

INTEGRATED DEVELOPMENT PLAN REVIEW 2007 / 2008



UMTSHEZI LOCAL MUNICIPALITY

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Annexures

1. Introduction

Umtshezi Local Municipality (ULM) was established in terms of section 155 (1) (b) of the Constitution of the Republic of South Africa (1996) following the Demarcation process and 2000 local government elections. It is one of five (5) category B local municipalities comprising Uthukela District Municipality. The other local municipalities comprising the District Municipality include Indaka, Ladysmith – Emnambithi, Okhahlamba and Imbabazane Municipalities.

In response to the current socio economic situational analysis, Umtshezi Local Municipality has identified projects aimed at addressing the challenges experienced by local communities. The identified projects are in line with the municipality's vision, mission, objectives and strategies, resource framework and should also comply with legal requirements of different sectoral departments or donors. This has been done in order to avoid duplication of activities and allow the Municipality to maximize the positive development impact that is derived from utilization of its scarce resources.

The Municipality strongly believes in public participation in its decision making processes. As a result, a consultative process with all the wards under Umtshezi, izimbizo's, radio talks and newspaper advertisements were used to get input from the public in order to ensure that the IDP 2007/8 is credible, transparent and accepted by all the stakeholders. The comments received from the MEC for Local Government are an important indicator of the extent to which the municipality has managed to fulfill all requirements in terms of the Municipal Systems Act (MSA), Act No 32 of 2000. These have been addressed in a systematic and comprehensive way in order to ensure full compliance to all MSA requirements, resulting in an improved decision-making tool for the Umtshezi Local Municipality as well as credible IDP for 2007/8.

This IDP document therefore, presents yet another review of the Umtshezi Municipality Integrated Development Plan. It is prepared in accordance with the provisions of Chapter Five of the Municipal Systems Act and is based on the broad assessment of the current situation, self-assessment, comments received from the MEC for Local Government and Traditional Affairs and a participation process, including interviews and workshops involving key stakeholders.

2. Focus of the IDP Review Process

Integrated planning is based on a vision for the Municipality to deliver services that will in turn improve quality of life. It places emphasis on what the Municipality plans to achieve, how this will be implemented, who will implement and what resources in terms of budgets, infrastructure and institutional capacity are available to fulfill that purpose, by when. Therefore, Section 34 of the Municipal Systems Act 2000 (MSA) indicates a number of important reasons for completing the IDP Review Process. Some of the more important aspects include:

- The incorporation of comments received from the MEC in terms of IDP content and process and suggestions made on the improvement of the IDP process;
- Incorporating aspects required to form part of an IDP Process according to legislation;
- Reviewing areas requiring additional information and work;
- Incorporating important areas identified through self-assessment by the municipality.
- Incorporating new information and possible changing circumstances including information provided by service providers; and
- Incorporating information gathered through IDP implementation and monitoring of municipal performance in terms of the IDP.
- Integration of sectoral plans.

Umtshezi Local Municipality has undertaken all the above steps and the information gathered informed the current IDP. There are a number of gaps that were identified during the Umtshezi IDP 2006/7 Review process and these have been integrated and incorporated into the current IDP.

3. Visions and Mission

The Vision for Umtshezi Municipality is based on the following vision statements for various sectors: -

- To rapidly reduce the HIV/AIDS infection rate in Umtshezi.
- To have no household living below the subsistence level, by 2010.
- To have a spatial hierarchy of places, linking together in an efficient spatial system.
- To ensure that all communities under Umtshezi Local Municipality have access to

- infrastructure and social services by 2010
- To provide support on land Reform activities that fully meet the aims and objectives of the National Policy which are to:
 - Redress injustices of the past and
 - Build national reconciliation and stability.
 - To support Economic Growth initiatives
 - To reduce poverty and improve the quality of life of the communities
 - To establish an efficient and effective local government, serving the needs of all its citizens.
 - To support the initiatives on long-term conservation of the indigenous biodiversity of Umtshezi in such a manner that the people will benefit from and share in the diversity, economic value and opportunities for spiritual well-being and recreation which it offers; and
 - To have a diversified economy based on manufacturing, tourism and agricultural processing.

Based on the above vision statements, Umtshezi Local Municipality has formulated a consolidated, brief and holistic new vision together with a mission statement, which describes how the vision will be achieved and goals (core values).

The New Vision

“By 2020, Umtshezi Local Municipality will be the champion of a Sustainable Development and safe environment”

The parts of the Umtshezi Municipality Mission Statement directly relating to LED include the following:

- 1. Promote an enabling economic and social development environment**
- 2. Establish and maintain community networks that promote healthy engagement between the Municipality and our stakeholders**
- 3. Develop Umtshezi in a way that does not compromise future generations**
- 4. Work cooperatively with other spheres of Government and the Private Sector**

This places emphasis on the enabling environment, sustainability and partnership and co-operation. The core values of Co-operative Governance and Public-Private Partnerships again underline this commitment by the Municipality.

4. Municipal Powers and Functions

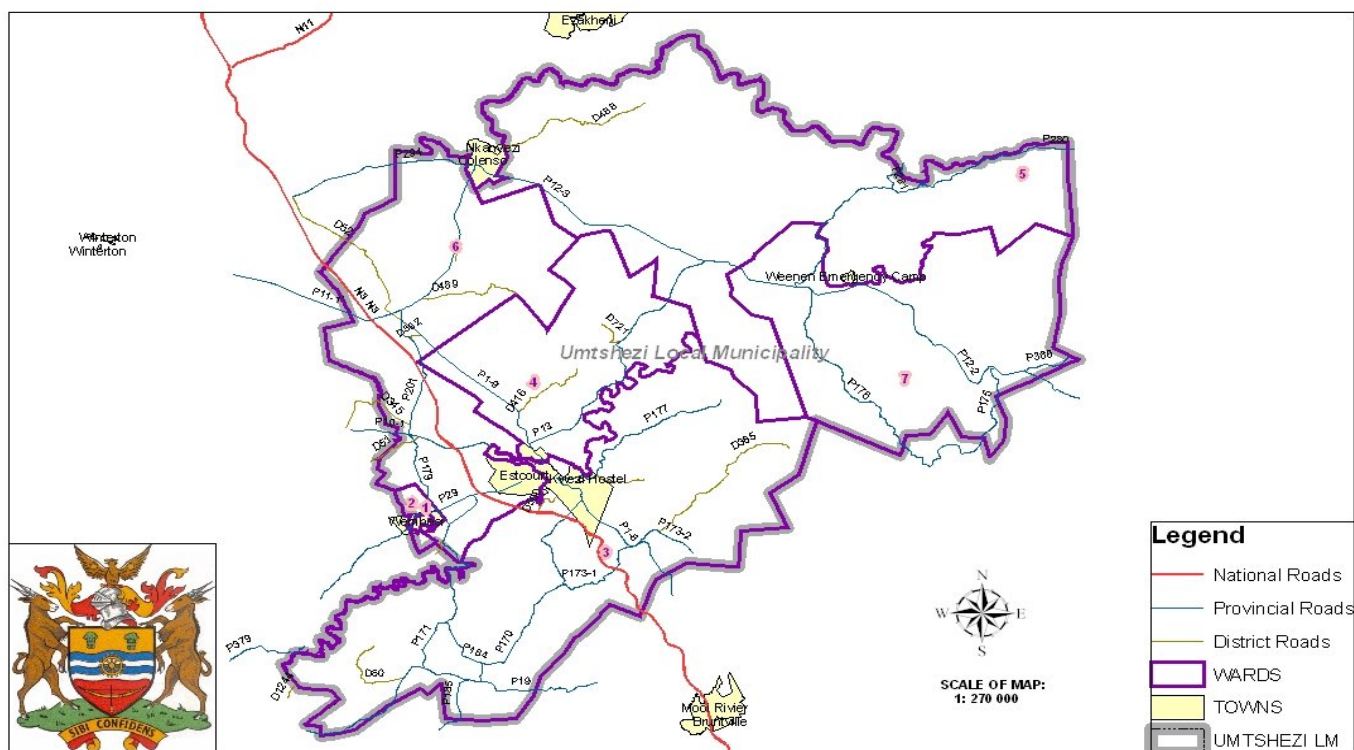
The Municipal Structures Act of 2000 allocates powers and functions to district municipalities such as functions on water, sanitation, municipal health and electricity services and these functions are also known as national functions. However, it is the Minister of Provincial and Local Government who can decide on the division of these functions between district and local municipalities. The Act also makes provision for the Minister to authorize a local municipality to exercise these powers and functions in its area of jurisdiction instead of the district Municipality. The following is a summary of the powers and functions for Umtshezi Local Municipality:

- Solid waste disposal
- Municipal roads
- Fire fighting services
- The establishment, conduct and control of cemeteries and crematoria
- Promotion of local tourism
- Air pollution
- Building regulations
- Storm water management
- Street trading
- Street lighting
- Traffic and parking
- Electricity
- Local sports facilities
- Control of undertakings that sell liquor and food to the public
- Noise pollution
- pounds

5. Current Situation Analysis

Umtshezi Municipality comprises parts of the Magisterial Districts of Weenen and Estcourt, and is located approximately 165km northwest of Durban and 400km south-east of Johannesburg. The National

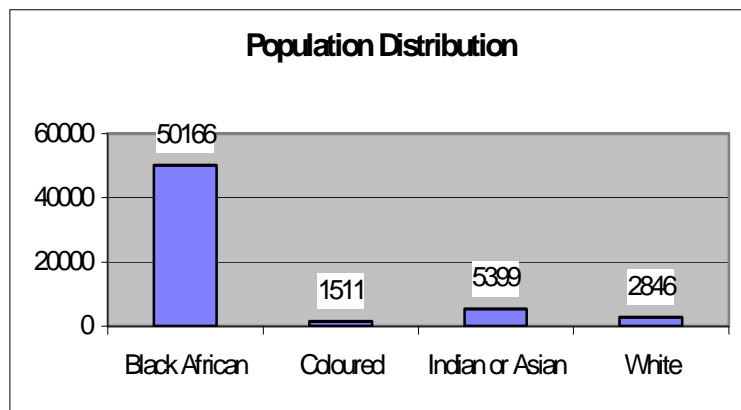
Road N3 also traverses the Municipality on its western portion linking these two major cities i.e. Durban and Johannesburg. Estcourt Town is the main urban center for the Municipality. Umtshezi Municipality is bordered on its southeastern portion by the Mooi Mpofana Municipality, Msinga Municipality on its eastern portion, Indaka Municipality on its northeastern portion, both by Emnambithi and Okhahlamba Municipalities on its northwestern portion and Imbabazane Municipality on its southwestern portion. The following is a synopsis of the current socio-economic data of this Municipality:



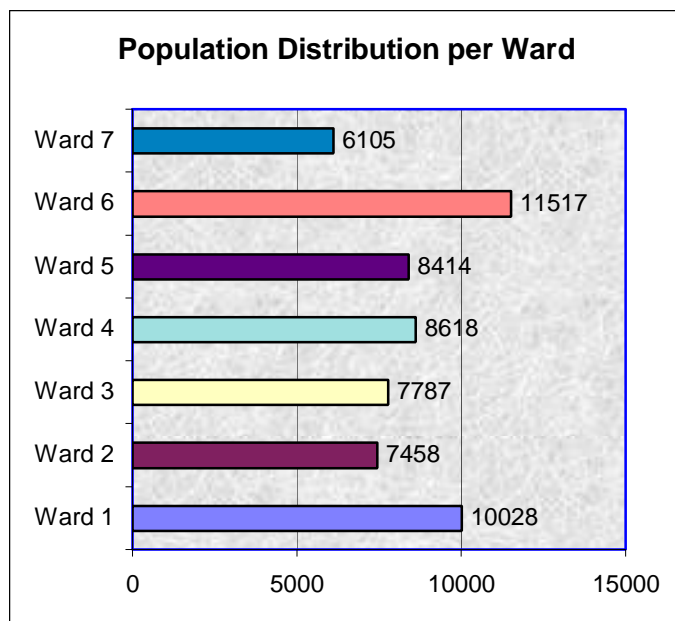
Demographic Profile

Population Size and Distribution

The 2001 Census Data estimates that the total population of Umtshezi Municipality is estimated at 59 922 individuals (but that has changed considerably. Unfortunately the municipality's estimate will not be officially accepted), constituting about 9% of the Uthukela District Council population. Black Africans predominantly comprise the Municipality as indicated in the figure below.



The Municipality also comprises of 13 951 households, spread unevenly in seven (7) municipal wards. The majority of the people are concentrated in urban areas ($\pm 29\ 934$) and in farming areas ($\pm 19\ 950$), but there are a few patches of high-density settlements within informal areas. The figure below indicates population distribution per municipal ward:



The above figure indicates that the most populated areas within Umtshezi Municipality are wards 6 and 1. These wards require better service infrastructure and in the past decade have experienced huge influxes of people attracted by better service provision and proximity to Estcourt town, which is a major economic hub presenting employment opportunities within the Municipality. Ward 7 is the least populated within the Municipality. This is not surprising since the ward mainly comprises farming settlements around Weenen.

Gender

Umtshezi Municipality's population is slightly imbalanced with females out-numbering their male counterparts. Approximately 52% (31 455) of the total population comprise of women while males account for only 48% (28 467) of the total population (refer to Figure 3 below).

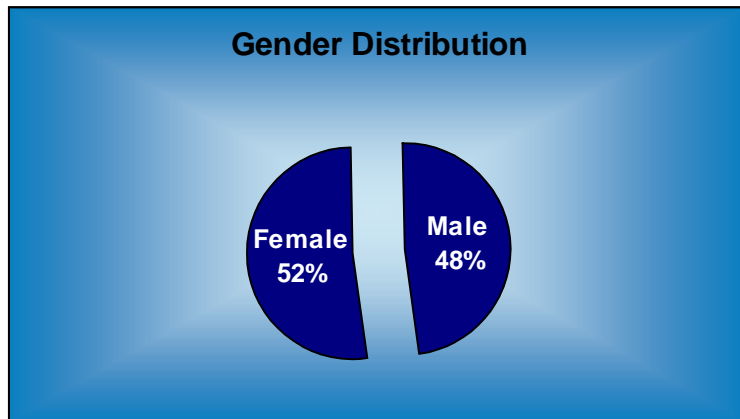
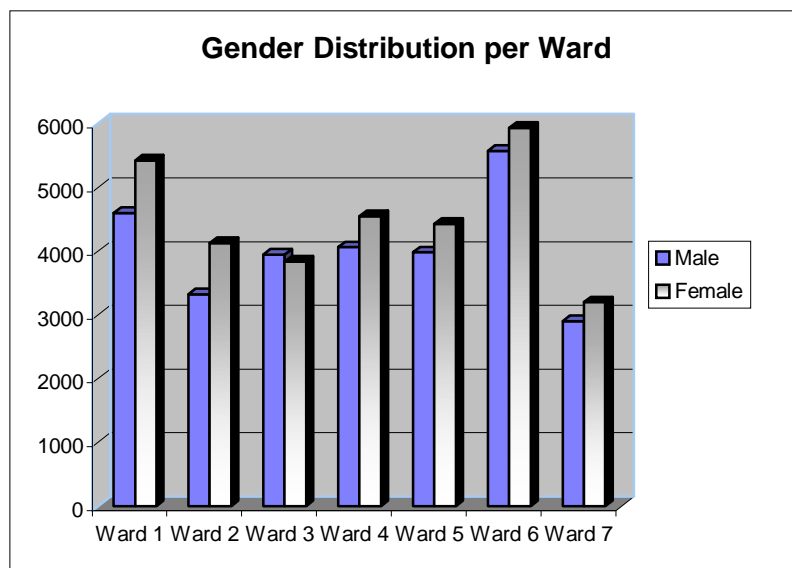


Figure 4 below indicates male absenteeism throughout the municipal wards, with the exception of Ward 3. This can be attributed to a number of males going outside of the municipal boundaries to seek work at major economic hubs within the country, mainly in Durban and the Gauteng province

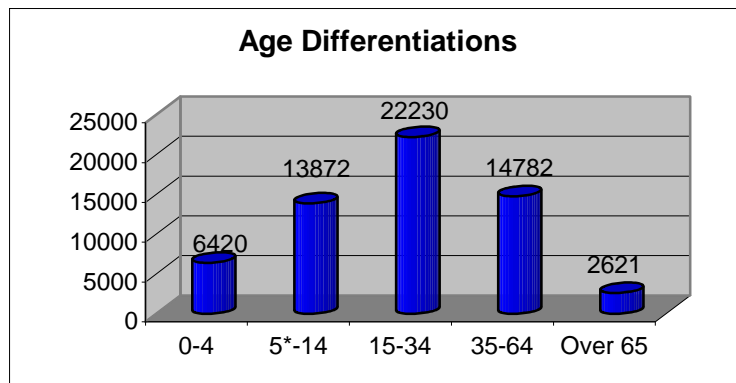


Given that most of the municipal area is dominated by farming settlements, male absenteeism is an indication that most farmers are no longer engaged in conventional commercial agricultural activities, which tend to utilize males for labour purposes, hence most males seeking employment elsewhere in the country.

Age

The age composition or structure also determines the kind of economic activities within the locality. Different age groups have different economic needs and different spending patterns.

Age Differentiations



Approximately 71% of the total population in Umtshezi Municipality area is below the age of 35. Children, below the pre-school enrolment age (that is, 0-4 years of age), constitute 11% of the population, with those who are at school-going age, including pre-school constitute 23% of the entire Municipal population. Approximately 4% of the total population is over the age of 65 years. This scenario indicates the high dependency ratio incident within the municipal area, an event that might have a negative impact on the overall socio-economic development of the area as it impedes on the ability of the individuals to save and invest.

Figure 5 above indicates that the largest age group in the municipality is between the ages of 15-34 constituting 37% of the entire population. This is followed by ages 35-64 (25%) and by 5-14 age group (23%). This trend obliges the government and the local municipality to allocate a large percentage of their budget to social development facilities such as schools, child grant, pension and

clinics instead of on capital facilities such as roads, water and electricity infrastructure and municipal marketing activities.

Employment Profile

Table 1: Employee Occupation

<i>NO</i>	<i>OCCUPATION</i>	<i>PERCENTAGE</i>
<i>1</i>	Legislators & Senior Officials	0.2%
<i>2</i>	Corporate & General Managers	5.0%
<i>3</i>	Engineering Science Professionals	2.2%
<i>4</i>	Life Science & Health Professionals	3.1%
<i>5</i>	Teaching Professionals	9.0%
<i>6</i>	Other Professionals	4.0%
<i>7</i>	Clerks	11.0%
<i>8</i>	Services related	6.5%
<i>9</i>	Retail related	4.0%
<i>10</i>	Commercial Agriculture & Fishery	4.0%
<i>11</i>	Skilled	10.0%
<i>12</i>	Plant Machinery Operators/ Drivers	9.0%
<i>13</i>	Elementary	25.0%
<i>14</i>	Undetermined	7.0%
<i>TOTAL</i>		100%

Table 1 above indicates the number of employees per occupation in Umtshezi Municipal area. Approximately 10% of the total working force in the municipality is skilled. Only 18.3% of the workforce is professional. Trade and craft constitute 10% of the workforce. This could also be used to boost the tourism sector within the municipality. An approximate number of 25% of the entire workforce is employed at elementary level. The shortage of skills in Umtshezi is a major area for concern. Efforts are made by the Municipality to strengthen the skills development programmes based on the principles of the Accelerated Shared Growth Initiative of South Africa (ASGISA).

Income Profile

Table 2: Individual and Household Income levels

ANNUAL HOUSEHOLD INCOME	PERCENTAGE (%)
No income	27%
R1 - R4 800	10%
R4 801 - R9 600	20%
R9 601 - R19 200	13%
R19 201 - R38 400	11%
R38 401 - R76 800	9%
R76 801 - R153 600	7%
R153 601 - R307 200	2%
R307 201 - R614 400	0.7%
R614 401 - R1 228 800	0.1%
R1 228 801 - R2 457 600	0.2%

The above figures indicate that on average 27% of the households are surviving on less than R12 per day. This indicates high dependency ratios in that most of the households may be surviving on government grants ranging from old-age pension grants, disability grants etc. Even if households employ informal or illegal survival strategies it is unlikely that they generate substantial income given the general lack of viable economic base within rural areas. This situation indicates a need for development of local economic development activities that will ensure that households do manage to have access to the bare minimum of household's amenities.

Physical and Socio -Economic Profile

The common physical and socio-economic thread that cuts across all municipalities falling under Uthukela DM relates to poor infrastructure development, poverty and unemployment. Uthukela DM covers an area of 11,329km², has a population of approximately 630,000 and is divided into five LMs namely, Emnambithi (KZ233), Indaka (KZ234), Okhahlamba (KZ235) and Imbabazane (KZ236). This district constitutes 12% of the provincial area, 6.5% of the population and contributes 3.5% to the

province's gross geographic product (GGP). The region is predominantly characterized by farmland and dense to scattered rural settlements situated in undulating topography, with 88% of the population living in the rural areas. Emnambithi LM has the largest population (230.511) and Umtshezi LM the smallest (48.328). The average population density is 56 persons/km², ranging from 23 persons/km² in Umtshezi to 157-persons/ km² in Imbabazane. The average household size varies within the rural area from 5 to 8 persons.

On the other hand, in Umtshezi Local Municipality has the majority of its population concentrated in urban areas as well as in the farming areas, mostly Black Africans. Umtshezi has therefore developed and finalized the Spatial Development Framework, which has provided a framework on which parts of the areas within this Municipality could be utilized for which economic and industrial activities.

6. Key Performance Areas

6.1 Municipal Transformation and Institutional Development

The Institutional arrangements for Umtshezi Local Municipality IDP Review process can be compared to the Institutional arrangements, which were relevant during the IDP preparation phase. The same structures were also used during the IDP Review as to ensure continuity within the development process and general capacity building of people involved within the process. The Municipality adopted a new organogram in April 2007, with 325 current posts, 45 vacant posts and 16 frozen posts. There is one frozen post in the Section 57 staff but all other positions in this category are filled (Refer to the Organogram below). At the moment, the IDP process is driven from the IDP Manager's who reports to the Director Social and Community Services, who in turn reports to the Municipal Manager. As outlined in the organogram below, there is a budget office with a Director and other support staff members. The Director for Finance is a Section 57 employee and he reports directly to the Municipal Manager.

There is a budget allocated for the review of the Performance Management System for the Municipality. This will be implemented in the 2007/8 financial year. The Municipality is considering the appointment of a Special Programmes Officer that will ensure there is effective implementation of the Equity Plan in order to address the issues relating to youth, gender and people with disabilities.

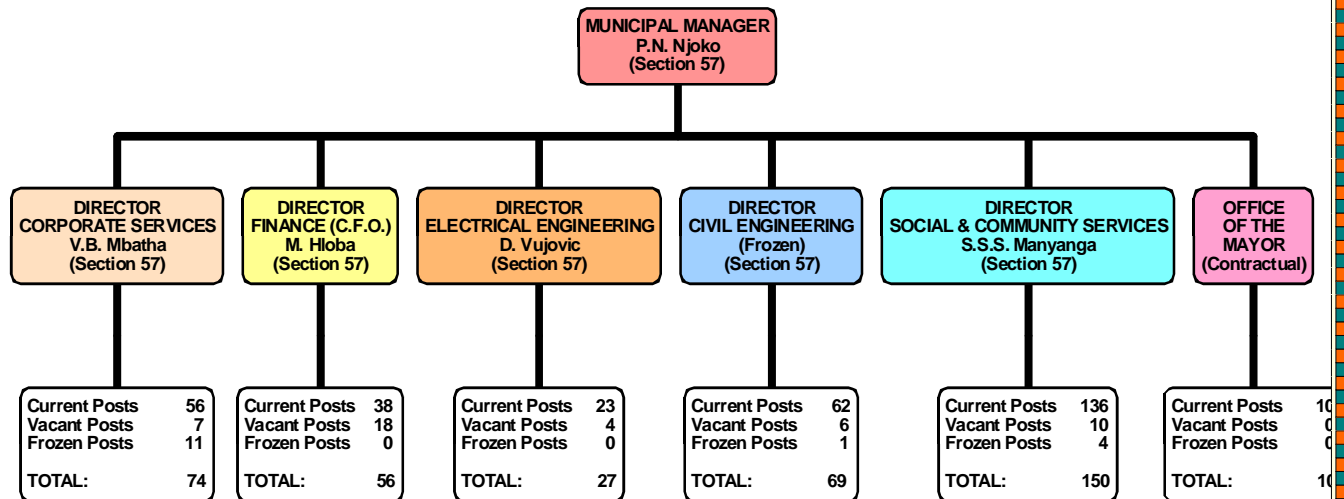
STAFF STRUCTURE/ORGANOGRAM

UMTSHEZI MUNICIPALITY

(Summary)

CURRENT POSTS: 325
VACANT POSTS: 45
FROZEN POSTS: 16

TOTAL: 386



NEW PROPOSED STRUCTURE: 16 April 2007

Of importance also is the involvement of the both internal and external stakeholders in the decision making processes on Umtshezi. The Municipality has devised clear roles and responsibilities for each structure. For example, the internal role players include the councilors, officials, IDP steering committee and the representative forum (RF). The external role-players include the District Municipality, the Mayor as well as the sector departments. The RF provides a platform for all role players to take part in the decision making process to ensure the effectiveness of the IDP Review Phase.

The Municipality has approved the Skills Development Plan which also includes the Workplace Skills plan. This plan will guide the municipality in its efforts to address the challenge on the shortage of skills within the local Municipality.

6.2 Local Economic Development

The economic analysis undertaken in Umtshezi indicates that the poverty and unemployment rates have increased, with employment opportunities not being created quickly enough for the number of people entering the labor force. The Development Bank (2005) has clearly indicated that employment (a job or an income generating activity) is the best protection against poverty. This means that any strategy must protect and build formal employment and assist the poor and second economy participants to access opportunities. The balance between the two approaches and the use of available resources is also important. The formal economy experienced a negative growth rate until 1999 – 2000, and even since then has exhibited a fluctuating growth rate in spite of the national positive growth.

The municipality is currently formulating robust policies and strategies that address poverty reduction issues as well as the provision of free basic services to the indigent, at the same time looking and strategies for laying foundations of accelerating economic growth and development. Umtshezi presently records high figures of unemployment. This situation calls for a need to create economic opportunities in the municipality. The municipality is not fully utilizing the opportunities presented by N3 and its proximity to the World Heritage Site. The finalization of the Spatial Development Plan will enable the Municipality to strategically position itself to the opportunities presented by the FIFA World Cup 2010. The Municipality is planning to identify cultural sites that will be used to attract tourists and new businesses. The key economic sectors within the municipality include agriculture, manufacturing and tourism. Tourism is one of the economic drivers of this LM and opportunities exist in the municipality and if fully utilised can create jobs. This has led to Umtshezi Municipality developing a comprehensive LED Strategy and Plan with the assistance of the Gijima KZN LED Support Program. The goals of the

project include the following:

- Develop an understanding of the status quo.
- Develop a common understanding of the LED problems and opportunities facing the Umtshezi area.
- Develop a shared LED strategy and plan for the area.

This is line with the National Spatial Development Plan (NSDP) which is based on the following basic principles:

Principle 1: Rapid economic growth that is sustained **and inclusive** is a prerequisite for the achievement of poverty alleviation.

Principle 2: Fixed investment should be focused in localities of economic growth or economic potential.

Principle 3: Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities.

Principle 4: Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main centres.

Furthermore, the 1996 constitution requires all local governments to be developmental local government. It further states that a municipality should structure its planning process to give priority to the basic needs of the community, and to promote the social and economic development of the community and participate in national and provincial development programmes. In essence, the municipality must have socio-economic development as its main priority. All other functions within the municipality should support the developmental function of the municipality.

- The provision of democratic and accountable government for communities
- Ensures the provision of services to communities in a sustainable manner
- Promotion of socio-economic development
- Promote a safe and healthy environment

- Encourage the active involvement of communities and their organizations in matters of local government.

The Municipality Spatial Development Framework has identified agriculture as the major economic driver in this area. The agricultural sector is well established and indicates a level of stability in terms of employment. There are two key challenges in the sector. The first is that there is a dependency on traditional crops and products with very little innovation or value addition. The second is that the sector appears to be struggling with the possible impacts of land reform. There have been some positive signs as the Estcourt Farmers Association has been investigating the local solution developed at Besters near Ladysmith. At the same time there is also the area proposed for the Gongolo Game Reserve that has been unable develop a common vision.

On the other hand, Umtshezi Local Municipality has subscribed to the principles of the Accelerated and Shared Growth Initiative for South Africa (ASGI-SA). The core objectives of ASGI-SA are to:

- Accelerate growth in the economy;
- Reduce the gap between the first and second economies;
- Ensure that the social security reaches all who are eligible and
- Halve poverty and unemployment by 2014.

The LED is located within that of ASGI-SA and the macro-economic policy framework. It refers to the second economy and is build around the premise that the economic growth being currently experienced will continue within the parameters outlined in the ASGI-SA programme. A sizable amount of the UMmshezi budget has been allocated for LED to ensure that over the next 10 years, focus will be in accelerating growth leading to large-scale social transformation. Local townships and rural areas have been targeted for wide-scale social mobilisation through information, knowledge and skills programmes that would help drive in stimulating the economy of these areas. Communities are actively involved as “their own change agents, rather than just passive citizens to whom services must be delivered”.

In terms of sectors the area has had mixed success. The three most positive private sectors remain agriculture, manufacturing and trade. These are also the three most important sectors historically. The three sectors differ in their forecast in terms of potential growth, challenges, and the future of employment demand. The manufacturing and agri-processing sectors remain important, but have experienced a decline. The Estcourt area has been a key centre for the processing of agricultural

products (60% of manufacturing was previously in food processing) – mostly meat and dairy products. There are obvious important backward and forward linkages between agriculture and food processing, which can be exploited. The manufacturing sector was well established in the past but has experienced a steady decline – with a number of large firms closing down. The decline was partly a result of the national slow down in the sector – but also as a result of industries moving to larger centres. The remaining industries are exhibiting growth as the sector as been growing in terms of GDP/GVA, but not in employment. The upturn in manufacturing will not necessarily lead to industries coming back. The most disturbing trend is that unemployment and poverty levels will continue to increase unless a new approach is developed. This is despite a growing economy. The point is that the economy will not create as many formal sector opportunities as there are job seekers. The future opportunities need to be generated in more creative ways.

All the sector plans that have a direct impact on the local economic development have been developed and most of these plans are currently under review for effective implementation in the 2007/8 financial year. **(Refer to the annexure on Sector Plans.)**

6.3 Service Delivery and Infrastructure Investment

Umtshezi has identified critical focus areas for the 2007/8 financial year. These priority areas are aligned to the National Key Performance Areas (KPA's) and will be addressed through the identified development strategies within the Municipality. The development strategies are further aligned to the Millennium Development Goals (MDG) which purports that extreme poverty should be eradicated by 2015. The MDG South African Report for 2005 indicates that 11% of the people in South Africa live on less than US\$1 a day. The Global Insight Poverty indicators reveal for 2005 that in KwaZulu-Natal 5.3 million people were living in poverty and 1.2 million people were living on less than US\$1 a day (R6.5 a day or R200 a month). In Umtshezi Local Municipality, the statistics reveal that 27% of the households are surviving on less than R12 a day. This highlights the necessity for the Municipality to put together its resources in fighting the frontiers of poverty through effective service delivery programmes such as LED and others that would stimulate the economy of this area.

The Municipality has worked closely with the Municipal Infrastructure Grant Unit from the Provincial Department of Local Government and Traditional Affairs to ensure that the Municipal infrastructure is developed. A budget of about R2.3 million has been allocated for this particular function. There are a number of MIG projects that have been identified and approved for implementation for the 2007/8 financial year and these are also included in the list of projects for

Umtshezi IDP 2007/8. The budgets are allocated on the MTEF cycle over three years in accordance the Division of the Revenue Act (DORA). The Municipality is working endlessly to also engage other sector Departments to provide their allocated budgets in time for inclusion in the IDP. The major challenge with infrastructure projects is that the Municipality does not have any budget for operations and maintenance. It is currently relying on funds generated by the Municipality. This problem cannot be addressed by the Municipality alone, it is a inter governmental issue that will need to be addressed collectively by all spheres on Government.

It is however, important that Umtshezi gets support from other sectors that are interested in uplifting the quality of life of the people. There are backlogs that have been identified in infrastructure development, water services, electricity and other key services within the Municipality. These backlogs are constantly identified as priority areas for the Municipality to plan and address them within the available budget. The financial officer is developing the Service Delivery Budget Implementation Plan which also addresses the service delivery matters for the Municipality.

6.3.1 Access to energy

Access to energy or alternative sources of energy is still a challenge within this Municipality. There are areas that are currently being serviced by ESKOM and others by the Municipality. The services in these areas are not the same and the Municipality is constantly engaging in discussions with ESKOM in order to address some of the concerns that are brought to the Municipality's attention in this regard. The pace of electrification by Eskom is a matter of concern and the provision of alternative sources of energy is also very slow causing serious problems for the municipality. It is only about 70% of the households in the municipality that have access to electricity with the result that most people rely on paraffin, gas and wood as a source of energy. This makes life difficult and a lot of time is wasted gathering wood. This is also one of the priority areas for 2007/8. With the launch of the Energy task Team by the Department of Local Government and Traditional affairs in March 2007, it is anticipated that a lot of energy concerns will be addressed. The Municipality is currently providing free basic electricity as well as alternative energy to the indigent people within this Municipality. There are reported backlogs in the electricity supply in those areas that are serviced by the Municipality.

6.3.2 Access to Social Services

Throughout the municipality there is a general shortage of halls, crèche facilities and MPCC's. The distribution of clinics within the municipality is uneven with some clusters having nothing while others have more than one. There are still areas where there is virtually no hospital such as in Weenen, as a result people have to travel long distances to Estcourt which costs a lot of money. Community halls are needed so that people can have a meeting place and the few community facilities that exist are not properly maintained. The Municipality has allocated a budget to improve the infrastructure development in the communities. This is done through the MIG funding. The disadvantage at the moment is that there is no allocation for operations and maintenance (O&M)

The quality of education in schools is also not satisfactory because of the shortage of teachers and location of schooling facilities in private land (farms). There is also low morale among the teachers. There is acute shortage of science facilities in high schools. In some clusters high school learners have to travel long distances because of uneven distribution of schools. The scarcity of science facilities and technical skills limits the employability of learners. The municipality is in a difficult position with high unemployment levels and large numbers of people with no marketable skills.

Furthermore, the distribution of clinics and other primary health care facilities within the municipality is uneven with the result that some clusters are left out. There is still a great deal of ignorance about the spread of HIV/AIDS. Access to social welfare services still poses another challenge on the access to social services. The Department of Welfare and population Development is working together with the Municipality in ensuring that such services are rendered to the local communities. This is one of the priority areas for the Municipality a well.

6.3.3 Free Basic Services

The Municipality is also focusing on the provision of free basic services to the indigent. The indigent policy is in place and the register is updated regularly for this purpose. However, there are still some challenges that are experienced in this area due to lack of human resources that could focus entirely on this function. Regarding free basic electricity, the Municipality has signed a service level agreement with ESKOM to provide free basic electricity to those areas

listed in the agreement. At the moment there are backlogs reported in those areas that need to be addressed by ESKOM. There are no backlogs on those areas serviced by the Municipality. The Municipality is also providing alternative sources of energy in those communities where there is no electricity. On Free Basic Water, Uthukela District Municipality has also entered into an agreement with the Local Municipality on this function. Regarding Free waste removal, there are no programmes in place for this service.

6.3.4 Access to Sports and Recreational facilities

The limited number of sport and recreation facilities in the municipality has a direct relationship with crime and prevalence of HIV/AIDS among the youth. The facilities that exist are located inappropriately making them under-utilized. There is a huge bias towards soccer and other sporting codes are not catered for. The provision of facilities is a matter of urgency so as to keep the youth engaged and thus reduce crime incidents. The youth need extra mural activities to keep them busy. The youth can develop their talent and get to professional level. The Departments of Education and Sports and Recreation are part of the IDP Forum as well as the service providers forum where these priority areas are debated at length and addressed to a certain extent by the relevant sector department.

6.3.5 Access to Water and Sanitation Services

The water supply services are, according to the Municipal Structures Act, the powers and functions of the District Municipality. Uthukela District Municipality holds regular meetings with all the local Municipalities to discuss areas of concern on water service delivery. It a fact that the shortage of water in the municipality makes life difficult and in turn makes people vulnerable to diseases and when this happens, the communities seek for help from the nearest Municipality office, which is the Local Municipality. The lack of bulk supply makes it difficult to provide potable water and as a result there is a huge reliance on natural systems for water provision. Furthermore, the difficult terrain remains a challenge for providing potable water and the municipality is faced with the challenge of confronting associated diseases like cholera and scabies. The net effect is that people have to travel long distances to collect water from springs and boreholes that are not even protected. There are clusters that rely solely on unsafe water sources as the rivers are dirty and springs are unprotected.

For example, the Uthukela Municipality is unable to provide water in most parts of the rural communities under its jurisdiction. Another complication hinges on the fact that there are still areas that are serviced by Uthukela District Municipality as well as Uthukela Water Board as a service provider. This has created confusion at community level. However, there are discussions currently taking place to address this challenge. Cognizance is taken of the national policy of free basic water, ability (& willingness) of consumer to pay for higher services levels, reliability of the water source, consumer quantity and density.

This is also one of the powers and functions of the District Municipality. However, it has a direct impact on the municipal health and environment. The absence of adequate sanitation facilities has severe health implications for the municipality. Most of the municipality is faced with the shortage of sanitation facilities and even the pit latrines that were provided are too few. The absence of sanitation facilities cannot be divorced from the shortage of water. Pit latrines are poorly constructed poorly ventilated and in turn create a health hazard. The provision of pit latrines has a good potential for creating jobs. Water borne sewerage is not feasible for most areas because of lack of bulk services. The Municipality has identified projects on sanitation especially in the rural areas where water borne sewerage cannot be implemented in the next financial year. The Municipality is working closely with the Department of Health, Department of Water Affairs and Forestry as well as Uthukela District Municipality to address this problem.

6.3.6 Poverty eradication

Poverty could be described as an inability of an individual or a household to meet required and essential basic needs. It is multi-dimensional in nature and as such needs a multi-sectoral approach, which cuts through sectoral departmental intervention for its alleviation. Obviously, unemployment is a significant contributor to poverty. Unemployed poor people in KwaZulu-Natal are concentrated among: Africans; in rural areas; among women; and the youth.

There is a strong correlation between level of education and standard of living: in South Africa the poverty rate among people with no education is 69%, compared with 54% among people with primary education, 24% among those with secondary education and 3% among those with tertiary education (May: 1998). Thus, a low level of education can be attributed as one of the main cause of poverty. In most instances education provides employment opportunities, provides the incumbent with innovative abilities and entrepreneurial skills. There is also a higher correlation

rate between poverty and ill health. Poor people could not afford healthy food. They often do not have access to basic services, such as reticulated water. They are therefore forced to utilise un-reticulated water, a phenomenon that exposes them to waterborne diseases.

Poverty also has a positive relationship with unemployment. Employment provides the employee with income that can be used to buy basic foodstuffs and other essential services. People who are more likely not to be poor are from the rich families, employed people, successful criminals, and successful self-employed people (Mphephu: 2003).

Thus, poverty alleviation program has a positive relationship or with social development program, Local Economic Development and environmental management. The following table seeks to show the relationship between poverty alleviation and other programmes. According to the Provincial Millennium Development Goals, extreme poverty in South Africa should be halved by 2014, the reality is that there are millions of people who still live below the poverty line and this is a priority area for the Local Municipality as well. The lack of employment in the municipality, resulting from the closure of factories, exacerbates the situation. There are very few economic development opportunities and the only option is to encourage semi-commercial form of agriculture and promote SMME development in the municipality, including potential diversified tourism activities within the municipality. More land suitable for agriculture should be identified and made available to the people. The municipality is liaising with the Department of Agriculture in organising more agricultural extension officers for the municipality. Furthermore, during the Growth and Development Summit in Uthukela District, many farmers committed themselves to work with emerging black farmers by assisting them with produce that could be marketed locally and internationally. Umtshezi has therefore prioritized this area and will work closely with Uthukela District Municipality in ensuring that the farmers support programme is strengthened.

6.3.7 HIV/Aids

The scourge of AIDS affects all the citizens of this country, mostly the youth. South Africa has the highest HIV/AIDS infection rate in the world. Out of the nine provinces in South Africa, statistics indicates that KwaZulu Natal has the highest HIV/AIDS infection rate. The HIV/Aids pandemic has the potential of destroying all the socio-economic gains acquired up to so far. This phenomenon has the potential of destabilizing the country and further making it impossible to

realise the social economic development potential of the country. Global Insight Poverty indicators reveal that for 2005 in KwaZulu-Natal 1.5 million people lived with HIV and Aids (15 per cent of the population in 2005), and the life expectancy dropped to 45 years.

Umtshezi Local Municipality has realised that HIV/AIDS pandemic will have a devastating impact on its socio-economic development programs. This has led to the formation of HIV/AIDS development plan, which seeks to ensure that HIV/AIDS infection rate is lowered and that those who are affected and infected with the pandemic are given the necessary support. HIV/AIDS will have an impact on all the projects envisaged for development in Mtshezi. The Municipality will embark on HIV/Aids programmes during the 2007/8 financial year that would contribute to the mitigation of this pandemic. There is an integration of HIV/AIDS and specific projects.

6.3.8 Safety and security concerns

There is a shortage of Police Stations in the municipality with the result that many clusters are not covered. This makes effective policing virtually non-existent and leads to an increase of criminal elements. The reaction time for the police to respond to reported criminal incidents is too long. The lack of economic opportunities among the youth also increases chances of criminality among them. The community policing forums are not effective enough. Umtshezi is however served by SAPS Estcourt; Weenen and Wembezi, also Estcourt Stock Theft Unit. The SAPS together with the Department of Justice and the South African Demarcation Board aligned SAPS, Magisterial and Municipal boundaries which brought about minor changes to the boundaries of the various stations serving the Umtshezi Local Municipality. Umtshezi is also serviced by other units based in Pietermaritzburg, which focus on specialized investigations. The Municipality will continue providing safety and security measures through the community policing forums, with Councilors serving on this committee. There is a close working relationship and cooperation between the municipality and the police fraternity. The provincial operational plan is also available within the municipality and has been workshopped to ensure buy in from all the stakeholders interested in providing support in this regard.

6.3.9 Cemeteries and Crematoria

Some communities within the Municipality are still practicing on site burials as a cultural phenomenon and there is a general shortage of burial sites in the municipal area. There are

negative environmental implications because of contamination of ground water. The land that has been used as a grave cannot be used for any other purposes. Uthukela District Municipality conducted a Cemetery Crematorium Identification Study and its findings are yet to be implemented. There needs to be intensive awareness campaigns so as to sensitize people about the importance of using clearly demarcated grave yards.

6.3.10 Roads and transport

The municipality has better roads and stormwater drainage around Estcourt/ Wembezi Complex than Weenen. The majority of farming areas experience the opposite. Lack of clarity as to the jurisdiction over certain roads also contribute to road networks of the municipality. The bad condition of the roads make transport costs very high. On rainy days it becomes difficult to move and some areas become inaccessible as a result. The roads are easily washed away in the rainy season and kids are forced to stay away from school. Lack of funding for road infrastructure and maintenance thereof is a problem for the Municipality. The Municipality relies heavily on MIG funding for infrastructure development. The Municipality is working closely with the Department of Transport, through the Rural Transport Forums, in identifying roads that need funding and upgrading within the Municipality. A Transport Plan has also been developed which stipulates clearly their plans for the building of new roads in the next five years.

6.3.11 Refuse Removal and Waste Management

There is no municipal wide waste disposal site with the result that dumping is uncontrolled and litter bears testimony to this. Only Estcourt, Weenen and Wembezi experience some measure of waste management although there is a need for the identification of a new waste disposal site. The majority of people, especially in the farming areas, dispose of their waste on-site and diseases emerge because they do not have information on how to manage the situation. As a result, diseases are spread and animals are also exposed to hazardous conditions because of plastics. Awareness campaigns on the importance of proper waste management in attracting investment. Currently, funds are inadequate to provide formal waste disposal sites.

6.3.12 Access to Decent Housing

Housing and access to land in UMTshezi are two critical areas of concern for the Municipality.

The IDP 2007/8 has included housing projects that will be earmarked for implementation from 2007/8 onwards. Most of the land within this Municipality is under the Land Claims Commission and this process moves slowly and thus delays even the implementation process of housing service delivery. However, housing is still a challenge within this Municipality. The majority of housing structures in the farming areas are of poor workmanship and are subject to periodic collapse, especially during the rainy season and in windy times. The settlement patterns are chaotic and that makes it difficult to provide services cost effectively. Various land reform projects and a number of housing projects underway would not only provide secure tenure and substantial housing units but would also increase the asset base of the poor and further provide necessary thresholds for infrastructural services and a revenue base for the municipality. The Municipality is currently developing a housing plan that will form the basis on housing service delivery.

Housing Plan to be developed to address housing backlogs.

6.3.13 Access to Networks Communication

The difficult terrain and the low-income levels in the municipality makes telecommunication virtually non-existent in certain areas. There is a great difficult in receiving cellular network coverage and the public telephones that exist are often vandalised. The community has a problem to contact emergency services because of lack of telecommunication facilities. All the clusters have a common problem of shortage of facilities. The criminal elements are exploiting the situation because they know it is difficult to consult the police on time. There needs to be closer working ties with the network operators to increase the capacity of the infrastructure in Umtshezi.

6.4 Financial Viability and Management

Umtshezi Municipality has recognized that to be successful, the IDP must be linked to a workable financial plan. The purpose of the five year financial plan is to create the medium and long term strategic financial framework for allocating resources through the municipal budgeting process and to ensure the financial viability and sustainability of the Umtshezi Municipality's investments and operations. Other important reasons for developing the financial plan are:

- to ensure a close planning and budgeting link;
- to inform municipal budgeting over tier;

- to facilitate inter-governmental alignment with regard to capital requirements and sources of funding;
- assess financial management arrangement and financial strategy; and
- to outline revenue and expenditure forecast.

The financial plan is an integral component of the IDP and addresses:

- Establishing financial management systems and efficient, effective internal audit systems
- Funding availability over a 3- 5year planning period
- The balancing of this limiting factor relating to income with objectives established in terms of the IDP.
-

6.4.1 Financial Management Arrangements

The following financial management arrangements in the municipality are in place:

6.4.1.1 Administration

Umtshezi Municipality has got a reasonable capable finance department although there are some challenges that need to be addressed, also has an internal audit function responsible for monitoring financial and other controls. In addition, council is committed to sound financial management and the maintenance of a sound economic base. Financial management policies and procedures for the entire municipality have been developed to address the cash forecasts and cash flow monitoring against forecasts, budgeting methods, management reporting, asset policy, investment policy, credit risk management and procurement policies.

6.4.1.2 Financial Procedures and Policies

To-date some policies are properly documented and in place. These policies include supply chain management policy, tariff policy, by-laws (including credit control and debt collecting policy) transport policy.

6.4.1.3 Council Representation

A portfolio councilor for finance serves on the executive committee and advises the mayor on matters in the executive committee agenda. The council is responsible for approving the IDP, the operating and capital budgets that are prepared on recommendations of the executive committee.

The council adopted financial strategy that encompasses the following fundamental issues, a financial resource mobilization (capital and operational), asset management, revenue base expansion, and operational cost effectiveness methods. All aspects of matters relating to the financial matters will take into account council's social responsibilities and these include council's indigent policy and recognizing that certain sections of the community do not have the ability to pay for services. A further aspect of social responsibility will focus on transformation and empowerment as called for in council's preferential procurement policy.

6.4.2 Income/ Financial Resources

6.4.2.1 Rates and General Services

The municipality has a reasonable good property valuation roll but with a challenge of general revaluation. With the introduction of new Municipal Property Rates Act of 2004, the municipality has high potential increase on the property rates income. Also municipality needs to strengthen controls in the implementation of credit control and revenue collection by- laws. This should be closely coupled with good customer care and community education around area of billing of rates and services. This will improve the collection rate and ultimately the picture of revenue generation. The municipality is currently the second in provincial pilot project on debt collection and credit control for municipalities with highest debtors. This project is also expected to yield good results towards end its second year (2007&8).

6.4.2.2 Grants and Subsidies

The Municipality derives most of its income from internal sources to fund its capital and operational budget. For next three years (07/08, 08/09, 09/10) the total grants and subsidies will average at 19% of the total budget. This means that the municipality is mostly dependent on the internal revenue sources. This is a serious challenge that the municipality has taking into

consideration high levels of unemployment versus very high infrastructure backlogs in vast rural areas of the municipality. More serious attention should be given to the Statistics SA census processes as figures currently do not show the correct picture to inform the national government equitable share allocation.

6.4.2.3 Other Funding

The council has obtained donation funding from SWAME for community related projects. Also opportunities of accessing grant funding for capacity building are being explored from institutions like DBSA and other capital markets.

6.4.3 Expenditure

Expenditure is closely monitored and control by the finance department. Expenditure is strictly linked to approved budget and when it is necessary urgently adjustments within are done and also adjustments in between votes are done after six months of the financial year. Departmental directors are held responsible and accountability for any over expenditure. With the support of the finance department are responsible for analysis of monthly expenditure reports. The municipality has had slow spending on capital expenditure due cash flow problems. Only grants and subsidies funded capital projects were done, specifically electricity and housing projects. Following here are the extract form 2005& 6 Annual Financial Statements

6.4.4 Finance Policies

The municipality embarked on a process of reviewing the financial environment with a view to determining which areas required enhancement to ensure overall financial stability. This has been done by reviewing financial policies on the following areas but not limited to:

- The IDP and Budgeting process;
- Financial procedures and manuals;
- Financial accounting and reporting;
- Debt Collection and Revenue Management
- Resource mobilisation;
- Management of grants and subsidies;
- Raising of other income; and

- Supply Chain Management and Asset Management

6.4.5 Five Year Capital Investment Plan

Umtshezi municipality is composed of various rural areas where serious challenges of infrastructure backlog, high rate of unemployment are evident. Also statistics show high figures of illiterate in most of the rural areas of the municipality. As an integral component of the IDP the municipality has developed a five year capital investment plan. This five year capital investment plan is aimed in addressing the challenges faced by the communities in the entire municipality as well as to ensure a close planning and budgeting link, inform municipal budgeting over tier and as a sphere, facilitate inter-governmental alignment with regard to capital requirements and sources of funding, assess financial management arrangements and financial strategy; and outline revenue and expenditure forecast.

6.5 Good Governance and Community Participation

The Municipality believes in good governance, transparency and community participation. There are functional structures within the Municipality that ensure that communities are constantly informed of the development processes by the Municipality. These structures include among others, the Office of the Mayor, Community Development Workers and Ward Standing Committees, which are led by the councilors who are governed by the Code of Conduct for the Municipality. The Mayor participates actively in Road Shows and Izimbizo's to discuss and approve the IDP and the allocated budgets with the communities. The Representatives Forum also includes external stakeholders to ensure that there is contribution made by all stakeholders before the final IDP is adopted by the Municipality.

The area of focus for the 2007/8 financial will be to ensure that all relevant sector Departments attend the planned forums and participate effectively. The Municipality hosts the Service Providers Forum which is aimed at bringing together all service providers within the Municipality to share with other stakeholders and input on the IDP. Attempts were made in the previous years but there are those Departments that never attend the scheduled meetings. However, there is support from the Departments such as the Department of Agriculture, Social Welfare and Transport.

7. Challenges and Proposed Corrective Measures

UMTSHEZI KEY CHALLENGES	OBJECTIVES	STRATEGIES	KEY OUTCOME	TIME FRAMES
Lack of Skills Most of the community members are illiterate because there was no money for their education. Therefore Umtshezi community is lacking skills	To create an environment that allows training and development	The Umtshezi Municipality must offer bursaries, In-service training, Internships and learnership.	The community will be economically active and they will be able to participate in different programs.	Ongoing 08/09
Communication There is a communication breakdown between the Municipality and the community which therefore result in slow progress of Municipal Development Processes	To ensure full community participation in Development process of the Municipality will be ensured. Ensure that there is effective and efficient internal communication channels	The Municipal Communication Strategy must be developed	The community will be continuously updated about what is happening in their area through the Municipality.	07/08
Lack of Infrastructure There is no water and electricity in the area. Even the farmers use boreholes because there is lack of Infrastructure for	To facilitate the process for the District Municipality to provide bulk Infrastructure to the community for water supply and ESKOM to	The Municipality need to Formulate Infrastructure Business Plan to source funds	There will be descent households.	07/08

services	address electricity backlogs.			
Under-resourced Service Centres (nodes) Banks and shopping centres are concentrated in Escourt. Community members from Weenen and Wembezi have to travel to Estcourt for these service centres	To Improve Socio-economic Development in Service Centres	An enabling environment for investors in Service Centres have to be created.	There will be well-resourced Service Centres	07/08
Inadequate Safety and Security. There is a shortage of Police Stations in the municipality with the result that many clusters are not covered. This makes effective policing virtually non-existent and leads to an increase of criminal elements.. Umtshezi is however served by SAPS Estcourt; Weenen and Wembezi, also Estcourt Stock Theft Unit. The SAPS together with the Department of Justice and the South African Demarcation Board are in the	To create a Safer Town and surroundings where all citizens enjoy a better quality of life is in great need.	The Municipality needs to Develop the Crime Prevention Strategy and Provide basic households needs.	There will be a Safe and Secured environment.	08/09

process of re-aligning SAPS, Magisterial and Municipal boundaries which might bring about minor changes to the boundaries of the various stations serving the Umtshezi Local Municipality				
There is a High Prevalence of Epidemic and Pandemic diseases because the community is not well informed of these diseases such as HIV/Aids, Tuberculosis and Kwashiorkor	To minimise the prevalence of Epidemic and Pandemic diseases.	Consultants need to be appointed to help the community with Health Awareness Programs	Prevalence of Epidemic and Pandemic diseases will definitely be reduced.	07/08
Low Economic Growth and investment This is caused by the unavailability of the plan, and also industries/factories are leaving town because the rates are too high. There is a potential of high economic growth because Estcourt is situated in between of Durban and Johannesburg, on a main road and railway line.	To create an enabling environment to Economic Growth Sectors and engage potential investors. The Municipality also need to adjust the rates to avoid factories from leaving the area.	Economic Growth Sectors and engage potential investors will be identified. Offering of incentives to willing investors and Maintain existing investors	This will create a Vibrant Economic Growth and Investment.	08/09

8. Current Sector Plans and Budgeting

SECTOR PLANS	CHALLENGES EXPERIENCED	CURRENT CAPACITY	PROGRESS TO DATE	COMMITTED / ALLOCATED FUNDS	COMPLETION DATE
LUMS	Communities are supportive of the LUMS however the linkage with the implementation of the Property Rates Policy will be a daunting task.	No internal capacity but provision has been made in the 05/06 MAP by the province.	Draft document is under development awaiting workshopping and council approval.	R 340 000	April 2007 Awaiting for councils adoption.
HIV / AIDS Plan	No funding available to cover the cost of developing the plan, however modicum provision will be made in the 06/07 FY.	There is enough internal capacity.	Awareness campaigns to be started. HIV / AIDS Forum to be established.	R 100 000	July 2007
LED Plan	Funding has been secured through Fundraising from GIJIMA KZN.	No capacity to develop the plan but for implementation.	Poverty Alleviation Projects in progress and to be started.	R 129 833	March 2007 Awaiting for councils adoption.
Performance Management System.	Organogram and Filling of vacant posts has been finalised.	Insufficient internal capacity.	Development towards completion.	R 250 000	June 2007

Environmental Management Plan.	No funding available.	None	None	R 250 000	To be Determined
Tourism Sector Plan.	Insufficient Capacity, Financial / Human.	Tourism officer available for implementation.	Partly covered in LED Plan.	R 70 000	To be determined
Housing Development Plan.	Funding not available.	Insufficient.		R 100 000	July 2007
Communication Plan.	No capacity to develop.	Insufficient.	None.	R 50 000	July 2007
Disaster Management.	Civil Plan exists but no Disaster Plan.	Sufficient capacity to implement.	Appointed consultants on risk bases.	R 150 000	To be Determined
Spatial Development Plan	Available but needs reviewing.	Insufficient internal Capacity.	None	R 80 000	To be determined
Poverty Alleviation and Gender Equity Plan	To be developed	Insufficient internal capacity			To be determined.
Institutional Plan	To be developed	Insufficient internal capacity			To be determined.
Financial Plan	Has been updated to include current projects	Sufficient internal capacity.	Process for reviewing done.	_____	Done
HR Plan	None	HR Officer.	SDF Finalised EEP Finalised WSP In progress / Underdevelopment.	R 208 705	June 2007

9. List of Projects

9.1 INFRASTRUCTURE AND SERVICES: WATER, SANITATION, ELECTRICITY, REFUSE, ROADS

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATUS / COMMENTS
I/01/T	Taxi rank toilets (Estcourt and Weenen)	R 600 000. 00							Umtshezi Municipality	
I/02/T	Mimosadale Hall	R1 200 000. 00							Umtshezi Municipality	
I/03/T	Weenen Tennis Court Rehab	R 600 000. 00							Umtshezi Municipality	
I/04/R	Mkholombe		R 750 00. 00						D.O.T	
I/05/R	Ncunjana		R 700 000. 00						D.O.T	
I/06/R	Ganahoe		R 800 000. 00						D.O.T	
I/07/R	Wembezi Offramp		R 17,2m						KZNDOT/sanral/Umtshezi	
I/08/R	Madulanani (etc)		R 2 167 000. 00						MIG	
I/09/E	Replace Transformer, cables, switch		R 1 500 000. 00						DME	
I/10/E	Upgrade 33 KV substation		R 5000 000 .00						DBSA	Loan
I/11/E	Replace circuit Breakers		R 200 000. 00						DME	
I/12E	Street lamp improvement		R 100 000. 00						DME	
I/13/E	Protection Upgrade		R 100 000. 00						DME	
I/14E	Electrification projects		R 3m						DME	
I/15/E	Rensberg Drift		R 1.8 m						DME	

I/16/E	Wembezi A (300)		R1.2m						DME	
I/17/E	Tools and equipment		R 50 000. 00						Umtshezi	
I/18/E	Frere Cornfield(no. of connections – 260)		R2,830,826.00						DME	
I/19/E	Thembalihle (no of connections – 369)		R2,900,484.00						DME	
I/20/E	Ekuthuleni		R1.700.000. 00						DME	
I/21/E	Ennersdale		R1000 000						DME	
I/22/E	Nhlawe		R 8.105. 500						DME	
I/23/W	Ngodini / Kwnane – water		R2 million						Uthukela Mun	
I/24/V	Vehicle acquisition		R3,828,500.00						Umtshezi	

SOCIO ECONOMIC DEVELOPMENT: HOUSING, LED, POVERTY ALEVIATION, HEALTH

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATU COMM	ITS
S/01/LED	LED support		R 225,925. 00						Umtshezi		
S/02/LED	Business support	R 20 000. 00							Umtshezi		
S/03/LED	Skills Training	R200 000. 00							Umtshezi		
S/04/LED	Phuthu Festival	R 70 000. 00							Umtshezi		
S/05/LED	Keep Umtshezi Clean	R 250 000. 00	R 500 000. 00						Umtshezi		
S/06/LED	HIV /AIDS Projects	R 400 000. 00	R 200 000. 00						Umtshezi		
S/07/LED	Designated groups projects	R 60 000. 00	R 450 000. 00						Umtshezi		
S/08/LED	Co-operatives support		R 70 000. 00						Umtshezi Municipality		
S/09/LED	SMMS's support		R 70 000. 00						Umtshezi Mun		
S/10/LED	Tourism support		R 100 000. 00						Umtshezi Mun		
S/11/LED	Training in Indigenous Music (Isicathamiya & Maskandi)		R 17 500. 00						Dept of Arts, Culture and Tourism		
S/12/LED	Wilde Vees		R 20 000. 00						Dept of Arts, Culture and Tourism		

S/13/LED	Cultural Diversity		R 20 000. 00						Dept of Arts, Culture, Tourism	
S/14/LED	Training in Silk Screening Printing		R 20 000. 00						Dept of Arts, Culture, Tourism	
S/15/LED	Quality Assurance in Photography		R 15 000. 00						Dept of Arts, Culture, Tourism	
S/16/H	Wembezi A								Dept of Housing	
S/17/H	Wembezi C Phase 2								Dept of Housing	
S/18/H	Kwandbamba Phase 2								Dept of Housing	
S/19/H	Rensburgdrift								Dept of Housing	
S/20/H	Chieveley								Dept of Housing	
S/21/H	Owl and Elephant								Dept of Housing	
S/22/H	Frere								Housing	
S/23/H	Rama								Housing	
S/24/H	Papkuilsfontein Phase 2								Housing	
S/25/H	Engodini								Housing	
S/26/H	Ward Six-Esigodlweni								Housing	
S/27/H	Ward Six- Cornfields								Housing	
S/28/H	Ward Three - Mabhalonini								Housing	

DEMOCRATIZATION AND GOVERNANCE : PUBLIC RELATIONS, MARKETING, COMMUNICITONS, SERVICE DELIVERY, EFFECTIVE PARTICIPATION

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATU	COM
D/01/GV	Communication Plan		R 50 000. 00						MSIG		
D/02/GV	Ward Committees/CDW's		R 200 000. 00						SMSIG, Umt Mun, DLGTA		

INSTITUTIONAL TRANSFORMATION: ORGANIZATIONAL REDESIGN, INTERNAL POLICIES, GENERAL MANAGEMENT

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATU	COM	N
IST/01/P	Performance Management system	R 250 000. 00	R 250 000. 00						DPLGTA/UM/MSIG			
IST/02/P	Housing Development Plan		R 100 000. 00						Dept of Housing			
IST/03/P	Land use management System		R 340 000. 00						DPLGTA			
IST/04/P	HIV Aids plan		R 100 000. 00						Dept of Health			
IST/05/P	LED Plan	R 129 833. 00							Gijima/Umtshezi			
IST/06/P	Environmental Management Plan											
IST/07/P	Tourism Plan											
IST/08/P	Disaster Management											
IST/09/P	SDF		R 100 000. 00						MSIG			
IST/10/P	Financial Plan		In house									

LAND CLAIMS

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATUS	COMMENTS
I/01/LC	Krommelbroog - Nhlawe								Land Affairs		
I/02/LC	Nhlangwini Gomba								Land Affairs		
I/03/LC	Ntabebomvu Community								Land Affairs		
I/04/LC	Msobetsheni Claim								Land Affairs		
I/05/LC	Justice Madondo								Land Affairs		
I/06/LC	Lungile G Thwala								Land Affairs		
I/07/LC	Micheal Madondo								Land Affairs		
I/08/LC	Roode Draay Community Claim								Land Affairs		
I/09/LC	SR Maharaj								Land Affairs		
I/10/LC	Agrippa T Sibisi								Land Affairs		
I/11/LC	Convoy Moosa								Land Affairs		
I/12/LC	Isaac M Mlambo								Land Affairs		
I/12/LC	Silindohuhle Project		R 53 779 414.00						Land Affairs		

10.7 UNFUNDED PROJECTS

PROJECT NO:	PROJECT	06/07 BUDGET	07/08 BUDGET	08/09 BUDGET	09/10 BUDGET	10/11 BUDGET	TIME FRAME - START	TIME FRAME - FINISH	FUNDER / POTENTIAL FUNDER	STATUS / COMMENTS
	1 Water Provision									
	2 Ward Three									
I/15/W1	Kwashali								Uthukela Mun	
I/15/W2	Bryambella								Uthukela Mun	
	<i>Ward Three</i>									
I/15/W3	Ezizeni								Uthukela Mun	
I/15/W4	Mabhalonini								Uthukela Mun	
	<i>Ward Four</i>									
I/15/W5	Kwamthweni								Uthukela Mun	
I/15/W6	Mbalehle								Uthukela Mun	
I/15/W7	Haviland								Uthukela Mun	
I/15/W8	Milton Farm								Uthukela Mun	
I/15/W9	Tembalihle – water tank								Uthukela Mun	
	<i>Ward Six</i>									
I/15/W10	Frere – water & home upgrade								Uthukela Mun	
I/15/W11	Chieveley								Uthukela Mun	
I/15/W12	Rama – water extension								Uthukela Mun	
I/15/W13	Esigodlweni								Uthukela Mun	
I/15/W14	Ennersdale / etshenilengele								Uthukela Mun	
	<i>Ward Seven</i>									
I/15/W15	Mngwenya								Uthukela Mun	
I/15/W16	Phofini								Uthukela Mun	
I/15/W17	Kwanhliwe – water project								Uthukela Mun	
I/15/W18	Madulaneni								Uthukela Mun	

I/15/W19	Mpungulwane								Uthukela Mun	
I/15/W20	Gaju								Uthukela Mun	
I/15/W21	Mhlumba								Uthukela Mun	
I/15/W22	Nhlangwini								Uthukela Mun	
I/15/W23	Sthathane								UthukelaMun	
I/15/W24	Ntabamnyama								Uthukela Mun	
I/15/W25	Bhide								Uthukela Mun	
I/15/W26	Mgwamama								Uthukela Mun	
I/15/W27	Mthaniya								Uthukela Mun	
I/15/W28	Weenen								Uthukela Mun	
I/15/W29	Mkholombe								Uthukela Mun	
I/15/W30	Emngwenya – water and tankers								Uthukela Mun	
	<i>Sanitation</i>									
	<i>Ward Three</i>									
I/16/SA1	Mabhalonini – Phase 2								Uthukela Mun	
I/16/SA2	Kwashali								Uthukela Mun	
I/16/SA3	Bryambella								Uthukela Mun	
I/16/SA4	Matshezi								UthukelaMun	
I/16/SA5	Ntunda								Uthukela Mun	
I/16/SA6	Lowlands								Uthukela Mun	
I/16/SA7	Mabhalonini -toilets								Uthukela Mun	
	<i>Ward Four</i>									
I/16/SA8	Themblihle Hall								Uthukela Mun	
	<i>Ward Five</i>									
I/16/SA9	Ekuthuleni								Uthukela Mun	
I/16/SA10	Ezitendeni								Uthukela Mun	
	<i>Ward Six</i>									
I/16/SA11	Frere								Uthukela Mun	

I/16/SA12	Ezizeni								Uthukela Mun	
I/16/SA13	Chievely								Uthukela Mun	
I/16/SA14	Esigodlweni –toilets								Uthukela Mun	
I/16/SA15	Ennersdale – toilets								Uthukela Mun	
I/16/SA16	Cornfields – water and toilets								Uthukela Mun	
	<i>Ward Seven</i>									
I/16/SA17	Emngwenya – school and toilets								Dept of Education	
	<i>Access, upgrades, tarring, naming of roads</i>									
I/17/R1	All roads in Wembezi								Umtshezi Mun	
I/17/R2	Mimosdale								Umtshezi Mun	
I/17/R3	Rensburg								Umtshezi Mun	
I/17/R4	Papkulsfontein								Umtshezi Mun	
I/17/R5	Cornfields								Umtshezi Mun	
I/17/R6	Mngwenya (skhuva)								Umtshezi Mun	
I/17/R7	Ward 7 -All								Umtshezi Mun	
I/17/R8	Chievelery								Umtshezi Mun	
I/17/R9	Colita								Umtshezi Mun	
	<i>Ward Three</i>								Umtshezi Mun	
I/17/R10	Brymbela								Umtshezi Mun	
	Ward Four								Umtshezi Mun	
I/17/R11	Collita – speed humps								Umtshezi Mun	
I/17/R12	KwaMthweni								Umtshezi Mun	
I/17/R13	KwaMshayezafe – continuation of tar road								Umtshezi Mun	
I/17/R14	Mabhalonini								Umtshezi Mun	
	<i>Ward Four</i>									
I/17/R15	Mntontwane								Umtshezi Mun	
I/17/R16	KwaMthweni – Vumbu								Umtshezi Mun	

I/17/R17	Thembalihle –								Umtshezi Mun	
	<i>Ward Six</i>									
I/17/R18	Esigodlweni								Umtshezi Mun	
I/17/R19	Ennersdale/eTshenilengele								Umtshezi Mun	
I/17/R20	Cornfields								Umtshezi Mun	
	<i>Ward Seven</i>									
I/17/R21	Mthaniya								Umtshezi Mun	
I/17/R22	Weenen								Umtshezi Mun	
I/17/R23	eMngwenya								Umtshezi Mun	
	<i>Storm water drainage, Culverts, bridges</i>									
I/18/ST1	Mimosdale – storm water								Umtshezi Mun	
I/18/ST2	Forderville – 9 th Ave								Umtshezi Mun	
I/18/ST3	Mshayazafe - bridge								Umtshezi Mun	
I/18/ST4	Cornfields -bridge								Umtshezi Mun	
I/18/ST5	Madulaneni - bridge								Umtshezi Mun	
I/18/ST6	Mgwamama - Bridge								Umtshezi Mun	
I/18/ST7	Mshayazafe Hall								Umtshezi Mun	
I/18/ST8	Creche – 5 room								Umtshezi Mun	
I/18/ST9	A.V.M. (electricity) Mshayazafe								Umtshezi Mun	
	<i>Ward Three</i>									
I/18/ST10	Brymbela – crèche									
I/18/ST11	Robots – next to Boxer								Umtshezi Mun	
I/18/ST12	Mabhalonini – hall								Umtshezi Mun	
I/18/ST13	Sports facilities								Umtshezi Mun	
I/18/ST14	Household fencing								Umtshezi Mun	
	<i>Ward Four</i>									

I/18/ST15	Collita – upgrade stormwater drainage - parks and recreation - hall extension - pedestrian bridge - creche								Umtshezi Mun	
I/18/ST16	Thembalihle								Umtshezi Mun	
	<i>Ward Five</i>									
I/18/ST17	Gannerhoek - creche								Umtshezi Mun	
	<i>Ward Six</i>									
I/18/ST18	Frere – hall - Sports ground								Umtshezi Mun	
I/18/ST19	Esigodlweni –hall Land School extension Fencing Households Children crossing patrol								Umtshezi Mun	
I/18/ST20	Ennersdale – Clinic Crèche School Hall Sports ground									
I/18/ST21	Cornfields –mtn network Block making yard Subsidy Creche								Umtshezi Mun	
	<i>Ward Seven</i>									
I/18/ST22	Bhide – cell phone aerial								Umtshezi Mun	
I/18/ST23	Weenen – Business needs - Crime - Clinics								Umtshezi Mun	
I/18/ST24	Emngwenya – network Cow dip								Umtshezi Mun	
	<i>Electricity</i>									
	<i>Ward Three</i>									

I/19/E1	Brymbela								DME	
	<i>Ward Four</i>									
I/19/E2	Haveland								DME	
	<i>Ward Four</i>									
I/19/E3	Thembalihle								DME	
I/19/E4	Esigodlweni								DME	
	<i>Ward Five</i>									
I/19/E5	Tembisa								DME	
I/19/E6	Ekuthuleni								DME	
	<i>Ward Six</i>									
I/19/E7	Frere								DME	
I/19/E8	Nhliwi								DME	
I/19/E9	Weenen								DME	
I/19/E10	Ennersdale								DME	
I/19/E11	Cornfields								DME	
	<i>Ward Seven</i>									
I/19/E12	Nhliwi								DME	

Capital and Special Programmes MTEF Budget

CAPITAL AND SPECIAL PROGRAMMES BUDGET	2007/2008	2008/2009	2009/2010
	PROPOSED	PROPOSED	PROPOSED
	BUDGET	BUDGET	BUDGET
DEPARTMENT OF HEALTH	1,725,840.00	1,863,907.20	2,013,019.78
GRANT : FREE BASIC INDIGENTS	2,179,753.59	2,522,758.46	3,252,097.24
GRANT : FREE BASIC ENERGY INDIGENTS	896,812.89	1,037,934.89	1,338,005.70
GRANT : ADDITIONAL TO BASE LINE	227,271.43	245,453.14	265,089.40
FINANCE MANAGEMENT GRANT	500,000.00	500,000.00	500,000.00
MUNICIPAL SYSTEMS IMPR GRANT	734,000.00	735,000.00	735,000.00
SUBSIDY PROVINCE	1,481,760.00	1,600,300.80	1,728,324.86
MUNICIPAL INFRASTRUCTURE GRANT	2,294,000.00	2,771,000.00	2,290,000.00
NATIONAL ELECTRIFICATION PROGRAMME GRANT	3,000,000.00	3,820,000.00	5,752,000.00
CONTRIBUTION FROM OWN REVENUE	10,102,822.51	10,087,766.77	12,749,033.99
TOTAL CONTRIBUTION (INCOME)	23,142,260.42	25,184,121.26	30,622,570.96

MEDIUM TERM EXPENDITURE FRAMEWORK

The municipality has developed its MTEF based on the growth expenditure limits provided by National Treasury through budget circular for 2006& 7 financial year. The 2006& 7 budget figures are based from a council approved adjustments budget.

UMTSHEZI MUNICIPALITY CONSOLIDATE DRAFT BUDGET 2007/2008, 2008/2009 & 2009/2010

DESCRIPTION	Budget 06/07	DRAFT Budget 07/08	DRAFT Budget 08/09	DRAFT Budget 09/10
EXPENDITURE				
EMPLOYEE/COUNCILLORS RELATED COST				
EMPLOYEE/COUNCILLORS RELATED COST		274,140	293,330	313,863
EMPLOYEE SALARIES AND ALLOWANCES		34,900,879	37,343,941	39,958,016
ANNUAL BONUS	1,344,666	0	0	0
HOUSING SUBSIDY	279,393	0	0	0
LABOUR METER READING	0	0	0	0
LABOUR SECURITY	51,762	0	0	0
OFFICE ALLOWANCE	0	0	0	0
OTHER ALLOWANCES	351,633	0	0	0
PERFORMANCE BONUSES	170,508	0	0	0
REDEMPTION OF LEAVE	250,000	0	0	0
RELIEF PAYMENT	48,783	0	0	0
SALARIES & WAGES	21,090,374	0	0	0
STANDBY & OVERTIME	936,321	0	0	0
VEHICLE ALLOWANCE	958,003	0	0	0
SUB-TOTAL EMPLOYEE SAL AND ALLOWANCES	25,481,443	35,175,019	37,637,270	40,271,879
EMPLOYEE SOCIAL CONTRIBUTIONS	0	0	0	0
GROUP LIFE INSURANCE GENERAL	118,241	0	0	0
INDUSTRIAL COUNCIL LEVY	12,091	0	0	0
INSURANCE UNEMPLOYMENT	216,558	0	0	0
MEDICAL AID SCHEME	825,674	0	0	0
PENSION FUNDS	3,280,350	0	0	0
SUB-TOTAL SOCIAL CONTRIBUTIONS	4,452,913	0	0	0

REMUNERATION OF COUNCILLORS	0	0	0	0
CELL PHONE ALLOWANCE	132,157	0	0	0
HOUSING ALLOWANCE	0	0	0	0
MEDICAL AID SCHEME - COUNCILLORS	0	0	0	0
PENSION CONTRIBUTIONS - COUNCILLORS	84,896	0	0	0
PERSONAL FACILITY	37,440	0	0	0
SALARIES - MEMBERS	2,602,261	2,993,290	3,202,820	3,427,018
SALARY - MAYOR	411,057	0	0	0
SALARY - EXCO		0	0	0
TRAVEL ALLOWANCE	374,332	0	0	0
SUB- TOTAL COUNCILLORS REMUNERATION	3,642,142	2,993,290	3,202,820	3,427,018
TOTAL EMPLOYEE/COUNCILLORS RELATED COST	33,576,498	38,168,309	40,840,091	43,698,897
GENERAL EXPENDITURE				
GENERAL EXPENDITURE - DEPARTMENTS	0	0	0	0
ADMINISTRATION & SUPERVISION	2,238,271	0	0	0
ADVERTISEMENTS	104,381	87,740	93,881	100,453
AUDIT FEES (EXTERNAL)	582,000	350,000	374,500	400,715
AUDIT FEES (INTERNAL)		200,000	214,000	228,980
BANK CHARGES	175,585	187,876	201,027	215,099
BANK OVERDRAFT INTEREST	5,038	5,391	5,768	6,172
GRANT IN AID	47,250	157,000	0	0
BURSARIES STAFF	45,424	80,000	85,600	91,592
CARTAGE	5,792	1,000	1,070	1,145
CHEMICALS	33,729	36,090	38,617	41,320
CHRISTMAS DECORATIONS	17,117	18,315	19,597	20,969
CONSULTANT FEES (MONITORING)	125,000	83,750	89,613	95,885
ENTERTAINMENT & RECEPTIONS	80,001	93,447	46,489	49,743
EXCESS / PAYMENTS INSURANCE CLAIMS - GEN	20,000	21,400	22,898	24,501
EXCESS / PAYMENTS INSURANCE CLAIMS - VEH	356,670	381,637	408,351	436,936
FUEL & OIL	820,808	841,518	900,425	963,454
FERTILIZER & CHEMICALS	29,335	31,388	33,585	35,936
FOAM	0	0	0	0
GERIATRIC CLINIC	1,000	1,070	1,145	1,225
GRANTS AND DONATIONS(OTHER)	100,021	0	0	0
GUTTER BRIDGES	0	0	0	0

INDIGENT BURIALS - CONTRIBUTIONS	143,672	210,000	0	0
INSURANCE GENERAL	564,930	604,475	646,788	692,064
INSURANCE GENERAL - W.C.A.	187,310	276,637	265,917	284,531
INSURANCE VEHICLES	44,870	17,034	18,227	19,503
INVENTORY ITEMS	62,451	42,141	45,091	48,247
JUNIOR COUNCIL EXPENSES	0	0	0	0
MEMORIAL EXPENSES	0	0	0	0
LEGAL FEES	68,993	73,823	78,991	84,520
LEVIES/MEMBERSHIP FEES	130,648	150,000	160,500	171,735
LICENSES	54,876	58,717	62,827	67,225
LICENCE FEES RENEWALS	183,351	235,000	251,450	269,052
LICENCE & ROADWORTHINESS	6,000	10,000	10,700	11,449
LOST BOOKS	281	301	322	344
PEST CONTROL	7,761	8,304	8,885	9,507
POSTAL SERVICES(POSTAGE & TELEGRAMS)	230,800	246,956	264,243	282,740
PRINTING & STATIONERY	335,720	283,432	303,273	324,502
PROMOTIONS	88,050	150,000	160,500	171,735
PUBLICITY	112,819	150,716	161,266	172,555
PURCHASE OF BOOKS	1,480	1,583	1,694	1,813
PURCHASE OF FEED	0	0	0	0
PURCHASE OF REFUSE BAGS	60,015	64,216	68,712	73,521
REFRESHMENTS	40,742	0	0	0
REGIONAL SERVICE LEVY	150,024	0	0	0
RENT/HIRE - OFFICE EQUIPMENT & OTHER	331,947	355,184	380,047	406,650
RENT - PLANT & VEHICLES	250,804	207,031	221,523	237,030
SKILLS DEVELOPMENT LEVY	424,362	352,067	337,886	361,538
STATE HEALTH EXPENSES	187,704	200,843	214,902	229,945
SUBSISTENCE AND TRAVELLING	400,643	420,919	450,383	481,910
SUNDRIES	280,001	233,074	149,389	159,846
SURVEY & TOWN PLANNING	11,162	0	0	0
TELEPHONE	403,752	434,906	465,350	497,924
TRAINING(STAFF)	27,550	29,479	31,542	33,750
UNIFORMS AND PROTECTIVE CLOTHING	153,488	164,232	175,728	188,029
SOFTWARE MAINTENACE AND LICENCE FEES	234,000	215,000	230,050	246,154
VALUATION ROLL EXPENSES	14,143	15,133	16,192	17,326
GENERAL EXPENSES - BULK PURCHASE	0			

PURCHASE OF ELECTRICITY	36,450,000	36,552,632	41,353,217	44,241,858
GENERAL EXPENSES - CONTRACTED SERVICES	0	0	0	0
CLEANING SERVICES	0	0	0	0
CONTRACT SERVICES (GRASS CUTTING)	46,479	49,733	53,214	56,939
LABOUR SECURITY	1,005,592	1,075,984	1,151,302	1,231,894
SECURITY (MONITORING OF ALARMS)	123,239	131,865	141,096	150,973
TOTAL GENERAL EXPENSES	47,607,079	45,599,040	50,417,772	53,940,932
REPAIR AND MAINTENANCE - MUNICIPAL ASSET				
BUILDINGS - R&M	188,943	135,790	145,295	155,466
ELECTRICITY NETWORKS	2,258,275	2,100,000	2,247,000	2,404,290
FURNITURE & EQUIPMENT - R&M	499,573	296,881	317,662	269,899
GROUND & FENCES - RM	80,755	86,408	92,457	98,929
INSTALLATIONS	5,819	6,226	6,662	7,129
PLANT AND EQUIPMENT - R&M	599,684	359,597	384,769	411,703
RAILWAY LINES	63,600	68,052	72,816	77,913
ROADS DRAINS & PAVEMENTS	1,270,169	1,000,000	1,070,000	644,900
SERVICES CONNECTIONS	184,702	197,631	211,465	226,268
TRAFFIC SIGNS	47,106	50,403	53,931	57,706
VEHICLES - R&M	1,250,708	1,057,656	872,986	434,095
WATER & SANITATION SCHEMES - R&M	0	0	0	0
TOTAL REPAIR AND MAINTENANCE - MUNICIPAL	6,449,334	5,358,643	5,475,043	4,788,296
INTER-DEPARTMENTAL CHARGES	0	0	0	0
ADMINISTRATION CHARGES	0	0	0	0
DEPARTMENTAL: ELECTRICITY	484,698	436,000	466,520	499,176
DEPARTMENTAL: RATES	2,607,470	1,980,000	2,118,600	2,266,902
DEPARTMENTAL: REFUSE REMOVAL	20,559	25,000	26,750	28,623
DEPARTMENTAL: SEWER	61,971	90,000	96,300	103,041
DEPARTMENTAL: WATER	323,569	450,000	481,500	515,205
TOTAL INTER-DEPARTMENTAL CHARGES	3,498,267	2,981,000	3,189,670	3,412,947
CAPITAL CHARGES				
EXTERNAL LOANS	95,875	3,828,500	3,790,475	4,055,808
TOTAL CAPITAL CHARGES	95,875	3,828,500	3,790,475	4,055,808
DEPRECIATION	0	0	0	0
DEPRECIATION ON ASSETS	200,000	214,000	228,980	245,009
IMPAIRED LOSS ON ASSETS	0	0	0	0

TRANSFER TO AND FROM WORKING CAPITAL	0	0	0	0
TRANSFER TO WORKING CAPITAL	0	0	0	0
TRANSFER FROM WORKING CAPITAL	0	0	0	0
TOTAL TRANSFERS TO & FROM WORKING CAPITAL	0	0	0	0
TRANSFERS TO AND FROM PROVISIONS	0	0	0	0
CONTRIBUTIONS TO BAD DEBTS RESERVE	818,000	900,000	1,033,000	1,110,553
CONTRIBUTIONS TO LEAVE PROVISION	333,998	247,000	256,800	274,776
CONTRIBUTION FROM LEAVE PROVISION	0	0	0	0
TOTAL CONTRIBUTIONS	1,351,998	1,361,000	1,518,780	1,630,338
CONTRIBUTION FROM OWN REVENUE (ASSETS)	0	2,295,500	2,456,185	2,628,118
TOTAL REVENUE CONTRIBUTIONS TO CAPITAL	0	2,295,500	2,456,185	2,628,118
LESS : AMOUNTS CHARGED OUT	0	0	0	0
LESS : AMOUNTS CHARGED OUT - ELECTRICITY	-256,206	-274,140	-293,330	-313,863
LESS : AMOUNTS CHARGED OUT - GENERAL	-3,837,036	0	0	0
LESS : AMOUNTS CHARGED OUT - SAL/WAGES D	-1,644,005	0	0	0
LESS : AMOUNTS CHARGED OUT - STORES HAND	-119,938	0	0	0
LESS : AMOUNTS CHARGED OUT - VEH/PLANT D	-340,474	0	0	0
TOTAL AMOUNTS CHARGED OUT	-6,197,660	-274,140	-293,330	-313,863
TOTAL EXPENDITURE	86,381,391	99,317,852	107,394,686	113,841,472
OPERATING INCOME	0	0	0	0
PROPERTY RATES	0	0	0	0
PROPERTY RATES CHARGES	-22,242,743	-22,961,110	-24,568,388	-26,288,175
PEN. IMPOSED & COLLECTION CHARGES ON RAT	0	0	0	0
PEN. IMPOSED & COLLECTION CHARGES ON RAT	0	0	0	0
SUB-TOTAL PEN. IMPOSED & COLLEC CHARGES	0	0	0	0
SERVICE CHARGES	0	0	0	0
REFUSE REMOVAL CHARGES	-3,642,017	-3,896,959	-4,169,746	-4,461,628
SALE OF ELECTRICITY BULK	-33,189,800	-35,135,337	-37,594,811	-40,226,447
SALE OF ELECTRICITY COMMERCIAL	-5,083,313	-5,337,478	-5,711,101	-6,110,879
SALE OF ELECTRICITY DEPARTMENTAL	-794,260	-436,000	-466,520	-499,176
SALE OF ELECTRICITY DOMESTIC	-12,637,142	-13,768,439	-14,732,230	-15,763,486
OPERATING GRANTS AND SUBSIDIES	0	0	0	0
DEPARTMENT OF HEALTH	-410,109	-1,613,000	0	0
GRANT : EQUIT. SHARE BASIC SERVICES	-6,536,493	-7,739,434	-8,957,307	-11,546,897
GRANT : FREE BASIC INDIGENTS	-1,673,927	-2,179,754	-2,522,758	-3,252,097

GRANT : FREE BASIC ENERGY INDIGENTS	-688,701	-896,813	-1,037,935	-1,338,006
GRANT : R293 ALOCATION	-1,071,313	0	0	0
GRANT : ADDITIONAL TO BASE LINE	-210,437	0	0	0
FINANCE MANAGEMENT GRANT	987	-500,000	-500,000	-500,000
MUNICIPAL SYSTEMS IMPR GRANT		-734,000	-735,000	-735,000
COUNCILLOR REMUNARATION GRANT		-500,000	-522,000	-545,000
PROVINCE - MUSEUM SERVICES		-102,000	-107,000	-116,000
PROVINCE - ENVIROMENTAL HEALTH		-50,000	-54,000	-58,000
SUBSIDY PROVINCE	-331,140	0	0	0
CAPITAL GRANTS AND SUBSIDIES	0	0	0	0
NATIONAL GOVERNMENT- CAPITAL GRANTS	-3,635,000	0	0	0
MUNICIPAL INFRASTRUCTURE GRANT		-2,294,000	-2,771,000	-2,290,000
NATIONAL ELECTRIFICATION PROGRAMME GRANT		-3,000,000	-3,820,000	-5,752,000
NATIONAL ELECTRIFICATION PROGRAMME GRANT - ESKOM		0	-2,071,000	-2,557,000
PROVINCIAL GOVERNMENT- CAPITAL GRANTS	-1,025,000	0	0	0
FINES	0	0	0	0
FINES - GENERAL	-3,171	-3,393	-3,630	-3,884
FINES - TRAFFIC	-144,171	-154,263	-165,062	-176,616
RATES - PENALTIES	-4,130,520	-4,419,657	-4,729,033	-5,060,065
INTEREST EARNED - EXTERNAL INVESTMENTS	0	0	0	0
CURRENT AND GENERAL INVESTMENTS	0	0	0	0
LOANS - EXTERNAL	-20,000	-21,400	-22,898	-24,501
INTEREST EARNED - OUTSTANDING DEBTORS	0	0	0	0
INTEREST SUNDRY LOANS	-1,619	-1,732	-1,853	-1,983
LATE PAYMENT	-172,602	-184,684	-197,612	-211,444
LOANS - INTERNAL	0	0	0	0
RENT FACILITIES AND EQUIPMENT	0	0	0	0
RENT - ACTIVITIES ROOM	0	0	0	0
RENT - CROCKERY	0	0	0	0
RENT - GOLF CLUB - (LEASE)	0	0	0	0
RENT - HALL	-162,945	-174,351	-186,555	-199,614
RENT - I.A. LIBRARY	-1,817	-1,944	-2,080	-2,226
RENT - NURSERY	0	0	0	0
RENT - OTHER	-144,345	-154,449	-165,260	-176,829
	-30	-32	-34	-37

RENT - PLAY CENTRE	-9,298	-9,949	-10,646	-11,391
RENT - PROJECTION ROOM	-82,809	-88,606	-94,808	-101,445
RENT - STAFF HOUSING	-2,909	-3,113	-3,331	-3,564
RENT - STAFF PARKING	0	0	0	0
RENT - SPORT FIELDS	-3,223	-3,448	-3,690	-3,948
ADMINISTRATION CHARGES DEBTORS	-4,682	-5,010	-5,361	-5,736
ADMINISTRATION FEES PRIVATE WORK	-45,579	-48,770	-52,184	-55,837
ADMISSION FEES	-5,040	-5,393	-5,770	-6,174
AGRICULTURAL LEASES	0	0	0	0
ASST.TO OTHER TOWNS	-6,084	-6,510	-6,966	-7,453
BATH HIRE	-84,938	-90,884	-97,246	-104,053
BUILDING PLANS & INSPECTIONS	-478	-512	-548	-586
BUILDING PLANS PRINTING	-114,329	-122,332	-130,895	-140,058
BURIAL FEES	0	0	0	0
CASHIERS - SURPLUSES	-33,667	-36,024	-38,545	-41,243
CLEARANCE CERTIFICATES	-57,391	-61,408	-65,706	-70,306
CONNECTION FEES	-3,005,000	-3,210,000	-3,434,700	-3,675,129
CONTRIBUTION EX ELECT. SERVICES	-4,800	-5,136	-5,496	-5,880
DEPT. RENT COUNCIL GENERAL	-9,449	-10,111	-10,818	-11,576
DEPT. RENT BOROUGH ENGINEER	-9,943	-10,639	-11,384	-12,180
DEPT. RENT FINANCE	-7,200	-7,704	-8,243	-8,820
DEPT. RENT MUNICIPAL MANAGER	-22,466	-24,038	-25,721	-27,521
DEPT. RENT NURSERY	-45,094	-48,251	-51,628	-55,242
DEPT. RENT PARKS	-78,274	-83,753	-89,616	-95,889
DEPT. RENT STORES	-59,417	-63,576	-68,027	-72,789
DEPT. RENT WORKS	-19,714	-21,094	-22,571	-24,151
DEPT. RENT TRAFFIC	-9,039	-9,672	-10,349	-11,073
DISCOUNT RECEIVED	-32,672	-34,959	-37,406	-40,024
DISCONNECTION/RECONNECTION FEES	-48	-51	-55	-59
DOG LICENSES	0	0	0	0
DOG PERMITS	-4,636	-4,960	-5,307	-5,679
ENCROACHMENTS & HOARDINGS	0	0	0	0
FEES CAPITAL WORKS (ENGINEERING)	-37,019	-39,610	-42,383	-45,350
FIRE BRIGADE FEES	0	0	0	0
FUMIGATION FEES	0	0	0	0
GUTTER BRIDGES	0	0	0	0

LEGAL FEES RECOVER	-1,957,003	-2,011,821	-2,152,648	-2,303,334
LICENCES : APPLICATION DRIVERS	-831	-890	-952	-1,019
LICENCES : DUPLICATES	-415,077	-444,132	-475,221	-508,487
LICENCES : APPLICATION LEARNERS	0	0	0	0
LICENCES : LEARNERS LIC ISSUED	-570,793	-610,749	-653,501	-699,246
LICENCES : LICENCE RENEWALS	-238,488	-255,182	-273,045	-292,158
LICENCES : ROADWORTHY CERT. ISSUED	-1,742	-1,864	-1,995	-2,134
LICENCES : VEHICLE REGISTRATIONS	-7,219	-7,724	-8,265	-8,843
LICENCES : SUSPENSIONS	0	-67,410	-72,129	-77,178
LICENCES : SPECIAL PERMIT	-215,943	-231,059	-247,234	-264,540
LICENCES : TEMPORARY PERMIT	-154	-165	-177	-189
LICENCES : FITNESS CERT.	-14,505	-15,520	-16,606	-17,769
LICENCES : INSTRUCTORS CERTIFICATE	0	0	0	0
LICENCES : INFORMATION	-1,787	-1,912	-2,046	-2,189
LOST BOOKS	0	0	0	0
METER TESTING FEES	0	0	0	0
NIGHT SOIL REMOVAL	-810	-867	-928	-993
PROFIT RECHARGEABLE WORKS	0	0	0	0
RE-INSPECTION FEES BUILDING DEVELOPMENT	-13,254	-14,182	-15,175	-16,237
REPAIR TO INSTALLATIONS	-171	-183	-196	-210
REZONING FEES	-5,319	-5,691	-6,089	-6,515
SALE OF PHOTOCOPIES	0	0	0	0
SALE OF PLAQUES	0	0	0	0
SALE OF PREMIX	-1,269	-1,357	-1,452	-1,554
SALE OF VALUATION ROLL & APPEALS	0	0	0	0
SEARCH FEES	-1,586	-1,697	-1,815	-1,943
SECTIONAL TITLE FEES	-12,105	-12,953	-13,859	-14,830
SIGN DISPLAY FEES	8,229	-8,805	-9,421	-10,081
SITE INSPECTION FEES(HOUSING APPL.)	0	0	0	0
SKILLS LEVY	0	0	0	0
SPECIAL CONSENT APPL. FEES	-12,905	-13,809	-14,775	-15,810
STAFF HOUSING RATES	-514	-550	-589	-630
SUBSCRIPTIONS	-192,137	-178,669	-191,176	-204,558
SUNDRY INCOME	0	0	0	0
TENDER DEPOSITS	-1,371	-1,467	-1,570	-1,680
TRADE LICENSES	-31,723	-33,943	-36,319	-38,862

VALUATION CERTIFICATE FEES	-105,435,306	-114,238,343	-124,351,397	-137,031,135
TOTAL OPERATING INCOME				
	86,381,391	99,317,852	107,394,686	113,841,472
TOTAL EXPENDITURE	-105,435,306	-114,238,343	-124,351,397	-137,031,135
TOTAL OPERATING INCOME	-19,053,915	-14,920,491	-16,956,711	-23,189,662
TOTAL OPERATING SURPLUS / DEFICIT				