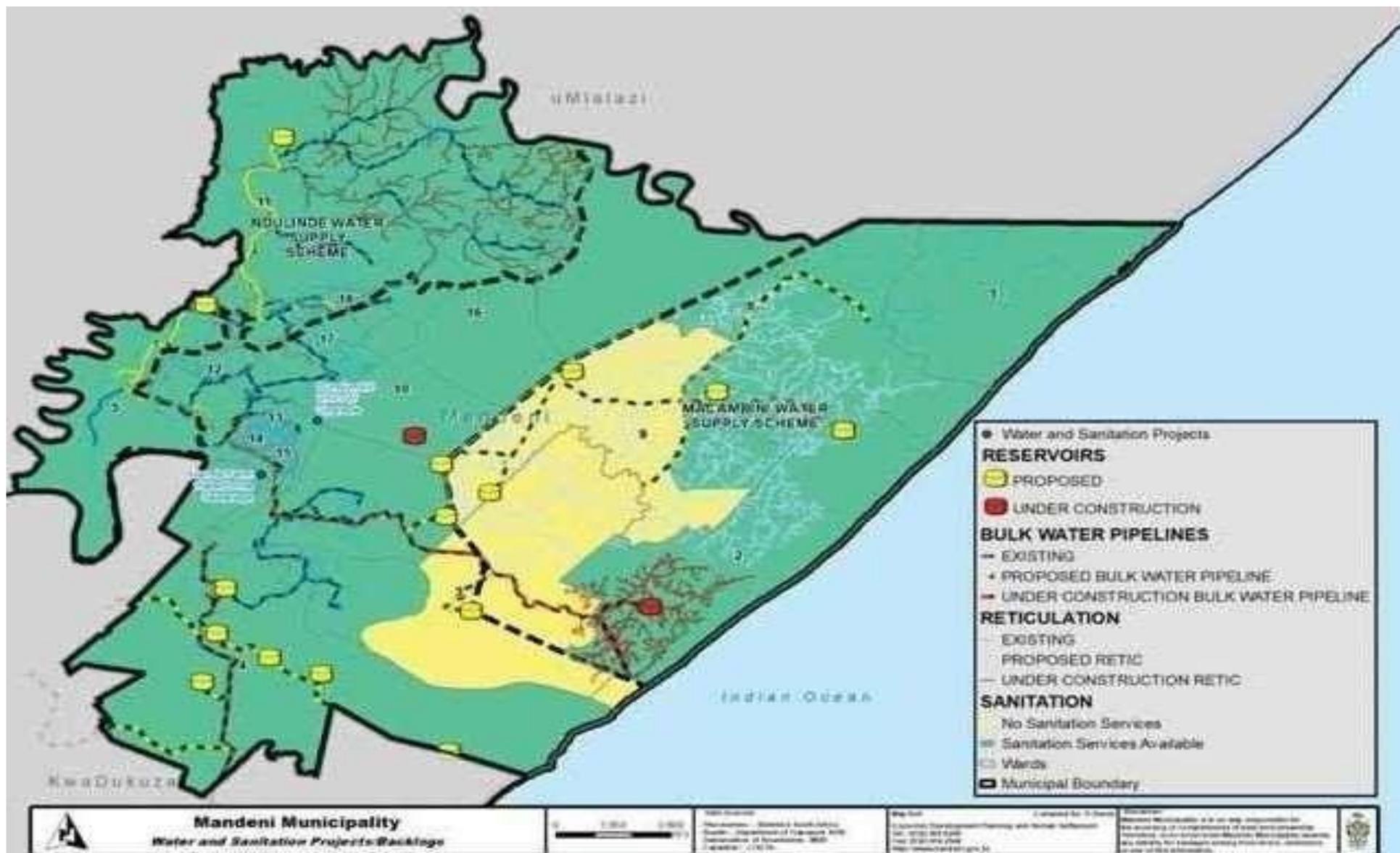
### C.6.4. Water & Sanitation Projects

The table below reflects water and sanitation projects that will be implemented within the Mandeni Local Municipality area of jurisdiction. These projects will insist on eradicating the water and sanitation backlogs within the Mandeni Municipality. These projects Will be implemented through the Municipal Infrastructure Grant by the iLembe District Municipality as the water and sanitation authority for the Mandeni area.

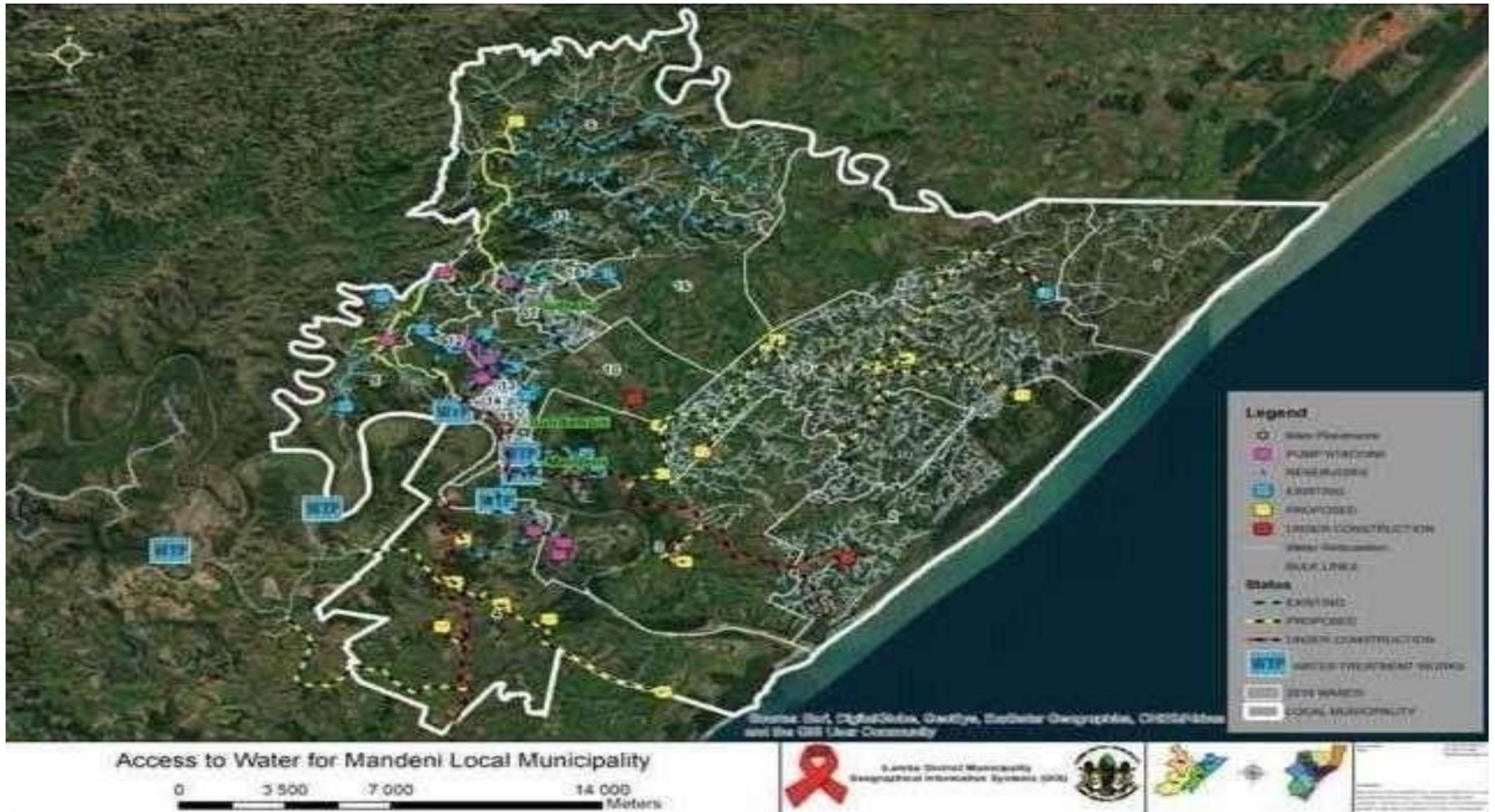
Project Name	Area	Funder	2021/2022 Budget	2022/2023 Budget	2023/2024 Budget
Macambini Water Supply Scheme	Mandeni	MIG	R 45 000 000	R 50 000 000	R 40 000 000.00
Ndulinde Water Supply Scheme	Mandeni	MIG	R 20 000 000.00	R 25 000 000	R 24 000 000.00
Inyoni Bulk Sewer	Mandeni	MIG	R 2 000 000.00	R 3 000 000.00	R 0.00
Inyoni Bulk Water	Mandeni	MIG	R 5 000 000.00	R 0.00	R 0.00
Sundumbili WWTW Upgrade	Mandeni	MIG	R 1 000 000.00	R 1 000 000.00	R 25 000 000.00
VIP Sanitation Program	District Wide	MIG	R 21 000 000.00	R 27 000 000.00	R 30 000 000.00
Manda farm Waterborne Sewer	Mandeni	MIG	R 2 000 000.00	R 10 000 000.00	R 20 000 000.00
Water Conservation/Water Demand Management	District Wide	WSIG	R 6 500 000.00	R 10 000 000.00	R 10 000 000.00
Old Infrastructure Replacement/Upgrade	District Wide	WSIG	R 43 000 000.00	R 53 000 000.00	R 50 000 000.00
RRAMS	District Wide	RRMS	R 2 400 000.00	R 2 600 000.00	R 2 800 000.00
EPWP	District Wide	EPWP	R 4 800 000.00	R 6 500 000.00	R 8 000 000.00

Source: ILembe District 2021/2022

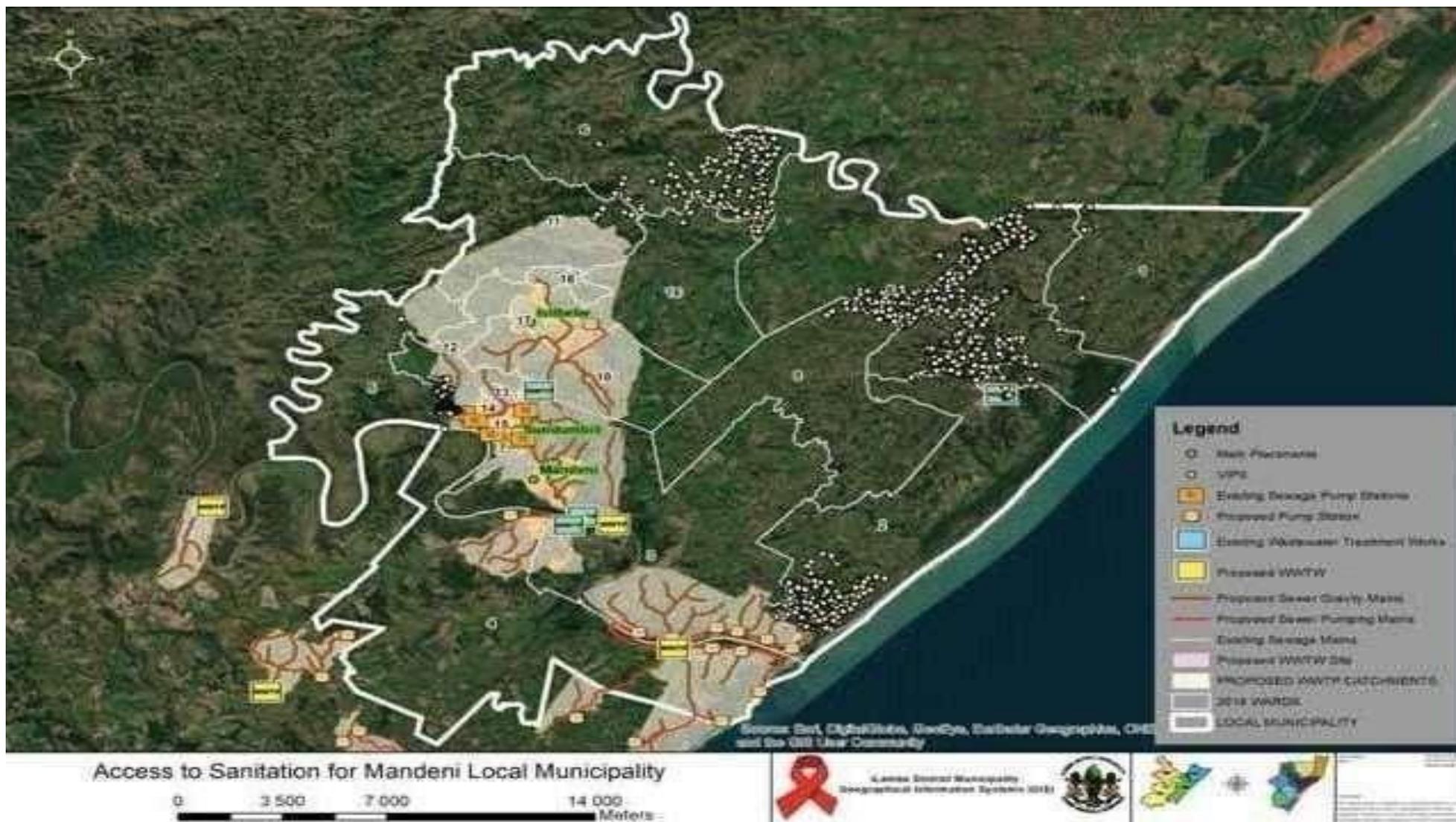
Map showing spatial representation of sanitation projects in Mandeni Municipality



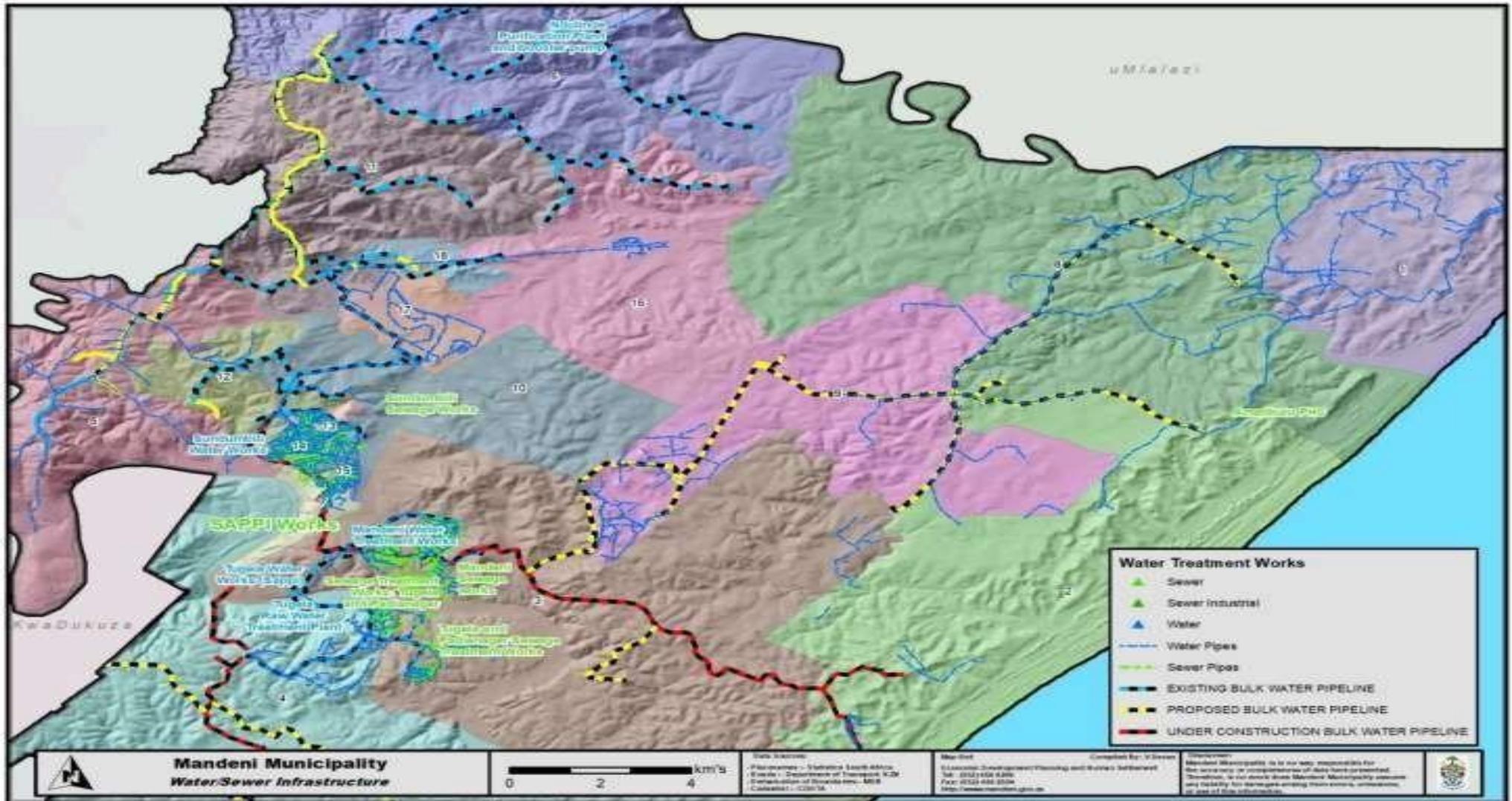
Map showing access to water in Mandeni



Map showing access to sanitation to Mandeni Municipality



Map showing Spatial representation of Water treatment Work



### **C.6.7. Solid Waste Management**

The obligations and responsibilities of the municipality are clearly outlined in Section 156 of the Constitution and the Local Government Municipal Systems Act that the cleansing and solid waste removal, in a coordinated structure is such an obligation of the municipalities. The municipality has assigned the responsibility for waste management to the Department of Community Services and Public Safety. The Director of the department, manages the planning of waste activities and the rendering of public waste services.

The municipality provides a door-to-door service to all customers (business and residents) on the billing system within the urban areas of Mandeni, Sundumbili, Tugela Rail, Pardianagar, High View Park and Tugela Mouth. Other rural areas are serviced by communal bins placed strategically within walking distance of households.

There is a need for additional communal bins in order to reduce the walking and will help to alleviate the backlog on an annual basis and distances. This basic level of service is provided once a week. An assessment in terms of section 78 of the Municipal Systems Act was carried out and recommended that the municipality perform this function in-house. In keeping with this finding, the municipality has acquired two refuse compactors and entered into agreement with SAPPI for air-space on their landfill site in Mandeni. This collection and disposal service is currently in the process of being in-sourced.

Illegal dumping is a major cause for concern within the town and this needs to be addressed through waste education campaigns. The door-to-door educational awareness campaigns have been undertaken through the Thuma- Mina Program targeting schools, and residents. The sparse settlement patterns and vast area of the municipality make it very costly to eradicate the high backlog in waste services. Coupled with limited funding and high non-payment for services, this makes backlog eradication a very slow process. Due to poor accessibility to certain areas in the municipality as a result of poor road conditions, waste services may not be extended to these areas until better roads provision is made.

Additional Communal bins have been procured and this will help to alleviate the backlog on an annual basis. As mentioned, these skips are placed in strategic locations to ensure that a basic level of service is being provided so that household waste can be adequately disposed of.

#### *5.2.1.1. Waste Disposal Site within the Municipality*

The only operational landfill site within Mandeni Municipality is that of SAPPI Landfill Site. However, not all waste types are open for public disposal. According to the Municipal Systems Act, the management of the disposal site is a responsibility of the District. The iLembe District is currently looking for the Public Landfill site, as most of the Landfill sites within the District are privately owned.

#### *5.2.1.2. Operations of SAPPI Landfill Site*

The SAPPI Tugela landfill is permitted GLB+ Landfill. The site is managed by a contractor waste resource company. Since reaching capacity in 2003 Sappi, therefore, lodged an application for extension of the site. The permit was granted and the landfill has been extended since. The site is mainly used for disposal of waste from SAPPI Tugela mill, and a small amount of waste from external sources.

#### *5.2.1.3. The Dolphin Coast Landfill Site*

The Dolphin Coast Landfill site is located in KwaDukuza Municipality and is privately owned by Dolphin Coast Waste Management. It allows for the disposal of both the General / Solid Waste and Hazardous Waste. The site is permitted to accept domestic, commercial and certain industrial waste as well as garden refuse. All waste collected by the Mandeni Municipality was previously taken to this landfill site, however this was changed when the municipality took over the responsibility of waste collection. Since

The Mandeni municipality has negotiated with SAPPI Tugela to dispose of the municipal waste at the Sappi site. This is preferable due to the close proximity to the town the site is.

*5.2.1.4. Provision of Waste Services within the Municipality*

With regards to performing the Waste Services, the Local Municipalities are responsible for the collecting, transportation and disposal. The management of the disposal facilities, such as the Transfer Stations and Landfill sites is the function of the District as per the Municipal Systems Act. The National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) stipulates that standards are required in the provision of the waste services within the country and municipalities specifically, in order to "give effect to the right to an environment that is not harmful to health and well-being," and that this right be applied "uniformly throughout the Republic". Hence, the setting of National Domestic Waste Collection Standards was informed by the Constitution, the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008), the General Waste Collection Standards of Gauteng Province, the current international waste management standards and good practices in both developed and developing countries, the current waste collection practices in South African municipalities as well as stakeholder consultations.

It is imperative for the Municipalities within the iLembe to comply with these standards. The collection of waste within Mandeni Municipality is depicted in the table below:

Type of refuse disposal	2001 (%)	2011 (%)	2016 (%)
Removed by local authority / private company at least once a week	29.8	27.5	24.32
Removed by local authority / private company less often		1.7	0.59
Communal container/central collection point			9.9
Total households receiving a basic serviced	29.8	29.2	34.81
Communal refuse dump		3.5	4.65
Own refuse dump		60.5	58.54
No rubbish disposal		5	1.60
Other		1.8	0.41
Total households not receiving a basic service	70.2	70.8	65.2
TOTAL	100.00	100.00	100.0

Figure 5: Overview of access to waste disposal services in Mandeni Local Municipality in 2016 (data source, Community Survey 2016).

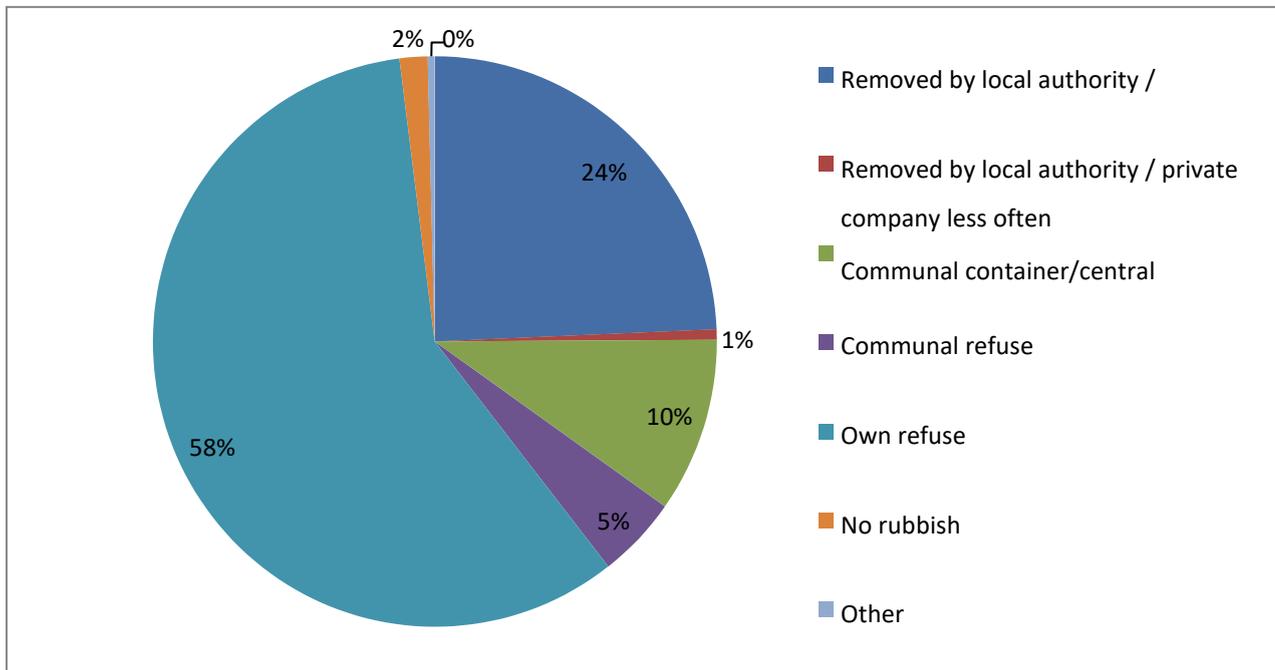


Figure 30: Access to waste disposal

Implementation of Integrated Waste Management Waste Plan. The 2015 MLM IWMP identified ten priority areas namely:

- Priority 1: Management and Resourcing
- Priority 2: Waste information management
- Priority 3: Enforcement of waste bylaws
- Priority 4: Waste minimization
- Priority 5: Waste Collection
- Priority 6: Waste Transfer and Disposal
- Priority 7: Illegal Dumping
- Priority 8: Waste Management Awareness
- Priority 9: Tariff structure and customer database
- Priority 10: Monitoring

The table below provides data on waste services within the Municipality

Ward	Removed by Local Authority At Least Once A Week	Removed by Local Authority Less Often	Communal Refuse Dump	Own Refuse Dump	No Rubbish Disposal	Other	Unspecified	Total
1	20	10	38	1 394	21	9	10	1 501
2	92	25	37	1 186	34	11	15	1 400
3	1 636	44	1	741	97	17	8	2 544
4	598	241	496	1 425	282	22	7	3 072
5	31	21	13	1 401	87	24	2	1 579
6	9	8	6	1 003	359	6	9	1 400
7	1 694	13	101	1 322	42	163	16	3 350
8	115	51	33	1 832	31	1	12	2 075
9	49	50	30	1 892	81	30	22	2 154
10	242	28	134	1 465	129	8	2	2 008
11	4	2	1	564	259	13	10	973
12	109	22	143	2 819	112	23	10	3 450
13	1 964	5	0	4	0	0	5	1 978
14	2 174	70	3	94	1	1	20	2 364
15	1 761	4	1	8	0	16	13	1 804
16	487	34	143	2 035	90	26	1	2 815
17	57	19	140	2 374	104	0	2	2 696
18	44	12	15	1 812	198	15	10	2 106

Each priority consisted of a target with a set of objectives to reach the target. A total of 31 targets were identified under the ten priority areas. A review of the implementation status of each of the 31 targets was undertaken to determine progress made with regard to waste management since the 2015 IWMP.

Projects have been classified as complete, in progress, not commenced or not applicable. The timeframes for projects have not been considered, for example, if the deadline for a project was 2016, but it was only completed in 2018, it is still listed as complete. Findings of the review of the implementation of the 2015 IWMP targets are as follows:

- Completed:	-	8 (26 %)
- In progress:	-	4 (13%)
- Not commenced:	-	19 (61%)
- Not applicable:	-	0
- Total projects:	-	31(100%)

### C.6.7.1. Waste Profile

In order for municipalities to be able to plan for future waste management activities the types and volumes of waste generated in the area needs to be determined. All municipalities are required by law to determine quantities and types of waste generated within their municipal boundary. This involves establishing the current quantities of waste generated, recycled, treated and disposed of.

#### *WASTE INFORMATION:*

A number of sources were considered to determine the total amount of waste collected and disposed to landfill in the MLM:

- The Mandeni Municipal IWMP was adopted by the Council in 2022. 7,000 tons of domestic waste was collected and disposed of annually within the MLM. This waste collection data was provided by the waste service provider that was appointed to collect domestic waste and garden refuse within the MLM.
- 2013 Collection Contract Review (unpublished data). In 2013 Gibb undertook a review of the waste collection contract between the then current waste collection service provider (Mandeni Waste Removal cc) and the MLM. A review of the contractor's invoices and weighbridge receipts from the landfill suggested that approximately 700 tons/month (8400 tons per year) of domestic waste was being collected by the contractor. This includes kerb-side collections and skip collections.
- 2015 IWMP. According to the review of the 2015 IWMP, approximately 8,000 tons of domestic waste and garden refuse was collected annually within the MLM. This waste collection data was provided by the company Mandeni Waste Removal Services that was appointed to collect domestic waste and garden refuse within the MLM (GIBB, May 2015).
- 2019 data. According to the waste tonnage information provided by the MLM for this IWMP, approximately 2,221.8 tons was collected and disposed of for the 6 months from January to June 2019. Annualized this equated to 4,443.60 tons per year.

Noteworthy is that data from 2009, 2013, and 2015 all suggested that in excess of 7,000 tons of waste was being collected and disposed of by the MLM. The latest 2019 figures however suggest approximately half of this is being disposed of. The validity of the latest figures should be verified.

#### *Estimated Waste Generation Quantities*

Determining the actual quantities of waste generated in a region is extremely difficult to achieve through the use of actual waste records, especially in a largely rural municipality such as this which has a large rural component and many households burn or bury their waste. The amount of waste generated has therefore been estimated through a theoretical calculation which considers the number of people in the municipal area and the waste typically generated per capita. The 2006 South Africa State of Environmental Report (SOER), Environmental Affairs, 2006) calculated waste generation volumes per income level as follows:

- Low income 0.41 kg/ person/ day = 149.65 kg/ person/ year
- Middle income 0.74 kg/ person/ day = 270.1 kg/ person/ year
- High income 1.29 kg/ person/ day = 470.85 kg/ person/ year.

The SOER figures for waste generation are also used in the Department of Environmental Affairs Guideline for the Development of Integrated Waste Management Plans (IWMPs). The DEA IWMP guideline also defines the following income brackets:

- Low income: R 0 – R 74,999 per year
- Middle income: R 75,000 – R 999,000 per year
- High income: R 1 million + per year.

It is assumed that the numbers of people per household in high, middle- and low-income households are the same. We have correlated these income brackets as closely as possible with the income groups percentage provided in the 2011 census data (Statistics South Africa, 2011) and the total number of households and population figures from the Stats SA KwaZulu-Natal Provincial Community Survey in

Figure 31: Mandeni waste removal image



#### C.6.7.2. Landfill and Waste Disposal Sites

The MLM does not own nor operate any landfill sites. The only operational landfill site in the Mandeni municipal area is the privately-owned Sappi Tugela Landfill site (GLB+) in Mandeni. The Isithebe Industrial Estate had a privately-operated landfill site, which the MLM previously used for waste disposal, but this landfill was closed when it reached capacity. The site has been formally closed and rehabilitated. The MLM also previously used the Dolphin Coast Landfill Site in the neighboring KwaDukuza Local Municipality, but currently utilizes the King Cetshwayo District regional landfill site located outside Richards Bay in the Umhlathuze municipality and operated by King Cetshwayo District Municipality for the disposal of their collected domestic waste. The subsection below provides a brief description of these landfill sites and their current legal status. Details of the Dolphin Coast Landfill Site is included below as a large percentage of the business and industrial waste generated within the MLM is disposed of at Dolphin Coast Landfill Site.

#### C.6.7.3. Sappi Tugela Landfill

The Sappi Tugela Landfill is a permitted GLB+ landfill (general waste large landfill which produces leachate) on Farm 15641 of Farm Sisalana in Mandeni. Phases 1 – 4 of the site are lined to conform to the Minimum Requirements for Waste Disposal by Landfill (1998). Phase 5 has a class A liner. The site is managed in-house by Sappi. The site reached its capacity in 2003. Sappi thereafter lodged an application for the extension of the site. The permit was granted and the landfill site has been extended. The reference number for the license is CD29/WML/0003/10. The site is used for disposal of waste from the Sappi Tugela mill and a portion of waste from external sources is accepted to improve the mix of the waste. A total of 50% of the waste to the landfill site is from Sappi, and the other 50% from external sources. The landfill site has 50 years of airspace available based on the current volumes.

The Sappi landfill site previously accepted waste from the MLM, but the MLM indicated that they have not used the Sappi landfill site because disposal charges were too high. A memorandum of understating (MOU) detailed that a waste management agreement was entered into by the MLM and Sappi, where it was agreed that the municipality was allowed to dispose of general waste at the landfill site. However, the municipality could not guarantee that only general waste would be disposed of at the landfill site, as domestic hazardous waste, dangerous or pollutant substances would enter the waste stream from time to time. This along with the expensive disposal costs was the reasons the MLM stopped disposing domestic waste at the landfill site.

#### C.6.7.4. iSithebe Industrial Estate Landfill

The Isithebe Industrial Estate landfill site reached capacity in 2009 and has been formally closed and rehabilitated. The landfill site was permitted as a class A landfill under the DWAF permit status (Arcuss GIBB, 2009). Isithebe Industrial Estate now makes use of a service provider to remove their waste.

#### C.6.7.5. King Cetshwayo District Regional Landfill

Domestic waste collected within the MLM is transported and disposed of at the King Cetshwayo Landfill site which is located outside Richards Bay in the Umhlathuze municipality and operated by King Cetshwayo District Municipality (formerly known as the uThungulu District Municipality). The landfill site is approximately 80 km from the MLM. It is Class A landfill site, but it is permitted as a general landfill site (GMB+) and is permitted (permit number 16/2/7/W1/D1/Z1/P485). It has remaining airspace for approximately 30 years (uThungulu District Municipality, 2013). However according to the MLM Asset Management Plan, the King Cetshwayo regional landfill site has approximately 5 years airspace left in the cell in use at the landfill and has commenced with preliminary designs for a new cell in 2018. The MLM should remain cognizant of this and should consider the development of local municipal landfill site or the use of another landfill site. A project for the investigation of the local municipal landfill would only be undertaken should the regional landfill site be discarded (IMQS, 2019)

#### C.6.7.6. Transfer Stations

##### C.6.7.1. The Mandeni Transfer Station:

A transfer station was located at the Mandeni sewage works, but it is no longer in use and closed. The transfer station was developed to receive and store waste which would be collected on a daily basis by Dolphin Coast Waste Management (DCWM). The facility received environmental approval from the Kwa-Zulu Natal Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) (now known as the Kwa-Zulu Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA)) on 26 March 2003 on condition that the facility is operated in accordance to the operating procedure (which DCWM had included in their letter of application for approval). DCWM was the permit holder for the transfer station. The environmental approval stipulated that no waste was to be stored at the premises overnight and that all waste is removed from the facility before the close of the work shift. However, noted during a site visit in 2008, the operations of the facility were not compliant with the environmental authorization conditions (GIBB Engineering and Science, 2009).

The transfer station consisted of a hard-standing area and an associated leachate collection sump from where the leachate was pumped to the sewage treatment works. This ensured that the facility had negligible impacts on the environment (GIBB Engineering and Science, 2009).

At the time of construction of the transfer station and operation of the transfer station, DCWM was appointed by the MLM to collect their domestic waste within the municipal area. It is assumed that when the MLM discontinued to use DCWM to conduct their waste collection and appointed another service provider to collect, transport and dispose of their waste, that DCWM discontinued their operations at this transfer station.

##### C.6.7.9. The iSithebe Transfer Station:

The iSithebe Industrial Estate owns and operates its own transfer station and transfer station. General waste is collected within the Industrial Estate using skip trucks. The waste is transported to the transfer station where recyclable waste is collected by informal reclaimers. Waste that is not recycled, is temporarily stored in several large skip bins until it is collected and transported to the Dolphin Coast landfill site in the KwaDukuza Local municipality. The recycled waste is purchased directly from these informal reclaimers by recycling companies. A covered area was constructed for the reclaimers to separate the recyclable waste from the waste stored at the transfer station, however this had burnt down. The site is currently not operating within permit requirements. There are no additional future plans by the MLM to establish a landfill site within the MLM area.



**A:-Burnt overhead structure**



**B: Waste skips and waste from which recyclables are collected**



## C.6.8. TRANSPORTATION INFRASTRUCTURE

### C.6.8.1.Existing & Future transport infrastructure

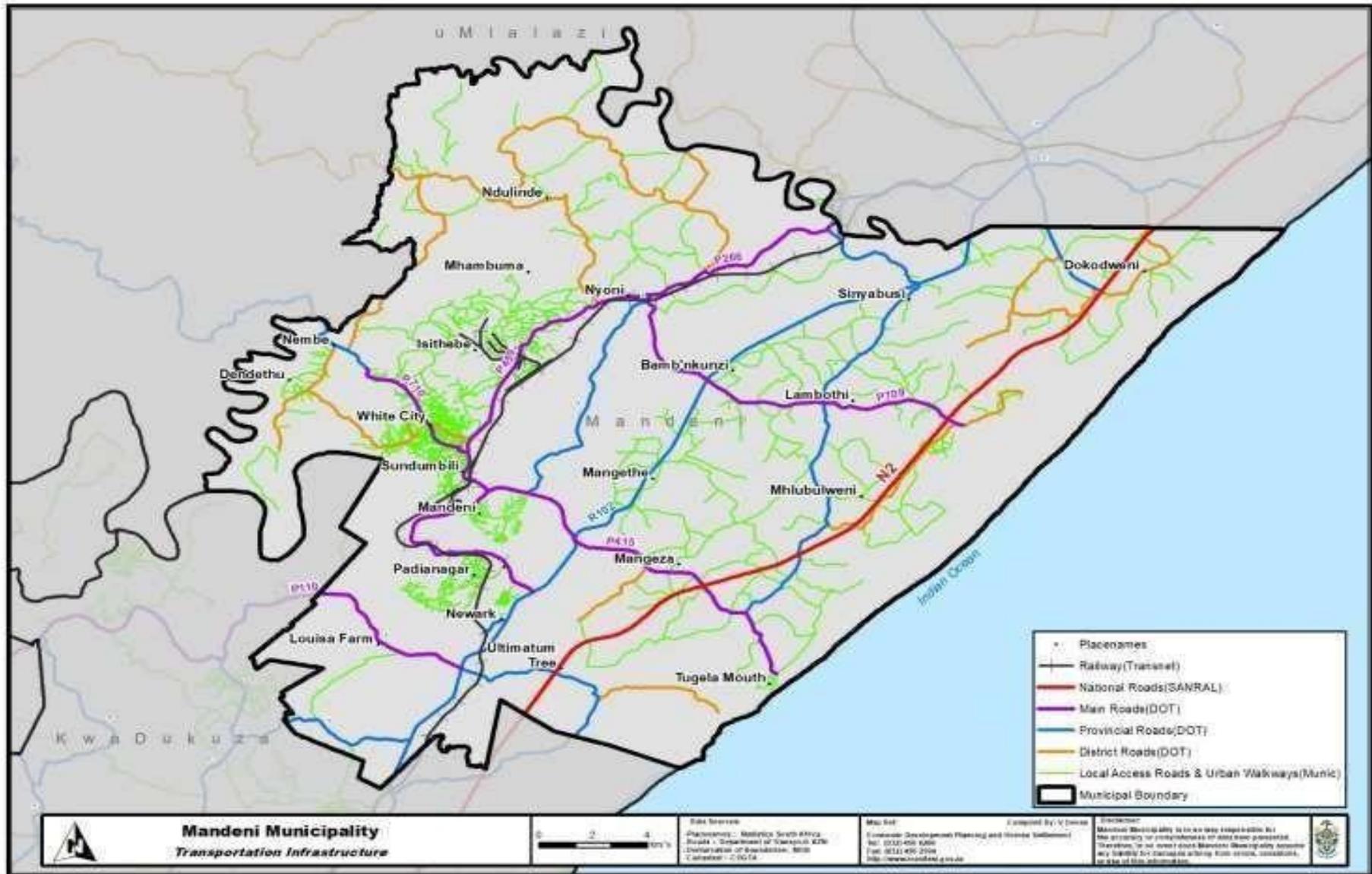
The ensuing map gives an overview of existing and planned transport infrastructure covering the Mandeni Municipality jurisdiction. These relate to the road networks as well as the rail networks. As depicted on the map Mandeni Municipality is well connected to National and Provincial distribution networks such as the N2, R102, Provincial Main Roads and the Freight Rail line between Durban and Richards Bay. The municipality is in discussions with the Passenger Rail Agency of South Africa (PRASA) to extend the passenger rail services beyond the KwaDukuza Municipality to Mandeni and up to uMhlathuze Municipality in the North. This has been captured on PRASA's 2050 Strategic Plan. PRASA is presently in the process of conducting a feasibility study into this request. There is an unused airfield within Mandeni located within the Isithebe Industrial Estate, however there are no airports in the area. The King Shaka International Airport is a mere forty- minute drive to the South of Mandeni and satisfies the air transport needs of Mandeni. Other air transport needs are satisfied by helicopters, which are more versatile and can land at various helipads located within the Municipality. The repairs, maintenance and operations of the various infrastructure are discussed below.

### C.6.8.2. Provision of New Roads by The Municipality

The Technical Services and Infrastructure Development Department (TSIDD) is primarily responsible for the repairs, maintenance, refurbishments, upgrade and provision of new municipal infrastructure assets and service delivery. The TSIDD consists of the following divisions, Technical Administration, Infrastructure Planning and Project Management Unit (PMU); Civil Engineering Infrastructure Repairs and Maintenance encompassing Roads and Storm Water Infrastructure and Municipal Buildings and Structures Infrastructure; Electrical and Mechanical Engineering Infrastructure Repairs and Maintenance encompassing Electricity Distribution; Household Electrification; Street and Community lighting; Municipal Buildings Electrical Installations; Mechanical Workshop; Earthmoving Plant and Equipment.

The TSIDD is required to roll out a new multi-million rand infrastructure development as well as manage municipal infrastructure assets valued at hundreds of million rand and as such is expected to have adequate capacity and capability in the form of human capital, skills, knowledge, systems and equipment. The TSIDD unfortunately is lacking the necessary capacity and capability to meet the growing demand in this regard due to several reasons chief among these being inadequate funding resources and scarcity of critical skills. This poses a huge risk to the municipality in terms of sustainable service delivery for social and economic development. In order to mitigate this risk several strategic interventions are being implemented as follows: Establishment of an in-house PMU and strengthening thereof through an engineering internship program. This program entails the engagement of young unemployed engineering graduates who will undergo rigorous experiential training and development to build their skills and knowledge ultimately adding value to the TSIDD capacity and capability. In-house engineering design systems will be procured as financial resources become available. The Municipal Infrastructure Grant (MIG) 'top slice' of 5% will be utilized in the short term to implement this intervention. In the medium to long-term the municipality will be fully responsible as the financial resources become available.

Collaborating with the local further education and training (FET) college to place civil engineering and building, electrical and mechanical artisans in-training at the TSIDD to gain practical experience. This intervention has a mutual benefit to the FET College and the Municipality. On an on- going basis as financial resources become available the municipality will recruit the appropriate human capital as well as equipment and systems required.



Map. Showing Existing & Future Transport infrastructure

## **C.6.9. Energy**

### **C.6.9.1. Energy Provider**

The municipality has a license to distribute electricity within the Mandeni Suburb to an estimated 1 000 customers. The 11 KV overhead network has been refurbished and the municipality is progressively investing in it to ensure proper infrastructure asset management. The network notified maximum demand (NMD) has grown from the current 3,5 MVA to 23.5MVA due to an agreement with Umgeni Water Board for the supply of electricity to the Lower Thukela Bulk Water Supply Scheme, which is currently being built in the vicinity of the uThukela River. The municipality is pursuing the expansion of its distribution license in greenfield areas and in industrial areas. This will mean that the electricity unit must be expanded with appropriately- skilled personnel.

The municipality's Electricity Master Plan 2009/2010 is in the process of being reviewed. Mandeni is fortunately under the ESKOM Grid Network for distribution of electricity; however, some networks within the area are severely constrained and cannot allow further connections for electrification.

ESKOM has recently completed some network upgrades, which have released capacity for electrification projects in the interim while it is in the process of building one new substation (Mangete sub- station). These will open up capacity for full electrification and universal access to electricity. The electricity backlog in the area is estimated to be less than 9% (approximately 3 000 households).

The municipality is installing additional street lighting in various areas on an on-going basis to improve community lighting and improving communities' safety and security. This is an annual program rolled out by the municipality. Repairs and maintenance of the existing streetlights are being done in-house by the municipality through agreements with ESKOM in order to expedite the response to street lights that are not working. More in-house capacity is being built to address the ever-increasing demand for this service. Streetlight patrols are being done frequently to identify streetlights that are not working, for planning purposes, to repair. There is a 48-hour turnaround system in place for repairing street lights that are not working. Free basic electricity is being provided to some 1 100 indigent customers through the equitable share grant. This roll out of the free basic electricity services is carried out in rural areas that fall within the jurisdiction serviced directly by ESKOM. ESKOM submits a monthly account that includes the free basic 50 kw per hour per household. This number is being pursued to be increased through an update of the indigent register.

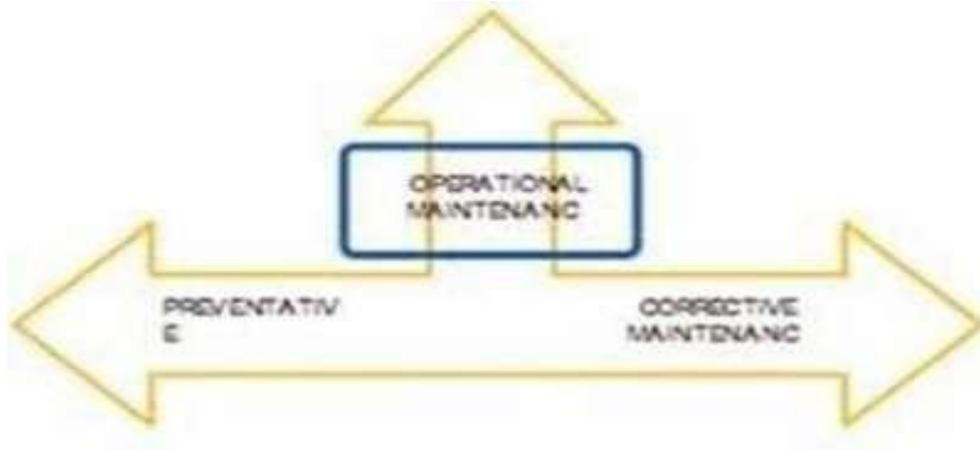
The municipality has embarked on numerous drives to reduce electricity consumption in light of the constraint on the National Grid due to high demand. Energy saving measures are encouraged. The municipality will continue to drive the education campaign and is constantly looking for new interventions to reduce electricity consumption within its area. The green environment approach is fully supported. A smart metering system has been implemented in the municipal distribution area to help reduce unaccounted for electricity.

### **C.6.9.2. Electrical Operation And Maintenance Plan**

The Mandeni Municipality has the Electricity license for the suburb of Mandeni Town only to some ±1 000 houses, businesses. Also provide the supply to Mathew Substation which is a dedicated feeder to the customer, tapping from SAPPI Substation. The Electrical section has put in place the operation and maintenance place to ensure the continuity of supply to its customers. Ensure the minimal outages, or frequently unplanned outages. Maintaining all electrical assets for Mandeni Municipality, e.g. offices, community facilities, municipality buildings.

Electrical maintenance involves the fault diagnosis, routine servicing, repairing of electrical components. The Electrical Maintenance Superintendent is responsible for planning the maintenance to ensure the continuity of supply to electrical users under his jurisdiction area of responsibility (Mandeni Municipality Area).

Figure 32: Operation and Maintenance diagram

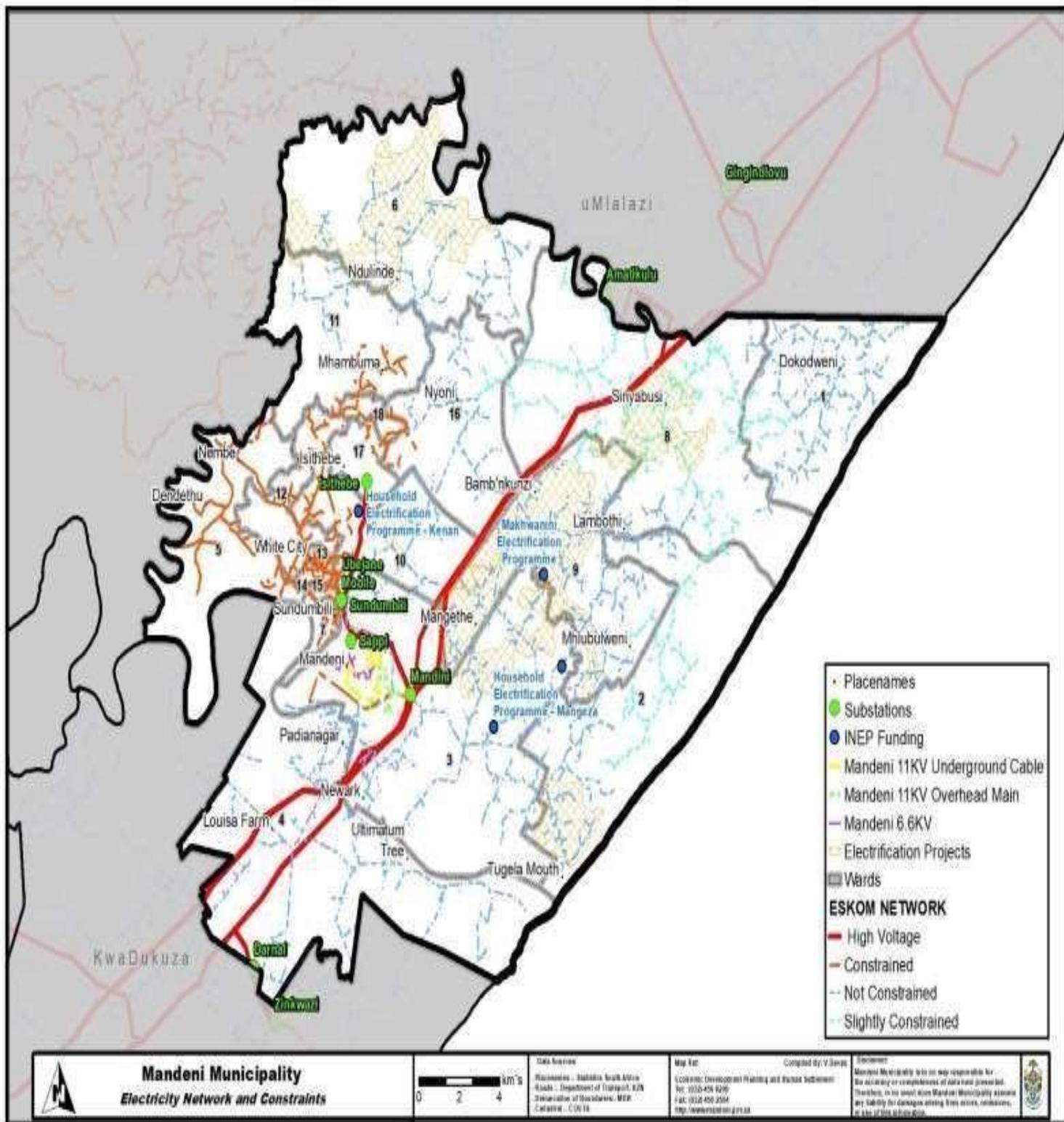


### C.6.9.3. Corrective Maintenance

This is where maintenance is done after breakdown or failure of the equipment. It is the most dominant cost in the section of our operation. When equipment is damaged/failed it causes damage to other equipment. This affects the consumers in our area of supply. This maintenance has a huge budget implication when it happens.

ASSETS	BUDGET	REG. MAINTENANCE
Street lights	R 1,000,000,00	DAY TO DAY ACTIVITY – Replacement of globes, ballast, etc.
Transformers		YEARLY BASIS – cracking test, silica gel replacement, etc.
OHL (Over Head Line)		TWICE A YEAR – Compulsory in terms of Machinery Regulations
Cabling (MV and LV)		TWICE A YEAR – Visual inspection from termination
Municipality Buildings	R 200,000,00	DAY TO DAY ACTIVITY – Electrical installation
Air Condition	R 200,000,00	YEARLY BASIS





Map showing Spatial Representation of Electrical Infrastructure

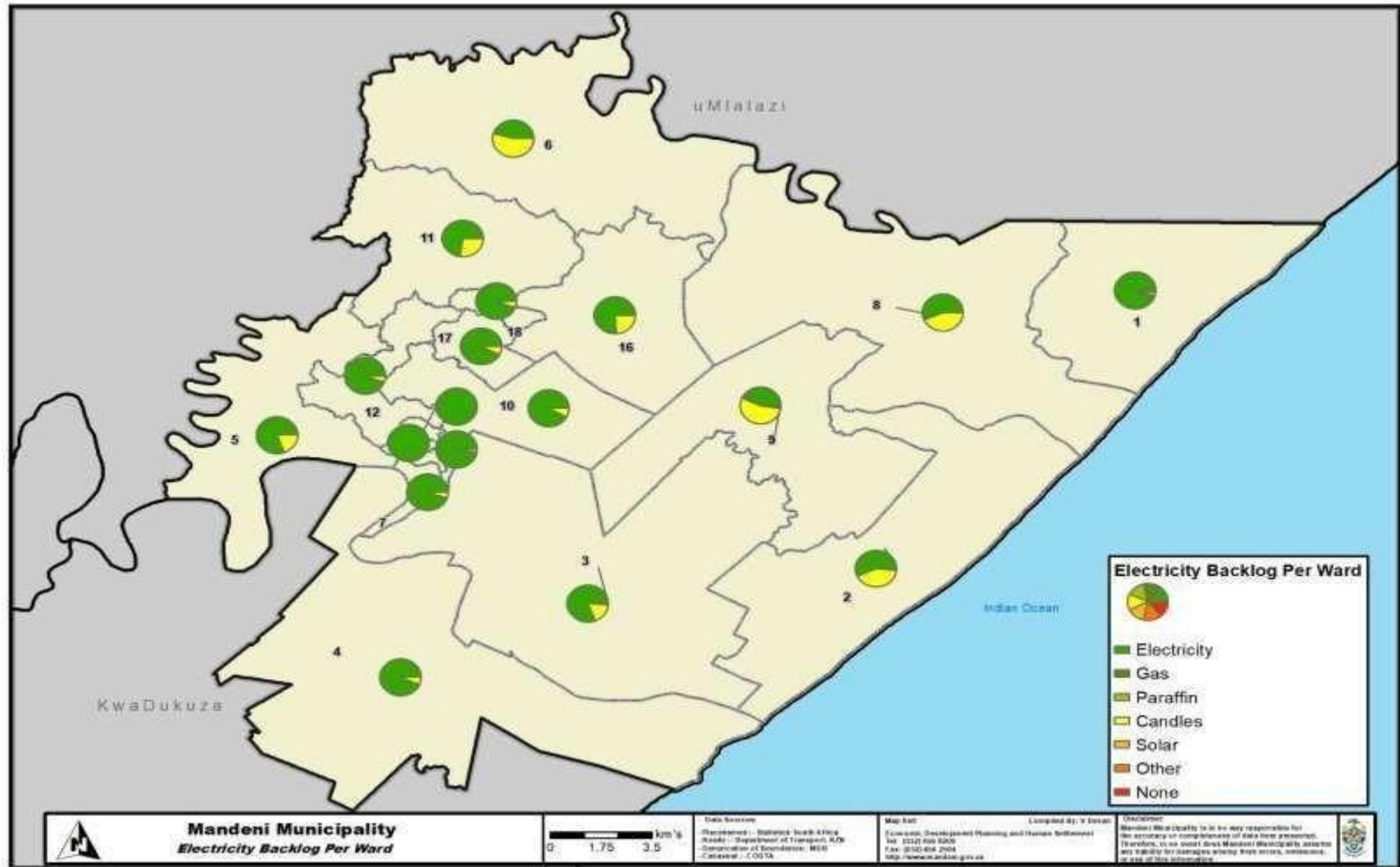
**C.6.9.4. Schedule 5.B Projects (DOE Funded)**

Complete applications are sent to the Department of Energy as indicated in the planning cycle above. Consideration of application is based on the applications meeting the minimum requirements and criteria set out by the Department.

The municipality has qualified for Integrated National Electrification Program Grant Funding under schedule 5B of the Division of Revenue Act over the next three years. A further once off grant was obtained under the Massification Program at the KZN COGTA to supplement the program. This will enable the municipality, in partnership with ESKOM and the Department of Energy to electrify an estimated additional 2,613 households. This intervention together with ESKOM’s planned interventions is projected to see Mandeni gain universal access to basic electricity. Mandeni Municipality has all its electrification backlogs within the ESKOM supply area. In order to facilitate the fast tracking of electrification of our households, the municipality has made an application under schedule 5B of the DORA to leverage funds under INEP and KZN CoGTA’s Massification Program The Provincial Dept. of Energy has been another sector department the municipality has often partnered with to bring about development of services. The planning application process to the municipality undergoes in order to secure funding for electricity projects is reflected as below:

NO.	CAPITAL PROJECT NAME	BUDGET Allocation:	FINANCIAL YEAR
	Project management unit (pmu)		2023/24
	Inep grant funded projects	R 7 384 000.00	
<b>1</b>	Mandeni substation - bulk	7 384 000.00	
	<b>Total</b>	<b>7 384 000.00</b>	





Map showing Status of backlogs Needs and Priority

C.6.10. Access to community facility

C.6.10.1. Cemeteries

The Mandeni Municipality currently does not have a site set aside for a Cemetery. The Community of Mandeni is utilizing areas under the ownership of the Ingonyama Trust for burial services. The Mandeni Municipality appointed a service provider to assist the Municipality with preparing all studies required for a Cemetery development. The process of identifying the best suitable site for a cemetery is currently underway. The service provider was provided with four potential sites and the service provider has been tasked to identify the best suitable site for out of the four sites. The study is estimated to be completed by 30 June 2023.

C.6.10.2. Mandeni Early Childhood Centres

According to the 2011 Stats SA Census Mandeni has a population of 20 760 of which are children five years and younger. 51% are ages 0-2 and 49 % are ages 3-5. This has been reflected on the figure below:

Mandeni has a total of 3,758 ECD centers, situated at various wards within the municipal area, 60% of which are registered with the Dept. of Social Development and 40% of which are not registered, 11.6% constitute children between the ages 3-5 year, being the center coverage. The majority of the centers based in the municipal area are community-based where the owner of the center attains authority to use land from either the municipality or tribal authority depending on where the site is situated.

Concerning the funding of centers, the responsibility has been that of the Dept. of Social Development and other private entities such as Tronox Mines. It is noteworthy that Tronox mines committed to fund the construction of the Ingoba Makhosi Creche in central Macambini. Even though Mandeni Municipality play's minimal role in ensuring functioning of centers it still reports against them at the relevant portfolio committee and keeps a database of facilities within the municipality.

Source 2011 Census Stats SA

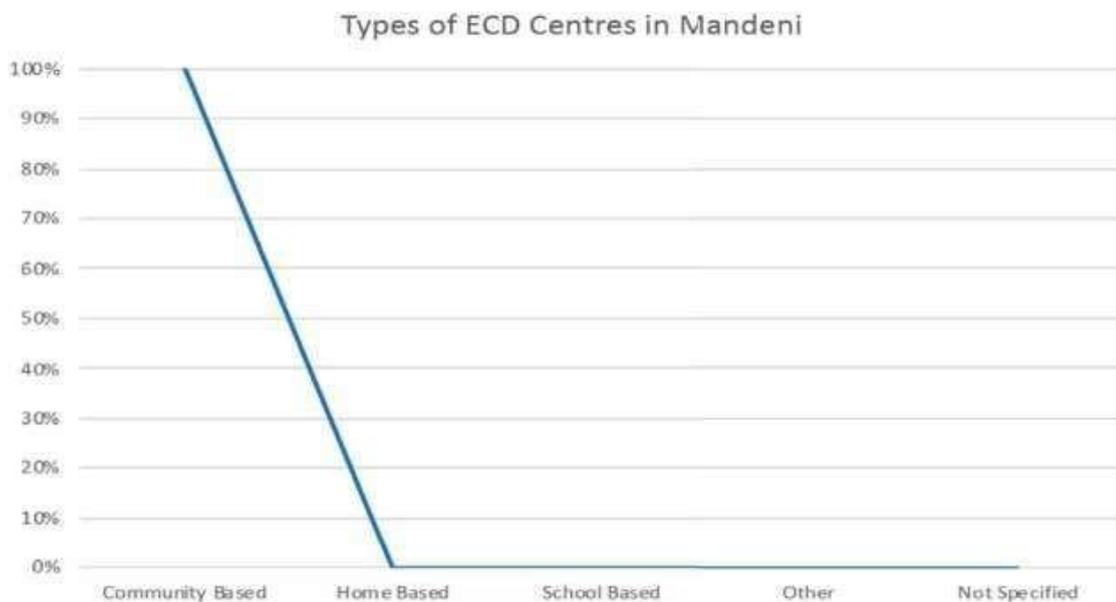


Figure 34: ECD Centre

C.6.10.3. ECD Centers

Mandeni Municipality acknowledges that Early Childhood Development (ECD) is a function of local government and not only that of National and Provincial government. It is against this background that Municipality seeks to align and adhere to National and Provincial legislation guiding these as highlighted below:

- Constitution of SA: "In terms of the Constitution of the Republic of South Africa, the Municipal Systems

Act No. 32 of 2000 and the Children's Act No. 38 of 2005, local government is responsible for:

- Provision of basic services, including water and sanitation, to communities;
- Contributing to the realisation of rights set out in the Constitution, including health care services, food and water, and social security;
- Development of policies and laws governing child care facilities, including child-minder services;
- Municipal planning and spatial development, including providing and regulating land used for child care facilities and for safe and adequate play and recreation facilities; and Where the provincial Department of Social Development assigns responsibility to municipalities for the provision of partial care services as provided for in section 88 of the Children's Act, No.38 of 2005 then municipalities are responsible for the provision (including the registration, regulation, and monitoring and evaluation for compliance with norms and standards) of partial care and early childhood development programmes that take care of more than six children on behalf of their parents or caregivers for a specific number of hours.

National Development Plan Vision 2030: The National Development Plan's vision is that by 2030, South Africans will have universal early childhood education, high-quality schooling, further education and training. Medium-term Strategic Framework (MTSF): The number one outcome of the current MTSF, as the implementing framework for the National Development Plan, is 1. Quality basic education (which includes ECD)

Social facilities are a vital aspect of human settlements as they serve as sources for social and public services; including health, education, recreation, cultural and socializing spaces among other services. Access to and availability of social facilities is an important factor which attracts and keeps people in an area. Therefore, the section below indicates the number of social facilities within the municipality jurisdiction. The following strategies for social infrastructure are based on the criteria as stipulated in terms of the CSIR Human Settlement Guidelines

Planning Thresholds	Walking Distance	Minimum Requirements
Crèche	2 km Radius	2 400 – 3 000 people
Primary School	5 km Radius	1 000 – 7 000 people
Secondary/ High School	5 km Radius	2 500 – 12 500 people
Library	8-10 km Radius	20 000 – 70 000 people
Clinic	5 km Radius	24 000 – 70 000 people
Hospital	30 km Radius	300 000 – 900 000 people

The section below aims to highlight the number of social facilities which are currently accessible to the people of the Municipality, as well as determine if these social facilities are sufficient to cater to the population as per the CSIR thresholds above.

#### C.6.10.4. Education Facilities

Educational facilities are categorized differently based on grades. For this section, education facilities will be differentiated according to grades. In terms of the CSIR Standards on Human Settlement and Design, the following planning thresholds are applicable

Facility	Use capacity and threshold
Creche	A maximum of 1.5km walking distance is applied here
Primary School	To serve an estimated minimum population of between 3 000 and 4 000
Secondary School	To serve an estimated minimum population of between 6 000 and 10 000

#### Primary & Secondary Schools

### Primary schools

Primary schooling is considered as a form of basic education and includes grades 1 to 7. In terms of the Human Settlement Planning and Design (CSIR Guidelines), a 5km radius is deemed to be the recommended walking distance to a Secondary School. The CSIR Guidelines also indicate that a Secondary School is to serve a population of approximately 2500 to 12 500 people. The number of Secondary Schools for the area is considered sufficient as they are within the recommended walking distance.

### Secondary schools

Secondary schools include grades 8 to 12. In terms of the Human Settlement Planning and Design (CSIR Guidelines), a 5km radius is deemed to be the recommended walking distance to a Primary School. The CSIR Guidelines also indicate that a Primary School is to serve a population of approximately 1000 to 7000 people. The number of Primary Schools for the area is considered sufficient as they are within the recommended walking distance.

The spatial footprint of education facilities is closely related to the settlement patterns within Municipality. Mandeni has 49 Primary Schools and 19 Secondary Schools within its jurisdiction

	Primary	Secondary
Number of Schools	49	19

### Library

In terms of the Human Settlement Planning and Design (CSIR Guidelines), a 8km to 10km radius is deemed to be the recommended walking distance to a Library. The CSIR Guidelines also indicate that a Library is to serve a population of approximately 20 000 to 70 000 people.

#### C.6.10.5. Police Stations

In terms of the Human Settlement Planning and Design (CSIR Guidelines), an 8km radius is deemed to be the recommended travelling distance to a Police Station. The CSIR Guidelines also indicate that a Police Station is to serve a population of approximately 60 000 to 100 000 people. The number of Police Stations for the area is considered sufficient as they are within the recommended traveling distance.

The plan below depicts spatially the location of the above-mentioned 5 Police Stations. In terms of the CSIR Guidelines for the Provision of Social Facilities in South African Settlements 2012, the access distance for Police Stations ranges from 8km in urban area, 15km in per-urban areas and 24km in rural areas. There are 5 Police Stations which service the entire Municipality. Police stations are located within the following areas:

- Nyoni
- Tugela
- Sundumbili A
- Wangu
- Mandini

#### C.6.10.6. Health Facilities

Health facilities vary in scale, size as well as their functionality. This section discusses the various health facilities available within the municipality, including clinics, hospitals and community health care facilities.

### C.6.10.7. Primary Health Care Facilities

Primary health care facilities such as clinics and community health care centers (CHCs) offer primary health services. Primary health care includes functions such as immunization, family planning, treatment of non-communicable diseases and disease prevention at community level. In terms of the Human Settlement Planning and Design (CSIR Guidelines), a 5km radius is deemed to be the recommended walking distance to a Clinic. The CSIR Guidelines also indicate that a Clinic is to serve a population of approximately 24 000 to 27 000 people. The number of Clinics for the area is considered sufficient as they are within the recommended walking distance.

The spatial location of health facilities is closely related to the settlement pattern of the Municipality, with higher numbers of health facilities located closer to the major towns of the municipality. Within the Municipal jurisdiction, there are 16 health clinics. Clinics are located within the following areas:

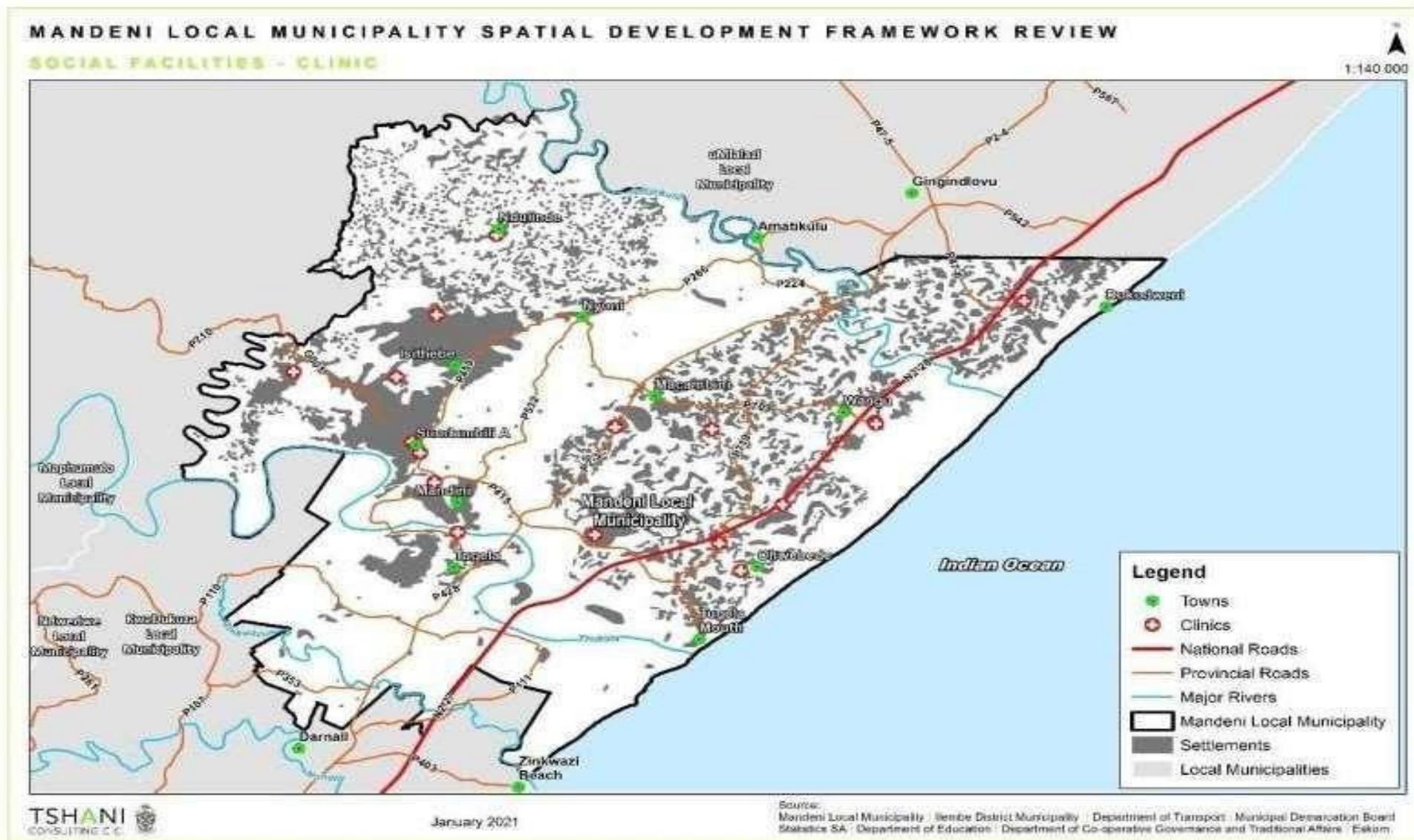
- Ndulinde
- Isithebe
- Dokodweni
- Wangu
- Ohwebede
- Macambini
- Mandini
- Sundumbili A

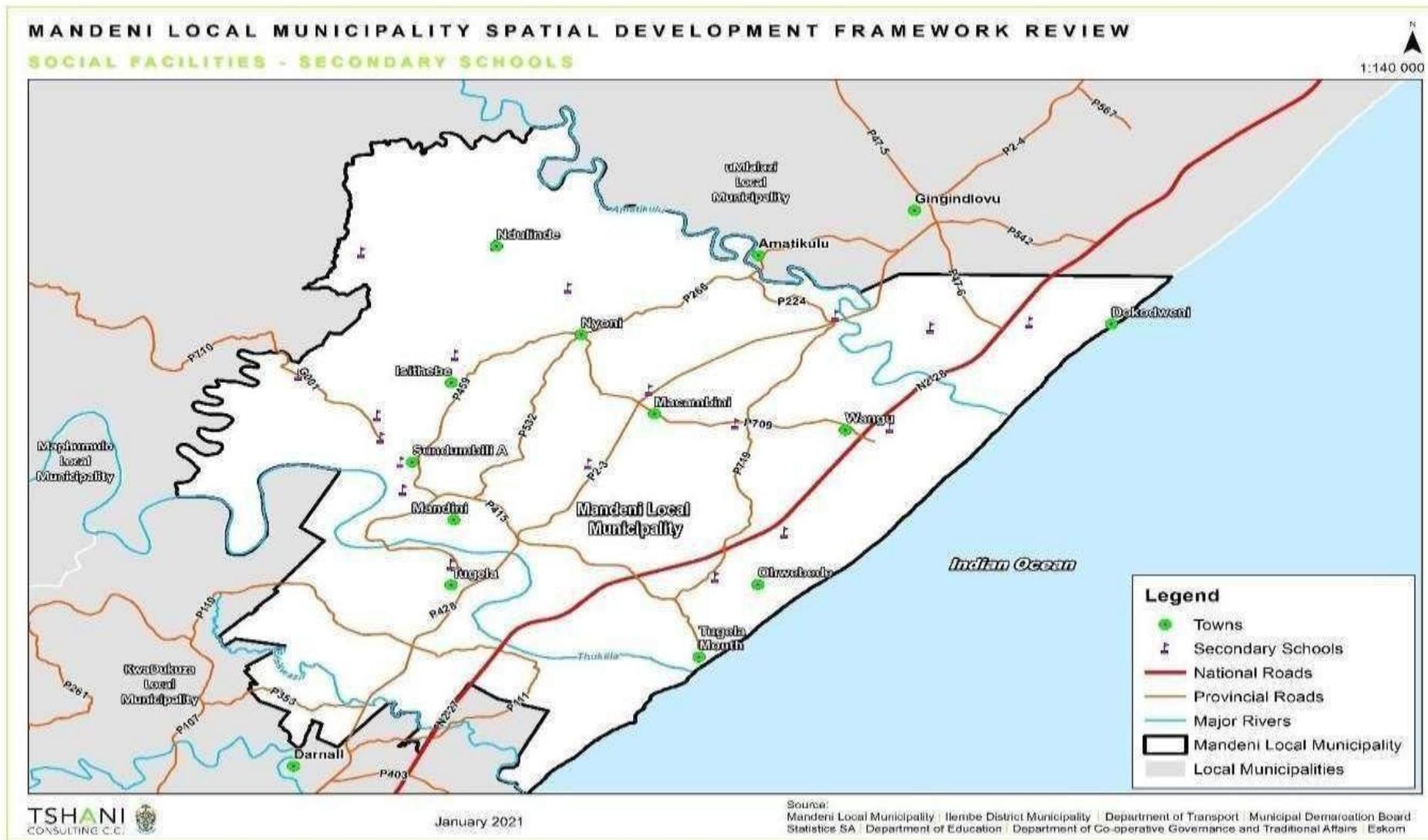
The key health facilities within the Mandeni Local Municipality are identified:

- Dokodweni Clinic
- Macambini Clinic
- Ohwebede Clinic
- Ndulinde Clinic
- Hlomendlini Clinic
- Mandeni Clinic
- Isithebe Clinic



Map showing Mandeni Clinics in relation to Town





Map showing Location of Secondary School

## C.6.11. Human settlements

### C.6.11.1. Municipal Classification

Mandeni Municipality has been classified as a housing developer by the provincial department of Human Settlement, thus enabling the municipality to facilitate the development of housing projects. In order to attain this classification, the municipality needed to submit the detailed business plan for proposed housing projects to be funded by the department. This process was undertaken in 2008, hence it has been classified as a housing developer since. During the 2022/2023 Financial year, the municipality appointed a Consulting firm to assist in reviewing its Human Settlements Sector plan, the project has been a 8 months project and as we submit this review, the submission will be accompanied by an adopted Human Settlements Sector Plan, it is noteworthy that the revised plan will be valid for 5 years 2023 – 2028, and will be reviewed on an annual basis as new statistical and related information suffices.

### C.6.11.2. Potential human settlement demand

The 2011 census data distinguishes between 11 different housing categories under the variable referred to as “type of dwelling”. These categories range from brick houses on separate stands to different types of informal dwellings, and other categories such as caravans and tents. The categories that can potentially be regarded as forming part of the housing backlog or demand at a particular location include the following three types:

- informal dwellings located in informal settlements or farms
- traditional dwellings or huts constructed of traditional materials
- other, which include caravan/tent

#### 5.6.2.1. Comparison between Municipal, District, KwaZulu Natal Province and National Housing Backlog

Dwelling Type	Mandeni LM	District	KwaZulu Natal	SA	LM Backlog as % of DM Backlog	Category as % of Municipal Backlog
Traditional dwelling	<b>10 823</b>	40 417	2 536 723	1 139 518	26.78%	<b>69.65%</b>
Informal dwelling in backyard	<b>2 857</b>	5 569	326 231	712 851	51.31%	<b>18.39%</b>
Informal dwelling not in backyard	<b>1 842</b>	7 657	402 030	1 249 487	24.06%	<b>11.86%</b>
Caravan / Tent	<b>17</b>	94	2 682	14 413	17.83%	<b>0.11%</b>
<b>Total</b>	<b>15 539</b>	<b>53 737</b>	<b>3 267 665</b>	<b>3 116 269</b>		

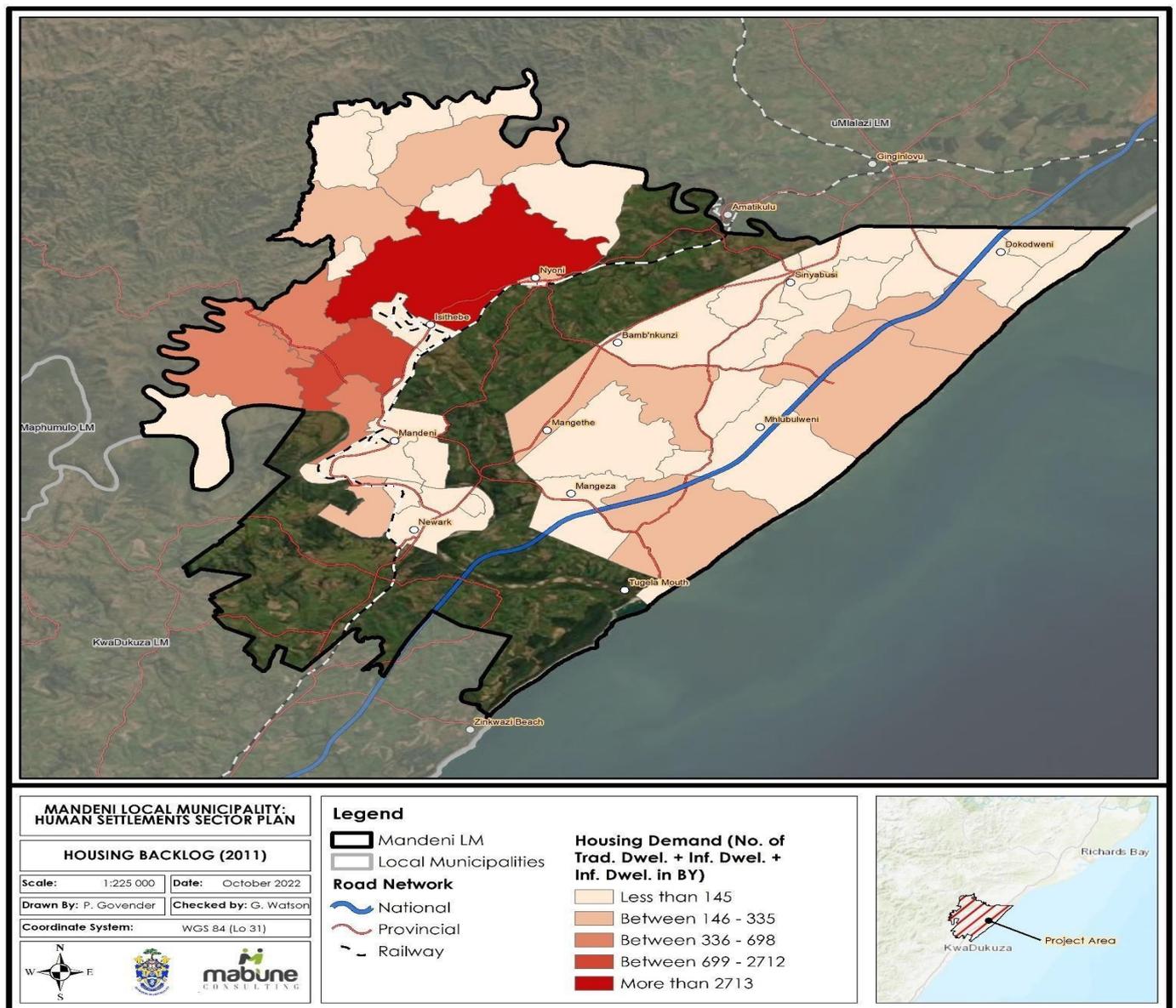
Table 4.1. showing comparisons between municipal district and the Province: Sources Stats SA Census 2011

Table 4.2: Detailed overview of the potential housing demand based on official Statistics SA data (Census 2011 & Community Survey 2016)

Housing Backlog	Traditional Dwelling		Informal Dwelling		Other		Total	
	2011	2016	2011	2016	2011	2016	2011	2016
KwaZulu Natal Province	483 296	520 244	211 546	245 167	26 266	20 166	721 108	785 577
iLembe District Municipality	40 417	32 114	13 225	16 170	2 442	1 679	56 084	49 963
Mandeni Local Municipality	10 823	4 763	4 699	1 631	269	749	15 791	7 143
KwaDukuza Local	3 746	3 858	77 67	11 628	1 918	863	13 431	<b>16 349</b>

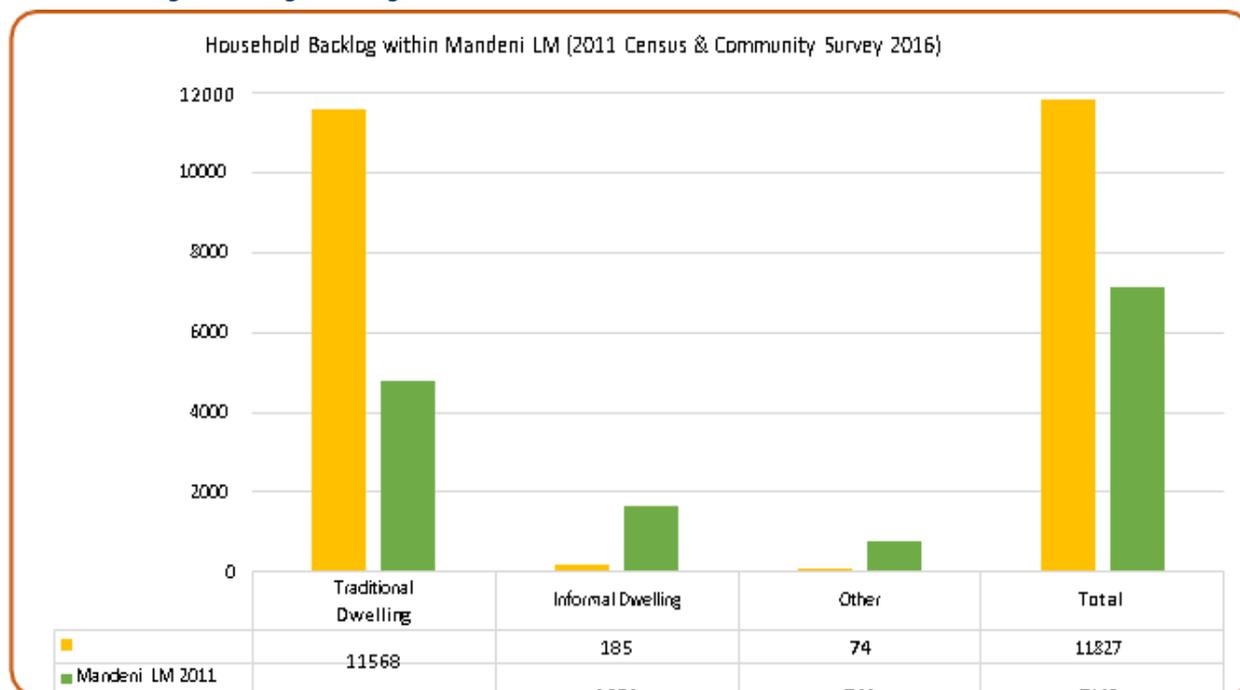
Municipality								
Ndwedwe Local Municipality	14 281	12 577	573	2 290	1 811	67	15 035	14 934
Maphumulo Local Municipality	11 568	10 916	185	621	74	0	11 827	11 537

Table 4.1. and Table 4.2 depicts the spread of the municipal housing backlog (or housing demand). The housing backlog in Map 4.1 was calculated by adding the number of traditional dwellings and Informal dwellings. Map 4.2 calculated the housing backlog by adding traditional dwellings with two rooms or less, informal dwellings, and informal dwellings in the backyard. It is evident that the majority (more than 2713 units required) of the housing backlog is located in the northwestern portion of the municipality, between Isithebe and Nyoni. formal dwellings in the backyard.



Each of the housing sub-categories forming part of the potential housing need is provided in the following tables and graphs. Table 4.3 and Figure 4.2 depict the traditional dwelling structures between 2011 and 2016, and Table 4.4 and Figure 4.3 depict the number of informal dwelling structures between 2011 and 2016. The statistics below are based on the Census South Africa data, Community Survey 2016.

Table showing: Housing Backlog within Mandeni LM



Data Source: Statistics SA, Community Survey 2016: Provinces at a glance (Report 03-01-03)

Table showing: Housing Demand per Municipal Ward (Census 2011)

Wards	Traditional dwelling		Informal dwelling (Backyard)		Informal dwelling		Caravan		Housing Demand	
	Actual No.	%	Actual No.	%	Actual No.	%	Actual No.	%	Actual No.	%
Ward 1	432	3.99%	6	0.20%	1	0.06%	0	0.00%	439	2.82%
Ward 2	381	3.52%	7	0.25%	18	0.99%	2	14.84%	409	2.63%
Ward 3	146	1.35%	24	0.83%	31	1.69%	0	0.00%	200	1.29%
Ward 4	314	2.90%	24	0.83%	12	0.66%	3	17.41%	353	2.27%
Ward 5	1 087	10.05%	0	0.00%	1	0.06%	0	0.00%	1 088	7.00%
Ward 6	706	6.52%	1	0.04%	1	0.06%	0	0.00%	708	4.56%
Ward 7	286	2.65%	59	2.07%	258	13.99%	1	7.42%	605	3.89%
Ward 8	423	3.91%	11	0.39%	16	0.87%	1	6.42%	451	2.90%
Ward 9	502	4.63%	13	0.46%	2	0.13%	1	7.42%	518	3.34%
Ward 10	1 656	15.31%	3	0.11%	6	0.31%	0	0.00%	1 665	10.72%
Ward 11	867	8.02%	0	0.00%	0	0.00%	1	6.07%	868	5.59%

Ward 12	1 619	14.96 %	528	18.46 %	243	13.21 %	0	0.00%	2 390	<b>15.38 %</b>
Ward 13	3	0.03%	16	0.56%	23	1.26%	3	17.11 %	46	<b>0.29%</b>
Ward 14	9	0.08%	4	0.14%	3	0.16%	1	6.42%	17	<b>0.11%</b>
Ward 15	13	0.12%	9	0.31%	3	0.16%	1	6.20%	26	<b>0.17%</b>
Ward 16	779	7.20%	678	23.72 %	531	28.80 %	0	0.00%	1 988	<b>12.79%</b>
Ward 17	643	5.94%	1 006	35.22 %	587	31.85 %	2	10.69 %	2 238	<b>14.40%</b>
Ward 18	955	8.83%	469	16.40%	106	5.75 %	0	0.00%	1 530	9.85%

Data Source: Statistics SA, Census 2011

Mandeni Municipality has identified Isithebe, Nyoni and Manda Farm as the main informal settlements within the municipality. Map 4.3 below depicts the location of these informal settlements and the structure count based on the KwaZulu-Natal 2018 Information, Location and Verification of Informal Settlements data. The map below shows that Isithebe has a structure count of 8 782, Nyoni with 147 and Manda Farm with 1 916. Isithebe informal area is the largest informal settlement in the municipality due to the industrial activity that is taking place adjacent to the settlement. The number of the dwelling structures could be a result of people migrating to the area to access employment opportunities. The photos below depict the proximity of the informal settlement to the Isithebe Industrial area.

#### C.6.11.3. Current Mandeni LM Human Settlements Demand Estimate

The calculation of the current Mandeni Local Municipality Human Settlements Demand was based on the following methodology:

- The Census 2011 data was utilised as base data;
- Structure Count was conducted per informal settlement to inform the number of informal structures not located within a backyard;
- The municipal annual growth rate was applied to Informal Structures located within a backyard as well as to a number of traditional structures and others.
- Subtraction of the number of housing units constructed since 2011 as well as currently in detail in the planning stage. The list of current human settlement projects in detail in the planning stage is included in Section 9.

The demand listed in Table: below excludes the number of housing units constructed within the municipality since 2011 as well as excludes housing projects approved which are currently in detail planning stage

Current and Predicted Housing Backlog per Municipal Ward

WARDS	Traditional dwelling			Informal dwelling (Backyard)			Informal dwelling			Caravan			TOTALS		
	2011	2022	2027	2011	2022	2027	2011	2022	2027	2011	2022	2027	2011	2022	2027
<b>Ward 1</b>	432	537	593	7	6	7	0	0	0	0	0	0	439	543	600
<b>Ward 2</b>	381	474	523	7	9	10	18	18	20	2	3	3	408	504	556
<b>Ward 3</b>	146	181	200	24	30	33	31	31	34	0	0	0	201	242	267
<b>Ward 4</b>	314	390	431	24	30	33	12	12	13	3	4	4	353	436	481
<b>Ward 5</b>	1 087	1 352	1 493	1	0	0	15	1 050	1 159	0	0	0	1 103	2402	2652
<b>Ward 6</b>	706	878	969	2	1	1	0	0	0	0	0	0	708	879	970
<b>Ward 7</b>	286	356	393	59	74	81	258	1 050	1 159	1	2	2	604	1482	1635
<b>Ward 8</b>	423	581	641	11	19	21	16	16	18	1	1	1	451	617	681
<b>Ward 9</b>	502	624	689	15	19	21	0	0	0	1	2	2	518	645	712
<b>Ward 10</b>	1 656	2 060	2 274	3	4	4	6	6	7	0	0	0	1665	2070	2285
<b>Ward 11</b>	867	1 079	1 191	0	0	0	0	2 542	2 807	1	1	1	868	3622	3999
<b>Ward 12</b>	1 619	2 013	2 222	528	656	724	243	243	268	0	0	0	2390	2912	3214
<b>Ward 13</b>	3	4	5	16	20	22	23	23	25	3	4	4	45	51	56
<b>Ward 14</b>	9	11	12	7	5	5	0	0	0	1	1	1	17	17	18
<b>Ward 15</b>	13	16	18	12	15	16	0	0	0	1	1	1	26	32	35
<b>Ward 16</b>	779	969	1 070	678	831	917	531	2 738	3 023	0	0	0	1988	4538	5010
<b>Ward 17</b>	643	800	883	1 006	1 237	1 366	589	2 542	2 807	2	2	2	2240	4581	5058
<b>Ward 18</b>	955	1 188	1 311	469	577	637	106	2 542	2 807	0	0	0	1530	4307	4 755
<b>Total</b>	<b>10 823</b>	<b>13 512</b>	<b>14 918</b>	<b>2 868</b>	<b>3 531</b>	<b>3 898</b>	<b>1 848</b>	<b>12 813</b>	<b>14 147</b>	<b>17</b>	<b>21</b>	<b>23</b>	<b>15554</b>	<b>29880</b>	<b>32984</b>
<b>Total Number of Housing Units Constructed and Currently in Detail Planning Stage</b>													<b>10412</b>		
<b>Current Human Settlement Backlog</b>													<b>19 465</b>		<b>20574</b>

Data Source: 1) Statistics South Africa, Census 2011;  
2) 2022 Data – Own Calculation

#### C.6.11.4. Current Housing Needs

Housing was identified as a key issue in the community participation process of the IDP. As part of the Integrated Development Plan Process and Land Identification Study for Low-cost Housing, a range of population projections were undertaken to provide a base for the determination of present and future housing needs, specifically in the low-cost group. With reference to the 2016 statistics which still reflects a high percentage of people without proper houses it is evident that the housing demand is very high in the rural areas. Therefore, it is suggested that the rural housing projects be prioritized in the rural housing program that seeks to reduce the backlog in basic infrastructure services within the rural areas.

There is a need to address major problems such as land reform related issues in many parts of the municipal area. The majority of these areas are on land that is currently occupied by farmers. Some of these areas which belong to farmers are not utilized for commercial farming practices. Community residential unit is one of the priority projects that has been identified as a housing need within Mandeni. This project will be implemented through the assistance of the Department of Human Settlements once the budget is made available.

#### C.6.11.5. Housing Projects under Construction

The table below provides an overview of planned housing projects that still require funding. These projects will be implemented once the budget is made available by the Department of Human Settlements.

PROJECT NAME	WARDS	TOTAL UNIT YIELD	UNITS COMPLETED	UPDATE
<b>Inyoni Slum Clearance</b>	Wards 3, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18	3020	1007	Construction of 508 across project sub phase 1,2 and 3 is underway. Funding approval for the bulk services infrastructure for sub-phase 4 has been granted. SCM processes within DOHS to appoint service providers for the installation of services are underway. Construction of top structures will commence once services infrastructure has been completed.
<b>Isithebe Rural Housing Project</b>	Ward 11, 12, 16, 17 & 18	2000	600	Project sub-phases 1 and 2 have been completed. Project sub-phase 3 consisting of 316 units (includes 16 OSS cases) is currently in construction
<b>Macambini Ext 2 Rural Housing</b>	Wards 1, 2, 8 and 9	2000	1650	Project sub-phase 5 consisting of 350 units is currently in construction

#### C.6.11.6. Title Deeds Progress Update.

To date, the Municipality has made significant progress in promoting secure home ownership in the form of title deeds transferred to beneficiaries. The progress made up to date is illustrated below:

AREA	TITLE DEEDS TRANSFERRED
Sundumbili	161
Tugela	94
Hlomendlini	1193
Inyoni IRDP	126
TOTAL	1574

#### C.6.11.6.1. Title Deeds Resolution Committee

The Municipality is proud to report that the Title Deeds Resolution Committee is now operational. The Committee is processing cases with title deeds disputes that can be processed under the prescripts of the Title Deeds Restoration Grant. To date, the progress made is as follows:

- 221 files out of 269 verified files from the Sundumbili township have been presented to date before the dispute resolution committee.
- This represents about 51% of the total received files or the project.
- The committee resolved to proceed with transfer of 96 files to various beneficiaries
- The 96 matters are ready to be prepared for transfer.
- There were 46 that we found to have already been transferred to various beneficiaries (no longer to be attended to as they fall out of the scope of the Title Deeds Restoration Grant prescripts

#### C.6.11.7. Special Needs Housing Projects

The Special Needs Housing Program was designed to partner with various Non-Profit Organizations to render project preparation services and assist them with mobilizing capital funding for repairs, restore or building new structures. NPOs with service level agreement with the Department of Social Development and support for expansion plans are assisted to apply to the Department of Human Settlements for capital funding. NPOs apply for housing subsidies through Institutional Housing Subsidies since they cater for vulnerable group's women, children, aged and people living with disabilities. This program is initiated by the Project Preparation Trust.

Project Name	Type of special needs	Nature of investment	Developer / NPO	Project Cost	Status quo agreement	DSD SL
The House of Hope Recovery Centre	Shelter for abused women & children	Institutional housing subsidy for Vulnerable Groups	The House of Hope Recovery	R2 923 453	The House of Hope appointed PPT to assist them with the application for housing subsidies to Department of Human Settlement.	Service level agreement with DSD in place.
Ikhwezi Care Centre for mentally and physically challenged people	Centre for mentally and physically challenged people	Institutional housing subsidy for Vulnerable Groups	Ikhwezi Welfare Organization	R9 355 040	Ikhwezi Welfare Organization appointed PPT to assist them with the application for housing subsidies to Department of Human Settlement.	Service level agreement with DSD in place
Ukuphumula KwaMashandu Old Age Home	<b>Old age home</b>	<b>Institutional housing subsidy for Vulnerable Groups</b>	<b>Ikhwezi Welfare Organization</b>	<b>R5 262 210</b>	<b>Ikhwezi Welfare Organization appointed PPT to assist them with the application for housing subsidies to Department of Human Settlement.</b>	Service level agreement with DSD in place

#### C.6.12. Telecommunications

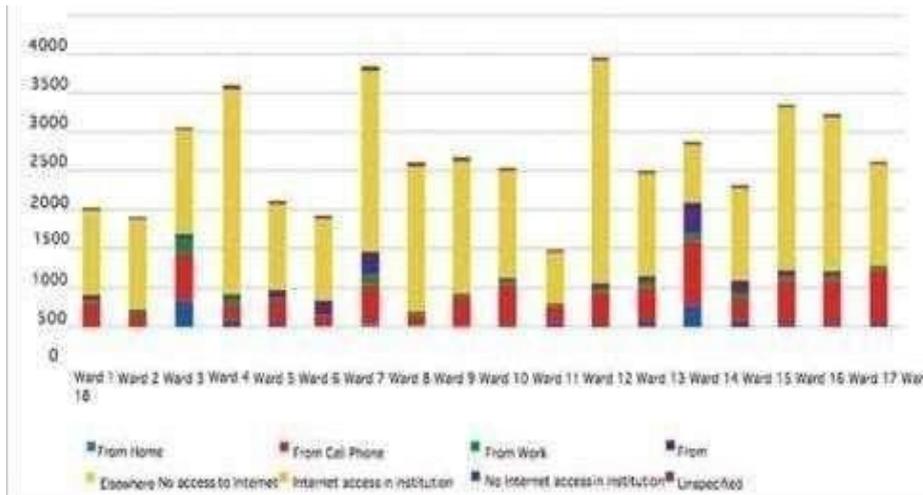
The National Development Plan places information and communications technology (ICT) as an integral part of South Africa's economic growth prospects. It argues that the ICT sector by 2030 will underpin the development of a dynamic and connected information society and a vibrant knowledge economy that is more inclusive and prosperous.

However, the NDP notes that while all South Africans should be able to acquire and use knowledge effectively, the high domestic cost of broadband internet connectivity is a major hindrance. To address this challenge in part, the South African government developed a national broadband policy and strategy that was gazetted on 06 December 2014. This policy is referred to as South Africa Connect. Ilembe District Municipality, together with the four local municipalities within the district, have long recognized and embraced the socio-economic benefit provided by accessible and reliable broadband connectivity to all citizens and business entities. This is evidenced by the broadband feasibility study and the pilot project that iLembe District embarked upon as early as between years 2009-2011. This gave rise to the iLembe Broadband Master Plan Development Projects, which were undertaken by Enterprise iLembe on behalf of the District. The outcome of the projects indicated that:

##### C.6.12.1. Current Connectivity Status

The municipality is currently connected to the internet through 2 Mbps VPN/MPLS copper infrastructure on the Telkom ISP. One of the main areas, Sundumbili, currently has no internet connectivity and has an urgent need for such. No connectivity diagrams were supplied by the municipality, as their existence was uncertain. Network connectivity tests were carried out to measure the actual network throughput.

Figure 35: Connectivity Status



### C.6.12.2. Household Access to Internet (Stats SA)

Mandeni Municipality is connected through a VPN/MPLS network through a copper infrastructure provided by Telkom on a price tag of R 30,000.00 per month. Such an amount for 2 Mbps is quite steep, but understandably, it could be due to a dilapidated infrastructure in the area. The situation is worsened by the fact that no internet connectivity exists in the other areas served by the municipality due to exceedingly high prices being quoted by telecoms companies the municipality has already approached over time.

The suggestion for a quick win would be to consider the use of overhead optic fiber to interconnect the Mandeni area, rather than microwave or satellite, which has been attempted but found to be exorbitantly priced. This solution would work in tandem with a long-term plan of deploying fiber along the N2 route from Stanger to Mandeni, which would also serve the Maphumulo Municipality, instead of relying on microwave or satellite. The disadvantages of microwave are that it is suitable mostly for short distances, e.g. 10km before using repeaters and is prone to high bit error rates, especially in bad weather. Satellite is currently expensive as a broadband medium for a large-scale use feeder network.

### C.6.12.3. Required Investment (Costing)

The total project costs are estimated (indicative only) at a capital cost of R338 288 597 (three hundred and thirty-eight million, two hundred and eighty-eight thousand, five hundred and ninety-seven Rand) once-off and a monthly recurring cost of R 437,560 (four hundred and thirty-seven thousand, five hundred and sixty Rand). The project cost has been calculated from total equipment investment, including labor, installation and commissioning costs, but excludes project management fees.

The above costs also include 620Mbps of internet access, which is scalable (without additional infrastructure investment) as demand increases. Mandeni is the second biggest local municipality within the district in terms of government buildings requiring broadband access. There are a total of 10 buildings over a wide area, but not as large as KwaDukuza. The biggest cost driver is the Ndulinde library and Amatikulu iLembe office, which contribute to large optic fiber distances.

### C.6.12.4. Mandeni broadband network costs

The estimated monthly recurring cost for Mandeni Municipality, based on the invested capital expenditure, is R51 935.00.

### C.6.12.5. Infrastructure Projects Relating to National & Local Government Elections

The Mandeni Local Municipality has not set aside a budget specifically targeting projects relating to National and Local Government infrastructure, however the municipality has completed the construction of infrastructure projects in most of its municipal wards which may be used by the Independent Electoral

commission as voting stations during the National and local elections. The municipality has also completed road maintenance projects and other rural electrification projects that will benefit the IEC and community during the elections.

The table below provides an overview of the infrastructure projects which were implemented by the municipality to contribution

WARD	PROJECT NAME	PROJECT STATUS	BUDGET TO BE UTILISED
18	Construction of a Community Hall	Complete	R 5 050 000.00
14, 8, 3	Construction of Sports Facilities in Chappies (W14), KwaChili Macambini (W8), Padianagar (W3), Highview Park (W3)	Complete	R 15 994 594.01
3	1KV Mandeni Overhead Line Upgrade	Complete	R 1 537 575.07
9	Makhwanini Electrification	Complete	R 10 393 017.43
10	Khenana Electrification Project	Complete	R 1 859 298.18



### C.13. Basic Services Swot Analysis For Basic Service

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• Approved policies and by-laws.</li> <li>• Approved infrastructure sector plans.</li> <li>• Committed staff compliment with family-like work culture.</li> <li>• Dedicated infrastructure grant funding.</li> <li>• National and Provincial Government support.</li> <li>• Strong leadership of the TSIDD.</li> <li>• Ongoing in-house TSIDD capacity and capability building initiatives.</li> <li>• Institutional knowledge of longer serving staff members.</li> </ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• Insufficient number of skilled engineering and supervisory personnel.</li> <li>• Insufficient financial resources to properly manage aging infrastructure assets.</li> <li>• Insufficient number of mechanical plants and equipment.</li> <li>• Lack of appropriate MIS to support the TSIDD.</li> <li>• Lack of efficient support from internal support departments.</li> <li>• Reliance on grant funding for infrastructure development.</li> <li>• Heavier workloads on existing staff due to staff shortages negatively affects morale of staff</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Opportunity to expand the electricity distribution license of the municipality thereby increasing municipal revenue and reducing dependency on grants.</li> <li>• The Geographic location of the municipality has potential to attract investment that could improve infrastructure development.</li> <li>• Collaborative partnerships towards improved infrastructure development and management.</li> <li>• Collaborative partnerships towards capacity and capability development of the TSIDD.</li> <li>• Technological advancements and innovation in the engineering sector creates opportunity to improve efficiency thereby gaining more from scarce resources</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• Insufficient financial resources prohibit proper infrastructure assets management thereby placing new and existing infrastructure assets at risk of dilapidation.</li> <li>• Climate change adds more burdens to already limited resources within the TSIDD.</li> <li>• Theft, vandalism and illegal developments negatively Affect infrastructure development programs.</li> <li>• Indigent population growth without growth in revenue increases backlogs and adds burden to constrained resources.</li> <li>• Reliance on grant funding as revenue streams are too small.</li> <li>• Insufficient number of skilled engineering and supervisory personnel.</li> <li>• Sparse and vast rural settlements increase infrastructure provision costs.</li> <li>• Scarcity of gravel borrow pits for maintaining the vast amounts of gravel/dirt roads.</li> <li>• Slow performing economy resulting in reduced grant funding.</li> <li>• Declining staff morale.</li> <li>• Land tenure not conducive for rapid infrastructure development.</li> <li>• Implementation of projects on slow pace due to budget cuts</li> </ul> <p>from National office this has resulted in numerous service delivery protests related to provision of housing</p>

## C.7. LOCAL ECONOMIC DEVELOPMENT & SOCIAL DEVELOPMENT ANALYSIS

### C.7.1. Local economic development

### C.7.2. Led functionality and capacity

Since establishment, the Mandeni Municipality has been involved in LED at a restrictive level mainly because of the lack of capacity and LED being a relatively new mandate for local government. Thus, LED strategy is based on a new approach which requires the municipality not to run LED projects itself, but to facilitate the setting up of institutional arrangements and creation of an enabling environment for business development. This is often referred to as “the new institutionalism”. As such, the role of the Mandeni Municipality in LED includes the following:

- Creating and strengthening multiple social and economic networks that support LED. This includes partnerships, associational networks, etc.
- Infrastructure development and maintenance as well as the delivery of reliable services.
- Developing and maintaining governance systems that give meaning to the notion of developmental local government. This includes a flexible yet effective land use scheme, enforceable by-laws, etc.
- Marketing and investment promotion working in support of structures responsible for promoting different sectors. This should focus mainly on the comparative and competitive advantages of the area and could be done via the electronic and print media.
- Managing progressive property tax system. This will assume the form of Property Rates Act (PRA) and the associated systems.
- Promoting environmentally sustainable development. It is not local economic development at all costs.

It is necessary to structure the management and budget system and re-orientate the development agenda towards economic development for Mandeni Municipality to be able to perform these functions effectively. In addition, the LED Plan integrates the local economy and improves functional linkages with the regional, provincial and national economic development initiatives. A number of trade agreements have been signed with African and other countries, and areas like Mandeni can partake in the implementation of these trade agreements. The MLM adopts a strategic approach to LED and defines this key performance area as follows:

*"The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation." (World Bank)*

### C.7.3. Scope of the Mandeni 2021 -2026 LED Plan

The LED Plan was prepared and adopted in April during the 2021/22 financial year. It was worth mentioning that the plan has been designed to inform the next five years. During this five-year period, an annual review of the implementation plan would take place. It presents a shared vision for the future economic development of the area while also serving as a strategic guide for rational decision-making, coordinated budgeting and integrated development. This MLM LED agenda focuses mainly on the following as a means to promote local economic development:

- Provision of infrastructure and quality and reliable services;
- Facilitating the development of key economic sector

- Providing support to emerging business;
- Coordinating district and regional economic development; and
- Promoting and marketing the district for investment.

As a program, LED is intended to maximize the economic potential of the municipality and to enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development. As such, the need for an LED Plan within a municipality goes beyond meeting the constitutional and legal obligations and encompasses the practical implementation of programs designed to create an environment conducive to economic development, economic transformation and social upliftment.

However, Mandeni Local Municipality forms part of a bigger spatial and economic system in the form of iLembe District. Regional cooperation is one of the key factors for an effective LED program. This implies a need for Mandeni Municipality to integrate its LED initiatives with projects and programs being implemented within the district and the neighboring municipalities.

The emergence of Covid-19 pandemic and declaration of National Disaster by the State President necessitated the need to relook at the economic pandemic to local business.

#### C.7.4. How was this plan reviewed?

The 2021/2022 review is informed highly by the responses received from the MEC Comment Letter raised during the 2021/2022 IDP Review. The following table outlines the municipal interventions on the raised issues pertaining to LED.

2021/ 2022 MEC Comment	Municipal Response
1. Implementation of strategy using municipal and external funding sources	The LED is being implemented and the current financial year budget consists of LED programs that will be implemented during the 2023/2024 financial year.
2. Improve information on Ease of Doing Business and Red Tape Reduction	A synopsis on ease of doing business to reduce red tape has been provided in the LED strategy document under section 5.5.
3. Improve quality of information provided on Green Economy	A synopsis on green economy and initiatives currently in place have been outlined in section 4.2.7.

#### C.7.5. LED Capacity

The LED function falls within the Economic Development and Planning Directorate. While the mandate of this department covers municipal planning generally, LED is a program within the Department. It falls under the LED Manager, and includes the following.

- Local economic development strategic planning which includes preparation and review of economic development sector plans. Packaging and implementation of LED projects.
- Local Economic Development (Tourism, Business Licensing and SMMEs Development, Agriculture, Manufacturing). Participation in provincial and district LED initiatives.
- Developing and maintaining functional relationships with key stakeholders in the LED space.

Despite LED being recognized as an important function, very little resources are allocated to undertake LED effectively within the municipal area. The Department has only 3 staff members including the Director. Mandeni Municipality organizational structure is being reviewed as a means to enable the municipality to perform its functions efficiently and effectively.

In addition, the municipality has identified a need for an LED learnership program which seeks to create capacity within the municipal area and facilitate effective implementation of the LED projects. However, LED is a relatively new mandate for the municipality and a continuously evolving practice. As such, it is critically important to expand technical expertise through continuous training, networking and partnership with support organizations.

#### C.7.6. Sector Specific Forums

The municipality has the following forums in place to deal with local economic development issues and ensure reporting on projects aligned to other programs coordinated by other sector departments and private sector. These forums are:

- LED Forum – This sits as an umbrella forum for all the other sub-committees. LED forums takes place once every quarter:
- Community Tourism Organization (CTO) subcommittee to deal with tourism related development issues.
- Business Forum – deals with emerging entrepreneurs and SMMEs
- Agriculture Forum- deals with agriculture projects and programs Informal economy chamber

In terms of alignment with different economic fora, the chairperson of the CTO serves as community tourism association (CTA), which is a provincial structure that deals with tourism related issues. The Business forum aligns with iLembe Chamber of commerce. Agriculture forum aligns with DAMC (District Agriculture Management Committee), which deals with alignment of agriculture projects with national Agri-parks initiative.

#### C.7.7. Policy / Regulatory Environment and Alignment

##### C.7.7.1. Provincial Growth and Development Strategy

The Provincial Growth and Development Strategy (PGDS), which is aligned to the NGP presents the 2030 development vision and outlines a medium to short term development program for the KwaZulu- Natal (KZN) province. It identifies seven (7) strategic goals and thirty (30) strategic objectives towards the attainment of the vision. This newly reviewed Mandeni LED strategy has integrated the principles and strategic goals outlined within the PGDS and customized them to find meaning in the local context, thus making this LED Strategy not just a tool for coordinating development locally, but also a means for the practical implementation of governments economic development program.

However, the achievement of these objectives and attainment of the goals hinges on the nature and extent of collaboration and partnership among the various social partners, in particular, business, organized labor, civil society and the different spheres of government and state owned enterprises under the leadership of the KZN Government (PGDS, 2016).

##### C.7.8. National Development Plan (NDP)

The focus of the National Development Plan (2030) is the elimination of poverty and the reduction of inequalities in South Africa. It is a development agenda aimed at reshaping South African cities, towns, rural settlements and infrastructure development. The NDP - 'vision 2030' is a strategic plan that guides development at a national level over the short to medium term. It commits the National Government to undertaking development that breaks away from apartheid type of planning and is based upon a detailed diagnosis of issues and challenges that confront the country namely, unemployment, poverty and inequality.

The NDP also outlines a number of strategic interventions to address these issues. Among these are the following:

- Economic development and job creation.

- Expanding infrastructure.
- Transitioning to a low carbon economy.
- Building an inclusive and integrated rural economy.
- Positioning South Africa to seize opportunities of globalization.
- Improving education, innovation and training.
- Each of these is critical for the future development of Mandeni Local Municipality and should be mainstreamed in the LED Plan for the municipality.

#### *Strategic infrastructure programme (sips)*

Government adopted an Infrastructure Plan which is intended to transform the economic landscape of South Africa, create a significant number of new jobs, strengthen the delivery of basic services to the people of South Africa and support the integration of African economies. The Presidential Infrastructure Coordinating Commission (PICC) with its supporting management structures has been established to integrate and coordinate the long-term infrastructure build.

This infrastructure plan is based on an objective assessment of the infrastructure gaps through spatial mapping which analyses future population growth, projected economic growth and areas of the country which are not serviced with water, electricity, roads, sanitation and communication. Based on this work, eighteen Strategic Integrated Projects (SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces. Each SIP comprises a large number of specific infrastructure components and programs (Economic Development Department, 2018).

#### C.7.9. Regional Spatial Economic Development Plan

The iLembe Spatial Economic Development Strategy commits the iLembe District family of municipalities (4) to developing a sustainable region with the following being the strategic pillars:

- A Diverse & Growing Economy: Sustainable regions are those that are productive, economically diverse and which provides employment for all
- A Livable Region: The citizens of a region live within environments that provide amenity, convenience and choice to a range of facilities and activities
- Living in Harmony with Nature: Where human settlement co-exists in mutual harmony with the natural resources of a place.
- Promote Social Well-Being: The development of secure, stable and healthy local communities.
- Equity of Access: Where citizens of a region have improved access to a range of urban and economic opportunities.

This LED Strategy is aligned to the above strategic pillars on which the iLembe Spatial; Economic Development Plan is based and considers objectives set by the District.

#### C.7.10. The Mandeni Informal Economy

The Mandeni Municipality has an Informal Traders Policy in place. The policy was Developed during the 2021-2027, to regulate the informal economy for a period of 5 years therefore the informal trader's policy has been designed to align with the current term of council. The survey of the Informal Trading sector within the MANDENI was conducted in 2010 revealed that more than 90% of traders had chosen to engage in informal trading as a result of not having jobs or losing a job. This indicated the significant role that Informal Trading played dealing with unemployment. Also significant was the fact that the majority of the traders were female; this form of business activity is increasing because of its flexible working hours as well as the opportunity it provides for additional income generation for the poor. Review and adoption of the policy takes place on an annual basis where its policy is amended and where necessary and tabled at municipal annual policy review sessions. It is noteworthy that the adoption of the policy is informed by an informal economy committee and aligned municipal term of council thus strengthening the integrated relations.

Major Informal Economy activities include gardening, garbage-picking, child-minders, vendors of food and non- food items... taxi drivers, car wash workers, hairdressers and barbers, bricklayers and stonemasons, tavern and shebeen operators, motor vehicle mechanics and fitters, spaza shop owners and workers, clothing repairs workers, traditional medicine vendors and practitioners, cobblers, domestic workers, and welders. 56.6% of informal Businesses in Mandeni Municipality employ one person. Women dominate the informal economy in Mandeni. 77.6% of informal businesses in Mandeni have stagnant general average growth. The average monthly income for informal traders in Mandeni is approximately R1 417. The major obstacles are similar to those confronting SMMEs and include infrastructural issues, institutional issues and economic issues. In the MANDENI Municipal area, all of the above types of trading are found at various localities. In a number of areas, trading is very concentrated, resulting in pressures on the infrastructure available as well as cause for concern relating to the overall hygiene of some areas. These ‘hotspots’ are found at the following localities:

- MANDENI Main Taxi Rank
- Sundumbili Plaza
- Thokoza Road
- Isithebe Industrial Area
- Tugela Mouth beach
- Nyoni Craft centre
- Nembe Road
- R102 and N2 routes

Apart from the above-mentioned areas, trading also occurs at numerous intersections, areas of attraction (e.g.) shopping centers and in containers.

#### C.7.11. Municipal Adoption Of EPWP Policy As Aligned To Phase 3

Mandeni Municipality together with the Department of Public Works has implemented three programs namely; Infrastructure, Social and Environment and Culture. These programs are efficiently and effectively reported timeously on the EPWP Reporting System. The aim of these strategic long-term programs is to reduce unemployment and alleviate poverty through the creation of sustainable livelihood jobs. The revised policy requires that municipal funded projects (Grass Cutting) set aside percentage indicators for EPWP. To date the municipal has not yet endorsed the revised policy.

#### INCENTIVE GRANT PROJECTS

Infrastructure (Zibambele) = 229 participants Social Sector (EPWP Life Guards) = 7 participants

#### EQUITABLE SHARE BUDGET

Environment and Culture Sector (Food for Waste) = 73 Grass Cutting = 110

EPWP Reporting System also includes the Food For Waste Program, which is funded through the Equitable share budget (internally). This program has 73 participants during the 19/20 Financial year which is less by 27 than the 18/19 FY. The exclusion of pensioners on the program has been the main reason why lesser participants have been reported. Recruitment and selection guidelines are properly followed as the Ministerial Determination 4: EPWP, Notice No.347 is implemented since the minimum wage rate is also the part of their stipends.

Good governance in Mandeni Local Municipality is the key mechanism for poverty alleviation efforts and for stimulating the effective implementation of development which reflects institutional development and service delivery through Expanded Public Works Program.

#### C.7.12. Strategic Economic Analysis and Interventions

As a means to contextualize the role of Mandeni and provide a broader framework for a detailed analysis of the municipality's economy, it is important to consider the status of Mandeni's economy within its provincial context and benchmark this against other regional economies in KwaZulu-Natal. It is undeniable that eThekweni is the economic powerhouse of KwaZulu Natal.

Given the economic activities that take place within eThekweni, it is not surprising that the total provincial output is predominantly concentrated in the metro. This is followed by uMgungundlovu and uThungulu District. iLembe district is the 4<sup>th</sup> largest GDP contributor in the province. Manufacturing and Agriculture are the main economic sectors in the district. They are both the main contributors to the District GDP and source of employment.

Manufacturing sector is the largest contributor to the GVA of Mandeni accounting for 37% of the total GVA, followed by finance, insurance, real estate and business services (29%), wholesale and retail trade, catering and accommodation (19%). Agriculture, general government, transport and construction sectors contribute minimally to the municipal GVA each accounting for 4%, 4%, 5% and 1% respectively. The following diagram summarizes the sector's contribution to Mandeni's Gross Value Added (GVA).

The prior analysis of the Mandeni LED Plan can be summed up as follows:

iLembe district is the 4<sup>th</sup> most contributor to KZN economy contributing only 4% towards the provincial real GDP;

- The manufacturing sector is the largest contributor to the Mandeni GDP and Agriculture is the second largest contributor to the GDP.
- Mandeni is the second most contributor to the district's GDP.
- Manufacturing and agriculture sectors are the main sources of employment in iLembe.
- Manufacturing sector is the largest contributor to the GVA of Mandeni.

Approximately 55% of the households in Mandeni earn R1 – R54 per day, which is negligible to sustain a household; Undoubtedly manufacturing and agriculture are the key sectors in Mandeni. The district and the provincial government acknowledge the significance and the potential the municipality upholds in these sectors. The municipality should engage its efforts by facilitating appropriate

### C.7.13. Sector Analysis: Manufacturing

The manufacturing sector in Mandeni Municipality is based in Isithebe. The Isithebe Industrial Estate is managed by Ithala, and the estate manager notes that the estate is almost 100% occupied. There are a wide variety of industries in the estate including textiles, plastics, chemicals, and furniture. However, there is a lack of space in the estate for the future expansion of the industrial sector. During the PACA process undertaken with Isithebe stakeholders, a number of themes emerged, which influence the current position of Isithebe in terms of its location and immediate prospects. These are as follows:

- The core infrastructure and service strengths of the location remain relevant;
- Access to labor;
- Impact of HIV/AIDS;
- Weak business-to-business networking;
- Disconnection between Isithebe and surrounding communities (especially Sundumbili);
- Many firms have not developed significant competitive advantage;
- Isithebe is showing signs of some decline but is by no means in crisis

The industrial estate continues to be an effective manufacturing hub, offering cost-effective production space to prospective investor's midway between the important import and export facilities offered by Durban and Richards Bay. An important point to note is the current unrest/protests which are taking place in Isithebe. This pose a great challenge to the industrial estate as this discourages investors from

#### *Key Manufacturing Issues*

Isithebe is well-run and provides a solid operating environment. It is well placed to participate in the momentum created by the multi-modal logistics platform for the Durban- Richards Bay corridor. The rail links between the King Shaka Airport and Richards Bay harbour are an important component of this advantage. Isithebe has been identified as the likely base for an industrial development zone (IDZ), and planning is under way to bring this about despite there being very little progress on this project since the previous LED Strategy (Mandeni 2017 LED Strategy) was developed. IDZs come with concessions and incentives, designed to accelerate industrial investment in the new globalised environment. The following key issues within the manufacturing sector could benefit Mandeni Municipality should the municipality avail the much-needed manufacturing/ industrial hub:

- Manufacturing is important to KwaZulu-Natal and clothing and textiles form a significant part of the economy. More than 40% of South Africa's textiles are produced in this province;
- The **clothing sector is the largest** employer within KwaZulu- Natal's manufacturing sector and Isithebe is a major contributor to KZN's manufacturing sector. This fact, coupled with the relatively low barriers of entry to the industry, makes it a very strategic industry for development purposes.
- South African footwear is manufactured in KwaZulu-Natal. The textile sector is well developed, especially in cotton and cotton/synthetic blended products. There are also fabric and garment knitters and the country's primary undergarment manufacturer is located in the province. A variety and diversity of yarns, fabrics, home textiles and industrial textiles are also manufactured.
- The clothing sector is also well established in KwaZulu-Natal, with approximately 525 clothing firms; A few very large manufacturers have developed a strong export base as well as supplying the domestic market. The majority of clothing manufacturers fall into the medium- sized category (50 to 200 employees) and there are approximately 400 small,

medium and micro enterprises that act as sub- contractors to the rest of the industry. This latter group also supplies the informal sector, which is growing rapidly investing in the area

Because of its labour-intensive nature, employment generation is an important benefit of this industry, particularly for women workers who often comprise a large proportion of the manufacturing labour force. It is estimated that 24 000 workers account for an output of approximately R4 billion in KwaZulu- Natal. For those firms seeking assistance in export market penetration, several government programs now offer resources in a spirit of partnership with the sector. Thus, there is considerable optimism in the industry that collaborative efforts are beginning to yield an export strategy that will be good for business - and investors - in South Africa.

#### C.7.14. Tourism: KZN Tourism Market

Whereas the world experienced 3.8%, Africa 3.6% and South Africa 10.2% growth in the tourism industry, KZN Province did not benefit from the boom but rather experienced a negative growth of - 1.8%. Annually KZN receives ±891 822 foreign visitors, average spend per visitor is ±7 517 per trip per day and the expenditure (total market values) is R6.7bn. According to South African Tourism, the length of stay (nights) for these tourists is 6.9 and the main overseas source markets are UK, USA, Germany, India and Netherlands.

#### Destinations Visited in KZN

Durban is the most visited followed by Elephant Coast, Drakensberg, Zululand and Pietermaritzburg.

Tourism KwaZulu-Natal has demonstrated how significant the tourism sector is to the growth of the provincial economy. The Province has wonderful natural tourism attractions and is thus well positioned to take advantage of the continued growth in world and domestic tourism.

It is hoped that the plans set out in the KZN Strategic Plan receive the support and investment to realize the vision of making KZN Africa's leading tourism destination. The KwaZulu-Natal tourism industry is a fundamental tourist attraction for South Africa. It has been estimated that there are approximately 8.4 million domestic tourists from outside and within the province.

#### C.7.14.1. Mandeni Tourism Products

The primary factor that attracts tourists in the Municipal area is its beaches, estuaries, nature reserves and historical sites, the wildlife and Zulu culture. The nature reserves include the Amatigulu Nature Reserve, Ingwenya Nature Reserve, Ndulinde Hills and Ndondakusuka Hill.

The Mandeni Municipal area has a very rich historical past, which presents a huge opportunity for Tourism development. The Tugela (correctly spelt Thukela) River is the largest river in KwaZulu-Natal, and was the historical border between Zululand and Natal. A number of significant historical events associated with the river have left a rich legacy of major historical and cultural sites on what has now been referred to as the "Thukela Frontier".

Sector plans developed by the municipality have identified a number of key tourism products found within the municipal boundary, their challenges and suggested ways to tap in the opportunities. Some of the key sector plans that have provided insightful information in the tourism sector include the Tourism Strategy, Feasibility Report & Business Plans for Catalytical Projects and the Mandeni

Municipality Infrastructure Development Summit Summary Report. These reports identified some of the potential tourism products in Mandeni.

#### C.7.14.2. Commercial Sector: Overview of Commerce Sector

The commercial sector in the Mandeni Municipality is an important sector, since the town of Mandeni is the urban centre where most people in the municipal area do their shopping and seek services.

Renckens Superspar is the largest store in the area. In addition, there are other stores such as Shoprite in the area. Also scattered throughout the Municipality are some spaza shops operated by local people. There is a fairly established service sector but there is still opportunity for growth. Some specialized services are, however, still obtained from outside the area. Co-operatives have also been set up to provide a wide range of services. However, there are many problems in terms of the recognition that co-operatives receive as a legitimate business. There is also a problem in terms of accessing a market for services.

#### C.7.14.3. Small Medium Enterprises and Informal Sector: SMME

SMMEs in Mandeni focus their business on the following activities: Tourism, catering & accommodation, retail trade and allied services, construction, manufacturing, restaurant & tavern, dairy farm, general dealer, supermarket, butcher, professional & financial services, bricks/ blocks manufacture, burial services, liquor retail, consumer sales & other services, motor repairs, beauty salon, arts and crafts, bakery, cleaning services, computer repairs, electrical appliance, hardware retail, laundry services, light engineering services, radio & TV repairs, clothing and textile, and security services.

#### C.7.14.4. Reasons for Choosing Mandeni as a Working Environment

SMME surveys administered by Urban Econ in Mandeni indicated the following as key points that attracted SMMEs to establish business in Mandeni Municipal area:

- Close-by to home;
- Only available area;
- Industrial area convenient for business growth;
- Land availability;
- High demand;
- Low competition;
- Potential for business to grow and close to target market;
- Cheaper labour at that time to recruit;
- Government subsidies at that time to those who wanted to open business;
- Land availability;
- Good infrastructure including road, rail, harbour, etc.

#### C.7.14.5. Infrastructure issues

Poor infrastructure such as transport, storage facilities, water, electricity;

Theft and criminal violence;

Lack of working premises;

Poorly developed physical markets;

Police harassment

#### C.7.14.6. Institutional issues

No access to formal training and, as a result, lack of skills in particular as regards basic economic skills and managerial expertise. Lack of formal schooling sometimes even results in illiteracy leading to Limited access to formal finance and banking institutions. Reliance on self-supporting and informal institutional arrangements, and government regulations in areas such as business start-up, in particular as regards cumbersome, time demanding and costly procedures for business registration. The lack of access to official social security schemes has brought additional burden as result fewer market opportunities due for instance to non-compliance to national and international standards and lastly High competition.

#### C.7.14.7. Economic issues

Excessive registration and transaction costs of starting or operating businesses;

Limited access to technology;

High inflation;

Lack of opportunities for bulk purchase of inputs;

Low incomes or lack of regular income as household consumption competes for the use of business earnings;

Lack of working capital: credit has to be obtained from informal sources such as friends or relatives or non-banking financial agencies with unfavourable terms;

Insufficient funds do not allow for further investments;

Conflict with formal business and Problems with workers (turnover, absenteeism)

#### C.7.15. Green Economy

The green economy is defined as an economy that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. A green economy approach reflects a shift in thinking from a 'business as usual' neo economic approach, which considers the environment as an infinite resource from which to grow the economy, to one that recognises that the environmental system has that the economic sub-system should be embedded within, and shaped by, the environmental assets and services available in a particular region.

iLembe has been identified as the renewable energy hub in the province. The renewable energy components manufacturing hub is one of the sectoral development hubs in the province of KwaZulu-Natal. Each district is targeted to house an industrial hub to support the provincial industrial development zones based on its comparative advantage. The envisaged location for the hub is within Isithebe Industrial Estate in Mandeni, on a serviced 50 ha piece of land. The targeted markets for the hub will be, among others, green industry project developers, manufacturers, energy services companies, consultancies, SMMEs, cooperatives, youth enterprises, research institutions, test laboratories, training providers and engineering companies. Related investments will thus be necessitated by the renewable hub project in the district as informed by the targeted markets. This project is still in the planning phase and construction has not started as of October 2019

#### C.7.16. Land Use Management

Initially, land use management within the Mandeni Municipality was regulated in terms of a plethora of legislation. Most of these have now been repealed, and replaced with the KwaZulu-Natal Planning and Development Act (PDA). The PDA empowers the municipality to introduce systems and procedures for land use management, and take decisions independently. This introduces new challenges for the Mandeni Municipality, and these are: Development of a Land Use Management System

Creating internal capacity to handle an increased volume of applications as the municipality takes responsibility for applications that were previously handled by the provincial government. This is required in order to avoid unnecessary and costly delays.

Mapping of the process and ensuring that all those involved in the assessment of application and decision making perform their tasks on time, and decisions taken are informed and based on complete information.

The municipality has finalized the Development of its Single Land Use Scheme (wall-to-wall scheme). The Single Land Use Scheme was approved by Council in June 2022 and is currently being implemented when processing development applications

##### C.7.16.1. Municipal land use management scheme

To further ease of doing business in Mandeni, the municipality has embarked on a process of zoning certain areas of Township as Free Entry for Business. Thus this has informed the amended Municipal Town Planning Scheme. In this regard free entry means business of informal trading in nature and business such as doctors' rooms. In doing so the municipality anticipates growth of small businesses.

#### C.7.17. Strategic programs and responses

##### C.17.1. Supporting Local Tourism

The municipality has initiated a program to resuscitate community tourism organization, which seeks to promote tourism development and marketing in Mandeni. As informed by the municipal tourism strategy adopted March 2016 and reviewed in 2018. The role players in this organization are local tourism business owners such as Tugela Mouth community tourism organization and Mandeni Crafters. In transforming this sector, the municipality has packaged key attractions into publication brochures that have been placed at various information centers such as District Enterprise iLembe, which further second them to national and provincial exhibitions.

##### C.7.17.2 Local Farmers

Mandeni Municipality together with iLembe Enterprise, DEA and Rural Development have embarked on a process of identifying, assessing agriculture potential projects to be implemented as part of Agri-park program. A business plan has been recently developed to provide technical and financial assistance to the implementation of the project.

The main purpose of the project is to ensure that Mandeni has sustainable production of agricultural goods that will be taken to Manchester Farm where dispatching, processing of goods will take place to neighboring markets for retail. Currently the program/ project is still in the planning phase, land for the program has been acquired by the Department of Rural Development and Land Reform. Another partnership the municipality has is with Enterprise iLembe, Which seeks to assist local farmers with linking them with relevant markets, for instance, the School Feeding Scheme program with the Department of Education.

##### C.7.17.3. Programmes Targeting to Improve competitiveness Of SMME's /Co-Operatives

The municipality adopted a Contractor Development Policy and Implementation Strategy aiming at uplifting and empowering previously disadvantaged entrepreneurs by providing them with opportunities in the civil, construction and electricity sectors. This program seeks to achieve the following:

- To increase the active participation of Mandeni Municipality SMMEs and cooperatives in the local economy by 5% every year through a sustainable black economic empowerment program.
  - To formulate a policy that enables Mandeni Municipality to impact significantly in improving the quality of life of the majority of its citizens/customers, by optimizing employment and Economic Empowerment in all its dealings; resulting in the annual procurement spend generally reflecting Mandeni Municipality Demographics.
  - To mainstream the local and previously disadvantaged

SMMEs and cooperatives development in the affairs and structures of the municipality through annualized planning, implementation, monitoring and evaluation of black economic empowerment programs utilizing and escalating the budget of at least 10% of the municipal budget.

- The Contractor Development Program is aimed at uplifting and empowering previously disadvantaged entrepreneurs and emerging contractors by providing them with opportunities in the building/construction industry.

#### C.7.17.3. Quick Wins Program

The municipality continues to proactively prioritized LED projects that are aimed at assisting SMMEs in various ways, for example, pro-local and development policies, such as the Supply Chain Management Policy which favors the use of local businesses, services and goods, as well as a policy on emerging contractor development, embarked on SMME Strategic support programme (Quick Win) which is an initiative aiming to build capacity and fund small enterprises which are considered to be sustainable and have potential for creating job opportunities to help dynamic and committed entrepreneurs to grow their own businesses. Over 400 businesses in Mandeni will be assisted through this program in the 2022/23 financial year, that includes Local SMME's, Cooperatives and Informal traders. The municipality adopted Contractor Development Program (CDP) strategy to unlock growth constraints, to develop sustainable contracting capacity and to elevate enterprise development of previously disadvantaged individuals. During the 2022 financial year the municipality has assisted more than fifteen (15) contractors through Municipal construction projects. The program created over 100 job opportunities which was a plus to the municipality unemployment.

#### C.7.17.4. Support For Small Scale Traders

In partnership with Mandeni Municipality, the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) is pioneering a ground-breaking LED.

Initiative coined as Bulk Buying program which is aimed at lowering the costs of sales for local small-scale traders. This program will allow local small-scale traders to be competitive and be able to expand their market share and participate in the retail value chain. This is part of government efforts to transform and revitalize township and rural economies to foster inclusive growth. This is a new ground-breaking program which has assisted more than 350 small scale traders within Mandeni.

#### C.7.18. Ease of Doing Business/ Red Tape Reduction

The municipality has established a business license committee which is responsible for the processing and issuing business license to ensure that all Municipal Regulations and By-laws are adhered to within the regulated time frames being 14 days. Internal and External department that form part of the committee are:

- iLembe District Municipality - Environmental Health division
- Mandeni Rural Metro
- Municipal Town Planning Unit
- Municipal Building Control Unit
- Municipal Public Safety / Enforcement unit

Circulation of business applications is done upon lodging by the applicant, this application gets circulated to various units within and outside the municipality, to ensure compliance with Business Act of 1991 (Act 71 of 1991). In doing so the municipality processes and issues approximately 50 Business licenses on a yearly basis. To grow these current stats the municipality has embarked on a campaign to sensitise Amakhosi / Rural Ward councillors and ward committees to call upon remote rural shops to comply with the current municipal Bylaws that relate to Business Act 71 of 1991.

The second initiative the municipality has partnered with Vhuthela LED in property Registration project. This program seeks to empower homeowners with proof of ownership as means of unlocking economic development in the area. Through Vhuthela LED the municipality has been able to identify gaps and challenges in the process of approving Business Building Plans, outlining the delay in time approval of building plans thus the aforementioned committee was formed to address these and other challenges as a result the process has been fast tracked.

The table below outlines the municipal draft budget for 2022/23 to 2024/25. The budget contains projects and programs the LED unit will be embarking upon.

DESCRIPTION	DRAFT 2023/2024	DRAFT 2024/2025	BUDGET
SMME Capacity building programs	20 000.00	20 880.00	21 819.60
Convene LED Forums	20 000.00	20 880.00	21 819.60
Heritage Walk and Lecture	20 000.00	20 880.00	21 819.60
Entrepreneur Support Program	100 000.00	104 400.00	109 098.00
Youth enterprise park	400 000.00	417 600.00	436 392.00
Business Profiling and Business Satisfaction	200 000.00	208 800.00	218 196.00
Park			
Tugela Raft Race	20 000.00	20 880.00	21 819.60
Tugela Raft Race	50 000.00	52 200.00	54 549.00
Tugela Raft Race	30 000.00	31 320.00	32 729.40
Historical tourism research	150 000.00	156 600.00	163 647.00
Agriculture Development Strategy	400 000.00	417 600.00	436 392.00
Strategic SMMEs Intervention Program (Quick Wins)	400 000.00	417 600.00	436 392.00
Strategic SMMEs Intervention Program	1 000 000.00	-	
SMME Fair and exhibition	300 000.00	313 200.00	327 294.00
LED VUTHELA	-	-	-
Convene LED Forums	20 000.00	20 880.00	21 819.60
Analysis of water Samples for Blue Flag Beaches	30 000.00	31 320.00	32 729.40
<b>Total</b>	<b>1 062 602.34</b>	<b>1 109 356.84</b>	<b>1 159 277.90</b>

C.7.19. Potential Employment / Job creation

C.19.1. Isithebe Revitalization Project

As part of the revitalization of the Township and Rural based industrial part, the DTIC initiated and completed Phase 1 of the Isithebe Revitalization. Includes upgrading of the security infrastructure, fencing street lighting and critical electricity requirements. The Isithebe upgrade further approved a budget of R49,9 million for phase 2 of the revitalization of Isithebe in February 2020. Phase 2 will deal with engineering designs and revitalization of existing roads, bulk water supply and sewerage treatment plants for the industrial effluent control.

1. Project		Phase 1: Isithebe Industrial Park Revitalization Project
2.	Project Scope	Phase 1 of the Project covered: <ul style="list-style-type: none"> <li>● security infrastructure upgrades,</li> <li>● fencing,</li> <li>● high mast,</li> <li>● street lighting,</li> <li>● roof covering,</li> <li>● critical electricity requirements</li> <li>● digital hub conversion</li> </ul>
3..	Project Funder	Department of Trade, Industry and Competition
4.	Project Implementer	Development Bank of South Africa (DBSA)
8.	Project Cost	R41 524 949, 00 including VAT
9.	Subcontracting Value	30% for local sub-contractor
10.	Job opportunities	Laborers will be sourced locally by the main contractors and as well as sub-contractors
11.	Project Duration	11 Months

### C.7.20. LED Implementation Framework

Goals	Strategies	Projects/Programs	Timeframe	Budget (R)	Key Performance Indicators	Supporting Partners
1: EXPANSION OF THE AGRICULTURAL SECTOR	1.1. Improvement of coordination between all parties critical to agricultural development	1.1.1. Develop a formal platform for frequent engagement between Agricultural Associations, municipal officials and other relevant stakeholders	Short term	R 30 000	Meeting minutes, established platform	Agricultural associations, DARD
		1.1.2. Regular identification of the farmers needs to be highlighted through a farmers association database which has to be updated regularly	Continuous	R40 000	Publish of agricultural needs	EDTEA, DARD
	1.2. Encourage the development and expansion of the agriculture sector	1.2.1. Ensure good agriculture land is reserved for agriculture production use (i.e. ensure that not for other land uses such as housing or other activities)	Continuous	No budget needed	Demarcation of good agricultural land on spatial plans	DARD
		1.2.2. Identify areas where agricultural production can be intensified and identify opportunities for the intensification of agricultural production	Short term	No budget needed	Mapping and documentation of areas where agricultural production can be intensified.	DARD

		1.2.3. Facilitate the establishment of farmers activity clusters	Short term	R 50 000	Established cluster	Mandeni LM, DARD
2: EXPANSION AND DIVERSIFICATION OF THE MANUFACTURING SECTOR	2.1. Improve SMME participation within the manufacturing sector	2.1.1. Assist SMMEs in packaging funding applications to existing funds for manufacturing opportunities	Continuous	No budget needed	Signing of funding forms	COGTA
		2.1.2. Formalizing SMME's that are not already formalized which includes helping new SMMEs with the registration and compliance processes.	Continuous	R 3 000 per SMME	Register of SMMEs formalized	SEDA, COGTA, EDTEA, Enterprise iLembe

		2.1.3. Facilitate partnerships between local SMME's and local big companies for downward beneficiation including procurement and incubation programs	Continuous	R 150 000	Meeting minutes, attendance registers	SEDA, COGTA, EDTEA, Enterprise iLembe
	2.2. Improve Business Retention and Expansion	2.2.1. Facilitate the development and roll- out of an improved Business Retention and Expansion programmed that can be run between the Local Municipality and business bodies	Continuous	No budget needed	Meeting minutes, attendance registers	EDTEA, TIKZN, Private sector
		2.2.2. Targeted reduction of red-tape and municipal administrative processing times	Continuous	R 160 000	Reduced administrative processing time	COGTA

	2.3. To promote investment and boost the local economy	2.3.1. Monitor and evaluate the success of the Business Retention Program	Continuous	R 400 000	Document the number of businesses in the LM	EDTEA, COGTA, Mandeni LM
		2.3.2. Develop a business aftercare program for new and existing businesses that have been established for less than 3 years	Continuous	R 455 000	Business Needs Survey Report, improved Business retention and expansion strategy	EDTEA, COGTA, Mandeni LM
3: DEVELOPMENT AND SUPPORT FOR THE TOURISM SECTOR	3.1. Expansion of the tourism attractions and activities	3.1.1. Create a concise tourism events calendar or action plan that can guide event organizers	Short term	R 50 000	Completed action plan and guideline plans	EDTEA, TKZN, Private Sector
		3.1.2. Diversification of the tourism sector by promoting the development of adventure tourism and township tours	Short term	No budget needed	Adventure and township tourism development	Mandeni LM, EDTEA, COGTA, Private Sector
		3.1.3. Examine potential for pop up restaurants (and Shisa Nyamas)/ pubs to promote local food and drink to rural areas	Short term	R 30 000	Meeting minutes, attendance registers	SEDA, TKZN, Mandeni LM

		3.2.2. To increase the marketing around the current tourism products	Short term	R 60 000	Marketing brochures	TKZN, EDTEA, COGTA
		3.2.3. Marketing of the region at national and international shows and exhibitions in conjunction with TKZN	Short term	R 55 000	Exhibitions facilitated	COGTA, EDTEA, TKZN, TIKZN
	3.3. To develop and support the tourism sector	3.3.1. Identify potential SMME opportunities in the tourism sector as well as new tourism products	Short term	No budget needed	Documenting of identified SMME opportunities	TIKZN, TKZN, Mandeni LM
		3.3.2. Establish a Tourism Forum and CTOs (Community Tourism Organizations)	Short term	R 50 000	Established forums and CTOs, Meeting minutes	Mandeni Municipality, TKZN
		3.3.3. Include tourism link to the Mandeni Local Municipality's website for promoting both the more established and SMME players in the tourism sector of Mandeni LM	Short term	R 10 000	Visibility of tourism link on the Mandeni website	Mandeni LM
4: IMPROVING THE INSTITUTIONAL AND POLICY ENVIRONMENT	4.1. Coordination and communication of LED stakeholders	4.1.1. Improve the effectiveness of the Municipal LED Forum	Short term	R 100 000	Established municipal forum, meeting minutes	Mandeni LM, iLembe DM
		4.1.2. Encourage the improvement of intergovernmental relations of all spheres through information sharing and project feedback	Continuous	No budget needed	Documentation of information shared, meeting	National Government, Provincial and Local Government

					minutes	
		4.1.3. Build the officials capacity to support the informal economy through networking with other organizations, civil society, religious, sporting and other relevant government bodies	Short term	R 300 000	Meeting minutes, attendance registers, training session presentation slides	SEDA, COGTA
		4.1.4 Undertake technical workshops with officials and councilors to clarify their obligations and boundaries in order to reduce political interference and ensure efficient implementation of proposed programs	Short term	No budget needed	Attendance registers, meeting minutes	iLembe DM, Mandeni LM

	4.2. Strengthen coordination, communication and collaboration between public and private sector	4.2.1. Create and regularly update a database of all development and investment projects that are undertaken within the Local Municipality	Continuous	R 250 000	Development and continuous updating of database	Mandeni LM
		4.2.2. Ensure information sharing as well as alignment, coordination of investment promotion, improved business retention and expansion activities	Continuous	R 50 000	Attendance registers, meeting minutes	Mandeni LM

		4.2.3. Provide up to date information on investment opportunities via an online information portal on the Mandeni Local Municipality website	Continuous	R 200 000	Updated investment opportunities online	Mandeni LM
	4.3. Funding for LED implementation	4.3.1. Compile a database of all potential funding sources for LED implementation as well as previous examples of funding applications	Short term	No budget needed	Compiled database	Mandeni LM, iLembe DM, Enterprise iLembe
	4.4. Improving the capacity of the Local Municipalities LED Units	4.4.1. Staffing of any LED Unit vacant portfolios in the LM	Medium term	No budget needed	Employed personnel	Mandeni LM
		4.4.2. Undertake customer satisfaction surveys to gauge the level of service delivery in the Municipality	Short term	R 250 000	Completion of surveys, report compilation	Mandeni LM, EDTEA, COGTA
5: ENSURING EFFECTIVE EDUCATION, SKILLS AND CAPACITY	5.1. Skills training and development	5.1.1. Evaluate success of the SMME business skills development program run by Enterprise iLembe	Short term	R 20 000	Presentation slides, attendance registers, meeting minutes	SEDA, SETA, EDTEA, Tertiary Institutions

DEVELOPMENT						
		5.1.2. Facilitate training for informal businesses and form partnerships with TVET Colleges	Short term	R 20 000	Facilitated training for businesses, attendance registers	SEDA, EDTEA, COGTA
	5.2. Development of relationships between industry and tertiary and training institutions	5.2.1. Establish a platform for engagement between tertiary institutions and business to ensure programs are aligned with industry demand	Short term	R 20 000	Established platform, programmes alignment	Mandeni LM, Tertiary Institutions, Private Sector

		5.2.2. Investigate the establishment of additional higher education campuses for specialized skills development (i.e. for scarce skills)	Short term	R 80 000	Report from investigation	Tertiary Institutions, DoE
	5.3. Retention of skilled residents	5.3.1. Development a marketing and retention programme in conjunction with the local business bodies that focuses on a quality of life promotion in order to retain skilled residents in Mandeni	Short term	R 75 000	Development of a marketing and retention programme	Private Sector
6: SUPPORT SMALL ENTERPRISES	6.1. Assistance and support to small enterprises	6.1.1. Develop an informal economy strategy that will plan, regulate and develop the sector. The strategy must also look at ways of organising the informal sector and assisting SMMEs with trade facilities.	Short term	R 180 000	Development of an informal economy strategy	COGTA, Mandeni LM, EDTEA
		6.1.2. Create standard guidelines for business plans to assist SMMEs formulate business plans and to access funds and other business needs	Short term	R 20 000	Guidelines and business plan brochure developed	EDTEA, COGTA
		6.1.3. Create standard guidelines that assist new firms with business registrations	Short term	No budget needed	Development of guidelines aligned with CIPC require	EDTEA, COGTA

					ments	
		6.1.4. Provide container information centers for rural SMME's to access services from SEDA, etc.	Medium term	No budget needed	Formation of information centers, attendance registers	SEDA, EDTEA, Mandeni LM
	6.2. Value-chain development and local procurement	6.2.1. Establish an SMME and cooperatives database and promote SMME's to large businesses	Short term	R 30 000	Developed database	EDTEA
		6.2.2. Establish a record of common challenges faced by SMMEs so as to provide them with assistance that addresses these specific challenges. This ensures the proper allocation of scarce resources.	Short term	No budget needed	Development of SCM registration form	EDTEA

		6.2.3. Provide emphasis on preferential treatment for the local SMMEs to benefit from the local tenders	Short term	No budget needed	Adverts	Mandeni LM
	6.3. Development of innovation	6.3.1. To support and strengthen the establishment of a municipal wide Business Association/ Forum for information sharing	Short term	R 20 000	Establishment of forum	EDTEA, Mandeni LM
		6.3.2. To run an annual small business innovation fair	Continuous	R 100 000	Organised fair	Mandeni LM, EDTEA

		6.3.3. Add link on municipal website which contains business development information ranging from compliance matters to business advice topics	Continuous	R 10 000	Website upgrade	Mandeni LM, EDTEA
7. PROMOTE A GREEN ECONOMY	7.1. Support the development of the green economy sector	7.1.1. Research viable green economy initiatives that can be successfully implemented in the Mandeni Municipality given the current available resources in the area.	Short term	R 180 000	Meeting minutes, attendance registers	COGTA, EDTEA, Mandeni LM
		7.1.2. Investigate opportunities for biogas green energy initiatives linked to agriculture practices undertaken within the Local Municipality	Medium term	R 150 000	Report on available opportunities	EDTEA, Private Sector
		7.1.3. Investigate opportunities to transform existing waste into renewable green energy for local consumption	Medium term	R 150 000	Report on available opportunities	EDTEA, Private Sector

## C.7.21.2. Mortality Rate

### C.7.21.2.1. Major Causes of Death

The iLembe District Municipality's 10 Major Causes of Death have reached epidemic proportions. Tuberculosis features prominently in the top three major causes of death in the District and the four sub-districts. This is reflected in iLembe's TB health outcomes with the TB cure rate decreasing from 76% in 2016/2017 to 70% in 2017/2018 and the TB treatment interruption rate increasing from 7% in 2016/2017 to 9% in 2017/2018. Complications related to TB result in fatalities. Patients who die from HIV/AIDS related conditions have also been found to be co-infected with other conditions with a high correlation to TB. Lifestyle diseases such as diabetes and cardiac conditions can be controlled if medical attention is sought early and/or preventative programs are implemented. The Community Health Analysis of the Health sectors. The Worker Program should be strengthened to address these gaps. Some TB patients seek medical attention too late while others have a combination of conditions that impact clinical outcomes. TB is a social problem linked to poverty, overcrowding and poor social conditions as well as environmental factors. TB is weakening the progress made in the fight against AIDS. It is not only the number one cause of AIDS-related deaths in Africa but the number one cause of all deaths in South Africa. Most deaths are related to HIV/Aids complications that require intervention from preventative and promote health programs, e.g. CCMT, HCT and PMTCT.

### C.7.21.2.2. Infant Mortality

There is a slight increase in infant mortality within the District and the municipalities. In 2016 there were 145 infant deaths/1 267 separations in the District and in 2017, there were 206 infants' deaths/1 612 separations, an increase of 29%. Ndwedwe recorded the highest infant mortality. One of the challenges was due to the low numerator (15 under one-year-olds divided by 67 separations). There was a slight change in the information in 2010 due to changes in capturing the information (122 under one-year-old deaths divided by 221 separations). However, an 87% increase in total infant deaths was still recorded in the District. Reducing infant mortality requires the following specific issues to be addressed:

- Increase immunization coverage and measles immunization coverage.
- Increase access to medical facilities (clinics and hospitals).
- Raising awareness of Pneumonia.

### C.7.21.3. Child Mortality

Mandeni does not have a hospital and, therefore, referred cases that die are reflected at KwaDukuza sub-district that serves as a district hospital service for the Mandeni population. Maternal mortality in 2010 in KwaDukuza was 166/100 000 live births and in 2009, 433/100 000. The figures reveal that in 2016, there were 11 maternal deaths/6 632 live births and 26 maternal deaths/5 991 live births in 2019; this is a 56% decrease in the number of maternal deaths. Avoidable deaths linked to clinical care can be addressed by improving clinical skills through workshops and training.

Immunization coverage and measles immunization coverage at less than one year have both increased significantly. Immunization coverage was 79.1% in 2008/09 and increased to 87.8% in 2009/10 and measles immunization coverage increased from 81% in 2016/2017 to 90.7% in 2020/2021.

## C.7.22. Nation Building & Social Cohesion

The KZN Department of Sport and Recreation has a clear vision, mission and goals in place in the Sports and Recreation Policy for the province. The mission of the Department is to “promote sport and recreation and ensure mass participation and delivery in the province with a view to enhancing community life through sport and play”. In terms of this mission the goals of the department include:

- To promote participation in sport and recreation.
- To ensure that sport is placed at the forefront of efforts to enhance economic development and reduce levels of crime and disease.

- To ensure gender equity in sport and recreation activities.
- To ensure redress in the provision of sport and recreation facilities.
- To promote indigenous or traditional sport and games.

To give meaning to this vision, the municipality has identified the need to provide sport and recreational facilities in various areas within the municipality. The municipality identified and prioritized areas that require these facilities as part of the previous IDP. However, minimal progress has been made; the Department has thus far funded the construction of two sports facilities and one recreational facility. However, backlogs are prevalent, with at least 60% of the community having no access to sport and recreation facilities. In the previous financial years, the municipality completed construction of 2 sports facilities KwaChili and Padianagar Combo court thus making steady progress.

#### **C.7.22.1. Mandeni Safety Plan**

The establishment of Community Safety Structures is very important in all municipalities to fulfill the vision of the Community Safety and Liaison and that of the Municipality Department, which is to ensure the people of KwaZulu- Natal, in particular Mandeni, live in a safe and secure environment. Therefore, involvement of the Mandeni community in safety is crucial in assisting the local police and other law enforcement agencies curb the increase of crime in Mandeni.

In April 2018 Mandeni local municipality in partnership with the Department of Community Safety and Liaison launched the community safety structure program. The aim of the program was to combine, organize and facilitate safety risk management in conjunction with SAPS and the municipality. The program further seeks to strengthen safety; strengthen security systems; and lastly to ensure Intergovernmental Relations is sustained with all affected and related government departments.

#### **C.7.22.2. Key objectives and deliverables of the safety plan**

- To build relationship between different community, safety structures and the community.
- To promote community and stakeholder partnership in building a united front against crime.
- To mobilize the community against crime at Mandeni.

#### **C.7.22.3. Key stakeholders involved**

- Voting District Safety Committees
- Community Policing Forum and Youth Desk Members from each police station in the municipal jurisdiction namely Sundumbili, Nyoni, Mandeni and Newark  
Community Policing Forum coordinators
- Community Policing Forum Cluster Member
- Cluster commander and station commanders
- Ward Committees from each electoral ward Volunteers

#### **C.7.22.4. Sector department also involved**

- COGTA
- Dept. JUSTICE
- South African LIQUOR AUTHORITY
- HOME AFFAIRS
- CORRECTIONAL SERVICES
- Santaco/Sundumbili Taxi Association
- Macambini, Nembe, Uhwebede Taxi Association
- Nyoni Taxi Association

#### C.7.22.5. Schools Safety Committees

Each School Governing Body has established a School Safety Committee (SSC) as a sub-committee. The SSC is composed of the SGB Chairperson; Representative for Educators; Representatives for Learners; SAPS Representative; CPF Representative; Community Crime Prevention Association Representative; Representative of Local Councilors; Representative of Ward Committee; Representative of Local Business; Safety Representative of the school designated in terms of section 17(1) of the Occupational to the business of the SCC. The SAPS participation and the functioning in the SSCs is monitored by the Department and the participation of local government is ensured through the Dept. of COGTA Traditional Support division of the iLembe District. Due to the higher incidence of crime in certain areas, the schools within those areas are prioritized.

#### C.7.22.6. Formation of Ward Safety Committees

There are 18 wards in Mandeni. Linked to each ward are democratically elected ward committees. Each ward committee comprises of 10 members. A ward councilor, who is responsible for championing the needs of the respective ward, leads each ward committee and each ward has a safety representative who is responsible for all safety related matters.

Each ward councilor is responsible for the convening of ward meetings where ward safety crime issues are tabled and discussed. The ward councilors are responsible for electing and submitting full particulars of the elected ward safety members. The collation of this information is usually finalized within a period of seven days after the election date.

#### C.7.22.7. Formation of Local Municipal Safety Forums

All safety representatives from the ward committees shall form part of the Local Municipal Safety Forum, which sits on quarterly basis, under the community services and public safety Directorate. The reporting of this structure is further tabled at Community services Portfolio, followed by EXCO and lastly council of the municipality. These are all the municipal council structures the committee reports to.

#### C.7.22.8. Formation of District Municipal Safety Forums

The District Municipal Safety Forums will be formed at District Municipal level and shall consist of the safety representatives of the municipal executive committee members. The Executive committee member of each local Municipality in the iLembe family, the district representatives of organizations are responsible for the convening of the district meetings.

## C.8. Financial viability & management

### C.8.1. Capital Funding

#### 8.1.1. 3-year Analysis on Capital Funding

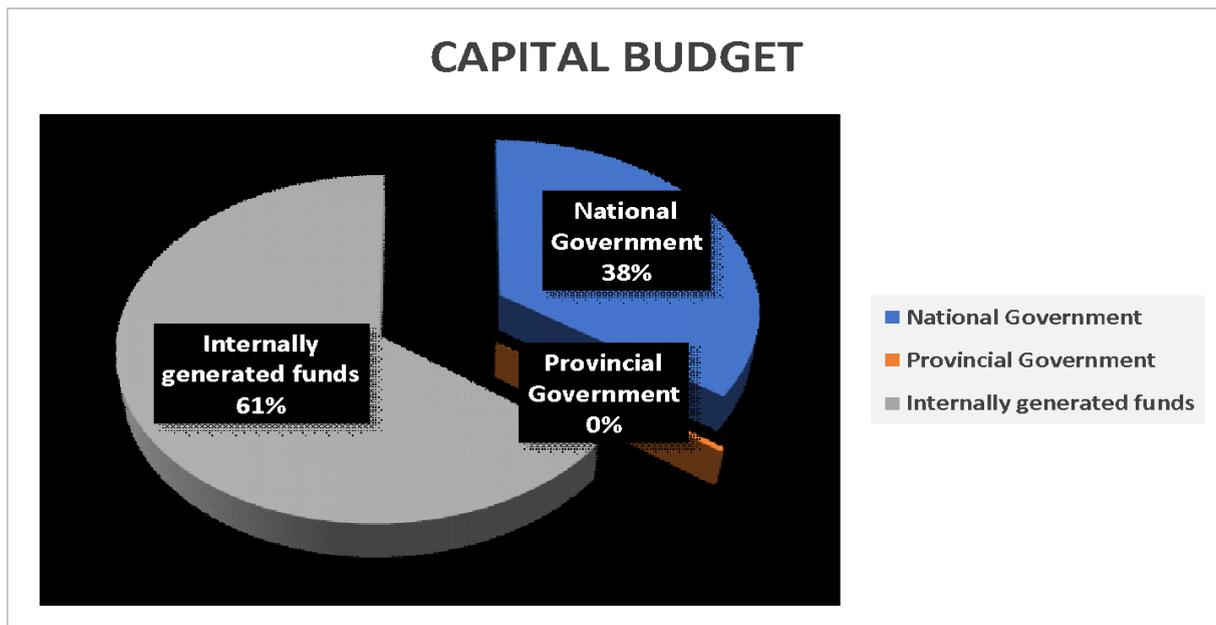
The following table is a breakdown of the funding composition of the 2023/24 medium-term capital programme:

Table 32 Sources of Capital revenue over the MTREF

KZN291 Mandeni - Table A5 Capital Expenditure									
Vote Description	ReCurrent Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework							
		Adjusted Budget	Full Year Forecast	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
R thousand	1								
<b>Funded by:</b>									
National Government		33,702	38.89	55,119	38.29	35,933	100.00	37,466	100.00
Provincial Government		278	0.32	478	0.33	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>33,980</b>	<b>0</b>	<b>55,598</b>		<b>35,933</b>		<b>37,466</b>	
<b>Borrowing</b>	6	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>		<b>-</b>	
<b>Internally generated funds</b>	7	<b>52,686</b>	<b>60.79</b>	<b>88,347</b>	<b>61.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Funding</b>		<b>86,666</b>	<b>100%</b>	<b>143,945</b>	<b>100%</b>	<b>35,933</b>	<b>100%</b>	<b>37,466</b>	<b>100%</b>

The above table is graphically represented as follows for the 2023/24 financial year.

Figure: Sources of capital revenue for the 2023/24 financial year



Capital grants and receipts equates to 38.2 per cent of the total funding source which represents R42.0 million for the 2023/24 financial year and steadily decreases to 37.5 million or 100 per cent by 2023/24. Decrease relating to grant receipts is 4.6 million and 10.9 per cent over the medium-term.

C.8.1.2. 3- Year Receipts

Table SA 18 - Capital transfers and grant receipts

KZN291 Mandeni - Supporting Table SA18 Transfers and grant receipts										
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		<b>181,862</b>	<b>192,581</b>	<b>201,955</b>	<b>226,202</b>	<b>226,202</b>	<b>226,202</b>	<b>244,496</b>	<b>268,808</b>	<b>268,782</b>
Local Government Equitable Share		167,483	181,342	191,149	212,818	212,818	212,818	230,823	250,161	249,287
Integrated National Electrification		9,500	6,506	4,872	7,200	7,200	7,200	7,384	14,622	15,277
EPWP Incentive		2,234	2,387	2,435	2,372	2,372	2,372	2,553		
Finance Management		1,900	2,346	1,850	1,850	1,850	1,850	1,850	1,850	1,950
Municipal Infrastructure Grant				1,649	1,962	1,962	1,962	1,886	2,175	2,268
Disaster Relief Grant COVID 19		745								
Other transfers/grants [insert description]										
<b>Provincial Government:</b>		<b>2,493</b>	<b>6,219</b>	<b>54,847</b>	<b>20,005</b>	<b>9,387</b>	<b>9,387</b>	<b>4,863</b>	<b>4,618</b>	<b>4,825</b>
Community Library Services Grant		1,228	6,219	4,214	1,477	1,477	1,477	1,477	1,542	1,611
Provincialization of Government		515			2,566	1,910	1,910	2,396	3,076	3,214
Municipal Employment Initiative					1,000	1,000	1,000			
Human Settlement				50,633	14,962	-	-			
Spetial Development Framework S		750						990	-	-
Non Revenue Electricity										
Massification Grant						5,000	5,000			
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]										
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	<b>184,355</b>	<b>198,800</b>	<b>256,802</b>	<b>246,207</b>	<b>235,589</b>	<b>235,589</b>	<b>249,359</b>	<b>273,426</b>	<b>273,607</b>
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		<b>33,954</b>	<b>41,647</b>	<b>42,300</b>	<b>38,082</b>	<b>38,082</b>	<b>38,082</b>	<b>47,831</b>	<b>41,323</b>	<b>43,086</b>
Municipal Infrastructure Grant (MIG)		33,954	41,647	42,300	38,082	38,082	38,082	47,831	41,323	43,086
Other capital transfers/grants [insert desc]										
<b>Provincial Government:</b>		<b>1,131</b>	<b>2,990</b>	<b>-</b>	<b>380</b>	<b>1,036</b>	<b>1,036</b>	<b>550</b>	<b>-</b>	<b>-</b>
Provincialization of Libraries		1,131	2,990		380	1,036	1,036	550		
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]										
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	<b>35,085</b>	<b>44,637</b>	<b>42,300</b>	<b>38,462</b>	<b>39,118</b>	<b>39,118</b>	<b>48,381</b>	<b>41,323</b>	<b>43,086</b>
<b>TOTAL RECEIPTS OF TRANSFERS</b>		<b>219,440</b>	<b>243,437</b>	<b>299,102</b>	<b>284,669</b>	<b>274,707</b>	<b>274,707</b>	<b>297,740</b>	<b>314,749</b>	<b>316,693</b>

### C.8.1.3. 3-Year Expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

#### Summary of operating expenditure by standard classification item

KZN291 Mandeni - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	Re:	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Expenditure</b>										
Employee related costs	2	99,700	109,396	107,713	124,828	124,828	124,828	141,420	142,112	148,944
Remuneration of councillors		13,249	13,528	13,798	14,682	14,682	14,682	15,460	16,647	16,980
Bulk purchases - electricity	2	26,098	28,816	36,575	33,950	39,050	39,050	43,603	43,659	45,667
Inventory consumed	8	1,908	2,139	1,424	3,987	5,093	5,093	7,411	7,468	7,967
Debt impairment	3	-	-	-	35,798	35,798	35,798	37,303	39,130	40,970
Depreciation and amortisation		30,298	31,848	35,256	33,747	33,747	33,747	35,534	37,276	39,028
<b>Interest</b>		919	332	58	410	410	410	100	105	110
Contracted services		34,792	47,869	50,051	63,868	64,587	64,587	64,092	66,338	69,376
Transfers and subsidies		-	1,557	-	-	-	-	-	-	-
Irrecoverable debts written off		48,224	34,245	20,430	6,750	6,750	6,750	7,500	7,868	8,237
Operational costs		30,329	30,699	39,894	43,705	45,809	45,809	48,198	50,543	59,351
Losses on disposal of Assets		740	1,501	732	-	1,000	1,000	1,500	1,574	1,647
Other Losses		-	35	176	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>286,257</b>	<b>301,966</b>	<b>306,106</b>	<b>361,725</b>	<b>371,753</b>	<b>371,753</b>	<b>402,121</b>	<b>412,719</b>	<b>438,278</b>

The budgeted allocation for employee related costs and remuneration of Councilors for the 2023/24 financial year totals R141.4 million, which equals 39.1 per cent of the total operating expenditure. An annual increase of 5.7 and 4.0 per cent has been included in the two outer years of the MTREF.

**Employee related costs** increased from R124.8 million to R141.4 million which reflects an increase of 13.3 percent. As part of the planning assumptions and interventions, increase has taken into consideration the current status of the positions filled and increase in 5.4 per cent as per salary and wage collective agreement and notch increase as per salary scale.

The municipality has also prioritized additional 26 positions that will be filled in the next financial year which contributes towards service delivery as per the approved organogram (prioritized list attached). Further to that increase has also been considered budget allocated towards provision for leave and long service bonus as per employees who will be due.

Increase in Employee related cost has taken into consideration the proposed increase of 5.4 per cent as proposed by SALGA Circular No.01/2023 for salary and wage increase for the period 1 July 2023 to 30 June 2024 per Salary Wage Collective agreement between SALGA, and we have also considered the notch increase that is affected on an annual basis according to the new salary scales as issued by SALGA.

Furthermore, the employee related costs budget has included wages for EPWP and Ingwenya Nature Reserve beneficiaries which committed a budget of R2.5 million: EPWP wages are funded from grants allocated in 2023/24 financial year as per business plan.

Retirement benefit obligation interest costs in accordance with GRAP 25 has been budgeted under employee related cost as per mSCOA reclassification with a budget of R2.8 million which has been based on prior year audited AFS. Increase in the number of positions for other municipal staff and councilors have increased from 319 to 345 with 26 prioritized positions for this current financial year.

Increase in employee related costs for 6 senior managers have increase b 1.3 per cent to R7.3 million as per COGTA upper limits of Total Remuneration Packages payable to municipal managers and managers directly accountable to municipal manager Gazette Notice No. 42023 and budgeting for performance. Further to that we have also budgeted for senior managers performance bonus at 2 percent of their annual package. Further to that it should be noted that the municipality performs headcount and payroll verification process on an annual basis once-a-year in order to identify any ghost employees.

Employee related costs and remuneration of Councilor's have been budgeted at a percentage of 39.1 percent of the total operating expenditure, which is within the norm range of 25 percent to 40 percent as per MFMA Circular No.71. **Remuneration of Councilors** has increased from R14.7 million to R15.5 million which reflects an increase of 5.3 per cent aligned with CPI. Increase in remuneration of Councilors has considered the current year's performance as per Adjustment budget 2022/23. With the mSCOA classification SDL expenditure is allocated under Other Expenditure.

Further to that two EXCO members have been budgeted for as full-time members of the Council as per agreement with COGTA. For the 2023/24 financial year this amounts to R42.5 million and increases to R44.8 million by 2024/25. While this expenditure is considered to be a non-cash flow item, it informs the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues. With the increasing debtor's book, the majority of debt is due to Ingonyama Trust and Residential Households, budget allocated has considered this debt is irrecoverable based on the historical avenues undertaken in recovering it.

The municipality has had a series of meetings with COGTA and Municipal valuer in an attempt to determine the legality of the debt charged. It has been established that indeed the Municipality has acted within its right to charge the Board however there were legislative requirements that were not adhered to in the past.

Cogta has advised us to clean our accounts and ensure that everything is in order, perform a supplementary valuation roll which will correct and reconcile the billing system against the valuation roll. After this exercise a meeting with the representatives of ITB will take place and from there we hope to get an amicable solution.

**Provision for debt impairment** will decrease in line with the decrease of Property Rates and Interest Revenue as a result of the Ingonyama Trust Board exemption. It should be noted that the (ITB) has always been provided for at 100% since they are regarded as non paying debtors. So their exemption subsequently resulted in a decline in the provision for doubtful debt, the Revenue Forgone have increased to R12.1 million.

The current outreach programme has since seen an increase in the number of people that are coming forward to apply for our indigent relief. Having considered the high rise of retrenchments as a result of the economic recession and the economic Implications of COVID 19. We anticipate that we are going to witness a rapid increase of our indigent register.

The data cleansing exercise, is indicating that at least 50 of our debtors in our debt book are deceased people, with 25 companies who are either liquidated or dissolved. The current engagements with the ITB as well might result in a possible write off. If all the above goes accordingly we anticipate a possible write off of an amount of R7.5 million for property rates and service charges.

**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 rate of asset consumption. Budget appropriations in this regard total R35.5 million for the 2023/24 financial and equates to 8.9 percent of the total operating expenditure. The implementation of the GRAP 17 accounting standard has also been considered in determining the budget for provision for depreciation. It is anticipated that some infrastructural projects will be brought into use before the end of the current financial year.

The total amount forecasted for the next financial year amounts to R35.5 million this is after taking into consideration the forecasted Capital Expenditure on various asset classes and the implication of write-offs at year-end. The amounts for movable assets such as Computer Equipment, Furniture, Machinery and Transport assets were adjusted to cater for the forecasted Capital Expenditure for the next financial year.

**Finance Charges:** Currently the municipality does not have any finance leases as the previous agreement came to an end. Budget allocated for R100 thousand has considered any interest that is charged by Eskom for late payment which forms part of fruitless and wasteful expenditure. However, the municipality has been engaging Eskom in relation to these interests as the municipality always ensures that payment is paid timeously.

The MFMA specifies that borrowing can only be utilized to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimize its interest rate costs and risk. However, for simplicity the 2023/24 MTREF assumes that all borrowings are undertaken using fixed interest rates for amortization-style loans requiring both regular principal and interest payments.

**Bulk purchases:** are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Bulk purchases have taken into consideration 18.49 per cent as proposed in NERSA guideline for 2023/24 financial year as per guideline on municipal electricity price increase. Bulk purchases have increased from 39.1 million to 43.6 million in 2023/24, which is due to proposed increase of 18.49 per cent, increase has also considered the actual consumption by Umngeni for implementation of water works and the level of demand which has been noted as increasing drastically in the six months of the financial year when comparing to the 2022/23 financial year. Further to that this item is tax levied at 15 percent of R6.5 million.

**Inventory Consumed:** For 2023/24 the appropriation against this group of expenditure has been reclassified and allocated a budget of R7.4 million and continues to grow by 27.9 percent for the two outer years of which budget allocation is in excess of R5.2 million by 2025/26.

Further to that budget allocated for inventory consumed relates to materials procured by the municipality towards repairs and maintenance which are vatable items. The municipality procures stores items which are often used by internal staff for maintenance of infrastructure which is undertaken internally.

**Contracted Services** for 2023/24 the appropriation against this group of expenditure has been decreased by 0.8 per cent (R64.1 million) and it has grown by 8.2 for the two outer years of which budget allocation is in excess of R69.4 million by 2025/26.

As part of the process of identifying further cost efficiencies, a business process reengineering project will commence in the 2023/24 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into this budget cycle and it is envisaged that additional cost savings will be implemented.

As part of the compilation of the 2022/2023 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced as the municipality is trying to reduce the outsourcing of

services. The municipality took a resolution to perform some of these contracted services internally as assessments were done and reports reflected that the municipality can be capable of delivering these services, however it was also noted that municipality is currently in no position to fully perform these services internally, such as lease of refuse truck and provision of Security Services as the municipality does not have full capacity to perform them internally.

During the compilation of the 2023/24 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality’s infrastructure and historic deferred maintenance and the weather pattern disasters especially to rural roads. Budget allocated for other materials in the 2023/24 financial year is sufficient to cover the repairs and maintenance as the budget estimate for this item has considered the repairs and maintenance plan that is annually reviewed by the municipality. This budget comprises amongst others the purchase of materials for maintenance, cleaning materials and also outsourcing services related to repairs & maintenance. In line with the Municipality’s repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the Municipality’s infrastructure.

Contracted Service	Final 2022/23	Adjustment	Final 2023/24	Budget	% Increase	Reason for movement
<b>Security Services</b>		11,097,197		11,834,496	6.6%	Increase is due to an annual increase of this service as per SLA
<b>Catering</b>		2,478,155		2,985,000	20.5%	Increase is due to planned programs and public participation events that affect communities of which catering must be provided by the municipality. Further to that it should be noted that cost containment measures have been considered for this item, however previous experiences have shown that communities participate in events where catering has been provided.
<b>Grass Cutting</b>		3,400,000		2,608,696	(23.2%)	Decrease is based on current year performance and the decision that was taken to partially insure this service by recruiting 3 permanent brush cutters in this financial year.
<b>Professional staff:</b>		13,678,265		13,496,288	(1.3%)	Decrease is due to current year’s performance and also considered expired contract and increased rate as per SLA
<b>Transportation</b>		856,250		1,535,000	79%	Increase is due to planned programs and public participation events that affect communities of which transport must be provided by the municipality.
<b>Maintenance</b>		20,385,390		16,711,308	(18%)	Decrease has been based on this current year’s performance, further to that other portion of maintenance have been budgeted under inventory.

Other expenditure comprises various line items relating to the daily operations of the municipality. Other expenditure has been increased from R45.8 million to R48.2 million with an increase of 5.2 per cent. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved, as the municipality has identified areas in which cost cutting can be implemented, without disturbing operations of the municipality. Budget allocated for this item has considered cost containment regulations that were issued on the 7<sup>th</sup> June 2020 to take effect on the 1<sup>st</sup> July 2023.

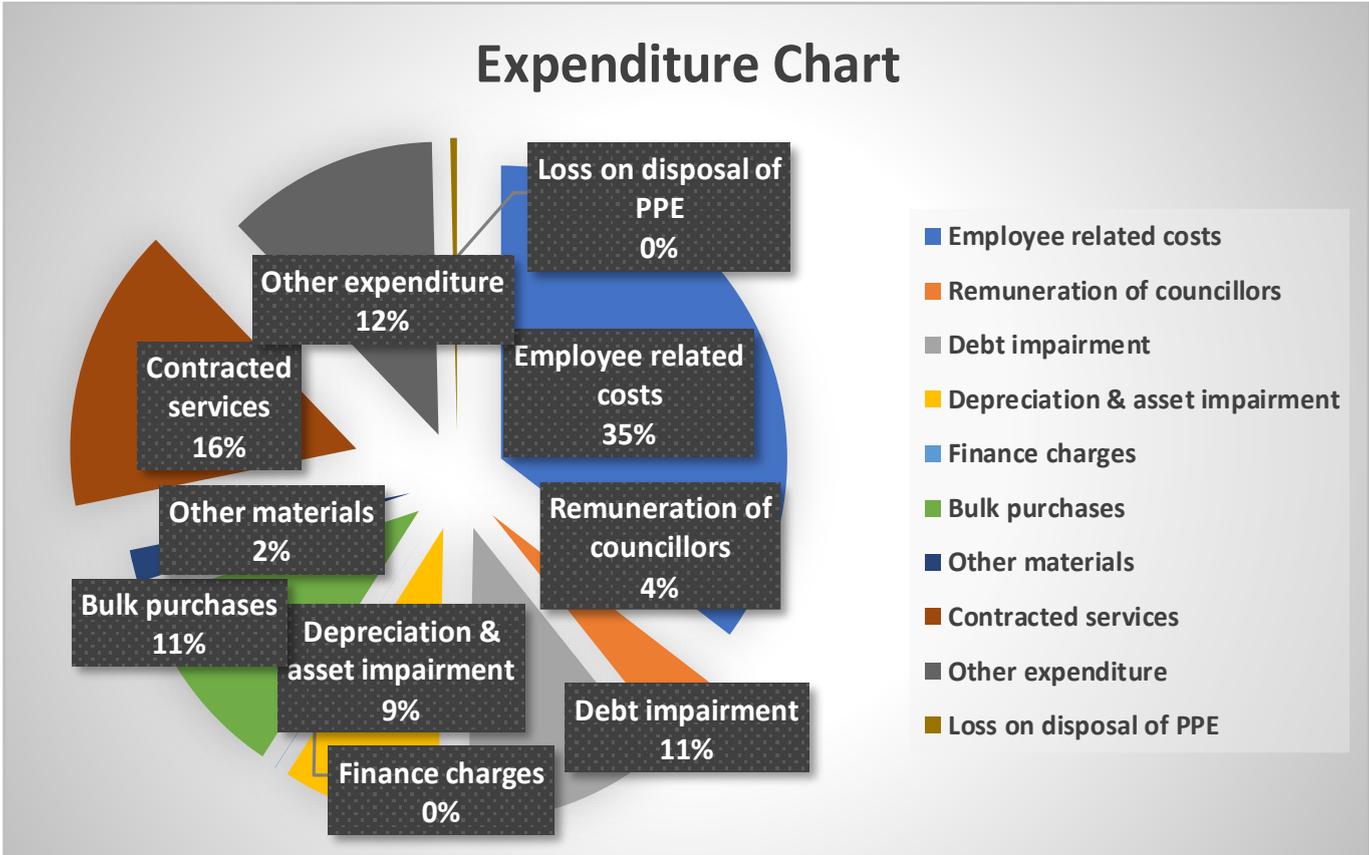
Furthermore, it should be noted that other expenditure exceeds the allocated norm of 10 per cent by 12.0 per cent, variance is due to critical operations by the municipality which needs to be prioritized as they contribute to improved service delivery, however this item will be regularly monitored so as to ensure realistic targets are met.

Other Expenditure	Final 2022/23	Adjustment	Final 2023/24	Budget	% Increase	Reason for movement
Vehicle Tracking		434 ,783		456,087	4.9%	Increase is due to an annual increase and consideration of additional number of vehicles to be procured next year.
Printing, Publication and Books		654,861		686,427	4.8%	Increase is due to current years performance and estimated increase in the market.
Municipal services		2,465,000		1,956,521	(20.6%)	Decrease is due to current years performance which has also considered increase in tariffs for municipal services.
Professional staff:		1,951,750		1,562,304	(19.9%)	Decrease has considered current years performance and percentage allocated towards SALGA levies based on budget allocated for employee related cost.
Travel and subsistence		3.440,072		2,912,434	(15.3%)	Decrease is due to performance noted in this current year and consideration of cost containment

Advertising, Publicity and Marketing: Corporate and Municipal Activities	973,088	1,582,610	62.3%	measures. Increase is due to current years performance in relation to publishing compliance related issues, recruitment process and advertised tenders
Licensing	958,055	1,119,566	16.9%	Increase has considered the number of vehicles that are renewed annually.

The municipality's operating budget shows a deficit of R28.6 and it is clear that there are financial imbalances that still need to be addressed. The imbalances are due to a failure to collect revenues, and the setting of tariff modelling that has not been fully implemented which will assist the municipality to be able not to provide service on deficit and projections of high expenditures. The municipality is working on developing a strategy that will address this deficit.

The following table gives a breakdown of the main expenditure categories for the 2023/24 financial year.



C.8.1.4. Percentage of Expenditure of Capital Budget

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 11 2023/24 Medium-term capital budget per vote

KZN291 Mandeni - Table A5 Capital Expenditure									
Vote Description	Re	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
		Adjusted Budget	%	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
R thousand	1								
<b>Single-year expenditure to be approved</b>	<b>2</b>								
Vote 1 - Executive and council		527	0.61	1,843	1.28	-	-	-	-
Vote 2 - Finance and administration		4,662	5.38	23,399	16.26	-	-	-	-
Vote 3 - Internal audit		-	-	-	-	-	-	-	-
Vote 4 - Community and social services		6,011	6.94	2,304	1.60	7,391	20.57	-	-
Vote 5 - Sport and Recreation		11,840	13.66	15,205	10.56	16,542	46.04	13,043	34.81
Vote 6 - Public safety		-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		17,006	19.62	16,435	11.42	-	-	-	-
Vote 9 - Road transport		33,009	38.09	77,200	53.63	12,000	33.40	4,858	12.97
Vote 10 - Energy sources		8,704	10.04	2,957	2.05	-	-	-	-
Vote 11 - Waste Management		4,907	5.66	4,602	3.20	-	-	19,565	52.22
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>86,666</b>	<b>100%</b>	<b>143,945</b>	<b>100%</b>	<b>35,933</b>	<b>100%</b>	<b>37,466</b>	<b>100%</b>
<b>Total Capital Expenditure - Vote</b>		<b>86,666</b>	<b>100%</b>	<b>143,945</b>	<b>100%</b>	<b>35,933</b>	<b>100%</b>	<b>37,466</b>	<b>100%</b>

For 2023/24 an amount of R69.3 million has been appropriated for the development of infrastructure which represents 48.1 per cent of the total capital budget which is the highest allocation toward capital expenditure. In the outer years this amount totals R12.0 million and decreases to R4.9 million respectively for each of the financial years. Community assets have been allocated R29.2 which represents 20.3 per cent. Other Assets have been allocated a budget of R17.1 million appropriated at 11.9 per cent. Transport, Machinery, Computer Furniture and Office equipment have been allocated R28.4 which represent 19.7 per cent.

Total new assets represent 40.7 per cent or R58.6 million of the total capital budgets while renewal of existing assets represents 12.2 per cent or R17.6 million and upgrading of existing assets equates to 47.1 per cent or R67.7 million. Capital budget funded from grants through National & Provincial Treasury equates to R55.6 million or 38.6 per cent. Budget allocated towards capital budget funded by MIG.

National Grant have been funded by MIG allocation of 95 per cent of the total allocation as 5 per cent has been allocated towards PMU.

Further to that an allocation of R15.5 million from National Cogta (Municipal Disaster Recovery Grant) has been prioritized towards refurbishment of roads.

Capital Budget funded through provincial grants through Library Grant of R478 thousand which represents 0.3 per cent of total allocated grant.

Capital funded internally equates to 61.4 per cent or R88.3 million, which has been funded from cash backed reserves from the previous year. The municipality has prioritized a budget of R27.5 million towards procuring machinery & equipment towards service delivery. Establishment of this center is one of the strategies in the revenue enhancement strategy as the municipality anticipates improving revenue collection upon completion and operation of the training center.

Furthermore, the municipality has prioritized the following projects which will be rolled over to the next financial year: Establishment of DLTC Center budget allocation of R6 million since the project is still in its progress, upgrading roofing for civic center (municipal offices) of R4.5 million.

C.8.1.5. Roll-over on Grants transfers ad expenditure

KZN291 Mandeni - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		181,862	192,581	201,955	226,202	226,202	226,202	244,496	268,808	268,782
<b>Conditions met - transferred to revenue</b>		362,979	385,162	403,910	452,404	452,404	452,404	488,992	537,616	537,564
Conditions still to be met - transferred		(181,117)	(192,581)	(201,955)	(226,202)	(226,202)	(226,202)	(244,496)	(268,808)	(268,782)
<b>Provincial Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		2,493	6,219	54,847	20,005	9,387	9,387	4,863	4,618	4,825
<b>Conditions met - transferred to revenue</b>		4,986	12,438	109,694	40,010	18,774	18,774	9,726	9,236	9,650
Conditions still to be met - transferred		(2,493)	(6,219)	(54,847)	(20,005)	(9,387)	(9,387)	(4,863)	(4,618)	(4,825)
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants received</b>		367,965	397,600	513,604	492,414	471,178	471,178	498,718	546,852	547,214
<b>Total operating transfers and grants - 2</b>		(183,610)	(198,800)	(256,802)	(246,207)	(235,589)	(235,589)	(249,359)	(273,426)	(273,607)
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		33,954	41,647	42,300	38,082	38,082	38,082	47,831	41,323	43,086
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred		33,954	41,647	42,300	38,082	38,082	38,082	47,831	41,323	43,086
<b>Provincial Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		1,131	2,990	-	380	1,036	1,036	550	-	-
Conditions still to be met - transferred		(1,131)	(2,990)	-	(380)	(1,036)	(1,036)	(550)	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts		35,085	44,637	42,300	38,462	39,118	39,118	48,381	41,323	43,086
<b>Conditions met - transferred to revenue</b>		35,085	44,637	42,300	38,462	39,118	39,118	48,381	41,323	43,086
Conditions still to be met - transferred		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants received</b>		36,216	47,627	42,300	38,842	40,154	40,154	48,931	41,323	43,086
<b>Total capital transfers and grants - 2</b>		32,823	38,657	42,300	37,702	37,046	37,046	47,281	41,323	43,086
<b>TOTAL TRANSFERS AND GRANTS RECEIVED</b>		404,181	445,227	555,904	531,256	511,332	511,332	547,649	588,175	590,300
<b>TOTAL TRANSFERS AND GRANTS - 2</b>		(150,787)	(160,143)	(214,502)	(208,505)	(198,543)	(198,543)	(202,078)	(232,103)	(230,521)

Reconciliation between of transfers, grant receipts and unspent funds

C.8.1.6. Investment Register – Grants ring fenced

The tables below provide detailed investment information and investment particulars by maturity.

Table 30 MBRR SA15 – Detail Investment Information

KZN291 Mandeni - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government Listed Corporate Bonds		19,108	54,806	167,599	74,236	207,979	207,979	123,554	134,270	130,068
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	1	<b>19,108</b>	<b>54,806</b>	<b>167,599</b>	<b>74,236</b>	<b>207,979</b>	<b>207,979</b>	<b>123,554</b>	<b>134,270</b>	<b>130,068</b>
<b>Entities</b>										
Securities - National Government Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>19,108</b>	<b>54,806</b>	<b>167,599</b>	<b>74,236</b>	<b>207,979</b>	<b>207,979</b>	<b>123,554</b>	<b>134,270</b>	<b>130,068</b>

Table 31 MBRR SA16 – Investment particulars by maturity

KZN291 Mandeni - Supporting Table SA16 Investment particulars by maturity												
Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
name of institution & investment	1	Yrs/Months										
<b>Parent municipality</b>												
Call account 1-GRANTS		12 Mnth	Call Accounts	Yes	Fixed	0.0245	30 June 2023	2,144	1,320	(120,933)	102,951	(14,518)
Call account 2 -HOUSING		12 Mnth	Call Accounts	No	Fixed	0.0245	30 June 2023	1,852	540	(350)	-	2,042
Call account 3-MIG		12 Mnth	Call Accounts	Yes	Fixed	0.0245	30 June 2023	47	21	(49,717)	49,717	68
Call account 5-TMT		12 Mnth	Call Accounts	No	Fixed	0.0245	30 June 2023	271	105	-	-	376
Call account 6-INEP		12 Mnth	Call Accounts	No	Fixed	0.0245	30 June 2023	23	-	(7,384)	7,384	23
Call account 7-AR		12 Mnth	Call Accounts	No	Fixed	0.0245	30 June 2023	3,785	854	-	-	4,639
Call account 8- Title Deed		12 Mnth	Call Accounts	No	Fixed	0.0245	30 June 2023	5,857	960	(1,500)	-	5,317
NEDBANK		12 Mnth	Investments	No	Fixed	0.5975	30 June 2023	29,000	1,200	(29,000)	-	1,200
STANDARD		12 Mnth	Investments	No	Fixed	0.0534	30 June 2023	65,000	2,500	(36,237)	20,000	51,263
NEDBANK		12 Mnth	Investments	No	Fixed	0.5313	30 June 2023	50,000	1,500	(59,855)	30,000	21,645
NEDBANK		12 Mnth	Investments	Yes	Fixed	0.0482	30 June 2023	50,000	1,500	(50,000)	50,000	51,500
												-
												-
<b>Municipality sub-total</b>								<b>207,979</b>		<b>(354,977)</b>	<b>260,052</b>	<b>123,554</b>
<b>Entities</b>												
												-
												-
												-
												-
<b>Entities sub-total</b>								<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND</b>	1							<b>207,979</b>		<b>(354,977)</b>	<b>260,052</b>	<b>123,554</b>

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R123.5 million, R134.3 million and decreases to R130.1 million in each of the financial years. This surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds

### C.8.2. Repairs & Maintenance

Aligned to the priority being given to preserving and maintaining the municipality’s current infrastructure, the 2023/24 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs & maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 9 Operational repairs and maintenance

KZN291 Mandeni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>Repairs and Maintenance by</b>	8									
Employee related costs			–	–	24,966	24,966	24,966	28,284	28,422	29,789
Inventory Consumed (Project Maintenance)		7,949	19,129	15,687	16,598	18,898	18,898	16,377	16,951	17,748
Contracted Services			–	–	12,774	12,917	12,917	12,646	13,268	13,875
Other Expenditure			–	–	–	–	–	–	–	–
<b>Total Repairs and Maintenance Expendit</b>	9	7,949	19,129	15,687	54,337	56,781	56,781	57,307	58,641	61,412
<b>Inventory Consumed</b>										
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		(980)	(864)	(348)	3,987	5,093	5,093	7,385	7,442	7,795
<b>Total Inventory Consumed &amp; Other Material</b>		<b>(980)</b>	<b>(864)</b>	<b>(348)</b>	<b>3,987</b>	<b>5,093</b>	<b>5,093</b>	<b>7,385</b>	<b>7,442</b>	<b>7,795</b>

During the compilation of the 2023/24 MTREF operational repairs and maintenance were identified as a strategic imperative owing to the aging of the municipality’s infrastructure. To this end, repairs and maintenance for roads was substantially increased by 1.3 per cent in the 2023/24 financial year, from R57.3 million to R61.4 million. The total allocation for 2023/24 equates to R57.3 million, an increase of 4 per cent in relation to the Adjustment Budget and continues to grow at 1.9 and 2.0 per cent over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises 8.1 and 4.6 per cent for the respective financial years of the MTREF.

Budget allocated towards maintenance has been based on the repairs and maintenance plan and this item will be regularly monitored so as to ensure the ongoing health of the assets. The table below provides a breakdown of the repairs and maintenance in relation to asset class:

	2021	2022
	5%	3%
Total Repairs and Maintenance Expenditure	24 696 314	19 721 432
PPE at carrying value	455 470 654	484 787 955
Investment Property at Carrying value	84 587 000	88 163 500

Table 10 Repairs and maintenance per asset class

KZN291 Mandeni - Table A9 Asset Management

Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		R thousand								
<b>EXPENDITURE OTHER ITEMS</b>		36,916	48,531	47,413	50,344	52,645	52,645	51,911	54,227	56,776
Depreciation	7	28,967	29,402	31,726	33,747	33,747	33,747	35,534	37,276	39,028
<b>Repairs and Maintenance by Asset Class</b>	3	7,949	19,129	15,687	16,598	18,898	18,898	16,377	16,951	17,748
Roads Infrastructure		2,337	4,731	4,612	6,715	7,565	7,565	5,522	5,792	6,065
Storm water Infrastructure		73	751	506	978	1,063	1,063	1,087	1,140	1,194
Electrical Infrastructure		991	1,279	2,271	3,615	2,595	2,595	2,778	2,914	3,051
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		312	223	3,002	595	1,220	1,220	609	639	669
<b>Infrastructure</b>		<b>3,713</b>	<b>6,983</b>	<b>10,392</b>	<b>11,903</b>	<b>12,443</b>	<b>12,443</b>	<b>9,996</b>	<b>10,485</b>	<b>10,978</b>
Community Facilities		245	1,118	169	233	148	148	294	308	323
Sport and Recreation Facilities		123	538	853	1,260	2,250	2,250	1,191	1,250	1,308
<b>Community Assets</b>		<b>367</b>	<b>1,656</b>	<b>1,022</b>	<b>1,493</b>	<b>2,398</b>	<b>2,398</b>	<b>1,485</b>	<b>1,558</b>	<b>1,631</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		514	347	139	228	233	233	70	73	77
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>514</b>	<b>347</b>	<b>139</b>	<b>228</b>	<b>233</b>	<b>233</b>	<b>70</b>	<b>73</b>	<b>77</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		164	-	-	-	-	-	-	-	-
Furniture and Office Equipment		103	99	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		<b>3,088</b>	<b>10,044</b>	<b>4,135</b>	<b>2,975</b>	<b>3,825</b>	<b>3,825</b>	<b>4,826</b>	<b>4,835</b>	<b>5,062</b>
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>36,916</b>	<b>48,531</b>	<b>47,413</b>	<b>50,344</b>	<b>52,645</b>	<b>52,645</b>	<b>51,911</b>	<b>54,227</b>	<b>56,776</b>
<i>Renewal and upgrading of Existing Assets</i>		87.9%	86.2%	85.9%	42.8%	35.3%	35.3%	59.3%	33.4%	13.0%
<i>Renewal and upgrading of Existing Assets</i>		772.0%	798.9%	820.4%	99.4%	90.7%	90.7%	240.2%	32.2%	12.4%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		1.6%	3.5%	2.7%	2.7%	3.0%	3.0%	2.2%	2.5%	2.6%
<i>Renewal and upgrading and R&amp;M as a % of</i>		45.7%	47.0%	48.2%	8.0%	7.9%	7.9%	13.7%	4.3%	3.3%

For the 2023/24 financial year 64.4 per cent or R12.5 million of total repairs and maintenance will be spent on infrastructure assets. Infrastructure assets and Machinery & equipment have been allocated R5.0 million of total repairs and maintenance equating to 25.9 per cent, Community assets have been allocated R1.6 million of total repairs and maintenance equating to 8.4 per cent.

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 50 MBRR SA34C

Table 50 MBRR SA34c - Repairs and maintenance expenditure by asset class

KZN 291 Mandeni - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>3,713</b>	<b>6,983</b>	<b>10,392</b>	<b>11,903</b>	<b>12,443</b>	<b>12,443</b>	<b>9,996</b>	<b>10,485</b>	<b>10,978</b>
Roads Infrastructure		2,337	4,731	4,612	6,715	7,565	7,565	5,522	5,792	6,065
Roads		2,337	4,464	4,585	6,333	7,183	7,183	5,130	5,382	5,635
Road Structures		—	241	28	255	255	255	261	274	287
Road Furniture		—	26	—	128	128	128	130	137	143
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		73	751	506	978	1,063	1,063	1,087	1,140	1,194
Drainage Collection		73	653	506	978	1,063	1,063	1,087	1,140	1,194
Storm water Conveyance		—	98	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		991	1,279	2,271	3,615	2,595	2,595	2,778	2,914	3,051
Power Plants		2	27	99	170	170	170	61	64	67
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		449	41	268	1,700	680	680	1,304	1,368	1,433
MV Substations		0	6	20	50	50	50	65	68	72
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		24	27	85	170	170	170	87	91	96
LV Networks		291	310	463	675	675	675	609	639	669
Capital Spares		225	868	1,336	850	850	850	652	684	716
Information and Communication Infra		312	223	3,002	595	1,220	1,220	609	639	669
Data Centres		0	—	—	—	—	—	—	—	—
Core Layers		312	223	3,002	595	1,220	1,220	609	639	669
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		<b>367</b>	<b>1,656</b>	<b>1,022</b>	<b>1,493</b>	<b>2,398</b>	<b>2,398</b>	<b>1,485</b>	<b>1,558</b>	<b>1,631</b>
Community Facilities		245	1,118	169	233	148	148	294	308	323
Halls		—	—	—	—	—	—	120	126	132
Centres		—	816	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		245	213	169	20	20	20	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		—	89	—	128	128	128	174	182	191
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	85	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		123	538	853	1,260	2,250	2,250	1,191	1,250	1,308
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		123	538	853	1,260	2,250	2,250	1,191	1,250	1,308
Capital Spares		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		<b>514</b>	<b>347</b>	<b>139</b>	<b>228</b>	<b>233</b>	<b>233</b>	<b>70</b>	<b>73</b>	<b>77</b>
Operational Buildings		514	347	139	228	233	233	70	73	77
Municipal Offices		514	347	139	228	233	233	70	73	77
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
<b>Computer Equipment</b>		<b>164</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Computer Equipment		164	—	—	—	—	—	—	—	—
<b>Furniture and Office Equipment</b>		<b>103</b>	<b>99</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Furniture and Office Equipment		103	99	—	—	—	—	—	—	—
<b>Machinery and Equipment</b>		<b>3,088</b>	<b>10,044</b>	<b>4,135</b>	<b>2,975</b>	<b>3,825</b>	<b>3,825</b>	<b>4,826</b>	<b>4,835</b>	<b>5,062</b>
Machinery and Equipment		3,088	10,044	4,135	2,975	3,825	3,825	4,826	4,835	5,062
<b>Transport Assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Transport Assets		—	—	—	—	—	—	—	—	—
<b>Total Repairs and Maintenance Ex</b>	<b>1</b>	<b>7,949</b>	<b>19,129</b>	<b>15,687</b>	<b>16,598</b>	<b>18,898</b>	<b>18,898</b>	<b>16,377</b>	<b>16,951</b>	<b>17,748</b>
<b>R&amp;Mas a % of PPE &amp; Investment P</b>		<b>1.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>R&amp;Mas % Operating Expenditure</b>		<b>2.8%</b>	<b>6.3%</b>	<b>5.1%</b>	<b>4.6%</b>	<b>5.1%</b>	<b>5.1%</b>	<b>5.7%</b>	<b>4.2%</b>	<b>4.3%</b>

#### C.8.2.1. Asset renewal/rehabilitation expenditure level

This measure has a similar objective to the aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a renewal/rehabilitation project. The objective is to summaries and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

Further details in this regard are contained in Table 49 MBRR SA34b:



Table 49 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

KZN291 Mandeni - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>75,378</b>	<b>80,165</b>	<b>89,384</b>	-	-	-	<b>16,739</b>	<b>7,391</b>	-
Roads Infrastructure		54,902	59,506	67,072	-	-	-	12,391	7,391	-
Roads		2,645	2,645	2,160	-	-	-	12,391	7,391	-
Road Structures		38,326	42,059	46,707	-	-	-	-	-	-
Road Furniture		13,931	14,902	16,205	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	4,348	-	-
Drainage Collection		-	-	-	-	-	-	4,348	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		20,476	20,659	22,312	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		14,604	14,604	15,362	-	-	-	-	-	-
LV Networks		5,871	5,955	6,950	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>45,964</b>	<b>43,387</b>	<b>45,124</b>	<b>1,700</b>	-	-	<b>870</b>	-	-
Community Facilities		43,506	40,928	42,666	1,700	-	-	870	-	-
Halls		14,409	14,409	14,409	-	-	-	-	-	-
Centres		21,158	17,959	17,959	-	-	-	-	-	-
Crestes		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		5,165	5,787	7,524	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		507	507	507	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		2,266	2,266	2,266	1,700	-	-	870	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		2,459	2,459	2,459	-	-	-	-	-	-
Indoor Facilities		2,459	2,459	2,459	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>5,309</b>	<b>5,412</b>	<b>6,549</b>	-	-	-	-	-	-
Computer Equipment		5,309	5,412	6,549	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		<b>6,328</b>	<b>7,220</b>	<b>7,894</b>	-	-	-	-	-	-
Furniture and Office Equipment		6,328	7,220	7,894	-	-	-	-	-	-
<b>Machinery and Equipment</b>		<b>12,282</b>	<b>16,190</b>	<b>20,819</b>	-	-	-	-	-	-
Machinery and Equipment		12,282	16,190	20,819	-	-	-	-	-	-
<b>Transport Assets</b>		<b>16,565</b>	<b>20,115</b>	<b>27,543</b>	-	-	-	-	-	-
Transport Assets		16,565	20,115	27,543	-	-	-	-	-	-
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Anir</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Zoo's, Marine and Non-biological Anir		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal</b>	<b>1</b>	<b>161,826</b>	<b>172,489</b>	<b>197,313</b>	<b>1,700</b>	<b>-</b>	<b>-</b>	<b>17,609</b>	<b>7,391</b>	<b>-</b>
<b>Renewal of Existing Assets as % of d</b>		<b>63.6%</b>	<b>63.3%</b>	<b>65.1%</b>	<b>2.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>12.2%</b>	<b>20.6%</b>	<b>0.0%</b>
<b>Renewal of Existing Assets as % of d</b>		<b>558.7%</b>	<b>586.7%</b>	<b>621.9%</b>	<b>5.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>49.6%</b>	<b>19.8%</b>	<b>0.0%</b>

C.8.2.2. Future Implications on budget

Table 51 MBRR SA35 - Future financial implications of the capital budget

<b>KZN291 Mandeni - Supporting Table SA35 Future financial implications of the capital budget</b>								
Vote Description	Re	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			Present value
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Executive and council		1,843	–	–				
Vote 2 - Finance and administration		23,399	–	–				
Vote 3 - Internal audit		–	–	–				
Vote 4 - Community and social services		2,304	7,391	–				
Vote 5 - Sport and Recreation		15,205	16,542	13,043	13,565	14,108	14,672	15,259
Vote 6 - Public safety		–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–
Vote 8 - Planning and Development		16,435	–	–	–	–	–	–
Vote 9 - Road transport		77,200	12,000	4,858	5,052	5,254	5,464	5,683
Vote 10 - Energy sources		2,957	–	–	–	–	–	–
Vote 11 - Waste Management		4,602	–	19,565	20,348	21,162	22,008	22,889
Vote 12 - Environmental Protection		–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>143,945</b>	<b>35,933</b>	<b>37,466</b>	<b>38,965</b>	<b>40,524</b>	<b>42,145</b>	<b>43,830</b>
<b>Future operational costs by vote</b>	2							
Vote 1 - Executive and council		62,978	66,487	69,169	71,935	74,813	77,805	80,918
Vote 2 - Finance and administration		140,181	146,740	166,771	173,442	180,379	187,595	195,098
Vote 3 - Internal audit		–	–	–	–	–	–	–
Vote 4 - Community and social services		32,005	29,477	32,192	33,479	34,818	36,211	37,660
Vote 5 - Sport and Recreation		9,468	7,065	7,397	7,693	8,000	8,320	8,653
Vote 6 - Public safety		1,223	1,055	1,105	1,149	1,195	1,242	1,292
Vote 7 - Housing		20	20	20	21	22	22	23
Vote 8 - Planning and Development		22,368	23,782	25,049	26,051	27,093	28,177	29,304
Vote 9 - Road transport		59,100	61,996	59,044	61,405	63,861	66,416	69,073
Vote 10 - Energy sources		55,216	55,734	56,212	58,460	60,799	63,231	65,760
Vote 11 - Waste Management		15,631	16,240	17,003	17,683	18,391	19,126	19,892
Vote 12 - Environmental Protection		3,931	4,124	4,317	4,490	4,670	4,856	5,051
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		<b>402,121</b>	<b>412,719</b>	<b>438,278</b>	<b>455,809</b>	<b>474,041</b>	<b>493,003</b>	<b>512,723</b>
<b>Future revenue by source</b>	3							
Exchange Revenue		59,329	60,779	62,237	64,727	67,316	70,008	72,809
Service charges - Electricity		52,613	55,191	57,785	60,096	62,500	65,000	67,600
Service charges - Water		–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–
Service charges - Waste Management		11,044	11,445	11,983	12,463	12,961	13,480	14,019
Agency services		–	–	–	–	–	–	–
<i>List other revenues sources if applicable</i>		17,408	18,254	19,134	19,899	20,695	21,523	22,384
<i>Transfers and subsidies</i>		241,975	258,804	258,192	268,519	279,260	290,431	302,048
<b>Total future revenue</b>		<b>382,369</b>	<b>404,472</b>	<b>409,330</b>	<b>425,704</b>	<b>442,732</b>	<b>460,441</b>	<b>478,859</b>
<b>Net Financial Implications</b>		<b>163,696</b>	<b>44,180</b>	<b>66,414</b>	<b>69,070</b>	<b>71,833</b>	<b>74,706</b>	<b>77,695</b>

C.8.2.3. Collection Rate and capacity

Table 18 MBRR Table A7 - Budgeted Cash Flow Statement

KZN291 Mandeni - Table A7 Budgeted Cash Flows										
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		1,828	1,828	1,828	24,440	21,996	21,996	47,464	60,779	62,237
Service charges		1,666	1,666	1,669	44,540	44,040	44,040	58,467	76,504	80,100
Other revenue		310	4,485	69,618	34,355	18,443	18,443	3,414	3,586	3,755
Transfers and Subsidies - Operat	1	58,593	286,604	545,726	246,207	235,589	235,589	249,359	273,426	273,469
Transfers and Subsidies - Capita	1	15,837	50,556	96,109	38,462	56,346	56,346	48,381	41,323	43,086
Interest		-	798	4,267	5,775	19,275	19,275	10,500	11,004	11,543
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(16,317)	(18,740)	(15,964)	(320,095)	(335,528)	(335,528)	(330,315)	(330,030)	(352,532)
Interest		-	-	-	(410)	(410)	(410)	(100)	(105)	(110)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERAT</b>		<b>61,917</b>	<b>327,197</b>	<b>703,251</b>	<b>73,274</b>	<b>59,752</b>	<b>59,752</b>	<b>87,171</b>	<b>136,487</b>	<b>121,548</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current re		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current in		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		-	-	-	72,359	102,568	102,568	(165,536)	(41,323)	(43,086)
<b>NET CASH FROM/(USED) INVESTIN</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>72,359</b>	<b>102,568</b>	<b>102,568</b>	<b>(165,536)</b>	<b>(41,323)</b>	<b>(43,086)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCIN</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN C.</b>		<b>61,917</b>	<b>327,197</b>	<b>703,251</b>	<b>145,634</b>	<b>162,320</b>	<b>162,320</b>	<b>(78,365)</b>	<b>95,164</b>	<b>78,462</b>
Cash/cash equivalents at the year 2		-	-	-	-	-	-	207,979	129,614	224,778
Cash/cash equivalents at the year 2		<b>61,917</b>	<b>327,197</b>	<b>703,251</b>	<b>145,634</b>	<b>162,320</b>	<b>162,320</b>	<b>129,614</b>	<b>224,778</b>	<b>303,240</b>

Revenue

1. Service Charges: Refuse has budgeted to collect R4.2 million or 40 per cent of the refuse billing, the assumed collection rate is based on the actual performance in this current financial year also we have considered the actual collection as per the audited AFS 2021/22 FY, the municipality have noted the low collection rate of the previous year's however due to additional properties that were previously not billed we anticipate to improve in this service. Collection rate of R4.2 million has been calculated from budget inclusive of VAT at R10.5 million since this item levies tax
2. Rental of facilities and equipment the municipality anticipates a 100 percent collection rate at R221 thousand inclusive of VAT at 15 %as rentals are collected prior to the event and lease of municipal properties. Budget allocated of R221 thousand does not agree with A4 of R192 thousand due to VAT levied on this item.
3. Interest earned on External Investments has assumed a collection rate of 100% R10.5 million based on the interest to be generated on the call accounts on grants to be transferred as publicized.
4. Interest on outstanding debtors a collection rate of 2 per cent at R75 thousand has been applied, taking into consideration the implementation of prepaid system for electricity as the consumers are expected to clear the accounts before they convert to prepaid metering system.

5. Fines, Penalties and forfeits a collection rate of 5 per cent at R60 thousand has been applied, as we have taken into consideration the current year performance and also the municipality acknowledges that it recognizes its monthly receipts on cash basis and only considers treatment of iGRAP 1 at year end, however controls will be improved between the public safety department and finance so as to ensure that we accurately report for this item.
6. Fines for overdue books (library) have applied a collection rate of 100 per cent at R10 thousand.
7. Licenses and permits a 100 percent collection rate at R848 thousand has been applied due to their actual performance and performance of the business licenses and traffic department.
8. Other Revenue has budgeted to collect 100 percent at R1.1 million of all other revenue sources, as these sources are collected prior the item is undertaken.
9. Transfers & Subsidies have been recognized at 100 percent R249.4 million (operational) and R48.4 million (capital). Transfers and subsidized cash flow have included the INEP Allocation of R7.3 million this allocation has been budgeted for and included in cash flow due to their agreement as the municipality serves as an agent in their regard as per GRAP 109.

#### C.8.2.3.1. Collection Rate for Revenue Services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (68 per cent) of annual billings for property rates. Cash flow is assumed to be 68 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored. Service Charges on electricity and refuse removal are billed simultaneously, therefore an average collection rate of 68% is assumed for service charges due to controls that are in place as per the credit control policy.

#### C.8.2.3.2. Growth Or Decline In Tax Base Of The Municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate. Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

### C.8.3. Supply Chain Evaluation – Implementation

Section 115 of the MFMA requires the Accounting Officer to implement the Supply Chain Management Policy of the Municipality. Section 79(1) of the MFMA enables the Accounting Officer to develop a system of delegation to ensure SCM efficiency. The delegations framework is a framework which attempts to improve SCM efficiency. The SCM Section has been tasked with monitoring supply chain performance which includes the delegations and decentralization of the SCM function. This monitoring process undertook a retrospective analysis to determine, whether the proper processes have been followed, and whether the desired objectives were achieved. Some of the issues that have been reviewed are:

- Compliance to Council’s SCM Policy objectives;
- whether supply chain practices are consistent with Government’s broader policy focus;
- whether there are means to improve the system.

In terms of Section 15 (d)(i) of the MFMA. Requiring monthly reconciliation reports from each manager to the chief financial officer, including the total amount of Petty Cash purchases for that month and the receipt and appropriate documents for each purchase.

The Council delegated all powers and duties of the SCM processes to the Municipal Manager which are necessary to enable the Municipal Manager to maximize administrative and operational efficiency in the implementation of the SCM Policy.

The management takes into cognisance the requirements of the policy and SCM regulations. Management strives to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favoritism and unfair and irregular practices in the implementation of this Policy.

In order to be in line with the provision of the SCM regulations, the quotations must be obtained from at least three or more different providers preferably from, but not limited to, providers whose name appears on the list of accredited prospective providers of the municipality or municipal entity, provided that if quotation are obtained from providers who are not blacklisted. The service provider must be requested to submit the quotation in writing. If it is not possible to obtain at least three quotations, the reasons must be recorded and reported to the accounting officer.

This must always be observed to ensure that the process is cost effective, transparent, competitive, fair and equitable.

1. Orders between R30 000 – R200 000 – **R 6 640 375.30** as at January 2023
  - a. **R 3 233 134.52** which equates to 48.7% awarded to youth-owned businesses
  - b. **R 1 668 628.80** which equates to 25.12% awarded to women-owned businesses
2. Orders Less Than R30 000.00 – **R 133 401.30** for the month of January 2023
  - a. **R 62 210.00** which equates to 47% awarded to youth-owned businesses
  - b. **R 27 281.80** which equates to 20.45% awarded to women-owned businesses
3. Petty Cash – **R 0.00** for the month of January 2023
4. No bids were awarded in the month of January 2023

#### C.8.3.1. Deviation from And Ratification Of Minor Breaches Of Procurement Processes

In terms of regulation 36 of the SCM Regulations, the accounting officer is responsible for deciding whether a breach of procurement processes is minor or material. In exercising this discretion, the accounting officer must be guided by:

- a) the specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?
- b) the circumstance surrounding the breach: are the circumstances justifiable?
- c) the intent of those responsible for the breach: were they acting in good faith?
- d) the financial implication because of the breach: what was the extent of the loss or benefit?

The guidelines state; whether the resultant expenditure will be irregular is dependent on when the minor breach was identified. If the minor breach was identified before the award of the tender, such an instance should be dealt with purely as a non-compliance matter through the ratification of a minor breach process. There will be no irregular expenditure since no expenditure had been incurred up to that point in time and the accounting officer will be authorized to address the matter conclusively.

We would like to confirm that all reasonable steps have been considered before reported to the Accounting Officer as deviations. The relevant documentation supporting this decision is all maintained for audit purposes. Considering the deviation register there are no expenditure or service procured that may amount to a potential for risk to the municipality that all deviations were purely of a technical nature.

**MANDENI MUNICIPALITY  
SUPPLY CHAIN MANAGEMENT - DEVIATION REGISTER**

No	Date identified	Date reported to Mayor	Reasons for Deviation	Payment Status	Payment no./EFT no/ Cheque No.	Supplier	Responsible Department	Amount
1	22/07/2022	24-Aug-22	Sole provider -Taxis to transport people to Mayor's interactive sessions. Mandeni and Sundumbili Taxi Association agreed to use Maphingwana Trading to procure transportation services. SCM Reg 36(1)(a)(i)	PAID	EP0017878	Maphingwana Trading CC	MM	R 26 000.00
2	24/08/2022	28-Sep-22	Municipality has been tasked to find alternative and urgent accommodation for a family ; following a visit from the Human Rights Commission . The municipality has to conduct remedial work on identified property to bring it to a habitable solitate within a very limited and restrictive deadline . The SCM processes of advertising for 7 days cannot be followed due to the urgency of matter. SCM Reg 36(a)(i)	PAID	EP0018233	Asah and Emih Trading and Projects	EDP	R 49 100.00
3	03/10/2022	22-Nov-22	Sole provider -Taxis to transport players to ECD Games . Mandeni and Sundumbili Taxi Association has now changed the company , it has agreed to use Gasolo and	PAID	EP0018205	Gasolo and Masina Pty Ltd	MM	R 18 000.00

			Masina Pty Ltd instead of Maphingwana Trading to procure transportation services . SCM Reg 36(1)(a)(i)					
4	03/10/2022	22-Nov-22	Sole provider -Taxis to transport maidens to Enyokeni , Nongoma for annual Reed Dance . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018205	Gasolo and Masina Pty Ltd	MM	R 112 500.00
5	14/10/2022	22-Nov-22	Sole provider -Taxis to transport PWD athletes for local selections at KwaNgcededomhlophe Stadium . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018281	Gasolo and Masina Pty Ltd	MM	R 15 750.00
6	14/10/2022	22-Nov-22	Sole provider -Taxis to transport widows and single female parents attending women's day . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018281	Gasolo and Masina Pty Ltd	MM	R 6 000.00
7	28/10/2022	22-Nov-22	Sole provider -Taxis to transport learners from different wards for Arbor Day at Sbusisiwe Hall . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure	PAID	EP0018313	Gasolo and Masina Pty Ltd	COMM	R 45 000.00

			transportation services . SCM Reg 36(1)(a)(i)					
8	28/10/2022	22-Nov-22	Sole provider -Taxis to transport players for Ilembe Boxing Tournament at Maphumulo. Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018313	Gasolo and Masina Pty Ltd	MM	R 5 000.00
9	31/10/2022	22-Nov-22	Sole provider -Taxis to transport Soccer players to Newcastle for SAB Nedbank Playoffs . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018335	Gasolo and Masina Pty Ltd	MM	R 24 000.00
10	01/12/2022	23-Feb-23	Sole provider -Taxis to transport public for different IDP Meetings . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP018514	Gasolo and Masina Pty Ltd	MM	R 155 000.00
11	02/12/2022	23-Feb-23	Sole provider -Taxis to transport Soccer players to Newcastle for SAB Nedbank Playoffs . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP018518	Gasolo and Masina Pty Ltd	MM	R 10 000.00

12	19/12/2022	23-Feb-23	Sole provider -Taxis to transport Soccer players to Newcastle for SAB Nedbank Playoffs . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP018599	Gasolo and Masina Pty Ltd	MM	R	19 800.00
	09/02/2023	24-Mar-23	Sole provider -Taxis to transport to Eshowe Magistrate Court for family attending court cases . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018721	Gasolo and Masina Pty Ltd	MM	R	13 000.00
	09/02/2023	24-Mar-23	Sole provider -Taxis to transport public for Zulu Monarch coronation in Durban . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP0018721	Gasolo and Masina Pty Ltd	MM	R	96 000.00
13	01/03/2023	24-Mar-23	Sole provider -Taxis to transport participants for Film Shooting around Mandeni. Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP018802	Gasolo and Masina Pty Ltd	MM	R	30 000.00
14	02/03/2023	24-Mar-23	Sole provider -Taxis to transport girls from different wards for Teenage Pregnancy Awareness . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure	PAID	EP018788	Gasolo and Masina Pty Ltd	MM	R	35 000.00

			transportation services . SCM Reg 36(1)(a)(i)					
15	05/04/2023	21-Apr-23	Sole provider -Taxis to transport for learners from different wards to KwaDukuza Auditorium . Mandeni and Sundumbili Taxi Association agreed to use Gasolo and Masina Pty Ltd to procure transportation services . SCM Reg 36(1)(a)(i)	PAID	EP018920	Gasolo and Masina Pty Ltd	MM	R 13 500.00
	<b>TOTAL</b>						<b>Total</b>	<b>R 673 650.00</b>

C. 8.4. Indigent Management - The municipality's Indigent Policy and rendering of free basic Services Revenue forgone has increased to R12.1 million by 11.3 per cent in the 2023/24 which has taken into consideration the indigent customers and pensioners under residential category, phasing discount for PSI properties, Agricultural and Industrial categories.

Eskom is providing free basic electricity on behalf of the municipality to all its registered indigent beneficiaries of which they have decreased from 1975 to 1573 households. The municipality reviews its indigent register on an annual basis so as to confirm if the qualifying beneficiaries are still qualifying as indigent. An allocation for FBE has been decreased from 2.2 million to R1.6 million which has considered the decrease in the number of qualifying beneficiaries and the proposed increase in electricity of 18.49 per cent and the number of beneficiaries qualifying for FBE furthermore budget estimated is based on the actual performance for 2022/23 financial year. Further to that it should be noted that the municipality has 18 wards within the area, however we have license authority to provide electricity in ward 3 only and there are no qualifying indigent beneficiaries within this ward. Therefore, Eskom is providing this service of FBE within the 17 wards of the municipality to its qualifying beneficiaries. The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the Municipality. Most of the suburbs and inner Municipality reticulation expectancy. The upgrading of the Municipality's network has therefore become a strategic priority, especially the substations and transmission lines. The budget for the Electricity Distribution Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply). INEP funding of R7.4 million has been allocated towards upgrading of Mandeni Substation- Bulk Infrastructure funding, however the municipality serves as an agent in relation to this grant in accordance with GRAP 109.

A funding model needs to be developed to mitigate this burden. Electricity service has been budgeted at a deficit of R562 thousand for 2023/24. The municipality has shown an improvement in relation to this item as we have reduced the deficit compared to previous years so as to ensure that there is sustainability for the provision of this service. The main contributing factor for the service budget deficit is due to the approved increase by NERSA as the tariff for sale of electricity has been approved at 15.10 per cent whereas the bulk purchases has been increased by 18.49 per cent. The municipality is in a process of determining its tariffs through the tariff modelling and determining all the cost drivers associated with providing this service which will then assist the municipality in ensuring that we maintain financial sustainability in the future.

#### C.8.4.1. 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. The target is to register 483 or more indigent households during the 2023/24 financial year, a process is reviewed annually to benefit in Free Basic Services offered by the municipality. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

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

Free basic electricity is provided by Eskom on behalf of the municipality to its registered beneficiaries within Mandeni as per the approved indigent register. Budget allocated of R1.6 million has considered Eskom invoices for providing the service. Eskom is providing free basic electricity on behalf of the municipality to all its registered indigent beneficiaries of which they have decreased from 1975 to 1573 households receiving 50kw. The municipality reviews its indigent register on an annual basis so as to confirm if the qualifying beneficiaries are still qualifying as indigent. An allocation for FBE has been decreased from 2.2 million to R1.6 million which has considered the decrease in the number of qualifying beneficiaries and the proposed.

Transfers and subsidies have decreased with a budget amount of R1.6 million from 2022/23 adjusted budget to R1.8 million in 2025/26 financial year; increase has considered the number of beneficiaries that qualify for these free basic services in terms of level of demand. The municipality annually reviews its indigent register so as to ensure that qualifying beneficiaries are registered.

The municipality has also considered annually reviewing its indigent register as per the indigent policy. Therefore, it becomes possible that the number of beneficiaries on our indigent register varies over the years depending on the approved register.

Refuse services – backlog will be reduced by 80 households in 2023/24. However, it should be noted that this

function is being reviewed with a view to realizing greater efficiencies, which is likely to translate into a more rapid process to address backlogs.

The budget provides for 32 001 households registered as indigent in 2023/24, and therefore entitled to receiving Free Basic Services for refuse collection. Given the rapid rate of in-migration to the Municipality, especially by poor people seeking economic opportunities.

In addition to the Free Basic Services, the Municipality also ‘gives’ households R7.4 million for free basic service electricity through an electrification programme in 2023/24, and it increases to R15.3 million in 2025/26. This ‘tax expenditure’ needs to be seen within the context of the municipality’s overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services. Currently, the ‘free services’ represent about 5 percent of total operating expenditure.

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services



MBRR Table A10 - Basic Service Delivery Measurement

KZN291 Mandeni - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		10,501	11,152	11,152	11,152	11,152	12,825	12,825	12,825	12,825
Piped water inside yard (but not in dwelling)		11,622	12,385	12,385	12,385	12,385	14,243	14,243	14,243	14,243
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	18,636	19,791	19,791	19,791	19,791	22,760	22,760	22,760	22,760
<i>Minimum Service Level and Above sub-total</i>		40,759	43,329	43,329	43,329	43,329	49,828	49,828	49,828	49,828
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	40,759	43,329	43,329	43,329	43,329	49,828	49,828	49,828	49,828
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		12,060	12,807	12,807	12,807	12,807	14,088	14,088	14,088	14,088
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		9,154	9,721	9,721	9,721	9,721	10,693	10,693	10,693	10,693
Pit toilet (ventilated)		16,174	17,177	17,177	17,177	17,177	18,895	18,895	18,895	18,895
Other toilet provisions (> min.service level)		2,868	3,045	3,045	3,045	3,045	3,350	3,350	3,350	3,350
<i>Minimum Service Level and Above sub-total</i>		40,255	42,751	42,751	42,751	42,751	47,026	47,026	47,026	47,026
Bucket toilet		472	300	300	300	300	150	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		472	300	300	300	300	150	-	-	-
<b>Total number of households</b>	5	40,727	43,051	43,051	43,051	43,051	47,176	47,026	47,026	47,026
<b>Energy:</b>										
Electricity (at least min.service level)		1,040	389	389	389	389	389	449	449	449
Electricity - prepaid (min.service level)		-	574	574	629	629	629	645	645	645
<i>Minimum Service Level and Above sub-total</i>		1,040	963	963	1,018	1,018	1,018	1,094	1,094	1,094
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	1,040	963	963	1,018	1,018	1,018	1,094	1,094	1,094
<b>Refuse:</b>										
Removed at least once a week		-	-	-	4,601	4,601	4,601	4,695	4,695	4,695
<i>Minimum Service Level and Above sub-total</i>		-	-	-	4,601	4,601	4,601	4,695	4,695	4,695
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	4,601	4,601	4,601	4,695	4,695	4,695
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		1,876	1,876	1,876	1,975	1,975	1,975	1,573	1,573	1,573
Refuse (removed at least once a week)		36,054	36,054	36,054	31,921	31,921	31,921	32,001	32,001	32,001
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>	8	-	-	-	-	-	-	-	-	-
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	(7,415)	(6,725)	10,919	10,919	10,919	12,147	12,730	13,354
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		0	0	-	846	846	846	891	1,075	1,125
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>		0	(7,415)	(6,725)	11,765	11,765	11,765	13,038	13,805	14,479

**C.8.4.2. Free Basic Services: basic social services package for indigent households**

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. With the exception of water, only registered indigents qualify for the free basic services.

For the 2023/24 financial year 32 001 households will be receiving Free basic Refuse and 1572 households receiving Free basic electricity as registered indigents which have been provided for in the budget. In terms of the Municipality’s indigent policy registered households are entitled to, 50 kwh of electricity and free waste removal equivalent to 85ℓ once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 234.

Note that the number of households in informal areas that receive free services and the cost of these services are not considered in the table noted above.

**C.8.4.3. Review of credit control and debt collection procedures/policies**

The Collection Policy has been currently reviewed and it has been approved by Council in June 2019. The policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition, emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2023/24 MTREF has been prepared on the basis of achieving an average debtors’ collection rate of 68 per cent on current billings; current year’s overall collection rate of 68 per cent has determined the 2023/24 collection rate. In addition, the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality’s cash levels. In addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the police

**C.8.4.4. Debt Category**

The following table illustrates the municipal 3 Year debtors age analysis per category for 2019/20; 2020/21 and lastly 2021/2022

Gross Debtors closing balance	229 618 879	191 474 739.00	181 350 281.36
Gross Debtors opening balance	203 721 536	164 690 607.00	165 620 746.69
Bad debts written O □	10 122 000	-	-
Billed Revenue	106 872 596	80 088 289.00	56 175 863.00
Norm	66%	68%	0.72

**In year monitoring as if 30 April 2023**

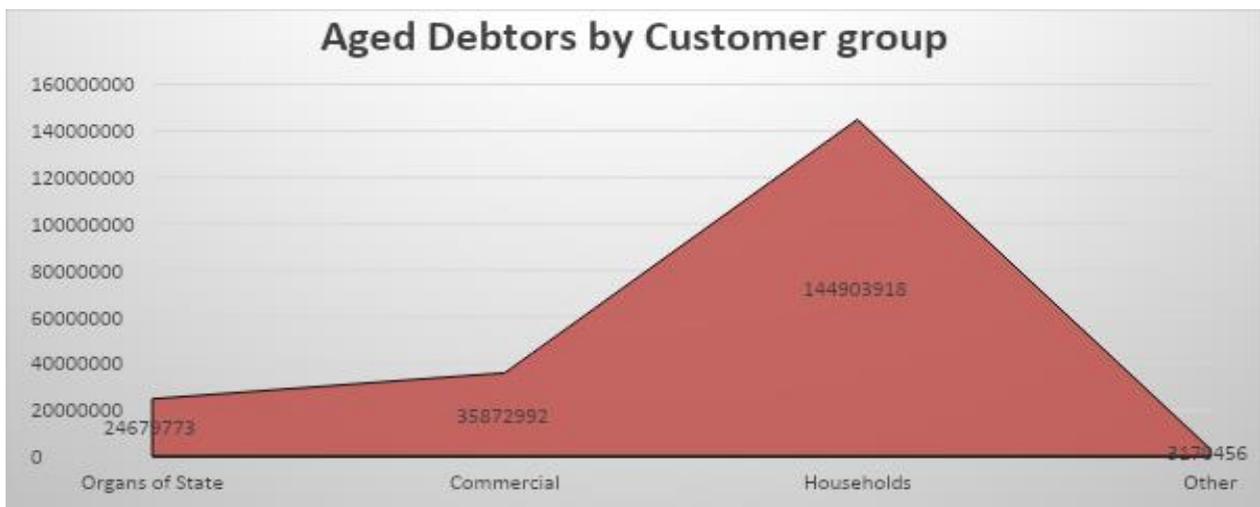
Table 13 showing: Age debtors analysis against various categories for Budget 2023

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 110	564	158	(66)	(53)	133	1 265	2 907	9 018	4 186	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	5 157	50	2 875	1 400	(14)	1 462	19 322	71 323	101 575	93 493	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	2 011	(20)	1 749	838	(11)	847	5 579	49 372	59 365	55 625	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	23	-	32	10	-	10	49	231	354	299	-	-
Interest on Arrear Debtor Accounts	1810	657	1	651	321	-	339	1 986	27 148	31 102	29 793	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	106	-	-	-	-	-	-	7 106	7 212	7 106	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>12 064</b>	<b>595</b>	<b>5 464</b>	<b>2 503</b>	<b>(78)</b>	<b>2 791</b>	<b>2 8 200</b>	<b>157 087</b>	<b>208 627</b>	<b>190 503</b>	<b>-</b>	<b>-</b>
<b>2021/22 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	(374)	25	663	318	(2)	312	6 345	17 393	24 680	24 366	-	-
Commercial	2300	5 470	(65)	1 039	380	(57)	588	10 983	17 535	35 873	29 429	-	-
Households	2400	6 540	635	3 439	1 644	(20)	1 731	9 899	121 036	144 904	134 290	-	-
Other	2500	429	-	323	161	-	161	973	1 123	3 170	2 418	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>12 064</b>	<b>595</b>	<b>5 464</b>	<b>2 503</b>	<b>(78)</b>	<b>2 791</b>	<b>2 8 200</b>	<b>157 087</b>	<b>208 627</b>	<b>190 503</b>	<b>-</b>	<b>-</b>

**In year monitoring as of 30 April 2023**

Collection Rate is below the norm as the municipality is not collecting revenue as billed. The contributing factors are due to non-payment by households and business, the municipality has developed corrective measures by reviewing its credit control and debt management policy, and we are also annually reviewing indigent registers to ensure that the billing database is credible. The Municipality has since appointed Umhlaba Geo as its new Municipal Valour. An inception meeting involving all the relevant stakeholders has been convened and it was agreed that public participation should be at the forefront of leading this program.



Graph showing Age Debtors by customer as per table – In year Monitoring as of April 2023



Graph shows Debtors per age as of April 2023: In year monitoring

#### C.8.4.4.1. Debt Management

Debt collectors are working on all workflows within collection process cycles, this include but not limited to constant telephoning overdue debtors, sending out letters of demand attending to incoming customers for arrangement agreements.

Council has resolved that the Rand 4 Rand debt amnesty program will run up until the end of June 2023 thereafter it was agreed that an aggressive debt collection strategy will then need to be employed. Management intends on procuring the services of the debt collecting company at risk which will follow up all outstanding debts of more than 90 days but excluding Government debt.

The Rand for Rand programme has been communicated to the community at large by the Honourable Mayor, applications are being received by the Revenue office.

Rand for rand door to door programme have been rolled out, Honourable Mayor has started leading this programme which is aimed at taking place once every Wednesdays every week.

#### C.8.4.4.2. General and supplementary valuation roll

The Municipality has since appointed Umhlaba Geo as its new Municipal Valour. An inception meeting involving all the relevant stakeholders has been convened and it was agreed that public participation should be at the forefront of leading this program. The appointed Municipal valuer has made an application for condonation as it was anticipated that we will not be able to meet all deadlines as per the legislative requirements, the application for condonation has since been approved by MEC for Cogta. We are also happy to report that the draft GV has been received, we are over confident that the final GV will be received on or before 28<sup>th</sup> of February 2023.

#### C.8.5. Revenue Management

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 led government.

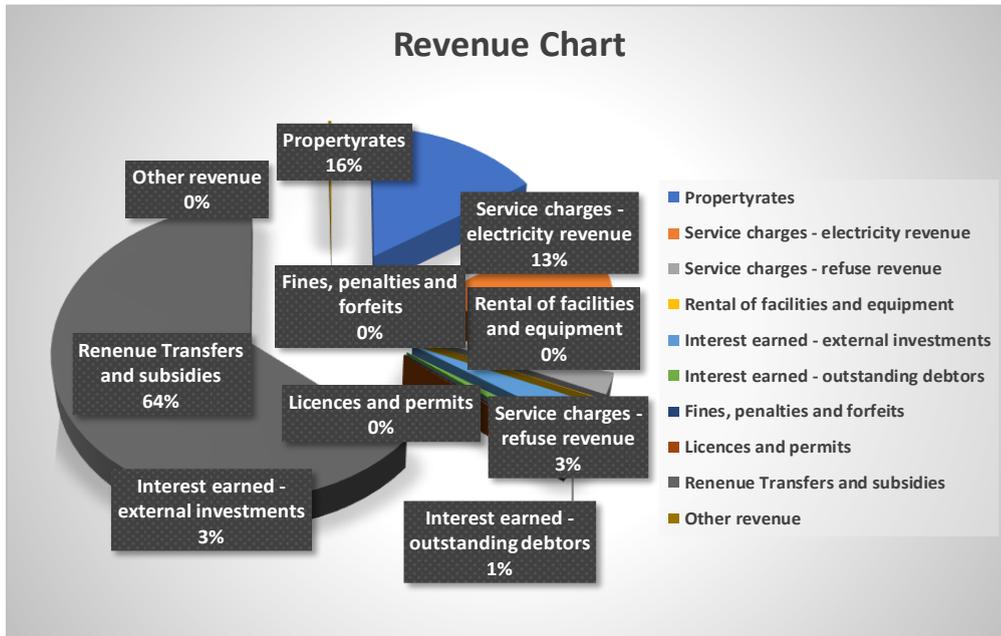
##### C.8.5.1. Sources of revenue

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R123.5 million, R134.3 million and decreases to R130.1 million in each of the financial years. This surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

Table 15 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

KZN291 Mandeni - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Re	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	29,909	34,672	45,958	35,824	35,824	35,824	41,949	52,613	55,191	57,785
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water M	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Manage	2	8,534	9,150	10,818	8,504	8,504	8,504	9,631	11,044	11,445	11,983
Sale of Goods and Rendering of		647	631	588	501	501	501	801	618	648	679
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2,704	805	1,059	916	916	916	1,014	3,755	3,939	4,124
Interest earned from Current and		6,819	7,470	10,694	5,700	19,200	19,200	16,291	10,500	11,004	11,543
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		256	232	175	-	-	-	80	-	-	-
Rental from Fixed Assets		204	101	150	178	178	178	223	192	202	211
Licence and permits		20	22	9	10	10	10	20	-	-	-
Operational Revenue		873	515	465	244	1,931	1,931	2,888	396	415	435
<b>Non-Exchange Revenue</b>											
Property rates	2	32,030	35,167	33,913	48,880	48,880	48,880	46,834	59,329	60,779	62,237
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		131	281	1,202	278	1,478	1,478	107	1,210	1,269	1,329
Licences or permits		742	778	782	681	681	681	406	737	777	814
Transfer and subsidies - Operatio		174,636	210,180	220,162	224,045	223,389	223,389	220,958	241,975	258,804	258,192
Interest		9,126	3,279	2,329	2,831	2,831	2,831	2,199	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		12,239	15,961	3,577	-	-	-	-	-	-	-
Discontinued Operations											
<b>Total Revenue (excluding capital</b>		<b>278,870</b>	<b>319,244</b>	<b>331,880</b>	<b>328,592</b>	<b>344,324</b>	<b>344,324</b>	<b>343,402</b>	<b>382,369</b>	<b>404,472</b>	<b>409,330</b>
<b>Expenditure</b>											
Employee related costs	2	99,700	109,396	107,713	124,828	124,828	124,828	104,763	141,420	142,112	148,944
Remuneration of councillors		13,249	13,528	13,798	14,682	14,682	14,682	12,605	15,460	16,647	16,980
Bulk purchases - electricity	2	26,098	28,816	36,575	33,950	39,050	39,050	37,756	43,603	43,659	45,667
Inventory consumed	8	1,908	2,139	1,424	3,987	5,093	5,093	1,399	7,411	7,468	7,967
Debt impairment	3	-	-	-	35,798	35,798	35,798	4	37,303	39,130	40,970
Depreciation and amortisation		30,298	31,848	35,256	33,747	33,747	33,747	27,393	35,534	37,276	39,028
Interest		919	332	58	410	410	410	260	100	105	110
Contracted services		34,792	47,869	50,051	63,868	64,587	64,587	46,353	64,092	66,338	69,376
Transfers and subsidies		-	1,557	-	-	-	-	-	-	-	-
Irrecoverable debts written off		48,224	34,245	20,430	6,750	6,750	6,750	20,999	7,500	7,868	8,237
Operational costs		30,329	30,699	39,894	43,705	45,809	45,809	35,669	48,198	50,543	59,351
Losses on disposal of Assets		740	1,501	732	-	1,000	1,000	(314)	1,500	1,574	1,647
Other Losses		-	35	176	-	-	-	27	-	-	-
<b>Total Expenditure</b>		<b>286,257</b>	<b>301,966</b>	<b>306,106</b>	<b>361,725</b>	<b>371,753</b>	<b>371,753</b>	<b>286,914</b>	<b>402,121</b>	<b>412,719</b>	<b>438,278</b>
<b>Surplus/(Deficit)</b>		<b>(7,387)</b>	<b>17,278</b>	<b>25,774</b>	<b>(33,133)</b>	<b>(27,429)</b>	<b>(27,429)</b>	<b>56,488</b>	<b>(19,752)</b>	<b>(8,247)</b>	<b>(28,947)</b>
Transfers and subsidies - capital	6	18,438	41,465	45,099	38,462	55,426	55,426	31,059	48,381	41,323	43,086
Transfers and subsidies - capital	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital</b>		<b>11,051</b>	<b>58,743</b>	<b>70,873</b>	<b>5,329</b>	<b>27,997</b>	<b>27,997</b>	<b>87,547</b>	<b>28,629</b>	<b>33,076</b>	<b>14,139</b>
<b>transfers &amp; contributions</b>											
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income</b>		<b>11,051</b>	<b>58,743</b>	<b>70,873</b>	<b>5,329</b>	<b>27,997</b>	<b>27,997</b>	<b>87,547</b>	<b>28,629</b>	<b>33,076</b>	<b>14,139</b>
Share of Surplus/Deficit attributable		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to</b>		<b>11,051</b>	<b>58,743</b>	<b>70,873</b>	<b>5,329</b>	<b>27,997</b>	<b>27,997</b>	<b>87,547</b>	<b>28,629</b>	<b>33,076</b>	<b>14,139</b>
<b>municipality</b>											
Share of Surplus/Deficit attributable	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary trans		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>11,051</b>	<b>58,743</b>	<b>70,873</b>	<b>5,329</b>	<b>27,997</b>	<b>27,997</b>	<b>87,547</b>	<b>28,629</b>	<b>33,076</b>	<b>14,139</b>

Figure 5 Sources of capital revenue for the 2023/24 financial year



Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity, Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

- The revenue strategy is a function of key components such as:
- Growth in the Municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 68 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Energy Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- The ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts. The proposed tariff increases for the 2023/24 MTREF on the different revenue categories are:

Table 29 Proposed tariff increases over the medium-term

KZN291 Mandeni - Supporting Table SA14 Household bills									
Description	Ref	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework				2023/24 Total Revenue Budget
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
<b>Rand/cent</b>									
<b>Monthly Account for Household - 'Middle Income Range'</b>	1								
<b>Rates and services charges:</b>									
Property rates		1,167.51	1,167.51	1,167.51	5.3%	1,167.51	1,241.06	1,252.73	59,329,448
Electricity: Basic levy		647.44	647.44	647.44	15.1%	745.20	919.90	927.59	
Electricity: Consumption		2,940.92	2,940.92	2,940.92	15.1%	3,384.99	4,178.57	4,213.48	52,612,706
Water: Basic levy		-	-	-	-	-	-	-	
Water: Consumption		-	-	-	-	-	-	-	
Sanitation		-	-	-	-	-	-	-	
Refuse removal		155.50	155.50	155.50	5.3%	163.74	174.05	175.69	11,044,304
Other									
<b>sub-total</b>		<b>4,911.35</b>	<b>4,911.35</b>	<b>4,911.35</b>	<b>11.2%</b>	<b>5,461.44</b>	<b>6,513.58</b>	<b>6,569.49</b>	<b>122,986,458</b>
VAT on Services									
<b>Total large household bill:</b>		<b>4,911.35</b>	<b>4,911.35</b>	<b>4,911.35</b>	<b>11.2%</b>	<b>5,461.44</b>	<b>6,513.58</b>	<b>6,569.49</b>	<b>122,986,458</b>
<b>% increase/-decrease</b>		<b>8.3%</b>	<b>-</b>	<b>-</b>		<b>11.2%</b>	<b>19.3%</b>	<b>0.9%</b>	

Revenue to be generated from property rates is R59.3 million in the 2023/24 financial year and increases to R62.2 million by 2025/26 which represents 15.5 per cent of the operating revenue base of the Municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

Services charges relating to electricity and refuse removal constitute the third largest component of the revenue basket of the Municipality totaling R63,7 million for the 2023/24 financial year and increasing to R69.8 million by 2025/26. For the 2023/24 financial year services charges amount to 16.6 per cent of the total revenue base and grows by 17.0 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity.

Operational grants and subsidies amount to R241.9 million, R258.8 million and R258.2 million for each of the respective financial years of the MTREF, or 64, 65 and 64 percent of operating revenue. It needs to be noted that in real terms the grants receipts from the national government have increased in the 2023/24 financial year and in the two outer years it grew rapidly over the MTREF by 1.6 percent and 14.3 percent.

Investment revenue contributes marginally to the revenue base of the Municipality with a budget allocation of R10.5 million, 11.0 million and R128.2 million for the respective three financial years of the 2023/24 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against the budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget

## C.8.5 2. Revenue Raising Strategies

### C.8.5.2.1. Financial & Operational Turnaround strategy: 90 Day Action Plan

Objectives of the strategy are to Bill correctly and collect revenue on time to improve cash generated from operations. Reduce electricity losses to the acceptable normal standards. The municipality has in place a Revenue Enhancement Strategy, which is reviewed on an annual basis which goes together with the budget related policies. Currently, it is in the process of reviewing the strategy for 2021/2022 financial year. expenditure during the fourth quarter to achieve the budget expenditure annual target.



## Revenue Protection (Debt Management)

Age Analysis per Customer Groups									
Debtors Age	0 - 30 Days	31 - 60	61 - 90	91 -	121 -	151 -	181	Over 1	Total
Analysis By		Days	Days	120	150	180	Days -	Year	-
Customer				Days	Days	Days	1 Year		
Group									
Organs of	3 074 583	-612 763	-629	-158	277	158	787 602	2 102 460	4 841 200
State			023	923	104				
Commercial	12 619 963	-264 529	2 710	2 645	4 390	-141	10 085	54 267 035	86 314 296
			800	364	806	049	907		
Households	4 513 594	-192 489	2 256	2 184	3 870	-89 282	6 159	73 355 286	92 057 105
			047	848	031		070		
Other	975 682	0	1 612	896	476	0	-2 874	- 7 0	975 722
Total By	21 183 822	-1 069	4 339	4 672	8 538	-230	17 029	129 724 711	184 188 323
Customer		781	437	185	417	173	705		
Group									

Debt collectors were appointed to work on Debt Pack, and telephone debtors to make settlement arrangements on their outstanding debtors, Ingonyama Trust board Debt was written off per recommendations by Cogta and council resolution, Rand for Rand was implemented to encourage debtors to settle their outstanding Debts, Conlog was appointed to assist with Meter Audit with the aim of eliminating electricity and revenue losses due to meter tampering.

### C.8.5.2.2. Mandeni Debt Write-Off Policy

The Mandeni Municipality approved its Write-Off Policy in June 2021. The aim of the policy is to provide for the write-off of irrecoverable debt and the furtherance of the Mandeni Municipality's debt management strategy. The Policy is attached to these IDP documents. The following are criteria used for implementing of the policy:

- Debt shall be written off regularly but at least once every twelve months.
- Debt shall be regarded as written off only upon approval by Council and such approval has been recorded in the prescribed way.
- Any debt which is written off must be made in accordance with generally recognized accounting practice.
- Debt which is irrecoverable must be identified and each specific debt must be considered on its merits after having considered the results yielded by debt collection mechanism and procedure.

Furthermore, the Municipality must take into consideration the cost implication of attempting to collect the debt which is irrecoverable.

Prior to the writing off of any debt, the Municipality must:

- Have exhausted all measures as provided for in its Credit Control and Debt Collection Policy;
- Certify that the debt which is proposed to be written off has been pursued diligently and completely; and
- Certify that no other foreseeable possibility exists in the recovery of such debt

### C.8.5.3. Revenue Protection (Debt Management)

#### C.8.5.3.1. Municipal Consumer Debt Provision

The municipal consumer debt Provision is currently standing at R million. There has been a growth from previous years. As an interventional measure, the municipality is currently implementing the 60/40 debt amnesty strategy to assist in reducing the municipal outstanding debt. The Municipality also relies on its debt collection, credit control and indigent policies in ensuring that the consumer debt is reduced significantly. The table below reflects the municipal debt position in the last three (3) years. Mandeni LM Debt Position for the last 3 years

### C.8.6. Financial Ratios

#### C.8.6.1. Cost Coverage Ratio

The municipal cost coverage ratio table below of the past 2 years indicates that the municipality has the ability to meet its monthly fixed operating commitments from cash and short-term investments without collecting any additional revenue. The municipality is able to fund monthly fixed operational expenditure and continue to provide basic service to its community

	2021	2022
	6 Month	8 Month
Cash and cash equivalents	905 854	4 119 614.00
Unspent Conditional Grants	30 079 407	8 705 120.00
Overdraft	-	-
Short Term Investments	181 073 835	203 861 901.00
Total Annual Operational Expenditure	301 430 040	313 189 333.00

Table that reflects Cost coverage ratios:

#### C.8.6.2. Current Ratio

The municipal Current ratio table below of the past 2 years indicates that the municipality's current assets exceed its liabilities; which then means that the municipality has the ability to pay its current obligations, which enable us to continue operations at desired level.

	2021	2022
	<b>3.37</b>	<b>5.01</b>
Current Assets	152 879 688	213 113 096
Current Liabilities	45 396 618	42 574 835

Table that reflects Current ratios

#### CAPITAL EXPENDITURE TO TOTAL EXPENDITURE

The table below reflects that two financial years of 2019 to 2022 reflects that the municipality was able to achieve a ratio that is more that the norm of 1.5 -2.1, this then reflects higher spending on infrastructure and acceleration in service delivery. For 2021/22 financial year the norm is achieved during the financial year.

	15%	17%
Total Operating Expenditure	301 430 040	313 189 333
Taxation Expense	-	
Total Capital Expenditure	51 275 442	63 545 832

Collection Rate is below the norm as the municipality is not collecting revenue as billed. The contributing factors are due to non-payment by households and business, the municipality has developed corrective measures by reviewing its credit control and debt management policy, and we are also annually reviewing indigent registers so as to ensure that the billing database is credible.

#### C.8.6.3. Remuneration Expenditure: Employee Related Costs (Including Councilor's Allowance)

	40%	40%
Employee/personnel related cost	106 176 030	109 119 850
Councillors Remuneration	13 527 997	13 797 605
Total Operating Expenditure	297 307 050	305 762 366
Taxation Expense		-

Employee related costs are determined by the approved organogram of the municipality. The municipality prepares the budget estimates for the next three years and the estimate might change due to a new post proposed by the municipal council. The proposed budget estimates for employee related costs (including councilors' allowance) are as follows:

- 2020/2021- R 124 124 253, which is 40% of Total Operating Expenditure
- 2021/2022 - R 122 462 071, which 38% of Total Operating Expenditure
- 2022/2023 – R135 444 668, which is 36.15% of Total Operating Expenditure

#### C.8.6.4. Distribution Loss: Electricity

	0.48	0.04
Number of units purchased and/or generated	6 592 595.00	22 212 126.06
Number of units sold	3 457 068.90	21 363 998.00

#### C.8.6.5. Creditors Delays

	87 days	81 days
Trade Creditors	32 139 086	32 491 560
Contracted Services	50 018 395	55 937 748
Repairs and Maintenance	24 696 314	19 721 432
General expenses	30 585 131	34 070 180
Bulk Purchases	28 815 906	36 574 524

#### C.8.6.6. Budget Funding Status

Funds Received	34 719 000	42 232 000
Funds Spent	41 864 840	43 949 107
Unspent Grant	1 717 107	-
% spent	121	104.07

#### C.8.6.7. Conditional Grants Cash Backed

	<b>8315%</b>	<b>-11735%</b>
Cash and cash Equivalents	905 854	4 119 614
Bank Overdraft		-
Short Term Investment	181 073 835	203 861 901
Long Term Investment		-
Unspent Grants	30 079 407	8 705 120
Net Assets	671 540 108	752 151 515
Share Premium		
Share Capital		
Revaluation Reserve		
Fair Value Adjustment Reserve		3 576 500
Accumulated Surplus	669 713 266	750 273 090

#### C.8.6.8. Grants Dependency

	<b>2021</b>	<b>2022</b>
	17%	32%
Internally generated funds	7 376 017	20 332 377
Borrowings	-	-
Total Capital Expenditure	43 889 425	63 545 832

	<b>2021</b>	<b>2022</b>
	40%	44%
Total Revenue	353 945 653	344 017 272
Government grant and subsidies	230 329 864	213 113 096
Public contributions and Donations		-
Capital Grants	43 899 425	43 213 455

	<b>17%</b>	<b>32%</b>
Internally generated funds	7 376 017	20 332 377
Total Capital Expenditure	43 889 425	63 545 832

Mandeni Municipality is highly dependent on Grants, as 69 percent of the Annual budget for 2022/2023 financial year was funded by grants and 31 percent was funded internally. The municipality acknowledges that we have a challenge of recovering outstanding debt from consumers, which contributes to grant dependency. The Municipality's current ratio is favorable thus indicating that the Municipality is able to meet its immediate obligations. The cash flow situation is still a critical aspect for the municipality and is being constantly monitored. However, the liquidity ratios have reached the acceptable standard norms, but still need to be monitored on a continuous basis

#### C.8.6.9. Our Revenue Growth:

The revenue growth is indeed a sign to progression and improvement in the profit. Between 2020/21 to 2022/23 Financial years, we have been viewing both increase and Decrease in the Percentages, although in the 2020/21 an increase of 18% is observed as this is Mostly due to the MIG increase by 22%. For 2021/22 and 2020/21 years, when compared, there is a reduction in the Revenue by -2% as the MIG was decreased and Most of the Roll-over s were not approved.

Own Revenue	98 256 905	119 431 315.00
Transfer and Subsidies	229 735 384	220 297 780.00
Reserves		
<b>Total Revenue</b>	<b>327 992 289</b>	<b>339 729 095.00</b>
Operating Expenditure Budget	339 729 095	320 667 434.00
Capital Budget	84 280 025	93 192 437.00
<b>Total Expenditure</b>	<b>424 009 120</b>	<b>413 859 871.00</b>
<b>Surplus (Deficit) for the year</b>	<b>-96 016 831</b>	<b>74 130 776.00</b>

#### C.8.6.10. Loans & Grant Dependency

Municipality's borrowing is made up of Finance Leases, i.e. Installment Sale Agreement from Westbank. The aim is to ensure that assets backing up the loans are well maintained in order to derive value for money. The reason behind borrowing was to not commit a once-off cash lump sum in buying vehicles but to spread the expenditure over a 5-year period. Mandeni Municipality is highly dependent on Grants, as 68 percent of the Annual budget for 2021/2022 financial year was funded by grants and 32 percent was funded internally. The municipality acknowledges that we have a challenge of recovering outstanding debt from consumers, which contributes to grant dependency. The Municipality's current ratio is favorable thus indicating that the Municipality is able to meet its immediate obligations. The cash flow situation is still a critical aspect for the municipality and is being constantly monitored. However, the liquidity ratios have reached the acceptable standard norms, but still need to be monitored on a continuous basis.

	2021	2022
	40%	93%
Total Revenue	353 945 653	344 017 272
Government grant and subsidies	230 329 864	63 545 832
Public contributions and Donations		-
Capital Grants	43 899 425	43 213 455
	17%	32%
Internally generated funds	7 376 017	20 332 377
Total Capital Expenditure	43 889 425	63 545 832



**C.8.7. Auditor General Opinion on Mandeni Municipality**

The municipality received an unqualified audit report with matters relating to errors in the Annual Financial Statement, Annual Performance Report and non-compliance with SCM laws and regulations. In terms of the 2022 audit opinion verses the current opinion can be summarized as below:

2020/2021 AUDIT OUTCOME	2021/2022 AUDIT OUTCOME
<p>9 The municipality received unqualified audit opinion and there was only one (1) matter which affected the audit report which is as follows;</p> <p><i>9.1 Non-compliance with tax matters relating to one (1) quotation for an amount of R172 500.00</i></p>	<p>The municipality received unqualified audit opinion and there were three (3) matters which affected the audit report which are as follows;</p> <ul style="list-style-type: none"> <li>i) Non-compliance with the CIDB regulations - competitive bids;</li> <li>ii) Material misstatements in the Annual Financial Statements relating to the following;               <ul style="list-style-type: none"> <li>• <i>Call and Investment Deposit incorrectly classified as a current asset;</i></li> <li>• <i>Misstatement: Principal - agent arrangement not disclosed</i></li> </ul> </li> <li>iii) Misstatements noted on Consistency in the APR</li> </ul>

Based on the above: Even though the municipality maintained its unqualified audit opinion, there was a slight regression when comparing the number of findings raised from year to year (1 finding raised in 2020/21 vs 3 findings raised in 2021/22 FY) as well as the matters which affected audit opinion

**C.8.8. SWOT Analysis: Financial Viability & Management**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>● Strong municipal leadership</li> <li>● Effective institutional systems and controls</li> <li>● Dedicated structure that caters for community participation on finances</li> <li>● Skilled and experienced workforce in finance department</li> <li>● Ability of finance departments to decentralize functions where departments need additional assistance</li> <li>● Positive Cash-Flow</li> </ul>	<ul style="list-style-type: none"> <li>● Insufficient funding to ensure that services reach everyone</li> <li>● Discrepancy in financial years between National, Provincial and local government</li> <li>● Electricity Losses</li> <li>● Dilapidated infrastructure Assets</li> <li>● Internal Control Deficiencies</li> </ul>

### Opportunities

- Industrial development improves rates income
- New and Improved Billing System linked with the Credit Bureau
- Improved credit rating
- Continuous update of process to strive for Clean Audit
- Benchmark performance against other Locals

### Threats

- Depleted investments and negative cash-flow
- Inadequate funding for the continued provision of infrastructure for free basic services
- Non-payment for services rendered
- Highly diversified income base from low to high income earners
- Lack of Sustainable Service Delivery
- Service Delivery Protests
- Political intolerance and Community Resistance



### C.8.9. Identification of Key Challenges

KEY ISSUES	DESCRIPTION
Involvement of Amakhosi in the municipal IDP	Minimal to zero participation of amakhosi in the processes of the municipality
Functionality of intergovernmental relations at district and provincial forums	The most critical forums seem to be lagging behind thus service delivery is not coordinated through the appropriate IGR structures
Communication with stakeholders.	The MLM does not have a well-developed system to communicate with
Public participation.	Inadequate public involvement in municipal affairs.
Inter-governmental Relations.	Effective implementation and follow-up of resolutions taken by IGR
Governance Structures.	Individual ownership of decisions/resolutions taken by the collective.
Municipal office space.	The municipality is operating from sub-optimal premises and the offices are scattered.
Lack of sufficient staff capacity	The municipality lacks sufficient capacity to undertake all municipal activities efficiently and effectively.
Organizational culture.	Conduct and behavior of staff and councilors.
Employee wellness program.	The municipality does not have a sufficient capacity to implement an effective employee
Information and Communication Tools of the trade.	Information and Communication Technology systems are fragmented Councilors and senior staff members do not have adequate access to the essential tools of
<b>INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>	
Implementation of systems and	Some municipal policies are not implemented.
Lack of sufficient staff capacity	The municipality lacks sufficient capacity to undertake all municipal activities efficiently and effectively.
Organizational culture.	Conduct and behavior of staff and councilors.
Employee wellness program.	The municipality does not have a sufficient capacity to implement an effective employee
Revenue collection and enhancement.	Poor implementation of the revenue collection and enhancement strategy.
Indigent policy.	Incomplete indigent register.
Supply Chain Management.	Tender processes take too long to finalize.
Wasteful and fruitless expenditure.	Municipal funds are sometimes spent on items that do not form part of the core mandate of the municipality or advance performance on core
Budget.	Unrealistic budget.
ESKOM License.	The municipality would like to obtain a license to provide electricity to the urban parts of the
Non-declaration of interests.	Staff members do not declare their interests.
Asset Management.	

## D.1. Municipal vision, goals and objectives

### D.1.1. Long Term Vision

The Mandeni Municipality seeks to take strides to react to windows of opportunity, which are innovation, growth, prosperity, cost structure and technological advancement. As such, the municipality has formulated a vision statement that defines its medium to long-term goal and pledges a future characterized by an improved quality of life, higher service levels and accountable leadership to the people of Mandeni and all other interested and affected parties. The vision paints a picture of a bright future for Mandeni, indicates the manner in which stakeholders, both internal and external, should perceive the Mandeni area and sets a clear direction and expectations within which the entire organizational strategy is framed.

### D.1.2. Mission Statement

Further to the vision statement outlined on the previous page, Mandeni Municipality has developed a mission statement that sets the tone for every decision that the municipality makes in order to achieve its vision. The brief mission statement defines the organization and seeks to set it apart from the other municipalities. Mandeni Municipality will achieve the development vision by following a culture of Batho Pele principles.

### CORE VALUES

- Honesty
- Transparency
- Integrity
- Inclusiveness
- Commitment
- Professionalism

These are the behavior patterns expected from councilors and staff alike and signify the meaning that members of the Mandeni Municipality attach to their actions. They are a way of perceiving, and even thinking and feeling. They affect the way people and groups interact with each other, with clients, and with stakeholders.

D.1.3. ALIGNMENT OF OUTCOME 9, PMS ASSESSMENT TOOL WITH MUNICIPAL STRATEGIC ISSUES

NATIONAL KPA's	OUTCOMES 9	BACK TO BASIC	MANDENI STRATEGIC ISSUES
Basic Infrastructure and Service Delivery	Improved Access to Basic Services	Service Delivery: Creating Conditions for Decent Living	<ul style="list-style-type: none"> <li>- Electricity</li> <li>- Access to roads and stormwater</li> <li>- Telecommunications</li> <li>- Community and public facilities</li> <li>- Solid waste disposal Housing</li> <li>- Land use management systems</li> </ul>
Local Economic Development	Local Economic Development Implemented and Cooperatives Supported	Service Delivery	<ul style="list-style-type: none"> <li>- Local Economic Development</li> <li>- Tourism Planning</li> <li>- Agricultural Development</li> <li>- Cooperatives and SMMEs</li> <li>- Public Private Partnerships</li> <li>- Business Support and Development</li> </ul>
Community Services and Social Development	Community Work Program Implemented and Cooperatives Supported	Good Governance and Public Participation	<ul style="list-style-type: none"> <li>- Education</li> <li>- Health</li> <li>- Social Security</li> <li>- Community Safety</li> <li>- Disaster Management</li> <li>- Gender, youth and people with disabilities</li> <li>- Sports and Recreation</li> <li>- HIV and Aids</li> <li>- Community and Public Facilities</li> <li>- Land Reform</li> <li>- Environmental Sustainability</li> <li>- Arts and Culture</li> <li>- Cemeteries and Crematoria</li> </ul>

Municipal Financial Viability and Management	Improved Municipal Financial and Administrative Capability	Sound Financial Management	<ul style="list-style-type: none"> <li>- Revenue Enhancement</li> <li>- Expenditure Control</li> <li>- Financial Management</li> <li>- Budgeting and Reporting</li> </ul>
Municipal Institutional Development and Transformation	Differentiated Approach to Municipal Financing, Planning and Support	Building Capable Local Government Institution	<ul style="list-style-type: none"> <li>- Batho Pele</li> <li>- Performance Management</li> <li>- Human Resources</li> <li>- Information Technology</li> <li>- Administration</li> </ul>
Municipal Institutional Development and Transformation	Differentiated Approach to Municipal Financing, Planning and Support	Building Capable Local Government Institution	<ul style="list-style-type: none"> <li>- Integrated Development Planning</li> <li>- Policy Development</li> <li>- Public Participation</li> <li>- Internal Audit</li> <li>- Anti-Corruption Strategy</li> </ul>

**2023/2024 IDP STRATEGIES ALIGNED WITH SDBIP**

IDP REF	STRATEGIC GOAL	STRATEGIC OBJECTIVE	STRATEGIES 2023/24	Budget	UNIT OF MEASUREMENT	KPI	TARGET	DEPARTMENT
<b>BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE DEVELOPMENT</b>								
BSD 01	Universal access	Improv		R2 000 000.00	Number	Number of households to be provided with electrification infrastructure (Dry Connections) in Dendethu / Wetane Project - Ward 5 and ready to be energised by 30 June 2023	108	TECHNICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT, OMM
						Number of households to be provided with electrification infrastructure (Dry		

BSD 01	to basic services and infrastructure development by 2030		e access to all infrastructure and services	Facilitate access to electricity for all targeted households	R2 000 000.00	Number	Connections) in Emhlangeni in Ward 5 and ready to be energised by 30 June 2023	100	<b>TECHNICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT, OMM</b>
BSD 01					R2 000 000.00	Number	Number of households to be provided with electrification infrastructure (Dry Connections) in Masomonco in Ward 10 and ready to be energised by 30 June 2023	100	<b>TECHNICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT, OMM</b>

<b>BSD 01</b>					R1 680 000	Number	Number of households to be provided with electrification infrastructure (Dry Connections) in eHlanzeni ward 7 and ready to be energised by 31 March 2023	100
<b>BSD 01</b>					R1 640 000	Number	Number of households to be provided with electrification infrastructure (Dry Connections) in Okhovothe Ward  12 and ready to be energised by 31 December 2022	105
							Number of	

<b>BSD 01</b>					R2 200 000	Number	households to be provided with electrification infrastructure (Dry in Okhovothe Phase 2 Ward)	50	<b>TECHNICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT, OMM</b>
<b>BSD 01</b>							12 and ready to be energised by 30 June 2023		
<b>BSD 01</b>					R1 800 000	Date	Date of installation of phase 1 streetlights at P 459 Entrance town, between Gcaleka Isithebe, Khenana and Isithebe in ward 3 by 30 June 2023	30-Jun-23	
<b>BSD 01</b>					R2 620 000	Date	Date of installed high mast light in ward 12 by 30 June 2023	30-Jun-23	
				Reduce the			Date of upgrade		

				the existing infrastructure			completion stage by 30 September 2022	
					R7 668 100	Date	Date of construction of Community Hall in Ward 13 to practical completion stage by 30 September 2022	
<b>BSD 02</b>					R750 000	Date	Date of registration of upgrade and Improvement of Bumbanani Road on MIG system by 31 December 2022	31-Dec- 22
<b>BSD 02</b>					R250 000.00	Date	Date of upgrade and improvement of Bumbanan road in Ward 15 to practical completion stage by 30 June 2023	30-Jun- 23

BSD 02					R1 250 000. 00	Date	Date of rehabilitated internal roads Ward 15 by 30 September 2022	30- Sep- 22
BSD 02					R4 500 000. 00	Date	Date of road rehabilitation at Manono Road in ward 15 to practical completion by 31  March 2023	31- Mar- 23
BSD 02					R750 000. 00	Date	Date of registration of rehabilitation of road and stormwater drainage in ward  13 and 14 by 31 December 2022	31- Dec- 22
							Number of m <sup>2</sup> of potholes 2023	

BSD 02					R300 000	Number	Number of metres of guard rails to be constructed in Ward 7 and 12 by 30 June 2023	300m	
BSD 02					R250 000	Number	Number of metres of kerbs and concrete channel to be constructed in Wards 2, 3and 12 by 30 June 2023	250m	
BSD 02					R150 000	Number	Number of headwalls to be constructed in wards 1,2,5,6,8,9,10,11, 12,16,17, 18 by 31 December 2022	10	
BSD 02					3 500 000	Number	Number of kilometers of rural gravel roads repaired and maintained in- house in wards	300 km	

							1,2,4,5,6,7,8,9,10 ,11,12,16,17,18 by 30 June 2023		
<b>BSD 02</b>					R450 000	Number	Number of speed humps constructed in wards 2,3,7,10,13, 14  and 15 by 30 June 2023	25	<b>TECHNICAL SERVICES AND INFRASTRUCTURE  DEVELOPM ENT, OMM</b>
<b>BSD 02</b>					R250 000	Date	Date of Installation of 30 road signs and repainting of 15km of road markings to completed in ward 3, 4, 7, 13, 14 and 15 by the 31 March 2023	31- Mar- 23	<b>TECHNICAL AND SERVICES AND INFRASTRUCTURE DEVELOPMENT, OMM</b>
<b>BSD 02</b>					R750 000	Date	Date of registration of Machibini road linking isithebe in ward 10 and	30- Sep- 22	<b>TECHNICAL SERVICES AND INFRASTRUCTURE</b>

<b>BSD 03</b>			Facilitate the reduction of the housing backlog		Number	Number of new RDP houses constructed in Wards 1,8, 10, 11, 12, 16,17 and 18 by 30 June 2023	400	<b>ECONOMIC PLANNING AND SETTLEMENTS</b>	<b>DEVELOPMENT AND HUMAN</b>
<b>BSD 04</b>			Provide efficient waste collection and management service to all targeted household	R3 000 610	Number	Number of weekly waste collection in all 18 municipal Wards (261) by 30 June 2023	261	<b>COMMUNITY SERVICES AND PUBLIC SAFETY</b>	
<b>BSD 04</b>				R3.3 000 000	Number	Number of m <sup>2</sup> of monthly grass- cutting performed in all wards by 30 June 2023	7 100 458 m <sup>2</sup>		
<b>BSD 05</b>	Universal access to basic service delivery and infrastructure development by 2030		Facilitate the provision of new community facilities	R900 000	Date of establishment of Recycling Program in Ward 16 by 30 June 23	30-Jun- 23	<b>COMMUNITY SERVICES AND PUBLIC SAFETY</b>		
				R900 000	Date	Date of provision of Skip bins in ward 4,7 and 18 by 30 June 2023			30-Jun- 23

BSD 05				R1.1 00 000	Date	Date of completion of Beautification of Access No.1 in Mandeni by 31 December 2022	31- Dec- 22	
BSD 05				R42 000	Date	Date of Arbor Month Celebration in all wards by 30 September 2022	30- Sep- 22	

<b>BSD 05</b>				R130 000	Number	Number of monthly clean-up campaign conducted by 30 June 2022	12	
<b>BSD 05</b>	Universal access to basic service delivery and infrastructure development by 2030	Improve access to all infrastructure and services			Number	Number of monthly digital environmental Educational awareness campaigns conducted by 30 June 2023	8	
<b>BSD 06</b>	Providing and facilitating access to social services and facilities	Improve access to all infrastructure and services	Facilitate the provision of new community facilities	4 490 000	Date	Date of completion of project documentation stage (compliance)for the construction of sports field in Hlomendlini in Ward 4 by 30 September 2022	30-Sep- 22	<b>TECHNICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT</b>
<b>BSD 06</b>				R7 000 000	Date	Date of completion of construction for DLTC phase 1 top structure and G7 Layer by 30 June 2023	30-Jun- 23	

				R5 750 000	Date	Date of construction of Highview Park and Padianagar Combo court and swimming pool ward 15 additions by 30 June 2023	30- Jun- 23	
				R100 000	Date	Date of construction of bus shelters in ward 7,14, 15 by 30 June 2023	30- Jun- 23	

**GOOD GOVERNMENT AND PUBLIC PARTICIPATION**

<b>GGP P 01</b>	To foster a culture of community			R350 000	Number	Number of monthly media slots acquired with the national and local radio stations by 30 June 2023	12	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
<b>GGP P 01</b>				R300 000	Number	Number of quarterly newsletters issued to general public by 30 June 2023	4	
<b>GGP P 01</b>				R26 000	Number	Number of bi-annual disciplinary Board meetings co-ordinated by 30 June 2023	2	
<b>GGP P01</b>				R100 000	Date	Date of presenting 2020/21 Annual Report to Community by 31 March 2023	31-Mar-23	

<b>GGP P01</b>	involve ment and good governance in the affairs of the	Ensure participative, transparent and accountable Governance	Improve the public participation processes	N/A	Number	Number of annual portfolio committee agendas issued as per council rules and orders held by 30 June 2023	40	<b>ALL DEPARTMENTS</b>	
<b>GGP P01</b>	municipality			N/A	Number	Number of Council agendas issued as per council rules and orders by 30 June 2023	10		
<b>GGP P01</b>				N/A	Number	Number of Council meetings co-ordinated by 30 June 2023	10		
<b>GGP P01</b>				R218 500	Number	Number of quarterly Audit and Performance committee meetings co-ordinated by 30 June 2023	4		<b>ALL DEPARTMENTS</b>
<b>GGP P01</b>					N/A	Number	Number of monthly Top MANCO meetings held by 30 June 2023		12

<b>GGP P 02</b>				N/A	Number	Number of monthly EXCO meetings co-ordinated by 30 June 2023	12	<b>CORPORATE SERVICES, OMM</b>
<b>GGP P 02</b>				N/A	Number	Number of monthly EXCO agendas issued as per council rules and orders by 30 June 2023	12	<b>CORPORATE SERVICES</b>
<b>GGP P 02</b>				R2.7 500 000	Number	Number of quarterly Ward Committees functionality reports submitted to Council by 30 June 2023	4	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
<b>GGP P 02</b>				N/A	Number	Number of quarterly reports of cluster war-rooms submitted to EXCO by 30 June 2023	4	<b>ALL THE DEPARTMENTS</b>
<b>GGP P 02</b>				N/A	Number	Number of quarterly participations in district IGR meetings attended by 30 June 2023	4	

<b>GGP P 02</b>				N/A	Number	Number of quarterly Reports of Local Aids Council submitted to Council by 30 June 2023	4	<b>OMM</b>
<b>GGP</b>		Aspire to a	Ensure the	R120	Number		12	<b>COMMUNI</b>

<b>P 03</b>		healthy, safe and crime-free area Ensure that all legislated Council structures meetings seats.	municipal contribution to community safety	000		Number of monthly disaster awareness campaigns held in wards 1,2,4,6,7,8,9,11,12, 16,17 and 18 by 30 June 2023		<b>TY SERVICES</b>
<b>GGP P 03</b>				N/A	Number	Number of bi- annual Road Safety Awareness campaign (festive and Easter) conducted by 30 June 2023	2	
<b>GGP P 03</b>				N/A	Number	Number of bi- monthly roadblocks conducted by 30 June 2023	24	
<b>GGP P 03</b>				N/A	Number	Number of seasonal Fire-breaks conducted by 30 June 2023	4	

<b>GGP P 04</b>			Design and implement sports, arts and heritage celebration programmes	N/A	Number	Number of bi- annual sports forums held by 30 June 2023	2	
<b>GGP P 04</b>			Improve the public participation processes	R25 000	Number	Number of artist development programme/talent search conducted by 30 June 2023	2	

<b>GGP P 05</b>				N/A	Number	Number of quarterly Disaster Advisory forum meetings held by 30 June 2023	4	<b>CSPSD ALL DEPARTMENTS</b>
<b>GGP P 05</b>				N/A	Number	Number of bi- annual Education forum meetings held by 30 June 2023	2	
<b>GGP P 05</b>				N/A	Number	Number of quarterly Department performance reports submitted by all departments to respective Portfolio Committees by 30 June 2022	20	

<b>GGP P 05</b>				N/A R150 000	Date	Date of adoption of the 2021/22 IDP, Budget and PMS Process Plan by 31 August 2022	31- Aug- 22	<b>EDPHS OMM</b> <b>and</b>		
<b>GGP P 05</b>				Date	Date of approval and adoption of the 2022/2023 IDP by Council by 31 May 2023	31- May- 23				
<b>GGP P 05</b>				Date	Date of conducting Strategic Planning for new Councillors and Management by 31 May 2023	31- May- 23				
<b>GGP P 04</b>				Aspire to a healthy, safe and crime-free area	Design and implement sports, arts and heritage celebration programmes	R130 000	Date	Date of hosting Annual Heritage Parade and Fashion Design show by 30 September 2023	30- Sep- 22	<b>OMM</b>
<b>GGP</b>				Implementation	Improve the	N/A	Number	Number of	45	<b>ALL</b>

P 06		of risk mitigation strategies specific to the department	audit opinion			Strategic Risk Mitigation Strategies implemented by all HOD's by 30 June 2023		<b>DEPARTMENTS</b>
				N/A	Number	Number of consolidated Quarterly Reports on Implementation of Risk Management Action Plans submitted to Risk Management Committee (from CSPSD, EDPHS, TSID, BTO and CSD) by 30 June 2023	4	<b>OMM</b>
				N/A	Number	Number of quarterly Risk Management Committee meetings co-ordinated by 30 June 2023	4	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
				N/A	Number	Number of quarterly Progress Reports on Implementation of A.G Action Plan submitted to Council by 30 June 2023	4	<b>OFFICE OF THE MUNICIPAL MANAGER</b>

				N/A	Number	Number of days for management to respond to Internal Audit Unit queries raised by departments 30 June 2023	3 Days	ALL DEPARTMENTS
				N/A	Percentage	Number of days for management to respond to request for information and Audit Queries raised by Auditor General by 31 December 2022	3 Days	ALL DEPARTMENTS
<b>FINANCIAL MANAGEMENT AND FINANCIAL VIABILITY</b>								

				N/A	Number	Number of monthly Section 71 reports compiled and submitted to NT and FPC by 30 June 2023	12	
				N/A	Date	Date of Section 72 report submitted to Council by 25 January 2023	25-Jan-23	
				N/A	Number	Number of quarterly Section 52 reports compiled and submitted to council by 30	4	

						June 2023		
				N/A	Ratio	Ratio of cash and cost coverage sustained quarterly as per norm by 30 June 2023	1:3 (Months)	<b>BUDGET AND TREASURY OFFICE</b>

				R 322 726 454	Percentage	Percentage of operational budget spent by 30 June 2023	100%	
				N/A	Number	Number of quarterly progress reports on implementation of 2022/23 procurement plans submitted to MANCO by 30 June 2023	4	

MFV M 02 MFV M 03			Ensure the existence of updated finance management strategies	N/A	Date	Date of submission 2022/23 mid- term AFS to audit committee by 31 March 23	31- Mar- 23	BTO ALL DEPARTMENTS	
				N/A	Number	Amount of quarterly of expenditure on overtime kept within allocated budget by 30 June 2023	R830 000		
				N/A	Date	Date of tabling 2022/23 adjustment budget to council for adoption by 28-Feb-23	28- Feb- 23		BTO
				N/A	Date	Date of reviewed Budget Related Policies adopted by Council by 31 May 2023	31- May- 23		
MFV M 04			Ensure a constant and accurate financial reporting	N/A	Number	Number of quarterly reports on unauthorized, irregular, fruitless and wasteful expenditure (UIFW) registers submitted to FPC, Council and EXCO by 30 June 2023	4		

				N/A	Percentage	Percentage of invoices paid within 30 days from the receipt by creditors by 30 June 2023	95%	
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MFV M 05			Manage and increase the municipal revenue base.	R160 000	Date	Date of approved indigent debtors billed with allocation of free basic services by 31 May 2023	31-May- 23	BTO
				N/A	Date	Percentage of quarterly debt collected by 30 June 2023	65%	
				R50 000	Rand	Amount of Revenue collected on services provided by municipal departments by 30 June 2023	R315 300	
MFV M 06			Ensure that the municipality acquires goods and services in terms of supply chain regulations	N/A	Date	Date of procurement plans for 2023/24 FY approved by Municipal Manager by 30 June 2023	30-Jun- 23	OMM  BTO
				N/A	Days	Number of days to finalise procurement processes for tenders within R30 000- R200 000K by 30 June 2023	14 days	

				N/A	Percentage	Percentage of tenders (above 200k) awarded within 90 calendar days from the closing date of receiving tenders by 30 June 2023	100%	
				R200 000	Number	Number of quarterly contract and commitment register update performed and reported to FPC and EXCO by 30 June 2023	4	

				N/A	Date	Date of completing draft Departmental Budget estimate document by 31 March 2023	31-Mar-23	<b>TSID</b>
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**LOCAL ECONOMIC DEVELOPMENT**

<b>LED2</b>		Achieve a holistic human development and capacitation for the realisation of a skilled and employable workforce.	Improve the community skills base	R200 000	Number	Number of farmers supported with seedlings and animal feeds by 30 June 2023	9	<b>EDPHS</b>
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				R457 000	Date	Date of registration bursaries for matriculants and scholarship awards by 31 March 2023	31- Mar- 23	<b>COMMUNITY SERVICES</b>
<b>LED 03</b>			Ensure the empowerment nt of youth, women and people living with disabilities.	R 2 43 5 000	Number	Number of EPWP participants on Various EPWP programs (Zibambele, Life Guards) recruited and sustained by 30 September 2022	250	<b>COMMUNITY SERVICES</b>
				1 000 000	Number	Number of SMME Supported (Quick Wins) in all Wards by 30 June 2023	36	<b>EDPHS</b>

				R300 000	Date	Date of youth SMME Support programmes workshops conducted by 30 June 2023	30- Jun- 23	<b>COMMUNITY SERVICES</b>
				R400 000	Number	Number of youthful drivers and education programmes conducted by 30 June 2023	1	<b>OMM COMMUNITY SERVICES COMMUNITY SERVICES COMMUNITY SERVICES</b>
				R110 000	Number	Number of bi- annual programmes to support Youth Council and Ward Youth Forums by 30 June 2023	2	
				R85 000	Date	Date of youth month celebration programmes by 30 June 2023	30- Jun- 23	
				R105 000	Date	Date of Annual Youth Summit Workshop held by 30 June 2023	30- Jun- 23	

<b>LED 03</b>				N/A	Percentage	Percentage of procurement awarded to designated sectors i.e. youth, women and disabled by 30 June 2023	10%	<b>BTO</b>
<b>LED 04</b>	Facilitate the creation of job opportunities		Facilitate the implementation of the EPWP		Number	Number of jobs sustained through construction of RDP housing projects by 30 June 2023	400	<b>EDPHS</b>
					Number	Date of ensuring that project implementation includes employment of local labour as and when projects are implemented by 30 June 2023	30-Jun- 23	<b>TSID</b>

			Strategic planning for Local Economic Development	BUDGET	Number	Number of quarterly progress reports on jobs created submitted to EXCO by 30 June 2023	4	OMM
LED 05				R 1.600 000	Number	Number of quarterly reports on implementation of EPWP (CWP, Zibambele, Food for Waste, Life Guards) programs submitted to EXCO by 30 June 2023	4	CSPSD
LED 06				R 200 000	Number	Date of ensuring that all qualifying tender specifications provide for subcontracting opportunities for emerging local contractors as and when a tender document is being compiled by 30 June 2023	30-Jun- 23	TSID

				N/A	Number	Number of Quarterly Business compliance inspections conducted by 30 June 2023	4	EDPHS
				R200 000	Date	Date of hosting business Fair by 31 March 2023	31-Mar- 23	
LED 07				R300 000	Number	Number of quarterly reports on the implementation of Vuthela LED programme submitted to EXCO by 30 June 2023	4	EDPHS
<b>MUNICIPAL INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION</b>								

SRE M 03					N/A	Date	Date of adopted Disaster Management Framework by 31 May 2023	31-May- 23	COMMUNITY SERVICES
SRE M 03					N/A	Date	Date of submission of Fire and Emergency Services Section 78 report to Council by 31 March 2023	31-Mar- 23	
SRE M 02			Ensure an integrated and aligned development planning	Ensure proper development	200 000	Date	Date of Draft EIA scoping report for the Dokodweni Beach by 30 June 2023	30-Jun- 23	EDPHS
					R400 000	Date	Date of approval of agricultural sector plan by 30 June 2023	30-Jun- 23	

#### E.1. IMPLEMENTATION PLAN

The following tables outline the projects and programs the municipality will be embarking on during this term of council. The projects and programs are based on internal and external budgets.

F.1. Financial Plan

F.1.1. Three - year Municipal Standard chart of account budget (mSCOA Budget)

The mSCOA Regulations applied to all municipalities and municipal entities with effect from 1 July 2017. Mandeni municipality has compiled its 2023/24 MTREF Budget transacting across all the mSCOA seven segments in Version 6.7 as per MFMA Circular 123. Furthermore, we have ensured a seamless integration of the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and Budget facilities into the core financial system as these documents create a point of departure for the transaction.

Mandeni municipality has tabled its mSCOA Final Annual Budget & IDP for 2023/24 MTREF in an mSCOA classification framework and the data string (IDP and Budget) will be uploaded to the LG Database portal on the 31<sup>st</sup> May 2023 immediately after tabling at a Council Meeting.

The municipality has also ensured that our main core system (SAGE Evolution) and all subsystems are integrating seamlessly.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2023/24 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2023/24 & MTREF

KZN291 Mandeni - Table A1 Budget Summary									
Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Total Revenue (excluding capital transfers and contributions)	278,870	319,244	331,880	328,592	344,324	344,324	382,369	404,472	409,330
Total Expenditure	286,257	301,966	306,106	361,725	371,753	371,753	402,121	412,719	438,278
Surplus/(Deficit) for the year	11,051	58,743	70,873	5,329	27,997	27,997	28,629	33,076	14,139
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	16,774	17,990	30,411	78,311	86,666	86,666	143,945	35,933	37,466
Total Budget	303,031	319,955	336,517	440,036	458,419	458,419	546,065	448,652	475,744

Total operating revenue has increased by 11.0 per cent or R38.0 million for the 2023/24 financial year when compared to the 2022/23 Adjustments Budget. For the two outer years, operational revenue will increase by 6.0 and 1.0 per cent respectively, equating to a total revenue growth of R26.9 million over the MTREF when compared to the 2022/23 financial year.

Total operating expenditure for the 2023/24 financial year has been appropriated at R402.1 million and translates into a surplus budget of R28.6 million. Operational expenditure has increased by 8.2 per cent in the 2023/24 budget and the outer years have increased by 2.6 and 6.2 per cent for each of the respective outer years of the MTREF. The operating surplus for the two outer years steadily increased to R30.4 million. The municipality has reprioritized its operational expenditure to be able to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R143.9 million for 2023/24 has increased by 67.4 per cent when compared to the 2022/23 Adjustment Budget. The capital programme decreases to R35.9 million from 2024/25 financial year and then increases in 2025/26 to R37.5 million.

The reduction is due to affordability in the light of the current economic circumstances. A substantial portion of the capital budget will be funded from government grants. The balance will be funded from internally generated funds from cash backing reserves.

### F.1.2. Implementation of Financial Plan & Expenditure & Challenges.

No	Project Name	Ward	Brief Description	Consultant/ Contractor	Approved MIG Funding	Status/ Progress	Anticipated Date	Challenges / Comments
01	Upgrade of Link Road between Masomonce Bus Route (Ward 10) and Enembe/Isith ebe Link Road (Ward 12)	10/12	This project entails the construction of the new scope of work to prioritize the Storm-water, retaining wall, sidewalk and fixing the damaged sections of the road.	<b>Consultant</b> Iqhina Consulting Engineers  <b>Contractor</b> TBC	R2 000 000.00	Documentation stage	TBC	The new Consultant Iqhina Consulting Engineers has been appointed to deal with the finishing of the project since the previous Consultant Leletu Consulting Engineers pulled out of the project.
02	Construction of a Sports field in Enembe, Ward 5	5	Project Scope: The scope of works is as follows: Construction of a soccer field, Installation of clear view Fencing, Construction of Change rooms and ablution facility as well as the septic tank and Construction of grand stands	<b>Consultant</b> Sivest Consulting Engineers  <b>Contractor</b> Sholo Trading	R7 962 614.60	Project Complete	December 2022	Project is at Defect Liability Period ending 14 December 2023.

F. 1.5. Consolidated Municipal Capital Budget

FINAL CAPITAL PROJECTS PER DEPARTMENT	DRAFT BUDGET	VAT @15%	BUDGET EXCLUSIVE OF VAT	FINAL BUDGET	VAT @15%	BUDGET EXCLUSIVE OF VAT	MOVEMENT FROM DRAFT TO FINAL
EXECUTIVE & COUNCIL							
Procurement of Loud Hailers	120 000	15 652	104 348	120 000	15 652	104 348	
Procurement of a Double Cab for Strategic Support Unit	750 000	97 826	652 174	750 000	97 826	652 174	
	<b>870 000</b>	<b>113 478</b>	<b>756 522</b>	<b>870 000</b>	<b>113 478</b>	<b>756 522</b>	-
FINANCE							
Procurement of Vehicle (Asset Verification and Meter reading)	500 000	65 217	434 783	500 000	65 217	434 783	
	<b>500 000</b>	<b>65 217</b>	<b>434 783</b>	<b>500 000</b>	<b>65 217</b>	<b>434 783</b>	-
EDPHS							
Construction of craft Stalls	1 000 000	130 435	869 565	1 000 000	130 435	869 565	
Construction of Mini Factories at Khenana Phase 1	6 000 000	782 609	5 217 391	6 000 000	782 609	5 217 391	
	<b>7 000 000</b>	<b>913 043</b>	<b>6 086 957</b>	<b>7 000 000</b>	<b>913 043</b>	<b>6 086 957</b>	-
CORPORATE SERVICES							
Procurement of Laptops and Computers	300 000	39 130	260 870	300 000	39 130	260 870	
Office Equipment/Furniture	600 000	78 261	521 739	600 000	78 261	521 739	
Procurement of Vehicle- IT and OHS	500 000	65 217	434 783	500 000	65 217	434 783	
	<b>1 400 000</b>	<b>182 609</b>	<b>1 217 391</b>	<b>1 400 000</b>	<b>182 609</b>	<b>1 217 391</b>	-
COMMUNITY SERVICES							
Library Air Conditioning	50 000	6 522	43 478	50 000	6 522	43 478	
Landscaping and Beautification of P459 CDB Intersection- Phase 2	1 000 000	130 435	869 565	1 000 000	130 435	869 565	

Procurement of Brushcutter machines	160 000	20 870	139 130	160 000	20 870	139 130	
Procurement of Coastal Equipment	250 000	32 609	217 391	250 000	32 609	217 391	
Purchase of New Computers-Library	200 000	26 087	173 913	100 000	13 043	86 957	100 000
Procurement of Parks Staff Small Equipment (Pole Pruner & Chain saw)	100 000	13 043	86 957	100 000	13 043	86 957	
Procurement of 6 Rescue Boards	180 000	23 478	156 522	180 000	23 478	156 522	
Procurement of 20 Refuse Skips	1 200 000	156 522	1 043 478	1 200 000	156 522	1 043 478	
Fencing of Isibusisiwe Community Hall	500 000	65 217	434 783	500 000	65 217	434 783	
Procurement of Beach 4x4 Quad Bike Tugela	400 000	52 174	347 826	400 000	52 174	347 826	
Procurement of IRB BOAT Boat for Mbizimbelwe Beach	300 000	39 130	260 870	300 000	39 130	260 870	
Procurement of Recycling Programme Plant and Equipment	1 200 000	156 522	1 043 478	1 200 000	156 522	1 043 478	
Procurement of a TRACTOR WITH SLASHER	1 500 000	195 652	1 304 348	1 500 000	195 652	1 304 348	
Procurement 4 X 4 Single Cab Bakkie with Canopy ( replacement of vehicle number 10 for Facilities)	500 000	65 217	434 783	500 000	65 217	434 783	
Procurement of 4 X 4 Double Cab Bakkie Vehicle with canopy ( Facilities)	850 000	110 870	739 130	850 000	110 870	739 130	
Procurement 4 X 4 2.4 Single Cab Bakkie Vehicle( replacement traffic club bakkie)	500 000	65 217	434 783	500 000	65 217	434 783	
Construction of Lifeguard house and IRQ Boat Storage Tugela Mouth Ward 2	350 000	45 652	304 348	350 000	45 652	304 348	
Procurement of Platform stands for Tugela Mouth Ward 2	400 000	52 174	347 826	400 000	52 174	347 826	
Construction of Borehole (Mbizimbelwe beach) Ward 1	150 000	19 565	130 435	150 000	19 565	130 435	
Procurement of Library Vehicle (double cab bakkie)				400 000	52 174	347 826	(400 000)
Procurement of SOLAR GENERATOR (Mobile Library)	300 000	39 130	260 870	-	-	-	300 000
Procurement Swimming Pool Pumps with shelter	250 000	32 609	217 391	250 000	32 609	217 391	

<b>Procurement of Upgrade of Existing Plant Storage</b>	100 000	13 043	86 957	100 000	13 043	86 957	
	<b>10 440 000</b>	<b>1 361 739</b>	<b>9 078 261</b>	<b>10 440 000</b>	<b>1 361 739</b>	<b>9 078 261</b>	<b>-</b>
TECHNICAL SERVICES							
<i>MIG FUNDED</i>							
<b>Construction of a Hlomendlini Sportsfield &amp; Combo Court in Ward 04</b>	5 945 511	775 501	5 170 009	5 945 511	775 501	5 170 009	
<b>Construction of Nyoni Taxi Route Phase 4</b>	500 000	65 217	434 783	500 000	65 217	434 783	
<b>Upgrade and Improvement of Bumbanani Road</b>	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
<b>Construction of Endlondlweni Ward 10 Sportsfield</b>	8 000 000	1 043 478	6 956 522	8 000 000	1 043 478	6 956 522	
<b>Upgrade of Machibini Link road in Isithebe in Ward 10 and Ward 12</b>	2 500 000	326 087	2 173 913	2 500 000	326 087	2 173 913	
<b>Construction of a Community Hall in Ward 8</b>	500 000	65 217	434 783	500 000	65 217	434 783	
<b>Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1</b>	8 000 000	1 043 478	6 956 522	8 000 000	1 043 478	6 956 522	
<b>Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 15</b>	6 893 856	899 199	5 994 657	6 893 856	899 199	5 994 657	
<b>Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 2 &amp; Ward 14 White City Section</b>	500 000	65 217	434 783	500 000	65 217	434 783	
<b>Procurement of Specialised Vehicles, Waste Management (TLB, 2 Cage Trucks)</b>	2 891 784	377 189	2 514 594	2 891 784	377 189	2 514 594	
<b>Procurement of 4 X 4 Double Cab Bakkie Vehicle (PMU)</b>	600 000	78 261	521 739	600 000	78 261	521 739	
<b>Planning for Rehabilitation of Quartz Road and Portion of Platinum Road in Ward 4</b>	250 000	32 609	217 391	250 000	32 609	217 391	
<b>Planning for Upgrade of Rural Gravel Roads in Mandeni, Phase 5</b>	250 000	32 609	217 391	250 000	32 609	217 391	

<b>Planning for Construction of a Community Hall in Khenana Township, Ward 10</b>	250 000	32 609	217 391	250 000	32 609	217 391	
<b>Planning for Construction of a Sports Field in Ward 2, Mandeni</b>	250 000	32 609	217 391	250 000	32 609	217 391	
<b>Planning for Construction of a Soccer Field and Combo Court in Khenana Township, Ward 10</b>	250 000	32 609	217 391	250 000	32 609	217 391	
<b>Planning for Construction of a Sports Field in Ward 1, Mandeni</b>	250 000	32 609	217 391	250 000	32 609	217 391	
<b>Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 2 &amp; Ward 14 White City Section (Rehabilitation of Phumla, Indumiso and Mandela Internal Roads &amp; Stormwater in Sundumbili, Ward 13 Phase 2 and Ward 14)</b>	8 000 000	1 043 478	6 956 522	8 000 000	1 043 478	6 956 522	
<i>INTERNAL FUNDED</i>							
<b>Extension of the Municipal Mechanical Workshop</b>	8 909 085	1 162 055	7 747 031	16 909 085	2 205 533	14 703 552	(8 000 000)
<b>Procurement of a 770 Grader</b>	6 100 000	795 652	5 304 348	6 100 000	795 652	5 304 348	
<b>Construction of Phase 1 of New Protection Services Centre</b>	4 000 000	521 739	3 478 261	6 000 000	782 609	5 217 391	(2 000 000)
<b>Procurement of 2x 12 Cube Tipper Truck</b>	6 000 000	782 609	5 217 391	6 000 000	782 609	5 217 391	
<b>Civic Centre Upgrade- Roofing</b>	4 500 000	586 957	3 913 043	4 500 000	586 957	3 913 043	
<b>Procurement of a 16000 L Water Tanker</b>	3 000 000	391 304	2 608 696	3 000 000	391 304	2 608 696	
<b>Municipal New Office Block-detailed planning</b>	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
<b>Procurement of a Jetting Machine</b>	1 600 000	208 696	1 391 304	1 600 000	208 696	1 391 304	
<b>Procurement of Transformer 315 KVA Mini-Sub</b>	800 000	104 348	695 652	800 000	104 348	695 652	
<b>Procurement of RMU</b>	600 000	78 261	521 739	600 000	78 261	521 739	
<b>Construction of pathways in various Wards</b>	500 000	65 217	434 783	500 000	65 217	434 783	
<b>Installation of New Car parking Sheds for Main Office and Technical Services</b>	400 000	52 174	347 826	400 000	52 174	347 826	

Installation of guardrails in various Wards	300 000	39 130	260 870	300 000	39 130	260 870	
Procurement of a Soil Compactor	250 000	32 609	217 391	250 000	32 609	217 391	
Supply and Install Air Conditioning Units	200 000	26 087	173 913	200 000	26 087	173 913	
Procurement of a light vehicle ramp/hoist	100 000	13 043	86 957	100 000	13 043	86 957	
Procurement of compressor	80 000	10 435	69 565	80 000	10 435	69 565	
Upgrade of Links Road Mosomonce Bus Route and Enembe/Isithebe Link Road Ward 13	3 000 000	391 304	2 608 696	3 000 000	391 304	2 608 696	
Storm water upgrade ward 13 & 14	2 500 000	326 087	2 173 913	5 000 000	652 174	4 347 826	(2 500 000)
Procurement of a 10 ton Smooth Roller	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Ward 9 - KwaMoya to KwaGina road	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Ward 11-Tribal Court to KwaNxumalo ePhoyiseni	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Ward 16- Swidi Church to Winya road	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Ward 17- Zavutha to Vusimuzi High School	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Ward 18- Ndovela to Isithebe Library	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Road leading to eMatshe'amhlophe (Ward 6)	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Regravelling of esikhoveni Road (Ward 8)	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Concrete-surfacing of local distributor leading to eHlazeni together with its drainage system (Ward 7)							
Regravelling - From iNduna uSithole leading to Thembalihle Store (Ward 1)	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Regravelling - Road leading to eMathuneni (Ward 5)	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
Regravelling -Road to Ezihlabathini (Ward 2)	2 000 000	260 870	1 739 130	2 000 000	260 870	1 739 130	
P415 -459 Ward 3 Streetlights installation (Ward 3)	1 800 000	234 783	1 565 217	1 800 000	234 783	1 565 217	

<b>Construction of traffic calming measures (Speed Humps) in ward 3, 7, 13,14, 15)</b>	400 000	52 174	347 826	400 000	52 174	347 826	
<b>Reinstate of damaged roads as a result of water repairs by IDM</b>	400 000	52 174	347 826	400 000	52 174	347 826	
<i>MUNICIPAL DISASTER RECOVERY GRANT</i>							
<b>D2022 - Ward 14</b>				2 699 366	352 091	2 347 275	2 699 366
<b>D1293 - Ward 12</b>				4 887 965	637 561	4 250 404	4 887 965
<b>Gravel Novas Farm: Ward 04</b>				3 804 720	496 268	3 308 452	3 804 720
<b>Gravel Efelethu - Ward 3</b>				4 164 049	543 137	3 620 912	4 164 049
							-
	<b>117 270 235</b>	<b>15 296 118</b>	<b>101 974 118</b>	<b>145 326 335</b>	<b>18 955 609</b>	<b>126 370 726</b>	<b>3 056 100</b>
<b>TOTAL</b>	<b>137 480 235</b>	<b>17 932 205</b>	<b>119 548 031</b>	<b>165 536 335</b>	<b>21 591 696</b>	<b>143 944 639</b>	<b>3 056 100</b>
<b>CAPITAL BUDGET FUNDED AS FOLLOWS:</b>							
<b>MIG</b>	47 831 150	-	-	47 831 150	6 238 846	41 592 304	
<b>LIBRARY</b>	550 000	-	-	550 000	71 739	478 261	
<b>RESERVES</b>	89 099 085	-	-	101 599 085	13 252 055	88 347 031	
<b>MUNICIPAL DISASTER RECOVERY GRANT</b>				15 556 100	2 029 057	13 527 043	
	<b>137 480 235</b>	<b>-</b>	<b>-</b>	<b>165 536 335</b>	<b>21 591 696</b>	<b>143 944 639</b>	
<b>INEP GRANT</b>							
<b>Upgrading of Mandeni Sub-station - Bulk Infrastructure funding</b>	7 384 000	-	-				
	<b>7 384 000</b>	<b>-</b>	<b>-</b>				
<b>MASSIFICATION GRANT FUNDED PROJECTS</b>							
<b>Khenana Phase 5 Electrification Project (Ward 10)</b>	1 500 000	-	-				
<b>Mantshangula Mhlubulweni Electrification Project (Ward 2 &amp; 9)</b>	3 260 653	-	-				
	<b>4 760 653</b>	<b>-</b>	<b>-</b>				

F.1.5.1. Planned Dept of Education Projects for Mandeni Schools

Ward No:	SCHOOL NAME	TOTAL PROJECT COST R'000	FINAL APPROVED ALLOCATION 2023-24 R'000	ESTIMATE ALLOCATION 2024-25 R'000	ESTIMATE ALLOCATION 2025-26 R'000
3	CRANBURN PRIMARY SCHOOL	R 2,429	R 1,250	R 750	R 825
3	CRANBURN PRIMARY SCHOOL	R 3,902	R 987	-	-
5	DENDETHU PRIMARY SCHOOL	R 4,783	R 134	-	-
5	DENDETHU PRIMARY SCHOOL	R 2,000	R 595	R 393	R 433
12	DUNGA PRIMARY SCHOOL	R 2,276	R 129	-	-
1	EBENDLE PRIMARY SCHOOL	R 2,400	-	R 257	R 283
2	EMTHALENI PRIMARY SCHOOL	R 2,916	R 850	-	-
5	ENEMBE PRIMARY SCHOOL	R 3,924	R 595	R 576	R 634
7	ETHEL MTHIYANE LSEN SCHOOL	R 35,317	R 1,245	R 559	R 614
10	GCWALAMOYA PRIMARY SCHOOL	R 3,926	-	R 1,048	R 1,153

<b>3</b>	IFALETHU COMBINED SCHOOL	R	1,150	R 123	R -	R -
<b>8</b>	INGULULE PRIMARY SCHOOL	R	8,892	R 492	R 845	R 930
<b>8</b>	ISINYABUSI TECHNICAL HIGH SCHOOL	R	8,000	R -	R 1,500	R 3,000
<b>5</b>	IWETANE PRIMARY SCHOOL	R	4,247	R 102	R -	R -
<b>9</b>	KHULULEKANI PRIMARY SCHOOL	R	8,399	R -	R 647	R 711
<b>17</b>	KWAVUSUMUZI HIGH SCHOOL	R	17,927	R -	R 1,638	R 1,802
<b>8</b>	LAMBOTHI HIGH SCHOOL	R	3,540	R 2,601	R 250	R -
<b>8</b>	LAMBOTHI HIGH SCHOOL	R	1,508	R 987	R -	R -
<b>3</b>	LOWER TUGELA PRIMARY SCHOOL	R	8,890	R -	R 927	R 1,019
<b>9</b>	MACAMBINI PRIMARY SCHOOL	R	4,965	R 701	R -	R -
<b>10</b>	MANDENI PRIMARY SCHOOL (RESERVE 21)	R	10,772	R 3,891	R 1,871	R 2,058
<b>3</b>	MANGETHE PRIMARY SCHOOL	R	1,600	R -	R 366	R 402
<b>1</b>	MANGQAKAZA PRIMARY SCHOOL	R	1,301	R 987	R -	R -

11	MBUYISELO HIGH SCHOOL	R	16,308	R 157	R -	R -
11	MCATSHANGELWA PRIMARY SCHOOL	R	6,027	R 102	R -	R -
5	MGANDENI HIGH SCHOOL	R	35,400	R 575	R 119	R 131
9	NDONDAKUSUKA SECONDARY SCHOOL	R	8,007	R 126	R 3,394	R 3,733
4	NEWARK PRIMARY SCHOOL	R	3,998	R -	R 579	R 637
6	NKOMIDLI PRIMARY SCHOOL	R	4,002	R -	R 571	R 628
6	NKOMIDLI PRIMARY SCHOOL	R	1,150	R 201	R 153	R 168
6	NKWENKWEZI SECONDARY SCHOOL	R	4,250	R -	R 571	R 629
6	NKWENKWEZI SECONDARY SCHOOL	R	2,900	R 595	R 476	R 523
2	SAKHESETHU PRIMARY SCHOOL	R	2,500	R 201	R 347	R 382
13	SIYAVIKELWA PRIMARY SCHOOL	R	8,000	R -	R 1,500	R 3,000

<b>1</b>	SONQOBA PRIMARY SCHOOL	R	4,042	R 1,300	R 574	R 632
<b>6</b>	ST CYPRIANS INTERMEDIATE SCHOOL	R	1,150	R 201	R 152	R 167
<b>1</b>	THEKELIMFUNDO PRIMARY SCHOOL	R	5,514	R 328	R -	R -
<b>15</b>	THUKELA SECONDARY SCHOOL	R	6,077	R 1,938	R 1,624	R 1,786
<b>12</b>	TSHANA HIGH SCHOOL	R	1,600	R -	R 366	R 403
<b>8</b>	WANGU PRIMARY SCHOOL	R	4,387	R 108	R -	R -

1.7 Dept. of Agriculture & Rural Development

Infrastructure projects	Target	Budget
Ngwavu landcare project	125 ha	R 1 310 000
Mbizimbelwe grazing camp	Fencing 10 kilometers	
Alien plant removal		
Repairs to dip tanks		
Mangqakaza dip tank		
Matigulu dip tank		
Repairs to dip tanks		
Mangqakaza dip tank		

Dept. of Agriculture & Rural Development -Continued-

Infrastructure projects	Target	Budget
Ngwavu landcare project	125 ha	R 1 310 000
Mbizimbelwe grazing camp	Fencing 10 kilometers	
Alien plant removal		
Repairs to dip tanks		
Mangqakaza dip tank		
Matigulu dip tank		
Repairs to dip tanks		
Mangqakaza dip tank		

## 1.8 INEP FUNDED & PLANNED PROJECTS

NO.	CAPITAL PROJECT NAME	BUDGET
	PROJECT MANAGEMENT UNIT (PMU)	Allocation: R5 000 000.00
		Less: 2022/23 FY Expenditure R 239 347.00
	<u>MASSIFICATION GRANT FUNDED PROJECTS</u>	2023/24 FY Balance to spend: R 4 760 653.00
1	Khenana Phase 5 Electrification Project	1 500 000.00
2	Mantshangula Mhlubulweni Electrification Project	3 260 653.00
	TOTAL	4 760 653.00
NO.	CAPITAL PROJECT NAME	BUDGET
	<u>INEP GRANT FUNDED PROJECTS</u>	2023/24 FY Allocation: R 7 384 000.00
1	Mandeni Sub-station - Bulk	6 384 000.00

NO.	CAPITAL PROJECT NAME	BUDGET	ALLOCATION	15 000
			000.00	
	PROJECT MANAGEMENT UNIT (PMU)		EXPENDITURE	38 909
			085.17	
	<u>INTERNAL FUNDED PROJECTS</u>	R 15 000 000.00	BALANCE	(23 909
			085.17)	
1	Repair & Renovation of the Civic Centre & Roof Replacement in Mandeni Municipality	4 500 000.00		
2	Construction of Mandeni DLTC & DMC Administration Offices, Phase 1	6 000 000.00		
3	Construction of the Mechanical Workshop and Office Block	16 909 085.17		
4	Installation of Streetlights on P415 & P459	2 500 000.00		
5	Link Road Masomonce and KwaSithebe Bus Route (Enembe link)	7 000 000.00		
6	New Office Block	2 000 000.00		
7				
	TOTAL	38 909 085.17		

### 1.8.1. Ilembe Projects

Project Name	Area	Funder	2021/2022 Budget	2022/2023 Budget	2023/2024 Budget
Macambini Water Supply Scheme	Mandeni	MIG	R 45 000 000	R 50 000 000	R 40 000 000.00
Ndulinde Water Supply Scheme	Mandeni	MIG	R 20 000 000.00	R 25 000 000	R 24 000 000.00
Inyoni Bulk Sewer	Mandeni	MIG	R 2 000 000.00	R 3 000 000.00	R 0.00
Inyoni Bulk Water	Mandeni	MIG	R 5 000 000.00	R 0.00	R 0.00
Sundumbili WWTW Upgrade	Mandeni	MIG	R 1 000 000.00	R 1 000 000.00	R 25 000 000.00
VIP Sanitation Program	District Wide	MIG	R 21 000 000.00	R 27 000 000.00	R 30 000 000.00
Mandafarm Waterborne Sewer	Mandeni	MIG	R 2 000 000.00	R 10 000 000.00	R 20 000 000.00
Water Conservation/Water Demand Management	District Wide	WSIG	R 6 500 000.00	R 10 000 000.00	R 10 000 000.00
Old Infrastructure Replacement/Upgrade	District Wide	WSIG	R 43 000 000.00	R 53 000 000.00	R 50 000 000.00
RRAMS	District Wide	RRMS	R 2 400 000.00	R 2 600 000.00	R 2 800 000.00
EPWP	District Wide	EPWP	R 4 800 000.00	R 6 500 000.00	R 8 000 000.00
<b>TOTAL INCLUDING VAT</b>			<b>R205 100 000.00</b>	<b>R 189 000 000.00</b>	

### 1.8.2. Eskom Projects

Project Name	Project type	DoE TOTAL Planned CAPEXExcl VAT 2022/2023		DoE TOTAL Planned CAPEXIncl VAT 2022/2023		DoE TOTAL Planned 2022/2023	Connections
Zavutha ward 16 Extensions	Households	R 2 264 348.00		R 2 604 000.20		124	
Zavutha ward 16 Extensions (Link Line)	Infrastructure Link Line	R 4 154 858.22		R 4 778 086.96		0	
Mandeni Ward 11 extensions	Pre-engineering (Households)	R 260 869.57		R 300 000.00		0	
Mandeni Ward 11 extensions (Link Line)	Pre-Engineering (Infrastructure Link Line)	R 260 869.57		R 300 000.00		0	

1.8.2.1. Eskom 2023/2024 Planned Projects for Mandeni.

ESKOM PLANNED PROJECTS FOR 2023/2024 MANDENI								
Municipality Code & Name	Project Name	Ward Number	Project Type	Estimated Conns	Actual Conns	Planned Capex DoE	Actual Capex	Status
KZN291_Mandeni	Mandeni Ward 11 extensions	11	Household Extensions	202	0	R4 448 206.06	R0.00	Project is at design stage
KZN291_Mandeni	Mandeni type 1 infills		Type 1	300	0	R2 250 000.00	R0.00	Project is at design stage
<b>Total</b>				<b>502</b>				

ESKOM 2024/2025 PROPOSED PROJECTS						
Municipality Code & Name	Project Name	Ward Number	Project Type	Estimated Conns	Planned Capex DoE	Status
KZN291_Mandeni	Mabhuyeni Ward 7 Extensions	7	Household Extensions	240		Project is at design stage

### 1.8.3. Dept of Transport 2023/2024 Projects:

Road No. / Road Name	Locality	Ward No:	Output Target	Project status
L1943	Dokodweni - Nqutshini	01	6.285km	Contractor handover to relevant stakeholder
P110	Fort Pierson	04	5.000km	Contractor handed over to relevant contractor
P428	Newark	04	1.000km	Contractor handed over to the relevant stakeholder
L3110	Nyoni – Ndulinde	6 & 16	2.558km	Contractor handed over to the relevant stakeholder
L2704	Nyezane to Mangqakazi	1 & 8	2.787km	Contractor handed over to the relevant stakeholder
D2194	Ndulinde	11	8.734km	Contractor handed over to the relevant stakeholder
L3161	Wetane	5 & 12	2.359km	Contractor handed over to the relevant stakeholder
D2470	Wangu to Mhlubulweni	2	6.790km	Contractor handed over to the relevant stakeholder
L3292	Ezigwinini (Tugela Mouth)	2	3.000km	Contractor handed over to the relevant stakeholder
L598	Ndulinde	6	1.299km	Contractor handed over to the relevant stakeholder
L947	Ndulinde to Mthengeni	6	4.591km	Contractor handed over to the relevant stakeholder
P415	Mangethe / Hlomendlini	Missing data	3800m2	Contractor handed over to the relevant stakeholder
L3664	Ndulinde (matshamhlophe	6	3.023km	Contractor handed over to the relevant stakeholder
D1595	Vutha	6	6.442km	Contractor handed over to the relevant stakeholder
D888	Dokodweni	01	4.536km	Contractor handed over to the relevant stakeholder

## G. ANNUAL OPERATIONAL PLAN (SBDIP)

Mandeni Local Municipality utilizes the Balanced Scorecard as the model to plan, implement, monitor and evaluate performance. With an emphasis on “balanced”, the Scorecard uses four perspectives to answer critical service delivery questions. This provides the balance that successful organizations seek in measuring performance. Attached as Annexure C is the detailed the final 2023/24 Service Delivery Budget and Implementation Plan per Department and Top Layer SDBIP. See Refer.

### Mandeni Strategic Objectives Aligned To Goals

Basic Services & Infrastructure Development		
1.	Goal	Universal access to basic services and infrastructure development by 2030
1.1	Strategic Objective	Improve access to all infrastructure and services
1.2.	Goal	Providing and facilitating access to social facilities
	Strategic Objective	Improve access to all infrastructure and services
	Objective	



**Good Governance and Public Participation**

2.	Goal	To foster a culture of community involvement and good governance in the affairs of the municipality.
2.1	Strategic Objective	To ensure participative transparent and accountable governance Aspire to healthy, Safe, & Crime Free area Ensure that all, legislative council structure meeting sit Implementation of risk mitigation strategies specific to the department.

**Municipal Financial Viability and Management**

3.	Goal 3	To develop a sustainable and efficient municipality based on sound financial management.
3.1	Strategic Objective	Ensure a financially viable municipality

**Local Economic Development**

4.	Goal 4	Facilitate the creation of job opportunities
4.1	Strategic Objective	Achieve a holistic human development and capacitation for the realization of a skilled and employable workforce

**Municipal Transformation and Institutional Development**

5.	Goal 5	Provision of effective efficient transparent and accountable leadership
	Strategic Objective	Create conducive working environment

**SPATIAL RATIONAL ENVIRONMENTAL – CROSS CUTTING**

6.	Goal	Promoting and facilitating environmental protection, and sustainable spatial planning
	Strategic Objective	CBD Regeneration Ensure integrated and aligned development planning Facilitate creation of disaster ready community

## H.1. ORGANISATIONAL & INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

### INTRODUCTION

Performance management is a strategic approach to which management equips leaders, managers, employees, and stakeholders at different levels; with a set of tools and techniques to plan regularly, monitor continuously, measure periodically, and review performance of the Organization in terms of indicators and targets for efficiency, effectiveness, and impact. Chapter 6 of the Municipal Systems Act (No.32 of 2000) requires the Municipality to:

- Develop a performance management system; Set targets, and monitor and review performance, based on indicators linked to IDP;
- Publish annual reports on performance for the Organization, staff, the public, and other spheres of government

Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government. Have the Annual Performance Report audited by the Auditor-General; and. Involve the community in setting the indicators and targets, and reviewing the Municipality's performance.

1.2. THE 2001 MUNICIPAL PLANNING AND PERFORMANCE REGULATION STATES THAT: The PMS must entail a framework that describes and represents how municipal cycles and processes of PMS; including measurement, review, reporting, and improvement will be conducted; and PMS must, interilic, comply with the requirements of systems the Act relates to the Municipality's employee performance management processes.

The 2023/2024 review IDP, the Municipality has prepared functional and effective organization performance management systems, that address the performance needs of the Municipality; and also serves to promote a culture of performance management, and to administer its affairs in an economical, effective, efficient, and accountable manner, as required by Section 38 of the Municipal Systems Act No. 32 of 2000.

In terms of measuring performance of the Municipality in 2023/2024, the municipality has reviewed performance management system, and has in place the following documents, that guide the review, implementation, monitoring, and reporting of PMS:

In terms of measuring performance of the Municipality in 2022 / 2023, the municipality has reviewed the performance management system, and has in place the following documents, that guide the review, implementation, monitoring, and reporting of PMS: Performance Framework; Organizational Scorecard; and Department Scorecard.

## H. ORGANIZATIONAL & INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEMS

The adoption of the 2023/24 IDP and Budget Review will be undertaken in May 2023, will inform the preparation of the Service Delivery Budget and Implementation Plan, within 28 days after the adoption. The budget will serve as a monitoring tool for the implementation of the IDP, and then prepare performance agreements for section 54 and 56 managers as required by the 2006 Performance Regulation, which will have to be concluded before the end of June 2023.

The municipality will also undertake quarterly reviews during the 2023/2024 FY to monitor performance as per following quarters:

- First quarter: July- September 2022;
- Second quarter: October to December 2022; Third quarter: January to March 2023;

and Fourth quarter: April to June 2023.

## 1.2. 2021/2022 ANNUAL PERFORMANCE REPORT

The Mandeni Municipality has prepared the 2021/2022 Annual Performance Report. This report included highlights from the key performance measures, included in the 2021/2022 IDP. The results are assessed using traffic lights criteria, according to the performance against improved targets. At the end of quarter 4), areas for improvement are shown in the scorecard. The accounting officer and the Mayor will provide comments to put performance into context, and identify actions that they will take to address performance.

The annual performance report for 2021/2022 will also be categorized into two parts. The first will show the performance of the previous financial year (2020/2021), and the second part will show the municipal performance for 2021/2022 financial year. The Municipality submitted the Annual Performance Report to the Auditor-General before the 31st of August 2022. The Annual Performance Report for 2021/2022 is attached as Annexure I.

## PMS ASSESSMENT TOOL

Mandeni Municipality played an important role in reporting the PMS assessment tool program for both provincial and national COGTA. The Municipality reports on a quarterly basis to the provincial COGTA, and is still in a satisfactory standard, since the feedback received is reflecting as a functional municipality in the iLembe District. The Municipality is working with provincial specialists to improve the issues that put municipalities in a challenged status. Mandeni Municipality also reports B2B on a monthly basis to the national COGTA.

The performance is also in a satisfactory standard, because the feedback also reflects that the Municipality is fully- functional as well. The reporting is based on the following five pillars:

- KPA 1: Basic Service Delivery
- KPA 2: Financial Viability and Management
- KPA 3: Good Governance & Public Participation
- KPA 4: Local Economic Development
- KPA 5: Municipal Transformation & Institutional Development
- KPA 6: Spatial Rational Environmental Management / Cross Cutting Measures

Chapter I: ANNEXURES

I.1. List of municipal policies and By-laws

Policies	Lifespan	Last Adoption Date	Development / Review Status (Draft / To Be Reviewed)
<b>Budget &amp; Treasury Office</b>			
Communication Strategy	2023-2024	End of April 2023	Under review
Asset Loss Control Policy	2023-2024	End of April 2023	Under review
Asset Management Policy	2023-2024	End of April 2023	Under review
Banking and Investment Policy	2023-2024	End of April 2023	Under review
Catering Policy Reviewed	2023-2024	End of April 2023	Under review
Credit Control and Debt Collection Policy	2023-2024	End of April 2023	Under review
Draft Fleet Management Policy	2023-2024	End of April 2023	Under review
Draft Funding and Reserves Policy	2023-2024	End of April 2023	Under review
Draft Indigent Support Policy	2023-2024	End of April 2023	Under review
Draft Insurance Policy	2023-2024	End of April 2023	Under review
Draft Inventory Management Policy	2023-2024	End of April 2023	Under review
Draft Mandeni SCM Policy	2023-2024	End of April 2023	Under review
Draft Rates Policy	2023-2024	End of April 2023	Under review
Draft Tariff Policy	2023-2024	End of April 2023	Under review
Draft Virement Policy	2023-2024	End of April 2023	Under review
<b>Community Services &amp; Public Safety</b>			
Approved Indigent-Pauper Burial Policy 2022 Reviewal	2023-2024	End of April 2023	Under review
Cemetery And Crematoria By-Law	2023-2024	End of April 2023	Under review
Draft Gathering By Law	2023-2024	End of April 2023	Under review
Firearm Policy For Mandeni	2023-2024	End of April 2023	Under review
Animal Keeping Bylaws	2023-2024	End of April 2023	Under review
Pounds By Laws	2023-2024	End of April 2023	Under review
<b>Corporate Services Department</b>			
2022 Draft in Service Training Students And Internship Program	2023-2024	End of April 2023	Under review
2022 Draft Internal Bursary Policy	2023-2024	End of April 2023	Under review
Batho Pele Policy	2023-2024	End of April 2023	Under review
Draft Cell phone Allowance & Telephone Usage Policy 11052022	2023-2024	End of April 2023	Under review
Draft Leave Policy 2021-2022 (1)	2023-2024	End of April 2023	Under review
Draft Overtime Policy 2021-2022	2023-2024	End of April 2023	Under review
Draft Recruitment Policy	2023-2024	End of April 2023	Under review
Standby Allowance Policy 2021	2023-2024	End of April 2023	Under review
Draft Vehicle Allowance Policy	2023-2024	End of April 2023	Under review
HR Strategy	2023-2024	End of April 2023	Under review
ICT Security Policy	2023-2024	End of April 2023	Under review
ICT Master Systems Plan	2023-2024	End of April 2023	Under review
ICT Governance Policy and Charter-Edit	2023-2024	End of April 2023	Under review
ICT Governance Risk and Compliance Management Training and Mentoring Plan	<b>Under review</b>	<b>End of April 2023</b>	Under review

Economic Development Planning and Human Settlements			
Development Charges Policy			Under review
Land Disposal Policy Revised	2023-2024	End of April 2023	Under review
Informal Traders Policy Review	2023-2024	End of April 2023	Under review
Street Naming & Renaming of Public Facilities Policy	2023-2024	End of April 2023	Under review
Land Use Management Scheme	2023-2024	End of April 2023	Adopted
Office of The Municipal Manager			
Draft Social Media Policy for Mandeni Local Municipality	2023-2024	End of April 2023	Under review
Enterprise Risk Management Policy 2022 2023	2023-2024	End of April 2023	Under review
Mandeni Youth Development Strategy	2023-2024	End of April 2023	Under review
Political Office Bearers Vehicle Policy	2023-2024	End of April 2023	Under review
Infrastructure Development and Technical Services			
Road Maintenance Policy	2023-2024	End of April 2023	Under review
Operation and Usage of Municipal Vehicles	2023-2024	End of April 2023	Under review
Infrastructure Engineering Services Contributions Policies	2023-2024	End of April 2023	Under review
Electricity Procedures	2023-2024	End of April 2023	Under review

## I.2. List of Sector Plans

Name of Sector Plan	Life Span	Last Adoption date	Development/Review Status (Draft/To Be Reviewed)
Informal Traders Management and development strategy	2022 -2027	2021	Reviewed
LED Strategy	2021 -2026	May 2021	Reviewed Annually
Disaster Management Plan	2022 -2027	March 2022	Adopted
Spatial Development Framework	2021 -2027	September 2021	Adopted
Spatial Development Plan	2022-2023	May 2022	Adopted
Integrated Waste Management Plan	2021-2022	June 2021	Adopted
Housing Sector Plan	2016 -2017	May 2016	Under review
Tourism strategy/Business Retention Plan	2017 -2019	June 2017	-
Employment Equity Plan	2020-2022	June 2020	To be reviewed
Performance Management Framework	2022-2023	June 2021	Adopted
Roads and Storm water Operations and Maintenance Plan	2017 -2019	March 2017	To be reviewed
Electricity Master Plan			
Workplace skills plan	2021-2022	April 2022	Developed
Integrated Human Resource strategy	2021-2022	June 2021	Developed
Integrated Local Transport Plan	2017 -2019	June 2017	To be reviewed
Community Safety Plan			
Roads Master Plan			



# MANDENI MUNICIPALITY



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