

Table of Contents

<u>(I) Foreword by Mayor.....</u>	4
<u>(II) Introduction by Acting Municipal.....</u>	4
<u>A) Executive Summary.....</u>	5
1. Introduction.....	5
2. Overview of Abaqulusi Local Municipality.....	5
3. Key Challenges facing Abaqulusi Local Municipality.....	6
4. Key Opportunities facing Abaqulusi Local Municipality.....	8
5. Vision, Mission, Core Values & Goals.....	12
<u>B) Preparation Process.....</u>	13
1. Process Plan.....	13
2. District Framework Plan.....	23
<u>C) Situational Analysis.....</u>	33
1. Legal, Strategy & Policy Framework.....	33
2. Regional Context.....	55
3. Socio-Economic Analysis.....	57
4. Economic Analysis.....	69
5. Environmental Analysis.....	74
<u>6. Spatial Analysis.....</u>	79
<u>7. Infrastructural Analysis.....</u>	92
<u>8. Social & Community Development Analysis.....</u>	100
<u>9. Good Governance & Institutional Analysis.....</u>	106
<u>D) Development Strategies.....</u>	112
1. Vision.....	112
2. Mission.....	112
3. Core Values.....	112
4. Municipal Goals.....	112
5. People, Politics, Priorities & Projects.....	113
6. Risks, Readiness, Richness & Rands.....	114
7. Common, Care, Challenges & Cultivation.....	115
8. Development Strategies.....	116
<u>E) Spatial Development Framework (SDF).....</u>	125
<u>F) Sector Department Involvement.....</u>	126
1. Department of Agriculture.....	126
2. Department of Public Works.....	127
3. Department of Education.....	129

4. Department of Social Development.....	129
5. Department of Transport.....	130
6. Department of Human Settlements.....	131
G) <u>Projects & Implementation Plan.....</u>	132
1. Projects with Committed Funding.....	133
2. Critical Municipal Projects that Requires Funding.....	135
H) Financial Plan.....	139
1. Operating Budget.....	139
2. Capital Budget.....	141
3. Consolidated Budget Summary.....	142
I) <u>Performance Management Systems.....</u>	146
J) <u>Annexures.....</u>	149

Table, Maps & Figures

	Table	Pg No.
1.	IDP Structre	5
2.	Population Estimation	57
3.	Population Distribution by Age	58
4.	Population Health	58
5.	Population by Gender 2007-2010	58
6.	Population by Race 2010	58
7.	Population Age Distribution (%)	59
8.	Abaqulusi GVA 2003-2010	59
9.	Abaqulusi Economic Growth	60
10.	Economic contribution by Sector	61
11.	Sectoral Growth in GVA	62
12.	Labour Market 2010	64
13.	Employment Trends 2003-2009	64
14.	Lead Employment Sectors	65
15.	Employment Trends per Sector 1995-2010	66
16.	Number of People Living in Poverty 2003-2008	67
17.	Poverty Gap (Millions)	68
18.	Inequality Measure Gini Co-Efficient	68
19.	Human Development Indices	69
20.	Access to Water	92
21.	Sanitation	93
22.	Access to Electricity for Lighting	94
23.	Refuse Removal	94
24.	Urban Housing Demand	98
25.	Current Housing Demand	99
26.	Total Housing Demand	99
27.	Demand for Cemeteries	100

	Maps	Pg No.
1.	District Locality	6
2.	Abaqulusi Ward Boundaries	56
3.	Agricultural Potential	72
4.	Wetlands	77
5.	C-Plan	78
6.	Corridors	82
7.	Nodes	86
8.	Conceptual Framework	87
9.	Land Reform	91
10.	Community Facilities	105

	Figures/Graphs	Pg No.
1.	NEMA	49
2.	Population Distribution	57
3.	Economic Growth	60
4.	GVA contribution by Sector 2010	61
5.	Sector Rankings 2007	61
6.	GVA by Sector Trends 2003-2010	62
7.	Unemployment Trends 1995-2009	63
8.	Labour Participation Rate 2005-2009	63
9.	Labour Force Trends 1995-2009	64
10.	Employment Trends 2003-2010	64
11.	Employment by Sector (%)	65
12.	Comparison of Employment by Sector 1995-2010	66
13.	Comparison of Employment Trends (Agriculture & Trade)	67
14.	Contribution to ZDM GDA in 2007	69
15.	Classification of Corridors	80
16.	Access to Housing	97

(I). Foreword by Mayor

As Mayor of one of the fastest growing and expanding municipality in the province, I have a mandate to ensure that Abaqulusi Municipality is delivering the basic services needed by its people. However, fulfilling the needs of every citizen still remains a major challenge because of the high backlogs that still need to be addressed.

Like other municipalities in the province and country, Abaqulusi municipality is no different as it is also faced with major financial and human constraints, therefore the reliance upon the Integrated Development Plan is high as it is used to identify the needs of the people and the plan that is required to fulfil those needs.

A growing town depends on a solid foundation. The ALM is committed to creating such a foundation through good corporate governance, transparent structures and processes, and a staff that is as passionate about their town as the individuals and communities who call it home. Through effective leadership, clearly defined strategies and direction, a shared vision, and absolute integrity, the ALM is ensuring the achievement of its vision and objectives and helping Vryheid retain its position as a leading South African town. I have every confidence that, together, we can achieve ever higher levels of success for our town and its people, and create the future that AbaQulusians desire and so richly deserve.

Cllr. P.N. Khaba
Honourable Mayor
Abaqulusi Local Municipality



(II). Introduction by Municipal Manager

Over the years, the Abaqulusi Municipality has moved from strength to strength regardless of the obstacles and challenges that came its way and the past year was no different and as Acting Municipal Manager, it gives me great pleasure to present this timeous and effective Integrated Development Plan (IDP). This IDP can be viewed as being special to the municipality not just because it serves as the business plan of the municipality but because it represents the beginning of the third round of Integrated Development Planning.

An IDP is believed to be a tool that is used to bridge the gap between the municipality and its people and promote democracy and service delivery therefore Abaqulusi Municipality endeavours to produce and execute an IDP that is of high standards. However, in order to produce and execute an IDP of high standards, a collective effort from the municipal staff and all key role-players would be required to fulfil the promises made in this report and I have no doubt that the municipality is on the right track in doing just that.

In conclusion, I would like to thank the community, staff and other key role-players of Abaqulusi involved in developing this IDP and also remind them that the dedication and perseverance shown should not stop here but carried forward to ensure that the municipality is taken to greater heights.

Mr C. Swanepoel
Acting Municipal Manager
Abaqulusi Local Municipality



(A). Executive Summary

1. Introduction

This report represents the third **IDP** for the Abaqulusi Local Municipality, prepared for the period 2012/2013 – 2016/2017. IDPs are prepared according to Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000), which indicates that:

“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality which-

- i. Links integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- ii. Aligns the resources and capacity of the municipality with the implementation of the plan;*
- iii. Complies with the provisions of this Chapter; and*
- iv. Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.”*

In accordance with the abovementioned, this report is structured as follows:

Table 1: IDP Structure

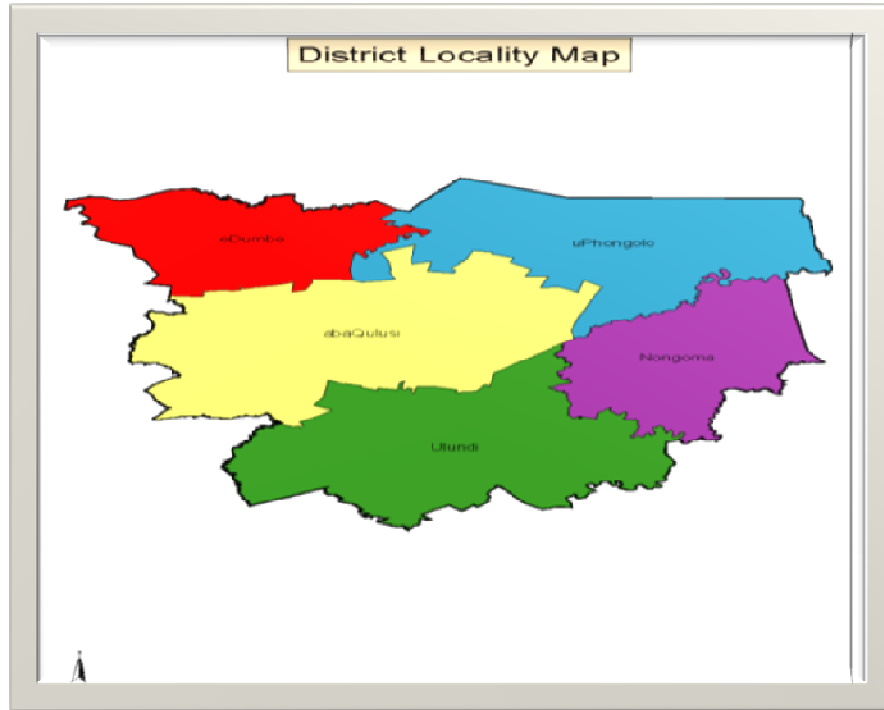
Section Number	Section Content
Section A	Executive Summary
Section B	Preparation
Section C	Situational Analysis
Section D	Development Strategies
Section E	High Level Spatial Development Framework
Section F	Sector Involvement
Section G	Projects & Implementation Plan
Section H	Financial Plan
Section I	Organisational Performance Management System
Section J	Annexure's

2. Overview of Abaqulusi Local Municipality

AbaQulusi Local Municipality is located in the Northern part of KwaZulu-Natal Province and forms part of the Zululand District Municipality. Abaqulusi Municipality comprises of many settlements, both rural and urban, with Vryheid being its main urban settlement/town. Other areas of interest that fall within the boundaries of Abaqulusi also include Louwsburg, eMondlo, Hlobane, Bhekuzulu, etc. It is estimated at 4185km² in extent making it one of the largest in the province with a population of approximately +-250 000 people. It at present constitutes approximately 30% of the Zululand District Municipality and is one of the five local municipalities that make up Zululand District

Municipality. The other local municipalities are eDumbe, oPhongolo, Nongoma and Ulundi. Zululand's population has been on the rise for the past 11 years (2000 - 2010) and currently stands at of 915,137 for the year 2010 with AbaQulusi contributing the highest percentage towards Zululand's population, followed by Nongoma and Ulundi.

Map 1: District Locality (Abaqulusi in yellow)



3. Key Challenges facing Abaqulusi Local Municipality

The AbaQulusi IDP through a consultative process identified various challenges that need to be addressed in order to meet the needs of the voters and achieve sustainable development and the vision for the future development of the AbaQulusi area. These challenges were identified as follows;

- Apartheid spatial planning footprints:** The challenge of the IDP is two separate developments which were caused by historical planning or apartheid planning. This requires AbaQulusi to plan and provide time-balance for the provision of basic infrastructure services to rural areas and to maintain and upgrade existing services in urban areas with due regard to limited financial resources. This need to be part of a holistic approach to achieve social upliftment and a better quality of life for all the citizens of AbaQulusi. Specific projects need to integrate social, infrastructural and economic development.
- Declining economic sectors:** The AbaQulusi area is facing the challenge of economic development after the close down of mining sector, which was a major boost for the regional economy. This challenge left many ghost town and hostels in the area, which also requires infrastructure development and maintenance today. As a result, the municipality is required to pull all various resources which,

too date have not yet been fully developed. The IDP challenge is to draw on those resources and through creative and visionary means implement measures that will result in the economic regeneration and upliftment of the population. Hence, the AbaQulusi Local Municipality need to create an enabling environment that will stimulate investment interest.

- **Lack of skills and high rate of functional illiteracy:** In terms of the sectoral departments and municipal own competencies there is a need to address skills training, adult education and increased access to job opportunities. This in turn means implementing the necessary educational programmes as well as encouraging local economic activity. From a sectoral point of view the extension of the primary sector and the development of a secondary sector in conjunction with this need to be emphasised. Existing opportunities presented through the development of the Zululand Corridor should be embraced. Finally, the role of tourism and its growing contribution to the local economy should be explored and developed.
- **Settlement pattern:** Spatially the IDP must respond to the need for the development of hierarchy of settlements/nodes, which will rationalise the regional distribution of investment in basic infrastructure and community services. The development of a Rural Service Centres may go a long way in achieving a more equitable development and investment pattern and spatial integration. There is a need

to formalise the rural settlements surrounding the urban areas through the implementation of Framework Plans or precinct plans and for consistency in policies, land use management and by-laws.

- **Poor access to social facilities:** Urban areas within the AbaQulusi Local Municipality are reasonably well developed with social facilities and services. However, the standards do need to be maintained and such facilities need to be expanded to reach the urban population due to high rate of urbanization and migration. The real challenge lies in creating similar standards of provision of facilities in the rural areas in order to achieve social upliftment and a general improvement of socio-economic conditions. Addressing this need becomes even more critical, however the creation of regional sport centres may go a long way to achieve the desired outcome if one consider the dimensions that social facilities need to be accessible and should be provided at convenient locations.
- **Service backlog:** One of the main elements of socio-economic wellbeing is the access to basic services. The status of the physical and economic development level of a community such as that of AbaQulusi is often measured based on the provision and quality of infrastructure for technical services, i.e. access to roads, electricity, water and sanitation. These are found to be a huge challenge for AbaQulusi Municipality whereas the Vryheid town suffers from maintaining of existing services while rural areas have

no basic services at all. In addition, theAbaQulusi Local Municipality is challenged with the maintenance and development of basic road and storm water infrastructure to serve the local community, particularly in eMondlo and rural areas. This will be severely constrained by limited financial resources. Public transport plays an important role in the economy of AbaQulusi and deserves some attention in the planning efforts of the municipality.

- **Land Claims:** About 80% of the land within AbaQulusi Municipality belongs to White group. The national government has got a target of 30% of the land must be transferred to Black communities by 2014. This makes AbaQulusi area to be considered under huge land claims by the Department of Land Affairs (DLA). This poses huge challenges to AbaQulusi Municipality due to lack of internal capacity, skills and adequate financial resources to deal with new infrastructure in the areas under land redistribution by Department of Land Affairs.
- **HIV and AIDS:** The number of individuals infected with HIV/AIDS continues to be major challenge for all spheres of government, and an attempt to stabilize the pandemic, is reflected in terms of budget allocations and programmes for implementation by the Department of health. The survey done at District level by the DOH in 2005 for pregnant women reflected 37.8% of infected persons in the Zululand District Municipality. The figures are very sensitive considering that AbaQulusi has a highest population in the

whole district. The AbaQulusi municipality has participated in the development of a District HIV/AIDS Sector plan, and has developed HIV/AIDS Strategies through the establishment of an HIV/AIDS Council chaired by the District Mayor.

4. Key Opportunities facing Abaqulusi Local Municipality

- **Tourism:** Eco-tourism has a prominent position in the KwaZulu-Natal market and foreign tourist indicated that the greatest attractions are the climate, wildlife and landscape. The study area has the ability to derive opportunity from this market and this should be investigated. The Ithala Game Reserve (30 000 ha in extent) is located just outside the Municipal area north of Louwsburg. It offers wildlife, scenery and accommodation, which include up market tourist facilities in a 240-bed camp with four bush camps of 4 – 12 beds each. The Ngome Forests include the Thendeka Wilderness area, which is claimed by locals to be ‘more spectacular than Tsitsikamma’ on the Eastern Cape Coastline. This area alone is host to 84 indigenous fern species and offers camping facilities and various trails of between 7 and 21 kilometres. Local farms in the area also include areas of magnificent natural beauty. Some farmers are considering developing eco-tourism accommodation on their farms, but a major constraint is the terrible road conditions particularly during wet weather. Private game farms are attracting a growing number of tourists – presently

20% internationally and 80% nationally. The marketing of farms often occurs through urban-based agents and increasingly targets the international tourist wanting to hunt African game and game farming is regarded as an 'export commodity' within the district. Accommodation on private game farms includes bush camps and up-market chalets. The relatively low labour intensity required for game farming compared to agricultural production is regarded as an advantage to farmers feeling the effects of the new Land and Labour Legislation (Louwsburg Local Development Plan). Cultural tourism includes exposing tourists to local customs, traditions, heritage, history and way of life. The development of the battlefields and so-called Rainbow Route in the late 80's and early 90's placed the area on the tourist map. Unfortunately, visitors tend to stay only for a few nights. There is a need to develop the concept of a destination that will encourage longer stays. Opportunities through the provision of backpacking accommodation and links to surrounding areas such as coastal initiatives and game reserves should be exploited.

- **Property Development:** The Vryheid town has not experienced massive new developments in the past 10 years despite the property boom, which has characterized other urban centres such as Richards Bay, Newcastle and Pietermaritzburg. As a result, Vryheid has not translated into new investments. AbaQulusi Municipality has taken cognizance of this investment, which it is critical for the survival of the Vryheid town and increase municipal tax base, however the major challenge facing the municipality is

to provide support to the new investment in terms of infrastructure development. However, the municipality has reserved 134 residential stands for the high income earners next to Vryheid Hill opposite the Vryheid Provincial hospital. Other residential stands reserved by the municipality for middle income group are found at Edel Park (64 stands), Bhokuzulu township (250 stands), 70 stands at eMondlo township and 134 stands in Lakeside township. All the above mentioned stands require massive infrastructure development by the municipality given that the stands are not serviced. However, the venture for public and private partnership (PPP) by AbaQulusi Municipality would go a long way to assist the municipality to attract the new investments. Subsequently, this proposed investment coincides with the AbaQulusi financial plan and will play a magnificent role to increase and expand the rate base, which enables the AbaQulusi Municipality to deliver services to community in an efficient and effective manner.

- **Agriculture:** Currently this sector provides the highest proportion of the Gross Geographic Product (GGP) of the area even though the area is classified as having low agricultural potential (Vryheid Economic Regeneration Study, 2001). According to a land potential analysis of the AbaQulusi area only 15,19% of agricultural land can be described as having high agricultural potential (Coronation Economic Regeneration Study, 2001). There is extensive, but not intensive agriculture. Very few farms are irrigated and this only favours the privileged groups due to South African history.

Products produced are timber, field crops and livestock. Most of the timber is exported out of the area and has experienced a rapid growth phase for the last five years. Current products farmed are maize, groundnuts, soya beans, sunflowers, fruits and sorghum. Cattle farming have played a major role but this market is also strained due to rising input costs and stock theft. The Vryheid Economic Regeneration Study identified the development of agri-business as an opportunity for the area. Very little industrial activities currently exists that takes direct advantage of the strong agricultural base. The challenges that are facing the Agricultural sector are that nearly all processing takes place outside the region.

- **Mining:** Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation impacting negatively on the regional economy. The AbaQulusi Municipality was particularly affected by the closure of the Coronation, Mnyathi, and Hlobane mines in 1997 and 1998 respectively (Zululand Coordination LED Framework: 2003). Recently, the Coal Mining sector seems to gain more momentum and it is coming back to dominate the economic sector. This is due to high demand of coal in the country and internationally for various reasons. The study done by KwaZulu Natal Trade Investment reflects that there are high volumes of coal available into coal reserves especially in the former mines of Vryheid. As a result, the applications for coal prospecting

have increased in the region by interested investors. This initiative will boost AbaQulusi local economic regeneration.

- **Regional Access:** The AbaQulusi geographical location plays a huge role in terms of regional access in the Northern KwaZulu Natal. The sub-region, within which AbaQulusi lies, has developed as a peripheral economy in the Provincial context, mainly because of its distance from the main greater markets and corridors such as N2 to Durban and Richards Bay, N3 to Pietermaritzburg and N11 to Gauteng. The AbaQulusi does however have a secondary corridor of national significance. The coal line corridor, which runs from Richards Bay, through Ulundi, Vryheid and Paulpietersburg and on to the mining areas of Mpumalanga, is an important route in the national rail and road network. The other secondary corridor of national significance is Vryheid town being located in the intersection of major transportation routes (R34 and R69), which transverse the region. These developments make Vryheid a catchment area for surrounding small towns such as Pongola, Paul Pietersburg, Nongoma, and Ulundi. This is further boosted by the development of P 700 road that will link Richards Bay and Gauteng via Ulundi and Vryheid.
- **Consolidation and Expansion of Vryheid town:** Vryheid is Zululand's main commercial, industrial and business centre, with a reasonable well-developed physical, social and institutional infrastructure. It is well located at the intersection of the major transport routes, which traverse the

region. The need for this type of development emanates from the concern that there is no place to do shopping from Richards Bay via Newcastle to Gauteng. This sector has enjoyed a good growth rate through the development of Vryheid as a regional service centre with increased interaction with its hinterland. The smaller towns around Vryheid have developed a dependence on the economy of Vryheid. Many of the businesses are locally owned and the majority of clients are from within the AbaQulusi area. Vryheid has established itself as a superior provider of educational services in a wider catchment area, attracting learners and students from as far as Pongola, Ulundi, Nongoma, Paul Pietersburg and Dundee.

A debate regarding the establishment of a regional shopping centre in the town of Vryheid has been taking place for some time and it was suggested in the Economic Regeneration Study to put a municipal property out to tender to test the market. As a result, the municipality has reserved a piece of more than 10 hectares of land to interested commercial developers. This earmarked piece of land is unsurveyed town lands found in the intersection of R66 road to Dundee and R34 Melmoth road. The development of this land is seen as a catalytic move to attract more investments since the municipality treats this investment as an Anchor to attract more investments into the Zululand region.

The other opportunities identified for the development of a commercial sector is at eMondlo taxi rank. eMondlo is another significant urban area. It is primarily a residential area with limited services and facilities, and few employment opportunities from the government and social services. But due to recent developments by

identification of coal mining at eMondlo indicates some economic opportunities in the area in the near future.

5. Vision, Mission, Core Values & Goals

5.1 Vision

**“A PROSPEROUS
AND SUSTAINABLE
ECONOMIC HUB
OF ZULULAND”**

5.2 Mission

- Economic development and poverty eradication.**
- Effective delivery of social services.**
- Effective planning and infrastructure development.**
- Develop effective governance.**
- Strive to make AbaQulusi Municipality the economic hub of the Zululand District.**
- Actively forging strategic partnerships with all stakeholders.**

5.3 Core Values

- Honesty
- Transparency
- Integrity
- Value-for-money
- Loyalty

5.4 Municipal Goals

- To create safe, healthy and sustainable living environments;
- To ensure all employable people are employed;
- To ensure that all people have access to basic services;
- To boost investors' confidence to invest in AbaQulusi and KZN;
- To develop a skilled labour force aligned to economic growth needs.

(B). Preparation Process

1. Process Plan

(i). Introduction

The Integrated Development Planning (IDP) Process is a process through which Municipalities prepare strategic development plans for a five-year period. An IDP is one of key tools for Local Government to cope with its new developmental role and seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development, and institutional transformation in a consultative, systematic and strategic manner.

According to the Municipal Systems Act (MSA) of 2000, all municipalities have to undertake an IDP process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level.

The District and Local Municipalities have to submit their IDP's annually for the approval by the MEC. This has to be done in terms of Chapter 5, Section 25, of the Municipal Systems Act (MSA). The IDP Process Plan is submitted to COGTA for comments by AbaQulusi Municipality Annually as required by.

In terms of Chapter 5, Section 25 of the MSA:

- Each Municipal Council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:
 - links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
 - aligns the resources and capacity of the municipality with the implementation of the plan;
 - forms the policy framework and general basis on which annual budgets must be based;
 - complies with the provisions of this chapter; and is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of the legislation.

- must review its integrated development plan:
 - annually in accordance with an assessment of its performance measurements in terms of section 4 I; and
 - to the extent that changing circumstances so demand; and
 - may amend its IDP in accordance with a prescribed process

As such, municipalities need to embark on the IDP Review Phase. The Review Phase will address, amongst others, the following:

- Comments received from the various role-players in the IDP process including the comments from the MEC;
- Areas requiring additional attention in terms of legislation;
- Areas identified through self-assessment;
- The preparation of operational and sector plans.
- New information, policy and legislative developments
- Current status of the implementation process

In order to ensure certain minimum quality standards of the IDP Review process, and a proper co-ordination between and within spheres of government, municipalities need to prepare IDP review process plans. The preparation of a Process Plan, which is in essence the IDP Review Process set in writing, requires adoption by Council. This plan has to include the following:

- A programme specifying the time frames for the different planning steps; and
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.

- Cost estimates for the review process

As with year one of the IDP process, there is a need for the preparation and adoption of a Framework Plan in each of the District Municipalities. The Framework Plan provides the linkage and binding relationships to be established between the district and local municipalities in the region. In doing so, proper consultation, co-ordination and alignment of the review process of the district municipality and various local municipalities can be maintained.

(ii). Integrated Development Plan Structure

2.1 IDP Steering Committee/Management Committee

AbaQulusi Municipality has the IDP Steering Committee/Management Committee, to support to the AbaQulusi Municipal Council, the Municipal Manager and the IDP Manager. These structures are to continue functioning throughout the IDP life cycle.

The Municipality does not have a permanent IDP Manager, the Manager: Town Planning has been assigned to assist with the responsibility of championing the IDP process.

Roles and responsibilities of the IDP Manager:

- To ensure that the Process Plan is finalized and adopted by Council;
- To adjust the IDP according to the proposals of the MEC;

- To identify additional role-players to sit on the Abaqulusi Representative Forum, Planning Forum and Steering Committee;
- To monitor the participation of role players;
- To ensure that the IDP Review is advertised for public comments;
- To ensure documentation is prepared properly;
- To carry out the day-to-day management of the IDP process;
- To respond to comments and enquiries;
- To ensure alignment of the IDP with the IDP of Zululand District Municipality;
- To co-ordinate the preparation of the Sector Plans/operational plans and their inclusion into the IDP documentation;

The Abaqulusi Representative Forum could be as follows:-

- EXCO members;
- Councillors;
- Traditional leaders;
- Ward Committee;
- Senior Municipal Officials;
- Stakeholder representatives of organised groups;
- Advocates of unorganised groups;
- Resource persons;
- Other community representatives;
- National and Provincial Departments regional representatives;
- NGO's; and

- To submit the reviewed IDP to the Department of Local Government and Traditional Affairs after the adoption by Abaqulusi Municipality Council.

2.2 Abaqulusi Municipality Representative Forum

The Abaqulusi Representative Forum (RF) is the participation forum that has to recommend the IDP for adoption to the Abaqulusi Municipality Council. It is a broad participation forum that has the main purpose of ensuring community participation and transparency throughout the IDP process. It is therefore recommended that advertisements be placed in the local newspaper, on notice boards, and on the radio to inform community members of the IDP Review and the continued participation in the IDP through the Abaqulusi Representative Forum.

- Parastatal organisations.

2.3 Terms of Reference

The main function of the Representative Forum is to ensure public participation of the various interested and affected organisations, groups or individuals takes place.

(iii). Role Players in the IDP Process

The Municipality will confirm the identification of the following role players in the IDP Review Process by removing/adding to their list of stakeholders in the IDP Process:

3.1 Internal Role players

Mayor

- Council and the Executive Committee
- Municipal Manager
- Municipal Officials
- IDP Manager
- IDP Steering Committee

3.2 External Role players

- Sector Departments
- Community structures
- Traditional Authorities

3.3 Roles and Responsibilities

As with the preparation of the IDP, in the IDP Review the main roles and responsibilities allocated to each of the role players are set out in the following table:

a. Internal

Role Player	Roles and Responsibilities
Council	Final decision making. Approval of the IDP documentation.
Mayor	Decide on the process plan. Responsible for the overall management, coordination and monitoring of the process and drafting of the IDP documentation, or delegate this function.
Councillors	Linking the IDP process with their constituencies Organising the public participation.

Municipal Manager	Decide on planning process. Monitor process. Overall Management and co-ordination.
Municipal Officials	Provide technical/sector expertise. Prepare selected Sector Plans. Prepare draft progress proposals.
IDP Manager	Day-to-day management of the process.
IDP Steering Committee	Information "GAP" identification. Oversee the alignment of the planning process internally with those of the local municipality areas. Co-ordinate, identify and prioritise plans. Make recommendation to the executive committee.
IDP Planners Forum	Determine actions to be taken in the review process. Commission sub-committees for identified action. Provide guidance to the IDP Planning Forum.

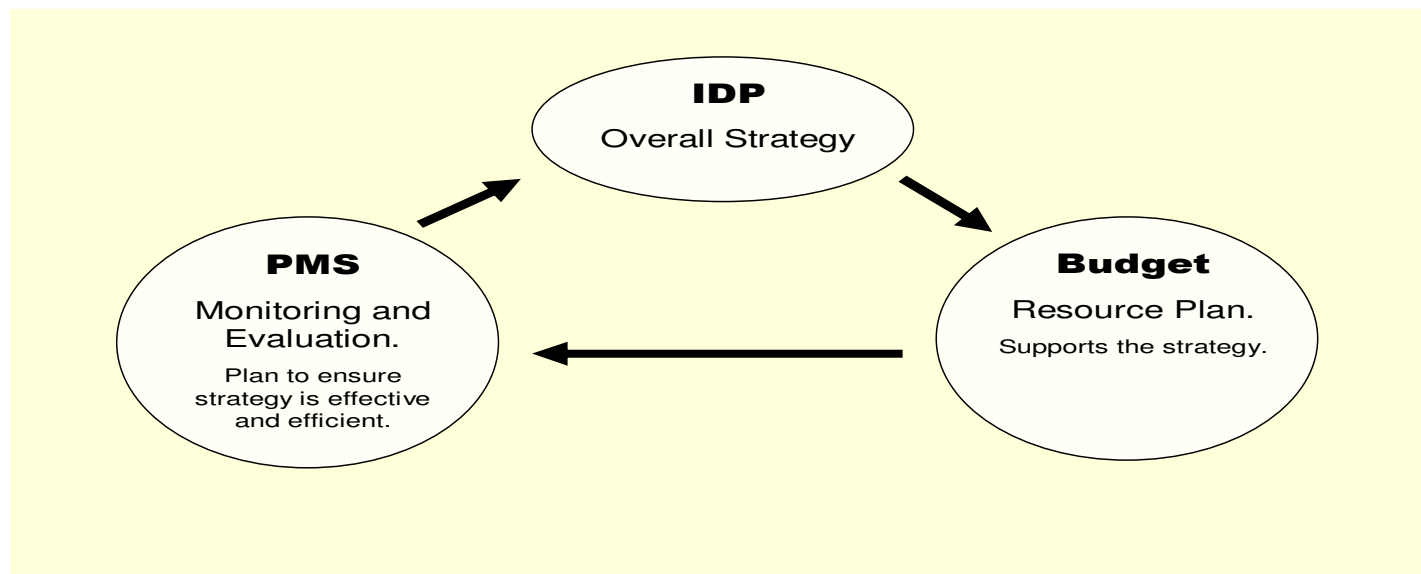
b. External

Role Player	Roles and Responsibilities
Planning Professionals	Methodological guidance. Facilitation of planning workshops. Support with guidance on Sector Plans (sources of funding and guidelines). Documentation.
The District Municipality	Coordination roles for local municipalities. Ensuring horizontal alignment of the IDP's of the municipalities in the district council area. Ensuring vertical alignment between the district and local planning. Facilitation of vertical alignment of IDP's with other spheres of government and sector departments. Provide events for joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists.
ZDM Representative Forum	Representing stakeholder interest and contributing knowledge and ideas.

Government Departments	Provide data and information. Budget guidelines. Alignment of budgets with the IDP. Provide professional and technical support.
Consultants	Providing the required specialist services for various planning activities as and when needed.

(iv). Alignment of the IDP, Budget and Performance Management System

The IDP is systemically aligned to the budget process, and the Performance Management System (PMS). The nature of the alignment is depicted on figure. The AbaQulusi Municipality IDP, Budget and PMS Linkages



(v). IDP/Budget Process Plan

Abaqulusi Municipality has developed the IDP and Budget Process Plan reflecting the dates, activities and the relevant person/persons responsible for the activities in one table

DATE	ACTIVITY	RESPONSIBILITY
08 July 2011	Submission of Draft IDP Process Plan to COGTA	IDP Manager
15 July 2011	IDP Process Plan to EXCO for approval	IDP Manager
26 July 2011	Draft process Plan to Council for adoption	IDP Manager
03 August 2011	Advertising of Process Plan	IDP Manager
05 August 2011	Meeting with Mayor, EXCO and MANCOM to establish consultation forum and plan program of meetings.	MM/CFO
24 August 2011	IDP Steering Committee	IDP Manager
8 September 2011	Budget Framework Meeting the HOD's to discuss budget process. Preparation of budget framework to provide parameters and request budget and tariff inputs for 2010/2011	CFO
22 September 2011	Presentation of Departmental and Capital Budgets Departments to present budget requirements to Finance, including tariff proposals. Suggested amendments to Budget related Policies	HOD'S/CFO
23 September 2011	First IDP Representative Forum	IDP Manager
29 September 2011	First Service Provider Forum	IDP Manager
07 October 2011	Completion of Salary Budget	CFO
13 October 2011	Second Service Provider Forum	IDP Manager
17 October 2011	Prepare draft budget three year operational and capital budget	CFO

21 October 2011	Submission of Budget Inputs Final date for HOD's to submit departmental budget inputs. Proposed Capital projects from IDP	HOD'S
27 October 2011	Report back on progress with IDP/Budget inputs	CFO MANCOM
03 November 2010	Budget discussion document Compile discussion document from inputs and submit to BUDGET COMMITTEE, EXCO and MANCOM IDP Steering Committee	CFO IDP Manager
10 November 2011	Budget Workshop Discussion of budget inputs, link capital and operational plans to IDP and determine proposed tariffs	EXCO MANCOM
22 November 2011	Draft Budget Submit 1 st Draft to Exco	CFO
06 December 2011	Draft Budget Submit 1 st Draft to Council	CFO
18 January 2012	IDP Steering Committee	IDP Manager
18 January 2012	Review of current budget and inputs for new budget	MANCOM
09 February 2012	IDP Steering Committee	IDP Manager
29 February 2012	IDP Steering Committee	IDP Manager
08 March 2012	Draft Budget Submit Draft budget, tariffs, SDBIP's to Exco for recommendation to Council Submit Draft IDP to Exco for recommendation to Council	
2March 2012	Draft Budget Submit Draft multi-term operational and capital budget, SDBIP to Council, National and Provincial Treasury, DCGTA Advertise draft IDP/budget and tariffs for comment Submit Draft IDP to Council, National and Provincial Treasury & DCGTA	CFO IDP Manager

<p>30 March -14 April 2012</p>	<p>Public Consultation Process Public Consultation on Draft IDP/budget throughout municipality</p>	<p>MAYOR EXCO MM IDP Manager</p>
<p>20 April 2012</p>	<p>Respond to Public Comments Response to public comments and sector comments. Incorporate recommendations into Draft budget and IDP if possible and feasible</p>	<p>MAYOR CFO</p>
<p>22 May 2012</p>	<p>Approval of Final Draft IDP / Budget Approve the Draft multi-term operational, capital budget and SDBIP Approval of the Draft IDP</p>	<p>EXCO</p>
<p>08 June 2012</p>	<p>Adoption of the IDP</p>	<p>COUNCIL</p>
<p>08 June 2012</p>	<p>Advertising Publication of approved budget. Place on web site Publication of approved IDP. Place on web site</p>	<p>MM CFO</p>
<p>09 June 2012</p>	<p>Submission of Budget Submit approved budget to National and Provincial Treasury and COGTA Submit approved IDP to National and Provincial Treasury and DPLGTA</p>	<p>CFO IDP Manager</p>
<p>22 June 2012</p>	<p>Finalise SDBIP Finalise service delivery and budget implementation plan(SDBIP) and submit to National/Provincial Treasury</p>	<p>MAYOR MM</p>

(vi). Alignment Mechanisms

Abaqulusi Municipality IDP Process Plan is aligned with all relevant stakeholders which includes Zululand District Municipality, Provincial and Local Government.

The 'core elements' of the IDP development phase correspond to the core functions of Municipalities as outlined in the Municipal Structures Act and other legislation, the Department of Provincial and Local Government's IDP Guide Pack III and VI, as well as critical elements that have arisen from the preparation of the IDP's over the past few years.

The core components of the IDP process are grouped as follows:

- Comments received from the various role-players in the IDP process including the comments from the MEC;
- Areas requiring additional attention in terms of legislative requirements;
- Areas identified through self-assessment;
- The preparation of Operational and Sector Plans;
- Performance Management System (PMS); and
- The Spatial Development Framework.

(vii) Mechanisms for Public Participation

The Abaqulusi Municipality is utilizing the following mechanisms for public participation when reviewing its IDP.

- **IDP Representative Forum (IDP RF):**
This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees, AmaKhosi, Non-Governmental Organizations (NGOs), Community Based Organisations (CBOs), Organized Business and organized agriculture.
- **Media:**
Local newspapers are used to inform the community of the progress of the IDP and further due meetings.
- **Radio Slots:**
The community radio station is used to make public announcements where necessary.
- **The ZDM and Abaqulusi Website:**
The Zululand DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.
- **Ward Committees:**
The Abaqulusi Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. The municipality considers ward committees as one of the institutional bodies to fast-track service delivery. They are represented in the IDP RF meetings and their input is always considered. They are also being used to

disseminate the information about the developmental agenda of the municipality.

- **Road Shows:**

The AbaQulusi Municipality will be hosting its community road shows through ward committee system to publicize the draft IDP and Budget during April and May 2012. The venues for these meetings will be publicized at the IDP RF, public places and as well as through the print media.

2. District Framework Plan

(i). Introduction

1.1 Purpose of the Framework

The function of the review **Framework** is to ensure that the process of District and Local IDPs are mutually linked and can inform one another. It involves setting a joint time schedule and identifying critical milestones for approvals and adoption of certain documents. The Framework has to be prepared by the District Municipality (DM) and adopted by the Local Municipalities (LMs) Thereafter the Framework becomes the basis for the DM and LMs to draft their Process Plans.

Within the context of the Framework, the DM and LMs are to prepare **ProcessPlans**. The function of the Process Plan is that of a business plan for the review of the IDP. It should

indicate in simple terms what has to be done, when, by whom, with whom and where.

(ii). Framework Process

The Planning and LED Forum took a resolution that the District Municipality shall propose a template that will be adopted by the Zululand Family of Municipality to aid alignment both in the IDP Review Process but also the content of IDP.

2.1 Preparation for the 2012/2013 IDP Review Process

Comprising of four key activities, this phase focuses on an IDP review framework that will be followed by the **Zululand District Family of Municipalities** to achieve a solid and co-ordinated degree of alignment. The framework process materializes as follows:

- Local Municipalities draft individual programmes.
- Key areas of alignment are identified jointly from the individual programmes and mechanisms designed to achieve that objective
- Agreement on legally binding legislation and planning requirements
- Framework adopted by the District Council
- Framework adopted by the Local Municipality Councils

The framework provides a basis for the development of individual **Process Plans**. Implementation of the adopted framework is co-ordinated and managed and monitored by the **Planning and LED Forum**.

The proposed IDP Review process is staggered into 3 parts;

- Preparation Phase
- Physical Review
- Approval

There are processes that take place in parallel to the IDP Review Processes above and are a crucial supplier of information to the Integrated Development Plans are as follows:

- Budget Review Process
- Water Service Development Plan Review
- Performance Management Review Process

2.2 Preparation Phase

This phase comprises of drafting the IDP Framework and individual IDP Process Plans by the Zululand District Family of Municipalities. The proposed period is **01st July 2011 to 30 August 2011**.

2.3 Physical Review

This stage comprises of five phases namely:

Phase	Proposed Timeframe
Situational Analysis	04 Aug 2011 – 05 Oct 2011
Development Strategies	11 Oct 2011 – 25 Nov 2011
Projects	11 Oct 2011 – 17 Nov 2011
Integration	10 Jan 2012– 17 Feb 2012

Approval	06 Feb 2012 – 11 Jun 2012
----------	---------------------------

• Situational Analysis

During this period, IDP Managers and Planners will liaise with stakeholders in their area of jurisdiction in verifying the situational analysis of each sector. The output of this phase is a **District Wide Situational Analysis Report** which shall inform Municipal Councils and Management on developing relevant strategies (next phase of IDP Review). The Planning and LED Forum will co-ordinate monitor and consolidate the information into a single report.

• Development Strategies

Two approaches can be followed.

- The first is that the District-Wide Analysis Report will be tabled at all respective Executive Council Meetings whereafter the Municipal Councils will hold individual Strategic Planning Sessions to develop long term local key performance areas, objectives, strategies, indicators and targets,

The weakness of this approach is that it is devoid of a uniform agreement on a unified strategic direction mapped out by the district political leadership.

- The second involves the tabling of the District-Wide Situational Analysis Report at the respective Executive Councils for information. A District Wide Council Strategic Workshop is co-ordinated by the

District Municipality and chaired by the Mayor of the District Municipality. A facilitator will assist in guiding the session towards the desired outcome. The objective of the workshop is to map out a long term strategic framework from which all municipalities will develop their individual long term local strategic workshop.

The benefit of this option is that there is district wide consensus on a long term strategic framework which can be monitored. It also offers an opportunity for high level district political intervention in terms of fasttracking strategic programmes and or projects in each of the municipalities' thereby improving the lives of communities.

• **Projects**

Once developed, the district and local long terms strategic plans must be translated into implementable projects.

Projects identified at ward committee meetings by the community will be combined with newly identified projects by the IDP Managers. The Planning and LED Forum will investigate the development of a district wide project prioritisation model which will assist in prioritizing unfunded projects for implementation either individually or jointly between municipalities. The Planning and LED Forum will also reconcile and group projects to package Regional Projects.

It is also possible that Sector Departments will be invited to participate in project planning.

• **Integration**

This phase may be combined with the Project Planning phase above in order to ensure that there is consensus on projects that will be implemented in the municipalities.

Sectoral integration is also crucial through Sector Plans.

Existing and new projects will be monitored by the Planning and LED Forum.

• **Approval**

Approval includes Municipal approval alone and Municipal plus Sector Department Approval.

2.4 Draft Approval (Municipalities alone)

Municipalities must approve the draft IDP document by **29th February 2012** and submitted to the MEC by **23rd March 2012**.

2.5 Final Approval (Municipalities plus Sector Departments)

The District IDP Representative Forum will approve the final Integrated Development Plan by **09th May 2012** effectively recommending the document to the Executive Council. **It is proposed that the Local Municipality Representative Fora approve their documents before or in parallel to that of the District.**

All Municipalities must adopt the final IDP document by **29th May 2012** for timeous submission to the MEC by **08th June 2012**.

2.6 Budget Review Process

The budget process is critical in lending implementability to the Integrated Development Plan. Without a budget, projects cannot be implemented. Projects must therefore be informed by the budget.

All identified capital projects must be identified and submitted to the Chief Financial Officer by **28th October 2011** in order to inform the budget.

2.7 Performance Management Review Process

This is an on-going mechanism that enables the municipality to measure its ability to deliver on targeted service delivery goals. It is closely linked with the Development Strategy phase which defines the performance measures.

The phase stretches **04 July 2011 to 10 November 2011**. Reviews take place on a quarterly basis in line with the Monitoring and Review.

iii. Consultation Procedures

3.1 District and Local Municipalities

An important responsibility of the District Municipality is to ensure that the IDP review processes of each of the Local Municipalities and the ZDM are co-ordinated.

In order to achieve co-ordination and alignment of both horizontal and vertical functions for the IDP process in the Zululand District, without creating unnecessary structures and committees, it was agreed to constitute a single IDP Planning and LED Forum for the IDP review process at District level.

Membership of this forum will include all the Local Municipality and District Municipality IDP Managers and or Planners; Co-Operative Governance and Traditional Affairs; and targeted Sector Departments and Service Providers in the district. It will be chaired by the Zululand District Municipality's IDP Manager.

Summarised Terms of Reference are as follows

- Co-ordinate the overall IDP process in terms of the agreed Framework Plan
- Ensure horizontal and vertical alignment between LMs; between LMs and the DM; between targeted sector departments/ service providers in Zululand and the Municipalities; and between DM/LM level and provincial/national levels
- Act as a "clearing house" for issues that arise during the IDP review process, and a forum for sharing information and experience
- Monitor the IDP review programme and decide on amendments (if necessary).

Apart from one on one interaction, vehicles for consultation include the following;

- Planning and LED Forum
- Water Services Development Plan Steering Committee

3.2 Zululand Family of Municipalities and National/Provincial Interaction

In order to achieve integrated development planning, consultation must include other spheres of government who fulfill a developmental role in the district.

Apart from one on one interaction, vehicles for interaction include the following;

- District Growth and Development Summit
- IDP Representative Forum

3.3 Matters requiring alignment

Within the five phases of the physical IDP Review there must be vertical and horizontal alignment. The proposed alignment areas in relation to proposed IDP phases are as follows;

Phases	Alignment Activity	District/Local Municipality	Local Government/ Provincial/National
Phase 1:	Key	X	X

Analysis	Development Priorities		
Phase 2: Strategies	District Strategic Workshop	X	X
Phase 3: Projects	Project Planning Co-ordination	X	X
Phase 4: Integrattion	Integration of Sector Programmes	X	X
Phase 5: Approval	Submission of draft IDP	X	
	Comments on draft IDP	X	
	Compilation of District Summary of LM IDPs	X	

3.4 Binding national and provincial plans, planning requirements, policies and legislation

Planning and implementation will be guided by the following pieces of legislation and policies;

- Constitution of the Republic of South Africa
- Municipal Systems Act No 32 of 2000
- Municipal Structures Act
- Planning Development Act
- Draft Land Use Management Bill

- f. National Spatial Development Perspective
- g. New Growth Path
- h. Provincial Growth and Development Strategy
- i. Provincial Spatial and Economic Development Strategy

(iv). Role Players and responsibilities in the IDP review process

4.1 District and Local municipality roles

The **Municipal Council** (DM and LMs) is the ultimate decision-making body. It has to

-consider and adopt the Process Plan

The **EXCO**, as senior governing body in each municipality, has to:

- decide on the Process Plan;
- delegate responsibility for overall management, co-ordination and monitoring of the process and drafting of the IDP review to the Municipal Manager.

Ward Councillors are the major link between the municipal government and the residents. As such, their role is to:

- link the planning process to their constituencies and / wards;

- be responsible for organizing public consultation and participation;
- ensure the annual business plans and the municipal budget are linked to, and based on the IDP.

4.2 Suggested organizational arrangements for DM and LMs

- Municipal Manager (MM) is responsible and accountable for the entire IDP review process
- IDP manager (nominated by MM and confirmed by EXCO drive and co-ordinate the IDP review process)
- Planning and LED Forum (nominated by MM)
- IDP Representative Forum to facilitate participation

4.3 IDP Manager

The role of the IDP Manager is to manage and co-ordinate the IDP Review process. This includes:

- prepare the Framework (DM only)
- prepare the Process Plan
- undertake overall management and co-ordination of the planning process
- ensure that all relevant actors are appropriately involved
- nominate persons in charge of different roles

- take responsibility for day-to-day management of the drafting process
- ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements
- adjust the IDP in accordance with the MEC for Local government's proposals.

Other roleplayers include:

Neighbouring District Municipalities

- IDP Manager/Regional Planner

Local Municipalities

- Local IDP Manager
- Local Planner
- LED Manager
- Section 57 Managers

Co-Operative Governance and Traditional Affairs

- Provincial IDP Co-Ordinator
- Provincial Spatial Planner
- Provincial PDA Champion
- Provincial GIS Champion
- Land Utilisation District Manager

National/Provincial Sector Departments

Dept of Agriculture

- District Manager

Department of Rural Development and Land Reform

- District Manager

Department of Transport

- Regional Manager
- District Chairperson Rural Roads Transport Forum

Department of Human Settlements

- Regional Manager

Department of Social Development

- Regional Manager

Department of Health

- District Manager

Department of Sports and Recreation

- District Manager

Department of Environmental Affairs

- District Manager

Department of Trade and Industry

- Provincial Manager

Department of Economic Development

- District Manager

Department of Home Affairs

- District Manager

Department of Labour

- District Manager

Department of Arts Culture and Tourism

- District Manager

Department of Works

- District Manager

Department of Education

- District Manager

Ezemvelo KZN Wildlife

- District Manager

Office of the Premier

- Provincial Manager

ZDM Environmental Manager

Service Providers

ESKOM

- Regional Manager

Telkom

- Regional Manager

Independent Development Trust

- District Manager

National Development Agency

- Provincial Manager/District Manager

4.4 Management Committee

The Management Committee fulfills the role of the Steering Committee at District Municipality level in facilitating the review process and providing support to the IDP Manager. It is a technical working team championed by the Municipal Manager (or their nominees), heads of departments and senior officials who support the IDP Manager and ensure a smooth planning process. In municipalities where there are relevant portfolio councilors who want to be part of the IDP Steering Committee they should be included. In these cases the appropriate protocol must be considered.

Local Municipalities have an IDP Steering Committee chaired by the Municipal Manager and attended by Sections 57 Managers and the ID Manager.

4.5 District Planners Forum

Chaired by the district this forum is the key alignment structure between municipalities and other relevant stakeholders. The forum enables the district to play a co-ordinatory role in the planning and implementation processes between the district

stakeholders to limit duplication, conflict and promote sharing of resources and best practices.

The terms of reference of the District Planners Forum are as follows:

- support the IDP Manager in preparing for the IDP review and throughout its process;
- provide terms of reference for specific planning activities
- commission research studies
- consider and comment on inputs from any sub-committees, study teams, consultants, provincial sector departments, or service providers
- make content recommendations
- process, summarise and document outputs
- prepare, facilitate and document meetings.
- consider Development Planning Shared Services matters
- consider Planning and Development Act ramifications

(v). Key Stakeholder Consultation Mechanisms

5.1 IDP Representative Forum (DM and LMs)

The IDP Representative Forum is the main institutional mechanism for consultation in the IDP process. In each municipality, an IDP Representative Forum is to be nominated by the respective EXCO and chaired by the Mayor or a member of EXCO.

The terms of reference are the following:

- represent the interests of the community
- provide an organizational mechanism for discussion, negotiation, and decision-making between the stakeholders, including municipal government
- ensure communication between all stakeholder representatives
- monitor the performance of the planning and implementation process.

The suggested composition of the IDP Representative Forum is as follows:

- Members of the EXCO
- Selected Councilors
- Traditional Leaders
- Ward Committee chair persons
- Heads of Departments / senior officials
- Representatives of national and provincial sector departments
- Stakeholder representatives (organised groups)
- Advocates (un-organised groups)
- Resource persons
- Community representatives
- Other stakeholders as identified, and which responded to advertisements

Each municipality (DM and LMs) will need to decide on the actual composition of its IDP Representative Forum and to

specify how these institutional arrangements have been, or are to be, set up.

5.2 District Growth and Development Summit

While establishing a strategic direction, the summit prepares the foundation for continuous alignment and integration by means of a joint planning dialogue between all development stakeholders in the district. Further, the summit forges a link with all IDPs by setting the theme for critical issues that will be dealt with in the Review process.

(vi). Amendment Procedure

Each municipality will be responsible for monitoring its own Process Plan whilst ensuring that the District Framework is being followed as agreed.

The following procedures will be used for amendments:

- Each municipality is to inform the District Municipality (IDP Manager) on deviations of the Action Programme in its Process Plan that affect district wide activities;
- After each Phase the Management Committee is to assess progress and decide on whether amendments are necessary;
- The DM has the mandate to decide when and how an amendment takes place and therefore postpone an activity or continue with the agreed programme;

- All municipalities have to agree before the Framework is amended.

C. Situational Analysis

1. Legal, Strategy and Policy Framework

1.1 What is an Integrated Development Plan (IDP)?

An IDP can be defined as a product of integrated development planning. It is considered to be a strategic tool used to guide and inform all development, decision-making, planning and management processes within a municipality. Once developed, it is regarded as a plan that supersedes all others within a municipality because it is a direct reflection of a municipality.

1.2 Legal and Policy Environment

In the context IDP's, there are a number of national and provincial laws and strategies that are relevant. While some of these laws have broad application, many can be grouped sectorally i.e. planning and development related, environmental and agricultural.

In addition, guidelines have also been prepared by various authorities to assist decision makers with the interpretation of

the legislation, in order to meet their legal responsibility of complying with the respective laws.

This section of the report highlights the (1) national and provincial legislation and (2) guidelines that are important for the spatial development component of IDPs.

1.2.1 The Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA)

The key legislation in terms of the preparation of IDPs is the **Municipal Systems Act (Act 32 of 2000) (MSA)**. Section 26 of the MSA compels all municipalities to prepare an Integrated Development Plan (IDP) as the primary and overriding management tool. In terms of Section 26 of the MSA, some of the core components that an integrated development plan must reflect are:

- ❖ The municipal council's vision for the long term development of the municipality.
- ❖ An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services.
- ❖ The council's development priorities and objectives, including its local economic development aims and its internal transformation needs.
- ❖ The council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation.

- ❖ A Spatial Development Framework which must include the provision of basic guidelines for a land use management system for the municipality.
- ❖ Key performance indicators and targets determined through an organizational performance system based on the priorities identified in the IDP

Chapter 5 of the MSA gives guidance as to the preparation of IDPs by Municipalities. This is a strategic plan for the municipality which aligns the development goals of the municipality with the financial resources that the municipality has. As part of the IDP, the municipality should assess the levels of existing development, formulate strategies for development and align its strategies with the financial plan of the Municipality. The MSA provides that the planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

Another very important piece of legislation pertaining to development, *per se*, is the **Development Facilitation Act (DFA), No. 67 of 1995**. The DFA contains general principles for land development and decision making. Some of these principles, as contained in section 3 of the Act, are summarized at overleaf.

1. Provision should be made for urban and rural land development – including the development of formal and informal, existing and new settlements.
2. Illegal occupation of land should be discouraged.

3. Land development should take place effectively and in an integrated manner by:
 - a. Integrating social, economic, institutional, environmental and spatial aspects of land development.
 - b. Developing urban and rural areas in support of each other.
 - c. Providing areas of residence and job opportunities close together or integrated with each other.
 - d. Optimize the use of existing resources.
 - e. Permitting and encouraging diverse land uses.
 - f. Rectifying the distorted spatial patterns of the past.
 - g. Compaction of towns to discourage urban sprawl.
 - h. Ensuring a sustainable natural environment.
 - i. Promote conditions under which economic activities can flourish.
 - j. Create opportunities for small business at places of high accessibility and economic agglomeration.
 - k. Provide the basics for survival to all existing settlement and focus on places with economic potential to provide a higher level and wider range of services or facilities.
4. Development within an area should take place within the limited resources, financial, institutional and physical of the area in order to create a viable community and to protect the natural environment to enable economic growth.

1.2.2 National Spatial Development Perspective (NSDP)

The Policy Co-ordination and Advisory Services (PCAS) in the Presidency produced a National Spatial Development

Perspective (NSDP) that was endorsed by Cabinet in March 2003.

Ultimately, all government programmes and activities find expression in space. The spatial dispensation and the nature of the space economy of a country/region have important implications for meeting the social, economic and environmental objectives of a government. For instance, in cases where human settlements are scattered and fragmented over vast distances, servicing becomes expensive, both in terms of initial capital investment and subsequent maintenance. On the other hand, well connected settlements, with sufficient densities to enable better public transport, are far more conducive to spatial targeting of investment in nodes along such routes to facilitate the creation of jobs that are accessible to all.

The NSDP puts forward a set of five normative principles:

Principle 1:

Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of other policy objectives, among which poverty alleviation is key.

Principle 2:

Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside.

Principle 3:

Beyond the constitutional obligation identified in Principle 2 above, government spending on fixed investment should be

focused on localities of economic growth and/or economic potential, in order to gear up private-sector investment, stimulate sustainable economic activities and create long-term employment opportunities.

Principle 4:

Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low demonstrated economic potential, government should, beyond the provision of basic services, concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes. It should also reduce migration costs by providing labour-market intelligence to give people better information, opportunities and capabilities, to enable them to gravitate - if they choose to - to localities that are more likely to provide sustainable employment and economic opportunities.

Principle 5:

In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the SADC region to create regional gateways to the global economy.

In areas of low or no economic potential, the path of development and poverty reduction should be through a focus on investment in human capital development (education, training, social welfare, sound rural development planning, aggressive land and agrarian reform and the expansion of agricultural extension services, etc.).

The NSDP supports the view that states that poverty is prevalent in some areas because “economic and social dynamism is at such low ebb in those areas and is unlikely to improve under any feasible scenario of intervention by government or donors”. It is more beneficial to engage in activities such as education and healthcare, etc. that provide “valuable momentum to increasing human capital, knowledge and the capability of individuals to make decisions from a broader set of alternatives”.

From a spatial point of view, studies have shown that the impact on poverty depends crucially on the proximity of poor households to centres of economic activity and the extent to which these households are connected to such economic activities.

The approach adopted by the NSDP is, in part, informed by international case studies that show that:

- Unfocused infrastructure spending does not necessarily result in improved GDP growth;
- Unfocused human resource development does not improve GDP growth;
- Regions that already have some economic success are more likely to grow than other regions, because successful

regions have individuals, firms and industries with the ability to learn;

- Successful learning occurs when institutions and incentives work and when institutions are locally specific;
- Success is often achieved through focused and polarised investment; and
- Redirecting public investment from economically dominant regions to lagging regions has not automatically spurred economic activity in lagging regions.

A key finding of the NSDP is that localities of higher growth also include a large number of the poor and therefore both policy objectives of promoting economic growth and of poverty alleviation operate largely in the same spaces. This trend will continue to be reinforced by the lure of work opportunities to areas with economic potential. The NSDP is unequivocal about suggesting that economic growth and poverty alleviation should be focused on people (that is, follow the trends) and not on places that have become poverty traps for many of the poor (that is, we cannot expect to bring about social equality through spatial equality).

International comparative research has firmly established that no factor correlates dynamic growth with equity and strongly as human capital development. Remedying the plight of persons who are stuck in poverty traps in areas with low prospects for sustaining livelihoods in the foreseeable future, may well be better served by forceful effects directed at human capital development and greater social support (education, skills acquisition, welfare, labour-market intelligence, land reform and agricultural extension service to sustain livelihoods).

In terms of poverty eradication the NSDP is underpinned by the following assumptions:

- Location is critical for the poor to exploit opportunities for growth;
- The poor, who are concentrated around vibrant and active junction points or activity corridors, have greater opportunity to gain from higher rates of economic growth and to improve their welfare;
- Areas of demonstrated economic potential give greater protection to the poor against adverse effects of economic shock because of greater opportunities to diversify income sources;
- Areas with demonstrated economic potential are the most favourable for overcoming poverty;
- Migration studies conclusively prove that the poor are making rational choices about locating to areas of employment and economic opportunities; however
- Government must ensure that policies and programmes are in place to ensure the poor are able to benefit fully from growth and development opportunities in such areas.

In opting for sustainable development, spatial interventions and impacts have to be designed and monitored for the broader economy and human settlements, for specific sectors in the economy (e.g. water and energy consumption, air pollution and waste management, brick making, etc) and at household level (e.g. exploring renewable energy alternatives, reducing and re-using waste, and efficient public transport use).

The NSDP places a lot of emphasis on the presence of institutional capacity to realize the developmental impact of any given area or identified resource that has developmental potential. As such, it distinguishes between the following categories of potential: (1) innovation and experimentation, (2) the production of high-value differentiated goods, (3) labour intensive mass-production, (4) public service and administration, (5) tourism and (6) commercial services and retail.

1.2.3 The New Growth Path: The Framework

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. The Government is committed to forging such a consensus and leading the way by

1. Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally.
2. Developing a policy package to facilitate employment creation in these areas, above all through:
 - a. A comprehensive drive to enhance both social equity and competitiveness;
 - b. Systemic changes to mobilise domestic investment around activities that can create sustainable employment; and
 - c. Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

In essence, the aim is to target our limited capital and capacity at activities that maximise the creation of decent work opportunities. To that end, we must use both macro and micro economic policies to create a favourable overall environment and to support more labour-absorbing activities. The main indicators of success will be jobs (the number and quality of jobs created), growth (the rate, labour intensity and composition of economic growth), equity (lower income inequality and poverty) and environmental outcomes.

The state must coordinate its efforts around core priorities rather than dispersing them across numerous efforts, however worthwhile, that do not contribute to a sustained expansion in economic opportunities for our people. These are the core characteristics of a developmental state.

The requisite policy stability and coherence will be supported by effective social dialogue that helps establish a broad consensus on long-run policy goals and a vision for the country, and facilitates the necessary tradeoffs and sacrifices by ensuring a visibly fair distribution of the benefits from growth. Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective strategies that are realised without endless debates and delays. That, in turn, means government must both strengthen its own capacity for engagement and leadership, and re-design delivery systems to include stakeholders meaningfully.

The growth path therefore proposes strategies:

- To deepen the domestic and regional market by growing employment, increasing incomes and undertaking other measures to improve equity and income distribution, and
- To widen the market for South African goods and services through a stronger focus on exports to the region and other rapidly growing economies.

The measures in the New Growth Path, taken together, constitute a key means to address the income inequalities in our society. They place decent work (more and better jobs) at the centre of the fight against inequality but also include measures such as skills enhancement, small enterprise development, wage and productivity gain-sharing policies, addressing the excessive pay gap between top and bottom, progressive taxation and support for the social wage, meaning public services targeted primarily at low-income households.

The connection between economic and social measures needs to be further strengthened. In addition to their important social goals, basic and secondary education plays a critical role in long-run equality, access to employment and competitiveness. So does investment in health, including effective measures to address HIV/AIDS. Government has prioritised health and education investment and delivery. While the detailed measures are not spelt out in the New Growth Path, these services are critical success factors for this employment-rich strategy.

Jobs Drivers

If we can grow employment by five million jobs by 2020 (around three million more than the anticipated growth if we

extrapolated from 2002 to 2009), over half of all working-age South Africans would have paid employment and narrow unemployment would drop by 10 percentage points from 25% currently to around 15%.

The jobs drivers we have identified are:

1. Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy.
2. Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services.
3. Taking advantage of new opportunities in the knowledge and green economies.
4. Leveraging social capital in the social economy and the public services.
5. Fostering rural development and regional integration.

In each of these areas, we will have to make a special effort to generate opportunities for young people, who face the highest unemployment rate.

As a first step, we will prioritise efforts to support employment creation in the following key sectors:

- infrastructure
- the agricultural value chain
- the mining value chain
- the green economy
- manufacturing sectors, which are included in IPAP2, and

- tourism and certain high-level services

Jobs Driver 1: Infrastructure

Public investment can create 250 000 jobs a year in energy, transport, water and communications infrastructure and in housing, through to 2015. The jobs are in four activities: construction of new infrastructure; operation of the new facilities; expanded maintenance; and the manufacture of components for the infrastructure programme. In addition to these four activities, the impact of the massive infrastructure programme on job creation across the economy (the “multiplier effect”) will be substantial.

Jobs Driver 2: Main economic sectors

The New Growth Path targets opportunities for 300 000 households in agricultural smallholder schemes plus 145 000 jobs in agroprocessing by 2020, while there is potential to upgrade conditions for 660 000 farm workers. Initial projections by the Industrial Development Corporation (IDC) suggest that mining can add 140 000 additional jobs by 2020, and 200 000 by 2030, not counting the downstream and sidestream effects. Much of manufacturing is included under other jobs drivers, but IPAP2 targets 350 000 jobs by 2020 in the industries not covered elsewhere. High level services can create over 250 000 jobs directly just in tourism and business services, with many more possible in the cultural industries.

The New Growth Path sets out a range of practical measures at sectoral level to achieve the above employment targets, with the following core strategies:

- Restructuring land reform to support smallholder schemes with comprehensive support around infrastructure, marketing, finance, extension services, etc.; upgrading employment in commercial agriculture especially through improved worker voice; measures to support growth in commercial farming and to help address price fluctuations in maize and wheat while supporting national food security; acceleration of land claims processes and better support to new farmers following land-claims settlements; programmes to ensure competitive pricing of inputs, especially fertiliser; and support for fishing and aquaculture
- In tourism, strengthening measures to expand the tourism infrastructure and services, promote targeted marketing campaigns, manage costs, quality assurance and logistics, improve training and identify employment and entrepreneurial opportunities for the youth; in business services such as finance and communications, enhancing support measures to encourage diversification; and developing a comprehensive programme to support cultural industries. In addition, the conditions of vulnerable workers in the services will be addressed.

Jobs Driver 3: Seizing the potential of new economies

Technological innovation opens the opportunity for substantial employment creation. The New Growth Path targets 300 000 additional direct jobs by 2020 to green the economy, with 80 000 in manufacturing and the rest in construction, operations and maintenance of new environmentally friendly infrastructure. The potential for job creation rises to well over

400 000 by 2030. Additional jobs will be created by expanding the existing public employment schemes to protect the environment, as well as in production of biofuels. The IRP2 targets for renewable energy open up major new opportunities for investment and employment in manufacturing new energy technologies as well as in construction.

In addition, the New Growth Path targets 100 000 new jobs by 2020 in the knowledge-intensive sectors of ICT, higher education, healthcare, mining-related technologies, pharmaceuticals and biotechnology.

The main strategies to achieve the above targets are:

- Comprehensive support for energy efficiency and renewable energy as required by the IRP2, including appropriate pricing policies, combined with programmes to encourage the local production of inputs, starting with solar water heaters;
- Public employment and recycling schemes geared to greening the economy;
- Stronger programmes, institutions and systems to diffuse new technologies to SMEs and households;
- Greater support for R&D and tertiary education linked to growth potential and developing South Africa as the higher education hub for the continent; and
- Continuing to reduce the cost of and improve access to broadband.

Jobs Driver 4: Investing in social capital and public services

The social economy includes myriad not-for-profit institutions that provide goods and services, including co-ops, non-governmental organisations (NGOs) and stokvels. If the sector grew in South Africa closer to international norms, we can anticipate 260 000 new employment opportunities. The public service can also generate 100 000 jobs in health, education and policing by 2020 even if it grows by only 1% a year, as well as substantial opportunities through public employment schemes. Significant steps are being taken to address the challenge of HIV/AIDS and these will impact on the size and shape of the public health infrastructure as well as improve the welfare and productivity of the workforce.

Achieving these targets requires comprehensive government support for social economy initiatives, including assistance with marketing, bookkeeping, technological and financial services and training, based in part on a stronger co-op support agency and possibly a training academy; the development of linkages within the social economy to encourage learning and mutual support; work with union and community investment companies to develop a Charter with commitments to job creation; and increasing state procurement from and service delivery through organisations in the social economy.

Jobs Driver 5: Spatial development

While urbanisation will continue, a significant share of the population will remain in rural areas, engaged in the rural economy. Government will step up its efforts to provide public infrastructure and housing in rural areas, both to lower the

costs of economic activity and to foster sustainable communities. Rural development programmes can achieve a measurable improvement in livelihoods for 500 000 households, as well as stimulating employment in other sectors.

Enhancing rural employment requires finalisation of a spatial perspective that sets out the opportunities available and the choices that we must make in order to lay the basis for aligning government spending, infrastructure and housing investment and economic development initiatives. In addition, government must do more to support small-scale agriculture, including through community food gardens and marketing and service coops as well as accessible banking facilities.

The New Growth Path describes 10 required Policies for growth, decent work and equity, namely:

1. Active industrial policy
2. Rural development policy
3. Competition policy
4. Stepping up education and skills development
5. Enterprise development: promoting small business and entrepreneurship; eliminating unnecessary red-tape
6. Broad-based Black Economic Empowerment (BBBEE)
7. Labour policies
8. Technology policy
9. Developmental trade policies
10. Policies for African development

In the context of Jozini Municipal area and the Jozini Local Municipality, the following two Policies are considered important:

Rural development policy

The poorest regions of the country, with the highest unemployment rates and most vulnerable workers, are the former Bantustan and commercial farming areas. Areas considered rural today developed historically as impoverished labour reserves for the urban economy, and not as viable economic zones. Still, the agricultural value chain offers major opportunities in these areas for employment creation through smallholder schemes and the processing and sale of agricultural products. Improvements in livelihoods for rural dwellers are possible by upgrading farmworkers' conditions and organisation and helping rural households increase production. Other jobs drivers, notably the public sector and social economy, tourism and infrastructure, can also contribute.

An effective rural development strategy geared to improving livelihoods and employment on a large scale must:

- Be rooted in a realistic understanding of the economic potential of different regions of the country, including the quality of land, water and proximity to markets; and
- Take into account long-term changes in settlement patterns with the end of apartheid residential laws.

Specific measures in these areas are proposed for rural development as a jobs driver.

Core considerations will be:

- Reprioritising budgets for housing and social services to address rural backlogs, which requires managing trade-offs and addressing gross inequalities in municipal revenues;
- Support for market and financial institutions, especially co-ops, that enable small producers to enter formal value chains and take advantage of economies of scale; and
- The identification of viable opportunities, including smallholder schemes, that can improve livelihoods on a large scale, especially by building on regional synergies and clusters.

Stepping up education and skills development policy

Improvements in education and skill levels are a fundamental prerequisite for achieving many of the goals in this growth path. The growth path also requires a radical review of the training system to address shortfalls in artisanal and technical skills

Engineers: Target at least 30 000 additional engineers by 2014.

Artisans: Target at least 50 000 additional artisans by 2015.

Workplace skills: Improve skills in every job and target 1,2 million workers for certified on-the-job skills improvement programmes annually from 2013.

Further education and training (FET) colleges have a central role in providing important middle-level skills for young people. An immediate goal is to expand enrolment at FET colleges, targeting a million students in FET colleges by 2014.

Information and communications technology (ICT) skills:

The departments of education should ensure that computer skills are taught in all secondary schools and form part of the standard adult basic education and training (ABET) curriculum by 2015.

Policy framework: Finalise the National Skills Development Strategy taking into account the needs emerging from the growth path.

Institutional Drivers

The New Growth Path recognises the role of an effective, developmental state in achieving broad-based employment growth. This perspective raises at least three critical institutional issues: the role of the state, the market and key market players, and social mobilisation and dialogue.

Institutional drivers outside the state

The main institutional drivers outside the state are business, organised labour and other civil society actors.

Key to the implementation of the New Growth Path is the development of more constructive and collaborative relations between the state and business, where:

- Government commits to minimise unnecessary economic costs, such as unnecessary regulatory requirements and delays, inadequate infrastructure, weak education and training, and

- Business responds by supporting critical and innovative initiatives for a more inclusive and equitable economy, especially projects that can generate employment on a much larger scale, through investment, technical support and mentoring, and appropriate pricing policies.

Social dialogue and mobilisation

This growth path requires that the state (a) facilitate national and workplace productivity accords, (b) support community organisation, including through the Community Works Programmes and other delivery mechanisms that build community and collective action, and (c) strengthen existing institutions for social dialogue, including Nedlac, sectoral and local forums. This work must critically enhance information flows, ensure government is more responsive to economic needs and reduce the transaction costs for our partners

Implications for Provinces and Localities: The Spatial Dimensions of the Growth Path

Apartheid left South Africa with an extraordinary spatial divergence between the economic centres of the country, linked to the metro areas, and the densely settled rural areas of the former Bantustans, which have very limited economic resources and investments. Within metros, too, there are vast disparities and spatial challenges, with townships located far from most employment opportunities. A core task for the New Growth Path is to break with this legacy through a coherent approach to spatial development backed by strong investment in infrastructure and the identification of viable and sustainable opportunities for historically disadvantaged regions. Rural

development will necessarily depend largely on links to the main urban areas. For instance, smallholder schemes in the Eastern Cape can produce for factories in Port Elizabeth or East London; tourism in Mpumalanga relies primarily on visitors from Gauteng.

Given the extraordinary differences in natural, economic and social conditions across our country, provinces and localities must adapt the broad drivers in the growth path to their circumstances. A spatial economic strategy will indicate how the jobs drivers affect different provinces, municipalities and rural areas, linking in to the rural development strategy and industrial policies.

1.2.4 “Breaking New Ground”: From Housing to Sustainable Human Settlements

Poverty is understood to involve three critical dimensions: *income*, *human capital* (services and opportunity) and *assets*. Housing primarily contributes towards the alleviation of asset poverty.

“Sustainable human settlements” refer to:

“well-managed entities in which economic growth and social development are in balance with the carrying capacity of the natural systems on which they depend for their existence and result in sustainable development, wealth creation, poverty alleviation and equity”.

The present and future inhabitants of sustainable human settlements, located both in urban and rural areas, live in a

safe and a secure environment and have adequate access to economic opportunities, a mix of safe and secure housing and tenure types, reliable and affordable basic services, educational, entertainment and cultural activities and health, welfare and police services. Land utilization is well planned, managed and monitored to ensure the development of compact, mixed land-use, diverse, life-enhancing environments with maximum possibilities for pedestrian movement and transit via safe and efficient public transport in cases where motorized means of movement is imperative. Specific attention is paid to ensuring that low-income housing is provided in close proximity to areas of opportunity. Investment in a house becomes a crucial injection in the second economy, and a desirable asset that grows in value and acts as a generator and holder of wealth. Sustainable human settlements are supportive of the communities which reside their, thus contributing towards greater social cohesion, social crime prevention, moral regeneration, support for national heritage, recognition and support of indigenous knowledge systems, and the ongoing extension of land rights.

In line with the NSDP and the Draft National Urban Strategy, the Department will enhance its contribution to spatial restructuring by:

Progressive Informal Settlement Eradication

Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion.

Promoting Densification and Integration

The new human settlements plan includes the following interventions:

- Densification policy
- Residential development permits
It is proposed that 20% of all residential development would constitute low cost to affordable housing and would be prescribe through the permit.
- Fiscal incentives
The Department, in conjunction with Treasury and SARS, will investigate the development of fiscal incentives to promote the densification of targeted human settlements and whilst introducing disincentives to sprawl.

Enhancing Spatial Planning

Greater coordination and alignment of various planning instruments and economic policies lies at the heart of sustainable human settlements.

Enhancing the location of new housing projects

The new human settlements plan envisages the following interventions:

- Accessing well-located state-owned and para-statal land
- Acquisition of well-located private land for housing development
- Funding for land acquisition
- Fiscal incentives
The Department will engage with SARS and Treasury to investigate the introduction of fiscal incentives (and

disincentives) to support the development of well-located land.

Supporting Urban Renewal and Inner City Regeneration

Urban renewal is a targeted intervention by government to resuscitate declining urban areas.

The new human settlements plan will support this by:

- Encouraging Social (Medium-Density) Housing
- Increasing effective demand

Developing social and economic infrastructure

There is a need to move away from a housing-only approach towards the more holistic development of human settlements, including the provision of social and economic infrastructure.

The new human settlements plan proposes that:

- Construction of social and economic infrastructure
A multipurpose cluster concept will be applied to incorporate the provision of primary municipal facilities such as parks, playgrounds, sport fields, crèches, community halls, taxi ranks, satellite police stations, municipal clinics and informal trading facilities.
- New funding mechanism
A New funding mechanism be introduced to fund the development of the primary social/community facilities, which will focus on informal settlement upgrading projects, completed housing projects still lacking social facilities and new housing projects.
- Municipal implementation

Municipalities will be the primary implementation agencies and will submit business plans for approval to Provincial Housing Departments.

Enhancing the Housing Product

There is a need to develop more appropriate settlement designs and housing products and to ensure appropriate housing quality in both the urban and rural environments. The new human settlements plan accordingly proposes the following:

- **Enhancing settlement design**
The Department will investigate the introduction of enhancing measures and incentives to include design professionals at planning and project design stages, and will develop design guidelines for designers and regulators to achieve sustainable and environmentally efficient settlements.
- **Enhancing housing design**
Within the rural context, there is a need to make housing interventions more effective, to enhance the traditional technologies and indigenous knowledge which are being used to construct housing in rural areas and to improve shelter, services and tenure where these are priorities for the people living there.
Within the urban context, there is a need to focus on “changing the face” of the stereotypical “RDP” houses and settlements through promotion of alternative technology and design.
- **Addressing housing quality**

1.2.5 Comprehensive Rural Development Programme (CRDP)

The National Department of Rural Development and Land Reform (DRDLR) has been given the mandate by the President of South Africa to develop a Comprehensive Rural Development Programme (CRDP) throughout the country. To achieve this mandate the DRDLR embarked on developing a fresh approach to rural development. The CRDP is focused on enabling rural people to take control of their destiny, with the support from government, and thereby dealing effectively with rural poverty through the optimal use and management of natural resources. This will be achieved through a co-ordinated and integrated broadbased agrarian transformation as well as the strategic investment in economic and social infrastructure that will benefit the entire rural communities. The programme will be successful when it becomes apparent that “sustainable and vibrant rural communities” are succeeding throughout South Africa.

Below is a three pronged strategy to ensure that the Department achieves its objective (Agrarian transformation, Rural development and Land reform):

The Agrarian transformation includes, but is not limited to the following:

- Increased production and the optimal and sustainable use of natural resources including land, grass, trees, water, natural gases, mineral resources etc;

- livestock farming (cattle, sheep, goats, pigs, chickens, turkey, game, bees, fish, etc), including the related value chain processes;
- cropping (grain, vegetables, fruit, spices, medicines, etc), including the related value chain processes;
- the establishment and strengthening of rural livelihoods for vibrant local economic development;
- the use of appropriate technology, modern approaches and indigenous knowledge systems; and
- food security, dignity and an improved quality of life for each rural household.

Rural development includes, but is not limited to the following:

Improved economic infrastructure:

- Roads, railways, ports;
- shearing sheds;
- dipping tanks;
- milk parlours;
- community gardens;
- production/marketing stalls;
- fencing for agricultural purposes;
- storage warehouses;
- distribution and transport networks;
- electricity networks;
- communication networks (land lines, cell phones, radio, television, etc);
- irrigation schemes for small scale farmers;

- water harvesting, water basin and water shed management systems (dams etc);
- post office services and internet cafes;
- rural shopping malls.

Improved social infrastructure:

- Social mobilization to enable rural communities to take initiatives;
- establish savings clubs and cooperatives for economic activities, wealth creation and the productive use of assets;
- communal sanitation and ablution systems to improve health conditions;
- access to resourced clinics;
- sport and recreation facilities especially for women and youth development;
- rural libraries to promote a reading culture;
- rehabilitation and development of schools as centres of excellence;
- community halls and museums;
- non-farming activities to strengthen rural livelihoods;
- ABET centres for capacity building and appropriate skills development;
- leadership training, social facilitation and conscientious awareness for CRDP and socio-economic independence;
- democratise rural development, participation and ownership of all processes, projects and programmes;
- co-ordination, alignment and cooperative governance (local municipalities, traditional councils, provincial government);

- participation of NGOs, including faith-based organisations, community-based organizations and other organs of civil society;
- social cohesion and access to human and social capital.

Land reform includes, but is not limited to the following:

Increasing the pace of land redistribution

- Provide increased access to land for previously disadvantaged people, through the redistribution of 30% of white-owned agricultural land;
- review the land reform products and approaches (LRAD, SPLAG, LASS, PLAS, ABP, LARP, etc) for greater effectiveness and relevance to the CRDP, including the implementation of related policies (use-it-or-lose-it, leasing, post settlement support, etc);
- review land acquisition processes (value for money for each hectare of land bought, proposal for a special land commission for an audit of privately owned agricultural land, the productive use of land transferred to the landless, the effective development and beneficiation of the land reform beneficiaries.

Increasing the pace of land tenure reform:

- Fast-track the settlement of labour tenant claims, especially in KwaZulu-Natal and Mpumalanga;
- facilitate secure access to land by farm dwellers;
- protect the land rights of farm workers and create decent jobs on farms;

- deal effectively and promptly with illegal evictions;
- establish agri-villages for local economic development on farms;
- provide basic needs for farm dwellers, including water, sanitation, electricity, housing, etc;
- implement CLaRA to stimulate economic growth in traditional communities in the former homeland areas, while promoting efficient use of land and the sustainable use of natural resources;
- deal effectively with State land administration;
- provide support and capacity building to farm dwellers.

Speeding up the settlement of outstanding land restitution claims:

- Provide an analysis of outstanding claims (nature and type), indicate related challenges and how these should be addressed to speed up the finalization of claims and indicate clearly what is possible by the year 2011 (including what will be still outstanding, if any);
- adopt a developmental approach to the settlement of restitution claims to demonstrate a contribution to the CRDP;
- develop a strategy to deal with land claims in the Land Claims Court, to ensure that these are “winnable strong cases” setting good precedent and appealing cases that may set a bad precedent;
- ensure sustainability, beneficiation and contribution to poverty eradication, economic growth and the creation of employment opportunities, as well as the vibrancy of land restitution projects, going forward.

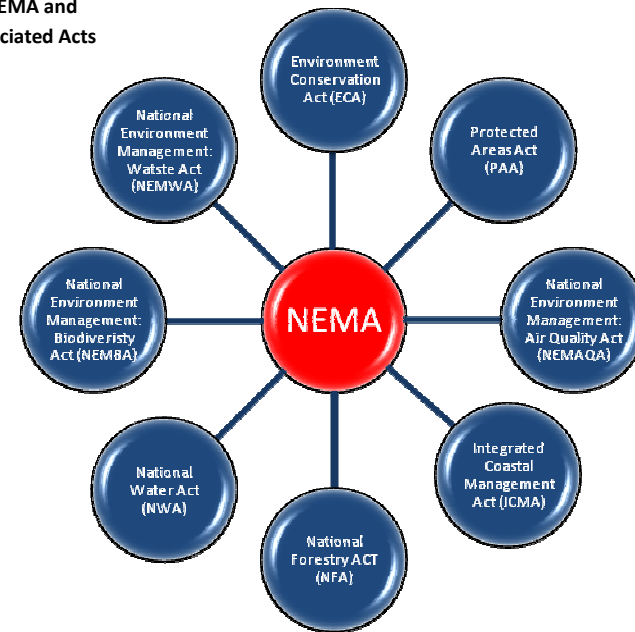
Effective support to all land reform programmes through land planning and information:-

- Provide a reliable and efficient property/deeds registration system; improving it by modernizing and digitizing the cadastres (e-cadastre);
- contribute to economic growth and housing development by providing government and private agents with essential land information to engage in planning as well as economic transactions;
- provide a basis for the design of a land value tax, land valuation and sustainable land management;
- provide surveys and mapping services to various clients for different needs;
- provide spatial planning information and services to local municipalities and other public or private institutions that may need these services for developmental purposes.

1.2.6 National Environmental Management Act (Act 107 of 1998) (NEMA)

The National Environmental Management Act (NEMA) is central to South African environmental laws as it gives effect to the “environmental right” within the Constitution and acts as a hub for all other environmental legislation.

Figure 1: NEMA and Other Associated Acts



The purpose of the NEMA is to provide for co-operative, environmental governance on matters affecting the environment by establishing principles for decision-making and institutions that will promote co-operative governance and procedures for co-ordinating environmental functions.

Chapter 1 of NEMA sets out the following environmental management principles:

1. The principles set out in this section apply throughout the Republic to the actions of all organs of state that may significantly affect the environment and -
 - shall apply alongside all other appropriate and relevant considerations, including the State’s responsibility to

respect, protect, promote and fulfil the social and economic rights in Chapter 2 of the Constitution and in particular the basic needs of categories of persons disadvantaged by unfair discrimination;

- serve as the general framework within which environmental management and implementation plans must be formulated;
- serve as guidelines by reference to which any organ of state must exercise any function when taking any decision in terms of this Act or any statutory provision concerning the protection of the environment;
- serve as principles by reference to which a conciliator appointed under this Act must make recommendations; and
- guide the interpretation, administration and implementation of this Act, and any other law concerned with the protection or management of the environment.

2. Environmental management must place people and their needs at the forefront of its concern, and serve their physical, psychological, developmental, cultural and social interests equitably.

3. Development must be socially, environmentally and economically sustainable.

a) Sustainable development requires the consideration of all relevant factors including the following:

- That the disturbance of ecosystems and loss of biological diversity are avoided, or, where they

cannot be altogether avoided, are minimised and remedied;

- that pollution and degradation of the environment are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- that the disturbance of landscapes and sites that constitute the nation's cultural heritage is avoided, or where it cannot be altogether avoided, is minimised and remedied;
- that waste is avoided, or where it cannot be altogether avoided, minimised and reused or recycled where possible and otherwise disposed of in a responsible manner;
- that the use and exploitation of non-renewable natural resources is responsible and equitable, and takes into account the consequences of the depletion of the resource;
- that the development, use and exploitation of renewable resources and the ecosystems of which they are part do not exceed the level beyond which their integrity is jeopardised;
- that a risk averse and cautious approach is applied, which takes into account the limits of current knowledge about the consequences of decisions and actions; and
- that negative impacts on the environment and on people's environmental rights be anticipated and prevented, and where they cannot be altogether prevented, are minimised and remedied.

- b) Environmental management must be integrated, acknowledging that all elements of the environment are linked and interrelated, and it must take into account the effects of decisions on all aspects of the environment and all people in the environment by pursuing the selection of the best practicable environmental option.
- c) Environmental justice must be pursued so that adverse environmental impacts shall not be distributed in such a manner as to unfairly discriminate against any person, particularly vulnerable and disadvantaged persons.
- d) Equitable access to environmental resources, benefits and services to meet basic human needs and ensure human wellbeing must be pursued and special measures may be taken to ensure access thereto by categories of persons disadvantaged by unfair discrimination.
- e) Responsibility for the environmental health and safety consequences of a policy, programme, project, product, process, service or activity exists throughout its life cycle.
- f) The participation of all interested and affected parties in environmental governance must be promoted, and all people must have the opportunity to develop the understanding, skills and capacity necessary for achieving equitable and effective participation, and participation by vulnerable and disadvantaged persons must be ensured.
- g) Decisions must take into account the interests, needs and values of all interested and affected parties, and this includes recognising all forms of knowledge, including traditional and ordinary knowledge.
- h) Community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, the sharing of knowledge and experience and other appropriate means.
- i) The social, economic and environmental impacts of activities, including disadvantages and benefits, must be considered, assessed and evaluated, and decisions must be appropriate in the light of such consideration and assessment.
- j) The right of workers to refuse work that is harmful to human health or the environment and to be informed of dangers must be respected and protected.
- k) Decisions must be taken in an open and transparent manner, and access to information must be provided in accordance with the law.
- l) There must be intergovernmental coordination and harmonisation of policies, legislation and actions relating to the environment.
- m) Actual or potential conflicts of interest between organs of state should be resolved through conflict resolution procedures.

- n) Global and international responsibilities relating to the environment must be discharged in the national interest.
- o) The environment is held in public trust for the people, the beneficial use of environmental resources must serve the public interest and the environment must be protected as the people's common heritage.
- p) The costs of remedying pollution, environmental degradation and consequent adverse health effects and of preventing, controlling or minimising further pollution, environmental damage or adverse health effects must be paid for by those responsible for harming the environment.
- q) The vital role of women and youth in environmental management and development must be recognised and their full participation therein must be promoted.
- r) Sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure.

Section 23 of NEMA promotes the use of environmental management tools, such as Environmental Impact Assessment, to consider, investigate, assess and report on to the Competent Authority, the impacts of "listed activities."

Section 24 of NEMA empowers the Minister of Environmental Affairs to publish a list of activities for which prior Environmental Authorisation is required. These activities are listed in:

- GNR 544 (2010) – A Basic Assessment (BA) process is applicable to those activities listed in this notice.
- GNR 545 (2010) – An Environmental Scoping and Environmental Impact Reporting (ES&EIR) process is applicable to those activities listed in this notice.
- GNR 546 (2010) - A BA process is applicable to those activities listed in this notice.

The minimum requirements for a BA and ES&EIR are set out in GNR 543 (2010).

Section 24 (f) states that it is an offence to "commence" a listed activity without Environmental Authorisation, and if found guilty, the maximum prescribed penalty fine is R5 million or ten years in prison or both such a fine or imprisonment.

▪ **Environment Conservation Act (Act 73 of 1989)**

The relevant sections from the Environment Conservation Act (ECA) include, but not limited, to the following:

- Sections 19, 19A, and 24A – Prohibition of littering.
- Sections 20 and 24 – Control of waste disposal sites.
- Sections 23 and 27 – Declaration of Limited Development Areas.
- Section 25 – Noise Control.

- Sections 31 and 31A – Power of Government to order cessation of harmful activity.
- **National Environmental Management: Biodiversity Act (Act 10 of 2004)**

The National Environmental Management: Biodiversity Act (NEMBA) was enacted in order to meet South Africa's obligations in terms of the 1992 Convention on Biological Diversity. NEMBA represents a shift in the approach to species protection, acknowledging that in order to protect a particular species, such as Black Rhino, its habitat and the ecosystem of which it is a part must also be protected. The key elements of NEMA include:

- Chapter 4 covers the protection of ecosystems, the protection of species, gives effect to South Africa's obligations in terms of CITES, and ensures that biodiversity is utilised in a sustainable way.
- Chapter 52 empowers the Minister of Environmental Affairs to publish a list of ecosystems that are threatened and in need of protection. The draft national list of Threatened Ecosystems was published in GNR 1477 (of 2009).
- Section 53 empowers the Minister of Environmental Affairs to identify any process or activity in a listed ecosystem as a "threatening activity" and require prior Environmental Authorisation.
- Section 56 empowers the Minister of Environmental Affairs to publish a list species which are considered to be critically endangered, endangered, vulnerable, or need of protection.

- Chapter 5 regulates the control of alien species and eradication of listed invasive species. The draft list of alien and invasive species was published in GNR 1146 and GNR 1147 (of 2007).

- **National Environmental Management: Protected Areas Act (Act 57 of 2003)**

The National Environmental Management: Protected Areas Act (PAA) was enacted to provide for declaration and management of protected areas in South Africa. PAA should be read in conjunction with the principles set out in NEMA and Section 5 and 6 of NEMBA. PAA represents a shift in the approach to conservation from the historical "protectionist" approach (i.e. exclusion of local communities) to allowing controlled access to resources and participation in the management of protected areas.

- **National Environmental Management: Waste Act (Act 59 of 2008)(NEMWA)**

The National Environmental Management: Waste Act (NEMWA) was enacted to protect health and the environment by providing for:

- Institutional arrangements and planning matters.
- Reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development.

- National norms and standards for regulating the management of waste by all spheres of government.
- Specific waste management measures.
- Licensing and control of waste management activities.
- Remediation of contaminated land.
- National waste information system.
- Compliance and enforcement.

Chapter 5 of NEMWA covers the licensing of waste management activities. The list of activities requiring a Waste Management Licence is published in:

- GNR 718 (2009) – A Basic Assessment process in accordance with EIA regulations (i.e. GNR 543 of 2010) is required for activities listed in this notice.
- GNR 719 (2009) – An Environmental Scoping and Environmental Impact Reporting process in accordance with EIA regulations (i.e. GNR 543 of 2010) is required for activities listed in this notice.

▪ **National Water Act (Act 36 Of 1998)**

The National Water Act (NWA) is the main South African statute regulating fresh water use and pollution. NWA is administered by the Department of Water Affairs (DWA) and regulates the use, flow, and control of all water in the country.

- Chapter 2 provides for the protection of water resources through the classification of water resources, determination

of reserves, prevention, and remedying of pollution, and control of emergency incidents.

- Chapter 4 defines the general principles and conditions relating to the use of water. This includes both general authorisation and water use licences.

1.2.6 Kwazulu-Natal Provincial Growth and Development Strategy (PGDS)

The KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) has as its purpose the provision of strategic direction for development and planning in the Province. The following six provincial priorities that address a number of developmental challenges related to economic and social needs of the province provide the focus of the PGDS:

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

1.2.7 Kwazulu-Natal Spatial & Economic Development Strategy (PSEDS)

The **Provincial Spatial & Economic Development Strategy** aims to:

- Provide spatial context to the PGDS;
- Address spatial imbalances, curb urban sprawl and ensure sustainable interventions;
- Identify priority areas and types of development;
- Align to municipal spatial development frameworks;
- Guide budgeting processes of the province and municipalities;
- Influence investment decisions of the private sector;

The principles of development and growth underpinning the PSEDS:

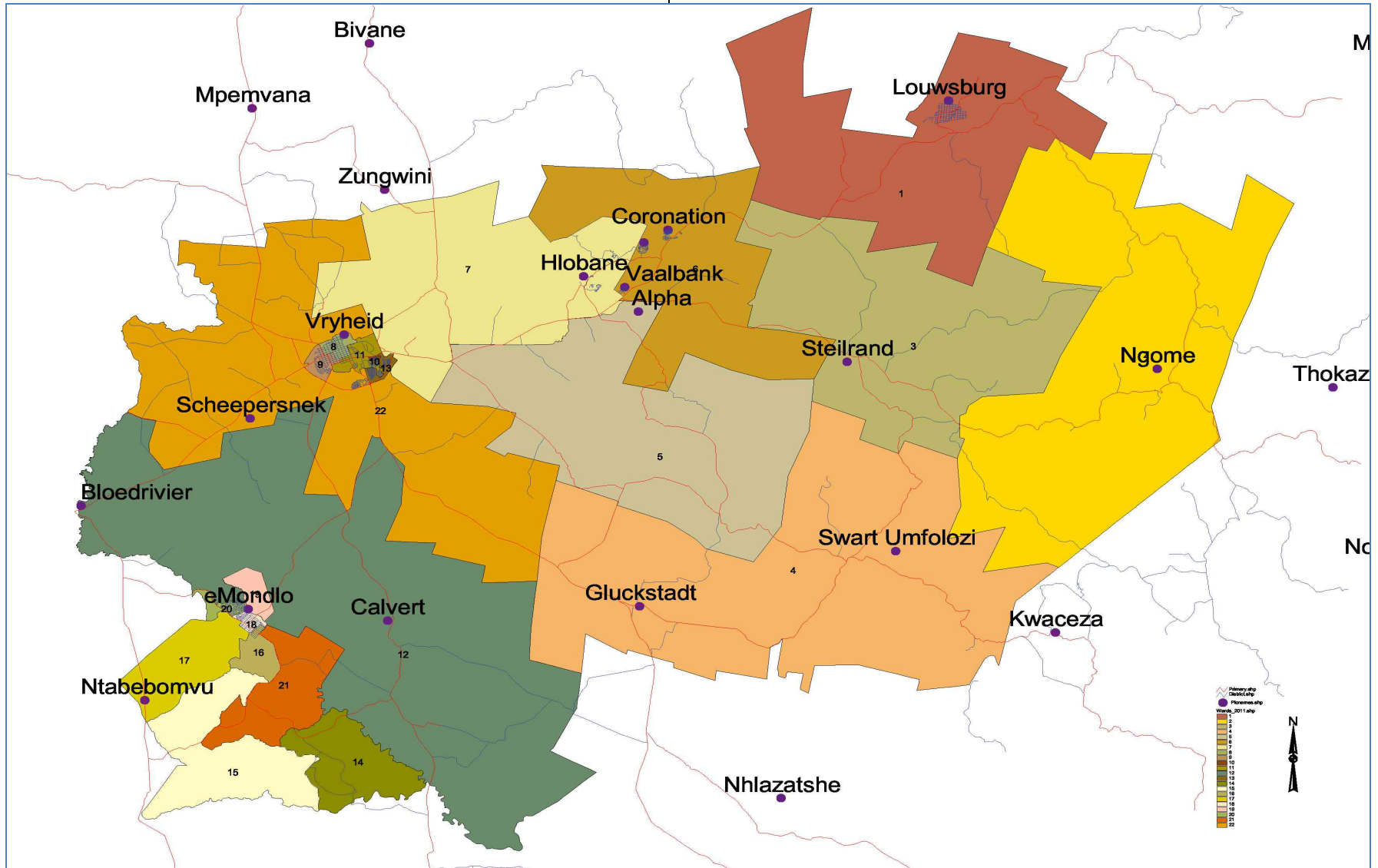
- Government has a constitutional obligation to provide basic services to all citizens. Basic services include health, education, housing, transport
- All areas of the province require development
- Certain areas of the province will drive economic growth
- The PSEDS attempts to indicate where different types of investment should be directed in order to achieve development and/or economic growth
- Four key sectors have been identified as drivers of economic growth in the province, namely:
 - The Agricultural sector (including agri-processing and land reform)
 - The Industrial sector (Including Manufacturing)
 - The Tourism sector
 - The Service sector (including government services)
 - The logistics and transport sector (including rail) underpin growth in all four sectors.

- Sustainable and affordable water and energy provision is crucial to economic growth & development.

2. Regional Context

AbaQulusi Local Municipality is located in the Northern part of KwaZulu-Natal Province and forms part of the Zululand District Municipality. Abaqulusi Municipality comprises of many settlements, both rural and urban, with Vryheid being its main urban settlement/town. Other areas of interest that fall within the boundaries of Abaqulusi also include Louwsburg, eMondlo, Hlobane, Bhekuzulu, etc. It is estimated at 4185km² in extent making it one of the largest in the province with a population of approximately +250 000 people. It at present constitutes approximately 30% of the Zululand District Municipality and is one of the five local municipalities that make up Zululand District Municipality. The other local municipalities are eDumbe, oPhongolo, Nongoma and Ulundi. Zululand's population has been on the rise for the past 11 years (2000 - 2010) and currently stands at of 915,137 for the year 2010 with Abaqulusi contributing the highest percentage towards Zululand's population, followed by Nongoma and Ulundi.

Map 2: Abaqulusi Ward Structures



3. Socio-Economic Analysis (Demographics)

3.1. Population

3.1.1 General

The Abaqulusi IDP 2011/12 notes the disparity in various estimations regarding the population size for the municipal area. The Abaqulusi Draft Housing Sector plan for 2009 estimated the population for the municipal area at 213 336.

Table 2 below drawn from Quantec (DEDT 2011) shows Abaqulusi’s population statistics within the context of the Zululand district. The Zululand district is estimated to have grown at an average of 1, 8% from 824 435 to 915,137 between 2004 and 2010. The population of the Abaqulusi municipal area is estimated to have grown at 3, 0% since 2004 to 247 755 in 2010. This is almost double the growth of the rest of the district. The Abaqulusi municipal area accounts for 27, 1% of the Zululand district population.

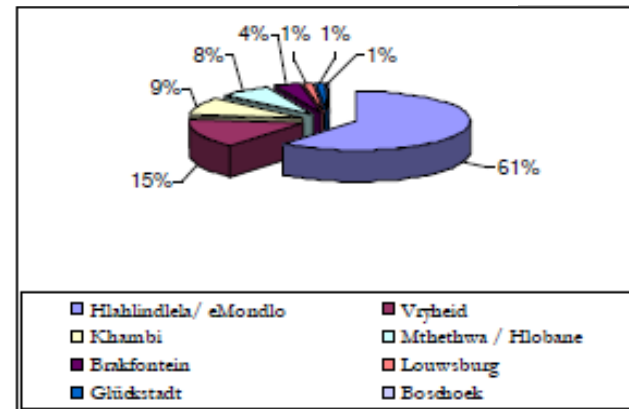
Table 2: Population Estimates

Municipality	2004	2005	2006	2007	2008	2009	2010	% Share in 2010	Average growth rate
eDumbe	82,143	81,877	81,195	80,230	79,238	79,208	79,466	8.7%	-0.6%
uPhongolo	126,380	129,067	131,894	134,687	137,357	139,137	140,482	15.4%	1.8%
Abaqulusi	208,134	215,242	223,346	231,859	240,097	244,701	247,755	27.1%	3.0%
Nongoma	213,404	219,019	225,305	231,880	238,228	241,858	244,272	26.7%	2.3%
Ulundi	194,376	196,137	197,647	198,933	200,145	201,669	203,163	22.2%	0.7%
Zululand	824,435	841,342	859,386	877,599	895,065	906,572	915,137	100.0%	1.8%

Source: Quantec 2011

In terms of geographical distribution, the population of the Abaqulusi local municipal area is quite skewed with Hlahlindlela and Emondlo accounting for 61% of the population followed by Vryheid (15%) and Khambi (9%)

Figure 2: Population distribution across Abaqulusi



Source: (Abaqulusi IDP 2011/12 2011)

The Abaqulusi IDP notes that only 36, 6% of the population lives in the formal urban areas of Vryheid, Hlobane, Louwsburg, eMondlo and Glückstadt.

In terms of population distribution by age, it is noteworthy that 49, 9% of the population of Abaqulusi is under the age of 20 and 68, 3% are under the age of 30.

Table3: Abaqulusi population distribution: By Age

District	Age Group								
	0-4	5-9	10-14	15-19	20-4	25-29	30-34	50-54	70-74
eDumbe	12.9	14.3	14.4	13.1	8.9	6.1	5.6	2.6	1.1
uPhongolo	13.1	14.5	11.9	12.8	10.9	8.2	7.5	2.3	0.8
Abaqulusi	12.7	12.7	12.1	12.4	10.1	8.3	7.3	2.9	1.3
Nongoma	12.7	14.9	15.2	15.4	9.7	5.7	4.7	2.6	1.4
Ulundi	11.9	14.6	14.4	13.4	9.1	7.2	5.9	2.9	1.3

Source: Quantec 2011

3.2.2 Population Health

Abaqulusi has the highest number of HIV infected people and the highest HIV prevalence rate of 17% in the district of Zululand. This is in line with the national prevalence rate of 17,2% but significantly lower than the KZN provincial average of 25,7%. The district as a whole has an HIV prevalence rate of just less than 16%.

Table 4: Population Health

Municipality	Number of Household	Total Population	HIV Infected	AIDS Deaths	Other deaths
eDumbe	16,418	79,466	12,022	969	634
uPhongolo	26,700	140,482	23,605	1,792	1,049
Abaqulusi	41,208	247,755	42,129	3,235	1,986
Nongoma	56,834	244,272	35,104	2,744	1,953
Ulundi	41,962	203,163	31,911	2,518	1,640
	3,122	915,139	144,770	11,258	7,261

Source: Quantec 2011

3.2.3 Gender Composition

Abaqulusi is dominated by females as depicted on table_ below. Although this is the case, the proportion of males to that of females still remains high and it could possibly be influenced by the mines in the area which employ local and migrant labourers.

Table 5 - Zululand population by gender from 2007 – 2010

Municipality	2007		2008		2009		2010	
	Male	Female	Male	Female	Male	Female	Male	Female
eDumbe	33722	42119	32964	41962	34013	43196	35815	43650
uPhongolo	62400	70091	63157	70833	65880	73269	67435	73047
Abaqulusi	110612	121686	113023	124503	118194	129296	120029	127726
Nongoma	104685	126188	106504	128288	111407	132697	112672	131599
Ulundi	90053	102761	90533	102633	94187	105554	96662	106501

Source: Quantec 2011

3.2.4 Race Composition

Table 6- Abaqulusi population by race 2010.

Local Municipality	Black	Coloured	White	Asian	Total Population
eDumbe	77,031	43	2,345	48	79,467
uPhongolo	138,064	341	1,743	334	140,482
Abaqulusi	239,607	589	6,937	622	247,755
Nongoma	243,969	163	95	44	244,272
Ulundi	201,960	464	550	189	203,163
Total	900,631	1,600	11,670	1,237	915,139

Source: Quantec 2011

The table above clearly indicates that the Black Population is the most dominant race in the municipal jurisdiction and the lowest being Indians. However, Abaqulusi does boast the highest number of white population in the district.

3.2.5 Population Age Distribution

Table 7 below clearly depicts that the Abaqulusi Municipality comprises of a population that is fairly young with around 60 % below the age of 25. A young population places huge demands on needs such as education, employment, entertainment, etc. which automatically puts the municipality under financial pressure to provide for these needs.

Table 7 – Percentage population age distribution by municipality (%)

District	Age Group								
	0-4	5-9	10-14	15-19	20-4	25-29	30-34	50-54	70-74
eDumbe	12.9	14.3	14.4	13.1	8.9	6.1	5.6	2.6	1.1
uPhongolo	13.1	14.5	11.9	12.8	10.9	8.2	7.5	2.3	0.8
Abaqulusi	12.7	12.7	12.1	12.4	10.1	8.3	7.3	2.9	1.3
Nongoma	12.7	14.9	15.2	15.4	9.7	5.7	4.7	2.6	1.4
Ulundi	11.9	14.6	14.4	13.4	9.1	7.2	5.9	2.9	1.3

Source: Quantec 2011

3.3 Economic Output

3.3.1 Gross Value Added by value and share

The Gross Domestic Product (GDP) of Abaqulusi measures the total value of all final goods and services produced within

the boundaries of the municipal area in a period of a year. Gross Value Added (GVA) is measured at ‘basic prices’ while GDP is measured at market prices. The key distinction is that basic prices reflect the value/cost of production and exclude taxes on products, while market prices include all product or output taxes, an example of which is the Value-Added Tax (VAT).

Total GVA for Zululand in 2010 was estimated at R10.9 billion. As table 8 below indicates, the Abaqulusi municipal area at R 3,9 Billion in 2010 accounted for 35,7% of the Zululand District’s GVA.

Table 8: GVA Zululand District and Abaqulusi (2003 – 2010)

Municipality	2003	2004	2005	2006	2007	2008	2009	2010	Share in 2010
eDumbe	653	655	662	661	674	691	675	684	6.3%
uPhongolo	1,487	1,533	1,561	1,668	1,786	1,879	1,848	1,890	17.3%
Abaqulusi	2,561	2,709	2,931	3,126	3,401	3,680	3,819	3,901	35.7%
Nongoma	732	796	883	1,002	1,160	1,321	1,455	1,489	13.6%
Ulundi	1,804	1,905	2,041	2,204	2,431	2,644	2,933	2,974	27.2%
Zululand	7,237	7,598	8,078	8,661	9,452	10,215	10,729	10,939	100.0%

Source: Quantec 2011

3.3.2 Economic Growth

At a district level, Zululand has experienced healthy economic growth between 2003 and 2010, averaging 6% per annum, compared to only 3.7% for the KZN province. This stands in

contrast to the general view reflected in a number of reports that the region and locality are in state of economic decline. Economic growth in Abaqulusi indicates an average year-on-year growth rate of 6, 2%, almost double that of the KZN province, peaking at 8, 8% in 2007 and then slowing to 2,2% in 2010, below that of the provincial average growth of 2,8%.

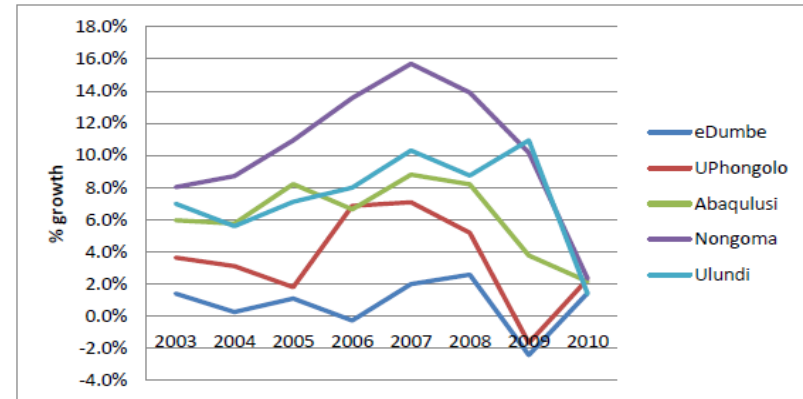
Table 9: Economic Growth Rate Zululand District and Abaqulusi

Municipality	2003	2004	2005	2006	2007	2008	2009	2010	Average
eDumbe	1.4%	0.3%	1.1%	0.3%	2.0%	2.6%	-2.4%	1.4%	0.8%
uPhongolo	3.6%	3.1%	1.8%	6.9%	7.1%	5.2%	-1.7%	2.3%	3.5%
Abaqulusi	6.0%	5.8%	8.2%	6.6%	8.8%	8.2%	3.8%	2.2%	6.2%
Nongoma	8.0%	8.7%	10.9%	13.6%	15.7%	13.9%	10.2%	2.3%	10.4%
Ulundi	7.0%	5.6%	7.1%	8.0%	10.3%	8.7%	10.9%	1.4%	7.4%
Zululand	5.5%	5.0%	6.3%	7.2%	9.1%	8.1%	5.0%	2.0%	6.0%
KwaZulu-Natal	2.9%	4.5%	5.9%	5.4%	6.0%	4.1%	-1.7%	2.6%	3.7%

Source: Quantec 2011

The variable growth rates of the various municipalities within the Zululand District, and Abuqulusi’s position in relation to the rest of the district are clearly indicated in the table below.

Figure 3: Economic Growth by municipal area

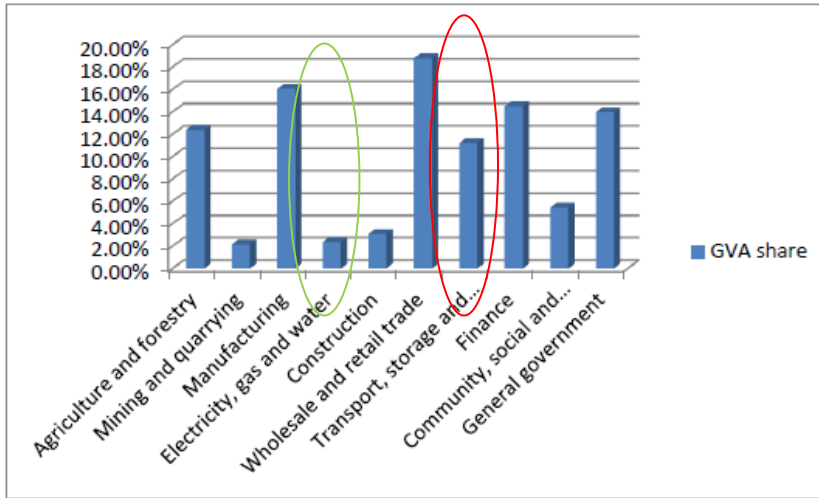


Source: Zululand 2003 – 2010

3.3.3 Gross Value Added (GVA) per sector (2010)

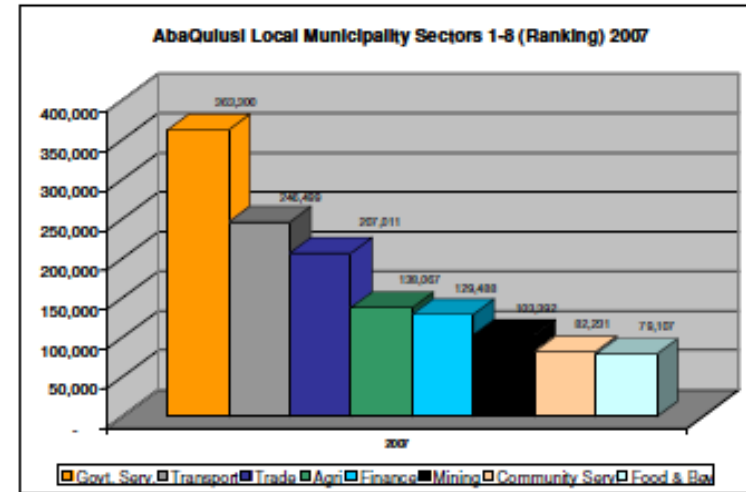
Abaqulusi’s economic structure is more diversified than the smaller economies in the Zululand District. Wholesale and Retail trade (which includes catering and accommodation) was the biggest contributor to municipal GVA in 2010, followed by (2) manufacturing, (3) finance and (4) general government and (5) agriculture and then (6) transport. The relatively small share of General Government in economic output, attests to the strength of the private sector within the local economy. Mining and quarrying is now the smallest economic sector in Abaqulusi.

Figure 4: Abaqulusi GVA contribution by sector: 2010



The Abaqulusi LED Strategy of 2009 indicated the following sectoral rankings for the 2007 year: (1) Government Services (2) transport (3) trade and (4) agriculture and (5) Finance. It should however be noted that the 2007 rankings cited in the final consolidated LED Strategy (2009) disaggregated the sectors into 23 elements, particularly those relating to manufacturing.

Figure 5: Abaqulusi Local Municipal sectors by ranking 2007



Source LED Strategy (2009)

But as Table 10 below indicates, by 2010, Government Services had been replaced by Trade (retail, wholesale, catering and accommodation) as the largest economic sector in the municipality. The others in order of ranking are (2) manufacturing, (3) finance, (4) General Government and (5) Agriculture.

Table 10: Abaqulusi: Economic Contribution by sector (GVA) 2007 – 2010:

Ranking	2007	2010
1	Government Services	Trade
2	Transport	Manufacturing
3	Trade	Finance
4	Agriculture	General Government
5	Finance	Agriculture
6	Mining	Transport

Table 10 above indicates construction has shown the strongest average growth over the period 2003 – 2010, peaking slightly above 20% during the period 2005 – 2007. It then dropped dramatically to 1, 1% in 2010. Agriculture has also shown good growth but with volatile shifts year-on-year peaking at 26, 1% in 2008 and at – 3,6% in 2006. Manufacturing on average has been the second fastest growth sector reaching a peak in the 2004 – 2007 period and dropping off to 3, 8% in 2010. Mining and quarrying has been worst performing sector with an average negative growth of - 4,3%.

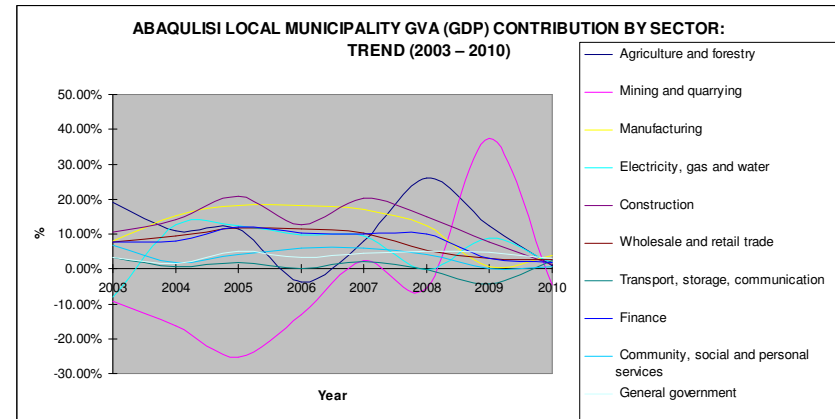
Table 11: Sectoral Growth in GVA (2003 – 2010):

Sector	2003	2004	2005	2006	2007	2008	2009	2010	Ave Growth
Agriculture and forestry	19.0%	10.9%	11.4%	-3.6%	8.1%	26.1%	12.4%	0.9%	10.6%
Mining and quarrying	-9.3%	-16.2%	-25.2%	-13.1%	2.3%	-5.6%	37.4%	-4.6%	-4.3%
Manufacturing	8.0%	15.2%	18.2%	18.3%	17.1%	12.3%	0.8%	3.8%	11.7%
Electricity, gas and water	-8.0%	12.7%	12.2%	9.8%	9.5%	-0.1%	8.8%	1.9%	5.9%
Construction	10.7%	14.2%	20.9%	12.5%	20.2%	15.1%	7.7%	1.1%	12.8%
Wholesale and retail trade	7.8%	9.5%	11.8%	11.6%	10.4%	5.2%	3.0%	2.6%	7.7%
Transport, storage, communication	3.4%	0.8%	1.7%	0.2%	2.0%	-0.2%	-4.4%	2.4%	0.7%
Finance	7.8%	8.1%	12.1%	10.2%	10.0%	9.9%	3.1%	1.9%	7.9%
Community, social and personal services	6.7%	1.8%	4.1%	5.8%	5.9%	4.1%	0.2%	0.7%	3.7%
General government	3.2%	1.5%	5.0%	3.3%	4.5%	5.1%	4.6%	3.0%	3.8%

Source: Quantec 2011

The volatility and complexity of the shifts in growth in each of the sectors in Abaqulusi are shown in the figure below

Figure 6: Abaqulusi municipality GVA by Sector: Trends 2003 -2010



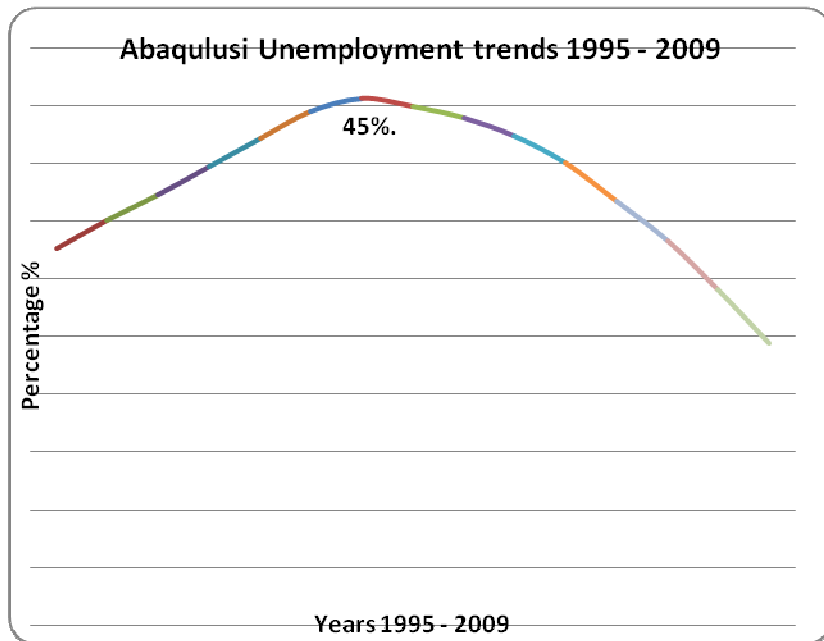
Source: (ALEDI 2011)

3.4. Labour Market Indicators

3.4.1 Unemployment and labour participation rate

Within a district context, Abaqulusi’s official unemployment rate of 24,4% is lower than the other municipal areas in Zululand, but this relative position holds little comfort for the local economy although it is close to the provincial average of 23,2%.

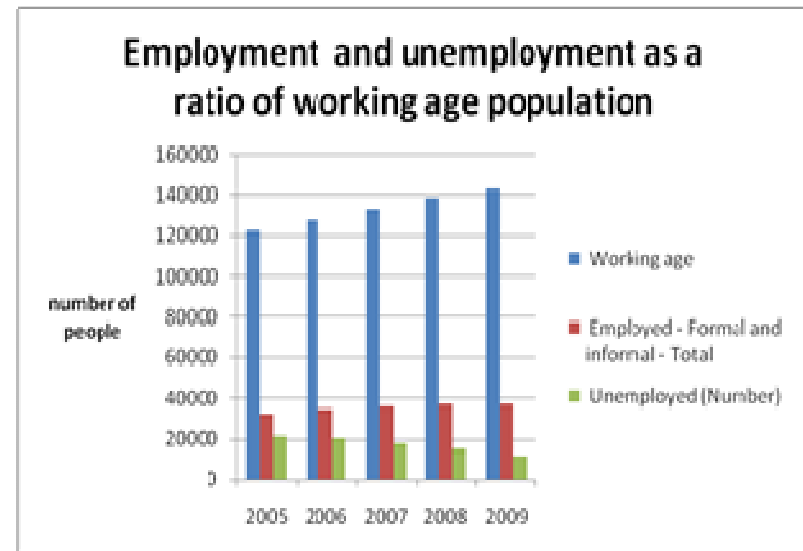
Figure 7: Abaqulusi Unemployment trends 1995 – 2009:



Source: (Quantec 2012)

On the positive side as Figure 7 above indicates, unemployment has declined considerably from its upward trend since 1995 and its peak of 45% in 2001 to its current level of 23,5 % in 2009. What is not possible to determine is the extent to which this declining trend is as a result of unemployed people securing employment, or falling into the statistical category of discouraged work seekers. Certainly the low net gains in local employment over the same period as indicated in the Graph 9 and 11 below do not support the likelihood that the unemployed were largely absorbed into local employment, although this does not discount the possibility that they have may have secured work elsewhere outside of the local area.

Graph 8: Abaqulusi Labour Participation rate 2005 - 2009



Source: (Quantec 2012)

Abaqulusi municipal area has a labour participation rate of 34, 2%. The Labour Force participation rate measures the proportion of working-age population that is either employed or officially unemployed. This means that just more than 3 members out of 10 of working age population are engaged in actual employment or are still unemployed but actively seeking work. This level of labour force participation is very low and is significantly lower than the provincial rate of 43.9%. The low rate indicates that there are likely to be a significant number of discouraged work seekers.

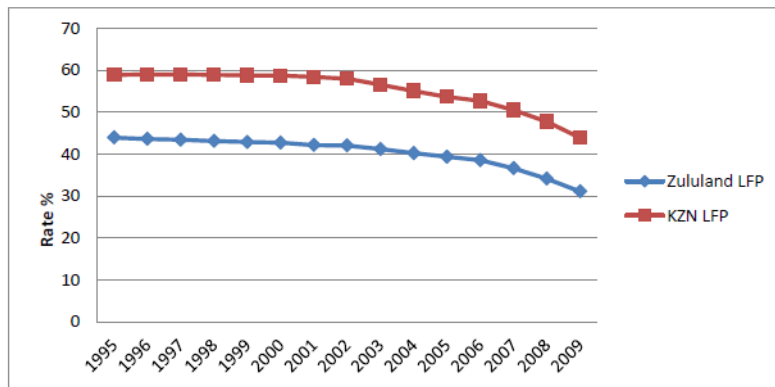
Table 12: Labour Market 2010 Zululand District and Abaqulusi

Indicator	eDumbe	uPhongolo	Abaqulusi	Nongoma	Ulundi	Zululand
Employed	7,918	19,864	36,873	14,033	24,294	102,983
Unemployed	2,558	10,846	11,886	14,536	12,017	51,842
Not Economically active	32,131	48,015	93,759	97,070	72,794	343,768
Labour force participation rate	24.6%	39.0%	34.2%	22.7%	33.3%	31.1%
Unemployment rate	24.4%	35.3%	24.4%	50.9%	33.1%	33.5%

Source: (Quantec 2012)

The graph below shows the declining trend in labour participation rates in Zululand district from that of 40% in 1995 to that of the current rate of 31,1% currently. The provincial labour participation rate average has declined even more sharply from 60% to 42% over the same period.

Figure 9: Comparison of labour force participation trends (1995-2009)



Quantec data (2011)

Employments trends indicates a slow increase of an average 2,05% year- on- year in the rate of employment from 2003

until 2009, from 30 369 in 2003 to 36 873 in 2009. This represents a net increase of 6 504 jobs in 6 years from 2003 to 2010.

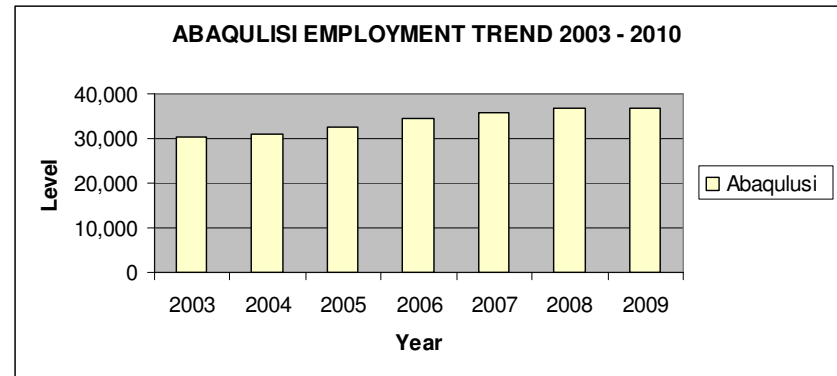
Table 13: Employment trends 2003 – 2009: Zululand District and Abaqulusi:

Municipality	2003	2004	2005	2006	2007	2008	2009
eDumbe	10,959	10,482	10,102	9,843	9,311	8,678	7,918
uPhongolo	21,665	21,267	21,194	21,396	21,117	20,672	19,864
Abaqulusi	30,369	31,126	32,472	34,595	35,808	36,812	36,873
Nongoma	9,005	9,436	10,149	11,219	12,185	13,264	14,033
Ulundi	17,131	17,788	18,856	20,427	21,780	23,290	24,294
Zululand	89,129	90,098	92,773	97,480	100,201	102,716	102,983

Source: (Quantec 2012)

The graph below indicates the year-on-year growth of employment and its slowing trend over the period 2008-9.

Figure 10: Abaqulusi Employment trend (2003 -2010)



Source: ALEDI using DEDT (2011) data

3.4.2 Employment trends per sector

Table 14 below shows the top 5 sectors contributing to employment in Abaqulusi as in 2010.

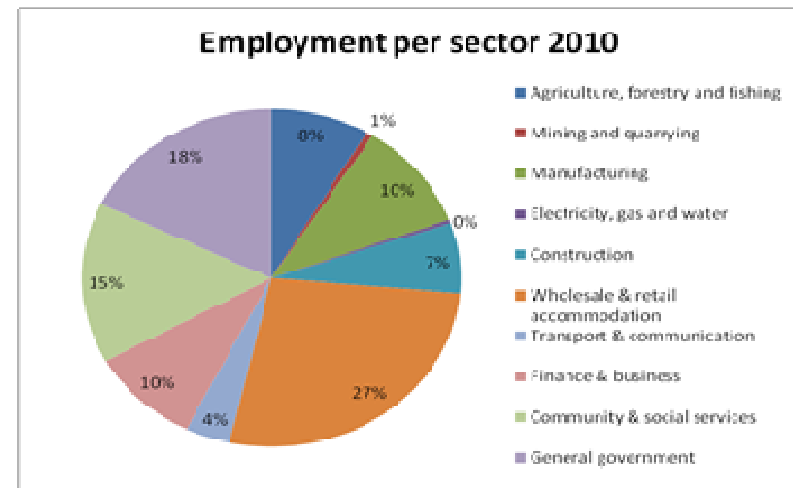
Table 14: Ranked lead employment sectors in Abaqulusi: 2010

Ranking	Description	percentage
1	Wholesale, retail, catering and accommodation	27%
2	General Government	18%
3	Community and Social Services	17%
4	Manufacturing	10%
5	Finance and Business	9,5%

Source: Quantec data 2011

What is most striking is that agriculture does not even rate in the top 5, currently contributing only 8% of all employment in the Abaqulusi local municipal area. Graph 11 below indicates the percentage contribution of all 10 economic sectors in the local municipal area.

Figure 11: Share of Abaqulusi employment by sector



The most significant net job gains over the past 15 years has been seen in Trade (4475) general government (2598), community and social services (1836) and Finance and business (1775). The sharpest job losses are in 3 sectors: agriculture (- 5853), mining (- 2352) and transport and communication (-376). Expressed in percentage terms, finance and business (109,66%) and trade (85,39%) have shown the highest ratio growth with mining and quarrying (- 91,55%) and Agriculture (-66,02%) showing the highest ratio of job shedding.

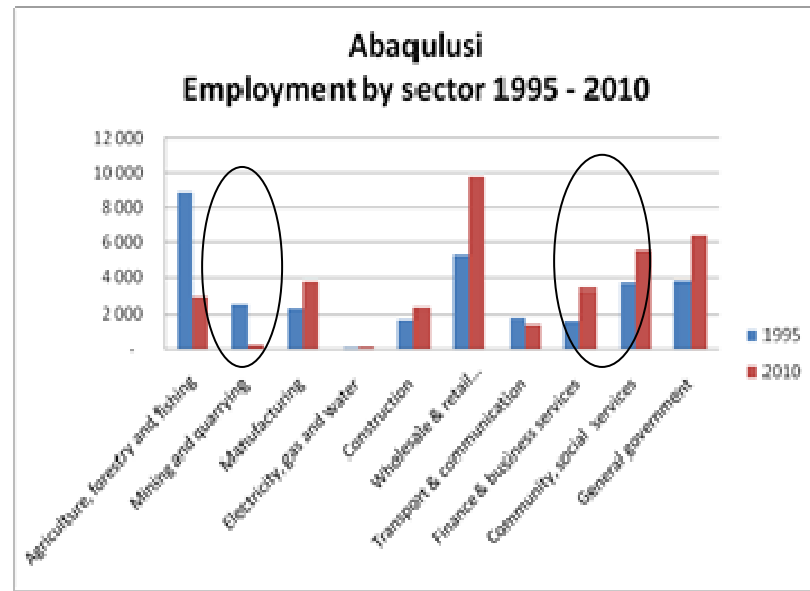
Table 15: Employment trends per sector: 1995 – 2010

Rank	Sector	Net jobs change 1995 - 2010	% change
1	Wholesale & retail accommodation	+ 4 475	+ 85.39%
2	General government	+ 2 598	+ 69.01%
3	Community & social services	+ 1 836	+ 49.96%
4	Finance & business	+ 1 775	+ 109.66%
5	Manufacturing	+ 1 414	+ 61.53%
6	Construction	+ 746	+ 45.27%
7	Electricity, gas and water	+ 53	+ 73.14%
8	Transport & communication	(- 376)	(- 21.38%)
9	Mining and quarrying	(- 2 352)	(- 91.55%)
10	Agriculture, forestry and fishing	(- 5 853)	(- 66.02%)

Source: Quantec data 2011

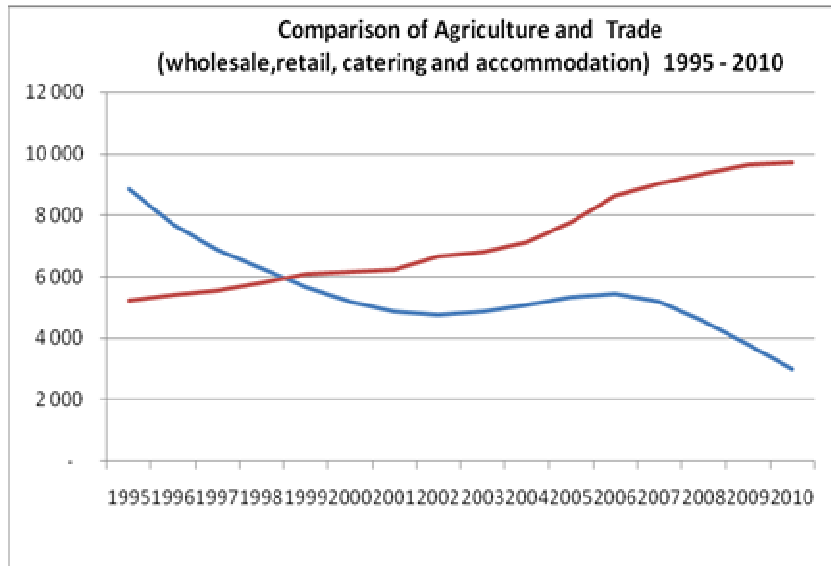
The changing employment trends per sector are graphically illustrated in the Graphs 10 and 11 below. Agriculture has shed 66% of its jobs over the past 15 years since 1995 from a baseline of 8866 to 3013, a net loss of 5853 jobs.

Figure 12: Comparison of employment by sector: 1995 and 2010



Over the same corresponding period the number of people employed in the trade sector (wholesale, retail, accommodation and catering) has increased from 5 250 to 9715, a net gain of 4465 jobs or an 85% increase over the 15 years using 1995 as a baseline.

Figure 13: Comparison of employment trends: Agriculture & Trade (Wholesale, retail, accommodation and catering)



The reasons for the decline in agricultural jobs, which has shown a further sharp recent decline in the period 2006 until 2010, would need to be researched more closely, but would likely include both structural changes in commercial agriculture towards ownership concentration and away from labour intensive methods as well as productivity declines as a result of extensive, but poorly structured land reform in the local municipal area. It is important to note that while agricultural Gross Value Add (GVA) output in Abaqulusi increased at an average rate of 10, 6% year-on-year over the period 2003 - 2010, the employment levels declined by 38% over the corresponding period.

3.5. Poverty

3.5.1 Number of people living in poverty

The number of people living below the poverty income line has decreased by 5,4% in Abaqulusi between 2003 and 2008. A number of neighbouring Municipal areas have seen an increase in the gross number of people living below the poverty datum line with Uphongolo, eDumbe showing an increase in the number of people living below the poverty datum line over the same period.

Table 16: Number of people living in poverty: 2003 – 2008: Global Insights:

	2003	2004	2005	2006	2007	2008
KZN	5,679,784	5,643,720	5,505,145	5,300,269	5,184,450	5,247,998
Zululand	636,480	624,376	615,105	601,065	596,734	602,895
eDumbe	72,701	73,112	73,974	73,971	73,820	75,786
uPhongolo	99,012	99,738	99,947	99,490	99,074	102,312
Abaqulusi	152,791	151,705	151,685	148,655	147,743	144,540
Nongoma	162,117	154,983	149,580	143,750	141,781	144,202
Ulundi	149,859	144,838	139,919	135,198	134,317	136,054

Source: Quantec data 2011

3.5.2 Poverty Gap

The poverty gap is a measure of the severity or depth of the poverty problem in a local economy. It specifically measures the difference between each poor household's income and the poverty line and to determine how much it would cost to bring everyone in the locality or district above the poverty line.

Table 17: Poverty Gap in R millions: Source Global Insights:

Municipality	2003	2004	2005	2006	2007	2008
eDumbe	80	81	80	75	74	88
uPhongolo	101	99	95	89	90	106
Abaqulusi	172	174	172	161	162	191
Nongoma	303	333	358	383	420	461
Ulundi	222	224	224	209	203	229
Zululand	878	910	928	916	950	1076

Source: Quantec data 2011

What these statistics indicate is that while the number of people who have fallen below the poverty datum line has decreased, the extent of poverty has deepened amongst those already below the poverty datum line so that the cost of intervention to bring everybody above the poverty line has increased from R 172 million in 2003 to R191 million in 2008.

3.6. Inequality

The Gini Coefficient is an aggregate inequality measure and varies between (0) perfect equality to (1) perfect inequality. The table below indicates that the levels of inequality in Abaqulusi (0, 66) are higher than the rest of the Zululand district and close to the provincial average. The figures also reflect the persistence of inequality in Abaqulusi, with no evident improvement in the situation over the period 2003 – 2008. An inequality co-efficient of 0, 66 is exceptionally high by international standards: India (0.36), Germany (0.28), Brazil (0.57), and Ethiopia (0.30)

Table 18: Inequality measure: Gini Co-efficient for Zululand

Municipality	2003	2004	2005	2006	2007	2008
eDumbe	0.60	0.60	0.59	0.59	0.60	0.60
uPhongolo	0.60	0.60	0.59	0.60	0.60	0.60
Abaqulusi	0.66	0.66	0.65	0.65	0.66	0.66
Nongoma	0.60	0.60	0.60	0.60	0.60	0.60
Ulundi	0.61	0.62	0.62	0.62	0.62	0.62
Zululand	0.62	0.62	0.62	0.62	0.62	0.63
KZN	0.67	0.67	0.67	0.67	0.67	0.67

Source: Global insight 2009

Source: Quantec data 2011

3.7. Human Development Index

The Human Development Index (HDI) is a standardised international UN index that measures 3 elements for assessing socio-economic development. These are longevity, knowledge and standard of living with a measure between 0 (lowest human development) to 1 (Highest human development)

The data below indicates a small but disturbing downward trend in the HDI for Abaqulusi local municipal area consistent with that for the district and the province.

Table 19: Human Development Indices for Zululand (2003-2008):

Municipality	2003	2004	2005	2006	2007	2008
eDumbe	0.38	0.37	0.37	0.37	0.36	0.34
uPhongolo	0.40	0.40	0.40	0.39	0.38	0.36
Abaqulusi	0.45	0.45	0.45	0.45	0.44	0.43
Nongoma	0.35	0.35	0.36	0.36	0.35	0.33
Ulundi	0.38	0.38	0.39	0.39	0.38	0.36
Zululand	0.40	0.40	0.40	0.40	0.39	0.37
KZN	0.54	0.54	0.54	0.54	0.54	0.52

Source: Quantec data 2011

3.8. Concluding remarks

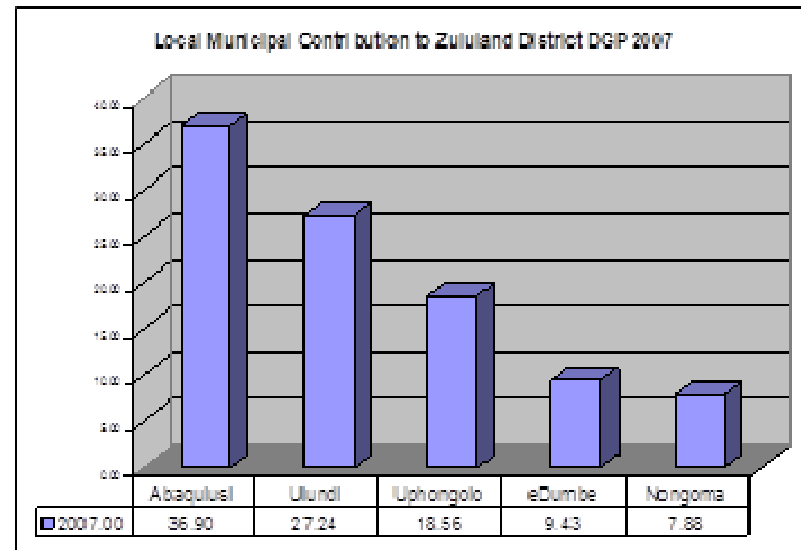
Given the growth of the Abaqulusi population (Table _), the proportion of young people under the age of 20, the rate with which young people are coming into the labour market (Table _), the slow rate of job increases over the past 6 years (Table _), and the sharp decline in jobs in Abaqulusi’s traditional economic sectors (agriculture and mining) (Table _), and the persistence of poverty and inequality and declining Human Development Index (HDI), (Tables _ – _), there is a compelling case for key economic actors from business, government and civil society to begin to think and act in new ways to improve the situation with regard to unemployment to avert this present and growing crisis.

4. Economic Analysis

4.1 Size and Structure of Local Economy

The collapse of coal mining industry over the last three decades has had a serious impact in the economy of Abaqulusi Municipality area. The rate of unemployment has increased from 42, 7% in 1996 to 59, and 4% in 2001.

Figure 14: Local Municipal Contribution to the Zululand District GDP in 2007



Source: Developed by PLPD from raw data supplied by Quantec Research (2008)

Correspondingly, Gross Value Add has also declined significantly with the area experiencing a -3, 0% growth rate between 1996 and 2003. The Abaqulusi Municipal Economic structure is dominated by tertiary services which include government services, community services, transportation and trade. The important primary sectors are Agriculture and

Mining. The secondary manufacturing sectors are not well developed and contribute to a lesser extent to the economic structure of the Abaqulusi Municipality. Abaqulusi municipality contributes largely to the Transportation, Trade, and Government Services, Mining and Agricultural sectors of the district. In total, the Municipality contributed 36.90% of the Zululand district economy in 2007. Ulundi contributed 27.24%, uPhongola contributed 18.56 %, eDumbe 9.43%, and Nongoma 7.88 %. Zululand contributed 2.77% to the KwaZulu-Natal economy and .04% to the South African economy in 2007. These contributions are shown in Figure 4 overleaf.

The sub-region, within which Abaqulusi lies, has developed as a peripheral economy in the Provincial context, mainly because of its distance from the main greater markets and corridors such as N2 to Durban and Richards Bay and N3 to Pietermaritzburg and Gauteng. Abaqulusi does however have a secondary corridor of national significance. The coal line corridor, which runs from Richards Bay, through Ulundi, Vryheid and Paulpietersburg and on to the mining areas of Mpumalanga, is an important route in the national rail and road network.

4.2 Tourism

Abaqulusi's main tourism potential lies in its relatively well-developed infrastructure, close links with the Battlefields Route, its conference potential, eco-tourism and outdoor adventure events. Major tourism products found in close proximity to Abaqulusi area includes the following:

- The Ithala Game Reserve (30 000 ha in extent) is located just outside the Municipal area north of Louwsburg. It

offers wildlife, scenery and accommodation, which include up market tourist facilities in a 240-bed camp with four bush camps of 4 – 12 beds each.

- The Ngome Forests include the Thendeka Wilderness area, which is claimed by locals to be 'more spectacular than Tsitsikamma' on the Eastern Cape Coastline. This area alone is host to 84 indigenous fern species and offers camping facilities and various trails of between 7 and 21 kilometres. Local farms in the area also include areas of magnificent natural beauty. Some farmers are considering developing eco-tourism accommodation on their farms, but a major constraint is the terrible road conditions particularly during wet seasons.
- Private game farms are attracting a growing number of tourists – presently 20% internationally and 80% nationally. The marketing of farms often occurs through urban-based agents and increasingly targets the international tourist wanting to hunt African game and game farming is regarded as an 'export commodity' within the district. Accommodation on private game farms includes bush camps and up-market chalets. The relatively low labour intensity required for game farming compared to agricultural production is regarded as an advantage to farmers feeling the effects of the new Land and Labour Legislation.

Cultural tourism includes exposing tourists to local customs, traditions, heritage, history and way of life. The development of the battlefields and so-called Rainbow Route in the late 80's and early 90's placed the area on the tourist map. Unfortunately, visitors tend to stay only for a few nights. There

is a need to develop the concept of a destination that will encourage longer stays. One of them is the development of tourism signage and tourism route in order to put AbaQulusi on the Provincial map.

Opportunities through the provision of backpacking accommodation and links to surrounding areas such as coastal initiatives and game reserves should be explored. The following opportunities in the tourism sector were identified in the Regeneration Study 2001:

- Living mine museum;
- Cultural village;
- Avi-tourism;
- Thaka-Zulu Game Reserve;
- Coal Train Tourist Trips;
- Ntendeka Wilderness Area.
- King DiniZulu at Coronation
- Princes Mkabayi Grave and
- Prince Imperial Louis Napoleon

4.3 Agriculture

Currently this sector provides the highest proportion of the Gross Geographic Product (GGP) of the area even though the area is classified as having low agricultural potential (Vryheid Economic Regeneration Study, 2001). According to a land potential analysis of the AbaQulusi area only 15,19% of agricultural land can be described as having high agricultural

potential (Coronation Economic Regeneration Study, 2001). This is due to poor soils, irregular rainfall and significant areas of degradation. There is extensive, but not intensive agriculture. Very few farms are irrigated and this only favours a few people due to the allocation of irrigation rights from some of the water systems in the area on a permit basis.

According to 1997 figures agriculture contributed 7, 45% to the GGP of AbaQulusi, but employed 22, 2% of the workforce. Farms can be divided into two distinct categories:

- Larger mostly white owned commercial farms; and
- Smaller mostly black owned traditional farms.

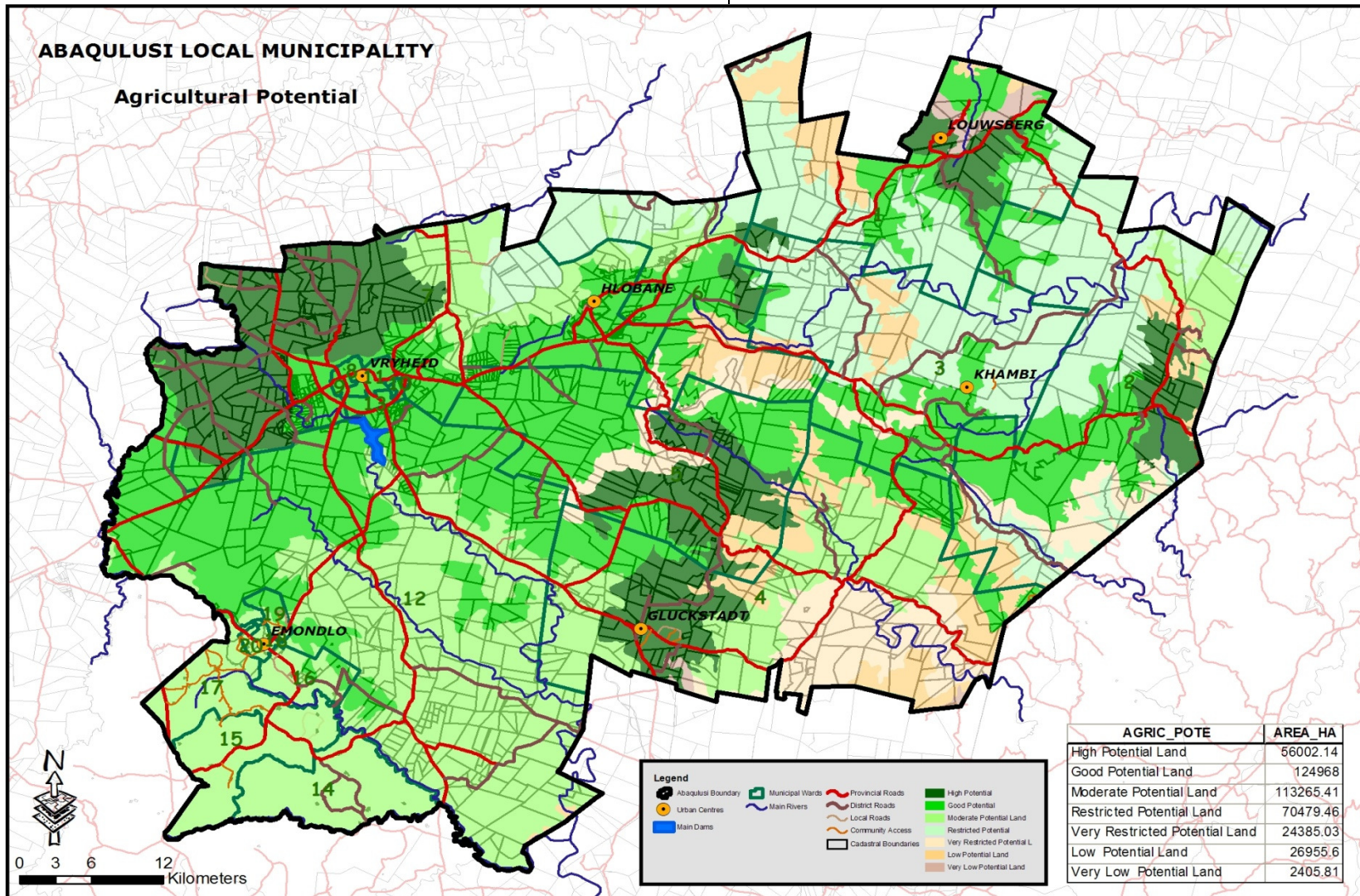
Products produced are timber, field crops and livestock. Most of the timber is exported out of the area and has experienced a rapid growth phase for the last five years. It is however experiencing a number of constraints that will impact on further growth. The timber industry uses migrant's work-teams and very few local workers are employed. No secondary activities have developed because of the timber industry.

Current products farmed are maize, groundnuts, soya beans, sunflowers, fruits and sorghum. Cattle farming have played a major role but this market is also strained due to rising input costs and stock theft. International and national meat exports have also been affected as a result of mad cow disease and foot-and-mouth disease. Small game farming provides opportunity for economic development and provides a solution to stock theft, domestic diseases and the demands made by the national and international market.

The Vryheid Economic Regeneration Study identified the development of agri-business as an opportunity for the area.

Very little industrial activities currently exist to take direct advantage of the strong agricultural base. The challenges that are facing Agricultural sector are that nearly all processing takes place outside the region.

Map3: Agricultural Potential



4.4 Commerce and Industry

This sector has enjoyed a good growth rate through the development of Vryheid as a regional service centre with increased interaction with its hinterland. The smaller towns around Vryheid have developed a dependence on the economy of Vryheid. Many of the businesses are locally owned and the majority of clients are from within the AbaQulusi area. The health of this sector is fully dependent on the health of the larger economy. There has been a decline in growth because of the reduced buying power in the area following the closure of mines in the area.

A debate regarding the establishment of a regional shopping centre in the town of Vryheid has been taking place for some time and it was suggested in the Economic Regeneration Study to put a municipal property out to tender to test the market. Currently shoppers throughout the sub-region conduct their shopping in Newcastle or even Pietermaritzburg and Durban. This sector is typically a net importer of goods into the local and surrounding economy and the largest leakages take place through it. The following opportunities for development of the commercial sector were identified in the regeneration study:

- eMondlo Taxi City and retail outlet; and
- Regional Shopping Centre.

4.5 Manufacturing

Over 80% of manufacturing in the Zululand Region takes place in Vryheid. However, this sector has a low impact on the local

economy. It has developed mainly as a service industry for local needs and not as an exporter of goods (Zululand Regional Development Plan, 1998). There is a need to develop manufacturing capabilities around the beneficiation of primary products. Manufacturing in the Municipal area includes food and beverages, clothing and textiles, leather products, paper and paper products, printing and publishing, metal products, machinery and equipment. Some Agri-processing manufacturing has been proposed in the Economic Regeneration Study and include:

- Oil extraction plant to cold press a combination of seed types;
- Animal feeds factory;
- Organic vegetable packing and freezing plant;
- Maize mill;
- Tannin extraction plant;
- Leather tannery;
- Meat processing unit;
- Furniture production;
- Wrought iron, basket and weaving;
- Traditional craft centre;
- Leatherwork centre; and
- Eco-block manufacturing.

4.6 Mining

The Vryheid coalfield stretches from west of Vryheid in a broad band to the east of Louwsburg and is further divided into the Zuinguin Mountain area, the Hlobane/Matshongololo area, the Thabankulu/Enyathi Mountain area and Ngwini Mountain area.

Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation impacting negatively on the regional economy. The Abaqulusi Municipality was particularly affected by the closure of the Coronation and Hlobane mines in 1997 and 1998 respectively (Zululand Coordination LED Framework: 2003)

4.6 Second Economy

Very little information has been documented on this sector. Existing information concentrates on the formal economic sectors that are mostly found in and around Vryheid. However the Zululand Regional Development Plan, 1998, states that the rural economy and even to some extent some of the smaller urban centres can best be described as being "informal". This sector attracts largely unskilled or semi-skilled people who have minimal financial resources at their disposal. A significant segment of people living in the Khambi/Hlahlindlela Tribal Area and surroundings south of eMondlo fit this profile. However, they have very little influence in shaping the development policies and programs. Participants in this sector are usually not formally registered as businesses, pay no taxes or levies, and operate on a cash basis. They provide a wide range of

services and include small retailers, street merchants, craftsmen and artisans.

According to the Zululand Regional Development Plan, 1998, there is very little evidence of the impact of existing capacity-building programs to help develop this sector. The intention of these strategies is to transform the informal sector into a vibrant formal economic sector of small, medium and micro-enterprises (SMMEs). The implementation of such policies has yet to be felt in the region

5. Environmental Analysis

5.1 Key Environmental Characteristics of the Abaqulusi Local Municipality

Several important environmental elements characterises Abaqulusi Municipality. These include natural vegetation areas and areas of high species diversity, wetlands and rivers, habitats and breeding areas of threatened species, natural heritage sites, sites of conservation significance, archaeological sites, sites of geomorphologic importance, and historical sites. These environmental characteristics and their associated constraints and opportunities are discussed in the sections below:

- Abaqulusi falls in varied climatological zones as defined by the bio-resource classification of the KZN Department of Agriculture and Environmental Affairs. The dominant bio-resource groups are the Moist Tall Grassveld, the Warm Sour Sandveld, the Warm Moist Transitional Tall Grassland, and the Dry Zululand Thornveld. The mean

annual rainfall in these areas range from 640 mm and 800 mm but rises up to between 800 mm and 1000 mm east of Khambi along the eastern boundary of Ward 2. The mean annual temperature lies between 17°C and 19°C. Summers are generally warm to prolonged hot spells reaching 30°C. Winters are cold to very cold. Very cold winter periods are often associated with moderate to severe frost.

- The dominant vegetation type in the municipality is grassland. The grassland consists of tall grass species predominantly *Hyparrhenia hirta* and other species of *Hyparrhenia* in lesser prevalence. Woody vegetation is found on dolerite hillsides where the dominant tree species are *Acacia caffra*, and *Acacia kerroo* mainly along the watercourses.
- The relevance of this issue to the Abaqulusi Municipality is that there is large-scale forestry activity in the municipality as well as some extensive areas of indigenous forests. The occurrence of timber plantations in association with the tall grassland vegetation supplies sufficient biomass for the disastrous bushfires. The issue of a high potential for Abaqulusi to be a fire prone municipality becomes even more significant considering the fact that climatic conditions favours the development and spread of uncontrollable bush fires.

5.2 Catchment Areas

Two major catchments originate from the Abaqulusi Municipality. These are the Umfolozi catchment and Mkhuze catchment. The larger of the two is the Umfolozi approximately twice the total surface area occupied by the Mkhuze

catchment. Two other important catchments (the Pongola to the north and the Tugela to the west) are located in the municipality but to a much lesser coverage.

The occurrence of these catchments in the municipality makes it the source of several important rivers that serve the socio-economic, agricultural, and industrial water demands of parts of KwaZulu Natal. Among these rivers are the White and Black Umfolozi, the Mvunyana, the Sandsruit and the Thala River all of which are located in the Umfolozi catchment. The Mkhuze, Sikwebezi and Bululwana Rivers are located in the Mkhuze catchment. Although the other two catchments have minor secondary streams, they do not appear to make a significant contribution to the water supply potential of the municipality.

5.3 Wetlands

In addition to the river systems of the municipality, a few wetlands and pans make important contributions to the hydrological functioning and linkages in the municipality. The largest wetlands occur within the western half of the Umfolozi catchment particularly in Wards 12 to 19 and around Vryheid especially around Bhekuzulu. Other important wetlands areas occur around Lakeside, Blood River Vlei, and Klipfontein Bird sanctuary.

In addition to the river systems of the municipality, there are a few wetlands and pans that make important contributions to the hydrological functioning and linkages in the municipality. The largest wetlands occur within the western half of the Umfolozi catchment particularly in Wards 12 to 19 and around Vryheid especially around Bhekuzulu. Other important

wetlands areas occur around Lakeside, Blood River Vlei, and Klipfontein Bird sanctuary.

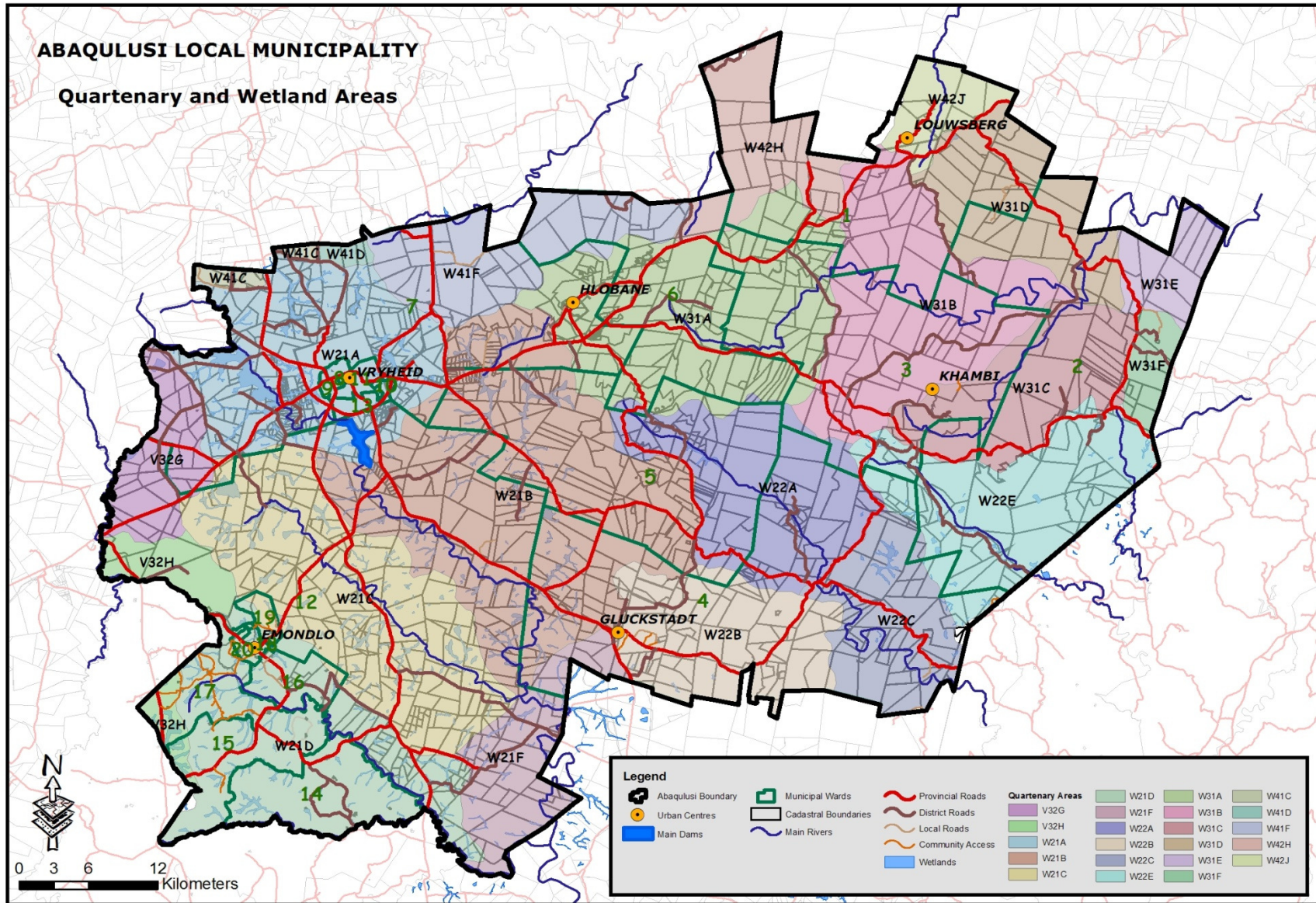
Wetlands in the areas of the municipality mentioned above have been significantly drained due to frequent burning, over-grazing, and agriculture. The wetlands in the municipality are (to a large extent) likely to have reduced functionality especially in the case of storm water attenuation and flood control. With the prevailing changes in global environmental conditions and increased occurrence and intensity of floods (the effects of which are seen in recent flood cases in KwaZulu Natal), the loss of wetlands need to be a grave concern to the municipality.

It is also evident that South Africa is a water stressed country. The evidence (undocumented) of reduced water flows in the rivers of the municipality can be seen through reduced width of river beds in many of the rivers for most part of the year. It is therefore necessary to integrate wetland and riparian management.

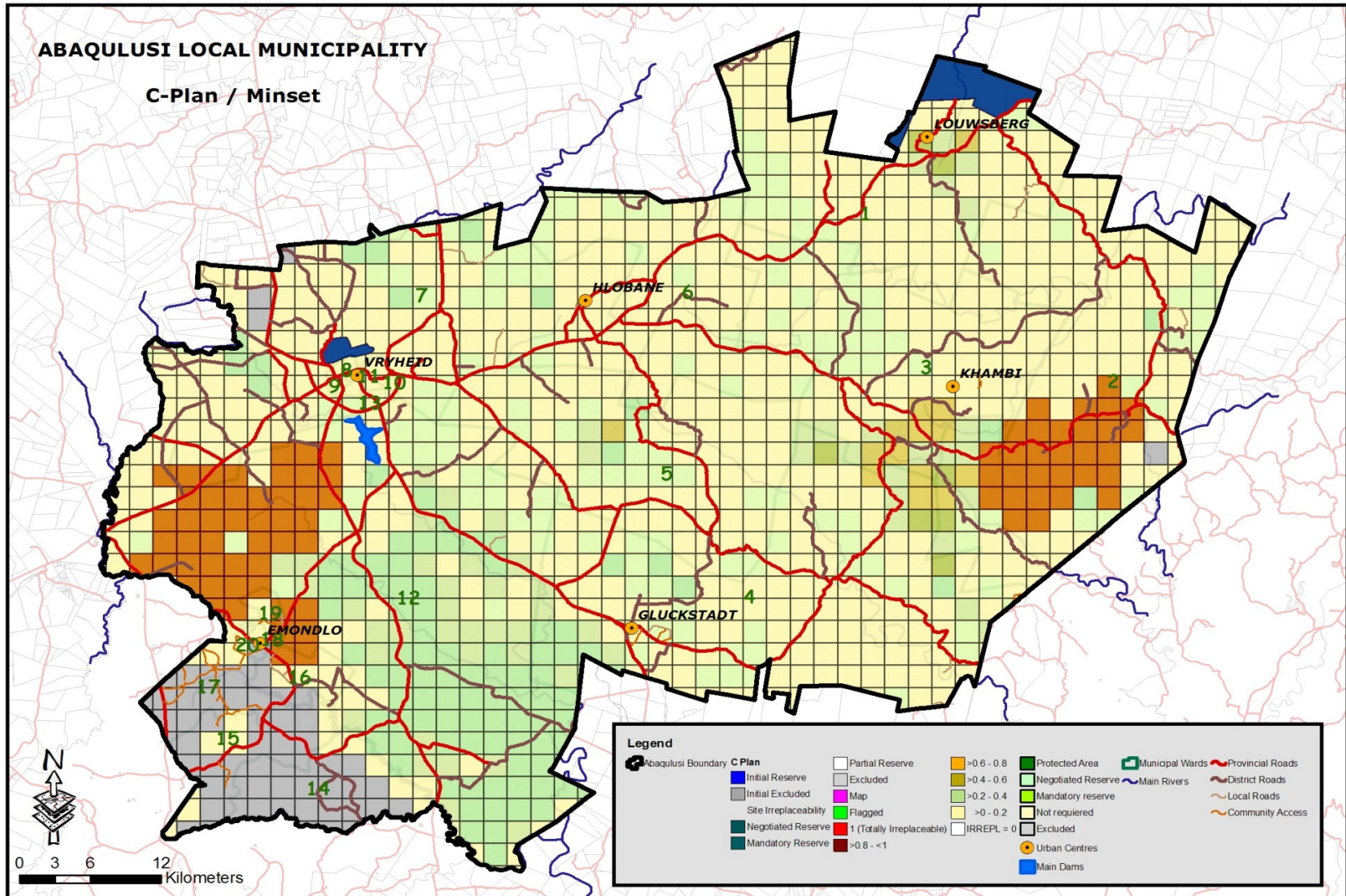
5.4 Biodiversity Management

The Abaqulusi Municipality is among many municipalities that have had large areas of vegetation transformed as a result of one kind of land use or another. As seen from Map __, wide spread land transformation occurs mainly in Wards 14 to 20 along the western part of the municipality and Wards 7 to 11 in the north western part. Other areas where significant transformation has occurred are in Wards 5 and 3 at the southern end of the municipality.

Map 4: Wetlands



Map 5: C-Plan and MINSET



It should be noted that changes in vegetation result in changes in habitat and species diversity. The issue of biodiversity is particularly important because South Africa has ratified the International Convention on Biological Diversity, which commits the country, including KwaZulu-Natal and all municipalities to develop and implement a strategy for the conservation, sustainable use, and equitable sharing of the benefits of biodiversity. In the Province of KwaZulu Natal, Ezemvelo KZN Wildlife is the authority responsible for planning and management of biodiversity conservation. As a means of complying with the requirements of the Convention on Biological Diversity, KZN Wildlife has developed management tools to manage the biodiversity resources in the province.

In the case of planning of Abaqulusi Municipality, Figure C-Plan needs to be consulted. The C-Plan indicate that development planning in the areas accorded irreplaceability values of 0.8 or higher impact on the ability of the environment to meet the ecological thresholds required to maintain a viable ecosystem. Development in such areas may not be allowed by conservation and environmental management authorities.

Majority of the municipality is accorded low irreplaceability values. Areas considered as initially excluded (not required in the C-Plan) correspond with those areas of low irreplaceability values. This implies that development planning in these areas is not likely to infringe significantly on biodiversity conservation issues. However, care needs to be taken in planning infrastructure in particular and developments that are likely to take up large extends of land in areas that are labelled as reserves especially in areas around Louwsburg and Vryheid. Development in such areas should involve low key developments and planning processes should involve KZN Wildlife at the conception stage of the planning process.

6. Spatial Analysis

Abaqulusi Spatial Development Framework is neither a master plan nor a blueprint for spatial planning and development. Instead, a flexible and adaptable strategy responds to a range of spatial planning informants and structuring elements. This includes the following:

- Development corridors
- Development nodes
- Economic development.
- Land reform implementation
- Environmental management
- Protection of high value agricultural land
- Housing delivery and development of sustainable human settlements.
- Urban development and management framework.
- Capital Investment Framework
- Consolidated Spatial Development Framework
- Land use management Framework.

6.1 Development Corridors

The term 'development corridor' is used in the context of Abaqulusi Municipality SDF to refer to systems of increased linear intensity, along a continuous transportation and movement route, which help to structure and shape the surrounding environment. Corridors occur at different scales and in different circumstances. Within an urban area, they are typically wide band (up to about 2km) of mixed-use activity, all of which lie along one or more interlinked transportation routes, with nodes at either end (Dewar 2007). In rural, provincial and national contexts, corridors range in scale

depending on function and categorization of the transportation route that forms the basis of the corridor. Corridors carry the flows of people and trade into and around the nodes connected through the corridor. These flows of people and trade make a corridor function, and should form an integral part of the corridor planning and development processes.

The key advantage of a corridor as a spatial structuring element, and tool for economic growth, is that it has the potential to link areas of higher thresholds (levels of support) and economic potential, with those that have insufficient thresholds. This allows areas that are poorly serviced to be linked to areas of opportunity and benefit with higher thresholds. Other potential benefits for the corridor system in Abaqulusi include the following (KZN PPDC: 2008):

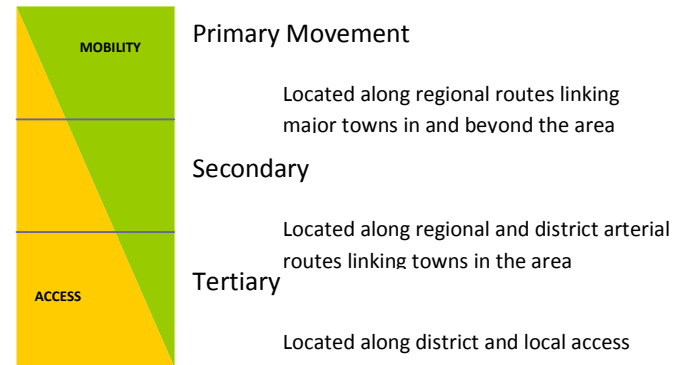
They are an effective form of decentralization and enables larger and smaller activities to form a relationship. Linear systems can handle growth and change well.

Corridors tend to discourage monopolization by the very large land activities, which in turn discourage land speculation.

A vertical mix of activities is encouraged (mainly in relation to smaller corridors) which allows the intensive activities to coordinate with public transport. They are an effective means for breaking down fragmentation and increasing integration and spatial transformation.

Corridors are identified based on the levels of mobility and access, as well as role in the spatial economy. The figure 15 below summarises the relationship between these two concepts and provides a framework for the three levels of corridors in the Abaqulusi Municipality.

Figure 15: Classification of Corridors



High accessibility along these routes has over time, led to the routes attracting additional settlement and establishment of business uses depending on accessibility and population concentrations.

Upgrade and road maintenance projects on corridors that leads to development opportunity areas such as rural service centres, high potential agricultural land, mining areas and tourism nodes should be prioritised as this will encourage investment, improve accessibility and enhance mobility. This principle supports the phased approach to development, targeting areas of greatest potential first. Development corridors are effective in linking infrastructure and economic development as towns and structures connect to each other in a functionally effective manner.

6.1.1 Primary Corridors

Two main access and mobility routes have been identified as primary development (regional) corridors, namely:

North south linkage connecting Vryheid with areas such as Dundee and Newcastle to the south, and Pongola to the north. P34-P46 as development corridor is one of the major access routes to the battlefields and Zululand tourism region. It also runs through at least three agricultural districts, that is, Dundee/Blood River, Vryheid and Louwsburg/Ngotshe.

East-west linkages connecting Vryheid with Paulpietersburg and beyond to the west and the coastal areas to the east. P47 as a development corridor is a major regional arterial movement and trade route. It runs through agricultural districts and provides access to Zululand Tourism Region. Northern east west linkage (P49) which is the main road to Nongoma and goes through a number of settlements including Khambi.

PSEDS identify both routes as multi-sectoral corridors that present opportunities for agricultural, tourism and mining oriented development, and serves wide region identified as part of a poverty node in terms of the ISRDS. A number of areas with a relatively high concentration of different land uses have developed, and introduces a developmental dimension that what would be a typical movement or logistics route. Development along these corridors should conform to the following guidelines:

Both corridors are located on provincial roads and thus should adhere to the regulations as implemented by the Department of Transport.

Development of a mixed land use nodes at the intersection of these corridors with secondary and tertiary corridors. Preservation of agricultural and with limited agro-processing activities.

6.1.2 Secondary Corridors

A number of existing roads have been identified as secondary or sub-regional development corridors in view of the opportunities they present for unlocking new development areas. The key existing secondary corridors include the following:

P54 linking Emondlo and Blood River. This road provides access to the areas that accounts for nearly 60% of the municipal population. It has potential to transform from being a mere access road into a trade route serving both Hlahlindlela and Emondlo. The road should be prioritized for upgrading and location of a range of commercial and community facilities.

P258 and P199 both linking Hlahlindlela and Emondlo to the north and Nquthu/Blood River to the south and west respectively. Development along this corridor should focus on improving access and location of limited commercial and community facilities.

P463, which is the main access road to Emondlo and Bhukumthetho off P47. The portion of the road from Bhukumthetho to Emondlo is identified as a mixed land use development corridor.

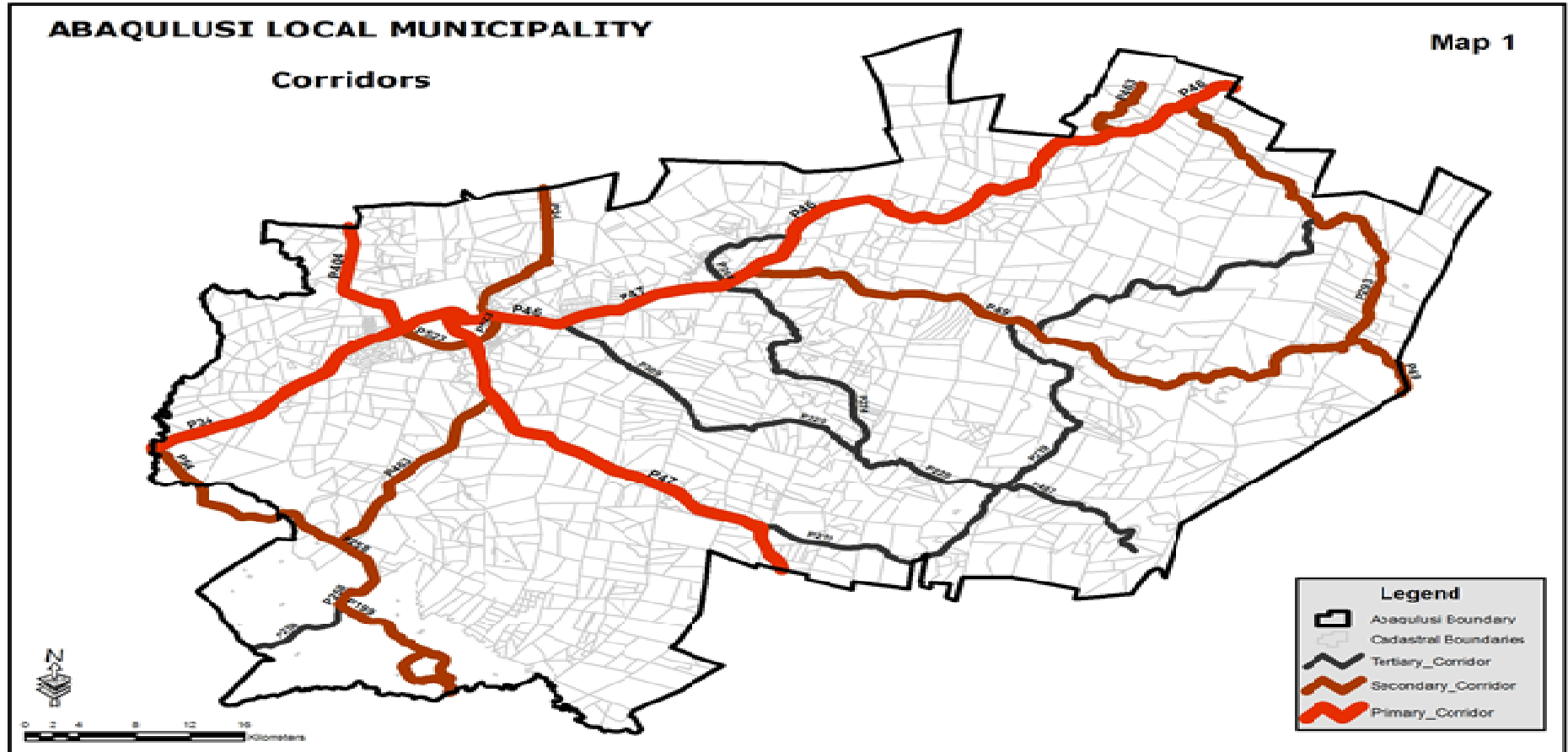
P523, which is a ring road that bypasses Vryheid town along the eastern boundary of the town. Settlements located along this limited access road include Lakeside, Bhekuzulu and informal settlements that have developed just outside Bhekuzulu.

P404 linking Vryheid and Edumbe/Paulpietersburg. This is essentially an agricultural corridor, with tremendous potential for

agro-processing activities, particularly timber, dairy and maize processing.

P293, which is a major, which runs along the northern boundary of the municipal area in an east-west direction. This is also an agricultural corridor with potential for eco-tourism development.

Map 6: Corridors



6.1.3 Tertiary Corridors

Tertiary corridors provide linkages to service satellites in the sub-district and seek to improve access to public and commercial facilities at a community level. Tertiary corridors are as follows:

P219, which runs through agricultural land with a number of small-scattered settlements.

P268, which connects settlements along the coal-mining belt.

P274, which runs through extensive commercial farms and coal mining areas. Relatively small settlements such as Enyathi and Nkongolwane are located along this road. P220, P309 and P457, which is essentially an agricultural corridor.

6.2 Development Nodes

One of the key issues facing Abaqulusi Municipality is a poor settlement pattern, which manifests in the form of the dominance of Vryheid as a regional service centre and an economic hub, as well as the general rural character of the area. The net effect of this is the inability to decentralise and coordinate service delivery at a localised level. As a means to address this, the municipality will facilitate the evolution of a system of nodes incorporating regional, secondary and tertiary/incipient nodes.

An activity node is a place of high accessibility onto which both public and private investments tend to concentrate. An activity node offers the opportunity to locate a range of activities, from small to large enterprises, often associated with mixed-use development. They are generally located along or at the cross-section of development corridors.

Activity nodes have the potential to be an important sub-regional structuring device. They serve as points in the spatial structure

where potentially access to a range of opportunities is greatest, where networks of association create diversity and where people are able to satisfy the broadest range of their day-to-day needs. Being points of maximum economic, social and infrastructure investment, as well as representing established patterns of settlement and accessibility, these nodes must be regarded as primary devices on which to anchor the structure of the sub-regional spatial system.

6.2.1. Primary Node/Regional Centre

Vryheid is the main commercial, industrial and administrative centre within Abaqulusi Municipality. It forms part of the district spatial systems and is identified in the district SDF as a primary node or main economic hub. This is despite Vryheid being recognised as a third order centre at a provincial level alongside Ladysmith and Dundee among others. The following activities should be strengthened in Vryheid:

Development of commercial activities serving the entire municipal area and the surrounding areas (Zululand District and beyond).

Location of district and sub-district offices of various government departments and serve delivery agencies.

Location of facilities and services for an effective administration and local governance of Abaqulusi Municipality.

Industrial development, focusing mainly on the processing of raw materials produced within the sub-region and the neighbouring areas – agro-processing centre.

Location of public facilities serving the whole sub-region and beyond. These may include sports and transportation facilities.

Transformation of the town into an all-inclusive, integrated and economically generative urban system. This includes creation of opportunities for low and lower middle-income housing in-close proximity to urban opportunities, upgrading and renewal of Bhekuzulu, as well as eradication of informal settlements.

6.2.2 Secondary Node

While Vryheid serves as a regional centre, a number of areas present opportunities for the development of secondary nodes with much less threshold/sphere of influence. Three main factors have influenced the selection of these areas, that is:

Location in relation to major access routes. Most secondary nodes are located either along a primary or secondary corridor, or at the intersection of the primary and secondary corridors.

Location in relation to large rural or urban settlements, which provides a threshold for services, rendered or that can potentially be rendered from these areas.

Development potential based on the above two factors, and broad overview of the historical development of the areas as well as the current level of development.

Abaqulusi Municipality has identified four secondary nodes based on this criterion. Emondlo has potential to serve the whole of Emondlo Township and the surrounding rural settlement in Hlahlindlela and Bhekumthetho. Spatial development in Emondlo should focus on transforming the area into a mixed land use area, and a viable service centre developed with social, economic and other facilities.

Unlike Emondlo, Louwsburg developed as one of the service centre for the farming community in and around the town and the erstwhile Ngotshe District. The town has declined in significance and poor environmental quality, grime and filth, as well as crumbling infrastructure become the main characteristics of the area. In fact, it has become one of the settlements within the municipal area. The challenge is to reverse this trend and re-establish the town as a focus point for development that services the surrounding settlements and the commercial farms. It has potential to serve the growing tourism industry given its location in relation to major tourist destinations in the area.

Khambi is located on Ingonyama Trust land and is surrounded by expansive rural settlements and land reform projects. It is developed with a Hospital, community hall and a sports field. However, it is poorly accessible. Future development should take place along P49 and the tertiary corridors.

Hlobane, on the other hand, is located in an area dominated by now defunct coalmines and settlements established as part of the mines. The node is strategically located at the intersection of a primary corridor and a secondary corridor, and is surrounded by relatively large settlements. It also has potential to capture passing traffic and tourists. While each of these nodes faces unique challenges, their development, as secondary nodes should focus on the following:

Decentralization of district services, which may take the form of development of Thusong centres, 24hr clinics, police stations and tertiary education, centres such as technical colleges, etc.

Development of community shopping centres, which may range from 10000m² to 25000m² with the same threshold as the above indicated public facilities.

These are also ideal locations for a range of other commercial facilities including trading centres, SMME and informal trading facilities.

Secondary centres should form the focal point for the clustering of land reform projects (land restitution, land redistribution and labour tenant projects).

Housing development, which may take the form of infill, redevelopment, medium density housing and rural housing. Such developments can be used to create sustainable human settlements and increase densities around and in support of these facilities.

Development of taxi ranks and other public transport facilities linking the surrounding settlements to the primary centre

Also important is the upgrading and maintenance of infrastructure in these areas. This includes electricity, water, sanitation and roads. Secondary nodes would be used by a relatively large number of people and should thus be accessible.

6.2.3 Tertiary Nodes

In addition to the secondary centres, the vision for the future spatial development of Abaqulusi Municipality makes provision for the development of community centres within a cluster of settlements. These small centres will serve as location points for community facilities serving the local community such as:

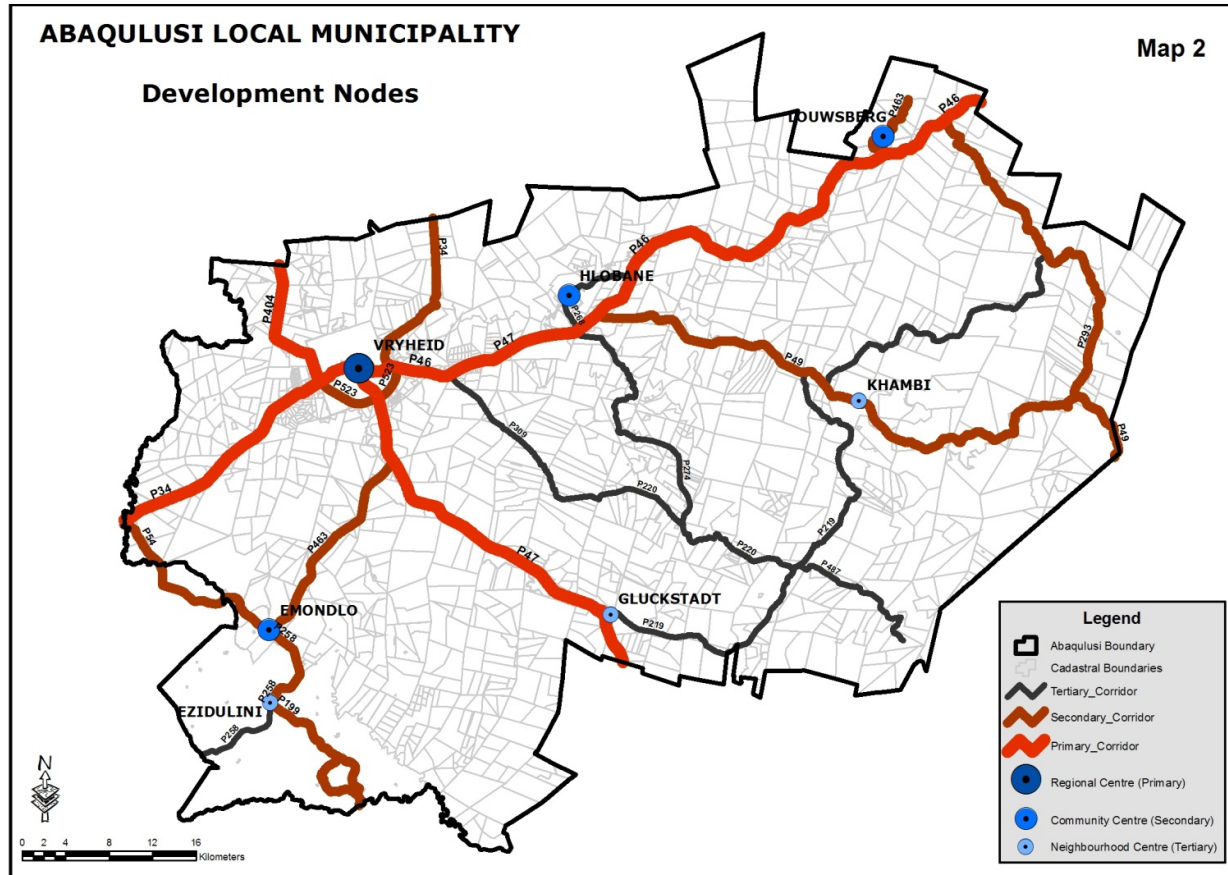
- Primary and secondary schools.
- Clinics including mobile clinics.
- Pension pay points.
- Community halls and other community facilities.
- Taxi ranks or bus stops.
- Local convenient shopping facilities.

The following have been identified as areas that can be developed as tertiary centres:

- Ezidulini in Hlahlindlela
- Mvuzini in Hlahlindlela
- Ezobomvu in Hlahlindlela
- Bhukumthetho
- KaGwebu
- Ekuhlengeni Mission
- Dlomodlomo

Community or tertiary centres should be planned as an integral part of a cluster of settlements and resonates with the ideal of sustainable human settlements as envisaged in the new national housing policy (Breaking New Ground).

Map7: Development Nodes

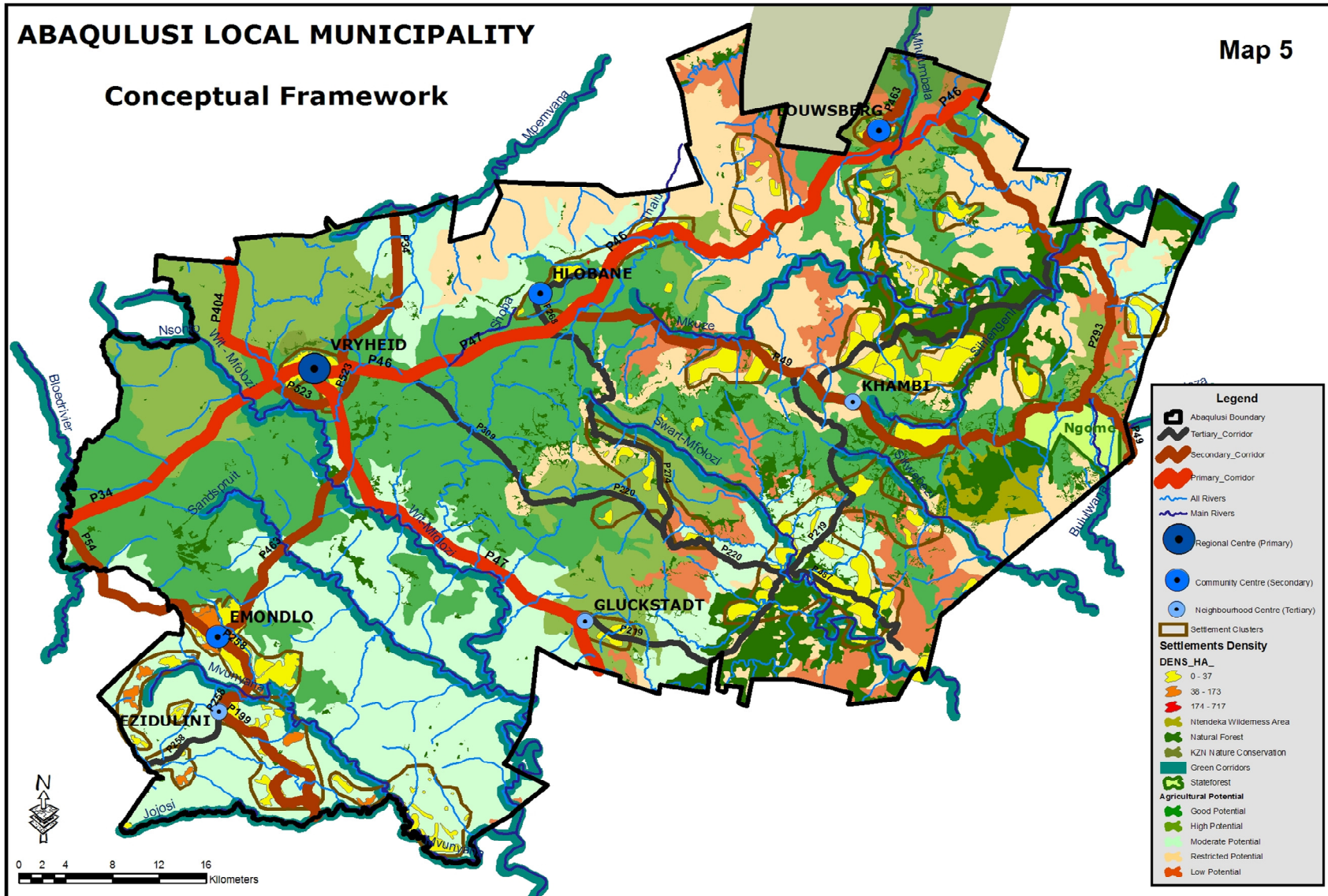


Vryheid is the main primary centre with a sphere of influence that goes beyond the municipal borders. It is identified as a tertiary node at a provincial level, and a regional centre at a district level. It is the largest town within Zululand District, and is surrounded by expansive agricultural farms and defunct coal mining areas.

eMondlo, Hlobane, Louwsburg and Khambi are areas that require urgent attention if effective decentralisation of service delivery is to be achieved. They serve as a link between the primary node and tertiary centres, and thus play a strategic role in the implementation of the IDP.

Tertiary centres seek to give effect to the minimum standards for the provision of community facilities such as schools, clinics, etc. They form the basis for the development of an effective public transport system as envisaged in the ZDM public transport plan, and are optimal location for lower order services serving the neighbouring communities.

Map 8: Conceptual Framework



6.3 Local Spatial Economic Development Framework

Abaqulusi Municipality IDP identifies local economic development (LED) as one of the key performance areas (KPAs), and a strategic area of intervention. Investigations undertaken towards a comprehensive LED strategy and implementation plan suggests that the area has potential in commerce and industry, tourism, agriculture and mining sectors. An ongoing intervention would include clear identification of spatial development opportunities, regular communication with specific sector groups and in working with those groups to monitor changes in the sectors. The feedback mechanism will provide a mechanism to measure changes in the different sectors and to measure the impacts of various policies and interventions.

6.3.1 Commerce and Industry

The nodal areas should be prioritised for commercial and industrial developments, depending on the size of the threshold, role of the node in the local and regional space economy, and availability of suitable land parcels. Vryheid is the main regional economic hub with huge untapped potential given its sphere of influence and strategic location in relation to the regional and provincial movement and trade routes. It has a well-developed physical infrastructure and is endowed with strategically located vacant and/or underutilised land for further expansion.

Availability of properly zoned and serviced industrial land suggests a need to strengthen functional linkages with the rural hinterland. This will establish Vryheid as the agro-

processing centre for raw materials produced on local commercial farmlands and the surrounding agricultural regions. Commercial and industrial developments in areas such as eMondlo, Gluckstad, Louwsburg and Hlobane should resonate with the role of these areas as secondary centres supporting clusters of settlements in their vicinity.

They are suitable for community and neighbourhood centres, as well as the trading centres as championed by the Department of Economic Development (DED). Centres located along the primary corridors have potential to tap on the passing traffic and tourists visiting the area.

6.3.2 Tourism

Tourism development potential relates mainly to the location of the municipality in relation to the coal-mining belt, the battlefields, heritage routes and game farming areas. Tourist related establishments should be promoted in the following areas:

- along the development corridors, and this may include craft centres, fast food outlets, viewing sites, etc;
- nodes such as eMondlo, Louwsburg and Vryheid;
- good to poor agricultural potential land where development may take the form of game farms, tourist accommodation and other eco-tourism related facilities; and
- around major dams where development may include leisure, recreation (water sports) and lifestyle tourism facilities and products.

6.3.3 Agriculture

Agricultural development should be promoted based on latent potential with high production potential land being reserved mainly for agricultural purposes. The following agricultural activities are prevalent in the area:

- Timber plantations.
- Extensive livestock farming.
- Crop production (irrigated and dry land).
- Game farming.
- Irrigation estates along the major rivers.
- Pastures and dairy.

Farms say within a five to ten kilometre radius from Vryheid should be considered for the establishment of smallholdings where limited processing of agricultural products and tourism facilities should be allowed. The same applies to farms located immediately along development corridors.

6.3.4 Coal Mining

The recent power shortage because of the power generation challenges facing ESKOM, there has been a renewed interest on coal mining. Market for coal has also opened in Richards Bay. The LED plan suggests an investigation into feasibility for the re-opening of coalmines in Hlobane, Coronation and other previously mined areas.

They are suitable for community and neighbourhood centres, as well as the trading centres as championed by the Department of Economic Development (DED). Centres located along the primary corridors have potential to tap on the passing traffic and tourists visiting the area.

6.4 Land Reform

The role of local government in supporting the land reform program remains one of the poorly defined and uncoordinated activities in the integrated development planning process. The land reform impacts on the local communities, yet it is implemented by a national government department with limited consideration of the IDPs.

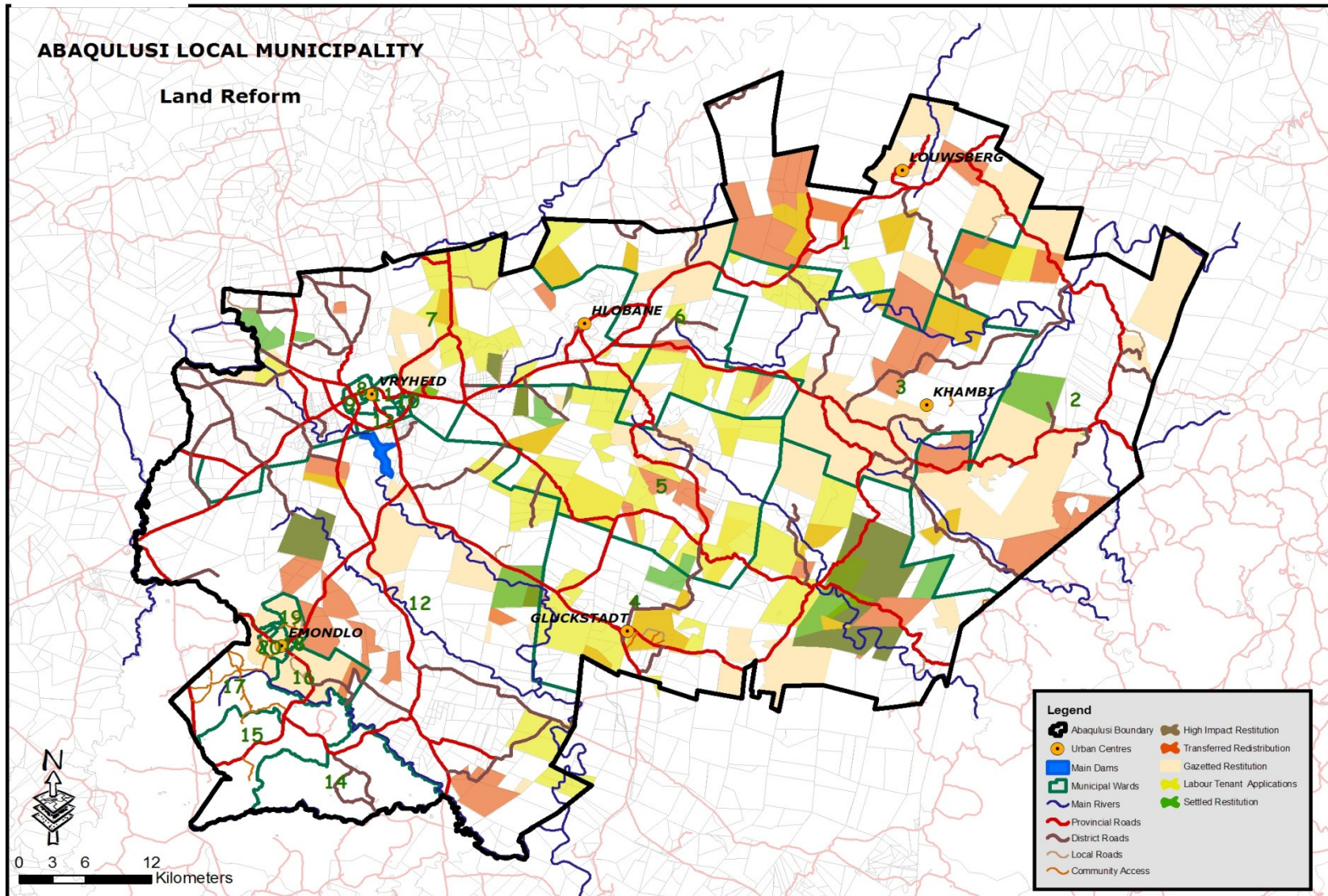
Similarly, these documents do not provide an adequate strategic framework for dealing with the land question. Land issues are complex and intricate with some of them (labour tenants and land restitution) being rights driven. Nevertheless, the land reform is one of the significant programs that promise to make a major contribution to economic growth, poverty alleviation and nation building. As such, its implementation should be embedded in the notion of sustainable and integrated development.

Abaqulusi Municipality recognizes the importance of the land reform, particularly the role it can play in addressing historical land related conflicts, overcrowding and congestion, as well as promoting agricultural development. As such, the following should guide future implementation of the land reform program within Abaqulusi Municipality:

- Clustering of projects in a geographic area in terms of location, products and commodities, and social identity of the beneficiaries. Clustering will optimise development potential, rationalise support services and promote efficient use of scarce resources. Identification of clusters should be based on access, social identity, development opportunities, land use pattern and social relationships. This will provide a framework for a comprehensive approach to the resolution of labour tenant and land restitution claims.
- Settlement of the emerging farmers in terms of the Land Redistribution for Agricultural Development (LRAD) or Pro-active land Acquisition Strategy should be located close to transport axes on good agricultural land in situations where they have access to ongoing support and mentorship – this by definition would exclude isolated areas of the municipal area.
- There is a need to promote off-farm settlement as a land delivery approach where the main need for land is settlement. Such land should be located in accessible areas, which can be provided with social facilities and basic services in an efficient and effective manner. It may also form part of a cluster of projects. This will also facilitate housing delivery and development of such settlements as sustainable human settlements.
- Identification of high impact projects and integration into the local value chain or development proposals. These projects should also be integrated into the LED program of the Municipality. Opportunities in Abaqulusi include game farming, forestry, livestock farming, irrigated pastures, and dry land and irrigated crop production.

It must however, be noted that the land reform is a need and a rights based program. Its primary focus is to transform the land ownership pattern in line with the national government targets.

Map9: Land Reform



7. Infrastructure Analysis

Access to basic services such as water, electricity and sanitation, is one of the key development indicators and a reliable measure for social and economic development. The policies of the apartheid past led to uneven development with the majority of the areas populated by the African people largely under-developed. In AbaQulusi, the impact of separate development manifests itself in the form of massive poverty, poor access to basic services and lack of economic development infrastructure.

7.1 Water

Water supply infrastructure in AbaQulusi Municipality varies between areas reflecting the impact of separate development and urban bias of the past planning and development practices. However, the situation has improved tremendously since 2001 with the number of people having piped water increasing from 32% (23 837) to 67% (26 712) in 2007. The number of households with piped water inside dwelling has increased from 10% (7166) to 33.6% (13 385), households obtaining water from boreholes have decreased, while households obtaining water from springs and streams have unfortunately increased. A worrying factor is that the representation of households using rivers/streams as source of water has remained the same. These households remain exposed to waterborne diseases such as cholera.

Table 20: Access to Water

Access to water	Census	CS
	2001	2007
Inside the dwelling	7 166 (10%)	13 385 (33,6%)
Inside the yard	9 035 (12%)	7 527 (18,9%)
From access point outside the yard	7 636 (10%)	5 800 (14,5%)
Boreholes	7 200(10%)	1 676 (4,2%)
Spring	3 340 (5%)	2 190 (5,5%)
Dam/pool	1 359 (2%)	1 915 (4,8%)
River/steam	5 528 (7%)	5 415 (13,6%)
Water vendor	1 358 (2%)	469 (1,2%)
Rainwater tank	336 (0,5%)	1 377 (3,5%)
Other	183 (0,2%)	113 (0,3%)
Total	43 141 (100%)	39 867 (100%)

Source: Stats SA

The responsibility for the delivery of water in AbaQulusi is shared between Zululand District and AbaQulusi Municipality¹. Zululand district provides water in the rural areas while AbaQulusi is in charge of water in the urban areas. AbaQulusi draws water from various sources including Bloemveld, Grootgewacht, Klipfontein, Boulder and Hlobane and Mvunyane Dams. The municipality is responsible for six water treatment plants, which are all located within the urban areas. There is minimal capacity left in most of the bulk water supply systems with the situation fast reaching critical level in eMondlo. The capacity for the above six municipal plants are as follows:

- Klipfontein (13)mega litres per day and 3 mega litres reserves
- Bloemveld (7.5) mega litres per day,
- eMondlo (7.5)mega litres per day
- Hlobane (7.5), mega litres per day
- Coronation (1.5) and
- Louwsburg (1.1) mega litres per day

The rural areas are primarily served by boreholes. However, the District is presently implementing three major rural water schemes in the AbaQulusi, namely:

- EmondloHlahlindlela Water Scheme.
- Coronation Bulk Water Scheme
- Khambi Regional Water Supply Scheme

7.2 Sanitation

The table below shows that AbaQulusi Municipality is not well provided with sanitation facilities. According to Statistics South Africa, the situation in terms of access to flush toilets remains the same as in 2001. However, there is a marked increase (from 5% in 2001 to 22% in 2007) in the number of people with ventilated pit latrines. This indicates a clear focus on rural sanitation and progress made in addressing sanitation backlog in these areas.

Table 21: Sanitation

Access to Sanitation	Census	CS
	2001	2007
Flush toilet (connected to sewerage system)	13 479 (36%)	14 078 (35%)
Flush toilet (with septic tank)	759 (2%)	1 334 (3%)
Dry toilet facility	0 (0%)	2 119 (5%)
Chemical toilet	1526 (4%)	4913 (12%)
Pit latrine with ventilation (VIP)	2002 (5%)	8920 (22%)
Pit latrine without ventilation	9343 (26%)	54 (0,1%)
Bucket Latrine	223 (1%)	54 (0,1%)
None	9728 (26%)	8396 (21%)
Total	37 060 (100%)	39 868 (100%)

Source: Statistics S. A. 2009.

7.3 Energy/Electricity

Table _ indicates that approximately 49% of the households in AbaQulusi have access to electricity. This marks an increase from 44% recorded in 2001. The number of households using candles for lighting has also decreased from 53% in 2001 to 49% in 2007. The use of paraffin as a source of energy for lighting has also decreased. The municipality is currently providing 50 k/w free basic electricity to about 3101 households. The number of households using electricity for heating purposes has also increased from 29% in 2001 to 33% in 2007.

Table 22: Access to Electricity for Lighting

Access to Electricity	2001	2007
Electricity	16183 (44%)	19 345 (49%)
Gas	72 (0%)	0 (0%)
Paraffin	872 (2%)	586 (1%)
Candles	19689 (53%)	19 590 (49%)
Solar	89 (0%)	0 (0%)
Other	155 (0%)	346 (0%)
Total	37 060 (100%)	39 867 (100%)

Source: Statistics S.A. 2009

ESKOM has initiated electrification programmes to following areas to minimize the risks that occur with the candle use. These programmes are as follows:

- Saint Paul Electrification Programme
- Mdundubezini Electrification Programme

- Nyathi Electrification Programme
- Mvelane Electrification Programme
- Bethal Mission Electrification Programme
- UBhobozwane Electrification Programme
- Ingilandi Electrification Programme

7.4 Solid Waste

As indicated in the table _ below more than half of the total population (63%) within AbaQulusi Municipality have a below basic level of service (i.e. not collected by the municipality, burnt in pit, bury in vicinity, no removal). The number of households receiving refuse removal service once a week has decreased from 36% in 2001 to 32% in 2007 while the number of less often collections has increased from 1% in 2001 to 7% in 2007.

Table 23: Refuse Removal

Access to Sanitation	Census	CS
	2001	2007
Removed by local authority/private company....		
...at least once a week	13 264 (36%)	12 921 (32%)
....less often	345 (1%)	2 657 (7%)
Communal refuse dump	171 (0%)	799 (2%)
Own refuse	18 218 (49%)	14 821 (37%)
No rubbish	5062 (14%)	8 668 (22%)

disposal		
Other	1 (0%)	0 (0%)
Total	37 061 (100%)	39 866 (100%)

Source: MDB 2007

This means that refuse collection service has become less frequent in some parts of the municipal area. Similarly, the percentage representation of households. The municipality collects refuse in urban areas only, e.g. Vryheid, eMondlo, Coronation, Hlobane, Vaalbank, Bhhekuzulu, Nkongolwane and Louwsburg. Only 36% of households had an average basic level of service, (removal by municipality once per week).

Refuse removal is outsourced. There is a need to develop a formal waste site in AbaQulusi. All the existing sites have been assessed, but remain illegal as they do not comply with the national norms and standards. Vryheid has a temporary licence which will soon expire. Land has been identified in the Emondlo area for the development of a landfill site.

In rural areas individuals tend to dispose of waste in pits in their yard and in some areas communal dumping areas are utilized. This can however lead to associated health problems for individuals living in these areas.

7.5 Road Network

AbaQulusi Municipality is not adjacent to any major National trade and transportation route. However, it enjoys a relatively good level of access at a Provincial and regional level. This allows for a smooth flow of goods and movement of people in and out of the area. The R34 is the primary transportation route within the area. It runs through Zululand from the N2 and

Richards Bay in the south through Ulundi, Vryheid and Paulpietersburg to Mpumalanga and Gauteng. R69 on the other hand, runs east-west through the northern part of the municipal area.

It carries large volumes of local and regional traffic and links centres such as Vryheid, Hlobane, and Louwsburg and eventually joins to the N2 near uPhongola. The road network within AbaQulusi Municipality reflects the apartheid planning system. The former whites' only areas are characterized by high quality tarred roads and well developed district roads. The quality of roads in most previously black only areas is generally poor and requires substantial upgrading and maintenance. This has a negative impact on the development of these areas as it is well known that access play a pivotal role in economic development.

7.6 Taxi Ranks

AbaQulusi Municipality has five taxi associations, namely the Vryheid, eMondlo, Khambi, Gluckstadt and Louwsburg Taxi Associations, operating out of five ranks. The Vryheid Local and eMondlo ranks are formalized facilities, while the Vryheid Long Distance, Gluckstadt, Coronation, Hlobane and Louwsburg ranks are informal. eMondlo, Gluckstadt, Coronation, Hlobane and Louwsburg act as feeder ranks for Vryheid, at which the main work and shopping opportunities in the area are located, and also act as feeders for the long distance rank in Vryheid (ZDM, CPTR: November 2003). However, the Vryheid long distance Taxi rank needs to be revamped in order to cope with its carrying capacity and also to meet the client satisfaction. The current conditions in this

taxi rank are not favourable to customers considering that the taxi rank is a draw card for smooth running of general business in Vryheid town.

7.7 Rail

AbaQulusi Municipality does not have an established public rail transport system. However, there is a railway line that runs through the area connecting the coalfields with areas such as Mpumalanga and Richards Bay. It is used mainly to transport goods between these centres. It passes through AbaQulusi in a north-south direction and at Vryheid, it branches off to the west to Hlobane. A passenger service was discontinued a long time ago.

7.8 Air Transport

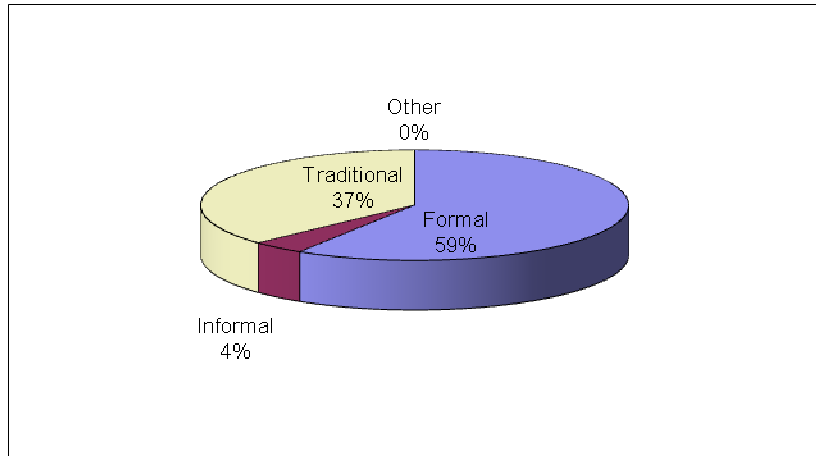
Although Vryheid is a district regional centre, it does not have a well-established air transport system. A small airport/landing strip is located in Vryheid. It is built to the standard set by the Civil Aviation Authority but is no longer licensed due to budgetary constraints. It is capable of carrying limited cargo. This facility should be seen as an opportunity for the development of the agricultural and tourism sectors. This is particularly important since the area has been identified at a Provincial level as having potential for agricultural development (PSEDP, 2007), and the potential link with Dube Trade Port.

7.9. Housing

The town of Vryheid is strategically located and considered the economic and social hub of the AbaQulusi area. The physical segregation and distortion of the municipal area is, however, a prominent feature and evident as follows:

- Emondlo was originally developed as a dormitory black township and is not located on any transportation corridor. Its physical distance from Vryheid is such that physical intergraded with Vryheid is near impossible. A large concentration of people from the Hlahlindlela Tribal area has settled around eMondlo, placing enormous pressure on eMondlo for the delivery of services.
- During the prosperous days of the coal-mining sector the mining communities of Hlobane and Coronation settled in the area. These areas are too distant from Vryheid to be physically integrated and they will remain as separate communities in the foreseeable future.
- Louwsburg, an area to the north east of Vryheid, has a weak economic base and developed mainly as a local service centre to the agricultural sector. To the south of Louwsburg lies a large concentration of people in the Tribal area of Khambi. This area is removed from other urban areas and depends on Louwsburg and Vryheid for all its social economic services.

Graph 16: Access to Housing



Several urban area and urban population concentrations are dispersed through the Abaqulusi area. These settlements have a dormitory function and on Vryheid for employment, goods and services. Vryheid therefore has a large peripheral dependency and is at the core of what is regarded as a functionally integrated, but physically segregated area. Road networks linking Vryheid and dormitory settlements are well defined, although not well developed and maintained. Based on population density, concentration and service demands, the dormitory township are regarded as emerging settlements and are recognized as primary focus areas for new engineering and social services.

63% of the population of the Abaqulusi municipal area live in rural areas, most of which live in scattered homesteads known as imizi in tribal areas. Homesteads are of a mixed nature including both modern dwellings and traditional thatched huts.

The remainder of the population lives as tenants on farm or in towns, dormitory townships and shacks in the settlements around towns. The classification of dwelling type for the Abaqulusi area is indicated on figure _ above.

7.9.1 Rural Housing Demand

Housing demands is defined as the number of households requiring formal housing. Traditional housing is perceived as an acceptable form of housing and the majority of the traditional population lives in this form of housing. In the Tribal Areas traditional households usually include the clustering of a number of a number of thatched roofed huts lack basic infrastructure. Formal dwelling are houses with solid, usually concrete, top structure that are served with basic infrastructure. Informal dwelling are made from a variety of materials, are not structurally secure and have no basic infrastructure. Large portions of the people in the municipal area reside in traditional houses with formal and informal houses concentrated mainly in urban areas.

However, should the delivery of formal housing be required as the preferred replacement of traditional housing, the Tribal areas already has a backlog of 13221 units in 2001? It is critical that the issue of formal housing versus traditional housing and community preferences be confirmed as an important determinant of housing demands within the context of the Abaqulusi Housing Sector Plan.

There is a high concentration of people in the Hlahlindlela Tribal area with up to 11 persons per household, indicating a great need for housing. While most of the rural areas have top structures, the population density and distance from basic services necessitate upgrading and formalization of these areas as part of a phased approach.

Higher population concentration around the town Vryheid and other urban settlement in rural areas are evident. The population densities in these areas are on the increase, placing strain on existing infrastructure and social services. These areas have been classified as merging urban settlements in terms of population density and settlement character. The uncontrolled granting of land through the Tribal Authority system hampers the development of housing in the formal urban areas. This form of tenure competes with formal housing market, placing strain on the municipal infrastructure and service delivery, with informal occupant not contributing to the revenue basic of the municipality.

7.9.2 Urban Housing Demand

The demand for housing for middle and higher income level in the towns of Vryheid and eMondlo is considered as a critical issue and are subject to prevailing market economies. The demand for housing remains in the emerging settlement around these urban areas and in the emerging settlements of eMondlo.

Table 24: Urban Housing Demand

Geographic Area	Number of Household	Number of Units	Vacant Lots
eMondlo	3 592	3 349	557
Louwsburg	523	265	*
Vryheid	5 660	7 122	357

(AbaQulusi Housing Sector Plan)

The Coronation/Hlobane area is also considered within this context and specific attention to upgrading and the provision of services are required. Housing initiative will focus on the consolidation of this area within the perspective of its relationship with Vryheid. The current economic development within the Municipal areas and its future growth potential may generate a greater financial housing delivery.

At the same time this economic growth would produce far greater financial resources and increase the ability for the public and private sector to support the housing delivery process in a sustainable manner. Careful management of the housing delivery process within this context is critical and proactive planning the key to the success of this process.

7.9.3 Current Housing Projects

Table 25: Current Housing Project

Name of Project	Ward No.	Number of Units	Status
1. Coronation Housing Project		225	8 Houses still need to be built. Others are transferred and occupied
2. Umzamo Housing Project		500	Complete but transfer of properties need to be done
3. Bhekuzulu Phase (iv)		528	Complete but re-transfer of 5 properties have to be done
4. Bhekumthetho Housing Project		1000	Department of Human Settlements needs to approve application for top structure
5. Enyati Housing Project		600	Did not start as yet
6. Bhekuzulu Phase 6A		485	Complete but transfer of properties need to be done
7. Bhekuzulu Phase 6B		1078	Complete but there are illegal occupants in 100 houses

8. Extension 16 Housing Project		2500	Construction has begun
---------------------------------	--	------	------------------------

7.9.4 Total Housing Demand and Backlog

Census 2001 data and information extracted for the AbaQulusi IDP creates a perspective within which current and future housing demand and backlogs can be calculated. Although this is not split into urban and rural categories, there is indication that the primary focus of this demand is in the emerging settlement of eMondlo and Hlahlindlela. This creates a sense of the magnitude of the challenge the AbaQulusi municipality faces in housing delivery and the creation of sustainable communities. Based on this information, and assuming for now that traditional housing is not considered a critical backlog, the current and projected future housing backlogs for the AbaQulusi Municipal area are estimated as follows:

Table 26: Total Housing Demand

ITEM	2001	2008
No. of Households	35 914	38 028
No. of Formal Units	21 285	21 285
Housing Projects	0	8 992
*Bhekuzulu Phase 6-A		(485)
*Bhekuzulu Phase 6-B		(1 078)
*Bhekuzulu Phase 4		(229)
*Coronation		(1 200)
*Mzamo		(500)
*Vryheid Ext 16 (Slum		(2 500)

ITEM	2001	2008
Clearance)		
*Bhekumthetho (Rural Housing)		(3 000)
Housing Backlog	14 629	7 751

Based on the projected population growth previously and the calculated households at an average household size of 5.32 persons per household, the projected backlogs are as follows²:

- 2006 Backlog of 8 298 housing units
- 2007 Backlog of 8 678 housing units
- 2008 Backlog of 9 058 housing units
- 2009 Backlog of 9 444 housing units
- 2010 Backlog of 9 833 housing units

8. Social and Community Development Analysis

8.1 Health

The AbaQulusi Municipality has one public hospital and 12 clinics servicing the population of 224 546 people. An application of the planning standard (5000 households per clinic) for the provision of clinics reveals a backlog of about 26 clinics for AbaQulusi Municipality area of jurisdiction (Data Source: ZDM Health Sector Plan (2004). Other hospitals found

within the area include Hlobane Hospital which has about 30 beds, Mountain View Hospital, Siloah Lutheran Hospital

8.2 Education

There are a total of 133 schools in the Municipal area. The average number of pupils per teacher is lower than the acceptable national ratio of 40:1 for primary schools and only slightly higher than the 35:1 for secondary schools with the ratios for urban areas being much more favourable than those of the rural areas where in some instance the pupil: teacher ratio can be as high as 56:1.

This, together with higher pupil: classroom ratios indicate a shortage of teachers and inadequate school facilities in most of the rural areas within AbaQulusi Municipality. It must also be noted that pupils in rural farms travel long distances to access educational facilities which results to problems in the children's physic and their interest to education. This matter has been raised with the MEC for Education in the province. The Mthashana College (technical) offers tertiary courses on a part-time or full-time basis to about 650 students. It should also be noted that Vryheid plays an important regional educational function and draws pupils form the whole sub-region.

8.3 Cemeteries

Zululand District Municipality developed a Cemetery Plan in 2004. The Plan provides useful information about death trends and increasing need for burial space within the District as a whole. As indicated on the Table below, approximately 156ha

of land is required in AbaQulusi in order to meet the demand until 2020.

Table 27: Demand for Cemeteries

Municipality	Population*	Cumulative Deaths up to 2020	Recommended Land Required (ha)
EDumbe (KZ 261)	67 583	52 723	46
UPongolo (KZ 262)	113 149	88 274	78
Abaqulusi (KZ 263)	230 191	179 558	156
Nongoma (KZ 265)	253 114	197 479	171
Ulundi (KZ 266)	366 677	286 044	249
ZDM	1 030 714	804 078	700

The plan notes the following with regard to status of cemeteries in AbaQulusi:

- Vryheid Cemetery: The potential extension of the existing cemetery to the south should be investigated, or a new site will be identified. An area of about 6 ha would be required up to 2020.
- Bhekuzulu Cemetery: The existing cemetery is full and a new cemetery site has been identified to the Northeast of the existing cemetery, between the bypass road and the railway line. The new site has an approximate area of about 10 ha which should be sufficient for about 15 years. A further 5 ha would be required up to 2020 (refer graphs below). The municipality reported that trial pits in the new site indicated a perched water table and the extent of the water table must be investigated.

- Emondlo Cemetery: The original cemetery is full and has been extended into the open veld surrounding the cemetery. The municipality has acquired the new 27 hectares for extension and planning principles are essential for the cemetery to be registered. The obtainable land suggests that the lifespan of this cemetery will reach 2020 and beyond considering the current death rate
- Louwsburg: The existing cemetery has an estimated lifespan of more than 10 years. The potential extension of the cemetery to the east or west should be investigated. An area of 1 ha should be sufficient up to 2020.
- Nkongolwane: The existing cemetery has an estimated lifespan of approximately 5 years, with extension possibilities to the south and southwest.
- Coronation: The cemetery at the Coronation mine has space available for approximately 3 000 graves, and a life expectancy greater than 10 years. Potential for expansion exists to the east of the existing cemetery.
- Gluckstadt: The cemetery is situated behind the Lutheran Church in Gluckstadt and has space for approximately 500 graves. The life expectancy of this cemetery is in excess of 5 years. The cemetery can be extended to the north, east and south.
- Hlahlindlela: A total area of about 75 ha will be required for the development of cemeteries up to 2020 in this tribal area. The cemeteries should be positioned, taking in consideration the development nodes as identified in the IDP in consultation with the traditional leaders.

- Khambi: The land area required for the development of cemeteries in Khambi and Khambi extension up to 2020 is 3, 5 ha and 2, 5 ha respectively. The cemeteries should be positioned, taking into consideration the development nodes as identified in the ZDM IDP in consultation with the traditional leaders.

A need for a new sub-regional cemetery has been identified, and a search for appropriate land has been initiated. Other critical issues in respect of cemeteries include the following:

- Need to investigate feasibility of cremation and recycling of graves taking into account religious and cultural differences.
- All existing cemeteries need fencing.
- Need to provide water and sanitation in all cemeteries.

8.4 Sports Facilities

The geographic spread of the sports facilities within AbaQulusi Municipality indicate that only urban areas have benefits of sports facilities. These facilities are found at Hlobane sport field, Bhekuzulu sport field, eMondlo sport field and Cecil Emmet sport complex in Vryheid town. Even though these facilities are found in the above areas, the facilities are lacking to provide all the necessary sport codes/ amenities except Cecil Emit in town, which provides more than one sport code. It is however, certain that the previously disadvantaged areas are poorly provided with such facilities.

8.5 Public Safety and Security

8.5.1 Police Services

There are six police stations located within AbaQulusi Municipality area of jurisdiction, namely:

- Vryheid
- eMondlo
- Gluckstadt
- Louwsburg
- Driefontein
- Ngome

The need to improve police visibility and strengthen community based policing initiatives was identified in the Representative Forum meeting as one of the key issues that requires immediate attention. Although statistical information pertaining to the crime rate within the area could not be obtained, it is certain that crime is a major concern within the area.

8.5.2 Disaster Management

The dominant vegetation type in the municipality is grassland. The grassland consists of tall grass species predominantly *Hyparrhenia hirta* and other species of *Hyparrhenia* in lesser prevalence. Woody vegetation is found on dolerite hill sides where the dominant tree species are *Acacia caffra*, and *Acacia kerroo* mainly along the water courses. As such, the area is prone to veld fires, flooding and drought.

Grassland is probably the primary fuel base of most bushfires. Although bushfires could occur anywhere, areas with dense grassy vegetation are likely to be more susceptible to bushfires, and the intensity of such fires is more likely to be greater than fires in areas of other vegetation types. It is also note-worthy that the denser the grass and the taller it is, the higher the potential/latent energy of the grass and therefore the more hazardous the bushfire will be if started. In the Abaqulusi Municipality where the dominant vegetation is 'Tall Grassland' the potential for bushfires to be attaining disastrous proportions is very high.

The secondary agent (but which is the principal factor) of the hazardous effect of bush fires is forests. When fires start in grassland their intensity is lower and the control of such fires is easier. However, when grassland fires occur in forest areas (especially plantation), such fires rapidly assume highly uncontrollable magnitudes with severe environmental consequences.

The relevance of this issue to the Abaqulusi Municipality is that there is large-scale forestry activity in the municipality as well as some extensive areas of indigenous forests. The occurrence of timber plantations in association with the tall grass land vegetation supplies sufficient biomass for the disastrous bushfires. The issue of a high potential for Abaqulusi to be a fire prone municipality becomes even more significant considering the fact that climatic conditions favours the development and spread of uncontrollable bush fires.

At present, the municipality is not well-equipped to deal with disasters such a fire, floods, etc. Existing equipment is old and inadequate for the purpose. Staff is also insufficient and requires training on a range of disaster related functions.

Traffic officers end-up dealing with disaster management without any formal and proper training on this field. Additional personnel are required to undertake inspections, monitor accidents and man customer service centre. There is no well-established disaster management centre within Abaqulusi. The call centre is outsourced and has limited functions.

AbaQulusi Municipality Fire extinguishing services are rendered in the Vryheid and Bhhekuzulu areas only, due to limited availability of water and fire engines. Other emergency services are provided to the remainder of the area, but only one rescue vehicle is available (AbaQulusi Community Services Manager: 2009). In short, there is a need for the municipality to develop a Disaster Management Plan and establish as Disaster Management Centre.

8.5.3 Traffic Management

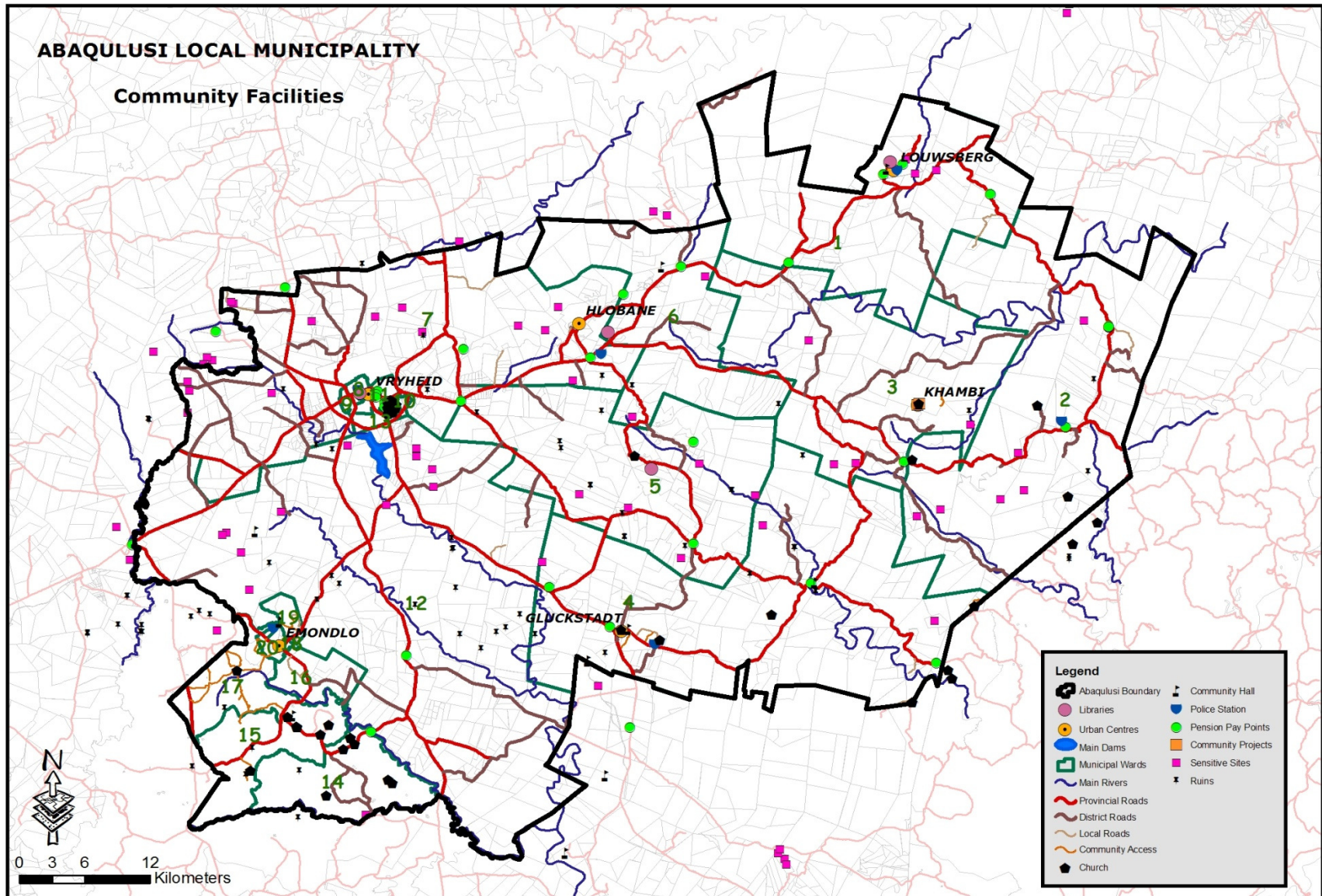
Traffic management unit forms part of the Community Services Directorate. It is responsible for traffic law enforcement including road blocks, speed control, attending to road accidents and testing and licensing. Its additional functions include enforcement of by-laws, crime prevention, and participation in Community Policing Forum (CPF). It also assists in disaster situations. However, the operations of this unit are limited by the shortage of resources including human resources. At present, it only operates one shift which means that traffic management service is not available in Abaqulusi Municipality after hours.

8.6 Other Social Services

Other social services the municipality provides include the following:

- Library services. At least three well established libraries exist within AbaQulusi Municipality. They are located in Vryheid, Bhekuzulu and Emondlo. The one in Louwsburg requires substantial upgrading. Staff has been trained on modern library service technology courtesy of Provincial Library Services. There is a need to expand the service to rural areas, particularly Hlahlindlela and Khambi.
- Parks and recreation. The municipality is responsible for the management of parks and provision of recreational facilities in designated areas. There is a need to install dust-bins in all parks, and to develop parks in the previously disadvantaged areas. The municipality should initiate a process towards the formulation of an Open Space System Plan for its area of jurisdiction as recommended in the SDF.
- Museum services. Only one museum is located in AbaQulusi Municipality (Vryheid). The committee that oversees the operation and functioning of the museum should be re-established.

Map 10: Community Facilities



9. Good Governance and Institutional Analysis

9.1 Organisational Structure

The Abaqulusi Municipality (KZ 263) is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Municipal Structures Act 1998. The Municipality functions under the Collective Executive system consisting of seven (7) Executive members of whom one is the Mayor. The Council consists of 44 Councillors including the members of the Executive Committee. Of the 44 Councillors, 22 are Ward elected Councillors. The Council has five (5) portfolio-standing committees, with each member of EXCO serving as a portfolio councillor.

9.1.1 Full Council and Exco

Ward Number	Councillor	Ward Information
01	G. M. Dlamini – (EXCO)	Louwsburg
02	H.D. Ntshangase	Dlomodlomo
03	A. M. Nkosi	Ngenetsheni/Khambi
04	M .B. Khumalo - (EXCO)	Swart Mfolozi/ Gluckstadt
05	B. Ntombela	KwaNyathi

06	A.M. Masondo	Coronation
07	T. M . Ndlovu	Hlobane
08	H. E. Heyns – (EXCO)	Vryheid Town
09	T. R. Bunge	Vryheid Town
10.	D. P. Mazibuko	Bhekuzulu
11.	B.S. ZWANE– (EXCO)	Bhekuzulu/Vryheid
12.	M. M. Kunene	Kwangwebu/Eerstepun
13.	G. Nkohla	Bhekuzulu
14.	J. W. Mthembu	Emvunyane
15.	J. S. Mncube	Emvunyane
16.	H. V. Khumalo	Emondlo/Emadresini
17.	C. N . Molefe	Mvuzini/Machanca
18.	P. N Khaba (Mayor - EXCO Chairperson)	Emondlo A & B
19.	M . A. Mazibuko	Bhekumthetho
20.	D. J. Mahlase	Emondlo/ Emadresini
21.	M. E. Masondo	
22.	A .D. Lotter	Lakeside/Stilwater
PR	S. E. Qwabe	

PR	M. S. Ntshangase	
PR	T.V. Radebe	
PR	P.M. Mtshali (Speaker) Council Chairperson	
PR	P.P. Mkhwanazi	
PR	X. A. Hlela	
PR	S. B.Zwane	
PR PR	S. R. Nkosi Z S Buthelezi	
PR	B. L. Zwane-(EXCO)	
PR	R B Mhlungu	
PR	M. P. Williams	
PR	T.E. Vilakazi	
PR	J. M Sibiya	
PR	N.P.Ndlela (Deputy Mayor)	
PR	I.S.M. Hadebe	
PR	M.E.Zungu	
PR	S.S.Siyaya -(EXCO)	
PR	S. M.Vilakazi	
PR	A.D.Mkhulusi	
PR	M.Mdlalose	
PR	M.M.Mdlalose	

9.1.2 Portfolio Committee

Department	Name of Members	Position/Role
Planning and Development	Cllr. P.N Khaba	Chairperson (Mayor)
	Cllr. T. Radebe	Member
	Cllr. B. Ntombela	Member
	Cllr. G. Nkohla	Member
	Cllr. T.R Bunge	Member
	Cllr. M.L Mdlalose	Member
	Cllr. B.L Zwane	Member
	Cllr. M.P Williams	Member
	Cllr. M.E Masondo	Member
	Cllr. A.D Lotter	
Technical Services	Cllr. S.S Siyaya	Chairperson
	Cllr. A.M Masondo	Member
	Cllr. X. Hlela	Member
	Cllr. D.J Mahlase	Member
	Cllr. J.W Mthembu	Member
	Cllr. J.S Mncube	Member
	Cllr. H.D Ntshangase	Member
	Cllr. T.R Bunge	Member
Cllr. M.E Zungu	Member	
Community Services	Cllr. N.P Ndlela	Chairperson
	Cllr. M.M Mavuso	Member
	Cllr. H.E Heyns	Member
	Cllr. M.B Khumalo	Member
	Cllr. C.N Molefe	Member
	Cllr. M.A Mazibuko	Member
	Cllr. P.P Mkhwanazi	Member
	Cllr. D.P Mazibuko	Member
	Cllr. M.S Ntshangase	
	Cllr. S.M Vilakazi	

Corporate Services	Cllr. B.S Zwane	Chairperson
	Cllr. M.J Sibiya	Member
	Cllr. M.M Kunene	Member
	Cllr. T.E Vilakazi	Member
	Cllr. A.M Nkosi	Member
	Cllr. T.M Ndlovu	Member
	Cllr. H.V Khumalo	Member
	Cllr. S.E Qwabe	Member
	Cllr. S.R Nkosi	Member
	Cllr. A.D Mkhuluse	Member
	Cllr. S.B Zwane	Member
	Cllr. S.S Siyaya	Member
Finance	Cllr. P.N Khaba	Chairperson
	Cllr. G.M Dlamini	Member
	Cllr. R.B Mhlungu	Member
	Cllr. Z.S Buthelezi	Member
	Cllr. I.S.M Hadebe	Member
	Cllr. H.E Heyns	Member
	Cllr. B.S Zwane	Member

9.1.3 Municipal Departments and Functions

Department	Functions/Responsibility	Responsible Official
1. Office of the Municipal Manager	To The Municipal Manager is the head of the municipal administration and he/she is also the accounting officer held responsible for financial management of the municipality. The roles and responsibilities of the Municipal Manager/Accounting Officer includes but	Mr C. Swanepo

	not limited to the following: <ul style="list-style-type: none"> •The general financial administration of the Municipality •Asset and liability management •Revenue and expenditure management •Budget preparation and implementation •Compliance and oversight reporting to Executive Mayor, Council and provincial and national government As the head of administration, the Municipal Manager is responsible for <ul style="list-style-type: none"> •Formation of an economical, effective, efficient and accountable administration •Implementation of the IDP of Municipality •Appointment and management of staff. •Effective utilization and training of staff. •Maintenance of discipline of staff, the promotion of sound labour relations and compliance with applicable labour legislation •Advise the political decision makers of the Municipality and managing communication between them and the administration •Implementing the decisions of the Council and Executive Mayor •Administration of municipal laws and implementation of national and provincial legislation •Facilitating participation of the local community in municipal affairs. The Office of the Municipal Manager provides the momentum of the administration and integrates all the components of the Municipality, there are 5 key departments reporting directly to the municipal Manager:	I (Acting Municipal Manager)
--	---	-------------------------------------

	<ul style="list-style-type: none"> • Finance • Corporate Services • Technical Services • Community and Emergency Services • Planning and Development 			
2. Corporate Services	<p>The Corporate Services department within the municipality comprises of 3 sections, ie.</p> <ol style="list-style-type: none"> 1. Administration 2. Human Resources 3. Information Technology <p>The main objectives and functions of the Corporate Services department is to ensure the following takes place:</p> <ul style="list-style-type: none"> • To ensure that effective and efficient services are rendered by the Municipality. • To ensure that citizens are satisfied with the quality of services delivered by the Local Municipality. • To ensure that residents are aware of the activities of the municipality. • To ensure that residents are aware of the policies, services and activities of the municipality. • To ensure that the municipality's staff is diverse, representative and skilled. • To Implement workplace skills 	Mr.J.F.K. Khumalo (Director)		<ul style="list-style-type: none"> • plan within allocated budget • To provide purposeful systematic and continuous labor relations and effective capacity building to the staff • To Provide secretariat to the council • Implementing Records Management Practices • To ensure that the municipality will use information and communication technology effectively to assist in decision making, in working efficiently, and in delivering services more effectively to clients. • Ensuring proper up keep of council records • To ensure that personnel receive specialised training. <p>The fully established and well functional Corporate Services department within a municipality is of high priority as it is the department that shares a very close relationship with the public.</p>
				<p>3. Budget and Treasury</p> <p>The Budget and Treasury Office is a directorate within the municipality responsible for the management, control and monitoring of municipal finances.</p> <p>The administrative head of the Directorate is the Chief Financial Officer. The directorate is composed of the following sections:</p> <ul style="list-style-type: none"> • <i>Budget Planning and Financial Reporting</i> • <i>Income and Revenue</i>

	<p><i>Management</i></p> <ul style="list-style-type: none"> • <i>Expenditure and Salaries</i> • <i>Supply Chain Management Unit</i> <p>The structure is as follows:</p> <ul style="list-style-type: none"> • <i>Budget Planning and Financial Reporting</i> <p>This section is responsible for the following activities: -Municipal financial planning (Budget Preparation) -Reporting on financial affairs of the municipality in a form of annual financial statements and monthly, quarterly and annual reports as prescribed by the MFMA.</p> <ul style="list-style-type: none"> • <i>Income and Revenue Management</i> <p>This section is responsible for the following activities: -Collection of income from all cashiering points; -Billing of rates and services; -Issuing out of clearance certificates; and -Management of the general valuation.</p> <ul style="list-style-type: none"> • <i>Expenditure and Salaries</i> <p>This section is responsible for the following activities: -Payment of creditors; -Payment of salaries, wages and sundries; -Management of creditors' reconciliations -Management of audit queries</p> <ul style="list-style-type: none"> • <i>Supply Chain management</i> <p>This section is responsible for the</p>	
<p>4. Community Development</p>	<p>following activities: -Implementation of the Supply Chain Management Regulations and related legislation, -Development and Implementation of the Supply Chain Management Policy -This includes demand management, acquisition management, logistics management, disposal management, contract administration and Management of stores items and stationary; and fleet management for the municipality.</p> <p>The Community Development Department's core functions is to ensure that the community is well serviced in regards to:</p> <ul style="list-style-type: none"> • Health care • Public Safety • Education (Libraries) • Sports • Community Halls • Traffic • Refuse removal and sewerage <p>The department is also responsible for ensuring that plans and programmes are developed to focus specifically on the youth, women, disabled and under-privileged.</p>	<p>Mr A. Khumal (Director)</p>

<p>5. Technical Services</p>	<p>The Technical Services department's main objectives and functions are to provide the basic needs of the community as well as maintain the standard of service provided. The department focuses on issues surrounding:</p> <ul style="list-style-type: none"> • Water and Sanitation • Electricity • Civil works (roads, bridges etc) <p>The department also works very closely with the district municipality because the district also provides certain services on behalf of the eDumbe Local Municipality.</p>	<p>Mr B.E. Dlamini (Director)</p>
<p>6. Planning & Development</p>	<p>The planning and development departments' primary function within the municipality is to regulate and control all development. The department is also responsible for the foll:</p> <ul style="list-style-type: none"> • Developing the IDP • LED • Tourism • Performance Management Systems • Housing <p>The department is seen as a key role-player or contributor in developing the municipality and ensuring the municipality is constantly progressing (future development of a shopping centre and middle income housing)</p>	<p>Mr C. Swanepoel (Director)</p>

(D).Development Strategies

1. Vision

**“A PROSPEROUS
AND SUSTAINABLE
ECONOMIC HUB OF
ZULULAND”**

2. Mission

The mission statements that Abaqulusi Municipality commits itself on are intended to pursue the above-outlined vision and development agenda generally. These can be outlined as follows:

- Economic development and poverty eradication.
- Effective delivery of social services.
- Effective planning and infrastructure development.
- Develop effective governance.
- Strive to make Abaqulusi Municipality the economic hub of the Zululand District.
- Actively forging strategic partnerships with all stakeholders.

3. Core Values

As a sphere of government that is mandated to serve its people, the Abaqulusi Local Municipality intends to function and deliver by prescribing to the following values:

- Honesty
- Transparency
- Integrity
- Value-for-money
- Loyalty

4. Goals

The Abaqulusi Local Municipality’s goals are aligned to that of the KZN PGDS goals 3,5,7,9, and 10.

- Economic development and poverty eradication.
- Effective delivery of social services.
- Effective planning and infrastructure development.
- Develop effective governance.
- Strive to make Abaqulusi Municipality the economic hub of the Zululand District.
- Actively forging strategic partnerships with all stakeholders.

5. People, Politics, Priorities and Projects

PEOPLE

1. People on the farms do not have services.
2. Most people are unemployed.
3. 250000 people over 4000km².
4. People are facing major challenges in terms of work
5. People deserve development.
6. Abaqulusi people are proud of their area.
7. People in Abaqulusi need development.
8. People need water.
9. People are difficult to satisfy.
10. Most people are unemployed.
11. Local people are more welcoming to visitors.
12. People suffer from HIV and AIDS

POLITICS

1. Coalition arrangement.
2. Need for political education.
3. Politics has divided people.
4. Political influence in decision making
5. Political immaturity.
6. Politics affects service delivery negatively.
7. Need people centered politics.
8. Freedom of political activity.
9. 5 political parties have a challenge to get business involved in IDP.
10. Politics is vibrant.
11. Politics is better than in other areas.
12. Disjuncture between politics and service delivery

PRIORITIES

1. Jobs.
2. Infrastructure development.
3. Water and electricity
4. Human settlements.
5. Land availability
6. Roads
7. Service delivery
8. Skills development.
9. Good quality services.
10. 8 strategic priorities.
11. Sustainable service delivery

PROJECTS

1. Electrification projects are carried out in Abaqulusi.
2. Planned and implementable projects.
3. Projects are not managed properly.
4. There are so many projects in the pipeline.
5. Many projects identified but lack funding.
6. Must use projects to create employment.
7. Projects are associated with industrial development.
8. Need realistic projects.
9. Most projects are not implemented due to the lack of funds.
10. Needs exceed limited resources.
11. Rehab of roads in EXT. 16.

12. Revenue enhancement

- 12. Need implementable and real projects.
- 13. Projects must benefit Abaqulusi people.

6. Risks, Readiness, Richness and Rands

RISKS

- 1. Losing business due to ageing infrastructure.
- 2. Potholes, Fire and Disasters
- 3. No water provision for a growing population.
- 4. Political interference
- 5. Unattended complaints.
- 6. HIV and AIDS prevalence.
- 7. Crime and Poverty.
- 8. Land claims
- 9. Insufficient capacity and skills (inability to do work)
- 10. Lack of risk assessment reports.
- 11. Poor quality of water and Water related diseases’.
- 12. Insecurity
- 13. Low political and administration capacity (lack of capacity building).
- 14. Illiteracy

READINESS

- 1. Abaqulusi is read to champion service delivery through good governance.
- 2. Abaqulusi is ready to deal with natural disasters.
- 3. Ready to grow economically.
- 4. Ready to compete with other LMs
- 5. Ready to provide service and Improve service delivery
- 6. To serve the people.
- 7. Turnaround the economic growth.
- 8. To attract investors.
- 9. Further economic growth
- 10. Ready to implement road develop program.
- 11. Ready to embark on strike about wages.
- 12. Ready to see the town progressing.
- 13. Ready to produce a practical IDP.
- 14. Ready to exploit the richness of the area.

RICHNESS

- 1. Abaqulusi is rich in heritage.
- 2. Forestry and agriculture (i.e. timber production and productive land).
- 3. Strategic location within ZDM

RANDS

- 1. Abaqulusi has a Operational budget of R366 706 334.00 and Capital Budget of R33 444 000.00
- 2. Rand per capita is very low.
- 3. Funding is not enough.

<ol style="list-style-type: none"> 4. Mining. 5. High indigent rate affects richness. 6. Cultural diversity. 7. Tourism 8. Sleeping jewel 	<ol style="list-style-type: none"> 4. Weak and declining economy. 5. Very low productivity. 6. There is low buying power. 7. Less income for the local people. 8. No growth in investment. 9. Budget shortage. 10. High dependence on grants. 11. Insufficient funds to render services.
--	--

7. Common, Care, Challenges & Cultivation

COMMON	CHALLENGES
1. HIV and AIDS	1. Service delivery
2. Unemployment and poverty	2. Size of the LM area
3. Illegal development	3. Unemployment, youth employment and job opportunities
4. Battlefields, Rich history, heritage and Cultural activities	4. Shortage of tertiary institutions and skills development
5. Patriotism about the area and friendly people	5. Decaying infrastructures
6. Common goal	6. Clean water
7. Job creation	7. Lack of resources and funding
8. Infrastructure	8. Maintenance of infrastructure
9. Weather	9. Poor sports facilities.
10. All talk no action	10. Financial viability

<p>CARE</p> <ol style="list-style-type: none"> 1. Care for people and citizens. 2. Nature and youth. 3. Vulnerable communities. 4. Employees. 5. Social/public facilities. 6. Biodiversity/environmental. 7. Disadvantaged people. 	<p>CULTIVATION</p> <ol style="list-style-type: none"> 1. Youth development 2. Economic growth (i.e. agriculture & LED) and job opportunities. 3. Honesty and hard work 4. Infrastructure development 5. Abaqulusi to become an economic hub. 6. Coordinated development 7. Culture of payment for services. 8. Private hospitals 9. Sports and culture 10. Honoring promises.
--	--

8. Development Strategies and Action Plans

8.1 Key Focus Area: Spatial Rationale		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> • Coordinated land use, sustainable environment, orderly land use activities, integrated and harmonious development. 	<ul style="list-style-type: none"> • Discourage illegal developments and squatting and illegal occupation of property. • Discourage/ eradicate illegal businesses 	Penalty and fine system on illegal developments
		Update GIS system
		Identify land for housing developments
		Identify land for the development of a regional shopping centre
		Administer the Growth of the Vryheid Town

	especially in public open spaces.	Preservation of agricultural land
Performance Target: <i>Spatial and physical development that fully comply with NSDP, SDF and LUMS.</i>		
Department Responsible: <i>Planning Unit</i>		

8.2 Key Focus Area: Roads and Storm water		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Decent roads and storm water infrastructure. 	<ul style="list-style-type: none"> Upgrade municipal roads and stormwater infrastructure. Improve movement and accessibility through new access roads and bridges. To set standards and conditions for private investors towards their contribution on road infrastructure development. 	Development of Taxi Facilities (Inter Mode)
		Development of a Truckstop
		Preparation of Infrastructure Masterplan
		Development of bridges in rural areas
		Patching of Potholes in Vryheid Town
		Access Roads in rural areas
Performance Target: <i>Revamped, upgraded municipal roads, storm water infrastructure and constructed bridges where required.</i>		
Department Responsible: <i>Technical Services</i>		

8.3 Key Focus Area: Electrical Services		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Access to basic services by all households within Abaqulusi 	<ul style="list-style-type: none"> To discourage illegal connections, theft through vandalism and tampering. To discourage incoherent communication with sector departments. Upgrading of electricity infrastructure. Improving access to pre-paid electricity sales. 	Introduce audits on unauthorized connections and tampers
		Electrification Plan and Electricity maintenance plan
		Alternative Energy Plan and Energy Efficiency Plan
		Afterhours vending machines
		Develop energy management unit
		Energy forum meetings

	<ul style="list-style-type: none"> • Delivery of electricity infrastructure. 	Electricity connections
Performance Target: <i>Improved access to basic services in Abaqulusi</i>		
Department Responsible: <i>Technical Services</i>		

8.4 Key Focus Area: Water and Sanitation		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> • Access to basic services by all households within Abaqulusi. Sustainable management of water resources. 	<ul style="list-style-type: none"> • Improving access to water supply. • Delivery of bulk water supply infrastructure. • Eradicating sanitation backlogs. • To facilitate the prevention of water losses. • To maintain the existing bulk water infrastructure. • To ensure the implementation of the WSDP 	Phase 3 Waste Water Treatment Work in Vryheid
		Increase capacity of water reservoirs
		To develop and implement a Maintenance Plan
		Management of reticulation projects in urban centres
		Update water and sanitation backlogs information
		Water supply in rural areas
Performance Target: <i>Improved access to basic services in Abaqulusi</i>		
Department Responsible: <i>Technical Services</i>		

8.5 Key Focus Area: Solid Waste		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> • Access to basic services by all households within Abaqulusi 	<ul style="list-style-type: none"> • Extend refuse removal service to various settlements. • Closure of illegal dumping sites. • To ensure a healthy living environment. 	To develop and maintain a licenced landfill site
		Refuse removal program in urban centres
		Implementation of a waste management strategy
		Develop solid waste by-laws
		To ensure a litter free town
		Refuse removal in Bhekuzulu

		Closure of illegal dumping sites in Bhekuzulu
		Refuse Removal in Hlobane
		Refuse Removal in Cliffdale
		Refuse Removal in Coronation
		Refuse Removal in Louwsburg
		Refuse Removal in Lakeside
		Closure of illegal dumping sites in Lakeside
Performance Target: <i>Improved access to basic services in Abaqulusi</i>		
Department Responsible: <i>Social and Community Services</i>		

8.6 Key Focus Area: Sports, Community Facilities and Social Development		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Improved access to the sport and Community Facilities. Improved access to public facilities. Needs for the vulnerable and the poor address. 	<ul style="list-style-type: none"> To discourage crime, dishonesty and lawlessness. To discourage littering. Provision of sport facilities to areas that are not currently provided Provision of community facilities in areas of need. Provision of cemetery facilities. To improve access to public amenities. To respond to the needs to the vulnerable groups and the poor. 	Extending home based care programme to rural areas
		Old age homes in rural and urban areas
		Hospice houses in Mondlo, Coronation and Louwsburg
		CCTV cameras
		Development of Parks in Vyrheid Town and Townships
		Road signage in townships
		Installation of speed and robot cameras
		Installation of new robots at key points and entrance roads
		Satellite Fire Station
		Disaster Management Plan
Disaster Management Centre		
Maintenance of cemetery sites		
Performance Target: Improved access to sport and community facilities. Needs of the vulnerable groups and poor to be addressed.		
Department Responsible:		

8.6 Key Focus Area: Sports, Community Facilities and Social Development		
Development Objectives	Development Strategies	Proposed Interventions
<i>Social and Community Services KZN Department of Social Development</i>		

8.7 Key Focus Area: Housing		
Development Objectives	Development Strategies	Proposed Interventions
Access to adequate housing by all within Abaqulusi.	<ul style="list-style-type: none"> To deliver 'gap' and 'affordable' housing to address the backlogs. Implementation of the Municipal Housing Sector Plan. To identify appropriate land for housing and land reform. To facilitate the delivery of all housing opportunities. 	Extension 17 Phase 2 Housing Project Land Audit Bhekuzulu and Mondlo Housing Projects Bhekuzulu Hostel Upgrade
Performance Target: <i>Eradication of housing backlogs</i>		
Department Responsible: <i>Community Services KZN Department of Human Settlements</i>		

8.8 Key Focus Area: Local Economic Development		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Decrease in unemployment Increased Economic Growth Improved business environment 	<ul style="list-style-type: none"> To facilitate sectoral development and diversification of the local economy Promoting and supporting SMMEs Lobby funds from Department of Economic Development and Tourism 	Ntinginono Eco-Centre Industrial Centre Mondlo Shopping Centre Broiler Production Centre Vryheid Mall Bark Extraction Plan

8.8 Key Focus Area: Local Economic Development		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Establishment of new sustainable industries and retention of existing ones 		Airport
		Private Hospital
		Industrial Estates
		Agricultural markets
Performance Target: <i>Reduction in unemployment rate and increased economic growth (GDP)</i>		
Department Responsible: <i>LED Unit Department of Economic Development Department of Arts, Culture and Tourism</i>		

8.9 Key Focus Area: Municipal Transformation and Institutional Development			
Development Objectives	Development Strategies	Proposed Interventions	
<ul style="list-style-type: none"> Improved service delivery. Abaqulusi Municipality to be accredited with good ethics/ values. 	<ul style="list-style-type: none"> To develop and retain efficient staff complement for effective service delivery. To discourage bad working relationship within departments. 	Training of municipal staff in line with Skills Development Plan	
		Preparation and implementation of staff retention strategy	
		Alignment of the organizational structure with the IDP and Budget	
		Develop and implement an Employment Equity Plan	
	<ul style="list-style-type: none"> To provide efficient and effective support to administration. 		Promote Gender Equity in the workplace
			Develop and retain IT and GIS capacity
			Participation in all statutory labour relations establishments.
	<ul style="list-style-type: none"> To strengthen governance structures in line with its mandate. 		Developing and maintaining systems for labour relations
			Undertaking of the strategic planning workshop
	<ul style="list-style-type: none"> To develop an efficient and effective municipal administration system 		Occupational Health and Safety
			Preparation and implementation of a Performance Management System
			Undertaking of performance audits

<p>Performance Target: <i>Improved capacity and capability of abaqulusi municipality to undertake its service delivery functions efficiently and effectively</i></p>
<p>Department Responsible: Corporate Services Human Resources Unit Office of the Municipal Manager</p>

8.10 Municipal Financial Viability			
Development Objectives	Development Strategies	Proposed Interventions	
<ul style="list-style-type: none"> Financial Viability and Sustainability. Unqualified Auditor General's Opinion. Usage of the public funds in an efficient and accountable manner. 	develop and maintain systems and procedures for effective and sound management of municipal finances.	Budget preparation and implementation Plan.	
		Development and maintenance of Financial control systems and procedures.	
		To deliver services strictly in line with budget provisions and authorized functions	
		Adopt appropriate financial policies including credit control measures, expenditure control, and improved asset management.	
		To ensure that the IDP and Budget are integrated and available funds are allocated in line with IDP Priorities	
		To develop and implement an anti-corruption strategy	
		Develop Debt Recovery Plan	
	ensure the collection of monies billed, and to specify procedures in respect of non-payment		Undertaking a land audit
			Formulation of a valuation policy and a valuation roll.
			Improvement of a debt collection system
			To improve billing and revenue collection
			To develop and implement Revenue raising strategies
	To establish and operate an efficient asset		To implement Free Basic Services to Registered Indigent Households
			Maintenance of an asset registers

8.10 Municipal Financial Viability		
Development Objectives	Development Strategies	Proposed Interventions
	management system.	Implementation of an automated asset management system. To maintain Council property to a predetermined standard
	To report to council, national treasury and provincial treasury on financial management matters.	Monthly Budget Statements. Mid-Year Budget Performance and assessment Quarterly Budget Expenditure reports informing allocations Annual Financial Statements Provincial Treasury Reports. National Treasury Reports. Develop Indigent Register To ensure an efficient Internal Audit function
	be 100% compliant with the Supply Chain Management regulations.	Develop and review of SCM Policy To establish an efficient and fully functional Supply Chain Management Unit Strengthening of SCM committees or structures. Training of senior management on SCM regulations. Training of councillors on Supply Chain Management policy.
	implement the Municipal Property Rates Act	Develop and Review Rates Policy Develop and adopt rates by-laws Valuation of all properties within Abaqulusi municipal boundaries Workshop all communities on Rates Policy and new rating Act
	assess the risks of the municipality	Develop and adopt a Risk Management Policy

8.10 Municipal Financial Viability		
Development Objectives	Development Strategies	Proposed Interventions
		Identify the risks of the municipality
		Develop and adopt Risk Assessment Plan
Performance Target: <i>100% compliant with MFMA, GAMAP and GRAP Increased Revenue Financially sustainable and corruption free institution Unqualified Audit Report Supply Chain Management which is capable to deliver Compliance with MFMA Prevented Deterioration of Council's Properties</i>		
Department Responsible: <i>Financial Department Office of the Municipal Manager Local Economic Development Unit</i>		

8.11 Good Governance and Community Participation		
Development Objectives	Development Strategies	Proposed Interventions
<ul style="list-style-type: none"> Public involvement in the affairs of the municipality. The ward committees fully understand the local government systems. Good image of the municipality. Improved customer care Effective decision-making. Improved adherence to the principles of good and fair governance 	improve the communication needs.	Establish internal and external communication systems i.e. intranet and newsletter.
	involve the community in planning for service delivery.	Participation in various structures including District Intergovernmental Relations (IGR) and sector based structures
		Preparation of a five year Integrated Development Plan
		Undertaking the ward IDP workshops
	inform the community about service delivery targets that must be achieved.	IDP Representative Forum
		IDP and Budget Roadshows
		Undertaking the mayoral Imbizo
	promote the image of the Municipality.	To improve and maintain the content of the Imbizo's, pamphlets, official notices, etc.
Public comments on the annual report and establishment of an oversight committee		
promote effective decision – making.	To forge closer ties with stakeholders i.e. Media, Business Forum, CTA, NGOs, CBO, CDWs and other structures	
	On – going training of Councilors and CDWs on local government matters.	

8.11 Good Governance and Community Participation		
Development Objectives	Development Strategies	Proposed Interventions
<p>Performance Target:</p> <ul style="list-style-type: none"> • 100% Compliance with Chapter 4 of the Municipal Systems Act. Strengthened Relations of the Municipality with stakeholders and the media. Enhanced customer care. Improved understanding of Local Government systems by Councillors and Community Development Workers and Ward Committees. 		
<p>Department Responsible: IDP Unit Executive Department Office of the Municipal Manager Corporate Services</p>		

(E). Spatial Development Framework

The Spatial Development Framework for Abaqulusi Municipality was last developed in 2008 and due to the lack of financial and human capacity the municipality has found it difficult in the to review and update the document but nevertheless, with the assistance of CoGTA, the municipality will be developing a new SDF during this financial year. However, the current SDF is attached as Annexure A.

(F).Sector Department Involvement

Sector department involvement in the Integrated Development Plan is of high priority to the Abaqulusi Municipality. The Municipality is actively involved with the various sector

departments in all their various projects, plans or programmes that they implement which helps improve the lives of the people of Abaqulusi.

In order to ensure active sector involvement and a constant input from stakeholders when developing the municipal IDP, Abaqulusi Local Municipality prescribes to the following:

- The IDP Representative Forum meetings with the service providers is held with Sector Departments, Ward Committees, Traditional Authorities, Parastatals, NGO's, Mondi, Valpre, Organised Structures and interest groups. The meeting is done in order to report and deliberate on IDP related matters.
- Abaqulusi forms part of ZDM Planners Forum where sister municipalities' planners within the Zululand family interact and exchange development ideas together with Sector Departments Officials.
- LED Forums are held with local businesses and stakeholders to discuss the best possible way of maximizing the economic potential to create a stronger economic base of the municipality.
- One on one meeting is held by municipal officials with government departments and corporate service providers in regard to specific projects.
- Meetings are held with potential mine investors on a constant basis regarding the reopening of mines in the municipal area with the emphasis on the creation of sustainable job opportunities.

Below are some of the Sector Departments that have provided information on their upcoming and current projects, plans or

programmes within the Abaqulusi Local Municipality for the 2012/2013 financial year and beyond.

1. Department of Agriculture

1.1 Vision

A leading, dynamic, united, prosperous and people-centred sector

1.2. Mission

Our vision will be achieved through developing and sustaining a sector that contributes and embraces:

- Economic growth (and development)
- Job creation
- Rural development
- Sustainable use of natural resources
- Food security

1.3 Projects

Project Name	Ward	Enterprise	PROJECT COST
UkukhanyakwaseMvuzini Piggery Production	22	Pig Production	R3 500 000
Zamukuphila Piggery Production	04	Pig Production	R3 500 000
Imvula Cooperative	22	Egg Production	R2 300 000
Khukhuza Piggery Production	22	Pig Production	R3 500 000
Khukhuza Broiler	22	Broiler	R3 400 000

Production		Production	
Faith Broiler Production	03	Broiler Production	R3 400 000
Liberty Piggery Production	12	Pig Production	R3 500 000
UkukhanyakwaseMvunzini Irrigation	17	Vegetable Production	R455 000
ZwathiPotatoe Production	4	Potatoes Production	R580 000
Mechanisation Project	All Wards	Crop Production	R1 620 000
GluckstadtLandcare	4	Livestock Production	R1 000 000
Siqophumlando	14	Vegetable Production	R455 000
Livestock Drinking Water		Livestock Production	R2 720 000
Fencing Project		Vegetable Production	R4 720 000

2. Department of Public Works

2.1 Vision

"To be world-class Public Works Department"

2.2 Mission

The Department of Public Works (DPW) aims to promote the government's objectives of economic development, good governance and rising living standards and prosperity by providing and managing the accommodation, infrastructure needs of national departments, by leading the national

Expanded Public Works Programme and transformation of the construction and property industries. In pursuance of this objective the Department will endeavour to:

- Efficiently manage the asset life cycle of immovable assets under the Department's custodianship;
- Provide expert advice to all three spheres of Government and parastatals on immovable assets;
- Contribute to the national goals of job creation and poverty alleviation through programme management, leading and directing of public works programmes nationally, of which the Expanded Public Works Programme (EPWP) forms an integral part; and
- Provides strategic leadership to the Construction and Property Industries.

2.3 Projects

Facility Description	Project Description	Project Category	Budget
HARTLAND CLINIC	DEMOLISH AND REBUILT NURSES ACC, UPGRADE STORM WATER SYSTEM, NEW ABLUTIONS AND SEWER SYSTEM	REHABILITATION	R 3 540 000
HLOPHENI	CONSTRUC	NEW	R 22 317 000

CLINIC	T NEW CLINIC and staff acc		
Vryheid Forensic Mortuary (M2)	New Forensic Mortuary	NEW	R 28 000 000
Vryheid Hospital	Upgrading of Lifts (2 Lifts)	REHABILITATION	R 1 600 000
VRYHEID HOSPITAL	NEW SECLUSION S WARD	NEW	R 2 193 000
VRYHEID HOSPITAL	REDESIGN HIGH CARE UNIT	ADDITIONS	R 1 315 000
VUMANI CLINIC	Construction of A Small Clinic,B2 Residential Accommodation and Guard House Using	NEW	R 22 000 000
SITHOLE PRIMARY SCHOOL	NEW CLASSROOMS AND ABLUTIONS	Rehabilitation	10 000 000
KING BHEKUZULU HIGH SCHOOL	UPGRADE AND REPAIRS TO TOILETS AND ADDRESS	Rehabilitation	11 000 000

	THE WATER SITUATI		
KWAMNYAY IZA HIGH SCHOOL	UPGRADE AND REPAIRS TO DOORS, WINDOWS AND WALLS TO SEVEN CLA	Rehabilitation	4 320 000
LINDUMTHE THO PRIMARY SCHOOL	REPAIRS AND RENOVATIONS TO EXISTING CLASSROOMS	Rehabilitation	12 000 000
Vryheid H (HDBS)	REPAIRS AND RENOVATIONS TO HOSTELS	Rehabilitation	10 000 000

3. Department of Education

3.1 Vision

Ensuring every learner does well at school and leaves our institutions with the knowledge, skills and qualifications that will give them the best chance of success in adult life.

3.2 Mission

To ensure quality learning and teaching take place in the classroom every day.

3.3 Projects

Project Type: New Schools		
Name of School	Ward Number	Budget
Lakeside P		R18 127 560
Langaletu S		R 10 639 200

Project Type: Repairs and Renovations		
Name of School	Ward Number	Budget
HOËR LANDBOUSKOOL		R3 000 000
HOËRSKOOL PIONIER		R3 000 000
NCWECWE S		R3 000 000
NCECENI P		R3 000 000
INDUDUZO P		R3 000 000
EMADRESINI P		R3 000 000

Project Type: Upgrades and Additions		
Name of School	Ward Number	Budget
KONFOOR C		R 6 490 440
SITHOLE P		R 2 966 040

4. Department of Social Development

4.1 Vision

A caring and integrated system of social development services that facilitates human development and improves the quality of life

4.2 Mission

To enable the poor, the vulnerable and the excluded within South African society to secure a better life for themselves, in partnership with them and with all those who are committed to building a caring society.

4.3 Projects

Name of Organisation	Ward	Status	Project Type
Little people creche	5	Registered and funded	Crèches
Intuthwanecreche	5	Registered and funded	Crèches
Zama creche	5	Registered not funded	Crèches
Mbilanecreche	5	Not registered and funded	Crèches
Ekukhanyeni	6	Registered and funded	Crèches
Hlanganani	13	Registered and funded	Crèches
Amantusi	6	Not registered and funded	Crèches
Siyalondwa	7	Registered and funded	Crèches
Siyakhula	7	Not registered and funded	Crèches
Thuthukani	7	Not registered and funded	Crèches

Siyathuthuka	7	Registered and funded	Crèches	Noah Khayelihle	13	Registered and funded	HIV/AIDS
Vaalbank	7	Not registered and funded	Crèches	Sibambene Development Trust	06	Registered and funded	HIV/AIDS
Phaphamani	6	Not registered	Crèches	Swart Mfolozi Development Trust	04	Registered and funded	HIV/AIDS
Eskhamecreche	7	Registered and about to funded	Crèches	Zizamele Senior Citizens older ppl	06	Registered and funded	Old and Elderly
Kancanekancane	11	Not registered and funded	Crèches	SAVF BhekuzuluSentrum older ppl	10	Registered and funded	Old and Elderly
Lethuthando	11	Not registered and funded	Crèches	SAVF Vryheid Town older ppl	09	Registered and funded	Old and Elderly
Isitimela	10	Registered and funded	Crèches	MasikhuthaleOrganisation older ppl	08	Registered and funded	Old and Elderly
Bhekisizwe	13	Registered and funded	Crèches				
Buhlebenkosi	10	Not registered and funded	Crèches	5. Department of Transport			
Igugulesizwe	8	Registered and funded	Crèches	5.1 Vision			
Qhubekani	8	Registered and funded	Crèches	"Transport, the heartbeat of South Africa's economic growth and social development!"			
Scelinhlanhla	8	Registered and funded	Crèches	5.2 Mission			
Ladybird	09	Registered and not funded	Crèches	Lead the development of integrated efficient transport systems by creating a framework of sustainable policies, regulations and implementable models to support government strategies for economic, social and international development.			
Karnallie	09		Crèches				
Simunye	09	Registered and funded	Crèches				
Sizamokuhle Youth Club	06	Registered and funded	Youth				
Sakhisizwe Development Project	05	Registered and funded	Orphans	5.3 Projects			
Impilo Development Trust	06	Registered and funded	HIV/AIDS	Project Type: Local Roads & Causeways			
				Contract	Budget	Target	Location
							Ward

Description		Output		
Gushede	R 1 000 000	2.70	kwaMzwezwe	6
Gushede	R 480 000	1.10	kwaMzwezwe	6
Mkholokotho	R 1 000 000	2.70	Mkholokotho	4
Mkholokotho	R 480 000	1.10	Mkholokotho	4
Vumani	R 1 290 000	3.20	KwaMnyathi	5
Mooiplaas	R 1 700 000	4.00	kwaNgwelu	3
Allocation Total	R 5 950 000	14.80		
Budget Total	R 5 950 000			

Project Type: Regravels				
Contract Description	Budget	Target Output	Location	Ward
P487	R 990 000	2.60	Swart Mfolozi-Mkholokotho	4
P487	R 480 000	1.20	Swart Mfolozi-Mkholokotho	4
P487	R 480 000	1.20	Swart Mfolozi-Mkholokotho	4
P258	R 2 450 000	6.50	Mvunyane	15
D422	R 1 635 000	4.00	Kwangenetsheni-Dlomdlomo	2 and 3
P274	R 815 000	2.50	KwaMnyathi	5
P274	R 480 000	1.20	KwaMnyathi	5
P274	R 480 000	1.20	KwaMnyathi	5
P274	R 480 000	1.20	KwaMnyathi	5
D530	R 890 000	2.40	Scheepersnek	7
D530	R 480 000	1.20	Scheepersnek	7
D530	R 480 000	1.20	Scheepersnek	7
D308	R 750 000	2.00	Kwangwelu	3
D308	R 480 000	1.20	Kwangwelu	3
D308	R 480 000	1.20	Kwangwelu	3
P336	R 1 150 000	3.00	P336 - Scheepersnek	6
P336	R 1 150 000	3.00	P336 -	6

			Scheepersnek	
P336	R 650 000	1.50	P336 - Scheepersnek	6
P199	R 1 850 000	5.00	Mvunyane	14
P199	R 600 000	1.50	Mvunyane	14
P199	R 550 000	1.50	Mvunyane	14
Allocation Total	R 17 800 000	46.30		
Budget Total	R 17 800 000			

6. Department of Human Settlements

6.1 Vision

A nation housed in sustainable Human Settlements.

6.2 Mission

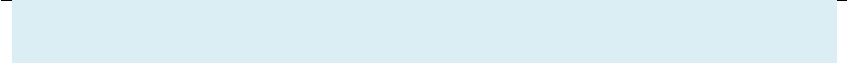
To facilitate an environment that provides sustainable Human Settlements.

6.3 Projects

Name of Projects/Location	Ward No.	No. of Units
eMondlo	18	+ - 800
Bhekuzulu Phase 3B	11	178
Glukstadt	04	1100
Khambi	02	+ - 1000

Hlobane Housing Project	07	
Vrede/Cliffdale	07	+ - 800

Vumani Housing Project	05	1000
------------------------	----	------



(G). Projects and Implementation Plan

1. Projects with committed funding

Key Performance Area	Key Focus Area	Project Type/Description	Area/Location/Ward	Estimated Budget	Source of Budget	Responsible Department
Service Delivery & Basic Infrastructure Development	Roads	New	Emondlo/Lakeside	R 15 282 000.00	MIG	Technical
		New	Rural areas	R 10 162 000.00	MIG	Technical
		Repair & Maintain	Vryheid	R 1 500 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Emondlo	R 1 500 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Hlobane	R 500 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Coronation	R 500 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Nkongolwane	R 250 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Kwamnyathi	R 250 000.00	Abaqulusi LM	Technical
		Repair & Maintain	Louwsburg	R 250 000.00	Abaqulusi LM	Technical
	Repair & Maintain	Rural areas	R 250 000.00	Abaqulusi LM	Technical	
	Water & Sanitation	Klipfontein Water Treatment Works	Vryheid	R 450 000.00	Abaqulusi LM	Technical
		Klipfontein Intake Tower	Vryheid	R 50 000.00	Abaqulusi LM	Technical
		Bloemveld Water Works	Vryheid	R 400 000.00	Abaqulusi LM	Technical
		Replace H2O network	Vryheid	R 400 000.00	Abaqulusi LM	Technical
		Valves on water network	All areas	R 400 000.00	Abaqulusi LM	Technical
		Reservoirs	Vryheid	R 300 000.00	Abaqulusi LM	Technical
		Emondlo Dam & Extraction Plant	Emondlo	R 450 000.00	Abaqulusi LM	Technical
		Replace Water Meters	All areas	R 410 000.00	Abaqulusi LM	Technical
		Water Purification Plant	Hlobane	R 450 000.00	Abaqulusi LM	Technical
Water Purification Plant		Coronation	R 450 000.00	Abaqulusi LM	Technical	

		Water Network	Vrede	R 100 000.00	Abaqulusi LM	Technical
		Water Treatment Plant	Louwsburg	R 450 000.00	Abaqulusi LM	Technical
		Sewer Pump Station	Bhekuzulu	R 300 000.00	Abaqulusi LM	Technical
		Emondlo Sewer Plant	Emondlo	R 1 000 000.00	Abaqulusi LM	Technical
		Sewer Pump Station	Hlobane	R 300 000.00	Abaqulusi LM	Technical
		Sewer Pump Station	Cliffdale	R 400 000.00	Abaqulusi LM	Technical
		Sewer Networks	All Areas	R 500 000.00	Abaqulusi LM	Technical
	Electricity	Electrification of Low Cost Houses	Wards 3 & 6	R 8 000 000.00	DoE	Technical
		Electrification in Eskom areas	Eskom Areas	R 15 150 000.00	DoE	Technical/Eskom
		Refurbish Substations including fencing	All areas	R 500 000.00	Abaqulusi LM	Technical
		Afte hour vending machines	All areas	R 400 000.00	Abaqulusi LM	Technical
		Street lights upgrade to LED's	All areas	R 1 000 000.00	Abaqulusi LM	Technical
		Overhead lines	All areas	R 500 000.00	Abaqulusi LM	Technical
		Upgrade transformers	All areas	R 500 000.00	Abaqulusi LM	Technical
	Electricity connections	All areas	R 1 000 000.00	Abaqulusi LM	Technical	
Local Economic Development	Tourism	BROCHURES & POSTCARDS	-	R 10 000.00	Abaqulusi LM	Dev Plan
		VRYHEID TOURISM	-	R 3 000.00	Abaqulusi LM	Dev Plan
		PUBLICITY STICKERS	-	R 2 500.00	Abaqulusi LM	Dev Plan
		PUB. SEMINARS & COMM PROJECTS	-	R 10 000.00	Abaqulusi LM	Dev Plan
		PUB FILMS & PHOTOS	-	R 1 000.00	Abaqulusi LM	Dev Plan
		PUB INFORMATION BOOKLETS		R 5 000.00	Abaqulusi LM	Dev Plan
		PUB VRYHEID BROCHURES	Vryheid	R 10 500.00	Abaqulusi LM	Dev Plan

		M/SHIP FEES BATTLEFIELD ROUTE	-	R 4 000.00	Abaqulusi LM	Dev Plan	
		TOURISM PROJECTS MAYFAIR	Vryheid	R 7 000.00	Abaqulusi LM	Dev Plan	
		MAGAZINES & PERIODICALS	-	R 500.00	Abaqulusi LM	Dev Plan	
		TOURISM EXIBITIONS	-	R 10 000.00	Abaqulusi LM	Dev Plan	
Good Governance & Community Participation	Roadshows	Annual IDP & Budget Roadshows	All	R 400 000.00	Abaqulusi LM	Dev Plan and Finance	
	Customer Satisfaction	Consumer Education	All	R 100 000.00	Abaqulusi LM	Dev Plan and Finance	
Community & Social Services Development	Special Projects	Prayer Day	-	R 50 000.00	Abaqulusi LM	Comm Services	
	Community Development	Various Projects	All	R 500 000.00	Abaqulusi LM	Comm Services	
	Sports and Recreation	Repairs and Maintenance			R 300 000.00	Abaqulusi LM	Comm Services
		Functions and events	All		R 1000 000.00	Abaqulusi LM	Comm Services
	Bursaries	Educational Financial Aid	All		R 100 000.00	Abaqulusi LM	Corp Services
	Public Safety	Disaster relief	All		R 200 000.00	Abaqulusi LM	Corp Services
Pointsmen		Vryheid		R 5000.00	Abaqulusi LM	Corp Services	
Municipal Transformation & Institutional Development	Advertising	Advertisements and Notices on Municipal Info.	All	R585 500.00	Abaqulusi LM	Corporate Services	
	Postage	Municipal Post	All	R50 000.00	Abaqulusi LM	Corporate Services	
	Capacity building & Skills	Staff Training	-	R750 000.00	Abaqulusi LM	Corporate Services	

	development					
	Information Technology	Computer Equipment and Software	-	R300 000.00	Abaqulusi LM	Corporate Services

2. Critical Municipal Programmes and Projects that Requires Funding

2.1 Spatial Planning Projects

Project Category	Project Description	Cost Estimation	Source of Funding
Area Based Projects	Local Area SDF and Precinct Plans for Vryheid Town Centre and surrounding areas	R 1 000 000.00	Funding to be sourced
	Local Area SDF and Precinct Plans for eMondlo, Hlahlindela, Louwsburg, Hlobane, Coronation and KwaM	R 3 000 000.00	
	LUMS for eMondlo, Hlahlindela, Louwsburg, Hlobane, and the rest of the municipality	R 1 200 000.00	
	Local area SDF for R33/R34 & R69 development corridors	R 1 200 000.00	
Sub-Total		R 6 400 000.00	
Over-Arching Projects (Sector Studies)	Review of SEA & Preparation of EMF	R 800 000.00	Funding to be sourced
	Industrial Development Strategy	R 500 000.00	
	Municipal Land Audit and Release Strategy	R 1 000 000.00	
	Integrated Transport Strategy	R 800 000.00	
	Rural Development Strategy	R 500 000.00	
	Infrastructure Upgrade and Management	R 1 500 000.00	
Sub-Total		R 5 100 000.00	
Grand Total		R 11 500 000.00	

2.2 Catalytic Projects

Project Category	Project Description	Cost Estimation	Source of Funding
Catalytic Projects	eMondlo Trade/Shopping Centre	R 250 000 000.00	Funding to be sourced
	Truck City	R 10 000 000.00	
	Klipfontein Cultural Village	R 7 000 000.00	

	Release and development of Transnet owned land around railway station	R 1 000 000.00	
	Abaqulusi Airport	R 400 000 000.00	
	Abaqulusi Private Hospital	R 80 000 000.00	
	Bio Swiss	R 40 000 000.00	
	Regeneration of former mining towns	R 50 000 000.00	

(H). Financial Plan

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially

viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate funds were transferred from low- to high priority

programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-essential and 'nice-to-have' items. 2012/13 MTREF was drafted in context of a reviving economy, whilst still acknowledging the lingering effects of the economic downturn of the past couple of years.

The budget for the 2012/13 MTREF period was based on therealisation that no, or limited, scope for additional externally- or internally-funded revenue growth existed and was further reiterated in National Treasury guidelines (circular 51) - *"...over the next few years, government must deliver more services – and deliver them more efficiently – within a tight resource envelope. Achieving this objective requires a new way of working: the budget has been reprioritised so that money is moved from low-priority programmes to high-priority programmes. Municipalities are encouraged to adopt similar stances on these issues. This is particularly important in the run-up to the local government elections. Mayors and Councils need to remain focused on the effective delivery of core municipal services...."*

The budget was compiled by ensuring that the financial management processes are transparent, aligned to the accountability cycle and facilitate good governance that is accountable to the local community.

The budget supports the provision of basic services to the communities, facilitating social and economic development, promoting a safe and healthy environment in a sustainable manner.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarised as follows:

- The ongoing difficulties in the local economy
- Ageing water, roads and electricity infrastructure
- The need to prioritise projects and expenditure within the existing resources available.
- The increased cost of bulk electricity due to tariff increases from ESKOM. This is placing pressure on the budget as the tariff the municipality has been allowed to charge is less than the bulk cost meaning there are less funds available for maintenance. Continuous high increases are not sustainable as it gets to a point where services are no longer affordable.
- Affordability of capital projects – allocations had to be reduced due to cash restraints and preference given to repairs and maintenance.

The following budget principles and guidelines directly informed the compilation of the 2012/13 MTREF:

- The 2011/12 Adjustment Budget priorities and targets, as well as the base line allocations contained in the Adjustment Budget.
- Service level standards were used to inform the measurable objectives, targets and backlog eradication goals.
- Tariff and property rate increases should be affordable and try not to exceed inflation as

measured by the CPI, except where the price increases in the services that are beyond the control of the municipality, i.e. Eskom.

- No budget has been allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the Division of Revenue Act gazette.

1. Operating Budget

Expenditure

Total operating expenditure increased from R 314 million in 2011/12 to R366 646 380.00 in 2012/13. The overall growth of 38.9% can be attributed to increases on several expenditure components. Examples of these are:

Reasons for significant variances:

Remuneration of Councillors – The 2012/13 provision includes an allocation for additional Councillors following ward demarcation amendments and the impact of additional full time positions, including the position of Chief Whip.

Depreciation & Asset Impairment – The increase results from the adjusted values of certain asset classes due to the GRAP conversion of the asset register. Prior to this assets were retained at historical value. The depreciation impact of

major projects as well as the revaluation of certain asset classes has also added to this new cost;

Bulk Purchases – The increase results from higher than inflationary bulk purchase costs envisaged for the Electricity Services whereby the increase from Eskom is to be 27.06%.

Other expenditure – This expenditure component now includes all other grant funding including the grant funding for capital in terms of GRAP accounting standards.

Reasons for significant staff cost variances:

- Council and Executive – additional full time positions of Chief Whip
- All vacancies will be allocated to Corporate Services Department and will be prioritised by departments before the final budget presentation.

Due to the high increase in the cost of electricity the maintenance budget has had to be reduced in some departments.

The 2012/2013 Operating Budget provides for the following additional allocations:

Revenue

Total operating revenue increased from R 316 million in 2011/12 to R 366 706 334.00 in 2012 /13.

Major contributing items are:

- An increased allocation in respect of the National Equitable Share allocation (from R 57 million (2011/12) to R79 million (2012/13))
- Projected organic growth and tariff increases on Property Rates Tax and Service Charges (Water, Sanitation, Electricity and Refuse)

Reasons for significant Revenue variances:

- Water, Refuse and Sanitation – allowance made for growth in consumption
- Electricity – During the 2011/12 the municipality installed over 650 new connections in the ESKOM areas. To accommodate this increase in sales the increase in income is slightly over the 32% of the tariff. Further, it must be noted that the sale of pre-paid electricity to consumers other than indigents has also increased by 32% and it is in line with conventional cost. The cost for indigents has been kept at 6%.
- Interest on Investments must now be shown as revenue
- Various classes of revenue reduced due to downturn in economy
- Other Revenue – includes contribution for depreciation

Individual service tariffs / Rates

The proposed tariff increases in the table below are averages; i.e. some clients may pay more and others less than the average.

Average Tariff increases for 2012/13, 2013/14 and 2014/15:

- **Rates**
- The tariff increase is 6%
- **Water and Sanitation**
- An average tariff increase of 10%
- **Solid Waste**
- An average tariff increase of 10%.
- **Electricity**

Although the Eskom bulk supply costs increases by 13.5%, the average tariff increase is 11%. This is to enable the municipality to catch up for the past two years where the tariff increase was approximately 10% each year less than the Eskom increase. Following the guidelines in Circular 58 paragraph 3.2 “Municipalities are urged to examine the cost structure and apply to NERSA for electricity tariff increases that are cost reflective and ensure continued financial sustainability.”

2. Capital Budget

The Capital Budget from grants funding has been reduced from R41 million in 2011/12 to R33 444 000.00 in 2012/13. The most significant projects are in:

This overall reduction is attributed to a reduced amount being received for the electrification of houses in the AbaQulusi area.

Major capital expenditure is planned in the following areas during the 2012/13 financial year:

- Roads – R 25,444,000
- Electricity – R 8,000,000

- Roads Services:
Rural Roads & Bridges
eMondlo Roads

- Electricity Services:
Electrification of houses in the ESKOM areas

- Housing Directorate:
An amount of R3,9 million has been allocated by Provincial Treasury but they have advised us not to show it on the Budget as they will be handling the project

- Thusong Centre:
An amount of R500,000 has been allocated by Provincial Treasury for operational support for the Thusong Centre

3. Consolidated Budget Summary:

	<u>Budget 12/13</u>	<u>Budget 13/14</u>	<u>Budget 14/15</u>
INCOME			
Description			

ASSESSMENT RATES	39,453,337	41,662,720	43,912,510
RATES REDUCTION	3,000,000	3,000,000	3,000,000
RATES CLEARANCES	47,420	50,080	52,780
MSIG	800,000	900,000	950,000
BASIC FEES	1,821,970	1,924,000	2,027,900
FREE BASIC SERVICES	10,000,000	10,000,000	10,000,000
CONNECTION FEES - ELECTRICITY	53,130	56,110	59,140
CONNECTIONS NEW USER POINTS	35,050	37,010	39,010
CONNECTIONS NEW USER POINTS - ELEC	1,835,090	1,937,860	2,042,500
CONNECTIONS NEW USER POINTS - WATER	193,150	203,970	214,980
SALE OF PREPAYMENT CARDS	80,220	84,710	89,280
PREPAID TRANSACTION FEE	250,240	264,250	278,520
ELECTRICITY SALES MUN.USAGE	4,314,810	4,556,440	4,802,490
ELECTRICITY SALES	100,278,860	105,894,480	111,612,780
SEWERAGE MUNICIPAL USAGE	367,850	388,450	409,420
PRIVATE STREET LIGHTS	360	380	400
RECONNECTION FEES - WATER	30,010	31,690	33,400
RECONNECTION FEES - ELECTRICITY	2,017,700	2,130,690	2,245,750
REFUSE REMOVAL FEES	12,452,510	13,149,850	13,859,940
SEWERAGE FEES	15,977,810	16,872,570	17,783,690
WATER SALES	20,254,230	21,388,470	22,543,450
WATER SALES TO MUN. DEPTS.	935,180	987,550	1,040,880
WATER SALES:ZULULAND DISTR.MU	3,000,000	3,168,000	3,339,070
BUILDING HIRE	16,070	16,970	17,890
HALL HIRE	173,850	183,580	193,500
HIRE - PERSONNEL	14,700	15,520	16,360
HOSTEL FEES (MONTHLY BEDS)	220	230	240
HOUSE RENTAL	5,090	5,380	5,670
METER RENTAL	86,210	91,040	95,960

PLANTATION HIRE	265,120	279,970	295,090
RENTAL:SIDINGS	10,180	10,750	11,330
RENTALS	97,140	102,580	108,120
TRANSFORMER HIRE	13,170	13,910	14,660
INTEREST - PENALTIES - RATES	859,390	907,520	956,530
DEBTORS SUNDRY INTEREST	18,530	19,570	20,630
EQUITABLE SHARE	63,695,000	68,921,000	74,770,000
PROVINCIAL GRANT FOR LIBRARY	1,431,000	2,799,000	2,951,000
LIBRARY FINES	5,880	6,210	6,550
LOST BOOK CHARGES	4,670	4,930	5,200
TRAFFIC FINES	1,700,000	1,795,200	1,892,140
BUILDING PLAN FEES	71,020	75,000	79,050
BURIAL FEES	184,410	194,740	205,260
DRIVERS LICENCE FEES	2,803,270	2,960,250	3,120,100
MOTOR VEHICLE LICENCES FEES	1,976,560	2,087,250	2,199,960
MEMBERSHIP FEES	8,580	9,060	9,550
TRADE & BUILDING LICENCES	790	830	870
SPECIAL COUNCIL REMUN CONTR	5,359,000	6,062,000	7,747,000
SUBSIDY MAIN ROADS	4	5	6
ZDM GRANT	100,000	100,000	100,000
SETA	160,000	168,960	178,080
Z.D.M. GRANTS - WATER	721,000	761,380	802,490
ADVERTISING SIGNS : RENTAL	60,000	63,360	66,780
PARKING METERS	500,000	528,000	556,510
APPLICATION FEES ADVERT SIGNS	6,780	7,160	7,550
ENCROACHMENT FEES	49,708	52,490	55,320
ENTRANCE FEES - RECREATION FACILITIES	13,340	14,090	14,850
ENTRANCE FEE KLIPFONTEIN	56,080	59,220	62,420
ENTRANCE FEES - GATE	9,400	9,930	10,470
FINANCE MANAGEMENT GRANT	1,500,000	1,750,000	1,750,000

MONUMENT ERECTION	34,850	36,800	38,790
CARAVAN PARK FEES	9,050	9,560	10,080
PHOTOSTAT COPIES	26,390	27,860	29,370
SALE OF PREMIX	18,600	19,640	20,700
SUBSIDY - MUSEUM	134,000	143,000	151,000
SPECIAL CONSENT	1,777,860	1,877,420	1,978,800
SPECIAL CONSENT - BUILDINGS	50,260	53,070	55,940
SUNDRY/LANDFILL SITE	1,035,640	1,093,630	1,152,680
SUNDRY INCOME	91,960	97,110	102,350
INTEREST CURRENT ACCOUNT	186,000	196,420	207,030
INTEREST - INVESTMENTS	3,000,000	3,168,000	3,339,070
TRF FROM UNAPPROPRIATED SURPLUS	27,038,350	0	0
PREPAID ELECTRICITY SALES	34,127,970	36,039,140	37,985,250
TOTAL INCOME	366,706,019	361,528,015	383,736,086

	<u>Budget 12/13</u>	<u>Budget 13/14</u>	<u>Budget 14/15</u>
EXPENDITURE			
Description			
Total Salaries, Wages & Allowances	109,764,908	115,911,740	122,170,950
Total Councillor Allowances	12,306,242	12,995,390	13,697,140
Total General Expenses	195,633,380	206,501,600	217,014,230
	195,633,380	206,501,602	217,014,232
Total Repairs and Maintenance	19,143,500	20,210,250	21,301,590
	19,143,504	20,210,255	21,301,596
Total Contributions to Capital Outlay	3,760,000	3,907,200	4,118,510
	3,760,000	3,907,200	4,118,510
DEPRECIATION	18,226,350	19,247,010	20,286,340

Total Contributions	18,226,350	19,247,010	20,286,340
Total Recharges	7,812,000	8,249,470	8,694,940
TOTAL EXPENDITURE	366,646,380	387,022,660	407,283,700
(SURPLUS)/DEFICIT	(59,639)	25,494,645	23,547,614
	29,978,719	28,494,657	26,547,628
CAPITAL FROM GRANTS			
CRU	-	-	-
MIG	25,444,000	26,840,000	28,392,000
DOE	8,000,000	15,000,000	8,000,000
EXPANDED PUBLIC WORKS	1,000,000	-	
THUSONG CENTRE	500,000	-	-
Total Grant Funding	34,944,000	41,840,000	36,392,000
TOTAL EXPENDITURE INCLUDING GRANTS	401,590,380	428,862,660	443,675,700

(I). Organisational Performance Management System

Abaqulusi Municipality's PMS is the primary mechanism to monitor, review and improve the implementation of its IDP and to gauge the progress made in achieving the objectives as set out in the IDP.

In doing so, it should fulfil the following functions:

- ❖ **Facilitate increased accountability**

The performance management system should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal council and the municipal management team.

❖ **Facilitate learning and improvement**

The PMS should facilitate learning in order to enable the Municipality to improve delivery.

❖ **Provide early warning signals**

It is important that the system ensure decision-makers are timely informed of performance related risks, so that they can facilitate intervention, if necessary.

❖ **Facilitate decision-making**

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The functions listed above are not exhaustive, but summarise the intended benefits of the system. These intended functions should be used to evaluate and review the performance management system on a regular basis.

1. Performance Management Framework

The 2001 Municipal Planning and Performance Management Regulations stipulates that a municipality's Performance Management System (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.

2. Institutional Arrangements

Various structures have been established to monitor and ensure alignment internally and within the Zululand Family of Municipalities. They are listed as follows:

- **Performance Audit Committee**

The structure is an independent committee appointed by the municipality to advise the Executive Council on performance matters relating to finance, policies, internal controls, compliance and evaluation.

- **Management Committee**

This committee reviews Key Performance Indicators and targets annually and is responsible for physical implementation of council strategies.

- **District Technical Advisory Committee**

The structure includes Local municipalities, the district and Co-operative Governance to establish a culture of information sharing and identify common aspects of alignment between the stakeholders on performance management.

- **Internal Audit**

This structure is appointed by the municipality and may be outsourced to audit specialists. The key function is to prepare a risk based audit plan and audit programme for a financial year, advise the accounting officer and report to the performance audit committee on performance matters listed under point 1 above. They analyse performance information for each financial year to enable the Audit Committee to make an informed decision and recommendations to Council.

3. Organisational & Department Scorecard

Performance management can be applied to various levels within any organisation. The legislative framework provides for performance management at various levels in a municipality including organisational (sometime also referred to as municipal, corporate or strategic) level, departmental (also referred to as services, operational or section/team level) and lastly, individual level.

At organisational level the five-year IDP of a municipality forms the basis for performance management, whilst at operational level the annual SDBIP forms the basis. The IDP is a long-term plan and by its nature the performance measures associated with it will have a long-term focus, measuring whether a municipality is achieving its IDP objectives. A SDBIP (both for the municipality as a whole and that of a department) is more short-term in nature and the measures set in terms of the SDBIP, reviewing the progress made with implementing the current budget and achieving annual service delivery targets.

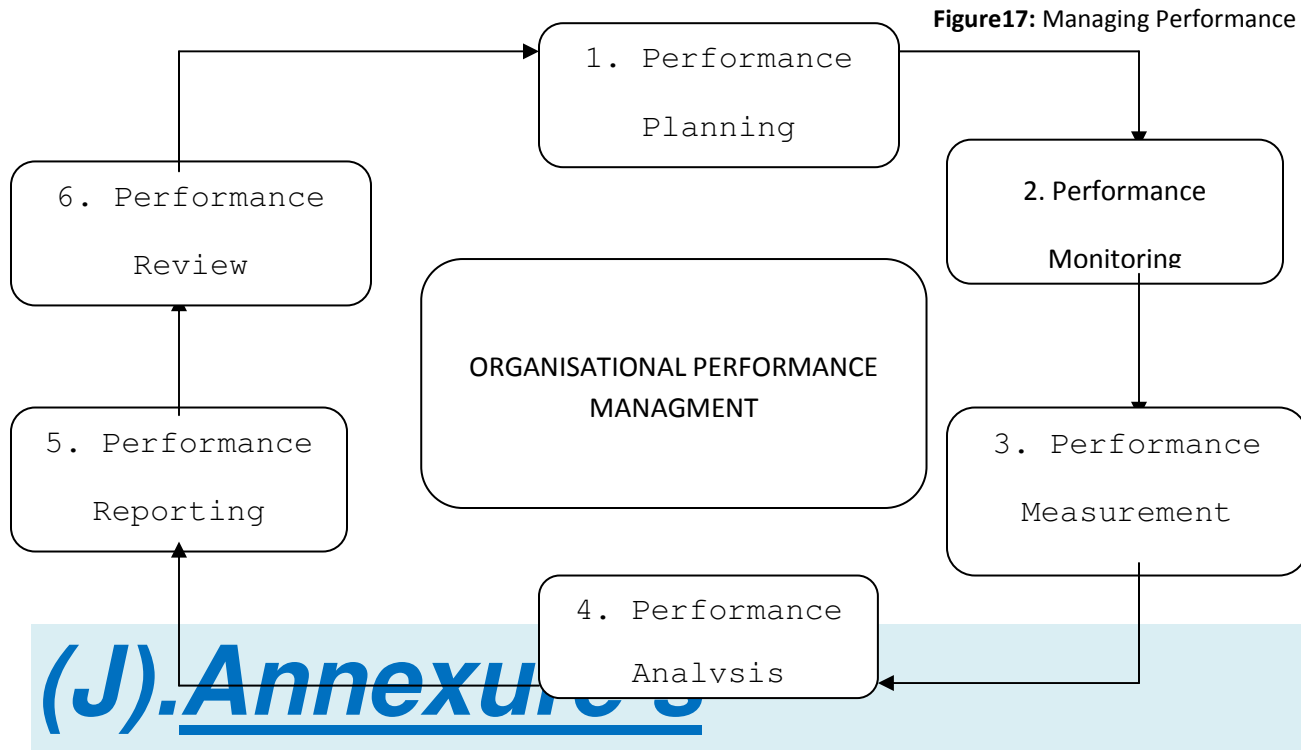
The measures set for the Municipality at organisational level is captured in an organisational scorecard structured in terms of the preferred performance management model of the Municipality. The measures at departmental level are captured in the SDBIPs of the various Departments of the Municipality.

By cascading performance measures from organisational to departmental level, both the IDP and the SDBIP, forms the link to individual performance management. This ensures that performance management at the various levels relate to one another, which is a requirement of the 2001 Municipal Planning and Performance Regulations. The MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP of a municipality and the measurable performance objectives approved with the budget.

The Abaqulusi Organisational Scorecard is attached as Annexure F

4. The process of managing performance

The annual process of managing performance at organisational level in the Municipality involves the steps as set out in the diagram below:



a) SDF

b) Ward Councillors Desired Projects

- c) Auditor General Report/Findings and Municipal Action Plan/Response**
- d) Municipal Turn Around Strategy (MTAS)**
- e) Organograms**
- f) Organisational Scorecard**