

2024-2025 FINAL INTEGRATED DEVELOPMENT PLAN



10 CONNOR STREET
PORT SHEPSTONE'
4240



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ACRONYMS

Acronym	Description	Acronym	Description
ABET	Adult Basic Education & Training	DFA	Development Facilitation Act, 1995 (Act no. 67 of 1995)
AIDS	Acquired Immune Deficiency Syndrome	DM	District Municipality
AFS	Annual Financial Statements	DOH	Department of Health
AG	Auditor-General	DORA	Division of Revenue Act
ANC	African National Congress	DOT	Department of Transport
APAC	Association of Public Accounts Committees	DSB	Development and Services Board
ARV	Antiretroviral (Treatment or Therapy)	DTI	Department of Trade and Industry
BAS	Basic Accounting System	DWA	Department of Water Affairs
BBBEE	Broad Based Black Economic Empowerment	EAP	Employee Assistance Programme
CAA	Civil Aviation Authority	EIA	Environmental Impact Assessment
CBD	Central Business District	EMP	Environmental Management Plan
CBO	Community Based Organisation	EPWP	Expanded Public Works Programme
CCDF	Consolidated Capital Development Fund	EXCO	Executive Committee
CCTV	Close Circuit Television	FBS	Free Basic Services



CFO	Chief Financial Officer	FET	Further Education and Training
Cllr	Councilor	FMG	Financial Management Grant
COOP	Cooperative	FPA	Fire Protection Association
CPF	Community Police Forum	GAMAP	Generally Accepted Municipal Accounting Practices
DA	Democratic Alliance	GDP	Gross Domestic Product
DAC	Department of Arts and Culture	GDS	Growth and Development Strategy
DBSA	Development Bank of Southern Africa	GIS	Geographical Information System
DAEA	Department of Agriculture and Environmental Affairs	GRAP	Generally Recognised Accounting Practice
DCS	Department of Corporate Services	HCDA	Hibiscus Coast Development Agency
DCOMMS	Department of Community Services		
DSPG	Department of Strategic Planning and Governance		
DDPS	Department Development Planning Services		
DTS	Department of Technical Services		
	Department of Technical Services		



DTS			
HCM	Hibiscus Coast Municipality	KPA	Key Performance Area
HDI	Historically Disadvantaged Individual	KPI	Key Performance Indicator
HEAC	Housing Evaluation Assessment Committee	KZN	KwaZulu-Natal
HIV	Human Immunodeficiency Virus	LA	Local Authority
HOD	Head of Department	LAC	Local AIDS Council
ICC	International Convention Centre	LGSETA	Local Government Sector Education Authority
ICT	Information Communication Technology	LED	Local Economic Development
IDC	Industrial Development Corporation	LLF	Local Labour Forum
IDMSA	Institute of Disaster Management of South Africa	LM	Local Municipality
		LUMS	Land Usage Management System
IDP	Integrated Development Plan	MAMC	Margate Airport Management Company
IEC	Independent Electoral Commission	MCPF	Municipal Councillors' Pension Fund
IFP	Inkatha Freedom Party	MDB	Municipal Demarcation Board



IGR	Inter-Governmental Relations	MDG	Millennium Development Goals
ILGM	Institute for Local Government Management of South Africa	MEC	Member of Executive Committee
IMATU	Independent Municipal and Allied Trade Union	MFMA	Municipal Finance Management Act, 2003 (Act N° 56 of 2003)
IMESA	Institute of Municipal Engineers of South Africa	MIG	Municipal Infrastructure Grant
IMFO	Institute for Municipal Financial Officers	M&E	Monitoring and Evaluation
ISRDP	Integrated Sustainable Rural Development Programme	MIU	Municipal Infrastructure Investment Unit
IT	Information Technology	MINMEC	(Meeting between the) Minister (of DPLG) and Members of the Executive Council responsible for local government
MIR	Municipal International Relations	RNM	Ray Nkonyeni Municipality
		SAMWU	South African Municipal Workers Union
MLB	Motor Licensing Bureau	SAP	South African Police
MM	Municipal Manager	SANRAL	South African National Roads Agency Ltd
MPCC	Multi-Purpose Community Centre (Thusongs)	SCM	Supply Chain Management



MPRA	Municipal Property Rates Act, 2004 (Act N°6 of 2004)	SDBIP	Service Delivery and Budget Implementation Plan
MSA	Municipal Structures Act, 1998 (Act N° 117 of 1998)	SDF	Spatial Development Framework
MSA	Municipal Systems Act, 2000 (Act N° 32 of 2000)	SEA	Strategic Environmental Assessment
MSIG	Municipal Systems Improvement Grant	SEDA	Small Enterprise Development Agency
MSP	Municipal Service Partnerships	SMME	Small, Medium and Micro Enterprise
MTAS	Municipal Turnaround Strategy	STATSSA	Statistics South Africa
MTEF	Medium Term Expenditure Framework	STI	Sexually Transmitted Infection
MTREF	Medium Term Revenue and Expenditure Framework		
NDP	National Development Plan	TB	Tuberculosis
NERSA	National Energy Regulator of South Africa	UGU	Ugu District Municipality
NGO	Non-Governmental Organization	WSP	Workplace Skills Plan
NHBRC	National Home Builders Registration Council	WSSD	Workplace Skills Plan
NSRI	National Sea rescue	SOPA	State of the Province Address



OHS	Occupational Health and Safety	SONA	State of the Nation Address
OPMS	Organizational Performance Management System	SWOT	Strength, Weaknesses, Organizational, Threats
PGDS	Provincial Growth and Development Strategy	FLISP	Finance Linked Individual Subsidy Programme
PMS	Performance Management System		
SALGA	South African Local Government		
SCDA	South Coast Development Agency		



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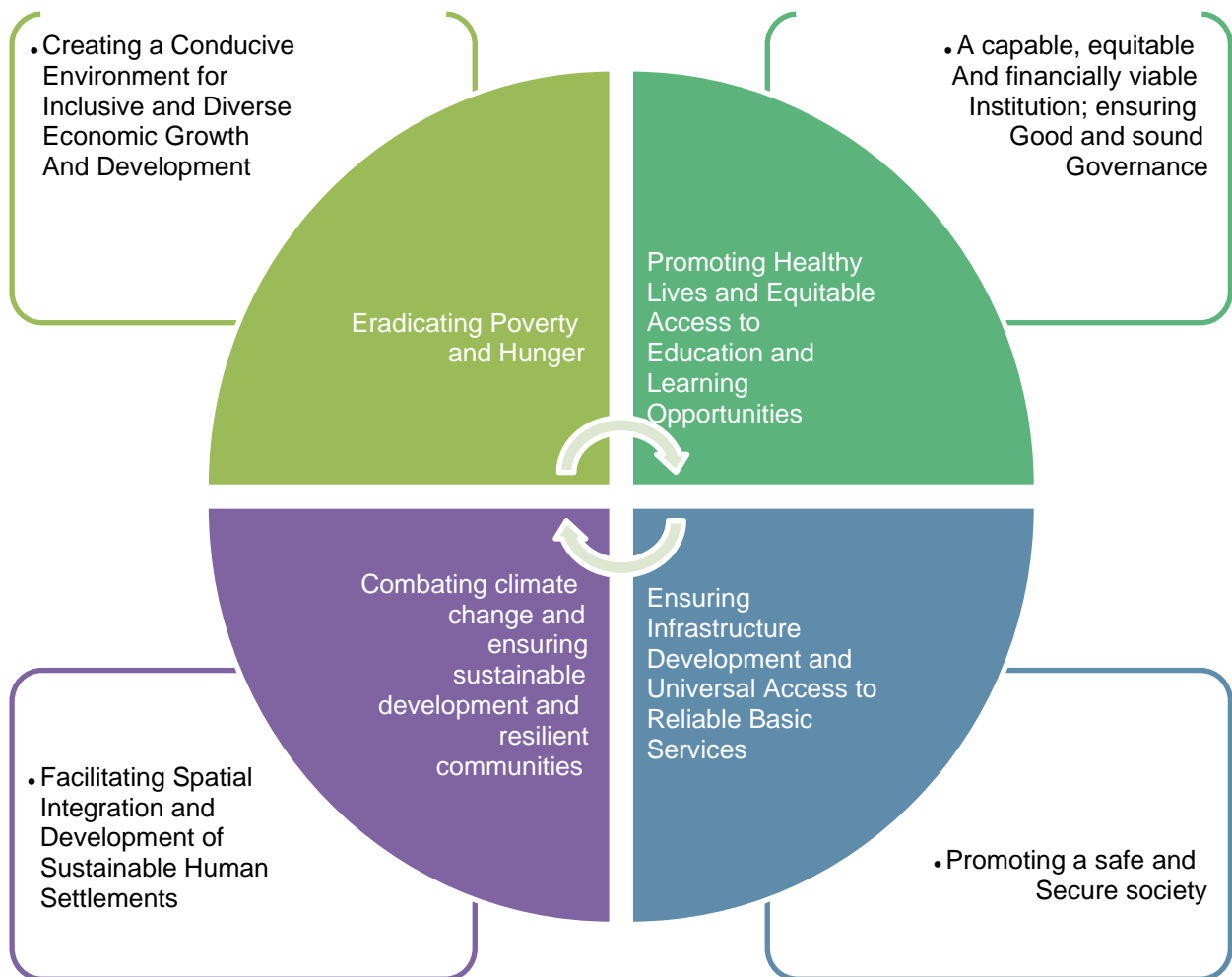


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What Ray Nkonyeni Municipality's IDP Seeks To Achieve



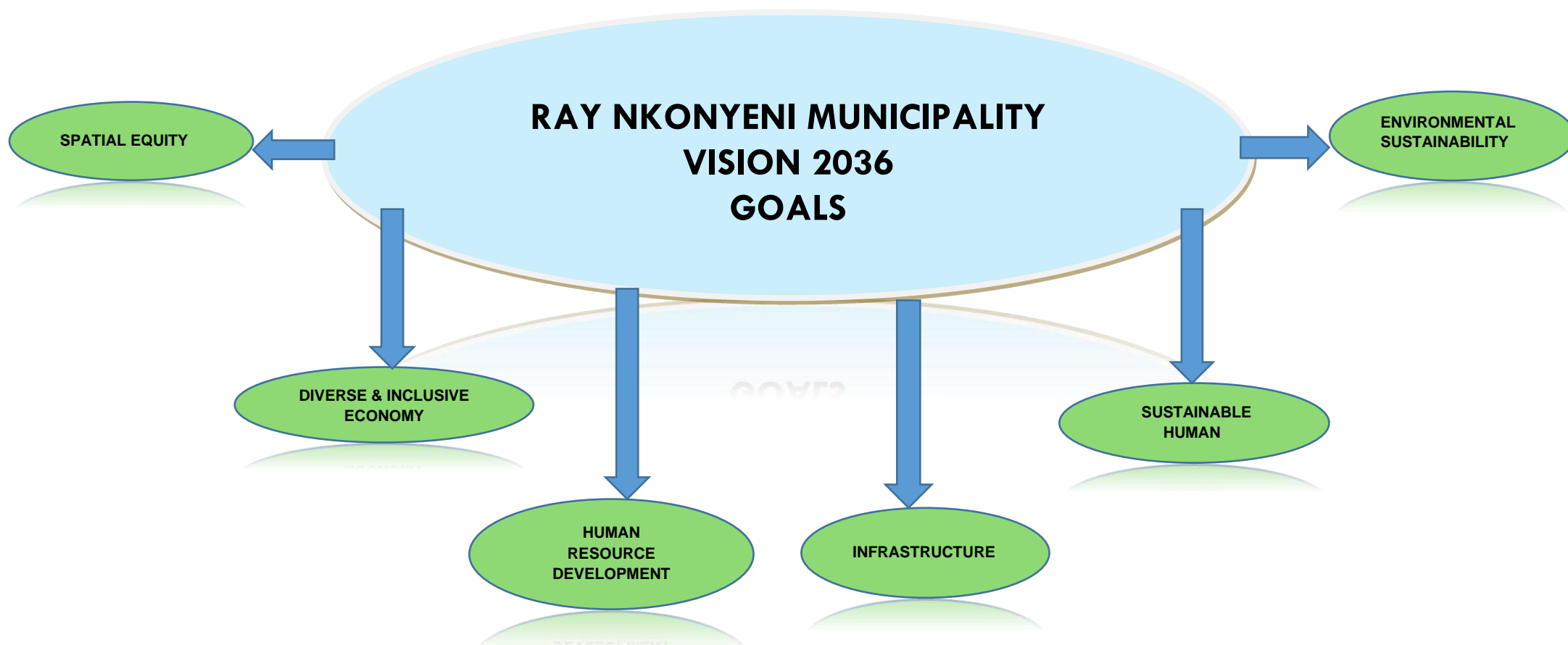


Landscape Character of the Municipality





How Ray Nkonyeni Municipality seeks to be a game changer of the South Coast Development





of South Coast development



FORWORD FROM THE MAYOR

HER WORSHIP CLLR PZ MZINDLE

The Ray Nkonyeni municipality's Integrated Development Plan (IDP) remains an enabling instrument for mutual accountability on the agreed priorities and allocation of resources which contribute to the short and long-term development of the municipality and the entire people of Ray Nkonyeni.

As the name suggests, our planning must be integrated both internally and externally for it to bear positive and sustainable change. In this regard we are pleased that external stakeholders have played an active role in implementing our vision and mission. We enjoy productive partnerships with the private sector, the non-governmental sector as well as other public entities.

This cooperation and commitment to service delivery has been instrumental in the many successes we have enjoyed as the local authority. It is not a coincidence that our municipality has amongst others, been declared as a top performing entity in the province in so far as the IDP is concerned. We are also highly regarded for maintaining stability through a clean audit opinion and efficient and community- focused governance systems.

Notwithstanding the positive contribution we continue to make, we must remain mindful of the distinct character of our municipality. As recently as 2016 statistics indicated that we are a "youth-driven" area, with rising levels of unemployment, this places upon us the responsibility to develop appropriate strategies, which we must integrate into the overarching developmental agenda of our municipality to address this and other challenges. We have every confidence that it is a goal we will be able to achieve.

The Ray Nkonyeni Municipality will continue to use the IDP as a roadmap to meet community needs while ensuring continued growth, equity, and empowerment of the poor and marginalised. The Municipality will continue to align itself with the National Development Plan (NDP), the Provincial Growth and Development Strategy, and other national and provincial instruments for development. Working together, we remain committed and focused to achieve the goals we have set for ourselves.

I trust that this document will seek to synergise and better coordinate our partnerships with colleagues in government and serve the interests of the people of Ray Nkonyeni municipality and all those who live, work, study and do business in our area.

Cllr PZ Mzindle
MAYOR



MESSAGE FROM THE MUNICIPAL MANAGER

I take pride in announcing that Ray Nkonyeni Municipality has remained amongst the top IDP achievers in the province for five consecutive years. Ray Nkonyeni was credited for producing the best and being ranked number 4 in the province for the 2023/2024 IDP, also boasting of the best KPA's in the province as well.

This is a notable milestone and an ode to the efficient functionality of the municipality that we hope to continue to fulfil as we embark on the 2024/2025 IDP. The 5-year IDP plan we have formulated was informed by the 2023/2024 IDP as well as CoGTA guidelines and MEC comments. The IDP will be a commitment to address the challenges the municipality has faced.

The Municipality is still adhering to the resolutions taken in the March 2023 Managerial Strategic Session that was held with all the line managers of Ray Nkonyeni Municipality. The theme of this planning session was of re-engineering systems and processes to optimise delivery of municipal services within our Municipality. The municipality recognizes that the environment is forever changing, and it must source new ways of achieving its objectives and achieving optimal and efficient service delivery to its communities. I am proud to announce that the resolutions taken in that session shall improve the functionality of the municipality.

Accordingly, as a municipality, we had to respect and implement the participatory approach that we are mandated to follow. In line with that, a number of public engagements were held including Mayoral Roadshows, public notices in the local media and IDP Representative Forums to ensure we compile a comprehensive and credible IDP. The participatory approach always proves useful for the municipality, not only because it is mandated, but because it ensures that there is transparency and accountability to its communities at large. It therefore becomes an important platform where the municipality has an open engagement with its communities and stakeholders at a grass root level.

It is important to note that challenges still prevail in meeting the local government mandate, however, through hard work, dedication and focus by both the political leadership as well as administration, the municipality has managed to maintain its stability and prosperity. The municipality further strives to meet the millennium development goals and align with all national and provincial policies and imperatives as well as the District Development Model. Thus, improvement is evidence on infrastructure, health care, financial management, provision of basic services, and other municipal mandates.

During the year under review the municipality developed the SDBIP which was informed by and aligned to the five-year IDP and the municipal budget. The SDBIP translated the IDP objectives into operational plans with specific targets and budgets per quarter. The municipality is finally ready to kickstart the 2024/2025 Financial Year and is focused on aligning our projects with the District Development Model in order to achieve all our goals and objectives as a municipality.

In closing, I applaud the dedication being displayed by both the political leadership and administration, of working together to fulfil the mandate of local government, which is service delivery.

MR KJ ZULU
MUNICIPAL MANAGER



Vision

By 2036 Ray Nkonyeni will be a prime tourist- friendly- economically diversified, and smart municipality with equitable access to opportunities and services in a safe and healthy environment

Mission

The municipality is committed to create an enabling environment for the establishment of agriculture; maritime; leading tourism and industrial hub to create business and employment opportunities for sustainable development and improved quality of lives through shared vision; smart service delivery solutions and collaboration with stakeholder



SECTION A: EXECUTIVE SUMMARY

Who are we?

Ray Nkonyeni Local Municipality (RNM) is a category B Municipality within Ugu District (DC21), located on the south coast of KwaZulu-Natal and is ranked number five (5) in the Province in terms of size and population. It's administrative seat in Port Shepstone. The municipality was established after the August 2016 local elections by the merging of Ezinqoleni and Hibiscus Coast local municipalities. In total, there are thirty-six wards, consisting of both urban and rural of which nine (9) are Traditional Authoritative areas.

The municipal area covers approximately 1594km² in geographic area. Privately owned land constitutes approximately 26 500 hectares. The municipality borders the Indian Ocean on its eastern part while the far southern part of the municipality runs Umtamvuna River which is the boundary between Kwa-Zulu Natal (KZN) and the Eastern Cape. The north-western part is bordered by Umuziwabantu Municipality while Umzumbe municipality borders the northern part. Its boundary extends further to the hinterland which is basically rural, and these areas are administered under traditional authority. The coastal belt stretches from Hibberdene to Port Edward and covers approximately 72 km.

The spatial location of the municipality is an advantage as the National Road (N2) runs through it providing accessibility and linkage with both Ethekwini metropolitan area and beyond as well as the Eastern Cape. The distance from the City of Durban (Ethekwini Municipality head office) to Port Shepstone (RNM head office) is 120km. It must be noted that Durban is the main commercial centre of KZN and one of the seven metropolitan cities of the Republic of South Africa. Our municipality's proximity to this sole metropolitan city of the province is a locational advantage.

The coastal belt is characterised by urban formal development and is more developed while the interior has sparsely populated housing typologies with less development. The hinterland is further characterized by steep topography which is one reason probably of less development and this has further affected the settlement patterns. It must be noted that in many parts of the country, there is very little or no development on steep topography as it is quite costly, so Ray Nkonyeni Municipality is no exception. The furthest northern part of the municipality is largely characterized by protected and conservation worthy areas. There are no economic nodes in the hinterland except for one small town, Izingolweni, with a few retail shops. Also in the hinterland is the breathtaking Oribi Gorge which serves as a tourist attraction as well as home to a number of rare species and indigenous forests. On the contrary, the coastal belt is completely dotted by economic nodes of different hierarchies. There are also conservation areas dotted along the coastal belt.



Map 1: Locality Map

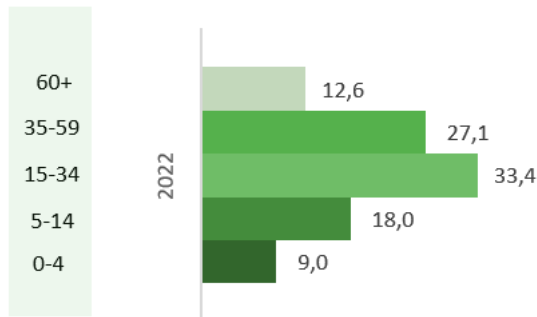




1.1 Population

As per the StatsSA Census, 2022, Ray Nkonyeni Municipality has a population of approximately 362 134, see below:

Graph 1: RNM Population



Source: StatsSA Census, 2022

The population within the municipality has been growing rapidly throughout the years due to a number of socio-economic factors. The graph below indicates the growth rate from 2011 to 2022.

Graph 2: RNM Population Growth Rate



Source: StatsSA Census, 2022

There has been a constant racial pattern as well, with Africans being dominant by a huge margin (82%) and followed by Whites (11%). The African population is distributed throughout the municipal 36 wards. Wards along the coastal belt are densely populated due to economic reasons. Compared to the other three sister local municipalities within the district, RNM has the highest population. Since 1996 to date, there has been a steady increase in the population mainly due to immigration given the better socio-economic opportunities in RNM compared to other place in the district and neighbouring northern part of Eastern Cape Province. Although there were overall increases across races, Indians fluctuated.

The highest population category of the municipality is young people between the ages of 14 and 35. The entire district youth population is 255 207, with RNM alone accounting for just 47% of this figure.

Consistent with the national trend, the municipality has less males than females. This is attributed to socio-economic factors.

In as much as RNM has a thriving economy, due to the steady influx of people from other neighbouring municipalities and other areas over the years, there has been a steady rise of unemployment. This has resulted in many people migrating to in search of greener pastures. Another contributing factor of why the number of males is lower is the social factor.



1.2 Migration

According to findings from the Home Affairs Department, In-migration, out-migration and internal migration are the most common types of migrations within RNM and therefore, when planning takes place, this must also be taken into consideration. Trends and patterns of migration have changed over the years, and it is therefore imperative to discuss the different types of migration the municipality has experienced over the years.

- In-Migrants (The number of people entering a geographical area)
- Out-Migrants (The number of people leaving a geographical area)
- Internal Migration (Country to City/town)
- International Migration (Voluntary Migration, and involuntary migration)
- Mobility (Temporary migrants as they do not have permanent residence).

Due to the economic activities within the municipality, more in-migration as well as more internal migration has been experienced as compared to the other Ugu sister municipalities.

In migrants come from neighbouring municipalities and the neighbouring Province, which is the Eastern Cape. In this regard, it is imperative that in the planning of the municipality, the influx of people must be considered. Internal migration is common as well. These are the people originally from within the municipality, who reside in rural areas and move to urban areas in search of job opportunities. The municipality has also experienced international migrants as well as mobility migration. In the case of international migrants within the municipality, it is basically those migrants who provide different types of services, and everyone benefits. The municipality is in possession of all the different types of migrations within its jurisdiction, obtained from StatsSA.












1.3 Municipal Governance

On governance, Council consists of seventy one members, elected by mixed-member proportional representation of which twelve of these form the top Executive Committee and it consists of Her Worship: Madam Mayor, Cllr PZ Mzindle, Deputy Mayor: Cllr GS Shange, Chief Whip & Acting Speaker: Cllr T.T. Hlophe and 08 members representing the main organization(ANC) and the opposition, which is the EFF, IFP and the DA. Council consists of seventy members, of which twelve of these form the top executive Committee as shown in the table on the following page:



Executive Committee (EXCO) Members

Table 1: EXCO Members

		
Cllr PZ Mzindle (Mayor)	Cllr GS Shange (Deputy Mayor) – ANC	(Speaker – Vacant)
		
Cllr T Hlophe PR (Chief Whip)	Cllr RP Gumbi – ANC	Cllr LV Ntanza – ANC
		
Cllr MT Lubanyana – ANC	Cllr ET Khanyase – ANC	Cllr LA Garbade – DA
		
Cllr D Rawlins – DA	Cllr ZB Ndwalane – IFP	Cllr NF Mqadi – EFF

1.4 Municipal Administration

Administratively, RNM is headed by the Municipal Manager, assisted by seven heads of departments with forty three (43) line managers. The municipality comprises of seven portfolio committees providing oversight for each of the seven departments. The table below lists the departments and their portfolio committees as well as their respective Heads of Departments.



Administration Governance (Portfolio Committee and their Department Heads)

Table 2: Administration Governance

MUNICIPAL MANAGER	FUNCTIONS
	<p>The Municipal Manager is the Accounting Officer of the Municipality and is responsible for ensuring that the administration is run effectively from top down. And as such ensures good governance within the institution through the assistance of the internal audit and risk management units and compliance with all legal services section.</p>
KJ ZULU	
HEADS OF DEPARTMENT	FUNCTIONS
	<p>Provides leadership and guidance on human resource management, skills development, labour relations, IT, estates management, employee wellness initiatives, meetings administration and legal advisory services.</p>
Corporate Services: Mr R Lubanyana (Acting)	
	<p>Provides leadership and guidance to education and waste minimization, cleansing and waste management, aquatic safety and arts and culture.</p>
Community Services: Mr P Sithole (Acting)	
	<p>Provides leadership and guidance with regards to the Department for the achievement of Organisational Goals and IDP objectives which enhance service delivery achievements and better services delivered to community.</p>
Public Safety: Mr SA Nzimande	
	<p>Provide leadership and strategic direction in regards to housing, roads & storm water, electricity, public works, facilities management, institutional & social development and project management administration. Provide guidance to the council, executive committee and local community with regards to provision of basic infrastructural services. Ensure compliance with legislative requirements.</p>
Technical Services: Mr M Qwabe	
	<p>To provide leadership and guidance with regards to Economic Development and Development Planning. Provide leadership and guidance on spatial and environmental management through town planning, building control, environmental management and signage control.</p>
Development Planning Services: Mr D Zulu	
	<p>Provide leadership and guidance on mayoralty, communications, brand management, marketing, events, public participation, youth development, vulnerable groups' development and empowerment, occupational health and safety of the workplace environment, integrated development planning and organisational performance management.</p>
Strategic Planning & Governance: SM April (Acting)	
Treasury CFO: V Gqoboka (Acting)	<p>Provides leadership and guidance in overseeing all Treasury activities, ensuring compliance with all acts of legal prescripts required for accurate reporting to all stakeholders.</p>






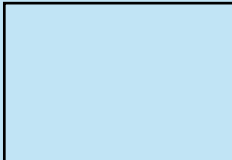


4.1 Line Managers



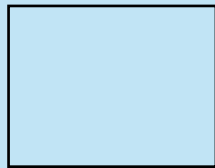










Within the seven Departments of the municipality are forty-four (44) line managers. Managers report directly to their respective Heads of Department except for the Manager Internal Audit and Manager in the office of the MM who report to the municipal manager. The organogram was approved by Council in 2017

Below is a table of Line One Managers










Table 3: Line Managers

DEPARTMENT	MANAGER DESIGNATION	TOTAL
i. Office of the Municipal Manager	   <p>Manager Internal Audit Manager in the Municipal Office Manager Legal and Compliance</p>	3
1. Corporate Services	   <p>Manager Human Resources Manager IT Manager: Fleet Management</p>	6



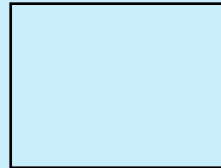











	   <p>Manager Administration management Manager Estates & Administration Manager Labour Relations and Wellness</p>	
2. Development Planning Services	   <p>Senior Manager Building Control Senior Manager: Technology Hub Senior Manager: Strategic Planning</p>     <p>Manager Aviation Services Manager: Environmental Management and Signage Manager: Town Planning Manager LED & Tourism</p>	7
3. Public Safety	   <p>Superintendent Operations Manager Fire, Rescue and Disaster Superintendent Public Transport and Administration</p>	4


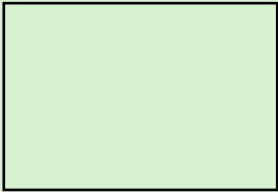
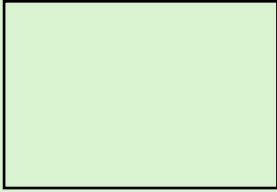


	 <p>Manager Motor Licensing and Bureau</p>	
4.Community Services	<div>  <p>Manager Arts and Culture</p> </div> <div>  <p>Manager Aquatic Safety</p> </div> <div>  <p>Manager Education and Waste Minimization</p> </div> <div>  <p>Manager Cleansing & Waste Management (Depo South)</p> </div> <div>  <p>Manager Cleansing & Waste Management (Depo North)</p> </div>	5
5.Strategic Planning and Governance	<div>  <p>Manager Mayoralty and Communications</p> </div> <div>  <p>Manager Speaker's Office</p> </div> <div>  <p>Manager Youth Development</p> </div>	6



	 <p>Manager Stake Holder Relations</p>  <p>Manager Performing, Monitoring and Evaluating</p>  <p>Manager Special Programmes</p>	
6.Treasury	 <p>Manager Supply Chain Management</p>  <p>Manager Budgeting and Reporting</p>  <p>Manager Revenue Management</p>  <p>Manager Expenditure management</p>  <p>Manager Asset Management</p>	5
7.Technical Services	 <p>Manager Human Settlement</p>  <p>Manager Project Management</p>  <p>Manager Electrical Engineering</p>  <p>Manager Project Finance</p>	7



	 Manager Roads and Storm Water	 Manager Facilities Management	 Manager Mechanical Engineering -Vacant	
TOTAL				44



1.5 Settlements

The main urban centres are found along the coastal belt. The inland region of the municipality as indicated earlier on has more land under the leadership of tribal authorities. Following is a table indicating towns and traditional settlements of the municipality. The Statistics are still from the 2016 Community Survey, as StatsSA is yet to release community data.

Table 4: Population in Town Centers

Town Centers	Total Population
Hibberdene	4464
Port Shepstone	36662
Shelly Beach	2577
Uvongo	4288
Margate	26785
Ramsgate	1080
South Broom	1615
Port Edward	4409
Ezingoleni	76000

1.5.1 Wards

There are thirty-six (36) in total, nine (9) of which are Traditional Authoritative areas. Wards are clustered into seven. The municipality boasts of both urban as well as traditional authoritative wards. Some wards are predominantly urban, while some are predominantly rural and some have a portion that cover both urban and, i.e. Ward 1. This ward stretches from the coastal belt, which is urban into the hinterland, which is predominantly rural. Below are wards within the municipality.



Table 5: RNM Clusters & Wards

Cluster	Wards	Description
		Many households do not have access to tap water and sanitation
1	30, 31, 32, 33, 34, 35 and 36	<ul style="list-style-type: none"> • The cluster is located on the outer west of RNM, and has one town centre – Ezinqoleni. • Wards are mostly rural, and land is under traditional authority. • Most of the facilities in the wards are located in the Southern part. • Oribi Gorge is located within the cluster. • Most dominant land use are grasslands, thickets, bushlands, water bodies and indigenous forests. • Main economic activities include mining and quarrying, commercial agriculture (sugar cane, sugar beans, nuts).
2.	7, 8, 9, and 29	<ul style="list-style-type: none"> • Located on the southeast of the Municipality. The cluster extends from the coastal belt in the east into the coastal hinterland in the west. • The cluster is predominantly rural. • Dominant land use is high potential land. • Large proportion of households engage in subsistence vegetable and poultry farming.
3	1, 2, 6, 10, 11, and 19	<ul style="list-style-type: none"> • The cluster is located along the coastal strip of RNM and is predominantly urban. • Three towns are located in the cluster - Margate, Umtamvuna and Port Edward. • Main economic activities include commercial agriculture, and some pockets of mining/quarrying activities on the southeastern parts. • Most dominant land use is high potential land. • Most households have access to tap water and waterborne sanitation.
4.	3, 5, 25, 26, 27, and 28	<ul style="list-style-type: none"> • Some parts of the cluster are located on the coastal strip, and extend into the coastal hinterland of RNM in the west. • Most dominant land use is high agricultural potential land. • Main economic activities include tourism, commercial and subsistence farming, mining, and light industry. • Most households have access to water and sanitation
5.	21, 22, 23, and 24	<ul style="list-style-type: none"> • The cluster lies along the N2 corridor and is predominantly rural. • The dominant land use is high agricultural land, low density residential and conservation. • Main economic activities include commercial and subsistence farming, small-scale mining and tourism. • The cluster is relatively well provided with infrastructure such as water and sanitation.
6.	4, 17, 18, and 20	<ul style="list-style-type: none"> • Located on the coastal belt with some wards extending to the coastal hinterland. • Predominantly urban, with the primary node (Port Shepstone) of RNM located in the cluster. • Main economic activities include industrial, commercial and subsistence farming, commercial activities and tourism. • Dominant land uses are urban residential, low density residential and high agricultural land. • Most households have access to water, sanitation and electricity.



7.	12, 13, 14, 15, and 16	<ul style="list-style-type: none"> • Located on the northeastern part of RNM, and is both rural and urban. • The cluster has one town (Hibberdene) and a range of smaller coastal areas. • Key economic activities in the cluster include commercial and subsistence farming, commercial activities, and tourism. • Dominant land uses include urban residential, low density residential and high potential agricultural land. • Road infrastructure consists of tarred and gravel roads. • Most households have access to water, sanitation, and electricity.
----	------------------------	---

1.5.1.1 Traditional Wards

Table 6: Traditional Wards

Traditional Settlements	Wards Within the Traditional Areas
KwaXolo	<ul style="list-style-type: none"> • Portion of ward 7 • Ward 8 • Portion of ward 9 & • Ward 32
KwaNzimakwe	<ul style="list-style-type: none"> • Portion of ward 1 • Ward 10 • Portion of ward 11
KwaNdwalane	<ul style="list-style-type: none"> • Portion of ward 20 • Ward 21 • Ward 22 • Ward 23 • Ward 24
KwaMadlala	<ul style="list-style-type: none"> • Ward 13 • Portion of ward 14 • Ward 15
KwaMavundla	<ul style="list-style-type: none"> • Ward 05 • Ward 25 • Ward 26 • Ward 27 • Ward 28
Oshabeni	<ul style="list-style-type: none"> • Ward 4 • Portion of ward 14
Kwa Nyuswa	<ul style="list-style-type: none"> • Ward 34 •
KwaMthimude	<ul style="list-style-type: none"> • Ward 35 • Portion of 36
KwaVukuzithathe	<ul style="list-style-type: none"> • Ward 30 • Ward 31 • Ward 33 • Portion of 36



1.5.1.2 Urban Wards

- Portion of ward 1
- Ward 2
- Ward 6
- Portion of ward 7
- Portion of ward
- Portion of ward 14
- Ward 16
- Ward 17
- Ward 18
- Ward 19
- Ward Portion of ward 20

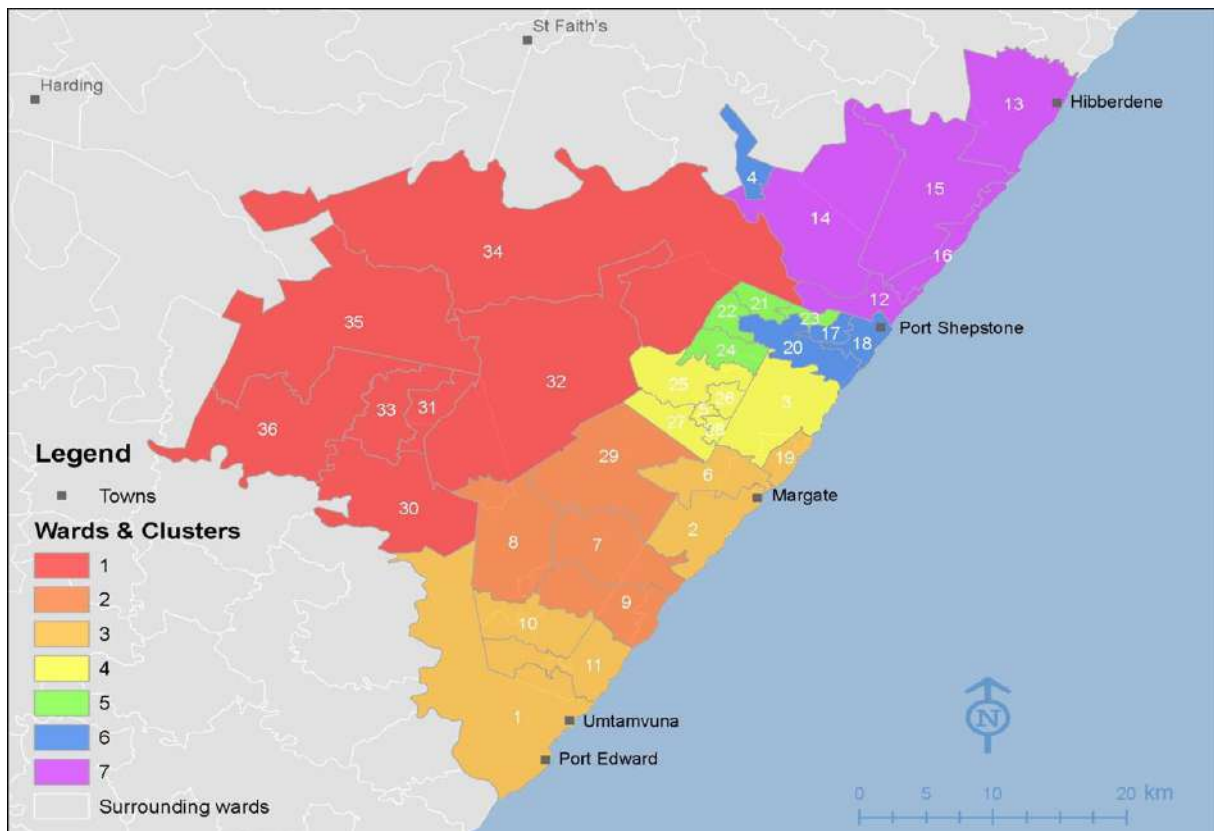
Table 7: Cluster Wards

CLUSTER	WARDS
1	30,31,32,33,34,35 & 36
2	7,8,9 & 29
3	1,2,6,10,11&19
4	3,5,25,26,27& 28
5	21,22,23 &24
6	4,17,18,20
7	12,13,14,15,16

On the following page is a map indicating all the municipal ward boundaries. It should be noted the wards vary in population size. For an example, rural wards near urban areas have dense population as compared to those in furthest hinterland. This is due to the proximity of towns where people are either employed or seek job opportunities on daily basis. Wards around Port Shepstone have very high population densities due to the Industrial activities around.



Map 2: Wards & Clusters



Source: Community Survey 2016

1.6 Settlement Typology

Ugu District as a whole has an urban development bias. Its local municipalities whose boundaries stretch from the coastal belt into the hinterlands, development occurs along the coast and very little in the hinterland.

Ray Nkonyeni Municipality land area is characterized by developed urban coastal strip. Naturally, most of the dense human settlement typologies is along the coastal belt as this is where main economic activities take place and land competition has intensified in these areas which is contrary to urban formal settlement. Settlement typology in the hinterland vary per ward. Those wards that not very far from commercial activities have dense populations while those furthest have sparse settlement typologies which in most instances is due to steep topography. Settlements in rural areas are not yet controlled through land use management scheme (LUMS) and as a result there is a large disorderly settlement pattern.

1.7 Economic Development

Ray Nkonyeni is the ultimate economy booster of the entire district due to its location. Commercial agriculture and other numerous companies successfully export products to some of the exclusive areas around the country. The improvement of its infrastructure, education, health and recreational facilities contribute immensely to its appeal. Ray Nkonyeni is the most developed municipality as compared to the other three local municipalities within the district and thus functioning as a regional center. It is also the most densely populated municipality



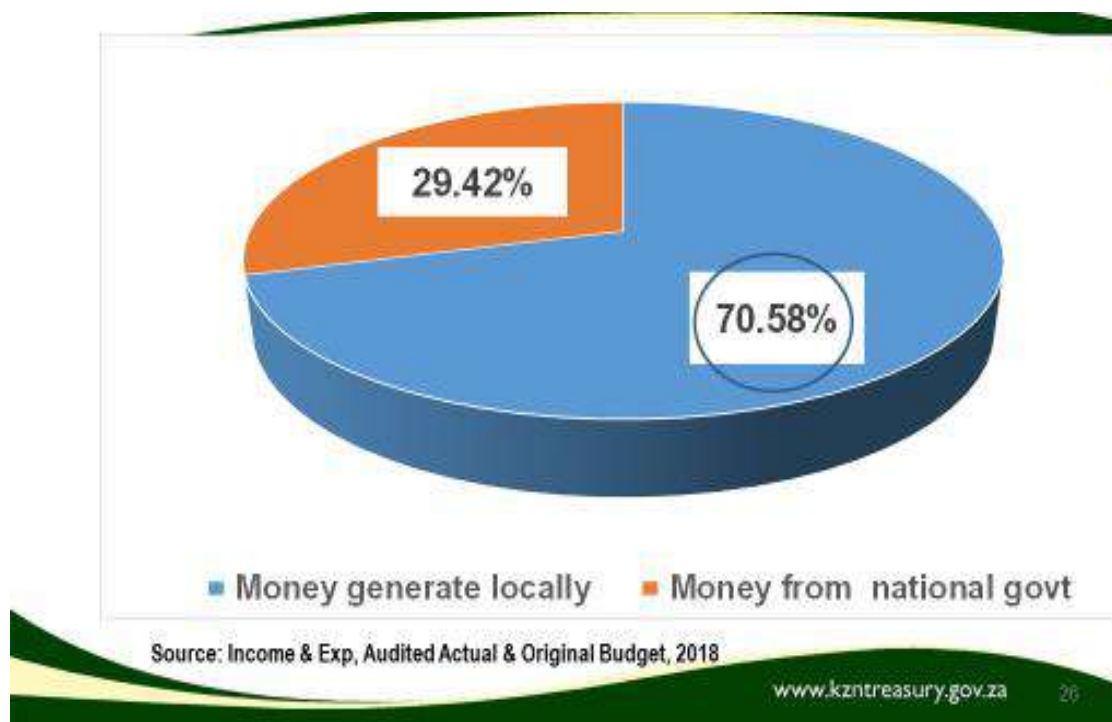
The Provincial Growth and Development Strategy and the National Spatial Development Frameworks show that one of the primary development corridors has extended from Durban into Ugu District, RNM specifically. The corridor recognizes existing economic activities and aims to enhance them. Further, it should be noted that most business activities take place along the coastal belt.

The main features of the local economy are:

- Finance and Business Services 21.5%
- Transport and communications 8.9%
- General Government Services 13.3%
- Whole sale and retail 18.7%
- Tourism TBC
- Mining TBC
- Agriculture and forestry 8.9%
- Some limited manufacturing 12.5%

The municipality generates 70.58% from its various economic streams while National Government gives out 29%. This is a good indication that Ray Nkonyeni Municipality is performing very well with regards to economic development. Refer to the graph below for this information.

Graph 3: RNM's Revenue



To grow the economy and broaden ownership, there is some concerted effort support of Small, Medium, Micro Enterprises (SMME's) and have recently supported establishment of



their association. Through its Extended Public Works Programme (EPWP), the municipality provides gap job opportunities to many unskilled especially young people and this is implemented mainly through its infrastructure development and services programme. The Previously Disadvantaged Individuals, the youth and disabled members of the municipality are given first preference in job opportunities as a way of redress and equity. The EPWP has projects focusing on street cleaning, verge cutting and refuse removal.

1.8 Opportunities and Development Strengths

Ray Nkonyeni Municipality provides an attractive destination with wide range of amenities facilities of good quality as well as public infrastructure making it attractive and conducive for its residents and tourists alike. However, like many areas in the country, the municipality is faced with a challenge of two-worlds in one community divided along rural/urban split. The urban part is where most good quality amenities, facilities, infrastructure, and services is enjoyed with the rural portion still having at least facilities and infrastructure and only to a limited extent. As a result, yearly, the municipality strives to innovatively find a balance between keeping the existing urban infrastructure, facilities, amenities, and services being of good quality and expanding such to rural side. Great efforts are being made to reduce backlogs by prioritizing basic needs to improve the quality of life of the citizens as per the principles set out in the NDP.

Ray Nkonyeni Municipality's success lies in its current economic activities. Further economic opportunities and development can be explored through for example, economic development corridors, Izotsha economic corridor is one such example. There is potential for eco-tourism in both rural and urban areas due to the natural assets and beautiful scenery. For instance, there is the Red Desert in Port Edward, Petrified Forest in Trafalgar, the ancient rock art at KwaXolo area which is an indication that this area was once inhabited by the Khoi-Sans, Impenjathi Resort, as well the rocks at Shelly Beach which are said to be from the volcanic eruption, brought to the beach from Antarctica. The Oribi Gorge on the Northeastern part of the municipality is another tourist attraction and serves as an eco-tourism corridor. Tourism is expanding on a large scale in the lower Oribi Flats area, specifically from D251 and this is where the only 5-star hotel in the region is located.

On mainstream economy, there is a growing potential for the growth of the economy judging by recent performance of Margate Airport which was reopened in November 2013. According to the airline operator, over the last years almost 5000 passengers have used the airline flying between OR Tambo International Airport in Johannesburg and Margate. While this was initiated as a one return flight scheduled for selected dates per week, this has grown tremendously. It started as one flight about three times a week to now having at least a flight daily. The redevelopment of the airport and related infrastructure therefore will give the area breath of fresh air.



1.8.1 Tourism Sector



Margate Beach



Oribi Gorge

Ray Nkonyeni Municipality is a strong tourist attraction place, boasting of well-developed products. Added to that is the climate which is humid and subtropical all year-round, thus a leading tourist destination in KZN. Margate and Port Shepstone are two main centres with public infrastructure, beautiful coastline with blue flag beaches and tourism, the latter mainly playing administrative role while the former is more of tourism attraction point with most tourism products developed in and around this town.

Margate is the main holiday resort throughout the year. The town is also the economic center for the strip of coastline almost completely made up of accommodation, holiday homes and tourist-related establishments. The regional airport is also located in Margate. The coastline of the municipality is also dotted with small towns, many of which serve as seasonal recreational hubs, such as Hibberdene, Shelly Beach, Uvongo, Ramsgate, Southbroom and Port Edward. These towns feature a wide range of tourist-oriented businesses, including restaurants, bars, clubs, movie houses, golf courses, clothing shops, museums and hotels, lodges and Bed and Breakfast.

Further inland of the municipality, an agri-tourism corridor has been identified and further investigated to include the entire P262 as it traverses the landscape. It is believed that this extended tourism corridor is vital for development in the northern portions of the municipality.

The municipality boasts of beaches with international standards accreditation called the blue flag beaches managed in South Africa by WESSA. This international recognition uses stringent criteria focusing on critical aspects such as excellence in terms of safety, amenities, cleanliness and environmental standards. The following beaches have been identified with Blue Flag Status along the Hibiscus Coastline:

- Hibberdene Beach
- Lucien Beach
- Marina Beach
- Southport Beach
- Trafalgar Beach
- Umzumbe Beach
- Ramsgate Beach



1.8.2 Agricultural Sector

The municipality is generally characterized by good potential agricultural land that needs to be preserved for food production. There is mixed agricultural practice. More commercial farming is along the coastal belt, however, in some areas in the hinterland, it can be found as well. Little subsistence farming activities take place in the hinterland. Commercial farming is dominated by sugar cane farms and banana plantations along the coastal strip. Sugarcane and bananas are grown at a large scale while cattle rearing, macadamia nuts and vegetable grow in small holdings. Subsistence farming (maize growing, amadumbe, beans and sweet potatoes) is practiced mainly in the hinterland whereby families grow for consumption. There is a small-scale growth of sugarcane farming in the interior, practiced mainly by emerging Black farmers. Seasonal rains, steep topography, poor infrastructure, and lack of new scientific methods of ploughing are some of the shortfalls these farmers experience.

The status quo depicts that much land in the interior is dedicated to sugar cane production within the service area of Sezela Mill situated next to the coast between Pennington and Bazely Beach.

The Umzimkulu Sugar Mill has permanently closed down leaving the Sezela Mill only in operation. Due to the closeness to the sea, and commercialization and urbanisation of the coastal belt, the growing area is now mainly inland from the mill, stretching as far as Harding and with some areas in the former Transkei (cane deliveries have dramatically reduced from this region).

Ugu District boasts of the following:

- Commercial Agriculture in the District produces 1/5 of all bananas consumed in S.A.
- Export is growing on tea tree to Australia and Macadamia to other countries
- Employment is decreasing in the sector.

1.8.3 Manufacturing and Retail Sector

Retail activity is concentrated in a ribbon development of small towns along the coastal strip that act as commercial and service centres for local residents and neighbouring rural communities. Port Shepstone is the main commercial centre and major source of employment. Shelley Beach is the fastest growing commercial centre. There has been a gradual change in rural settlement patterns, from a dispersed settlement pattern to a concentration of residential sites around the main access routes. Ray Nkonyeni is the major contributor with regards to retail and commercial services due to its location there are many commercial activities and uses that are concentrated within the municipality. However, in other local municipalities that are within Tribal land there are limited, or local convenient facilities and they occur in residential areas unlike with highly urbanised areas like Ray Nkonyeni LM there are town centres with large retail commercial centres. In Municipalities within rural areas, this takes the form of spaza shops and general dealers.

Manufacturing and retail sectors are main industry of employment within the municipality. Although 60% of manufacturing businesses are located in the Port Shepstone/Marburg industrial area it is important to note that a third of the manufacturing businesses also relate to Margate suggesting that this area should receive some prominence in terms of future industrial sector planning. The formal manufacturing sector is limited to the coastal strip and primarily the Marburg and Margate areas. It is not envisaged that the formal large scale manufacturing sector will expand into the rural areas (although development at Izotsha would provide easier access to job opportunities to the rural workforce). The secondary sector is fairly stable in both employment and investment terms.



1.8.4 Mining Sector

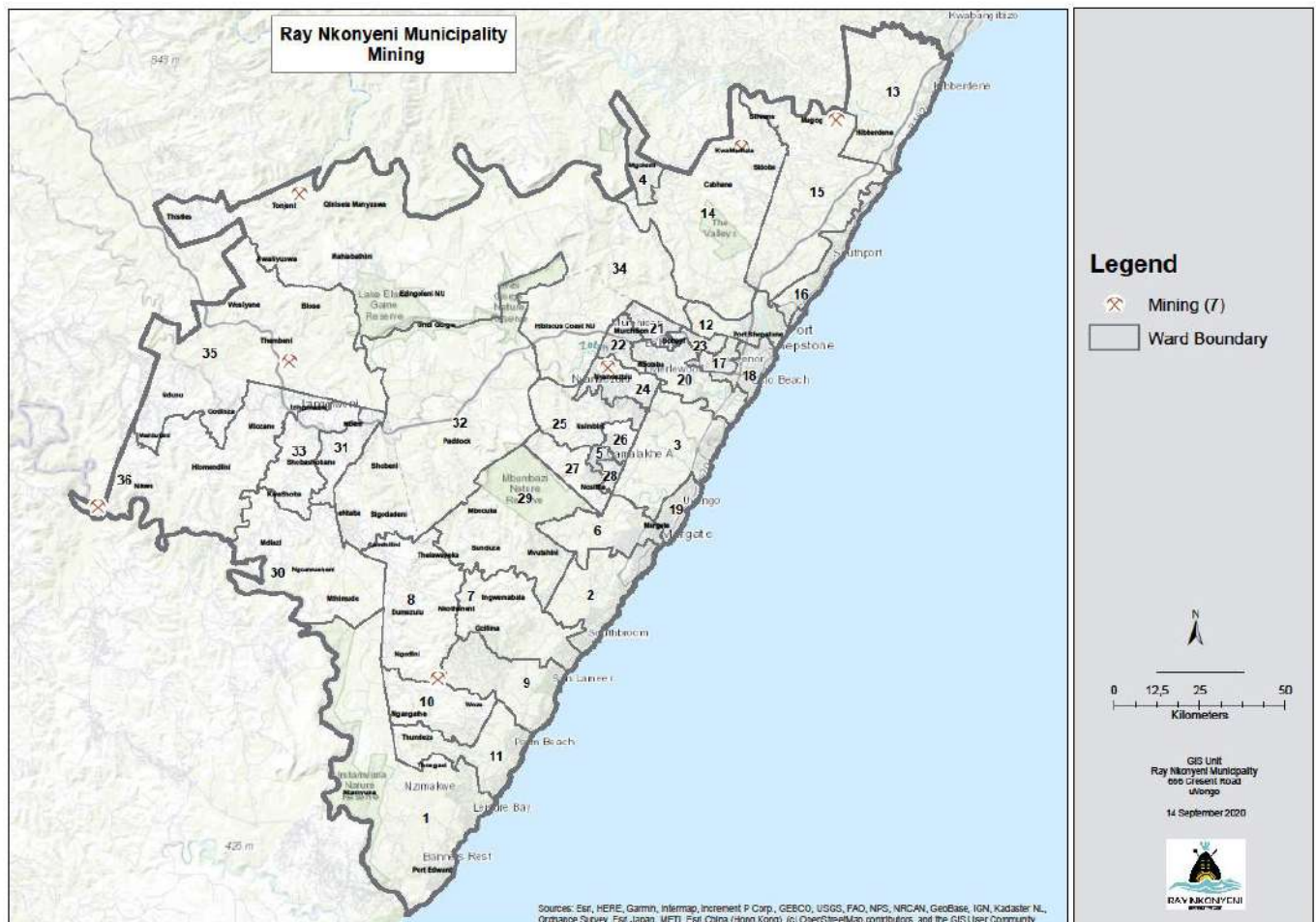
RNM boasts of a number of small mining areas (7) within its jurisdiction. The mining and related processing of stone into various aggregates and crusher dust is essentially aimed at supplying the local construction industry and to boost the local economy. However, the Ugu GDS states that mining is one of the poorest performing sectors in terms of GVA growth. This is due to a number of factors. There is therefore a need to enhance and encourage investment in this sector, through ensuring market stability. One of the ways to do this is to enhance the formalisation of the sector. In the case of the Margate quarry of NPC, it is evident that a number of brick and block making yards has established on the “doorstep” of the quarry. The construction material industry appears to be benefiting from its location in relation to the quarry. Various other quarries are located throughout the area. The Idwala Carbonates facility in Ray Nkonyeni LM is the major employer in the District but receives limited attention in terms of strategic planning. There are also potentially open mining opportunities on the coast (to the south of Ugu).

Table 8: Other Mines within Ray Nkonyeni Municipality

OTHER MINES WITHIN RAY NKONYENI MUNICIPALITY		
MINE	MINED MINERAL	FINISHED PRODUCT
Port Shepstone Quarries	Limestone	Cement
Margate NPC	Limestone	Cement
KuluCrete South Coast	Limestone	Aggregate, Blocks, Cement bricks, Paving bricks, Precast kerbing, Retaining systems, Roof tiles
Natal Portland Cement	Limestone	Cement



Map 3: Ray Nkonyeni Municipality Mines



RNM GIS 2020

1.8.5 Construction Sector

This sector is fast gaining momentum within the municipality, however, it must be noted that there are still constraints with regards to the small emerging contractors in terms of financial constraints.

1.8.6 Finances and Services Sector

Ray Nkonyeni Municipality offers a relatively diversified service sectors. Activities range from: legal, insurance, transport, engineering, household, small business, health, social to financial. Access to such services decreases in relation to distance from these nodes. The finance and insurance sector has been the second highest performing sector in terms of GVA growth in the service sector.

In particular, the commercial financial sector within the municipality is well represented with all the major banking institutions present within the main economic nodes. There is a challenge in facilitating access of rural communities to the formal commercial banks both in terms of the location of such facilities and prohibitive service charges. Capitec has made inroads into the lower end of the banking market as a result. There are many micro-lenders operating within the region, taking advantage of the high credit-risk rating of the rural poor, with unscrupulous lenders locking individuals into a perpetual cycle of poverty. Young people are often trapped through sms offers into taking large loans. The regulation of micro-loan lenders is weak.



1.9 Urbanization, Development and Upgrades

Ray Nkonyeni Municipality has experienced enormous pressure in development over the past year. This is in line with the municipality's urban renewal policy. It is notably that the municipality experiences, in line with international trends, the highest level of urbanisation. There is rapid and growing urbanization within the municipality. There is also a lot of development activities in a form of residential as well as beaches upgrade. A number of catalytic projects are also taking place which many people have found employment. This is in line with the Ugu District Growth Strategy.

The municipality is a business licensing authority and policies have been developed to encourage more businesses into the municipality, more especially the private sector. The CBD in Port Shepstone is quickly reviving its appearance as more establishments are being developed. According to the 2018 State of the Nation Address, the president emphasized the need to partner with private companies to create job opportunities. Ray Nkonyeni Municipality is in line with this as a number of agreements have been made between the private sector and the municipality.

1.10 Investment Opportunities (Catalytic Projects)

Priority (Catalytic) Projects Programmes (CPP) refer to strategic initiatives and projects that have been identified as a high priority within an organization or government entity. These projects are considered essential for achieving specific goals, objectives, or outcomes. Priority projects are often allocated significant resources, funding, and attention due to their critical nature and potential impact. Below are RNM Catalytic projects for the 2024/25 financial year.



Project Description	Responsible Entity	Estimated Budget	Funding Source	Current Status
Provision of just under 24 000m ² Retail space, Public Transport Facility, Informal Traders	Private Developer	550m (70M Public Transport, The Balance goes to retail facility)	RNM - Land Value DOT: KZN - R50m Private Developer	Implementation
Upgrading of Old Main Road and Nelson Mandela Drive	RNM	R120m	Treasury KZN	Implementation
Upgrading of Terminal Building, Parking Areas, Runway, Taxiway and Development of Commercial Precinct	RNM in partnership with DEDTEA	R285 million	DEDTEA - R10m and PPP	Terminal Building completed. The rest to be undertaken through PPP
Phase 1 - Information Centre and Bulk Infrastructure	RNM	R55 million	European Union and KZN Treasury	Completed
Phase 2: Internal Infrastructural Services		R61 million	RNM or DBSA	Conceptual Stage
Phase 3: Estate Development and Investment Attraction (Technology and Innovation inclined)		R2.8 billion	Private Developer	Conceptual Stage
Creation of Small Craft Harbor in line with Operation Phakisa inclusive of Boat Launching Site, Fisheries, and related facilities (Hibberdene, Port Shepstone and/or Port Edward)	RNM / Ugu DM and DPW	R1.041billion	Private Developer	Conceptual Stage
Facilitation of declaration of the area as an Industrial Park - ultimately to be designated as Special Economic Zone	RNM	TBC	RNM / DTIC / DED: KZN	



Installation of Smart meters (meter replacement & Mini-Substation) on existing customers - Revenue Enhancement	RNM & DBSA	R12 m	DBSA Loan	Completed Phase 1 - Commercial Sites (Phase 2 - Residential)
Design of Bulk Interconnector	RNM & DBSA	R16 m	DBSA Grant	Feasibility Stage
Pre-feasibility studies on Renewable Energy at Lot 19 & 20	RNM & DBSA	DBSA Grant/ RNM (Loan) / Independent Power Producers (Private)	DBSA Grant	Feasibility Stage
Creation of additional airspace for waste management. Exploration of generation of alternative and renewable energy from Landfill Site. Waste Management Technologies (Reduction, Reuse & Renewable)	RNM	R65m	RNM and PPP	Implementation
Mixed-use beachfront development with both public & private investment - prominent public art features, craft Centre, water features, beach hotel & apartments.	RNM	R180m	RNM / Treasury KZN / Private Investors	Conceptual Stage
River Park with promenade, picnic facilities, braai facilities, etc.	RNM	R75m	RNM / Private Investor	Conceptual Stage
Development of a One-Stop Shop Government Precinct in Port Shepstone	RNM	R500m	PPP	Conceptual Stage
Development of Beachfront Promenade with walking, running pathways, aesthetic lighting, parking areas, restaurants & public open space	RNM	R91.4 m	RNM / Private Investor	Conceptual Stage
Conference facility to attract investment events & business tourism.	Ugu DM / RNM	R180m	PPP	Conceptual Stage



The railway line between Durban and Port Shepstone is vital important to the proposed Industrial Development and rapid Eco-Tourism promotion in South Coast. The rehabilitation and its maintenance remain the primary responsibility of Transnet.	RNM, DOT and Transnet	TBC	DoT and Transnet	Conceptual Stage
Construction of Guard House, Fencing and resurfacing of the existing area	RNM	R3 million	RNM	Completed
Construction of Multi-Storey Parkade to support the Port Shepstone Inner City Rejuvenation Programme	RNM	R100m	PPP	Procurement Stage
Construction of Stalls and Storage Facilities for Informal Traders	RNM in partnership with DEDTEA	R20m	DEDTEA	Implementation
Construction of Zipline over the Gorge to promote the identified potential of an Rural Eco-Tourism Adventure around Khoisan Rock-Art	SCTIE	R13m	RNM / SCTIE / Private Investor	Implementation
Eco Estate -	Private Developer	R800m	Private Investment	Implementation
Eco Estate -	Private Developer	R1.1 billion	Private Investment	Implementation
Commercial/Residential and Leisure	Private Developer		Private Investment	Inception
		Total =R 7.284 400 billion		



1.10.1 Development Priorities

Climate change is likely to cause a number of challenges for Ray Nkonyeni Municipality, linked to global impacts such as increased temperatures, extreme weather events (e.g. flooding and drought), sea level rise and climate variability. As such, climate change runs the risk of undoing all of the development gains of the last one and a half decades; climate change adaptation in all sectors will have to become one of the Municipality's top development priorities.

1.10.2 Investment Areas

According to municipality's LED Strategy, the Municipality has a long established, traditional industrial complex which is recognised provincially, similar traditional industrial complexes can be found in Mandeni, Ladysmith, Newcastle, and Richards Bay. The Municipality is recognised provincially as a secondary city; this means both public and private sector investment must look to the Municipality as one of the priority investment areas in the province. So basically, the municipality stands a high potential of having it wholly being an invested area in the province, but currently the hinterland is being looked at for prioritization.



1.10.3. Sector Departments' Projects

1. DEPARTMENT OF SOCIAL DEVELOPMENT

Table 9: Social Development Projects

PROGRAMME ONE	PROGRAMME TWO	PROGRAMME THREE	PROGRAMME FOUR	PROGRAMME FIVE
Sub-Programme: Office of the MEC	Management and Support	Management and Support	Management and Support	Management and Support
Sub-Programme Corporate Services	Services to older persons	Care and support services to families	Social crime prevention and support	Community mobilization
Sub-Programme District Management	Care and services to older persons	Child care and protection services	Victim empowerment	Institutional capacity building and support for NPOs
	Services to persons with disabilities	ECD and partial care	Substance abuse prevention, treatment and rehabilitation	Poverty alleviation and sustainable livelihoods
	HIV & AIDS	Child and youth care	Restoration services	Community Based Research and Planning
	Social Relief	Community based care and services to children	Management and support	Youth development
				Women Development



Table 10: KZN Provincial Projects

SANRAL EASTERN REGION CURRENT PROJECTS

Project No.	Project Description	High Level Scope	Province	Municipality
N.002-212-2018/1	MPRS2: Izingolweni to Murchison	Resurfacing of road with double seal	Kwa-Zulu Natal	Ezingolweni Local Municipality
N.002-230-2025/1	MPRAG: Hibberdene 5.3 To Mzinto Riv 23.3	Resurfacing of road with asphalt overlay	Kwa-Zulu Natal	Ugu District District Municipality
N.002-230-2024/1	MPRAG: Mzinto Riv - Mkomazi&Hazloc (Nt)	Resurfacing of road with asphalt overlay	Kwa-Zulu Natal	Ugu District District Municipality
N.002-220-2025/1	MPRMS: N2/22X Murchison - Marburg (10.93)	Periodic Maintenance	Kwa-Zulu Natal	Ugu District Municipality
C.004-031-2018/1	DNURS: Pedestrian Facilities Izingolweni	Road safety improvements	Kwa-Zulu Natal	Ugu District District Municipality
C.004-054-2021/1	DNURS: CD Izingolweni to Murchison	Road safety improvements	Kwa-Zulu Natal	Ray Nkonyeni Local Municipality
C.004-076-2022/1	DNURS: CD Mtamvuna River to Kandandlovu	Road safety improvements	Kwa-Zulu Natal	Ray Nkonyeni Local Municipality
C.004-088-2023/1	DNURS: Ped.Fac. N2/21 Izingolweni(Pack 2)	Road safety improvements	Kwa-Zulu Natal	Ugu District District Municipality
N.002-220-2020/1	DNURT: Port Edward to Mpenjati river	Upgrading from single to dual carriageway road	Kwa-Zulu Natal	Ray Nkonyeni Local Municipality
N.002-220-2023/1	DNNBN: Dualling of CH Mitchell bridge	New dual carriageway freeway	Kwa-Zulu Natal	Ray Nkonyeni Local Municipality
N.002-220-2022/1	DICAL: Mtamvuna to Port Edward	Addition of additional lanes	Kwa-Zulu Natal	Ray Nkonyeni Local Municipality
N.002-216-2022/1	MONAF: KZN Lighting Package 1	Maintenance of street lighting	Kwa-Zulu Natal	Ugu District District Municipality
N.002-213-2024/1	MONRM: N2 Sisonke & Ugu (197.16)	Routine road maintenance	Kwa-Zulu Natal	Ugu and Harry Gwala Districts
R.061-110-2018/1	DNURT: Mbizana River to Marburg	Upgrading from single to dual carriageway road	Kwa-Zulu Natal	Ugu District District Municipality
N.002-223-2018/1	DNURT: Umtentweni I/C to Hibberdene	Upgrading from single to dual carriageway road	Kwa-Zulu Natal	Ugu District District Municipality



4.Idwala Carbonates

Table 11: Projects to be Implemented by Idwala Carbonates

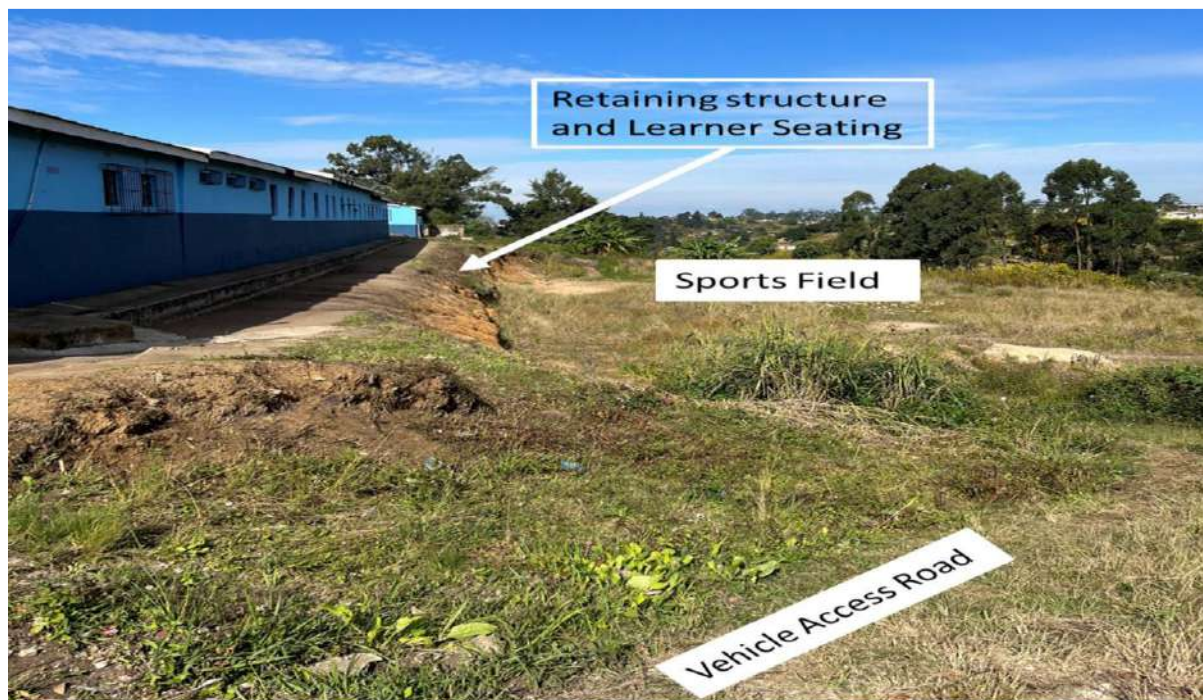
Project Name	Budget	Anticipated Completion
i. Local SMME incubation in partnership with Singatha	R1,500,000.00	December 2025
ii. Nobamba High School renovations, kitchen construction and a borehole renovation	R3,200,000.00	December 2027
iii. KwaNyuswa Community Skills Centre	R2, 300,000.00	December 2026
iv. Renovation of KwaLushaba Tribal Court	R1,500,000.00	December 2025



5. Rossmin Mine

Table 12 : Rossmin SLP 2024-2028

PROJECT NAME	PROJECT DESCRIPTION	TIME FRAME	LOCATION	NO OF JOBS CREATED	PROJECT COST PROPOSAL
Beaulah school upgrade	Develop an area of land within the school grounds to establish access (driveway); retaining walls to stabilize the steep ground and protect the existing classrooms; bringing in fill materials to develop a sports field and vehicle parking area. Provide for a borehole, pumps and piping and reticulation of water to the school and access to water for the local community.	<p>Jan-June 2024: Planning</p> <p>July- Dec 2024: Tender & Selection</p> <p>Jan-June 2025: Infrastructure materials to site & start of earthworks.</p> <p>July-Dec 2025: Completion of access road & retaining structures.</p> <p>Jan-Jun 2026: Borehole location and establishment.</p> <p>July-Dec 2026: Water reticulation, tanks pumps & piping.</p> <p>Jan-Jun 2027: Completion of sports field and parkin</p>	Oshabeni Ward 4	10	R110 000 00





6. Eskom

Map 4: UGU DM Infrastructure Plan by Eskom

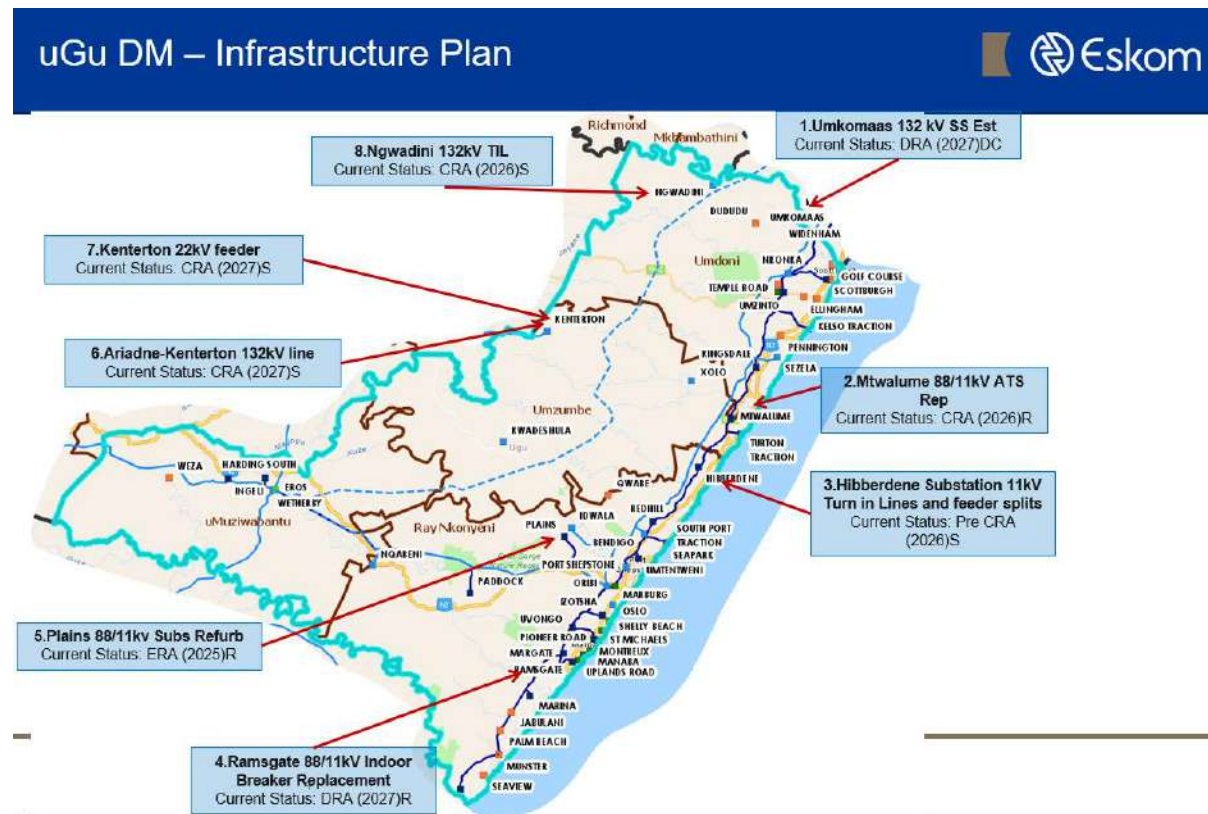




Table 13: 2024/2025 Planned ESKOM Projects

2024/25 proposed projects - Ugu district municipality



Municipality Code & Name	Project Name	Ward Number	Project Type	Estimated Conns	Status
KZN216_Ray Nkonyeni	Nositha village rural settlement	27	Households	180	Proposed projects
KZN216_Ray Nkonyeni	Masinenge phase 2 -rural settlement	1	Households	485	Proposed projects
KZN216_Ray Nkonyeni	Gcilima village rural settlement	7	Households	171	Proposed projects
KZN216_Ray Nkonyeni	Solpaki village rural settlement	14	Households	300	Proposed projects



7. Department of Agriculture and Rural development

Table 14: Department of Agriculture and Rural Development Projects

Project name	Intervention	Location	Strategic Goal	Progress status
Bostin farm	Macadamia Production in 30 ha	Paddock	Promote macadamia production, support small scale farmers to grow from small to commercial farming. Promote previous disadvantaged farmers to participate in international market	Project has planted 20h macadamia nuts and is left with 10ha to be developed & complete the project. Farming equipment has been bought(tractor mounted grass, slasher, boom sprayer, disc, harrow digger, limespreader & pruning scissors)



Boston Macadamia nuts planting



3



8. Department of Education

Table 15: Department of Education Projects

no	emis number	Project Name	ward number	scope of works	sub programme	infrastructure programmes	implementing agent	total project cost r'000	allocation 2022-23 r'000	allocation 2023-24 r'000	allocation 2024-25 r'001
124	500106042	Bashise Primary School	29	renovation of existing structures, construction of new (8g, 12b, 2m2f1d, 4r1t) make good and clear the site; incl all necessary plumbing & drainage, walkways and stormwater channels. incl berm, hoarding of the site, and clean the site after completion of all the construction works.	water and sanitation	upgrades and additions	dopw	r 5 189,200	r 667,000	r -	r -
142	500106708	Beaulah Primary School	4	storm damage to frar toilet	storm damage	refurbishment and rehabilitation	dopw	r 5 154,000	r 1 213,950	r 514,020	r 250,000
143	500106708	Beaulah Primary School	4	renovate existing structure (2m1f) construction of new (6g, 6b, 2m2f1d, 3r1t) make good and clear the site; incl all necessary plumbing & drainage, walkways and stormwater channels. incl berm, hoarding of the site, and clean the site after completion of all the construction works.	water and sanitation	upgrades and additions	dopw	r 4 132,059	r 667,000	r 102,000	r -
178	500337218	Bheki Secondary School	11	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 1 600,000	r -	r 137,100	r 208,986
278	500113294	Buhlebezwe Senior Primary School	28	2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 1 computer	upgrades and additions	upgrades and additions	dopw	r 7 980,000	r 208,499	r -	r -



				room(s), 6 office(s), 5 storeroom(s), 1 strongroom, 2 teacher toilet seats, 2 disabled toilets,							
279	5001132 94	Buhlebezwe Senior Primary School	28	storm damage	storm damage	refurbishment and rehabilitation	dbsa	r 200,000 ³	r 474,724	r -	r -
360	5001178 82	Coniston Primary School	30	2 ecd classroom	early childhood development	upgrades and additions	dbsa	r 231,006 ⁴	r 937,000	r 102,000	r 930,019 ¹
362	5001180 67	Cophela Primary School	4	repairs and renovations	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r 922,000 ¹	r 191,607	r -	r -
406	5001206 94	Delihlazo Primary School	9	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
407	5001206 94	Delihlazo Primary School	9	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa/safe	r 328,150 ¹	r -	r -	r -
411	5001207 68	Denver Zoar Primary School	14	repairs and renovations	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r 000,000 ⁴	r -	r 012,800 ¹	r 426,743
422	5001214 34	Dingeton Primary School	29	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa/safe	r 922,815 ¹	r -	r 102,000	r -
470	5004070 37	Duduzile Junior Secondary School	4	5 standard classroom, 2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 1 computer room(s), 6 office(s), 5 storeroom(s), 1 strongroom, 1 snp kitchen/tuckshop, 4 girls' toilet seats, 2 teacher toilet seats, 1 disabled toilets, water provisioning,	upgrades and additions	upgrades and additions	idt	r 753,000 ⁸	r -	r 833,246 ¹	r 985,898



				electrification provisioning, fencing,							
471	500407037	Duduzile Junior Secondary School	4	sanitation programme (phase 3), cluster ugu-14 demolition of existing structure, construction of new blocks : 1f1d; 2m2f1d; 10b; 10g, renovate existing structure	water and sanitation	upgrades and additions	dopw	r 4 522,945	r 667,000	r -	r -
501	500125060	Dunywa Primary School	32	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 5 778,970	r 3 597,000	r -	r -
502	500125060	Dunywa Primary School	32	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa	r 942,942	r -	r 149,435	r 109,558
518	500126170	Ebomvini Primary School	35	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 1 600,000	r -	r 137,100	r 208,986
789	500137640	Enkoneni Primary School	10	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 7 691,294	r 139,703	r -	r -
799	500138306	Entabeni Primary School	10	6 standard classroom, 3 grade r, 4 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 5 office(s), 7 storeroom(s), 1 strongroom, 4 teacher toilet seats, 2 disabled toilets,	curriculum redress	upgrades and additions	idt	r 4 000,000	r -	r 1 128,000	r 410,286
800	500138306	Entabeni Primary School	10	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 8 556,337	r 4 597,000	r -	r -
812	500138861	Enxolobeni Primary School	34	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 6 760,032	r 168,216	r -	r -



813	5001388 61	Enxolobeni Primary School	34	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa	r ³ 062,944	r ¹ 085,000	r 102,000	r -
815	5001389 35	Enyanisweni Primary School	8	storm damage	storm damage	refurbishment and rehabilitation	dbsa	r ⁴ 250,000	r 182,175	r -	r -
816	5001389 35	Enyanisweni Primary School	8	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa	r ³ 964,746	r ¹ 085,000	r 102,000	r -
898	5001425 61	Etshenilikasho ba Primary School	30	storm damages to school	storm damage	refurbishment and rehabilitation	dbsa	r ³ 817,049	r 139,703	r -	r -
923	5001436 34	Ezinqoleni Secondary School	31	repairs and renovations	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r ⁶ 850,000	r -	r ¹ 572,672	r 713,141
924	5001436 34	Ezinqoleni Secondary School	31	sanitation programme (phase 3), cluster ugu-16 demolition of existing structure, renovate (3b, 6m6f,) construction of new (2x6g, 2b, 2m2f1d)	water and sanitation	upgrades and additions	dopw	r ⁴ 999,557	r 766,947	r -	r ³ 899,553
960	5001454 84	Frankland Primary School	14	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa	r 647,049	r 344,646	r 582,750	r 259,607
987	5001464 83	Gabangezwe Secondary School	35	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r ¹ 600,000	r -	r 137,100	r 208,986
988	5001464 83	Gabangezwe Secondary School	35	sanitation programme (phase 2), cluster d construction of new structures, 3s; 8b; 10g	water and sanitation	upgrades and additions	dopw	r ² 213,747	r 179,750	r -	r -
995	5001468 16	Galeni High School	5	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r ⁷ 209,402	r ⁴ 664,000	r -	r -
996	5001468 53	Gamalakhe Comm High School	5	replace roof sheet, ceiling, paintwork, floor & electrical repairs	storm damage	refurbishment and rehabilitation	dbsa	r ⁵ 818,863	r 345,626	r -	r -



1005	500147482	Gcilima Primary School	7	storm damage	storm damage	refurbishment and rehabilitation	dbsa	r 250,000 ⁴	r 149,709	r -	r -
1006	500147482	Gcilima Primary School	7	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa/safe	r 805,196 ³	r -	r -	r -
1023	500114922	Gem Ntshebe Junior Primary School	30	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa	r 623,841	r -	r 582,750	r 259,607
1028	500289747	George Mbhele High School	13	water and sanitation	water and sanitation	upgrades and additions	dopw	r 276,000 ²	r 138,000	r -	r -
1227	500160025	Ikhwezilokusa Primary School	32	demolition existing ablution facilities, construct new blocks (6g, 6b, 2m 2f 1d & 3r 1t) make good and clear the site, incl all necessary plumbing & drainage, walkways and stormwater channels. incl berm, hoarding of site, and clean the site after completion of all the construction works.	water and sanitation	upgrades and additions	dopw	r 741,957 ³	r 617,000	r 102,000	r -
1240	500160617	Imbizane Primary School	7	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 670,567 ⁷	r 214,759 ²	r -	r 1 071,743
1269	500161542	Inala Primary School	13	repairs and renovations	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r 508,000 ¹⁰	r 471,678	r -	r -
1270	500161542	Inala Primary School	13	construction of 2 boys, 1 urinals, 2 girls, 1 disabled, staff 1m, 1 urinals, 1 female toilet block	water and sanitation	upgrades and additions	dbsa/safe	r 555,163	r -	r 102,000	r -
1312	500163762	Ingwemabala Comp High School	3	2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 6 office(s), 5	curriculum redress	upgrades and additions	idt	r 000,000 ⁴	r -	r 128,000 ¹	r 410,286



				storeroom(s), 1 snp kitchen/tuckshop, 4 girls' toilet seats, 3 teacher toilet seats, 1 disabled toilets,							
134 7	5001650 57	Inkulu Primary School	25	storm damage repairs including new construction	storm damage	refurbishment and rehabilitation	dopw	r 10 198,089	r 1 698,694	r 2 422,489	r 724,188
134 8	5001650 57	Inkulu Primary School	25	construction of boys and girls toilets	water and sanitation	upgrades and additions	dbsa	r 2 300,000	r 1 377,000	r 554,100	r 249,414
138 6	5001667 22	Inyandezulu Primary School	24	storm damage	storm damage	refurbishment and rehabilitation	dbsa	r 4 250,000	r 182,528	r -	r -
138 7	5001667 22	Inyandezulu Primary School	24	construction of boys and girls toilets	water and sanitation	upgrades and additions	dbsa	r 3 726,702	r 1 085,000	r 102,000	r -
142 9	5001681 65	Isikhuthali Primary School	29	construction of boys and girls toilets	water and sanitation	upgrades and additions	dbsa	r 1 458,410	r -	r 726,000	r 104,630
146 3	5001696 45	Ithongasi Primary School	1	provision of specialized learner facilities	learners with special educational needs	upgrades and additions	kzndoe	r 2 900,000	r -	r 134,400	r 393,080
146 4	5001696 45	Ithongasi Primary School	1	construction of earlychildhood facilities	early childhood development	upgrades and additions	coega	r 3 300,000	r 208,694	r -	r -
146 5	5001696 45	Ithongasi Primary School	1	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 2 900,000	r 211,000	r -	r -
149 4	5001704 59	Izingolweni Primary School	31	storm damage to roof to 5 offices	storm damage	refurbishment and rehabilitation	dbsa	r 2 622,772	r -	r 622,627	r 231,920
154 5	5003190 14	Khaba Secondary School	10	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 2 458,666	r 341,125	r -	r -
154 6	5003190 14	Khaba Secondary School	10	construction of boys and girls toilets	water and sanitation	upgrades and additions	dbsa	r 2 900,000	r -	r 726,000	r 310,571



155 2	5001731 60	Khandalesizwe Secondary School	33	storm damages to school	storm damage	refurbishment and rehabilitation	dbsa	r 2 900,000	r 146,788	r -	r -
170 9	5001801 16	Kwaluhlaza Primary School	22	storm damage to school	storm damage	refurbishment and rehabilitation	dbsa	r 1 600,000	r -	r 137,100	r 182,476
172 4	5001807 45	Kwamasosha High School	10	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 12 372,557	r 387,750	r -	r -
172 5	5001807 45	Kwamasosha High School	10	7 standard classroom, 4 multipurpose classrooms including laboratories and specialist rooms, 7 office(s), 8 storeroom(s), 1 strongroom, 1 snp kitchen/tuckshop, 8 girls' toilet seats, 2 boys' toilet seats and urinal spaces, 2 teacher toilet seats, 2 disabled toilets,	curriculum redress	upgrades and additions	idt	r 4 000,000	r -	r 1 128,000	r 410,286
172 6	5001807 45	Kwamasosha High School	10	sanitation programme (phase 2), cluster c construction of new structures, 3s; 10b; 14g	water and sanitation	upgrades and additions	dopw	r 2 008,942	r 153,875	r -	r -
173 9	5001814 85	Kwamphelelwa Combined Primary School	8	water and sanitation	water and sanitation	upgrades and additions	dbsa	r 1 423,617	r 1 145,000	r 102,000	r -
174 0	5001814 85	Kwamphelelwa Primary School	8	storm damages to school	storm damage	refurbishment and rehabilitation	dbsa	r 5 138,554	r 139,703	r -	r -
175 2	5001820 77	Kwandabezinh le Primary School	20	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 2 919,977	r 341,125	r -	r -
177 5	5004996 11	Kwanzimakwe Primary School	1	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 3 985,380	r 183,109	r -	r -
177 6	5004996 11	Kwanzimakwe Primary School	1	chemical toilets: construction of permanent structures	water and sanitation	upgrades and additions	kzndoe	r 2 400,000	r -	r 618,750	r 254,464
188 3	5001877 75	Louisiana Primary School	15	storm damage to 1 classroom	storm damage	refurbishment and rehabilitation	dopw	r 5 222,000	r -	r 1 427,370	r 542,090



1969	500190957	Madakane Primary School	22	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
1989	500192104	Magaye Primary School	33	upgrading of existing school	upgrades and additions	upgrades and additions	dopw	r 906,034 ³⁶	r -	r 35,100	r 741,135
1990	500192104	Magaye Primary School	33	storm damage to 1 classroom	storm damage	refurbishment and rehabilitation	dopw	r 228,000 ⁵	r -	r 264,819 ¹	r 566,088
1998	500192437	Magog Primary School	15	construction of boys and girls toilets	water and sanitation	upgrades and additions	dbsa	r 425,000 ²	r -	r 589,913	r 262,155
2191	500429866	Margate Middle School	6	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
2202	500199652	Maris Stella Primary School	14	renovations, rehabilitation or refurbishments	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	kzndoe	r 624,000 ³	r -	r 906,768	r 388,176
2203	500199652	Maris Stella Primary School	14	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 531,212 ²	r 368,375	r -	r -
2211	500338291	Mashaba Primary School	14	benefitted	water and sanitation	upgrades and additions	dopw	r 150,000 ¹	r 135,375	r -	r -
2214	500203426	Mashesha Secondary School	7	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
2215	500203426	Mashesha Secondary School	7	sanitation programme (phase 3), cluster ugu-10 demolition of existing structure, construction of new (6g,6b, 2m2f1d)	water and sanitation	upgrades and additions	dopw	r 765,422 ³	r -	r -	r 503,086
2288	500202612	Mavundla Primary School	25	demolition of existing structure. construction of 3 ablution blocks.ds =1s +1whb + (ml= 1s +1u + 1whb) + (fl= 2s + 1whb) +[ed= (me = 1s+1u+1whb)	water and sanitation	upgrades and additions	dbsa	r 977,565 ¹	r -	r 445,481	r 202,309



2353	500205165	Mbusomusha Primary School	14	demolition of existing structure. construction of 3 ablution blocks. ds = 1s + 1whb + (ml= 4s + 4u + 3whb) + (fl= 8s + 6whb) + [ed= (me = 1s+2u+1whb) + (fe = 2s + 1whb)] + (gr-r = l4s + 3whb) + (gr -ed = 1s + 1whb)	water and sanitation	upgrades and additions	dbsa/safe	r 3 739,574	r -	r 102,000	r -
2379	500206164	Mdlangaswa High School	14	upgrades and additions	upgrades and additions	upgrades and additions	coega	r 59 663,726	r -	r 4 423,434	r 2 330,509
2380	500206164	Mdlangaswa High School	14	2 pit boys, 5 pit girls, 2 pit grade r 2, 2 vip m staff, 2 vip f staff	water and sanitation	upgrades and additions	dbsa	r 4 927,235	r 1 085,000	r 102,000	r -
2383	500206238	Mdlazi Primary School	21	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 6 149,353	r 193,683	r -	r -
2384	500206238	Mdlazi Primary School	21	construction of boys and girls toilet block,	water and sanitation	upgrades and additions	kzndoe	r 2 400,000	r -	r -	r 342,857
2424	500207903	Merlewood I	20	upgrades and additions	upgrades and additions	upgrades and additions	coega	r 43 390,917	r 3 253,000	r 250,000	r -
2459	500209161	Mganka Primary School	20	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 1 600,000	r -	r 137,100	r 208,986
2477	500209716	Mgudlwa High School	35	sanitation programme (phase 2), cluster c construction of new structures, 2s; 4b; 6g	water and sanitation	upgrades and additions	dopw	r 1 391,291	r 140,508	r -	r -
2493	500322122	Mhlabuhlangene Secondary School	8	sanitation programme (phase 3), cluster ugu-9 demolition of existing structure, construction of new (12g, 10b, 2m2f1d & 3r1t)	water and sanitation	upgrades and additions	dopw	r 2 963,713	r 637,000	r 102,000	r -
2494	500210123	Mhlabulungile Primary School	9	chemical toilets: construction of permanent structures	water and sanitation	upgrades and additions	kzndoe	r 2 400,000	r -	r -	r 342,857



256 9	5002127 13	Mlinganiswa Primary School	35	repairs and renovations	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r 5 900,000	r 343,546	r -	r -
257 6	5002128 98	Mlonde High School	29	storm damages to school	storm damage	refurbishment and rehabilitation	dbsa	r 10 136,877	r 152,209	r -	r -
273 1	5003086 54	Mthimude Secondary School	36	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 3 754,871	r 170,250	r -	r -
273 2	5003086 54	Mthimude Secondary School	36	sanitation programme (phase 2), cluster c construction of new structures, 2s; 4b; 4g	water and sanitation	upgrades and additions	dopw	r 1 220,240	r 154,250	r -	r -
274 2	5002193 73	Mthombothi Primary School	29	demolition of existing structure. construction of 3 ablution blocks.ds = 1s +1whb + (ml= 1s +1u + 1whb) + (fl= 4s + 2whb) +[ed= (me = 1s+1u+1whb)	water and sanitation	upgrades and additions	dbsa	r 4 859,891	r 1 085,000	r 102,000	r -
276 8	5002138 60	Mtwanungamiz izwe High School	15	2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 1 computer room(s), 4 storeroom(s), 1 snp kitchen/tuckshop, 8 girls' toilet seats, 6 boys' toilet seats and urinal spaces, 4 teacher toilet seats, 1 disabled toilets,	upgrades and additions	upgrades and additions	idt	r 35 569,000	r 1 881,000	r -	r -
276 9	5002138 60	Mtwanungamiz izwe High School	15	water and sanitation	water and sanitation	upgrades and additions	dopw	r 2 276,000	r 138,000	r -	r -
278 0	5002208 16	Murchison Primary School	22	storm damage to 5 classrooms, library and administartin block	storm damage	refurbishment and rehabilitation	dopw	r 5 254,000	r -	r 1 203,378	r 578,504
310 9	5002323 60	Nkonka High School	22	9 standard classroom, 4 multipurpose classrooms including laboratories and specialist rooms, 8 office(s), 8 storeroom(s), 1 strongroom, 1 snp kitchen/tuckshop, 11	curriculum redress	upgrades and additions	idt	r 19 059,000	r -	r 5 288,557	r 1 952,920



				girls' toilet seats, 10 boys' toilet seats and urinal spaces, 4 teacher toilet seats, 2 disabled toilets,							
3110	500232360	Nkonka High School	22	demolition of existing structure. construction of 3 ablution blocks.ds = 2s +2whb + (ml= 4s +4u + 3whb) + (fl= 8s + 6whb) +[ed= (me = 1s+2u+1whb) + (fe = 2s + 1whb)] + (gr-r = l4s +3whb) + (gr -ed =1s +1whb)	water and sanitation	upgrades and additions	dbsa	r 042,240 ⁵	r 085,000 ¹	r 102,000	r -
3129	500233063	Nkunswana Primary School	34	demolition of existing structure. construction of 3 ablution blocks.ds = 1s +1whb + (ml= 4s +4u + 3whb) + (fl= 8s + 6whb) +[ed= (me = 1s+2u+1whb) + (fe = 2s + 1whb)] + (gr-r = l3s +2whb) + (gr -ed =1s +1whb)	water and sanitation	upgrades and additions	dbsa	r 700,266	r -	r 84,309	r 85,335
3142	500233433	Nobamba High School	21	schools upgrades	upgrades and additions	upgrades and additions	dopw	r 153,420 ⁴⁷	r -	r 637,876 ¹	r 923,931
3179	500234876	Nombuso High School	1	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 488,627 ¹	r 354,500	r -	r -
3180	500234876	Nombuso High School	1	sanitation programme (phase 3), cluster ugu-7 construction of new blocks : 2m2f1d, renovate existing structures	water and sanitation	upgrades and additions	dopw	r 138,388 ²	r 739,000	r -	r -
3213	500235875	Nontshunsha Primary School	7	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
3214	500235875	Nontshunsha Primary School	7	sanitation programme (phase 2), cluster c construction of new structures, 2s; 4b; 6g	water and sanitation	upgrades and additions	dopw	r 329,882 ¹	r 161,875	r -	r -



322 2	5002366 52	Nositha Primary School	27	sanitation programme (phase 3), cluster ugu-19 demolition of existing structure, construction of new blocks : 8g; 6b; 3m3f1d; 5r1t	water and sanitation	upgrades and additions	dopw	r 900,000 ¹	r -	r -	r 186,502
340 6	5002431 64	Ohlangeni Primary School	26	construction of 1 boys, 1 urinals 2 girls, 1 disabled, staff 1m, 1 urinals, grade r 1 toilet blocks	water and sanitation	upgrades and additions	dbsa	r 229,862 ²	r 085,000 ¹	r 102,000	r -
341 7	5002436 82	Olwandle High School	5	storm damage to school	storm damage	refurbishment and rehabilitation	dbsa	r 600,000 ¹	r -	r 137,100	r 207,740
346 5	5002458 65	Paddock Primary School	25	construction of 8 girls' toilet seats, 4 boys' toilet seats and 4 urinal spaces, 1m +1urinal +2f teacher toilet seats, 1 disabled toilets, grade r: 5 seats and water provisioning.	water and sanitation	upgrades and additions	dbsa	r 704,661 ¹	r 471,559	r 370,554	r 184,114
350 9	5002480 11	Phathwa Secondary School	7	construction of 2 boys, 4 urinals, 6 girls, 1 disabled, staff 1m, 2 urinals, 2 female toilet block	water and sanitation	upgrades and additions	dbsa	r 057,055 ³	r 085,000 ¹	r 102,000	r -
357 7	5002513 04	Port Shepstone Senior Primary School (Mitchell Dr)	18	storm damage to 1 classroom	storm damage	refurbishment and rehabilitation	dopw	r 272,000 ⁵	r -	r 408,828 ¹	r 551,882
362 3	5002527 84	Qhinqa High School	30	2 seat m staff, 2 seat f staff, 7 seat girls, 4 seats boys, 2 seats grade r	water and sanitation	upgrades and additions	dbsa	r 121,622 ²	r 767,000	r 485,009	r 224,834
366 0	5002544 86	R A Engar Primary School	17	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dopw	r 276,000 ⁵	r -	r 387,690 ¹	r 544,330
379 8	5002620 34	Shibase Primary School	32	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 712,727 ²	r 344,624	r -	r -
381 7	5002628 85	Sibhangwana Primary School	35	storm damage repairs	storm damage	refurbishment and rehabilitation	dopw	r 970,074 ⁵	r 738,621 ¹	r -	r 025,449 ³



381 8	5002628 85	Sibhangwana Primary School	35	3 male staff, 3 female staff, 2 girls , 2 boys	water and sanitation	upgrades and additions	dbsa	r 465,867	r -	r 30,775	r 60,187
385 8	5002640 69	Sidumile Primary School	23	completion contract to repairs phase 13 storm damage	storm damage	refurbishment and rehabilitation	dopw	r 333,000 ⁹	r 465,891	r -	r -
388 0	5002647 72	Sikanisweni Secondary School	35	sanitation programme (phase 2), cluster c construction of new structures, 2s; 6b; 10g	water and sanitation	upgrades and additions	dopw	r 576,032 ¹	r 175,625	r -	r -
391 6	5002664 37	Sineke Primary School	34	storm damage to 1 classroom	storm damage	refurbishment and rehabilitation	dopw	r 292,000 ⁵	r -	r 192,290 ¹	r 574,530
393 9	5002669 55	Siphakamile Primary School	23	repairs and renovations to school	renovations, rehabilitation or refurbishments	refurbishment and rehabilitation	dopw	r 050,000 ⁹	r -	r 881,537 ¹	r 993,087
396 9	5002683 98	Sister Joans High School	21	sanitation programme (phase 3), cluster ugu-19 demolition of existing facilities , construction of new blocks : 2m2f1d; 6g , renovations of existing ablutions	water and sanitation	upgrades and additions	dopw	r 869,627 ²	r 739,000	r -	r -
411 0	5002743 92	Sozabe High School	14	storm damage to 2 classrooms	storm damage	refurbishment and rehabilitation	dopw	r 302,000 ⁵	r -	r -	r 755,516
411 1	5002743 92	Sozabe High School	14	construction of 6 girls' toilet seats, 2 boys' toilet seats and 4 urinal spaces, 1m +2urinal+ 2f teacher toilet seats, 1 disabled toilets, water provisioning.	water and sanitation	upgrades and additions	dbsa	r 026,240 ²	r 510,149	r 458,280	r 215,324
413 7	5002761 31	St Martin De Porres Lsen School	18	storm damage to school	storm damage	refurbishment and rehabilitation	dbsa	r 600,000 ¹	r -	r 137,100	r 207,740
426 5	5002826 06	Tholimfundo Secondary School	8	storm damage to 5 classrooms	storm damage	refurbishment and rehabilitation	dbsa	r 295,502 ¹⁰	r 664,000 ⁴	r -	r -
426 6	5002826 06	Tholimfundo Secondary School	8	construction of 4 girls' toilet seats, 2 boys' toilet seats and 2 urinal spaces, 1m + 1urinal + 1f teacher toilet seats, 1	water and sanitation	upgrades and additions	dbsa	r 038,972 ²	r -	r 461,819	r 216,583



				disabled toilets, grade r: 3 seats and water provisioning.							
443 6	5002892 66	Umvolozi Primary School	35	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
443 7	5002892 66	Umvolozi Primary School	35	sanitation programme (phase 2), cluster d construction of new structures, 2s; 6b; 8g	water and sanitation	upgrades and additions	dopw	r 049,983 ²	r 162,430	r -	r -
458 9	5002969 25	Woodgrange- On-Sea Primary School	13	storm damage to school	storm damage	refurbishment and rehabilitation	kzndoe	r 600,000 ¹	r -	r 137,100	r 208,986
460 1	5002977 02	Khonywa Primary School	10	storm damage repairs including new construction	storm damage	refurbishment and rehabilitation	dopw	r 951,200 ⁹	r 659,192 ¹	r 289,383 ²	r 433,681 ⁴
460 2	5002977 02	Khonywa Primary School	10	construction of 8 girls' toilet seats, 4 boys' toilet seats and 4 urinal spaces, 1m +1urinal +2f teacher toilet seats, 1 disabled toilets, grade r: 5 seats and water provisioning.	water and sanitation	upgrades and additions	dbsa	r 865,556 ⁵	r 085,000 ¹	r 102,000	r -
463 7	5002990 71	Zamukuzakha Primary School	36	storm damage repairs including new construction	storm damage	refurbishment and rehabilitation	dopw	r 373,351 ⁷	r 131,538 ²	r 232,929 ²	r 741,812 ³





9. Department of Human Settlements

Table 16: Department of Human Settlements Projects

Municipality	Intervention	HSS Project Desc	Total Annual No of Units	Total Annual Unit Budget
RAY NKONYENI LOCAL MUNICIPALITY	INCREMENTAL	K03110011 Masinenge Housing Project(New Annexure D) - Phase 1	110	R 18 800 300,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K13030023 Kwamadlala Rural Housing Project Phase 1 - Phase 1	20	R 3 170 300,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K13030026 Oshabeni Rural Housing Project(Annexure D) - Construction of 300 Top Structure	65	R 8 719 909,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K13040007 Kwanzimakwe Rural Housing Project (New Annexure D) - Phase 1	60	R 9 510 900,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K13120002 Kwandwalane Rural Housing Project Phase 2 - Phase 1	55	R 8 718 325,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14020017 OSS New Annxure D - OSS for 32 Ben in Ray Nkonyeni-Ugu	15	R 2 377 725,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14020017 OSS New Annxure D - OSS for 50 in Ugu(Ray Nkonyeni,Mzumbe,Umziwabantu)	30	R 4 755 450,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14030023 Vukuzithathe(Phase 3) Rural Housing Project - Phase 1	25	R 3 962 875,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14040004 Mthimudi Shibe (Phase 2) Rural Housing - Phase 1	25	R 3 962 875,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14040005 Kwanyuswa Rural Housing Project (phase 2) - Phase 1	25	R 3 962 875,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K14080008 Gamalakhe Insitu Uprade Devl. Project - New Annexure D	95	R 15 063 443,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K17090029 Mthimude Phase 2 Rhp (hlomendlini&bosiki) - Phase 1	25	R 3 962 875,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K20090011 Vukuzithathe Phase 3 Bandlana (1000) - Phase 1	25	R 3 962 875,00
RAY NKONYENI LOCAL MUNICIPALITY	RURAL	K20110014 Kwanyuswa(Woyisane&Nkulu) Ph2 Rural - Phase 1	15	R 2 633 798,00



No.	PROJECT NAME	WARD	PROJECT VALUE	NO. OF HOUSES BUILT	CURRENT STATUS
1	Oshabeni Phase 2 RHP -300 Units	4 & 12	R39 957 444.00	150	Project progress is behind the development program, due to delays have been experienced on non-performance from the contractors, 150 units has been completed
2	Merlewood Mixed Income -228 Units Inclusive of Services	17	R30 792 699.48	137	Project progress is behind the development program, the Contractor is currently busy with retaining walls.
3	KwaNdwane Deep Rural Housing/ Phase 3 1000 UNITS	3 & 24	R131 082 085	995	Project to be closed off at 955. Balance of 5 beneficiaries will be allocated to Phase 2 KwaNdwane peri urban project



No.	PROJECT NAME	WARD	PROJECT VALUE	NO. OF HOUSES BUILT	CURRENT STATUS
6	Gamalakhe Rectification of 273, Pre-1994 houses	5 & 28	R35 704 679.19	Nil	4 units to be demolished and re-built. DoHS has approve the funding for the 4 houses to be demolished, and rebuild. Waiting for Housing designs approval from RNM Planning.
7	KwaMadlala RHP -1000 UNITS	14	R126 954 730	992	Construction completed. Project to be closed out at 992. the balance cannot be constructed due to technical issues e.g inaccessible sites
8	Vukuzithathe Ngcawusheni Phase 2	30	R 48 513 054.00	Nil	Contract Section to finalize the contract agreement with the appointed IA.
9	Vukuzithathe Phase 3 - Bandlala	30,31 and 33	R 48 576 252.00	Nil	Contract Section to finalize the contract agreement with the appointed IA.



No.	PROJECT NAME	WARD	PROJECT VALUE	NO. OF HOUSES BUILT	CURRENT STATUS
10	Mthimude Phase 2-Shibe	35 and 36	R 48,530,289.00	Nil	Contract Section to finalize the contract agreement with the appointed IA.
11	Mthimude phase 2 - Hlomendlini	35 & 36	R 48 515 817.00	Nil	Contract Section to finalize the contract agreement with the appointed IA.
12	KwaNyuswa Phase 2 – Bloese	34	R 48 721 290.00	Nil	Contract Section to finalize the contract agreement with the appointed IA.
13	KwaNyuswa Phase 2 – Wosiyane and Nkulu	34	R3 086 740.00	Nil	Plans and Specification are not approved by Building Control (Ray Nkonyeni Municipality). Project still awaiting Ingonyama Trust Board approval.



No.	PROJECT NAME	WARD	PROJECT VALUE	NO. OF HOUSES BUILT	CURRENT STATUS
14	22 OSS Beneficiaries under Ray Nkonyeni Municipality	various wards	R 2 903 025,52	Nil	The Project was delayed due to RNM housing designs approval, the Contractor is currently busy with site establishment.
15	32 OSS Beneficiaries under Ray Nkonyeni Municipality	07,08, 22 and 29	R 3 550 304,00	Nil	The Service Provide is currently busy with Beneficiary Administration, once the beneficiary admin is finalized they will start the process of construction on sites.
16	50 OSS Beneficiaries under Ray Nkonyeni Municipality	various wards	R 6 760 658,50	Nil	The Service Provide is currently busy with Beneficiary Administration, once the beneficiary admin is finalized they will start the process of construction on sites.



No.	PROJECT NAME	WARD	PROJECT VALUE	REASON FOR HALT	NO. OF HOUSES BUILT	COMMENT
1.	Bhobhoyi Phase 2 (Planning Stage) -1098 Units and Services	20	R3 326 610.00	Insufficient Bulk Infrastructure within the project area	NIL	All planning activities have been completed. Construction on hold due to insufficient bulk infrastructure. R3 326 610.00 spent
3.	Mkholombe Upgrade of Informal Settlements (Planning Stage) -1000 Units	20	R3 326 610.00	Insufficient Bulk Infrastructure within the project area	NIL	The settlement is part of UISP. Planning activities are 50% complete. RNM will resuscitate the project and complete the planning phase once the current Development of Upgrading Plans programme is complete.



10. Department of Transport

Table 17: Department of Transport Projects – Flood Related Projects

Regravelling project

Road No.	Activity	Locality	Local Municipality	Ward No.	Output Target (km)	Foreman	Project Duration	Project Status
D1098 / D1116	Betterment and Re-gravelling	Madlala	Ray Nkonyeni	5,6,7		Shange	4 Weeks	Complete
D337 / L3480	Betterment and Re-gravelling	Nositha	Ray Nkonyeni	29		Zulu	4 Weeks	Started on the 06/03/2023. The progress is low due to breakdown of the excavator. To load the material they using TLB instead of Excavator
L3017	Betterment and Re-gravelling		Ray Nkonyeni			Zulu		Planning
D1094	Betterment and Re-gravelling		Ray Nkonyeni			Zulu		Planning
L1030	Betterment and Re-gravelling		Ray Nkonyeni	8		Zulu		Planning
D1089	Betterment and Re-gravelling		Ray Nkonyeni	27		Zulu		Planning
P520	Betterment and Re-gravelling		Ray Nkonyeni	29		Zulu		Planning
D1093	Betterment and Re-gravelling		Ray Nkonyeni	29		Zulu		Planning
D164	Betterment and Re-gravelling		Ray Nkonyeni	29		Zulu		Planning
D1104	Betterment and Re-gravelling		Ray Nkonyeni	8		Zulu		Planning
D1105	Betterment and Re-gravelling		Ray Nkonyeni	8		Zulu		Planning
L2247	Betterment and Re-gravelling		Ray Nkonyeni			Zulu		Planning
D2130	Betterment and Re-gravelling		Ray Nkonyeni	11		Zulu		Planning



11. UGU District Municipality Water & Sanitation

Table 18: UGU DM Water & Sanitation Projects

Project Description	Sector	Status of the project
Infrastructure Asset Management	Water & Sanitation	Service Provider carried out function for previous financial years and well versed with AG Requirements
Repairs and Refurbishment of Water Infrastructure	Water	Service Provider carried out infrastructure asset conditional assessment for Water Infrastructure from previous appointment
Repairs and Refurbishment of Sanitation Infrastructure	Sanitation	Service Provider carried out infrastructure conditional assessment for Sanitation Infrastructure from previous appointment. The implementation stage will start in the 2022/2023 FY.
Upgrading of uMthamvuna Raw Water Abstraction and Water Treatment Works	Water	Service Provider appointed from previous panel and is currently already working on the planning stages of this project's life cycle.
Permanent Reinforced Concrete Salt Containment Berm across Umzimkhulu River	Water	Service Provider appointed from previous panel and currently working on the planning stages of this project's life cycle.
Umzimkhulu Bulk Water Augmentation Scheme - Phase 2	Water	Service Provider appointed from previous panel and currently working on the planning stages of this project's life cycle.
Drilling of New Boreholes and Refurbishment of Existing Boreholes and Spring Protection Systems	Water	The project is currently at tender stage



Project Description	Sector	Status of the project
Water Pipeline Replacement - Phase 2	Water	Project is currently at the stage of finalizing the Business Plan for Phase 2
Rural Household Ventilated Improved Pit (VIP) Sanitation	Sanitation	Service Providers appointed and the project is currently under implementation.
Upgrade of 5.5ML/d Extension of <u>uMbango</u> WWTW	Sanitation	New Project. A PSP has been appointed to start with the planning for the project.
Upgrade of 1.5ML/d Extension of Melville WWTW	Sanitation	New Project. A PSP has been appointed to start with the planning for the project.
<u>KwaLatshoda</u> Water and Sanitation Project	Water & Sanitation	New Project. A PSP has been appointed to start with the planning for the project.
<u>Mkholombe</u> Waterborne Sanitation Project	Water & Sanitation	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of Bulk Water Supply from <u>Bhobhovi</u> Water Treatment Works to <u>Umzimkhulu</u> Command Reservoir	Water	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of <u>Umzimkhulu</u> Northern Systems Bulk Water Supply to Fairview, <u>Woodgrange</u> and <u>Hibberdene</u>	Water	New Project. A PSP has been appointed to start with the planning for the project.



Project Description	Sector	Status of the project
Upgrading of <u>uMthamvuna</u> to Port Edward Bulk Water Supply	Water	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of <u>KwaNyuswa</u> Phase 2 Bulk Water Supply System and Water Reticulation	Water	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of Bulk Water Supply Infrastructure on the <u>KwaNositha</u> and Game Reserve Systems	Water	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of <u>Ezingolweni</u> Bulk Water Infrastructure	Water	New Project. A PSP has been appointed to start with the planning for the project.
Upgrading of Assisi Water Treatment Works and Refurbishment of Existing Infrastructure	Water	New Project. A PSP has been appointed to start with the planning for the project.
<u>Umkomaas</u> Dam	Water	The Department of Water and Sanitation is currently finalizing the planning of this project
<u>Ocwabeni</u> Dam	Water	The Department of Water and Sanitation is currently finalizing the planning of this project
<u>Mhlabatshane</u> Water Treatment Plant	Water	The Umgeni Water is currently busy with the planning for the project
<u>Weza</u> Regional Scheme	Water	New Project. A PSP has been appointed to start with the planning for the project.



12. PLANKONSULT : THYS BLOM Pr.PIn A/073/1985

i. NJABULO GAP HOUSING

2. Submit SPLUMA application – end of March 2022
3. Approval of SPLUMA application – Pending
1. Commence with civil infrastructure installation – On hold, pending SPLUMA approval
2. Commence with first dwelling house construction – On hold, pending SPLUMA approval

ii. SWEETVALE RETIREMENT VILLAGE

1. Submit application for environmental authorisation – March 2021
2. Submit SPLUMA application – August 2022
3. Approval of SPLUMA application – Pending
4. Commence with civil infrastructure installation – On hold, pending SPLUMA approval
5. Commence with first dwelling house construction – On hold, pending SPLUMA approval

14. Department of Health

Table 19: Department of Health Projects

Municipality Name	Project Name	Milestone Reached	Total Project Cost	Budget 2023/2024	Estimated Construction Start Date	Estimated Construction End Date
RNM	Port Shepstone Hospital-New 28 bedded Psychiatric Unit	Design	R317,196,000	R5,000,000	01/07/2023	30/06/2026



1.11 Infrastructure

With regards to the Provincial Infrastructure Strategy which talks to providing an overarching operational plan with a long term vision to achieve and sustain infrastructure delivery as an enabler of the national economic strategy, Ray Nkonyeni Municipality's infrastructure projects fully align to it. The South African Government adopted a National Infrastructure Plan in 2012 with the plan it is aimed at transforming SA's economic landscape while simultaneously creating significant numbers of new jobs, and strengthen the delivery of basic services. To this plan, the municipality, through the infrastructure projects it runs, indicates another alignment.

Through the strategies in place, the municipality has ensured that implementation is in accordance. Below are the different types of infrastructure projects within the municipality:

1.11.1 Road infrastructure

The Development Bank of South Africa (DBSA) currently made a provision of professional services to develop a Roads and Storm Water Masterplan in support of Ray Nkonyeni Municipality. The municipality only maintains the existing road networks in terms of potholes, black top and re-gravelling. It is not the mandate of the municipality to build roads from scratch, hence there is no Road Maintenance Plan. It must be noted that the road work maintenance covered by the municipality is based on complaints received from communities and depend on the availability of budget. Other than complaints received from communities, the municipality does have a road work plan/ operational and maintenance plan as shown in the SDBIP.

The municipality is fairly covered with sound tarred and physical infrastructure and as areas utmost services are easily accessible to all residents albeit at varying scales with rural residents struggling to some extent. The point is that, compared to other rural areas in the region and the other sister municipalities of Ugu, accessibility of RNM rural population fairs well. However, the maintenance of such infrastructure is what poses most challenges. There is also a serious problem of aging infrastructure especially on roads manifests itself in too many potholes. However, effective programmes to ensure all roads are in safe driving conditions are underway.

1.11.2 Air infrastructure

The municipality has a running airport situated at Margate, opened in November 2013. Over the years, the airport had infrastructural upgrades due to its size and dilapidation state. Below is a summary of its status quo:

i. Airport Buildings

The airport terminal building in size does not accommodate increased passenger numbers during school holidays and seasonal periods. The layout of the facility is not ergonomically suitable for more than one airline operating from the terminal building itself. Features relating to the check-in of baggage and passengers for departure as well as baggage handling (carousel) for arriving passengers should be incorporated in the design of the terminal building. The control tower is currently not high enough and should be increased in height for air traffic control to be able to monitor the threshold of runway 23. Alternatively, the installation of cameras close the runway to be installed for air traffic controllers to have a view of the runway for operational safety purposes.

The construction that is currently in progress at the airport addresses shortcomings in terms of opening the landside entrance and enlarging of the reception area. Car rental companies will be accommodated in a new building adjacent to the current terminal building. This will allow for the fluent management of passengers and visitors to the airport. The bathroom facilities will be extended to the northern side of the current terminal building.



ii. Runway

The asphalt runway at Margate Airport is sufficient to accommodate medium size turbine aircraft and smaller jet aircraft for which the condition of the runway is acceptable for a limited lifespan. There are surface cracks appearing along the length of the runway which can lead to deeper deterioration of the base of the runway. In the near future the runway would require to be resurfaced together with the resurfacing of the apron and taxi ways (movement areas). Currently the emergency exit roads leading from the movement areas is not paved according to the regulated requirements and should be considered when resurfacing of the movement areas are conducted. Noticeable damage to the base of the runway on the turning circles at both ends of the runway is concerning and non-compliant. A friction test should be conducted after resurfacing and repainting are conducted on the runway and movement areas.

1.11.3 Rail Infrastructure

The railway infrastructure linking RNM with Umdoni is non-functional. Also the Banana express rail linking the southern part along the coastal belt with Ezingoleni town is dysfunctional considering that this used to be a big tourist attraction more especially over the festive season, but proved very expensive to maintain.

1.11.4 Telecommunications Infrastructure

In terms of IT Infrastructure, the municipality does not have funds for IT implementation as encouraged by CoGTA in the 2018/19 IDP Review, however, there is quite good telecommunication network coverage although much still needs to be done to reach world class standards since the municipality is thriving to be the game changer of the South Coast Development by being a smart city. However, it must be noted that in the furthest rural northern part of the municipality, telecommunication network coverage is poor. In formal urban settlements majority of the people have access to Telkom services. In rural areas the majority of people rely on cellular phones with poor network connections. Some key issues faced by the municipality is access to telecommunication service, infrastructure information and a lack of co-ordinated planning to meet the district's needs.

1.11.5 Community Facilities Infrastructure

There are community facilities readily available for usage. These include Community halls and MPCCs. Each ward within the municipality boasts of its own community hall utilised for different activities, including IEC needs.

1.11.6 Bulk Water Infrastructure

The southern coastal strip is serviced by water extracted from several rivers and dams which is then treated at several of treatment plants owned by Ugu before being distributed. Ugu District Water Services Development Plan (WSDP) indicated that the rivers within the District Municipality have sufficient surplus flow to cater for the water demands for the foreseeable future. However some of the infrastructure needs to be upgraded to cater for the demand. The aging infrastructure and rising demands have resulted in Ugu District Municipality embarking on the Non-Revenue Water management programme to reduce water losses and new water project to meet the demand. The Umzimkhulu augmentation and South Coast bulk pipeline are now at implementation stage with other programmes provided for in the next year's indigents.



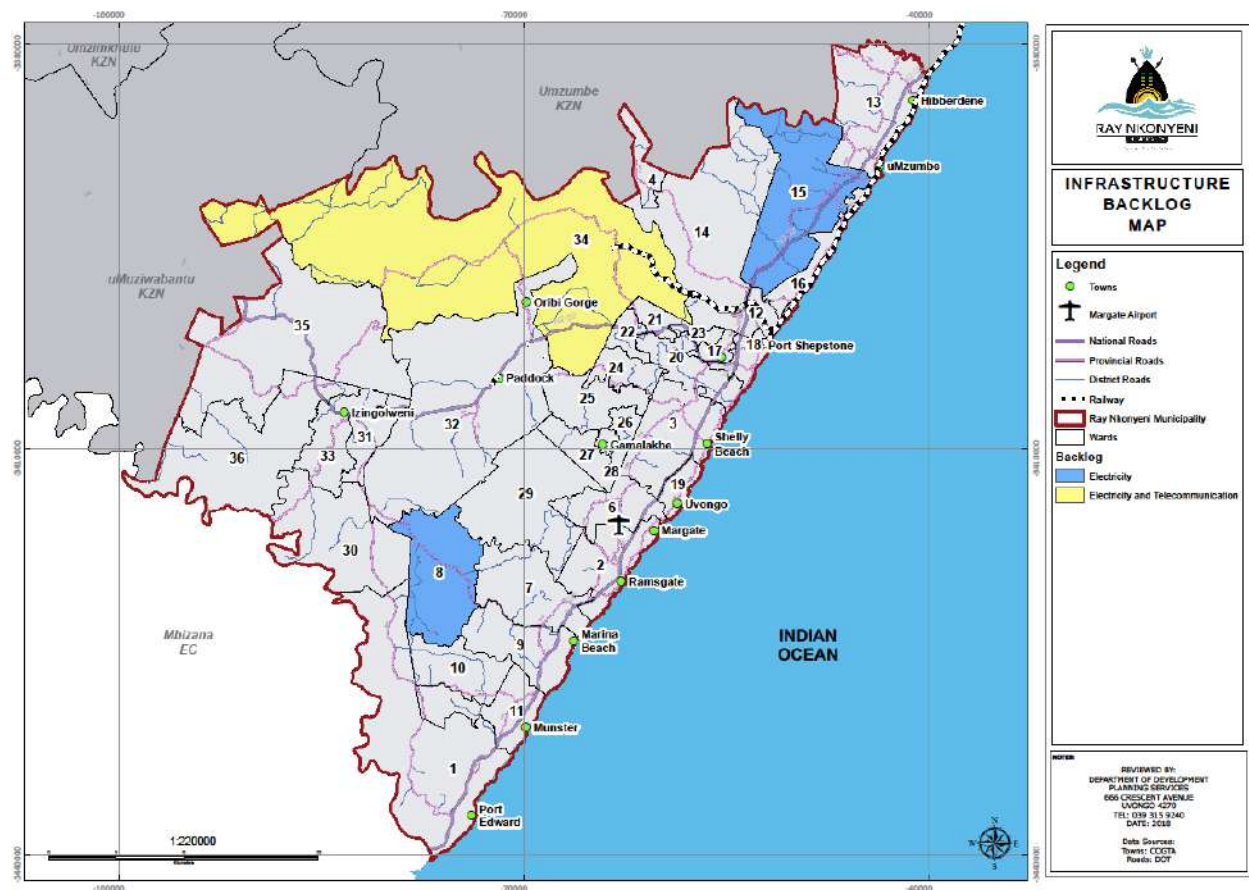
1.11.7 Bulk Sewer Infrastructure

The provision of sanitation services is also the responsibility of Ugu District. This includes the delivery of bulk sanitation infrastructure such as the wastewater treatment plants. Most of the treatment plant facilities are owned and managed by the Ugu District Municipality other treatment plants are privately owned and managed. There are several pump stations in the reticulated areas whilst wastewater treatment plants are generally located inland of the coastal strip.

1.11.8 Bulk Electricity Infrastructure

It is no surprise that the bulk electricity infrastructure is concentrated in areas that have the highest population densities which is mainly along the coastal strip as well as Murchison, Ezingolweni and Oribi George. There are also several HV and MV cables that originate from these substations which distribute electricity within different parts of the municipal area. This is further supported by the MV stations. The electricity network is constrained, with future load requirements in Port Shepstone and the surrounding areas increasing rapidly as a result of new office and commercial developments that are taking place in the area.

Map 5: Infrastructure Backlog



Source: RNM GIS 2021



1.12 Goals and Objectives

There are goals set to improve the functioning of municipalities to better serve communities by getting the basics right, as per the NDP and through the Back-to-Basics Strategy. Ray Nkonyeni Municipality is in line with this programme as well as the strategy. The municipality has ensured that goals set are meant to take the municipality's communities to greater heights in terms of sustainable livelihoods by providing basic services to its level best not losing sight of its 6 strategic objectives as outlined in the 2036 Vision, which is its long-term vision.

On the following page, are the eight goals the municipality wants to achieve, aligned to the 6 2036 vision strategic goals as well as the National Growth Development Strategy



Table 20: Goals, Relevant National KPAs and Strategic Objectives

GOAL	RNM LONG TERM GOAL (VISION 2036) STRATEGIC GOAL	RELEVANT KEY PERFORMANCE AREAS	STRATEGIC OBJECTIVES
1. Eradicating Poverty and Hunger	Goal no. 2 Diverse and inclusive economy	Local Economic Development and Social Development	<ul style="list-style-type: none"> To accelerate the fight against poverty and prioritise support to vulnerable groups such as children, females and the elderly To promote sustainable livelihoods by assisting communities through various government led job creation programmes and social programmes To promote pro-poor economic growth and lessen social and income inequalities
2. Creating a Conducive Environment for Inclusive and Diverse Economic Growth and Development	Goal no. 2 Diverse and inclusive economy	Local Economic Development and Social Development	<ul style="list-style-type: none"> To grow the economy of RNM by attracting investments and fostering partnerships with private and public sector To create a conducive environment for businesses and cooperatives to thrive and ensure the creation of jobs for the local community To promote township and rural development through nodal developments To promote RNM as a prime tourism and investment destination To promote local economic development and the support of emerging enterprises and SMMEs To promote To promote strategic and transformative release of land to foster inclusive economic development
3. Promoting Healthy Lives and Equitable Access To Education and Learning Opportunities	Goal no. 4 Human Resource Development	Good Governance & Public Participation	<ul style="list-style-type: none"> To create a skilled and capable citizenry, that contributes to the growth of the local economy To create a learning municipality To create a healthy citizenry, that is capable of participating in growing local economy.



4. Developing a capable, equitable and financially viable institution and ensuring good and sound governance	Goal no. 4 Human Resource Development	1.Municipal Transformation and Organisational Development	<ul style="list-style-type: none"> To foster effective and efficient Inter-Governmental Relations (IGR) To create a skilled and capable municipal workforce, that provides quality services to the citizens of the municipality
		2.Good Governance and Public Participation	<ul style="list-style-type: none"> To improve the organisation's performance through enhanced productivity and achievement of service delivery To enhance organizational development in line with community needs To promote a culture of participatory planning and participatory democracy To have updated organisational policies and modernised information and communication technologies for good governance To develop an ethical organisation which is fraud, corruption and maladministration free To promote and uphold principles of transparency, accountability, good governance and legal compliance To ensure confidence of all stakeholders in municipal financial management
		3.Municipal Financial Viability and Management	<ul style="list-style-type: none"> To ensure sound and effective financial management and compliance with policy and legislative requirements To improve debt management, debt collection, ensure value for money and implement cost reduction measures To grow and diversify revenue streams and implement free projects



5. Ensuring Infrastructure Development and Universal Access to Reliable Basic Services	Goal no. 4 Infrastructure	Service Delivery and Infrastructure	<ul style="list-style-type: none"> To ensure expenditure on long-term capital infrastructure project plans To ensure effective and efficient management and utilisation of council owned properties and assets. To ensure existing infrastructure is maintained and revitalised To address infrastructure backlogs and extend access to basic services To ensure the delivery of economic infrastructure as part of creating a conducive environment for economic growth To improve the delivery of capital projects through investment in infrastructure development To improve access to adequate shelter in the form of sustainable human settlements
6. Promoting a safe and secure society	Goal no. 2. Diverse and inclusive economy	Local Economic Development and Social Development	<ul style="list-style-type: none"> To ensure a safe and crime free municipality by reducing crime through law and by-law enforcement. To galvanise and mobilise all sectors and role-players to participate in ensuring public safety
7. Combating climate change and ensuring sustainable development and resilient communities	Goal no. 6 Environmental Sustainability	Cross Cutting Issues	<ul style="list-style-type: none"> To promote the sustainable utilisation of natural resources and compliance with environmental legislation To promote a healthy and hygienically safe environment and create an environmentally educated society To promote the green economy To implement climate change mitigation and adaptation strategies To strengthen disaster management and mitigate disaster impacts through resilience planning
8. Facilitating Spatial Integration and Development of Sustainable Human Settlements	Goal no. 1 Spatial Equity	Cross Cutting Issues	<ul style="list-style-type: none"> To support access to land and land tenure upgrading To promote and enhance development planning, spatial planning and land use management To provide strategic guidance for the spatial development trajectory and desired spatial picture of the municipality To ensure the creation of sustainable human settlements



1.13 Core Values

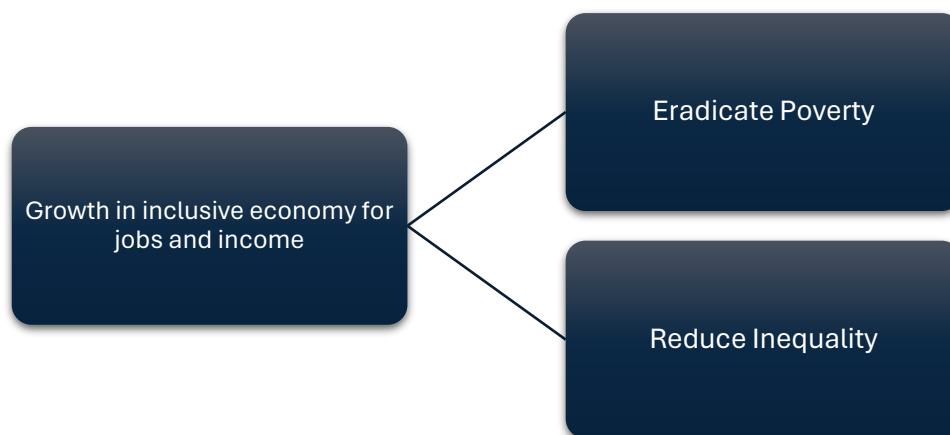
The municipality fully adheres to the eleven principles of Batho Pele and over the years displayed good governance to its citizens and has thrived on the following core values:

- Accountability
- Transparency and openness
- Responsiveness
- Ethical
- Integrity, honesty and pride
- Excellence
- Efficiency and effectiveness
- Professionalism

1.14 Key Challenges

Poverty and unemployment is very rife at RNM. One of the National Development Plan 2030 outcomes and mechanisms is on eradicating poverty and reducing inequality. This requires increasing growth in a more inclusive economy, which creates jobs and incomes. RNM'S long term vision formulated ensured that it aligns to this outcome to ensure that all its citizens are sustainable in terms of eradicating poverty by having an economy that is growing and job opportunities. This will be carried out by ensuring that its economy is inclusive and all programmes to enhance poverty alleviation are carried out effectively. The municipality is set at reducing its poverty by having inclusive growth which will create jobs and ensure sustainability. Following is a diagram illustrating the NDP 2030 outcomes and mechanism which RNM is fully aligning to it.

Illustration 1: 2030 Outcomes and Mechanisms





Challenges faced by the municipality are listed below:

Table 21: Municipal Key Challenges

MUNICIPAL KEY CHALLENGES	
<ul style="list-style-type: none"> Transformation of natural areas (unregulated developments, sand mining etc.), The uncontrolled spread of invasive alien species, climate change, and pollution No environmental by-laws Lack of funding for emerging farmers Poor telecommunications in rural areas Illegal dumping Municipal powers and function Vacancy rate is high Poor attendance of Sector Departments in war-rooms Highly deprived ward 	<ul style="list-style-type: none"> High population density along the coastal belt. High level of social ills, i.e. teenage pregnancy, substance, and alcohol abuse, etc. Scarce and critical skills shortage Skewed-dual economy Backlogs on provision of basic service delivery i.e. sewage, water, electricity, roads, housing etc. Stormwater backlog Limited funding available to deal with huge backlogs Inability of poor households to pay for services due to unemployment and poverty
<ul style="list-style-type: none"> Ageing infrastructure Strategic infrastructure Backlog in electricity provision Illegal waste dumping Lack of market infrastructure Lack of street trading licenses The municipality still experiences triple challenges i.e. inequality, unemployment and poverty. 	<ul style="list-style-type: none"> Informal settlements enlarging Emerging small commercial farmers with no capital and expertise Urban biased development Poor debt payment by residents Poor disaster vehicle maintenance Shortage of disaster manpower Employee retention



1.14.1 Strategic intervention

The key challenges identified are unpacked in the table below alongside the relevant KPA. On the next column on the table, the municipality further shows how it intends to unlock each challenge. These challenges will be discussed in detail later in the document.

Table 22: Challenges and Interventions

NATIONAL KEY PERFORMANCE AREA	KEY DEVELOPMENT CHALLENGE	STRATEGY TO UNLOCK CHALLENGES
Basic Service Delivery	<ul style="list-style-type: none"> ❖ Strategic infrastructure ❖ Bulk water ❖ Electricity to unlock investment potential ❖ Backlog in electricity provision ❖ Poor maintenance of infrastructure ❖ Ageing infrastructure ❖ Illegal Waste Dumping ❖ Stormwater backlog 	<ul style="list-style-type: none"> ❖ Using of MIG grants ❖ The maintenance of municipality assets ❖ Developing business plans, to attract potential funds or investors
Local Economic Development and Social Development	<ul style="list-style-type: none"> ❖ Unemployment, poverty and inequality ❖ Unsustainable LED projects in the hinterland ❖ Lack of monitoring and evaluation for cooperatives ❖ Very limited or no municipal land for urban expansion ❖ Informal settlements ❖ 7.Emerging small commercial farmers with no capital and expertise ❖ Lack of market infrastructure ❖ Lack of street trading licenses ❖ High level of social ills ❖ Skewed-dual economy 	<ul style="list-style-type: none"> ❖ Promoting economic development through trainings ❖ Monitoring and evaluation of LED projects ❖ Attracting investors ❖ Establishment of local LED forum
Good Governance and Public Participation	<ul style="list-style-type: none"> ❖ Poor participation of amakhosi ❖ Triple Challenges (Inequality, unemployment, and poverty) 	<ul style="list-style-type: none"> ❖ Conducted through mediums such as Mayoral Izimbizo, Operation Sukuma Sakhe and public meetings. ❖ Liaise with KZN COGTA-traditional affairs unit to assist



Municipal Financial Viability and Management	<ul style="list-style-type: none"> ❖ Poor debt payment 	<ul style="list-style-type: none"> ❖ Effective revenue enhancement strategy
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> ❖ Lack of office space ❖ Employee retention ❖ Few powers are not fully functional due to budget constraints. ❖ High Vacancy Rate 	<ul style="list-style-type: none"> ❖ Budget for office space ❖ Increase capacity.
Cross Cutting	<ul style="list-style-type: none"> ❖ Rural schemes and Environmental unresolved issues ❖ Urban biased development ❖ Informal settlements enlarging ❖ Poor disaster vehicle maintenance ❖ Shortage of disaster manpower ❖ High population density along the coastal belt. ❖ No environmental by-laws. 	<ul style="list-style-type: none"> ❖ Unlocking of land for development ❖ Developing policies ❖ Establish agreement with Amakhosi/Ingonyama Trust.



1.15 Organizational Performance Management Framework

The municipality has developed its Service Delivery and Budget Implementation Plan (SDBIP) to fulfill both the requirements of the Municipal Systems Act and the Municipal Finance Management Act. The Framework provides indicators, under each focus area that an IDP must respond to. Importantly, this analysis to strategic programmes and project development, also presents a discussion about the importance of linking planning, budgeting, and implementation, monitoring, and reporting. It also outlines a process to be followed to ensure proper linkage of these processes to ensure effective implementation.

When formulating the 5-year IDP plan, the municipality considered the performance from the previous IDP. It must further be noted that when doing quarterly reviews, the municipality reflects on targets that had not been achieved in the previous quarter whereby reports on progress to date are made which are called Performance Improvement Plans (PIP)

1.16 How Key Performance Areas Were Measured

The Municipal Planning and Performance Management Regulations stipulate that a municipality's Organizational Performance Management System (OPMS) must entail a framework that sets out how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized, and managed, including determining the roles of the different role players.

The municipality will ensure that all section 57 employees sign performance contracts aligned to the municipal IDP and objectives. The municipality will also ensure that employees reporting directly to Heads of Departments have performance plan to enable a focused performance of the municipality.

In line with the said legal requirement, this framework should be seen as a policy document that sets out:

The requirements that RNM's OPMS will need to fulfil;

- The principles that must inform its development and subsequent implementation;
- The preferred performance management model of the municipality;
- The process by which the system will work;
- The delegation of responsibilities for different roles in the process; and
- A plan for the implementation of the system

1.17 How the IDP was formulated

Several aspects, readings, policies, MEC comments for the 2023/2024 Final IDP and legislated documents were considered in formulating the 2024/2025 Final IDP.

The preparation of the 5-year IDP is a continuous process providing a framework for development planning activities in the district. The development and preparation of the IDP is to allow for a changed and renewed development outlook to be considered particularly new priorities and where development annually assessed in terms of delivery and the prevailing conditions in the municipality, but also improved upon each and every year. The MEC for CoGTA after all municipalities submit their respective IDPS, assesses them and provides feedback. This is then considered during an annual review by each municipality.



- Section 28 of the Municipal Systems Act of 2000 (MSA) stipulates that the Municipal Council must adopt a process to guide the planning, drafting, adoption and review of its IDP. RNM adhered to this Act as its 2024/2025 IDP Process Plan was adopted in August 2023 by Council (**See attachment 1: Process Plan**) and submitted to CoGTA and this process has informed the current IDP
- Invitations via the media for members of the public to register their interest to participate as different interest groups as well as give direction in terms of Institutional Arrangements, Mechanisms and Procedures for Participation and Alignment, IDP Review Action Programme and break down the Roles and Responsibilities were practiced
- The approach adopted in the preparation of the 2024/2025 Final IDP is strongly guided by the guidelines prepared by KZN COGTA as set out in the IDP guide packs and the IDP simplified format. The IDP is in line with the Department of Co-operative Government and Traditional Affairs Guideline for IDP's 2024/2025 and beyond
- The adjustment budget process took place in the month of February 2023 whereby all departments adjusted their individual budgets with the guidance of the Finance Department. The Draft IDP and Budget were submitted to Council for approval at the end of March 2024.
- MEC comments raised for the 2023/2024 Final IDP submitted in June 2023 have been received and incorporated and addressed in the IDP.



2023/2024 MEC COMMENTS

Table 23: 2023/2024 MEC Comments

KPA	MEC COMMENTS	STATUS QUO
MUNICIPAL TRANSFORMATION	<ul style="list-style-type: none"> The Municipality is commended for addressing this Key Performance Area (KPA) and covering key elements of this KPA. To further enhance this KPA, the Municipality is requested to reflect on the status of the Retention Policy. The Municipality vacancy rate has increased from 27% in the previous financial year to 28% this financial year. The Municipality is encouraged to work faster towards reducing this rate to ensure that there is sufficient capacity to perform on the powers and functions. The Municipality is commended for employing people living with disabilities (Currently employed 1%), the municipality is encouraged to continue with its effort and ensure that it attains the required target of 2%. 	SEE 3.3
LOCAL ECONOMIC DEVELOPMENT	<ul style="list-style-type: none"> The Municipality is advised to give more attention to in-house research, especially in support of industries within Municipal's Jurisdiction. This includes keeping databases of businesses in the area, needs assessment, sector performance etc. The Municipality is requested to prioritize Infrastructure investment on existing and new industrial parks/estates to attract and retain tenants in industrial parks. The Department recommends that information on the work done on Red Tape Reduction/ Ease Doing Business should be reflected in the LED Strategy. 	SEE 3.6



BASIC SERVICE DELIVERY	<ul style="list-style-type: none"> • It is recommended the Municipality liaise with the district, being the Water Service Authority (WSA) to access additional sources of information such as the KZN Water Master Plan to be used to update and augment the data in the IDP. • It is requested that the water and sanitation projects are listed over the five-year planning horizon using the Infrastructure Delivery Management System (IDMS) phases as required by National Treasury to improve alignment and implantation. • The Municipality has addressed issues of transport infrastructure in the IDP. • The Municipality is commended for clearly presenting issues of Waste Management in the IDP and progress regarding the Implementation of the Integrated Waste Management Plan (IWMP). • The Municipality is advised to consider quantifying the amount of funding required to unlock service delivery challenges and finalize its internal capacity to deal with these associated backlogs. 	SEE 3.2
FINANCIAL VIABILITY AND MANAGEMENT	<ul style="list-style-type: none"> • The Municipality is commended for presenting the structure of the Financial Viability and Management KPA in accordance with IDP Framework, • Based on the Annual Financial Statements, there should be a proper financial viability information for the previous 2 financial years and projections for the next financial year indicating all ratios, • The Municipality must provide detailed information on roll-over grants. 	SEE 3.7
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	<ul style="list-style-type: none"> • The Municipality is commended for the comprehensive coverage and detailed reporting on all aspects of the Good Governance and Public Participation KPA. 	SEE 3.4



CROSS CUTTING ISSUES	<ul style="list-style-type: none"> • The Municipality is commended for complying with Section 26€ of the Municipal Systems Act and Sections 12(1) and Sections 20 of the Spatial Planning and Land Use Management Act, Act No 16 of 2013, by developing and submitting the Spatial Development Framework as an annexure to the Integrated Development Plan. The Spatial Development Framework is required to comply with Regulation 2(4) of the Local Government Planning and Performance Management Regulations, 2001, Regulation 796 of 2001 and the provisions of Section 21 of the Spatial Planning and Land Use Management Act, 2013. • The Municipality is commended for preparing a comprehensive Capital Expenditure Framework as part of their Spatial Development Framework (SDF) submission. • Whilst evidence of advertisement and public participation is noted, there is no proof that the SDF has been gazette, hence, the Municipality requested to gazette its SDF in compliance with section 20 of the Spatial Planning and Land Use Management Act (Act 16 of 2013) • The Municipality is requested to submit Spatial Development Plan (SDP) as part of the IDP Submission • Although the SDP was the focus of the assessment this year, the municipality is urged to unpack all requirements of SPLUMA Section 21 to improve the SDF during future reviews thereof. • The Municipality is requested to consider increasing its budget for disaster management and fire services and explore other external funders. 	SEE 3.2
OVERALL SCORE	89.11	



2023/2024 FINAL SCORE

Table 24: RNM 2023/2024 IDP KPA Scores

	Service Delivery (out of 5)	Municipal Transformation (out of 5)	Cross Cutting (out of 5)	LED (out of 5)	Financial Management (out of 5)	Good Governance (out of 5)	Overall Credibility
Ray Nkonyeni	4,5	4,9	4,0	4,63	3,7	4,96	89.11



- ❖ In preparing the IDP, the municipality took into consideration the MSCOA alignment. The importance of this link is that it:
 - Directly links the inputs per IDP objective to the outcomes and impact on service delivery
 - Would enable performance management and achievement of objectives
 - Will assist in monitoring of progress of projects
 - Will ensure proper management of financial resources
 - Reporting on projects would be easier (dashboard reporting)
 - Promotes the co-ordination between all spheres of government
 - Aids in attracting additional funding (clear prioritization of goals and transparency in funding thereby attracting investors in South Africa)

1.17.1 Aspects considered:

- ❖ Responding on the Outcome Delivery Agreement (Outcome: 09) and its seven (7) outputs, as signed by the Minister (COGTA);
- ❖ Responding to issues raised during the provincial and own assessments (SWOT);
- ❖ Responding to the comments and issues raised by the MEC for COGTA (KZN) on the 2023/2024 IDP;
- ❖ Responding to issues identified as part of the Back to Basics;
- ❖ Formulating the current Vision, Mission, strategic objective, programmes and projects;
- ❖ Alignment of IDP, Budget and PMS activities
- ❖ Updating baseline information to ensure sound decision-making in addressing service delivery gaps;
- ❖ Strengthening focused community and stakeholder participation in the IDP processes; and
- ❖ Aligning Sector Departments' strategic plans to the district-wide priorities and service delivery programmes.

1.17.2 Government Policies Imperatives

The 2024/2025 Final IDP document will be informed and will align with the following strategic documents which will be unpacked in detail in Chapter 2 under planning and development principles:

1. Global Policy Directives

- ❖ Sustainable Development Goals
- ❖ The New Urban Agenda
- ❖ Sendai Framework For Disaster Risk Reduction 2015-2030

2. National Policy Frameworks

- ❖ National Development Plan
- ❖ State of the Nation Address
- ❖ 14 National Delivery Outcome Agreements (especially outcome nine (9) in relation to Local government)
- ❖ Back to Basics



3. Provincial Policies and Imperatives

- ❖ PGDS Nodes and Corridors
- ❖ State of the Province Address
- ❖ Provincial Growth and Development Strategy 2035
- ❖ Provincial Growth Development Strategy

4. Municipal Imperatives and Interventions

- ❖ Ugu District Growth Strategy
- ❖ Vision 2036
- ❖ Back to Basics
- ❖ District Development Growth Strategy
- ❖ Strategic Development
- ❖ Alignment Matrix
- ❖ SPLUMA Principles
- ❖ District Development Model which informs the One Plan One Budget
- ❖ MTSF
- ❖ OSS
- ❖ Ward Based Plan
- ❖ Catalytic projects
- ❖ The Municipal Planning and Tribunal
- ❖ Strategic Framework/Vision, Goals And Objectives

1.18 Auditor General Findings

The municipality made available an action plan to ensure a clean audit, as means to avert obtaining an unqualified audit.

For effective service delivery, the municipality further puts up an additional plan called operation bounce back for reconciliation to monitor performance per department on monthly basis. The plan has a timeframe which includes details of the issue which needs to be addressed, the person responsible for that corrective action and progress status. It must be noted that this plan is not for G findings but set up to ensure departments are on track with major issues that need immediate attention.

1.19 Annual Report Performance

The IDP paid attention to the annual report for ensuring that findings reflected are addressed. This is done to enhance the performance of the municipality. The report identified a number of gaps which the municipality has since put corrective measures for.

1.20 The Municipal Strategies, Plans and Policies

The municipal departments' strategies, plans and policies are in place and reviewing of strategies has been ensured to enhance proper implementation of service delivery. Sector departments also presented their strategies to be utilized for the next 5 year term to ensure alignment with those of the municipality.



1.21 Ugu District Development Plan (DDM)

Ugu District has a Draft DDM adopted in June 2020. The DDM serves as a basis for discussion and engagements on the baseline and priorities for developing a ONE PLAN ONE BUDGET for Ugu District, through OSS, the newly established district hub and shared services. The model is a status quo analysis and a short-term action plan identifying immediate service delivery actions, and catalytic activities aimed at unlocking development projects.

Illustration 2: What is the DDM?

- ❑ The District Development Model (DDM) is an **OPERATIONAL MODEL** for improving **Cooperative Governance** aimed at building a capable, ethical Developmental State.

INSTITUTIONALISE an all of Government and Society Approach – A method by which all three spheres of government and state entities work in unison in an impact oriented way, where there is higher performance and accountability for coherent and effective service delivery

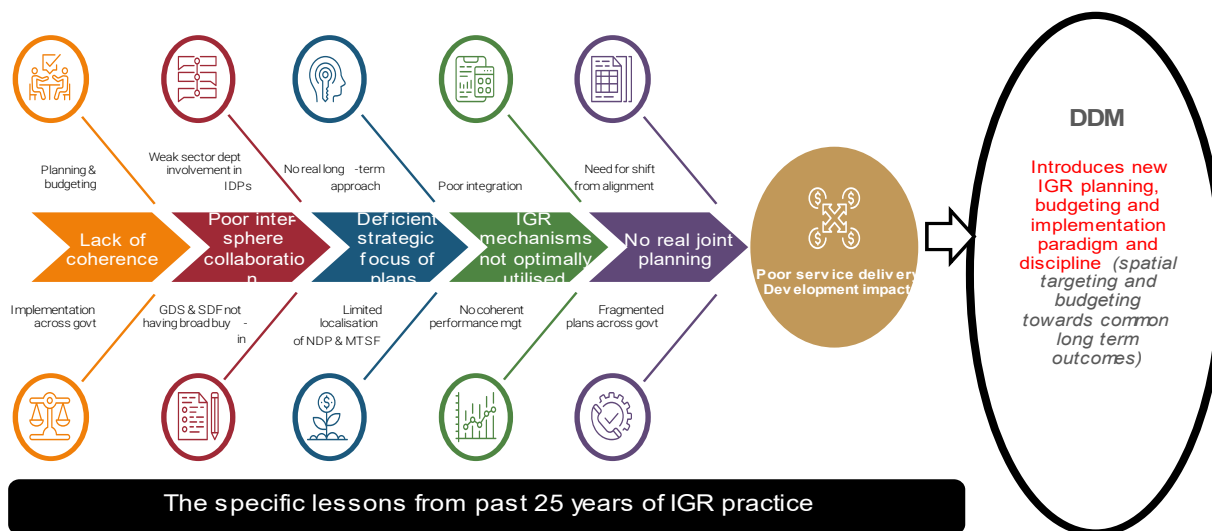
JOINED UP ONE PLAN and ONE BUDGETS to Influence Spatialisation and Reprioritisation of Government Planning, Budgeting, Implementation and Reporting in relation to jointly agreed outcomes and commitments in the 52 District and Metropolitan Spaces.

- ❑ Expresses **Jointly agreed outcomes and commitments** as an IG Plan or whole of Government plan ("One Plan") in relation to each space over short, medium and long-term.

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What is the DDDM fixing?

Illustration 3: What is the DDM Fixing?



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GROWING KWAZULU-NATAL TOGETHER



1.22 RNM's Fifteen Point-Plan

The Mayor of RNM in his summary during the Council Strategic Planning session held in February 2022, summarized a fifteen point-plan as a turnaround plan for the municipality to excel in its mandate as a service delivery entity. The municipality's departments were there for mandated to implement these points in their daily routines, on the other hand not forgetting to align with all legislated plans and policies. These points craft the way forward for the implementation of projects and good governance which of course forms the basis of any local government sphere. Furthermore, these points have form part of the formulation of the municipality's five-year plan IDP. Below are the fifteen-point plan:

1. *Streets need to be clean, but also deal with the escalating illegal dumping*
2. *Waste must be collected on time and regularly*
3. *Grass or verges must be properly and regularly cut*
4. *Roads need to be maintained, be drivable with no potholes*
5. *Street lights and robots must be functional and working: Where we supply power, let's ensure that households and businesses have regular power supply*
7. *By-Laws must be enforced, and Crime Prevention prioritized*
8. *Traffic Management must be improved*
9. *Illegal structures and/or buildings should be dealt with accordingly*
10. *Turnaround times on attending to building plans and other related matters should be user friendly and encouraging development*
11. *Vulnerable communities, including the Youth, Women and people with Disabilities must be taken care of and provided with necessary support and opportunities*
12. *Communication with our communities and stakeholders must be regarded as a strategic process and must be orientated towards orchestration and synchronization of actions*
13. *There must be considerable investment, in terms of focus and resources to enable local economic development*
14. *We need to ensure that there are systems in place that will enable our municipality to be financially stable and sustainable, with good governance being the daily practice*
15. *We have to build cohesive communities that will enable people to coexist with each other*

1.23 The Long-Term Spatial Development Vision

Vision 2036, which is the long-term vision of the municipality adopted in 2019 by Council is linked to its SDF vision, Vision 2036 **(See attachment 2: RNM Vision 2036)** has anchored its goals to the SDF as well as the IDP. The municipality's SDF has built on this vision and accordingly translates it into spatial terms stating that by '2036 RNM will be a spatially efficient, socially equitable, environmental sustainability and economic powerhouse of KwaZulu Natal with the unique tourism economy. This vision brings synergy to the municipality's IDP as well as the IDP. The long-term vision as well as the SDF is further linked in that in both documents the spatial equity, densification, spatial accessibility as well as spatial efficiency is discussed.



1.24 Municipal Support and Intervention Plan (MSIP)

See attachment 3: MSIP

1.25 Managerial Strategic Planning Session

Ray Nkonyeni Municipality held a Managerial Strategic Session from the 29th to the 31st of March 2023. The theme of this planning session was of re-engineering systems and processes to optimise delivery of municipal services within our Municipality. The municipality recognizes that the environment is forever changing, and it has to source new ways of achieving its objectives and achieving optimal and efficient service delivery to its communities.

1.26 Swot Analysis

Central to key challenges mentioned earlier on in the document is the realization by the municipality and all stakeholders involved that although these have had negative effects on development within the municipality, several opportunities still exist. The municipality needs to strengthen its strategies and implementation framework to achieve its long-term vision.

A SWOT analysis has been populated which will enable the municipality to measure its performance.

Table 25: SWOT Analysis

SWOT ANALYSIS		
INTERNAL	STRENGTHS	WEAKNESSES
	Municipal insights into rural dynamics and livelihood strategies	Small business catchments due to dispersed settlements in the hinterland
	Upcoming Retail Development to create job opportunities and access to market for agricultural products produced locally	Low disposable incomes
	The N2 which traverses the municipal area provides opportunities for development in the form of passing thresholds	Under-representation of big business in the area
	Local FET(Ezinqoleni) College which can be used to enhance skills development for the youth (e.g. film making)	Low skills base
	Labour force readily available across the rural areas	Steep topography making service provision costly
	Oribi Gorge tourism attraction and other natural attractions	Lack of bulk infrastructure e.g. electricity



	Strong IGR - cordial relations between stakeholders	Limited funding to implement LED projects in deep rural
	Abundant wildlife (e.g. warthogs [bush pigs]) that could be harnessed to establish businesses such warthog abattoir & processing	Grant dependency
	Readiness of existing trained cooperatives to function efficiently	Low debt recovery rate
	Abundant natural resources (e.g. catchments & water bodies) that could be utilized for the following: <ul style="list-style-type: none"> • Sand mining • Brick making • Glass factory • Fish farming 	Lack or limited revenue generation
	Abundant under-utilized land	Lack of land for the expansion of Ezingoleni CBD
	Cordial relations between the municipality and South Coast Tourism	Difficulty to attract investors
	Untapped agricultural potential	Brain drain (emigration of skills)
	LED officer post now filled	Lack of IT infrastructure
	Sound financial management as witnessed by the clean audit	Inadequate office space for the municipality
	100% expenditure of Grants in the previous financial year	Municipal officials working in silos
	Effective public participation programme	Limited employment opportunities within the municipal area
	Functional statutory and ad hoc committees	Privately owned land not available for development in some wards
	Skills Development Plan which meets LGSETA standards	Slow delivery rate of "approved" housing projects
	Adopted and implemented municipal policies	Limited community facilities and public social & recreational amenities
	Enhanced institutional capacity to spend grants	Lack of maintenance for the aforementioned facilities
	Almost 100% provision of VIP toilets	Lack of funding to provide all-weather local access roads e.g. tarred & gravel roads



	80% water provision	Lack of monitoring and evaluation for cooperatives
	Provision of free basic services to indigent households	Lack of skills development for cooperatives
	Disaster Management Plan in place & implemented e.g. Fire truck & ambulance on stand-by full time	Unsustainable LED projects
	Enhanced Institutional Capacity:	Lack of support infrastructure for informal businesses
	Decreased new HIV/AIDS infections	Poor workmanship ("project snags") in infrastructure project outputs
	Political tolerance	Lack of Agriculture Sector Plan
	Improved Job Creation through EPWP	
EXTERNAL	OPPORTUNITIES	THREATS
	National Government resolves to grow rural economies	Natural disasters e.g. floods, veldfires
	Growing buying power of the African population in general	Hostile legislative framework to business
	Expansion of the social security net for vulnerable groups across the country	Crime and substance abuse
	Resilience of the informal markets, vibrant & complicated rural livelihoods which cannot be measured in traditional economic terms	Volatile economic conditions in the financial markets and the associated unpredictable inflation
	BEE legislation provides an opportunity of using government procurement spend to uplift SMMEs	



SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES & GOVERNMENT POLICIES & IMPERATIVES

In the 2024/2025 Final IDP formulation, RNM took into consideration all the legislated planning and development principles, Government policies and imperatives. The municipality has aligned fully with them. Adopted strategies/policies and plans to assist achieve goals set are in place. Performance is measured by the service delivery and budget implementation plan (SDBIP) which sits quarterly. Below is a detailed analysis of planning imperatives as listed in the previous chapter that the municipality took into cognisance when developing its IDP. These planning imperatives are categorised as Global, National, Provincial and Municipal imperatives and interventions.

2.1 Global Policy Directives

2.1.1 Sustainable Development Goals

The Sustainable Development Goals (SDGs), officially known as Transforming Our World: the 2030 Agenda for Sustainable Development is a set of seventeen goals with 169 targets between them. SDGs are replacing the Millennium Development Goals (MDGs). The Millennium Development Goals (MDGs) were the world's time-bound and quantified targets for addressing extreme poverty in its many dimensions-income poverty, hunger, disease, lack of adequate shelter, and exclusion-while promoting gender equality, education, and environmental sustainability. They were adopted at the United Nation's Millennium Summit in September 2000 by world leaders, committing their nations to a new global partnership to reduce extreme poverty and setting out a series of time-bound targets, with a deadline of 2015. The SDGs are therefore acting as the Post 2015 Development Agenda (successor to the Millennium Development Goals). They are to guide the global action on sustainable development until 2030. The 17 SDGs are listed in the table below with a column showing how the Municipality's IDP is aligned to them.



Table 26: Sustainable Development Goals and Alignment

GOAL	SUSTAINABLE DEVELOPMENT GOAL	RNM's RESPONSE (INTERVENTION)
1	No Poverty	<ul style="list-style-type: none"> ❖ Develop LED strategies to create jobs and incomes ❖ Increase access to women and other valuable groups to economics opportunities ❖ Increase participation in War Rooms and Sukuma Sakhe to identify poverty ridden households ❖ Develop networks of collaboration with NGOs and other stakeholders
2	Less hunger	<ul style="list-style-type: none"> ❖ Develop food security programs ❖ One home, one garden project ❖ Increase participation with merging farmers
3	Good health and wellbeing	<ul style="list-style-type: none"> ❖ Increase health awareness campaigns
4	Quality education	<ul style="list-style-type: none"> ❖ Mobile libraries that will provides access to learning to all ❖ University registration funding and bursary for scarce skills. ❖ Create an enabling environment to attract educational SETA programs and learner ships
5	Gender equality	<ul style="list-style-type: none"> ❖ Formulation of gender forum ❖ Create an enable environment for disadvantaged groups ❖ Gender forum to include the previously disadvantage LGBT
6	Clean water and sanitation	<ul style="list-style-type: none"> ❖ Populate all new households , so that sanitation facilities can be in place
7	Affordable and clean energy	<ul style="list-style-type: none"> ❖ Create awareness campaigns
8	Decent work and economic growth	<ul style="list-style-type: none"> ❖ Create jobs ❖ Unlock land for development ❖ Form partnership with the informal sector ❖ Attract foreign and local investors
9	Industry, innovation and infrastructure	<ul style="list-style-type: none"> ❖ Create an environment for investment ❖ Attract potential industries ❖ Zoning and unlocking of land for development ❖ Create business incentives , in attracting industries
10	Reduce inequalities	<ul style="list-style-type: none"> ❖ Support through the indigent support program ❖ SMME support and information sharing days
11	Sustainable cities and communities	<ul style="list-style-type: none"> ❖ Development of the land use management scheme ❖ Decrease service back logs
12	Responsible consumption and production	<ul style="list-style-type: none"> ❖ Shorten the supply chain system by employing companies in a close radius



		❖ Create awareness for sustainable development
13	Climate action	❖ Develop mitigation and adaption strategies ❖ Develop disaster awareness and prevention campaigns
14	Life below water	❖ Create sustainable awareness campaigns in regards to rivers and streams, as rubbish thrown in pollutes the water endangering sea species
15	Life on land	❖ Effective solid waste management system ❖ Conduct a Spatial Environmental Assessment
16	Peace, justice and strong institutions	❖ Involve stakeholders such as Amakhosi, South African Police and the community in Operation Sukuma Sakhe
17	Partnerships for goals set	❖ Strengthen IGRs

Table 27: Development Priorities

DEVELOPMENT PRIORITY	INVESTMENT AREA	PROGRAMME	NSSD STRATEGIC PRIORITY	FUNDING SOURCE
Preparation of a Strategic Environmental Assessment (SEA)	Entire Municipality	SIP 8	Strategic Priority 1	Internal
SERVICE AND SOCIAL INFRASTRUCTURE				
Water and Stormwater Services and Management	Fezile Mkhwanazi (Ward 28)/ Luisiana (Ward15)/ Acacia Road-Sea Park (Ward16)	SIP 6, 18	Strategic Priority 4	MIG/ Internal
Sanitation	Bhobhoyi/ Municipal Depot-Phase 3	SIP 18		Internal
Sports Facilities	Ward 4, 24, 31 & 32			
Community Halls	Ward 3,5,9,15,20,28,30,33,34,35,36			



		SIP 7		
Beach Facilities	Margate Beach			
Parks and Open Spaces	White City, Protea Park			
SUSTAINABLE INTEGRATED SPATIAL PLANNING SYSTEM				
SPLUMA Implementation - appointment and gazetting	Entire Municipality	SIP 7	Strategic Priority 4	Internal
Creche database in Ray Nkonyeni Municipality				
Sea Park / Southport Corridor Plan				
SDF Reviewed				
Murchison Rural Node				

2.1.2 The New Urban Agenda

The New Urban Agenda was adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in Quito, Ecuador, on 20 October 2016. It highlights linkages between sustainable urbanization and job creation, livelihood opportunities and improved quality of life, and it insists on incorporation of all these sectors in every urban development or renewal policy and strategy. The New Urban Agenda represents a shared vision for a better and more sustainable future. If well-planned and urbanization can be a powerful tool for sustainable development for both developing and developed countries.

By the middle of the 21st the century, four of every five people might be living in towns and cities. Urbanization and development are inextricably linked, and it is necessary to find a way of ensuring the sustainability of growth.

RNM'S response: The municipality's long term 2036 Vision, strategic goal No.1 (Spatial equity), addresses the new urban agenda. The objective talks to increase in physical connectivity between different land uses which the provision of public and private goods and services are utilised. Furthermore, the disparity of the growing population in peri-urban areas will continue to grow due to urbanization whereby people settle for employment and improved housing opportunities. There are currently identified development corridors which will contribute to physical integration of the different spaces.



2.1.3 Sendai Framework for disaster Risk Reduction 2015-203

The Sendai Framework was adopted in 2015, in Japan by the United Nations. Its aim was to build resilience of nations and communities to disaster. The Sendai Framework also articulates the following:

- ❖ The need for improved understanding of disaster risk in all its dimensions of exposure, vulnerability and hazard characteristics;
- ❖ The strengthening of disaster risk governance, including national platforms; accountability for disaster risk management; preparedness to “Build Back Better”; recognition of stakeholders and their roles;
- ❖ Mobilization of risk-sensitive investment to avoid the creation of new risk; resilience of health infrastructure, cultural heritage and work-places;
- ❖ Strengthening of international cooperation and global partnership, and
- ❖ Risk-informed donor policies and programs, including financial support and loans from international financial institutions

RNM’s response: RNM’s Vision 2036 Strategic goal no.6 Environmental Sustainability aligns with the above framework. The goal talks to climate change mitigation and adaptation strategies in order to strengthen disaster management and mitigate impacts through resilience planning.

2.2 National Policies Framework

2.2.1 National Development Plan (NDP): 2030

The NDP identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

- ❖ Too few people are employed;
- ❖ The quality of school education infrastructure is poor;
- ❖ Infrastructure is poorly located, inadequate and under-maintained;
- ❖ Spatial divides and hobble inclusive development;
- ❖ The economy is unsustainably resource intensive;
- ❖ The public health system cannot meet demand or sustain quality;
- ❖ Public services are uneven and often of poor quality;
- ❖ Corruption levels are high; and,
- ❖ South Africa remains a divided society.

RNM’S response: The municipality welcomed the diagnostic report as a frank, constructive assessment. Building on the diagnostic, the plan added four thematic areas: rural economy, social protection, regional and world affairs, and community safety. The National Development Plan aims to eliminate poverty and reduce inequality by 2030. The plan comes from the belief that South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next two decades. The municipality fully aligns with the NDP and has ensured that strategies in place do address the key issues raised in the Plan. These will be unpacked in detailed under the LED Analysis in the document.

2.2.2 Back to Basics

The municipality has a dedicated official (Manager Performance Monitoring and Evaluation) who ensures that the monthly reports as well as the quarterly reports as per the requirement are compiled, analysed, and sent to both Province and National timeously. These reports are further reported during the SDBIP sessions and if there are findings made, the responsible Head of Department ensures that corrective measures are designed to address those issues.



Our National Development Plan makes it clear that meeting our transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialize. The Goal is to improve the functioning of municipalities to better serve communities by getting the basics right, as per the NDP and through the B2B Programme. It is therefore important to understand where we are, where we could be and what needs to be done to improve performance. Back to Basics Programme recognizes that the core services that local government provides is about our Constitution and Bill of Rights. The country's vision of developmental local government was that it would be the building block on which the reconstruction and development of our country and society was built, a place in which the citizens of our country could engage in a meaningful and direct way with the institutions of the state.

The transformation of the local government sector remains a priority for the current administration. The goal of the Back-to-Basics Programme is to improve the functioning of municipalities to better serve communities by getting the basics right. It aims to achieve the developmental state of local government and ensure that each sphere of government commits itself to address the challenges faced by local government.

The programme recognizes that we need to do things differently if we want different solutions. It argues that we must change our paradigm to focus on serving the people rather than the extractive elites. To be noted is that the programme draws from the National Development Plan.

5 pillars of the Back-to-Basics approach which are principles for action are depicted below:

Illustration 4: Back to Basics Pillars



RNM's response: The municipality aims at aligning with the Back-to-Basics program and pillars by:

- ❖ **Training and awareness of Ward committee members, about the program**
- ❖ **Holding of public feedback session with Councilors or Mayor, report back to the public**
- ❖ **Training of staff and councilors**
- ❖ **Continuing of sound financial management and strengthen it, within the municipality.**
- ❖ **Continuing with the efficient structure of War rooms and Operation Sukuma Sakhe**
- ❖ **Continuing with the roll out of essential government services**

2.2.3 State of the Nation Address

In the month of February 2024, The President of South Africa delivered is State of THE Nation Address and mentioned several key challenges faced by the country and how the Government is going to address them. RNM is set to address these key findings by not just for compliance but apply relevant strategies for implementation. Each key point raised by the State President as it also affects the municipality will be analysed in detail under each relevant KPA in the



document and how the municipality will address it. To mention but a few of the comments raised by the State President:

1. Unemployment

South Africa must support the growth of its economy and curb unemployment by:

- ❖ Supporting SMMEs and making it easier for entrepreneurs to start businesses;
- ❖ Creating an enabling environment that supports Women-Owned businesses;
- ❖ Focusing on Red Tape Reduction; and
- ❖ Promoting Skills for a Growing Economy by capacitating people with the relevant skills to enter the job market.

RNM's Response

The Municipality and its various Sector Departments have ensured that RNM's communities are best serviced. The dedicated Local Economic Development (LED) office ensures that SMMEs are encouraged, assisted, and empowered through various initiatives and programmes. RNM has several TVET Colleges that facilitate the capacitation of people with various skills they need to participate in the work sector or create their own work opportunities.

2. Building Better Lives

South Africa must lay the groundwork for improving the lives of people by:

- ❖ Strengthening the link between the skills that we develop and the skills the workplace actually needs;
- ❖ Restructuring the requirements for early childhood learning and development centres as part of a long-term solution to reduce inequality;
- ❖ Focusing on Poverty Eradication;
- ❖ Expediting the issuing of title deeds for subsidised housing; and
- ❖ Ensuring Water Security for all communities within the Republic

RNM's Response

The Municipality has a dedicated Youth Forum that explores options on how to best strive for good education and employment opportunities by focusing on the youth development that aligns with the current needs of the current world. The Municipality also has functioning ECDs throughout that align with the Provincial Offices vision of forming a long-term solution to the reduction of inequality.

3. Making Communities Safer

The safety of all South African Citizens is of paramount importance and must be strengthened through:

- ❖ Curbing Gender-Based Violence through improving accessibility and functioning of Sexual Offences Courts and establishing Care Centres for victims and survivors;
- ❖ Improving the effectiveness of our fight against crime, corruption and sabotage; and
- ❖ Increasing police visibility in communities

RNM's Response

The Municipality has functioning Police Stations situated throughout the municipality and in those places that do not have formal Police Stations, Satellite Stations have been established to create police visibility. The Municipality also operates with various private security entities who also work as peace officers in conjunction with SAPS and the Municipality's Law Enforcement.



4. Making Government Work

- Address failures at local government level;
- Improve Basic Service Delivery;
- Enhance the capacity of public representatives and officials; and
- Upgrade local infrastructure

RNM's Response

The Municipality provides efficient basic service delivery to its communities and also continuously improving it. The Department of Technical Services within the Municipality is dedicated in maintaining and improving the conditions of infrastructure, whilst also working with other Sector Departments to erect new infrastructure that will benefit communities.

2.2.4 The 14 National Outcomes

Outcome 9 talks specifically to Local Government, and below it has been broken down into seven (7) outputs:

- ❖ Output 1: Implement a differentiated approach to municipal financing, planning and support
- ❖ Output 2: Improving access to basic services.
- ❖ Output 3: Implementation of the Community Work Programme
- ❖ Output 4: Actions supportive of the human settlement outcome
- ❖ Output 5: Deepen democracy through a refined Ward Committee model
- ❖ Output 6: Administrative and financial capability
- ❖ Output 7: Single window of coordination
- ❖ Our Municipality is proud to announce that the above seven outputs fully implements through its service delivery targets set out in the SDBIP.

RNM's response:

The municipality fully adheres to the above National Outcome. This can be ascertained in the SDBIP (See attachment 4: SDBIP) where all the KPAs are measured.

2.2.5 Nationals Spatial Development Framework (NSDF)

This *National Spatial Development Framework (NSDF)*, the first of its kind, seeks to make a bold and decisive contribution to bringing about the peaceful, prosperous, and truly transformed South Africa created by the apartheid system and its policies directed towards the separation of different ethnic or racial groups. Spatially, apartheid involved the physical separation of the four racial groups according to the Population Registration Act of 1950, into so-called "Group Areas". The stranglehold that the unjust national spatial development paradigms, logics, and patterns of the past have placed on our many attempts at breaking the back of poverty, unemployment, and inequality:

- ❖ The valuable, and often hard lessons we have learnt over the last twenty-four years in our pursuit of national reconstruction, inclusive economic growth, and spatial transformation; and
- ❖ The necessity for decisive, collaborative, and targeted state action in national space, to drive our country towards the shared, inclusive, and sustainable future we desire and require.

RNM's Response:

Ray Nkonyeni Municipality, through its SDF, seeks to drive towards the shared, inclusive, and sustainable future desired and required as per the Framework. Furthermore, the municipality adheres to the SPLUMA principles which guide the framework to ensure transformation takes place.



2.2.6 Integrated Urban Development Framework (IUDF)

The IUDF seeks to foster a shared understanding across government and society about how best to manage urbanisation and achieve the goals of economic development, job creation and improved living conditions for our people.

RNM's Response:

In response to the IUDF, the development of the RNM's Municipal Development Strategy has been a tool to harness the potential of urbanization and enables the municipality to develop in a coordinated and institutional framework to make the most of opportunities. Ray Nkonyeni Municipality's urban centres have experienced a sizeable amount of urbanization which amount to 41%, hence the municipality has planned for livable, economically viable and sustainable towns with infrastructure that is resilient enough to support inclusive growth. If properly managed, urbanization generates significant opportunities for economic growth and poverty reduction, which the municipality is striving for.

The urban areas of the municipality will continue to grow and should be treated as a priority for urban policy, increased investments and service delivery.

2.3 Provincial Policies and Imperatives

The province has a set of policies and imperatives that are used as a basis for making decisions. Ray Nkonyeni Municipality is fully aligned to them, and below is a summary of some that the municipality draws its direction from:

2.3.1 PGDS Nodes and Corridors Hierarchy

The Provincial Government has developed its own Growth and Development Strategy which is closely aligned to both the Millennium Development Goals and national development goals. The PGDS is essentially a tool through which the provincial government can address the legacies of the apartheid space economy, promote sustainable development, and ensure poverty eradication and employment creation (PSEDS;2007). Several primary, secondary and existing corridors have been established along the KwaZulu-Natal southern coast, a combination of which merge within Ray Nkonyeni Municipality. The corridors are complimented by a series of nodes identified as Primary, Secondary, Tertiary, Quaternary and 5th level nodes. The KwaZulu-Natal south coast contains a combination of these nodes. A single primary node is located within the Durban CBD, a secondary node is located within RNM at Port Shepstone, four tertiary nodes identified in Ixopo, Umzinto, Hibberdene and Margate, and seven quaternary nodes scattered throughout the south coast within one falling within the study area at Port Edward.

2.3.1.1 Recreational Node

In support of tourism development within the municipality and promoting it to be highly celebrated through efficient and sustainable infrastructural development, it is recommended that the Gamalakhe node, particularly the area surrounding the uGu Sports and Leisure Centre at the close vicinity of the intersection of road P200, and St Michaels Road be promoted as a recreational node. This node is envisaged to provide multifunctional recreational and network of public open spaces that could provide in all the needs of the local community. This node is currently vacant however this area has the potential location of mixed development such as promotion of network of public open spaces supported by residential, commercial, offices and conference facilities.



2.3.1.2 Tourism Node

Oribi Flats are situated to the north of the Oribi Gorge and represents the centre point of an agri-tourism, eco-tourism and adventure areas demarcated on the Spatial Development Framework. Any development within this area that may have adverse effects on the tourism industry needs to be discouraged. The area is situated centrally to the north-eastern parts of the Municipality and represents the access point from the southern parts to the Northern tourism area. This area is envisioned to provide limited social amenities such as a postal collection point/post boxes but more specifically for the marketing of, and direction to tourism attractions in the Tourism Area. As such no large-scale development would be encouraged here.

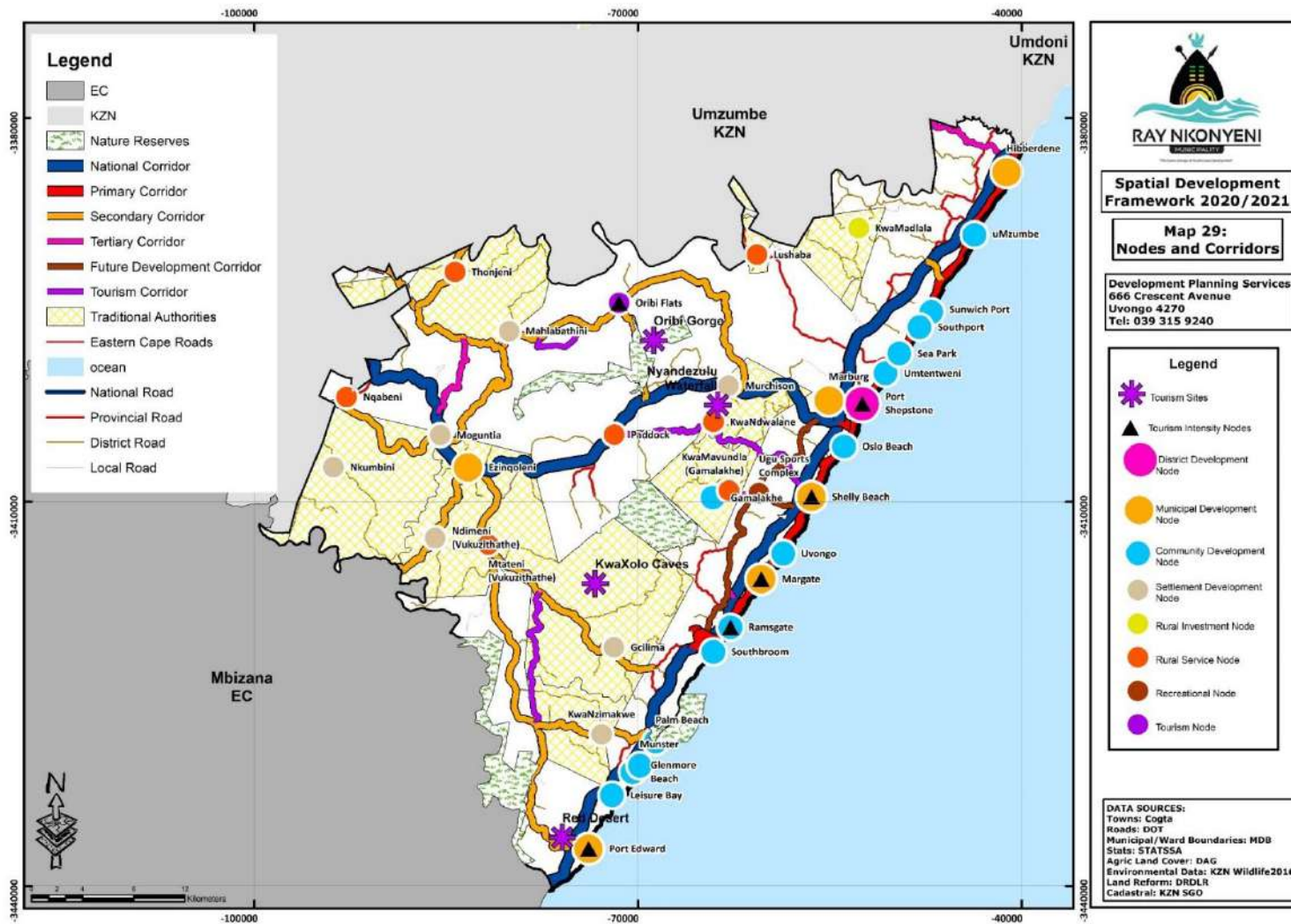
2.3.2 Provincial Growth Development Plan (PGDP 2035)

The KZN Provincial Executive Council tasked the KZN Provincial Planning Commission to prepare a long-term vision a provincial growth and development strategy. This was adopted in 2011 whereby it was resolved that the strategy will be reviewed every 55 years. By 2035, the province should have maximized its position as a gateway to SA and Southern Africa, as well as its human and natural resources so creating a safe, healthy, and sustainable living environment. The rationale behind this strategy was to guide resources allocation, driving implementation in a coordinated and integrated manner, where progress can be measured against predetermined targets and where roles and responsibilities have been confirmed within established lines of accountability.

On the following page is a map showing the above-mentioned corridors and nodes.



Map 6: PGDS Nodes



Source RNM GIS 2020



The 2011 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) bolsters the Province's commitment to achieving the vision of KwaZulu-Natal (KZN) as a "Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the world". The PGDS aims to build this gateway by growing the economy for the development and the improvement of the quality of life of all people living in the Province. Below is a table highlighting alignment of PGDS goals and that of RNM IDP interventions.

Table 28: PGDS and RNM Alignment

PGDS Strategic Goal	Applicability to RNM
Job Creation	A substantial % of the total population currently lives in poverty.
Human Resource Development	Skills development identified as one of the key interventions
Human and Community Development	Skills development identified as one of the key interventions
Strategic Infrastructure	Provision of infrastructure to unlock investment potential identified
Responses to Climate Change	Environmental management
Governance and Policy	Skills development identified as one of the key interventions
Spatial Equity	More focus of land management issues



2.3.3 2024 State of the Province Address (SOPA)

2024 STATE OF THE PROVINCE ADDRESS	
SOPA	RNM's Response
❖ Support for Amakhosi	RNM has nine (9) Tribal Authorities, and it works closely with them in matters of development. Their continued participation in the development of the IDP allows them a platform to be a part of the continued fight to better the lives of communities.
❖ Promote a Digital Economy	RNM is already exercising the use of online payments for a lot of things such as rates and water bills. The public is encouraged to use these methods as opposed to using cash.
❖ Support Black Industrialists	RNM is constantly looking for ways and incentives to attract and support industrialists within the municipality to build and formalize the Marburg industry zone.
❖ Fight Crime & GBV	RNM has established police stations across its jurisdiction, and also offers satellite stations in the remote areas. Police visibility is evident, whilst the public safety and SAPS work alongside Crime Prevention Forums that exist within the community.

2.3.4 Provincial Growth Development Plan

The Plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality. Ray Nkonyeni Municipality has fully responded to the below listed PGDP goals and will be further analysed in the document per KPA. Through its LED, the municipality is striving to ensure that poverty is eliminated and inequality addressed. This is done through the programmes and projects in place.

The core elements of a decent standard of living identified in the Plan are:

Table 29: RNM's Response to PGDP

PGDP	RNM's response
❖ Housing, water, electricity and sanitation	The municipality has a dedicated department for the basic service delivery. Refer to Basic service delivery KPA. There is less than 13% of houses without clean water.
❖ Safety and security	Public safety is the municipality's number one priority. Policing is visible in almost all the spaces, however, in rural areas it is still a concern as no policing is found. Crime is very high.
❖ Quality health care	Ugu Department of Health has programmes in place responding to health care



❖ Social protection	Every citizen has a right to be protected from any harmful situation. The SAPS as well as the municipality's safety and security ensure that every community member is protected
❖ Employment	The private sector has been mobilized to ensure that it responds to job creation. On the other hand, the municipality is making leads in ensuring that job creation is prioritized through the SMMEs and lobbying investors who will also create jobs.
❖ Recreation and leisure	RNM is a leading tourist destination in the province. Refer to tourism section in the document
❖ Clean environment	The municipality's environmental and waste minimization sections have ensured that the landscape is clean. Awareness campaigns are conducted to ensure communities are trained on environmental issues
❖ Adequate nutrition	This is mostly carried out by the department of education and Department of health. Programmes as listed in the social analysis for both departments respond to adequate nutrition

2.3.5. Provincial Spatial Development Framework (PSDF)

The Provincial Department of Cooperative Governance and Traditional Affairs (Cogta) adopted the Framework as per the SPLUMA requirement. The purpose of the Provincial Spatial Development Framework is to:

- ❖ Provide a spatial representation of the land development policies, strategies and objectives of the province, which must include the province's growth and development strategy;
- ❖ Indicate the desired and intended pattern of land use development in the province, including the delineation of areas in which development in general or development of a particular type would not be appropriate;
- ❖ Coordinate and integrate the spatial expression of the sectoral plans of provincial departments;
- ❖ Provide a framework for coordinating municipal spatial development frameworks with each other where they are contiguous;
- ❖ Coordinate municipal spatial development frameworks with the provincial spatial development framework and any regional spatial development frameworks as they apply in the province; and
- ❖ Incorporate any spatial aspects of relevant national development strategies and programmes as they apply in the province.

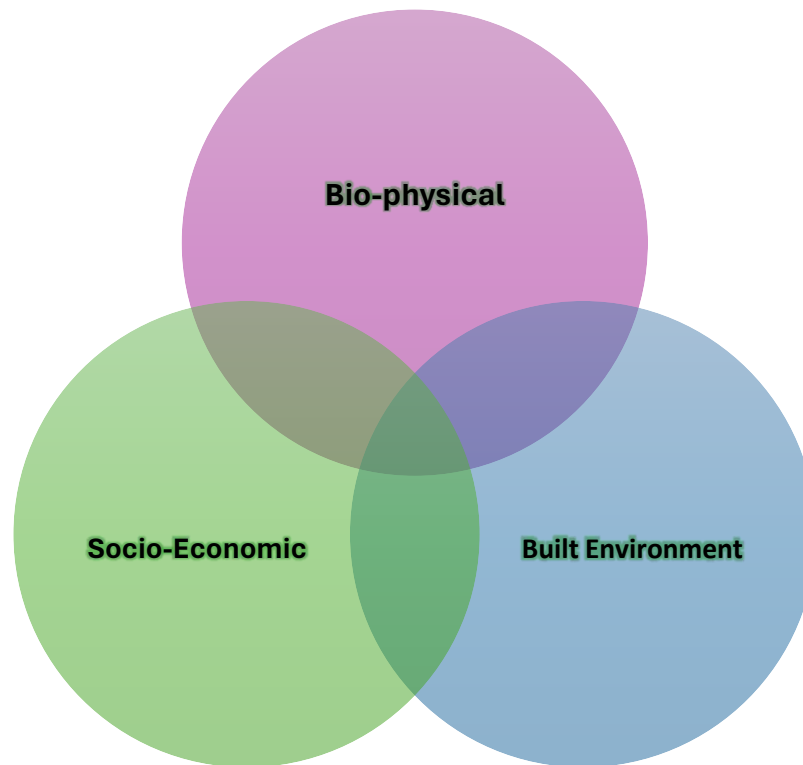
RNM's response:

Through the Municipality's SDF, the inclusion of all the provincial projects to ensure alignment has been done.



2.3.6. Provincial Spatial Economic Development Strategy (PSEDS)

The Strategy seeks to address the following:



RNM's response:

The Provincial Spatial Economic Development Strategy (PSEDS) identifies Port Shepstone, which is RNM, as a Secondary Node in the Provincial Context and eThekweni-Ugu Corridor as a primary corridor. This corridor is at the same level as the extremely strong and growing eThekweni-Umhlathuze and eThekweni-uMsunduzi Corridors. The PSEDS confirms the tourism potential in the South Coast Region as established in the Provincial Tourism Strategy.

2.4 The Municipal Imperatives and Interventions

2.4.1 Ugu District Growth and Development Plan

The Ugu Growth and Development Strategy (GDS) commits all stakeholders (public, private and civil society) to achieving a shared vision that by 2030 the Ugu district will be a leading tourism destination and manufacturing and agricultural hub where jobs are created, and everyone benefits equally from socio-economic opportunities and services. This intent is based on a shared understanding of the inter-relationships amongst communities and the challenges facing the district economy as a whole. It is based on a commitment to working collaboratively to achieve the most beneficial outcomes for all.

The vision of the Ugu's GDS is that "By 2030 the district will be a leading tourism destination and manufacturing and agricultural hub where jobs are created, and everyone benefits equally from socio-economic opportunities and services". It has six economic drivers which are:



- ❖ Strategic infrastructure investment
- ❖ Education & skills development
- ❖ Institutional development
- ❖ Strategic sector engagements
- ❖ Environmental Sustainability
- ❖ Safety Nets & Civic empowerment
- ❖ Ray Nkonyeni aligns itself to the district's vision as it sees itself as the Game changer of South Coast Development.

2.4.2 Strategic Development Alignment Matrix

Below is a summarised analysis of the strategic development alignment matrix. It addresses how the municipality's IDP is aligned to the National Vision 2030 (National Development Plan), the Provincial Growth and Development Plan and District Growth and Development Plan.



Table 30: Strategic Development Alignment Matrix

NDP PRIORITIES	PDGDP GOALS	UGU DGDP	RNM STRATEGIC GOALS
Job Creation	Job Creation	Sectoral Development and Support	❖ Creating Employment Opportunities
			❖ Establish a conducive environment to attract and grow businesses and cooperatives and ensure creation of jobs for local community
			❖ Grow the economy of RNM by attracting investments and fostering partnerships with private and public sector
Expanding Infrastructure	Strategic Infrastructure	Strategic Infrastructure Development	❖ Improve delivery of capital projects through investment in infrastructure development
Provision of Quality Health Care	Human and Community Development	Safety and Empowerment of Communities	❖ Alleviate Poverty and Promote Socio Economic Development
			❖ Promote and enhance the fight against poverty and ensuring support to child/female/elderly headed households.

2.4.3 SPLUMA Principles

The current SDF of the municipality fully adheres to the SPLUMA principles. The SPLUMA BYLAWS were adopted by Council in 2016.

2.4.3.1 Preparation of SDF

The nation and provincial spheres of government and each municipality must prepare Spatial Development Frameworks that:

- Interpret and represent the spatial development vision of the responsible sphere of government and competent authority;
- Are informed by a long term spatial development vision statement and plan;



- c. Represent the integration and trade-off of all relevant sector policies and plans;
- d. Guide planning and development decisions across all sectors of government;
- e. Guide a provincial department or municipality in taking any decisions or exercising any discretion in terms of this Act or any other law relating to spatial planning and land use management systems;
- f. Contribute to a coherent, planned approach to spatial development in the national, provincial and municipal spheres;
- g. Provide clear and accessible information to the public and private and provide direction for investment purposes;
- h. Include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and landholdings of state-owned enterprises and government agencies and address the inclusion and integration into the spatial, economic, social and environmental objectives of the relevant sphere;
- i. Address historical spatial imbalances in development;
- j. Identify the long term risks of particular spatial patterns of growth and development and the policies and strategies necessary to mitigate those risks;
- k. Provide direction for strategic developments, infrastructure investment, promote efficient, sustainable and planned investments by all sectors and indicate priority areas for investment in land development;
- l. Promote a rational and predictable and development environment to create trust and stimulate investment;
- m. Take cognisance of any environmental management instrument adopted by the relevant environmental management authority;
- n. Give effect to national legislation and policies on mineral resources and sustainable utilization and protection of agricultural resources; and
- o. Consider and, where necessary, incorporate the outcomes of substantial public engagements, including direct participation in the process through public meetings, public exhibition, public debate and discourses in the media and any other forum or mechanisms that promote such direct involvement
- p. The national government, a provincial government and the municipality must participate in the spatial planning and land use management processes that impact on each other to ensure that the plans and programmes are coordinated, consistent and in harmony with each other.
- q. Spatial Development Framework adopted in terms of this Act must guide and inform the exercise of any discretion or of any decision taken in terms of this Act or any other law relating to land use and development of land by that sphere of government.
- r. The National Spatial Development Framework must contribute to and give spatial expression to national development policy and plans emanating from the various sectors of national government and may include any regional spatial development framework
- s. provincial spatial development framework must contribute to and express provincial development policy as well as integrate and spatially express policies and plans emanating from the various sectors of the provincial and national spheres of government as they apply at the geographic scale of the province
- t. A municipal's SDF must assist in integrating, coordination, aligning and expressing development policies emanating from the various sectors of the spheres of government as they apply within the municipal area



- u. SDFs must outline specific arrangements for prioritizing, mobilizing, sequencing and implementing public and private infrastructural and land developments investment in the priority spatial structuring areas identified in the SDFs.

2.4.4 Medium Term Strategic Framework (MTSF) 2020-2025

The MTSF highlights Government's support for a competitive economy, creation of decent work opportunities of investments. The aim is to ensure policy coherence, alignment and coordination across Government plans as well as alignment with budgeting processes. It further aims at achieving the radical socio-economic agenda and further identifies decent work, education and the capacity of the state as particularly important priorities. Ray Nkonyeni Municipality through its strategies mentioned earlier on in the document, has fully addressed the MTSF 2020-2025.

2.4.5 The Municipal Planning Tribunal

The municipality has established a Municipal Planning Tribunal (MPT/JMPT which processes land use application. The Tribunal does meet the requirements as per SPLUMA Guidelines and sits once a month. The head of department, Development Planning Services chairs the Tribunal. The Executive Council is the Appeal Authority.

2.4.6 Strategic Framework/Vision, Goals and Objectives

2.4.6.1 Strategic Framework

RNM held its Strategic Planning Session in February. Strategies were reviewed and more were added. The strategic objectives are aimed at helping to provide guidance on how an organization can fulfil or move towards its aimed goals. This chapter, there for, seeks to address how key problems mentioned in the situational analysis are being addressed using strategies identified during the Strategic Planning and how the IDP has been informed and aligned to the Strategies as well as National and Provincial Strategic objectives namely:

- ❖ Provincial Growth and Development Strategy
- ❖ Municipal Turnaround Strategy
- ❖ National Delivery Outcome Agreements (especially outcome 9 in relation to local government and municipalities
- ❖ Millennium Development Goals

2.4.6.2 Organisational Goals, Vision, and Mission Statement

The realisation of the municipality's vision and mission requires the setting of goals that need to be achieved. These give further to the vision. It must be noted that the municipality's goals are relevant to those of the Sustainable Development Goals (SDG) and those of the Provincial Growth and Development Strategy Goals (PDGS). In this regard, the municipality has fully aligned with the SDG as well the PGDS. Below are the eight preliminary goals identified by the municipality.



Table 31: Goals and Strategic Objectives

GOALS	Strategic Objectives
1.Eradicating poverty and hunger	<ul style="list-style-type: none"> ❖ To accelerate the fight against poverty and prioritize support to vulnerable groups such as children, females and the elderly ❖ To promote sustainable livelihoods by assisting communities through various government led job creation programmes and social programmes ❖ To promote pro-poor economic growth and lessen social and income inequalities
2.Creating a conducive environment for inclusive and diverse economic growth and development	<ul style="list-style-type: none"> ❖ To grow the economy of RNM by attracting investments and fostering partnerships with private and public sector ❖ To create a conducive environment for businesses and cooperatives to thrive and ensure the creation of jobs for the local community ❖ To promote township and rural development through nodal developments ❖ To promote RNM as a prime tourism and investment destination ❖ To promote local economic development and the support of emerging enterprises and SMMEs ❖ To promote strategic and transformative release of land to foster inclusive economic development
3.Promoting healthy lives and equitable access to educational and learning opportunities	<ul style="list-style-type: none"> ❖ To create a skilled and capable citizenry, that contributes to the growth of the local economy ❖ To create a learning municipality ❖ To create a healthy citizenry, that is capable of participating in growing local economy ❖ To improve access to social infrastructure
4.Developing a capable, equitable and financially viable institution	<ul style="list-style-type: none"> ❖ To foster effective and efficient Inter-Governmental Relations (IGR) ❖ To create a skilled and capable municipal workforce, that provides quality services to the citizens of the municipality ❖ To improve the organization's performance through enhanced productivity and achievement of service delivery ❖ To enhance organizational development in line with community needs ❖ To promote a culture of participatory planning and participatory democracy ❖ To have updated organizational policies and modernized information and communication technologies for good governance ❖ To develop an ethical organization which is fraud, corruption and maladministration free



	<ul style="list-style-type: none"> ❖ To promote and uphold principles of transparency, accountability, good governance and legal compliance ❖ To ensure confidence of all stakeholders in municipal financial management ❖ To ensure sound and effective financial management and compliance with policy and legislative requirements ❖ To improve debt management, debt collection, ensure value for money and implement cost reduction measures ❖ To grow and diversify revenue streams and implement revenue enhancement projects ❖ To ensure expenditure on long-term capital infrastructure project plans ❖ To ensure effective and efficient management and utilization of council owned properties and assets.
5.Ensuring universal access to reliable basic services	<ul style="list-style-type: none"> ❖ To ensure existing infrastructure is maintained and revitalized ❖ To address infrastructure backlogs and extend access to basic services ❖ To ensure the delivery of economic infrastructure as part of creating a conducive environment for economic growth ❖ To improve the delivery of capital projects through investment in infrastructure development ❖ To improve access to adequate shelter in the form of sustainable human settlements
6.Promoting peaceful, tolerant, safe and inclusive society	<ul style="list-style-type: none"> ❖ To ensure a safe and crime free municipality by reducing crime through law and by-law enforcement. ❖ To galvanize and mobilize all sectors and role-players to participate in ensuring public safety
7.Combating climate change and ensuring sustainable development and resilient communities	<ul style="list-style-type: none"> ❖ To promote the sustainable utilization of natural resources and compliance with environmental legislation ❖ To promote a healthy and hygienically safe environment and create an environmentally educated society ❖ To promote the green economy ❖ To implement climate change mitigation and adaptation strategies ❖ To strengthen disaster management and mitigate disaster impacts through resilience planning
8.Facilitating spatial integration and development of sustainable and resilient settlement resilient	<ul style="list-style-type: none"> ❖ To support access to land and land tenure upgrading ❖ To promote and enhance development planning, spatial planning and land use management ❖ To provide strategic guidance for the spatial development trajectory and desired spatial picture of the municipality ❖ To ensure the creation of sustainable human settlements



The municipality has set the above listed strategic goals in the table to guide the process of moving progressively towards the attainment of the long-term vision stated above. The focus primarily is on tourism as the leading sector serving as the engine for our economic growth and development. On the provision of infrastructure and services, the municipality believes that it should ensure that the existing infrastructure is maintained properly and improved and that basic services are accessed by all.

Strategies have been developed to promote economic and social development aiming to provide job opportunities and reduce poverty levels. Generally, RNM is the most concentrated economic hub within Ugu District Municipality with the main economic sectors being tourism and agriculture with some manufacturing occurring in Port Shepstone. As an economic hub, RNM has advantage of influencing the Ugu Regions economic potential, policies and development programmes.

2.4.6.3 Vision

“By 2036 Ray Nkonyeni Municipality will be a prime tourist-friendly; economically diversified and smart Municipality with equitable access to opportunities and services in a safe and healthy environment”

2.4.6.4 Mission

“The Municipality is committed to create an enabling environment for the establishment of agricultural; maritime; leading tourism and industrial hubs to create business and employment opportunities for sustainable development and improved quality of lives through shared vision; smart service delivery solutions and collaboration with stakeholders”

2.4.6.5 Strategic Objectives

Ray Nkonyeni Municipality held its Strategic Planning Session in February 2022 for the new generation. The RNM Council and officials deliberated on the formulation of the Municipality's new goals and strategic objectives.

Below are the municipality's adopted the strategies and objectives :

1. Municipal Transformation and Organizational Development

- i. To foster effective and efficient Inter-Governmental Relations (IGR);
- ii. To ensure on-going human resource development;
- iii. To attract and retain skilled employees;
- iv. To be an innovative organization with improved performance.

2. Basic Service Delivery and Infrastructure

- i. To ensure existing infrastructure is maintained and improved;
- ii. To provide access to basic services;
- iii. To extend the provision of basic services and infrastructure to rural areas;



- iv. To improve delivery of capital projects through investment in infrastructure development;
- v. To facilitate the provision of housing.

3. Local Economic Development

- i. To grow the economy of the municipality through investment attraction and tourism development;
- ii. To create an enabling environment to grow businesses, cooperatives and SMMEs;
- iii. To drive job creation initiatives;
- iv. To promote township and rural development through nodal developments especially for commerce and industries;
- v. To promote sustainable livelihoods and enhance the fight against poverty;
- vi. To facilitate participation of youth and previously disadvantaged individuals in the economy.

4. Good Governance and Public Participation

- i. To promote a culture of participatory democracy;
- ii. To develop and review organizational policies to be in line with current national and provincial agenda;
- iii. To develop an ethical organization which is fraud and corruption free;
- iv. To promote and uphold principles of good governance and legal compliance;
- v. To ensure a safe and crime free municipality;
- vi. To promote human rights and social upliftment of vulnerable groups and address moral regeneration need;
- vii. To promote and safeguard the municipal brand.

5. Municipal Financial Viability and Management

- i. To ensure efficient and effective management of council assets and properties;
- ii. To improve revenue, cost reduction and management of debt;
- iii. To ensure expenditure on long-term capital infrastructure project plans.

6. Cross Cutting Issues

- i. To create sustainable and resilient settlements;
- ii. To promote and enhance planned development and land administration;
- iii. To promote green economy.

2.4.6.6 Long Term Vision

Ray Nkonyeni Municipality adopted its long-term vision, Vision 2036 in 2019. The strategy is a product of in-depth process through engagements with various stakeholders, a study that is



evidence based, and assisted in developing strategic goals for the municipality. The strategy is aimed at 5-year terms, which currently it is its second.

The municipality's 20-year growth strategic growth development strategy is based upon the current economic development trajectory of the municipality and the economic and social importance of the municipality and district. In the strategy, a high scenario growth path was presented which includes;

- Poverty gap
- Unemployment down below 10%
- Huge growth of middle class
- Sustainable human settlements
- South Coast tourism booming
- Crime low
- Youth are empowered to lead

2.4.7 District Development Model (DDM)

Ugu District has a Draft DDM adopted in June 2020. The DDM serves as a basis for discussion and engagements on the baseline and priorities for developing a ONE PLAN ONE BUDGET for Ugu District, through OSS, the newly established district hub and shared services. The model is a status quo analysis and a short-term action plan identifying immediate service delivery actions, and catalytic activities aimed at unlocking development projects.

2.4.8 Ward Based Plan

For the 2022-2026 planning, Ray Nkonyeni has conducted its five (5) year Ward Based Planning whereby each ward was attended to respectively and outcomes were presented to the IDP Forum during its sitting at the beginning of May.

Ward based planning is a bottom-up development planning process that is meant to promote grass roots participation in community spatial planning initiatives. Ward based planning in South Africa is informed by a number of policies and legislations. These include the National Constitution, White Paper on Local Government, and the Municipal Systems Act. The Freedom Charter in Sections 152 and 195 notes that the people shall govern. The Municipality Systems Act and the White Paper on Local Government require that Municipalities Strengthen IDP participatory aspects. In this respect, ward-based planning in South Africa takes participation beyond mere consultation to include community action. The aforementioned context is the setting in which Ray Nkonyeni Local Municipality took the initiative to formulate WBPs.

2.4.9 Operation Sukuma Sakhe (OSS)

OSS is fully functional in all the 36 wards within the municipality. The municipality has partnered with the Ugu district as well as the provincial departments in implementing the Sukuma Sakhe flagship programme. More focus is placed on the most deprived wards / areas. The programme was rolled out to all the wards of the municipal area.

FINDINGS

- ❖ Inequality
- ❖ Racial Imbalances
- ❖ Spatial and Other Development Imbalances/Inequalities
- ❖ Wealth Inequalities



- ❖ Income Inequalities
- ❖ Unemployment
- ❖ Poverty
- ❖ Covid-19 Pandemic and Its Consequences
- ❖ Funding
- ❖ Installation Of Internal Infrastructure
- ❖ Facilitation And Promotion Of Investment



SECTION C: SITUATIONAL ANALYSIS

This section will analyse the study of Ray Nkonyeni Municipality's population based on factors such as age, race and gender. It will further unpack the socio-economic information expressed statistically, including employment, education, income, marriage rates, birth and death rates, etc.

3.1 Demographic Analysis

3.1.1 Boundaries

Most of Ugu's Local Municipalities' boundaries were affected after the demarcation, except for Umuziwabantu. After the disestablishment and incorporation of Vulamehlo into Umdoni Municipality, the boundary of the latter changed. Umzumbe municipality's boundary was also affected since a small portion in its northern part was demarcated to Harry Gwala District. Umuziwabantu Municipality remained the same.

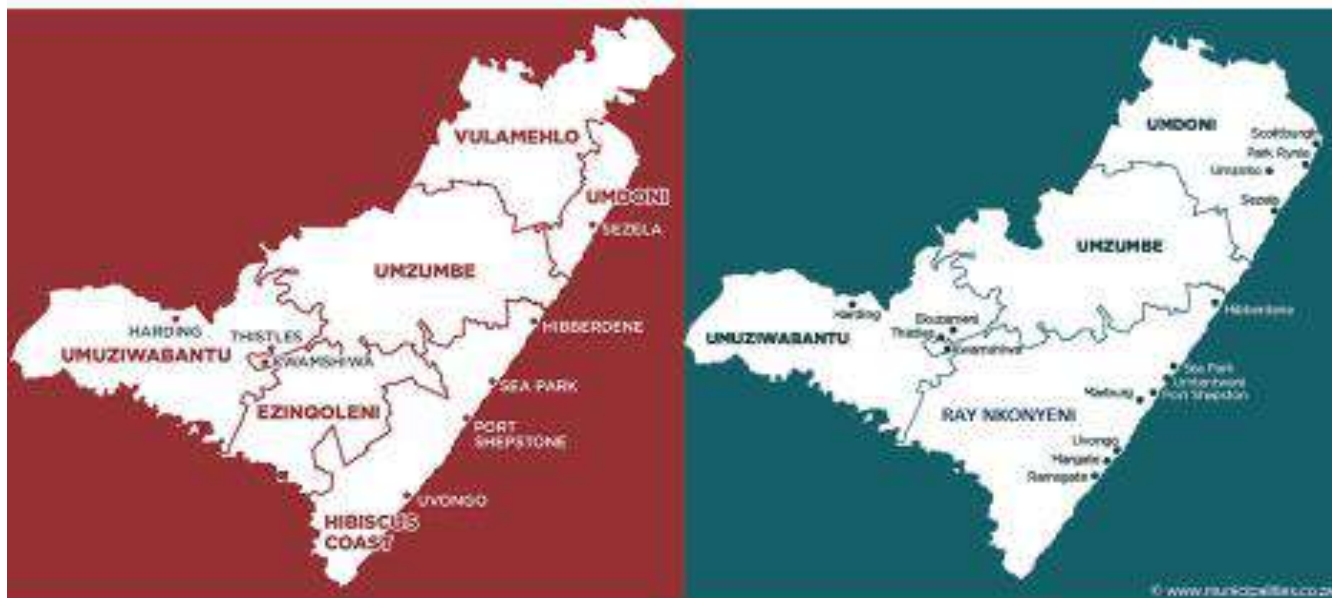
Ezinqoleni and Hibiscus Municipalities merged and formed Ray Nkonyeni Municipality, with boundaries changing. The newly established municipality remained the largest local municipality in terms of square kilometres in the entire District. Below are two maps showing boundaries before and after the demarcation of the Ugu District Municipality and its local municipalities respectively. It must be noted that some local municipalities experienced a population growth in 2016 while some experienced a decline. Those with a population increase are Ray Nkonyeni, Umdoni and Umuziwabantu Local Municipalities while Umzumbe local municipality's population declined. The population growth was due to the amalgamation while the decline factor was because a portion of Umzumbe was demarcated to Harry Gwala District Municipality. The two maps below show boundaries before amalgamation and after. Furthermore, the population growth before and after amalgamation is shown.



Below are maps showing the Ugu Local Municipalities' population estimates in 2011 and 2016

Map 7: Ugu LM Population Estimates

District Municipality: Looking back and now....



Source: Statistics South Africa 2016 Community Survey

3.1.2 Population Profile

The combined population of Ugu District is 773 402. Out of this total, Ray Nkonyeni Municipality's population is 362 134 according to the latest Stats release. With this population, RNM is the highest populated municipality in the District, making 47% of the entire district's population. The population within the municipality has been growing rapidly throughout the years due to a number of socio-economic factors. Trends for the past decade indicate that former RNM constantly experience a youth bulge.

The population pyramid below shows a trend of more baby boys born than baby girls. Between the ages of 0-9 years, the number of boys as compared to that of girls is high. As the male generation grows older, between the ages of 14-29 years, the number is slightly higher as compared to that of girls, with the number of girls being higher at the ages of 10-14 years. However, there is a drop in the male generation between the ages of 30-39 years, with a significant further drop further between the ages of 40-85+.

The dropping rate is quite high. On the other hand, the female population at birth is lower. Between the ages of 14-19 years, the female population decreases, however, between the ages of 20-29 years, the number increases. Statistics further show that by the time the female generation is between the ages of 30-65+, they are more than males.

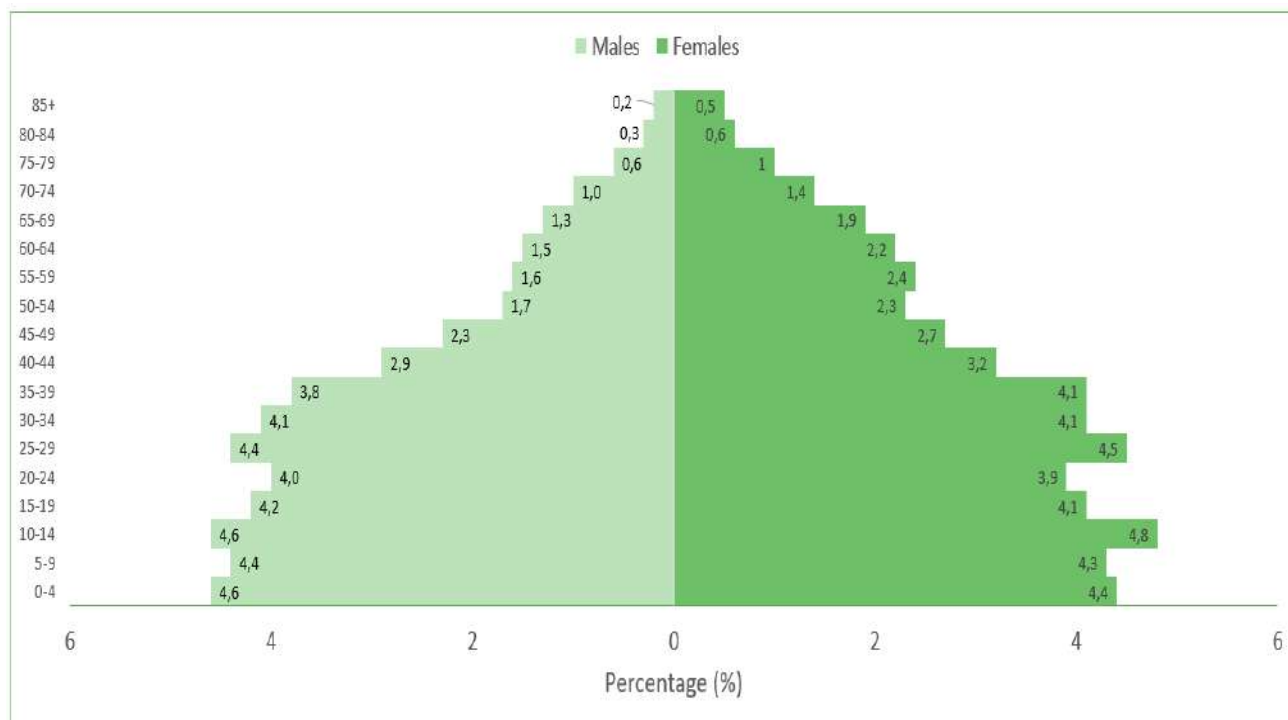
A conclusion that can be drawn from these statistics is that the male population decrease between the ages of 35-65+ while the female population increases in this age category. This may be due to social ills and the fact that generally males tend to take longer to attend to



illnesses and by the time they do, it is late and succumb to death. Another factor may be that of employment.

They leave for distant cities in other provinces for job opportunities. The municipality has a higher percentage (54%) of females as compared to the 46% of males. The lesser number of males as compared to females may be attributed to a number of socio-economic factors. Below is a population pyramid of the municipality.

Graph 4: Population Pyramid



Source: StatsSA Census 2022

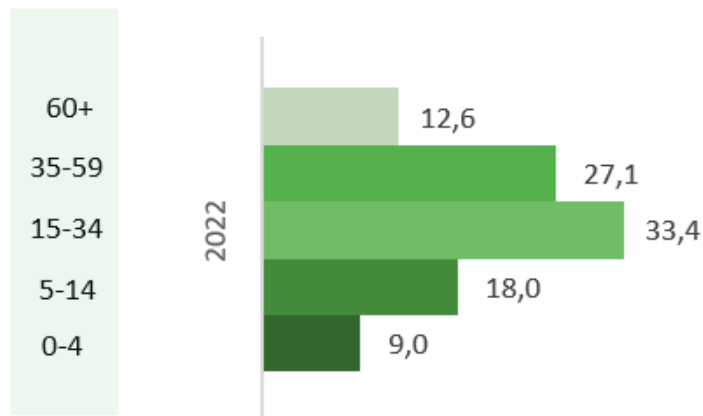
3.1.3 Population Percentage Per Age Group

Ray Nkonyeni Municipality has a high percentage in the youth age group, while the elderly age group (60 +) is the lowest. Ages between 5-14 surprisingly is the second large percentage, with 15-34 being the largest, but as people grow, the percentage decreases. From research, it has been ascertained that this is due to a number of social ills, resulting in high death rate. Ages between 35-59 years is 27,1% which may be due to outmigration in search of job opportunities or due to deaths.

On the next page are percentages per age group as explained above:



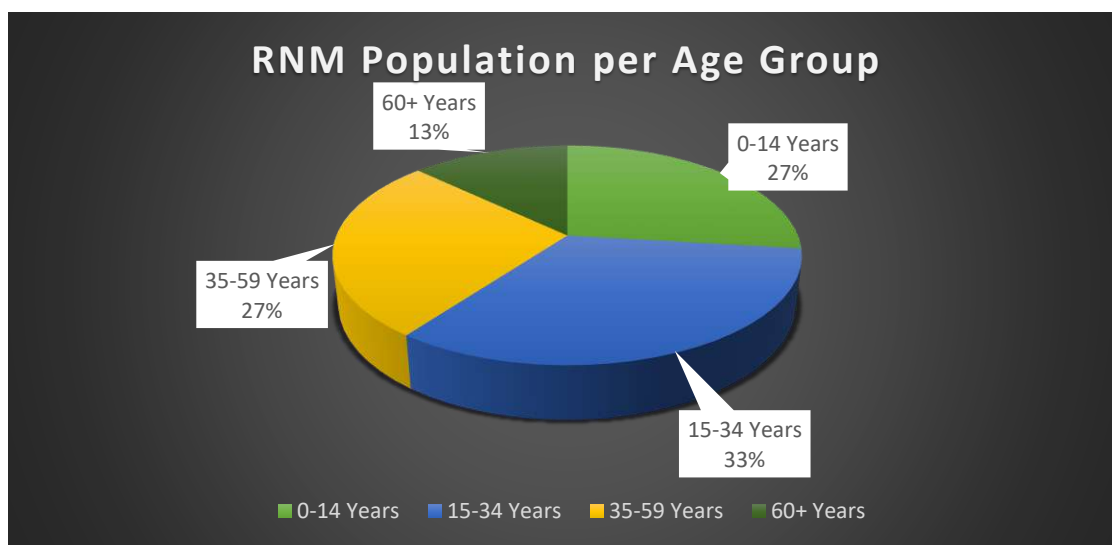
Graph 5: Population Percentage



Source: StatsSA Census 2022

The below graph shows the population of the municipality.

Graph 6: Population per Age Group



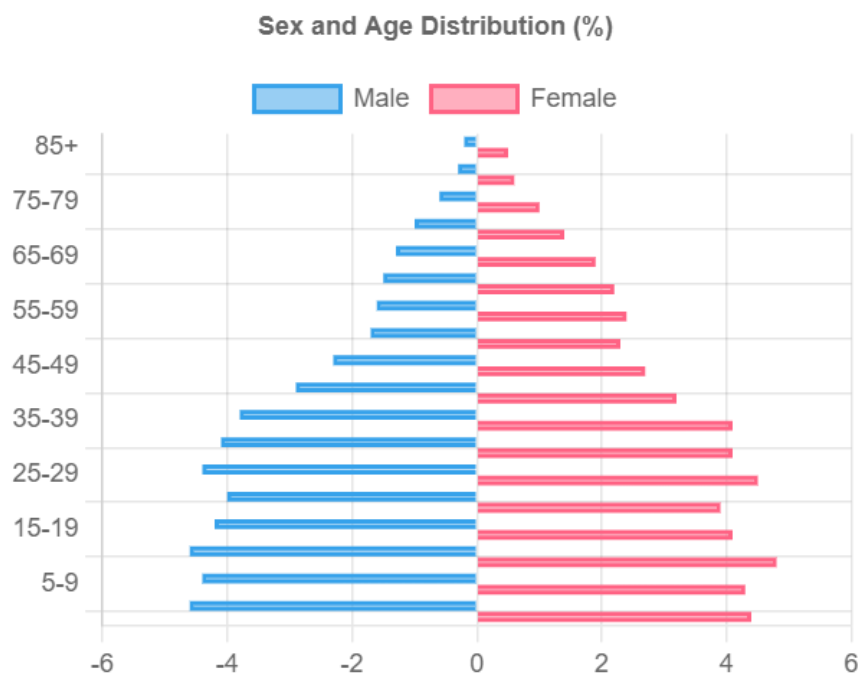
Source: Statistics South Africa Census 2023

3.1.4 Population Percentage Per Gender

Consistent with the national trend, the municipality has less males than females, see graph below. This is attributed to socio-economic factors. In as much as RNM has a thriving economy, due to the steady influx of people from other neighbouring municipalities and other areas over the years, there has been a steady rise of unemployment. This has resulted in many people migrating in search of greener pastures. Another contributing factor of why the number of males is lower is the social factor. According to the district's Department of Health, statistical information, many men succumb to diseases early in life compared to women.

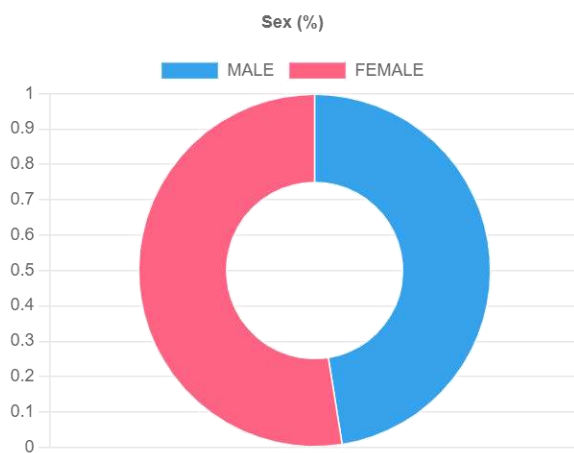


Graph 7: RNM Population by Gender



Source: Statistics South Africa Census 2022

Graph 8: Population by Gender



Source: StatsSA Census 2022

3.1.5 Population per Ugu District Local Municipality

According to the StatsSA Census 2022, Ray Nkonyeni Municipality's population is the highest within Ugu District. As mentioned in the executive summary, the municipality is an economic hub of the district, hence Ray Nkonyeni also holds the highest population of the working-class population than all the other districts.



See on the following page for the entire Ugu District population.

Table 32: Population per Municipality

Name	Population size	Rank
Ray Nkonyeni	362 134	1
Umdoni	156 443	2
Umzumbe	139 045	3
uMuziwabantu	115 780	4

Source: StatsSA Census 2022

3.1.6 5 Year Population Growth Estimates

Section 21(e) of SPLUMA stipulates that the content of a municipal SDF framework must include population growths for the next five years. Ray Nkonyeni Municipality will see a very high population growth estimate due to it being the economic driver of Ugu District and also being the gateway of the Eastern Cape Province.

The table below provides population projections for the Municipality for the next 5 years and from it, it can be deduced that the population of the Municipality is expected to continue to grow at a rate of 1.6% and more. The expected population of the Municipality in the next 5 years if the rate in which it grows remains at 1.6% will be approximately 395 748.

Table 33: Ray Nkonyeni Population and Household Projections for the next 5 years

RNM 5-YEAR POPULATION & HOUSEHOLD PROJECTION		
	PROJECTED POPULATION	PROJECTED HOUSEHOLDS
2025	419 791	114 933
2026	427 721	119 119
2027	436 191	123 946
2028	444 852	133 585
2029	453 747	133 585

3.1.7 Population Distribution within RNM

Most rural areas in many parts of KZN areas are sparsely populated, and this is no exception to RNM. According to the recent community survey, the population is distributed unevenly across the 36 municipal wards. Since 1996 to date, there has been a steady increase in the population mainly due to immigration given the better socio-economic opportunities in RNM

The Population Density Map on the following page shows the population distribution throughout the municipality per square kilometre in each ward.

[illegible]

Source: STATA Community Survey, 2016



3.1.8 Population by Race

Ray Nkonyeni Municipality has a diverse population. There has been a constant racial pattern with Africans being dominant by a huge margin (83%) and followed by Whites (9.9%), followed by the Coloured population and lastly the Indian population, see figure below. The African population is distributed throughout the municipality's 36 wards, while the White, Indian and Coloured is along the coastal wards. Over the years, RNM has seen an overall increase across races, the Indian race, however, saw a decline.

The figure below summarizes RNM's population in terms of race.

Table 34: Population by Race

NAME	TOTAL	PERCENTAGE
BLACK / AFRICAN	300 435	83%
COLOURED	4 829	1,3%
INDIAN / ASIAN	20 397	5,6
WHITE	35 758	9,9%
OTHER	633	0,2%

Source: StatsSA Census 2022

3.1.9 Population by Home Language

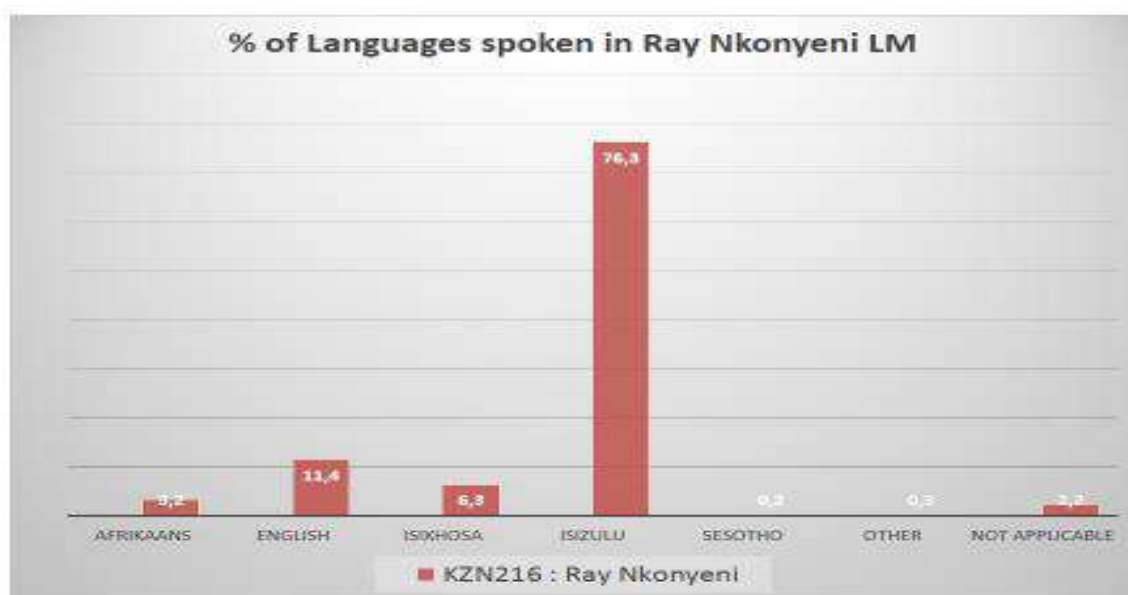
According to the KZN Provincial Language Policy, IsiZulu, English, Afrikaans and isiXhosa are already regarded as official languages in the province. Looking at the top five of the mostly spoken languages in the province, the findings are, in the eleven District Municipalities, isiZulu language is mostly spoken, hence in RNM isiZulu is the most spoken language (76%)

English is the second most popular spoken language, at 11.4% while isiXhosa follows at 6.3%. Afrikaans is 3.2%. There are also other languages spoken by a very small minority.

The graph on the following page details this information.



Graph 9: Home Language Percentage



Source: Statistics South Africa 2016 Community Survey

3.1.10 Ugu District Population at a Glance

3.1.10.1 Youth Population per Municipality

In terms of youth percentage at Ugu District, Ray Nkonyeni Municipality has the highest (47%) followed by uMdoni Municipality with 20% while uMzumbe Municipality is at 18%, with uMuziwabantu at 15%. Below is a table showing the Ugu District's local municipalities youth population percentages.

Table 35: Youth Percentage per Municipality

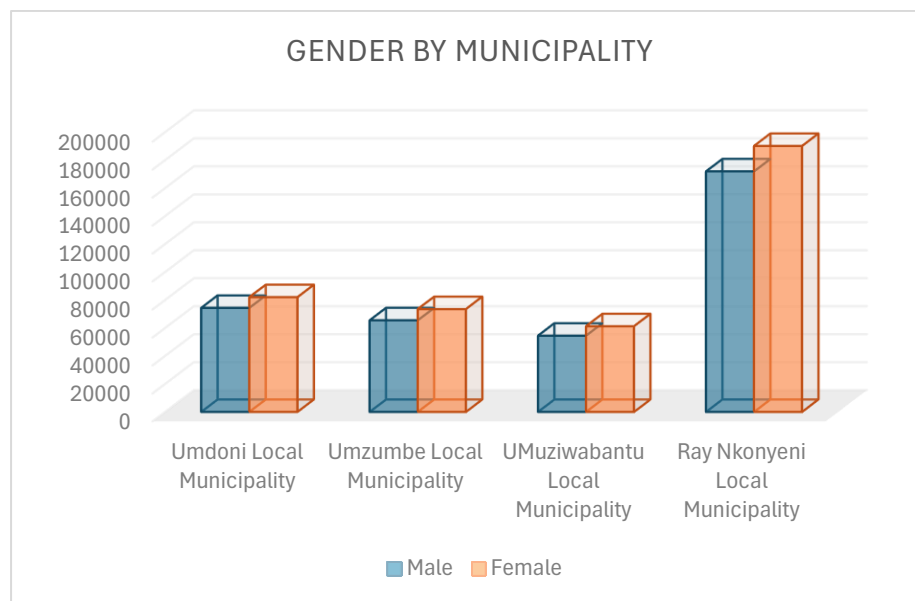
YOUTH PERCENTAGE PER LM		
Local Municipality	Youth Population	Percentage
Ray Nkonyeni	120 932	47%
uMdoni	51 331	20%
uMuziwabantu	38 198	15%
uMzumbe	44 746	18%
Total in uGu	255 207	100%

Source: StatsSA Census 2022



3.1.10.2 Gender per Municipality

Graph 10: Gender by Municipality



Ray Nkonyeni has a total population of 362134. RNM has the highest population concentration within the Ugu DM. The dominance of Ray Nkonyeni in terms of population is due to its role as an economic hub of the district which also attracts the labor force. Population breakdown by racial groups, is generally representative of the trend in rural KwaZulu-Natal where African population group represents more than 87% in the Ugu District and 83% in the Ray Nkonyeni Municipality.

Ray Nkonyeni has the highest number of males and females in the Ugu District. With females leading with 53% of the population and males covering 47% of the total population under Ray Nkonyeni Municipality. There are approximately 171980 males and 190154 females in Ray Nkonyeni Municipality.



3.1.10.3 Population by Race

Table 36: Population by Race

	Umdoni Local Municipality	Umzumbe Local Municipality	UMuziwabantu Local Municipality	Ray Nkonyeni Local Municipality
Black African	123358	138602	112872	300435
Coloured	896	208	1601	4829
Indian or Asian	20778	124	627	20397
White	11155	72	524	35758
Other	243	35	150	633
Unspecified	14	3	6	83

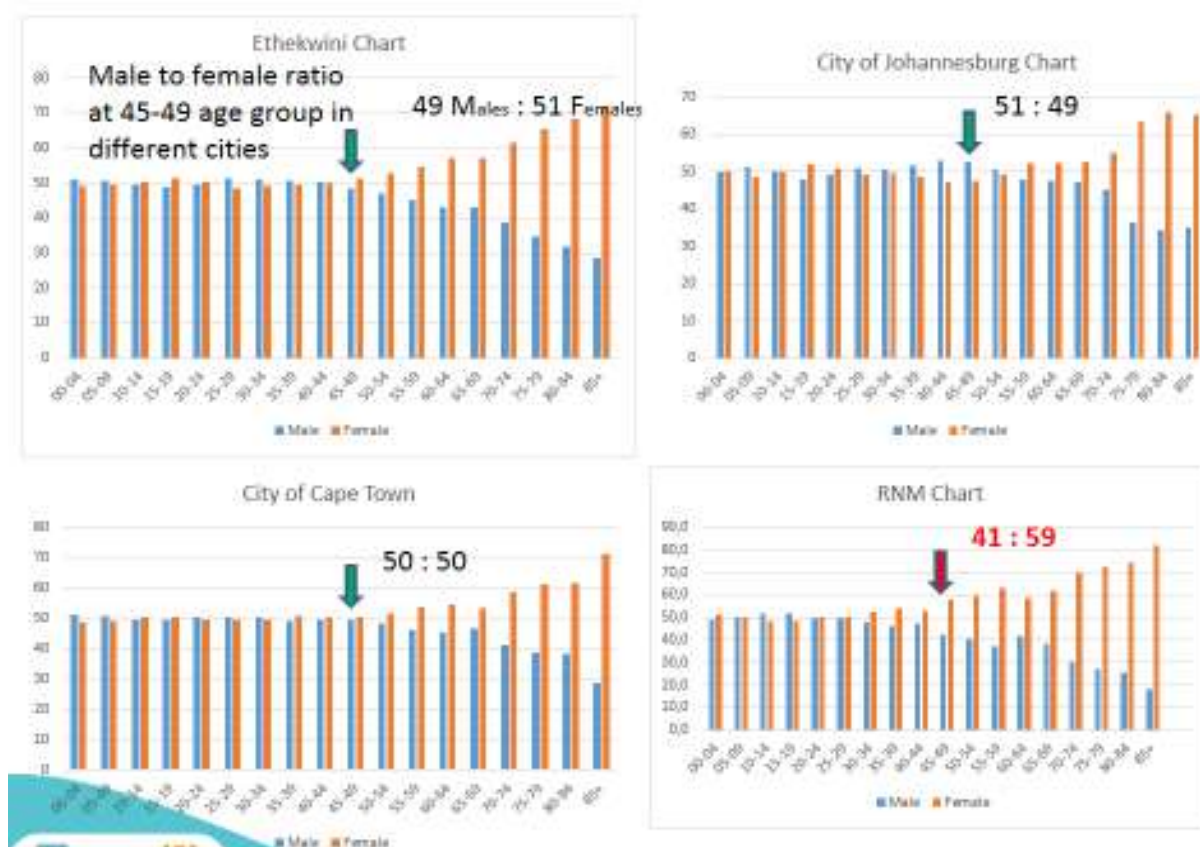
3.1.11 Population Comparison between Five Year Age Category

The following graphs compare the male population versus the female population in five year categories between RNM and some metros within the country. As a biggest populated municipality as well as economic hub of Ugu, RNM's male population between the ages of 45-49 shows a decline while in these metros is the opposite. This comparison will assist in comparing our health and economic programmes against those of these metros. The rationale behind this comparison is to ensure that our economic programmes and health programmes are enough to uphold the number of males deteriorating. The significance of this age group is that at this age, most people are economic active with most holding stable jobs with families and other major responsibilities they attend to as compared to the other age groups. So as a municipality, is it vital to compare this category with that of Metros considering that the municipality is ranked amongst the top five local municipalities in the Province in terms of population.

When looking at the male versus female population age group between the ages of 40-60 years from the above areas, one can conclude that there is not much of a difference in population between the two genders as compared to our municipality. It must be noted that these are large metros with plenty of job opportunities, and so Ray Nkonyeni as UGu's leading economic hub must ensure that it retains its male population by uplifting its economy to ensure plenty of job opportunities.



Graph 11: Population in Five Year Category per Metro



3.1.12 Race Population Distribution Per Ward

The African population is evenly distributed in almost all the wards. However, in the wards along the coastal belt, which are urban, ward 2, 16 and 19, have a higher concentration of white population as compared to the other races. Ward 17 consists of more Indian population than any of the other races within the municipality.



3.1.13 Population by Gender per Ward

The below analysis of the municipality's population distribution per ward (308373) was obtained from the 2016 Community Survey by StatsSA hence the population does not tally with the recent StatsSA release which shows an increase in the population (362 134). The Municipality is still awaiting the Community Survey results from Stats SA. It must be noted that RNM as an economic hub of the District, immigration is high, hence the population increase from the released 2016 release.

Table 37: Population By Gender per Ward

Ward	Female	%		Male	%	Total
Ward 1	4804	52		4435	48	9239
Ward 2	4113	52		3796	48	7909
Ward 3	2789	47		3145	53	5934
Ward 4	4779	56		3755	44	8534
Ward 5	4995	55		4087	45	9082
Ward 6	5333	55		4364	45	9697
Ward 7	4161	48		4508	52	8669
Ward 8	3853	54		3283	46	7136
Ward 9	6371	48		6902	52	13273
Ward 10	5740	53		5090	47	10830
Ward 11	4333	53		3843	47	8176
Ward 12	3942	52		3638	48	7580
Ward 13	2799	49		2914	51	5713
Ward 14	5486	53		4864	47	10350
Ward 15	2961	51		2844	49	5805
Ward 16	3910	52		3609	48	7519
Ward 17	5445	53		4829	47	10274
Ward 18	4162	52		3842	48	8004
Ward 19	3309	52		3054	48	6363
Ward 20	6415	51		6163	49	12578
Ward 21	3777	53		3349	47	7126
Ward 22	4555	54		3881	46	8436
Ward 23	3578	52		3303	48	6881
Ward 24	5841	53		5179	47	11020
Ward 25	4548	53		4033	47	8581
Ward 26	3047	54		2596	46	5643
Ward 27	4819	54		4105	46	8924
Ward 28	3888	54		3311	46	7199
Ward 29	5326	52		4917	48	10243
Ward 30	4768	55		3901	45	8669
Ward 31	4134	54		3521	46	7655
Ward 32	4857	51		4666	49	9523
Ward 33	4140	54		3527	46	7667
Ward 34	4419	54		3764	46	8183
Ward 35	5091	54		4337	46	9428
Ward 36	5792	55		4738	45	10530
Total						308373



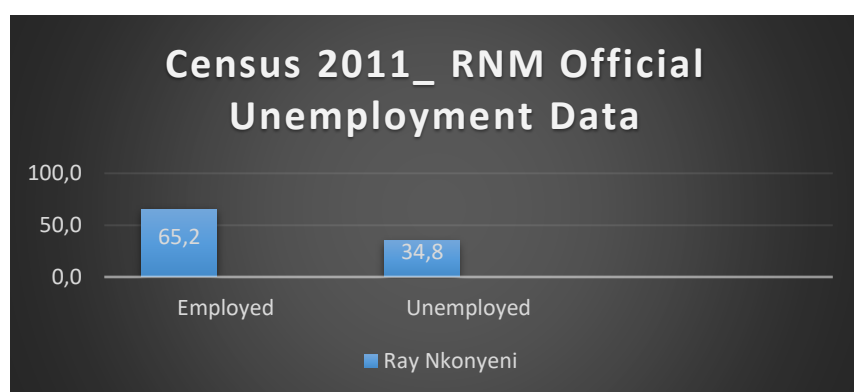
3.1.14 Employment Analysis

It can be argued that RNM is the most developed local municipality within the Ugu District, boasting an array of social, educational, economic and health facilities. This alone serves as an attraction for job seekers as all these facilities offer more job opportunities than the surrounding local municipalities, however, contrary, there is high unemployment more especially in the formal sector.

3.1.14.1 Employment versus Unemployment

The fact that RNM is the economic hub of the Ugu District makes it an even better attraction for employment seekers, consisting of a number of successful economic sectors.

Graph 12: Employment vs Unemployment



Source: Community Survey 2016

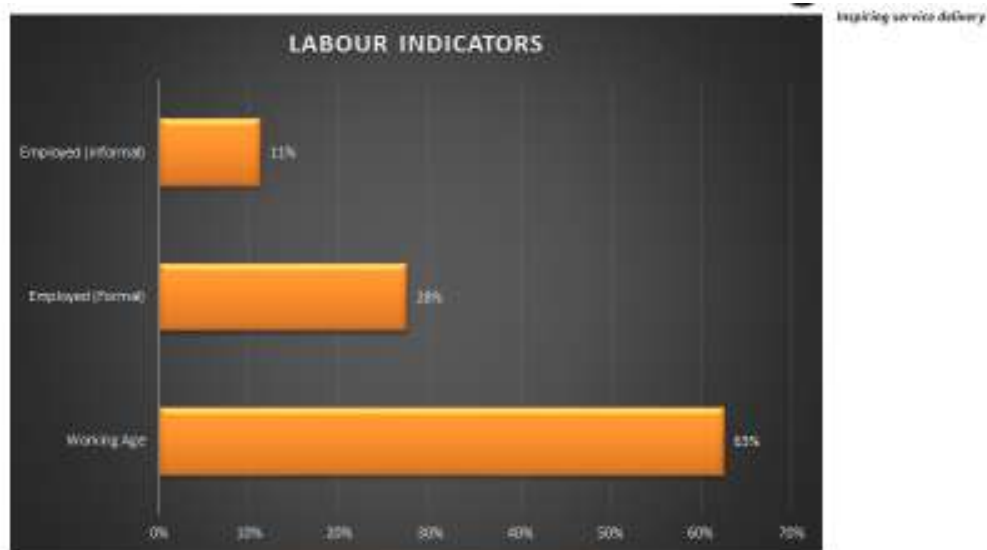
According to the PGDS, unemployment remains chronic and rising and concentrated amongst Africans in rural areas, women and the youth. This is no exception at RNM. This further leads to a significant contribution to poverty. The municipality is faced with a high number of unemployment more especially the youth. Programmes to curb poverty and create job opportunities are in place.

The municipality has also ensured that it partners with stakeholders as well as the private sector in applying mechanisms with an effort to create employment opportunities, skills enhancement, effective and efficient governance etc. The KZN Small Business Development Agency and Ministry of Small Business Development are amongst many programmes the Province has implemented as a vehicle to refocus on small businesses. The municipality has also ensured that through its employment policies, small and medium businesses are created as they are the largest contributors to new employment opportunities.

Informal sector also plays a large part in the creation of jobs within the municipality. Ray Nkonyeni Municipality, through its Local economic Development, has ensured that bylaws have been formulated and implemented to enhance its growth as it shows that quite a large part of the population depends on it. The graph below shows the labour indicators within the municipality between the ages of 15-64.



Graph 13: RNM Labour Indicators



- Of the working age (15-64); -
- Formal employment accounts for 28%, while
- Informal employment makes up 63%
- As at 2016, unemployment rate at 34%

www.salga.org.za

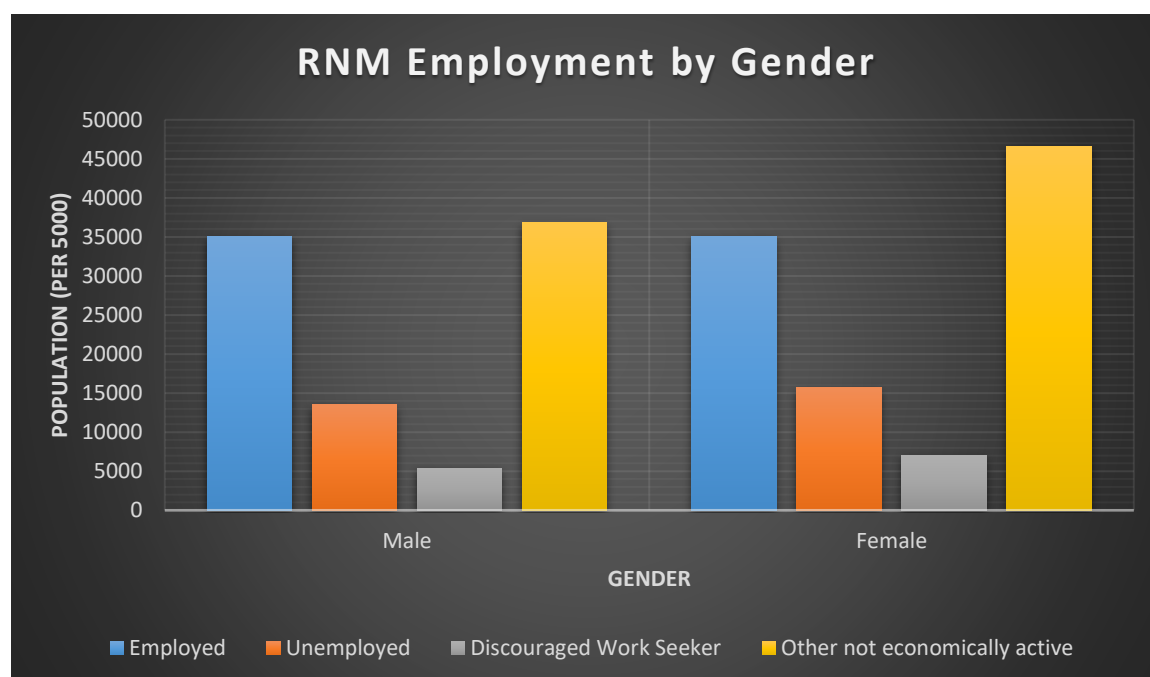
In 2016, statistics revealed that unemployment within the municipality stood at 34% of which is quite high. This therefore meant that the municipality had to have strategies that will address this, and have been discussed in 3.1. 63% of the population are those under the informal employment category. The Informal Sector will be detailed under the LED section in the document. The following percentage is 28%, which is formal employment.

3.1.14.2 Employment by Gender

The female population of Ray Nkonyeni Municipality which is not economically active is higher as compared to the male population. In terms of discouraged work seeker, the female population is also higher as compared to that of males. With unemployment, again, the female population is higher than that of males. According to the recent survey, In terms of employment, both female and male gender are now equal, however, it must be mentioned that the number is much lower as compared to those not economically active.



Graph 14: RNM Employment by Gender



Community survey 2016

3.1.14.3 Employment type

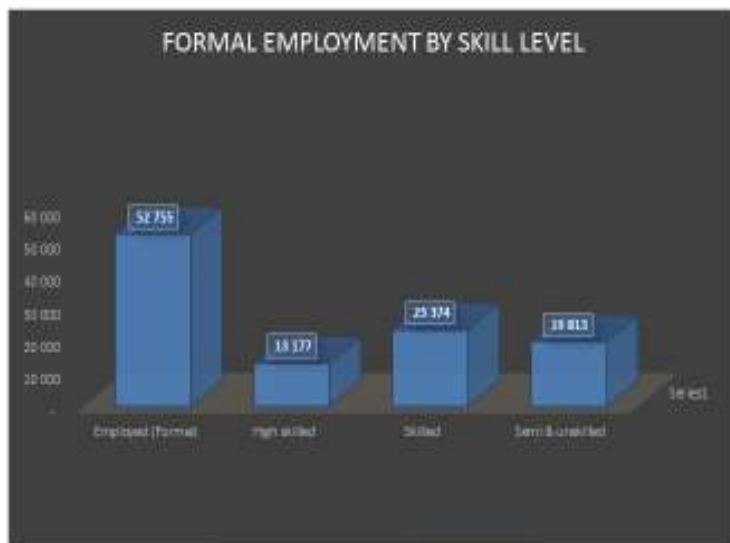
It must be noted that within RNM, a large percentage of the working age consists of more males than women. This is due to the fact that in most instances more especially amongst the rural African communities, it is still a norm that females must stay at home tending to domestic issues while men leave their homes for employment purposes. When it comes to the employment type, a large percentage (74%) of the population is not applicable to any form of employment. This is a huge concern as the gap between the rich and poor is expanding drastically. Those employed in the formal sector only 18% of the entire population while 3% is privately employed. Below is a graph indicating these statistics. As per StatsSA 2011, it's been reported that 2300 people moved from neighbouring municipalities and Eastern Cape Province as well other Provinces to RNM because of job transfers – which include both the private and public sector. The relocation of a number of people has also been attributed to the formulation of new small business in RNM.

3.1.14.4 Formal Employment by Skills Level

The municipality has a reasonable number of skilled people employed under the formal sector. It shows that the number of people employed under the formal sector is 53255. Those with skills are more than those with high skills. This shows that the municipality has lesser number of people who are highly skilled. Below is a graph with this information.



Graph 15: Formal Employment by Skill Level



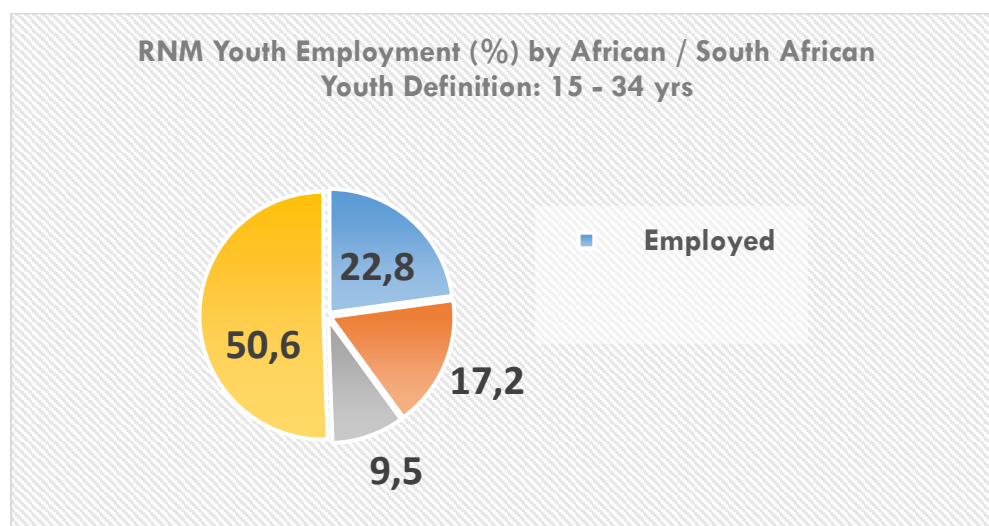
Source: www.Salga.org 2018

3.1.14.5 Youth Labour Statistics

For every 100 young persons in age group 15 – 34 years: 23 persons were employed, 17 persons unemployed, 10 young persons have given up hope of ever finding a job and no longer looking for it. Half of the youth (51%) were in schools or in training and therefore could not be described as employed or unemployed. However, 27 young persons (unemployed and discouraged) are effectively not working. To sum this discussion, RNM has a high percentage of youth unemployment.

The following graph indicates the percentage of youth employment vs unemployment.

Graph 16: RNM Youth Employment



Source: Statistics South Africa 2016



3.1.15 Estimates of Economic Activities and Employment Trends

According to the municipality's Local Economic Development (LED) Strategy, the economy of the local municipality is well developed with Port Shepstone and Margate as its major towns having well-established and serviced areas for light-to-medium industries and commercial service centres. The municipality's Gross Domestic Product (GDP) was estimated at R 13 billion in 2016 accounting for 61 percent of the district GDP estimated at R 21.4 billion followed by Umzumbe municipality (20%), Umdoni municipality (13%) and Umuziwabantu municipality (6%). Thus, Ray Nkonyeni is the core contributor to the district's economy. Ray Nkonyeni municipality has had a steady increase since 2005 with a sharp drop experienced during the global crises in 2008/2009. Below is a summary of the economic activity showing the type of industry as well as employment trend within the municipality and location.



Table 38: Estimates of Economic Activities and Employment Trends

AREA BASIC	DESCRIPTION	TYPE OF INDUSTRY	Employment trends
Marburg Industrial	This is the only major industrial zone in the District. It has been developed on the N2 to the south-west of the Port Shepstone CBD. Over the years, it has extended on what is referred to as Izotsha. The land is not flat, but the topography is reasonable for industrial development. A large variety of manufacturing and service sector businesses are located in the area.	Most industrial sectors are represented in the area. Furniture, textile and clothing and food seem to dominate. Sizes range from small service industries to major plants.	These are paid jobs comprising of <ul style="list-style-type: none"> • Semi-skilled • skilled labour -Both males and females are employed - There is a high number of job opportunities - Diversity in the workplace
Margate Quarry Industry	The industrial area is located close to the entrance to the NPC Quarry immediately to the west of the N2 as you approach the Margate turnoff from Durban. The area is separated from neighbouring developments either by the N2 or vacant land.	The number of concrete block, brick and moulded concrete block manufacturers benefiting from the location in relation to the Quarry.	-Semi-skilled and skilled labourer force -High percentage of males employed -Safe work environment
Margate Airport Industrial	This industrial area is located on the northern end of the runway of the Margate airport. It is located on relatively flat land. The area is home to only a handful of industries.	Construction related and furniture manufacturing firms are located in the area.	-Safe work environment -semi skilled and skilled labour force -High technology
Tourism	Ray Nkonyeni Municipality is a strong tourist attraction place, boasting of well-developed products. Added to that is the climate which is humid and	The Coastal belt is mostly tourism.	



	subtropical all year-round, thus a leading tourist destination in KZN		
Agriculture	<p>The municipality is generally characterized by good potential agricultural land that needs to be preserved for food production. There is mixed agricultural practice. More commercial farming is along the coastal belt, however, in some areas in the hinterland, it can be found as well. Little subsistence farming activities take place in the hinterland</p>	<p>Commercial farming is dominated by sugar cane farms and banana plantations along the coastal strip. Sugarcane and bananas are grown at a large scale while cattle rearing, macadamia nuts and vegetable grow in small holdings. Subsistence farming (maize growing, amadumbe, beans and sweet potatoes) is practiced mainly in the hinterland whereby families grow for consumption. There is a small scale growth of sugarcane farming in the interior</p>	-Semi skilled and skilled labour force



3.1.16 Household Analysis

According to the Stats SA 2022 Census, Ray Nkonyeni Municipality has approximately 87 632 households (hh) which makes it the leading municipality amongst the other Ugu local municipalities, with an average household size of 4,1. These households may be further broken down into four (4) categories: formal, informal, traditional, and other. Below is a table showing these categories:

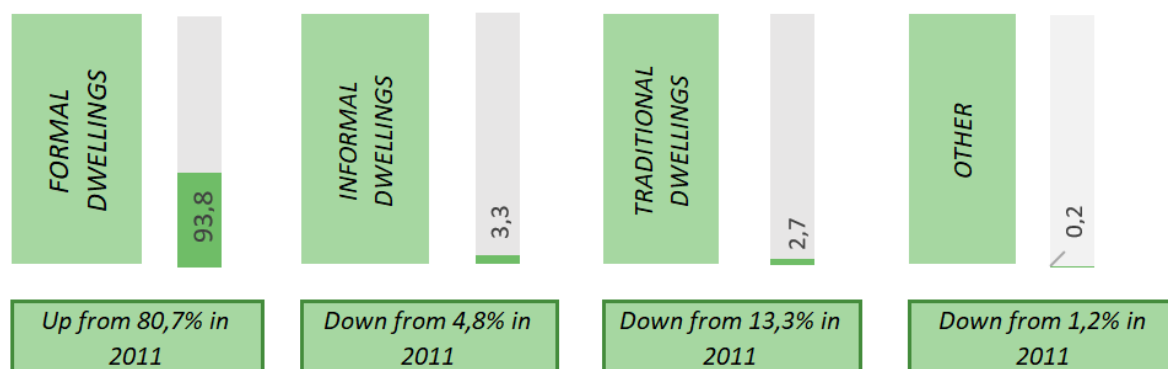
Table 39: Households per Category

RNM Households per Category		
Category	Total	Percentage (%)
Formal	82 171	93,8%
Informal	2 922	3,3%
Traditional	2 324	2,7%
Other	215	0,2%

Source: StatsSA Census 2022

It is vital to note that the Municipality has been active in increasing the number of formal dwellings in the municipality in the last 10 years. This means the Municipality has seen a higher provision for public housing within its jurisdiction, slowly eradicating informal and traditional dwellings. The below figure elaborates:

Figure 1: RNM Households over 10 Years



Source: StatsSA Census 2022

Many households are child headed as most parents are either dead or in distant cities for job opportunities. The result of absent elderly people in a home result in a disorientated household with no supervision. Children are not cared for and do as they please and end up dropping out of school. Many people do not have a matric certificate. In as much as it has been stated the municipality experiences a high dropout rate, it must be noted that its matric results are the best when compared to the other sister local municipalities. This is due to the programmes in place that aid in ensuring that the culture of learning is not lost. These include the Saturday and Winter class programmes. Dedicated Educators over the years have ensured that they run these programmes and results speak for themselves.



3.1.17 Migration Pattern

In-migration, outmigration and internal migration are the highest types of migration within RNM and therefore, when planning takes place, this must also be taken into consideration. Trends and patterns of migration have changed over the years and it is therefore imperative to discuss the different types of migration the municipality has experienced over the years.

- In-Migrants (The number of people entering a geographical area)
- Out-Migrants (The number of people leaving a geographical area)
- Internal Migration (Country to City/town)
- International Migration (Voluntary Migration, and involuntary migration)
- Mobility (Temporary migrants as they do not have permanent residence).

Due to the economic activities within the municipality, more in-migration as well as more internal migration has been experienced as compared to the other Ugu sister municipalities.

In migrants come from neighbouring municipalities and the neighbouring Province, which is the Eastern Cape. In this regard, it is imperative that in the planning of the municipality, the influx of people must be considered. Internal migration is common as well. These are the people originally from within the municipality, who reside in rural areas and move to urban areas in search of job opportunities. The municipality has also experienced international migrants as well as mobility migration. In the case of international migrants within the municipality, it is basically those migrants who provide different types of services, and everyone benefits. The municipality is in possession of all the different types of migrations within its jurisdiction, obtained from StatsSA.

3.1.19 Social Development Analysis

Social issues pertaining to deprived and semi deprived communities, education analysis, as well as health and safety and security issues will be analysed in this section as it forms part of the demographics. The rationale behind this analysis is to enable planning of programmes within the municipality be planned with these aspects in the picture. Proper planning cannot be effective if social analysis has not been undertaken.

3.1.19.1 Overview of RNM in Terms of Poverty

Poverty remains a leading social concern in South Africa, and KwaZulu-Natal and bears substantial part of the national burden of poverty. RNM has not escaped the clutches of poverty. Poverty can be measured in various means, but for the municipality, poverty has been measured in terms of salary gaps, type of employment, job opportunities as well as human settlement typologies, and health issues. The gap between the rich and the poor is too wide. This is evident amongst the Black majority in rural areas. Most families still live below the poverty line, which is below R1500 monthly income. This is evident from the number of people who depend on Government. Many people within the municipality have no other choices but pushed into the informal (second) economy which is notorious for its unpredictable income streams.

3.1.19.2 Level of Development

The spatial development concept starts by understanding the movement networks of people, goods, and services which are channelled along specific routes that describes a network of interaction. Ray Nkonyeni Municipality's spatial development is concentrated along the coastal belt, while much of the hinterland is not developed. In terms of nodal development, a future Development Corridor is proposed to facilitate the expansion of Port Shepstone and Margate



towards the south-west of the municipal area. It adjoins Izotsha Corridor and it is positioned in close proximity to Gamalakhe Township. Another, Potential Tourism Corridor Route is located along the Port Edward to Ezingolweni east/ west link.

3.1.19.3 Priority Projects Per Deprived/Semi Deprived Ward

RNM consists of both rural and urban wards, and their basic needs vary. According to in depth analysis, it has been discovered that most wards which are rural, are highly deprived as compared to those along the coastal belt which are urban. However, it must be noted that even though findings have shown that these rural wards are categorised as deprived, it is not the entire ward that is so, but certain areas within it. Below is a list of the wards with areas within them which are categorised as deprived. Information on how wards are deprived and partially deprived was obtained from war rooms. Through war rooms and ward-based planning consultations, this information of deprived areas was obtained from there and three (3) priorities per ward were selected.

- Highly deprived wards are: 7, 8, 29, 30, 31, 32, 33, 34, 35 and 36
- Medium deprived are: 4, 5, 7, 10, 11, 14, 15 and 21
- Semi deprived 1, 13, 14, 16, 21, 22, 23, 24, 25, 26, 27, 28
- Least deprived: 2, 3, 6, 12, 17, 18, 19

Ray Nkonyeni Municipality as mentioned earlier on in the document, is a diverse municipality, with both urban and rural settlements. Needs vary per ward, and through Operation Sukuma Sakhe, wards have been identified that are highly deprived. Such information is obtained in War rooms where ward issues are deliberated extensively. Areas in sixteen wards which mainly are in deep hinterland, were identified. Each ward identified has three main needs as shown below.



Table 40: RNM Main Needs per Ward

WARDS	AREAS	MAIN NEEDS
7	Ngwemabala	<ul style="list-style-type: none"> Community hall to be built Road concrete topping Request for electricity Bridge for Kwalini Road, Ngodini
	Gcilima	<ul style="list-style-type: none"> Road concrete topping from Mangeleka to Nkoncweni Request for water pipes and taps Request for street lights Regraveling and addition of concrete at Dwayisa Road
	Nkampini	<ul style="list-style-type: none"> Request for electricity Mbambi Road needs concrete Water crisis Concrete at Mkhobe Road 2 Regraveling of Mkhobe Road 3
	Chatsworth	<ul style="list-style-type: none"> Zama Zulu Road needs gravelling Water issue Request for electricity
	Katangweni	<ul style="list-style-type: none"> Electricity needed Water crisis Road concrete topping
	Mkhobe	<ul style="list-style-type: none"> Request for a community hall Request for electricity Concrete topping near Mteshane bottle store
	Nontshuntsha	<ul style="list-style-type: none"> Request for a community hall Request for electricity Concrete topping near Mteshane bottle store
	Melika	<ul style="list-style-type: none"> No water No electricity Melika Road need gravelling
	Qombe	<ul style="list-style-type: none"> No electricity No water Access road needed from Seventeen to Nondaba Road Bridge at Seventeenth Road
	Gogogweni	<ul style="list-style-type: none"> No water No electricity Concrete topping at Bheneza Road
8	Vulindlela	<ul style="list-style-type: none"> No electricity No water Concrete needed at Valindlela Road
	Thokothe	<ul style="list-style-type: none"> Concrete needed from Thokothe ground to Mbhele No electricity No water
8	Nyanisweni Nkothaneni Dumezulu Mphelelwa Entire ward Bhazabhaza	<ul style="list-style-type: none"> Skills center Hall Qamela bridge Extension of hall Hall Water scarcity Electrification
9	Koloni	<ul style="list-style-type: none"> No water Regravelling of Mahhal aRoad



	Mhlabuhlangene	<ul style="list-style-type: none"> Maso Dlamini Road need gravelling No water
	Khushwini	<ul style="list-style-type: none"> Delihlazo Road need gravelling Water pipes and taps needed
	Sodoma	<ul style="list-style-type: none"> Bhaselona Road need gravelling Sikobi Road need topping
29	Mankuntshana	<ul style="list-style-type: none"> Rehabilitation of roads Water connections Hall to be built
	Sambulo	<ul style="list-style-type: none"> Steep hill paving New hall needed New gym facility
30	Gogozi	<ul style="list-style-type: none"> No sports field No pedestrian bridge No creche
	Mdlazi	<ul style="list-style-type: none"> Request for Khumbuza Community hall Rehabilitation road of Khumbuza to Lonjani
	Ngcawusheni	<ul style="list-style-type: none"> Nduna Cele Road to be regarvelled Qhinqa High to Sjoti road needs gravelling
	Bandlana	<ul style="list-style-type: none"> Phongokazi to Malanga Road to be rehabilitated
31	Dlovinga	<ul style="list-style-type: none"> Request for community hall Concrete slab from to KwaNdlela
	Mbeni	<ul style="list-style-type: none"> Concrete slab from Phuthumani to Katangweni road No library
	Magidigidi	<ul style="list-style-type: none"> Request for sports field Concrete slab from Bobeni to Khalweni Request for a library
32	Sgodaneni	<ul style="list-style-type: none"> Access road rehabilitation No electricity infills Request for a sports field
	Mgawulwane	<ul style="list-style-type: none"> Access road to be rehabilitated Electricity infills needed Mgawulane crèche furniture needed
	Paddock	<ul style="list-style-type: none"> No VIP toilets No Electricity infills
	Mthini	<ul style="list-style-type: none"> Community Hall
33	Mbeni/Munga VD	<ul style="list-style-type: none"> Regravel and concrete of Qhashela road Zihlabathini to Bubule Road to be regravelled and concrete Vehicular bridge needed and Makhanya to Ncumuse road to be rehabilitated
	Nkulu/Vukuzithathe VD	<ul style="list-style-type: none"> Concrete slab and regravelling of Makhanya Road Concrete slab and regravel of Siqedukoma Road Pedestrian Bridge at Bhayiya and regravelling



	Shobashobane/Magaye VD	<ul style="list-style-type: none"> • Khomo to Gambushe road to be regravelled and concrete • VIP toilets needed • Ezingoleni Road to be regravelled
	Shoba/Khandalesizwe VD	<ul style="list-style-type: none"> • Khandalesizwe Road to be regravelled and concrete slab • Sdudla road to be regavelled and bridge needed
34	Thonjeni	<ul style="list-style-type: none"> • No access road at Mbuyiseni • Wwater crisis
	Inkulu	<ul style="list-style-type: none"> • Access road needed at Ngodini • Sports field needed at Mshiwa • Access road needed at Mashimane
	Wosiyane	<ul style="list-style-type: none"> • Qili Road to be rehabilitated • Regravelling of Mzenge access road • No Sports field
	Blose	<ul style="list-style-type: none"> • Request for a pre school
	Nkunswana	<ul style="list-style-type: none"> • Water crisis
	Mahlabathini	<ul style="list-style-type: none"> • Mhlabunzima Community hall needs rehabilitation
35	Hlomendlini	<ul style="list-style-type: none"> • No electricity installation • Berea to kwaMajiya road needs gravelling • Cebisa store to kwaMhlungu road need gravelling
	Shibe	<ul style="list-style-type: none"> • Road concrete topping needed at kwa Mthuli to Pola • Electricity installation • Crosini Road need concrete
	Ndunu	<ul style="list-style-type: none"> • KwaNdunu Hall road need gravelling and concrete • Smakadeni Road need concrete • Electricity installation
	Godloza	<ul style="list-style-type: none"> • From Bomvini to Dingindawo road need gravelling • Electricity installation • Gravelling at White House to Mkhize Road
	Celebane	<ul style="list-style-type: none"> • Electricity installation • Bhobheni needs gravelling • Nxeko Road need gravelling
	Sbhangwane	<ul style="list-style-type: none"> • Electricity installation • Athenjini Road need gravelling • Sbhangwana Road need concrete
36		<ul style="list-style-type: none"> • Mthamvuna Bridge (Urgent) • Regravelling of Khuzwayo Road • Regravelling of Ace Road • Building of a hall in eChibini • Resuscitation of Moguntia Sports Field • Reconstruction of Mvolozi Bridge



3.1.19.4 Education Analysis

The education levels are improving as more learners are enrolled and reach secondary level (Stats SA 2016). In the past, secondary school was the dominant level of education, and it has remained as such, and now it is also showing great improvement as the number of people at secondary school level has tripled the 2001 figures. Primary schooling has also shown great improvements as more learners are enrolled. This is in line with the 2018 SOPA whereby the Premier stated that every child must have a basic education. There are some challenges however, that are experienced within the Education Sector. Several urban schools experience a high influx as more learners abandon rural schools. This has resulted in many rural schools with very little enrolment which may result in some being closed. The exodus is cited as lack of proper education infrastructure and long walking distances.

Enrolment in Grade Rs has also seen a steady rise over the years. This is because the National Department of Education has made it compulsory for all learners to be enrolled at preparatory school before starting Grade 1. It must be noted that the municipality boasts preschools in almost all its Primary schools. There are also crèches that are privately run as well.

There is a high dropout rate at high school level due to several socio-economic ills. Teenage pregnancy, orphans and the abuse of substances are some contributing factors. Ray Nkonyeni Municipality experiences the highest number of teenage pregnancies as compared to the other sister municipalities. Ray Nkonyeni also has special schools that cater for children with special needs and are fully equipped with resources. The department of education provides special support to these schools to;

- Provide curriculum delivery support to LSEN schools for purposes of improving learner attainment in line with White Paper 6 (Inclusive Education)
- Improve the performance of learners in special schools especially at the level of National Senior Certificate through teacher capacity and learner support.

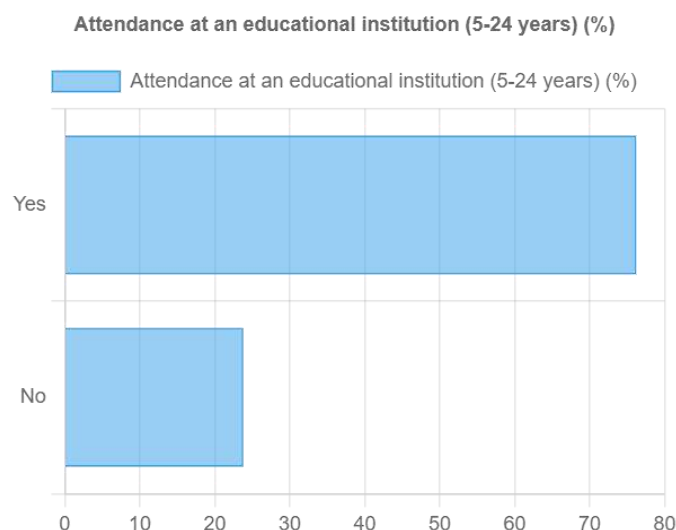
3.1.19.5 Education Levels

Ray Nkonyeni has four TVET colleges, at KwaNzimakwe, Oslo Beach, Gamalakhe and Port Shepstone. Different courses are offered, and the highest certificate obtained is the N6 which is equivalent to a college diploma. The municipality does not have a university but has since signed an MOU with the University of South Africa to develop a university within its jurisdiction. Higher education levels (tertiary) holders within the municipality are low. This may be attributed to by several social factors. School dropout rate is high. Other learners are heads of their families since parents have passed on. Within RNM, over 50% of people between 5 – 24 years are attending an educational institution, as per the latest StatsSa Census 2022.

The following graph shows attendance at an educational institution by percentage.



Graph 17: Attendance at an Educational Institution



The following table shows the different types of education levels within RNM.

Table 41: RNM Education Analysis

RNM EDUCATIONAL ANALYSIS		
Category	Total	Percentage (%)
No Schooling	13 180	6,0%
Some Primary	20 488	9,4%
Completed Primary	8 004	3,7%
Some Secondary	66 919	30,6%
Grade 12/Std10	82 708	37,8%
Higher Education	26 133	11,9%
Other	1 338	0,6%

Source: Stats SA Census, 2022

An overall summary that can be drawn from the above graph is that RNM has a high primary entry number as compared to Matric certificate holders, 20.7%. This may be attributed to school dropouts, (to find means to provide for their families and themselves, or teenage pregnancy with no one to look after the child), social ills (Pandemic diseases etc.) All of these aspects feed into the low level of people with a higher education within the municipality. According to the graph above, only 1.6% of the population hold bachelor's or higher education as compared to the 25.8 primary entry. The drastic drop between the two percentages may be because in most instances, most teenagers by now have taken the roles of being household heads and the burden weighs them down to an extent of failing to cope at school and end up dropping out. Some have left homes to seek employment to fend for the family. Another reason may be due to the high intake of intoxicating substances. Many learners come from dysfunctional homes and do not cope well at school resulting in dropping out. In terms of no schooling, the municipality



stands at 13.8% which is quite high. Factors contributing to this may be that in some African homes, the need to attend school is still viewed as a waste of time. Another factor may be that most children have already taken a role of being a household head since parents have died leaving them to be taken care of by their frail elderly parents.

3.1.19.5.1 2023 RNM Matric Pass Rate

There was a 6.8% increase in the matric pass rate at RNM in 2022. 48.6% of the total 91.5% achieved a Bachelor's Pass. UGU is ranked the No. 1 District in the Province and No.8 District in South Africa. The table below details the pass rate.

Table 42: RNM Matric Pass Rate

RNM PASS RATES		
2021 Pass Rate	2022 Pass Rate	2023 Pass Rate
80.84%	91.5%	Not Provided

3.1.19.5.2 Teacher Learner Ratio

The current ratio for Teacher Learner is 1: 32 inclusive of all teaching staff

3.1.19.5.3 Early Childhood Development

The below information is for the entire Ugu District.

- Number of centres: 450 centres
- Number of learners: 12400
- Learner / Teacher ratio: 1 : 30
- Permanent employees: 90 state paid educators
- Temporary employees: 326 contract educators

The municipality plays a very important role in ECDs. It has over the years ensured that they are registered and in partnership with the Network Action Group (NAG) whose role is to ensure that all ECD Educators reskilled. Furthermore, the municipality provides ECDs with educational toys and other learning equipment and furniture. According to the municipality's long term vision, strategic goal 3, no region can achieve true growth and development without significant investment into the education of its people. In this regard, the municipality is creating awareness about the importance of pre-school childcare and providing the relevant support to ensure ECD is being prioritized.

3.1.19.5.4 Adult Education Training (AET)

AET previously known as ABET, in UGU District is managed from Esayidi TVET College, no longer managed from the DBE and has been transferred to HED. This programme promotes a culture of learning to read and write to the Illiterate persons and elderly people. Ray Nkonyeni Municipality, according to StatsSA 2016 survey, indicates a high number of illiterate people, therefor this programme has addressed this issue extensively. Learning is undertaken in the evenings to afford the working people time. Most schools are centres of AET, with qualified Educators. Response to the programme over the years has been positive.



3.1.19.5.5 Challenges within Schools

i. Challenges affecting performance within schools

- Service delivery protests.
- Covid 19 and its impact: on timetabling choices...
- Underqualified teachers teaching gateway subjects.
- Support staff shortages (e.g. FET= 14 vacancies; GET= 26 vacancies)
- Clerical staff shortages
- Substitute posts of 30 days take long to be filled due to the lengthy processes of appointing such teachers
- Non-viable public schools are above 100.
- Tools of trade in short supply
- Small schools with a low PPN often results in multi-grading.
- Social ills
- Shortage of learner transport

ii. Urban schools infrastructure versus rural schools Infrastructure

Table 43: Urban vs Rural Schools' Infrastructure

INFRASTRUCTURE	
URBAN	RURAL
SANITATION	
Flushing toilets:	Chemical toilets:
	Pit Laterines:
WATER	
Piped portable water:	Water tanks and community stands:
INFRASTRUCTURE	
Brick and block built classrooms with tiled roofs:	Block built classrooms with tiled roofs:
	Mobile classrooms:
SPORTING FACILITIES	
Well built sports fields	Undeveloped sports fields

iii. Overall problems faced by the department of basic education

- Migration of families from rural to urban
- Lack of development in rural areas and poor infrastructure facilities
- School girl pregnancies
- Substance abuse



3.1.19.5.6 Schools' Infrastructure Projects

Table 44: Schools' Infrastructure Projects

EDUCATION				
FACILITY NAME	SERVICE DESCRIPTION	ESTIMATED PROJECT BUDGET	LOCAL MUNICIPALITY	WARD
BASHISE PS – GIS latitude: -30.888829 GIS longitude: 30.314670	SANITATION PROGRAMME (PHASE 3) - UGU-17 Renovation of existing structures, construction of new (8G, 12B, 2M2F1D, 4R1T)	R4 096 096,06	Ray Nkonyeni	Ward 29
BEAULAH PS – GIS latitude: -30.621330 GIS longitude: 30.363219	SANITATION PROGRAMME (PHASE 3) - UGU-13 Renovate existing structure (2M1F) construction of new (6G, 6B, 2M2F1D, 3R1T)	R3 341 459,55	Ray Nkonyeni	Ward 4
DUDUZILE SS – GIS latitude: -30.637730 GIS longitude: 30.366139	SANITATION PROGRAMME (PHASE 3) - UGU-07 Demolition and renovation of existing structures. Construct new blocks (10G, 10B, 1F1D & 2M2F1D).	R3 641 396,80	Ray Nkonyeni	Ward 4
IKHWEZILOKUSA PS – GIS latitude: 30°51'05.72"S Longitude: 30°12'10.32"E	SANITATION PROGRAMME (PHASE 3) – Demolition Of Existing Structure, Construction Of New (6G, 6B, 2M2F1D, 3R1T)"	R3 016 600,08	Ray Nkonyeni	Ward 32
MBAMBUYA PS – GIS latitude: -30.523350 GIS longitude: 30.056850	SANITATION PROGRAMME (PHASE 3) - UGU-05 Demolition of existing structures, Construct new blocks (6G, 4B, 2M2F1D & 2R1T).	R2 833 520,85	Umuziwabantu	Ward 1
MHLABUHLANGENE JSS – GIS latitude: -30.921370 GIS longitude: 30.186699	SANITATION PROGRAMME (PHASE 3) - UGU-13 Demolition of existing structure, construction of new (12G, 10B, 2M2F1D & 3R1T)	R2 402 594,38	Ray Nkonyeni	Ward 8
NOMBUSO HS – GIS latitude: 30°59'37.00"S Longitude:30°14'21.00"E	SANITATION PROGRAMME (PHASE 3) – Provision of sanitation services	R1 646 712,97	Ray Nkonyeni	Ward 1
SISTER JOANS HS – GIS latitude: -30.724740 GIS longitude: 30.381710	SANITATION PROGRAMME (PHASE 3) - UGU-07 Demolition and renovation of existing structures. Construct new blocks (6G & 2M2F1D).	R2 299 635,86	Ray Nkonyeni	Ward 21



3.1.19.5.7 Interventions

i. Ugu District Improvement Plan/Turn Around Strategy

The rationale behind the turnaround strategy as detailed below is to improve the pass rate and bring back the culture of teaching and learning in schools.

Table 45: UGU District Improvement Plan

FOCUS AREAS	IMPROVEMENT ISSUE	OBJECTIVES
FOCUS AREA ONE	Teacher orientation and of target setting	<ol style="list-style-type: none"> 1. To provide feedback to the system on the performance of the matric "Class of 2020" and to identify content, knowledge and skills gaps 2. To provide guidance/orientation on the 2021 Annual Teaching Programmes and to set performance targets for province, districts, circuits and schools
FOCUS AREA TWO	Accountability sessions	<ol style="list-style-type: none"> 1. To allow the Provincial Curriculum Delivery Chief Directorate to account for the subject under performance 2. To allow the Provincial District Operations Chief Director to account for the district underperformance and district decline in pass rates 3. To allow the District Managers to account for subject underperformance, subject decline, school underperformance, school decline in pass rates, circuit underperformance and circuit decline in pass rates
FOCUS AREA THREE	Total school functionality and productivity	<ol style="list-style-type: none"> 1. To ensure that all schools start working on the first day of schooling in 2021 2. To confirm that all required human and physical resources are available for productive teaching 3. To confirm the usability of the time tabling option of the school for effective curriculum coverage
FOCUS AREA FOUR	Provision of human resources	<ol style="list-style-type: none"> 1. To identify all vacant posts created by by promotions, retirements, comorbidities and COVID-19 mortality in schools, circuits, CMCs, Districts and Head Office 2. To recruit staff to fill in vacant posts in schools, circuits, CMCs, Districts and Head Office

FOCUS AREAS	IMPROVEMENT ISSUE	OBJECTIVES
FOCUS AREA FIVE	Provision of physical resources	<ol style="list-style-type: none"> 1. To identify and repair all vandalised schools and storm damaged schools in the 12 education districts 2. To audit the availability of classrooms space and furniture in all schools and provide where there are shortages 3. To audit the availability of Learner Support Material in schools and provide where there are shortages 4. To audit the availability of water and sanitation facilities and provide where there are shortages
FOCUS AREA SIX	Improvement of the quality teaching and learning	<ol style="list-style-type: none"> 1. To identify the subjects in districts which have underperformed in the 2021 NSC examination 2. To develop specific programmes to support Subject Advisors and Teachers in districts where the subjects have been underperformed
FOCUS AREA SEVEN	Strengthening the supportive role of assessment and examination components	<ol style="list-style-type: none"> 1. To provide support to curriculum delivery through quality assessment practices and sound assessment principles 2. To improve the quality of School Based Assessment and provision of feedback 3. To strengthen the formative, pedagogic and bureaucratic functions of assessment 4. To facilitate the printing and distribution of curriculum support and assessment material 5. To improve the study and examination skills of learners



FOCUS AREAS		
FOCUS AREAS	IMPROVEMENT ISSUE	OBJECTIVES
FOCUS AREA EIGHT	Teacher development for improvement of teaching and learning	<ol style="list-style-type: none"> 1. To provide training workshops for subjects in districts which have underperformed in the 2021 NSC examination 2. To link the subject which have underperformed with the learning areas in the General Education and Training (GET) band 3. To improve quality in the development of assessment instruments and the quality assurance measures
FOCUS AREA NINE	Special support of ELSEN schools	<ol style="list-style-type: none"> 1. To provide curriculum delivery support to LSEN schools for purposes of improving learner attainment in line with White Paper 6 (Inclusive Education) 2. To improve the performance of learners in special schools especially at the level of National Senior Certificate through teacher capacitation and learner support
FOCUS AREA TEN	Promotion of reading	<ol style="list-style-type: none"> 1. To support the implementation of the KwaZulu Natal Reading Strategy in the 12 Education Districts and surrounding communities 2. To use reading as a strategy to improve teaching and learning in class, parental support and community participation in education

ii. Food and Nutrition

The Government ensures that the culture of learning takes place in safe environments as well as its effectiveness will bear fruits if minds are healthy and well fed bodies, hence the Food and nutrition programme was introduced. The food and nutrition programme has been rolled out to schools all (primary and high schools) within the municipality. This is a government funded programme, aimed at feeding learners with healthy and nutritious meals on daily basis in all schools throughout the country. The municipality is proud to announce that all schools in its jurisdiction participate in this programme.

iii. Municipality's Programmes

To ensure that no learners from the previously disadvantaged schools and poverty stricken families pursue their studies at tertiary, Ray Nkonyeni Municipality has a fund annually rolled out to first year tertiary entries. This programme is known as the Mayoral Bursary. Funds are given out to students who meet the bursary requirements and above all, who have been admitted to a tertiary of their choice. This initiative has produced tremendous results as statistics reveal that more students are enrolled at tertiaries and the number keeps increasing each year. It must be noted that in the past RNM had a high number of learners with matric, very few with tertiary qualifications due to poor family backgrounds.

There are also funds given out to scarce skills qualifications such as Engineering and Town Planning. Due to limited funds, qualifying criteria is very steep, only the very best are awarded. Full tertiary fees are covered under this programme. After completion at tertiary, the student is offered an internship within the municipality.

There are local business people who have over the years taken initiatives of giving out funds to well deserving students to enrol at tertiary institutions of their choice. A highlight of this is in ward 35 whereby a local businessman does not only fully funds top students' tertiary fees from the ward, but ensures that each of these students in their third year of study sits for a driver's learners and practise driving. The driving licence is paid for by the business man. Full tertiary fees are covered.



iv. How the municipality has responded to the Strategic Goal no.2 of PGDP 2035

Strategic goal no 2 of the PGDP talks to the Human Resource Development. It basically touches the improvement of early childhood development, Primary and Secondary Education. In response to this objective, Ray Nkonyeni Municipality' Department of Education fully aligns and has ensured that strategic interventions have been directed to schools more in the rural areas, and townships schools due to the imbalances of the past.

The strategic intervention identified seek to impact on provision and focus on educators, governance and logistical support for equipment and books in these schools. Early childhood is administered through the Department of Social Development. In as much as the municipality is producing good matric results as compared to the other 3 sister municipalities, it must be mentioned that schools in rural areas still lack in many resources. Renewed focus is required to accommodate the provision for special needs in some schools in rural areas.

Major interventions have been made by the Department to drive early childhood development and basic education. Almost all schools within the municipality have the basic services such as clean water. Effective governance and management at schools as well as at District level has improved. Performance is closely monitored by various subject advisors who ensure that the syllabus is adhered to by constantly visiting schools. To ensure that the culture of teaching and learning takes place, the district has managers who monitor and visit the schools occasionally.

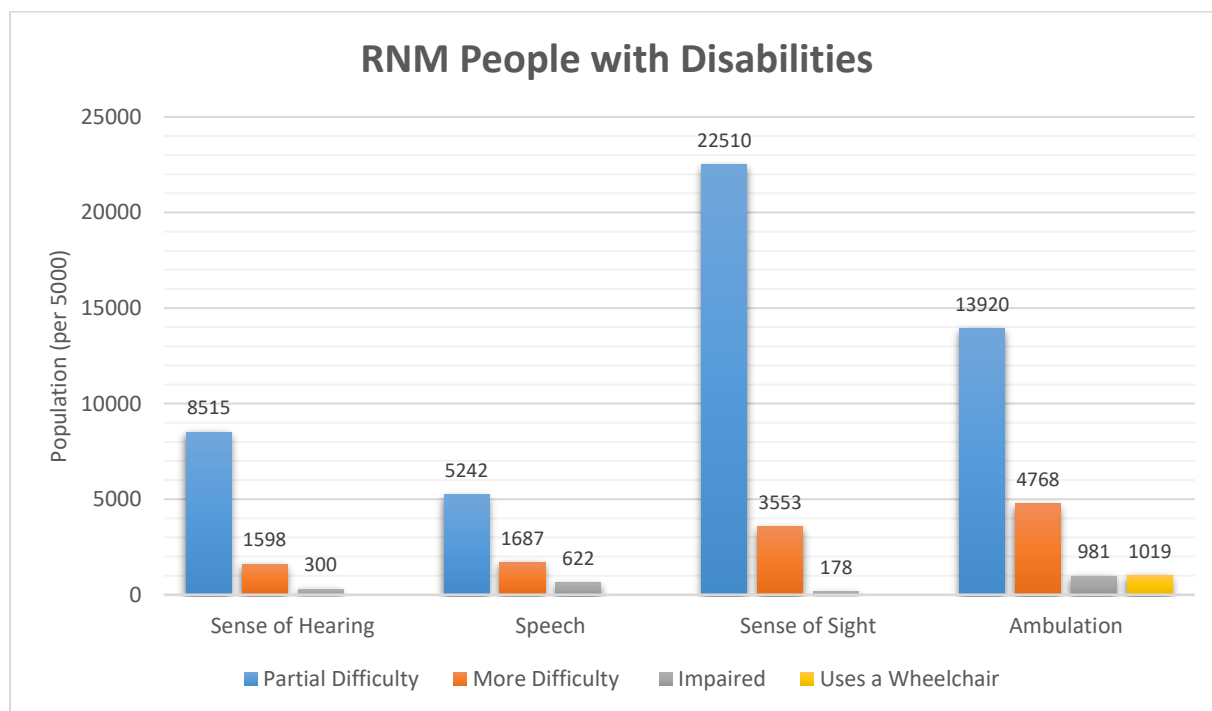
The use of modern technology however is still in urban schools with very few in rural areas. In terms of supporting skills, the TVET colleges ensure that these take place. Graduates from TVET colleges are sent to various fields for internship purposes, and we must announce that big numbers graduate.

3.1.19.6 Disability Status

The National Disability Policy talks to ensuring that all people with disabilities, vulnerable and marginalised receive adequate economic and social protection, attain access to social welfare programs which will promote development and enhance their social functioning. Ray Nkonyeni Municipality has people living with different disabilities as indicated in the graph below, and fully adheres to the policy. The total number of people living with disability within the municipality as obtained from StatsSA is 54 480. The number of people who are partially blind is the highest followed by those who can partially walk and lastly those who can partially hear. The municipality has a high number of those who cannot walk at all followed by those who have difficulty in seeing. In responding to this, the municipality has identified skills programmes aimed at assisting all those living with disability, as highlighted in the outreach programmes under section 4.1.2.7.1. With the assistance of both the Social Development and Home Affairs Departments, the municipality has succeeded in populating a data base of all people living with disabilities and this is a great stride in ensuring that these people receive the attention needed as stipulated in the NDP. The data base has also assisted in locating them for the relief programmes (Covid 19) and when disaster strikes, they are easily located. Furthermore, the municipality also ensures that it does not discriminate when it comes to job opportunities to those living with disability if they deserve. The municipality has also government facilities (schools and centres) with fully trained staff that cater for disabled people.

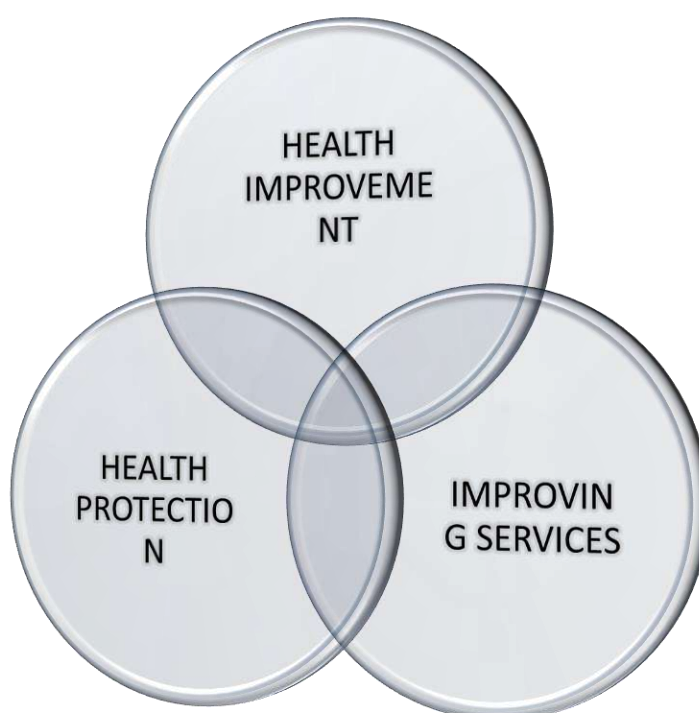


Graph 18: People Living with Disabilities



3.1.19.7 Health Analysis

Illustration 5: Health Analysis





Ray Nkonyeni Municipality has a fully-fledged labour relations and wellness centre solely for its employees, comprising of 3 units, namely; Employee Assistance Programme, Occupational Health and Safety and lastly, Occupational nurse. All these units are headed by a Manager. The professional occupational nurse administers medication and if needs be, make referrals to hospitals, while the senior occupational health and safety practitioner sees to the safety of employees at their working stations, ensures there is safety compliance and conducts internal and external safety related programs, finally, the employee assistance programme practitioner deals with stress related issues. It must be mentioned that Ray Nkonyeni Municipality is the only local municipality with this centre within the Province.

The Department of Health promotes public health and protects the health of people and the communities where they live, learn, work and play. The department also promotes wellness by encouraging healthy behaviours. The public health of the municipality is guided by the District's Public Health By-Laws which is made of nineteen chapters. The Health Department has ensured that it promotes the health of the citizens of RNM by encouraging behaviours amongst communities that will produce better health which include anti-smoking campaigns, healthy lifestyles and promote better nutrition. It has also protected the communities by preventing the development and spread of diseases and illness.

Health Facilities within the municipality

There are also public and private health care facilities as well as clinics within RNM, being:

- Margate Netcare, Hibiscus Hospital (Private Hospitals)
- Shelley Day care Hospital & Hibiscus Private Hospital (Private Day Care Hospitals)
- 45 Mobile clinics

Table 46: RNM Health Facilities

Clinics	21	See next slide
Regional Hospital	1	Port Shepstone Hospital
District Hospital	1	Murchison Hospital
Community health centres	1	Gamalakhe
Ward based outreach teams	3	Factories, Ntabeni and Gcilima
School health teams	5	Marburg/Margate/Gcilima/Ntabeni and Izingowelweni
Fixed HTA site	1	Marburg Truck Stop
Mobile Clinics	7	PS mobile 1,3,5,6,7,8,9
Health posts	2	Bhokodisa/Khanyisizwe
Health promoting schools	10	



Clinics within the Municipality.

Table 47: Clinics within RNM

Izingolweni Clinic	Mthimude Clinic
Thembalesizwe Clinic	Thonjeni Clinic
Bhobhoyi Clinic	Bhomela Clinic
Braemer Clinic	Gcilima Clinic
KwaMbunde Clinic	Ludimala Clinic
Madlala Clinic	Marburg Clinic
Margate Clinic	Mvutshini Clinic
Ntabeni Clinic	P Shepstone Clinic
Port Edward Clinic	Shelly Beach Clinic
Southport Clinic	Umtentweni Clinic
Port Shepstone Gateway Clinic	

Some of the primary health prevention and care initiatives implemented by the department include:

- NIP sites in partnership with the Department of Social Development;
- Partnership with TDSA;
- Health promotion in schools with partnership with the Department of Education;
- Partnering with a few NGOs such as ECAP and Dram Aide (226 MMC, school health teams, 30 MMC mobilisers);
- Happy hour in clinics to prioritize service to school going teenagers; and,
- Distribution of female and male condoms.

In terms of dealing with backlogs on health facilities, Ray Nkonyeni sub district planning process 2019/2020 includes the following facilities:

- Murchison Hospital
- Port Shepstone Hospital
- Gamalakhe Community Health Centre
- Clinics

Phila Mntwana

Diarrheal disease is the main contributory factor for most deaths of children under the age of five. It is reported that the incidence of diarrheal cases were in fact on the rise in the previous two years. The causes are multi-factorial but the importance of hygienic food practices, rotavirus immunization and early treatment with Oral rehydration solutions right from home will ensure reduction in motility and mortality associated with diarrheal diseases. Breastfeeding, proper hygiene and up to date immunization can help reduce the mortality rate as well. Also, there is a programme that the Health Department has embarked on, known as Phila Mntwana. It educates



mothers on how to ensure that their babies are hygienically cared for. This initiative has proved a success as the child mortality is decreasing.

Also there is a programme that the Health Department has embarked on, known as Phila Mntwana. This is because in these areas the rate of diarrhoea and malnutrition is too high. Below is a list of the Phila Mntwana Centres:

Table 48: Phila Mntwana Sites

Phila Mntwana Sites
Mkholombe
Masinenge
Manzamllope
Oshabeni Traditional Authority Court
Braemar Mobile Library and Community Hall
Thembalesizwe

Infrastructure

Service Transformational Plan (STP)– 10 year plan:

- Marburg Community Health Centre
- Hibberdene
- Ntabeni
- Mphelelwa
- Nkothaneni
- Mdlazi
- Thorndale
- Mhlabatini
- KwaNikwe

Last clinic built in 2006. However, investigations continue to be conducted for new requests

Emergency Medical Services

The entire Ugu District has fifteen ambulances, of which seven of these fall under for RNM. Seven ambulances in RNM. Response times are still far below the acceptable norm in both urban and rural areas due to insufficient funding for additional vehicles and staff. Ambulances are placed at these strategic points in order to improve response time by reducing drive time from the main EMS Base /Station:

- Glenmore Service Station - catchment population is KwaXolo and KwaNzimakwe communities as well as coastal areas of Port Edward
- Paddock Service Station – catchment population is Paddock and Ezingoleni community



Response times are still far below the acceptable norm in both urban and rural areas and remain a serious challenge considering the increased demand for emergency services. The improvement of response times is achievable only if the number of staffed rostered ambulances is operational as well as addressing the gaps in terms of filling vacant posts and replacing the aging fleet of vehicles.

Teenage pregnancy is above 10% which is a cause for concern. It should be noted that this high percentage is not for RNM residents only, but for the entire Ugu District as people from the other sister municipalities make use of the two Provincial hospitals and clinics within the municipality.

i. Rolling out of ARVs

According to recent statistics, KZN is the worst affected in terms of HIV and AIDS and the Ugu District Municipal area with highest HIV prevalence especially amongst pregnant women visiting public health facilities. The Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. Integration of HIV and TB services has been strengthened by training of HIV counsellors on TB Screening.

The World AIDS Day is commemorated on an annual basis. Furthermore, the HIV and Aids jointly with the special programmes unit purchase and deliver school uniforms to vulnerable children in schools. The department of Health conducts annual HIV/AIDS surveys on women visiting antenatal clinics in the province. RNM's Council is committed in the HIV/AIDS infection reduction programme. The municipality has implemented viable programmes to fight the scourge of the disease. More educational programmes / awareness campaigns are necessary to alert the community members of the HIV/AIDS disease.

It will be important to factor into planning the impacts associated with this pandemic and provide adequate services to those living and affected by the virus. Furthermore, it is critical to involve the ward committees, Local AIDS Council and people living with HIV/AIDS in the IDP Forum to discuss issues that affect them and planning matters. The epidemic, for example, will affect infrastructure planning by reducing the projected number of people, impacts on households requiring services as well as their ability to pay for these services and increased demand for health care facilities and social services.

Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Ray Nkonyeni Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. The following clinics offer follow up treatment: Margate, Gamalakhe, Bhobhoyi, and Ntabeni. Other clinics refer clients to one of the two hospitals for ARV treatment. All clinics however provide screening, counselling and taking blood samples as part of the ARV roll-out programme.

Given the limited resources and strained health system, the demand for ARV's is outstripping the capacity to deliver. Of concern is the long term sustainability and equitable distribution of the roll-out programme. Pressure to meet target numbers must be tempered by the need for rational drug use by dispensers, providers and consumers.

ii. Rolling out of Sukuma Sakhe

The municipality has partnered with the Ugu district as well as the provincial departments in implementing the Sukuma Sakhe flagship programme. More focus is placed on the most deprived wards / areas most affected by the pandemic. The programme was rolled out to all the



wards of the municipal area. War rooms have been established in various wards.

Ray Nkonyeni Municipality's Health Aspirations:

- Reduce maternal mortality
- Reduce neonatal mortality
- Reduce under 5 years child mortality
- Manage HIV prevalence
- Improve TB outcomes
- Reduce mortality and morbidity of non-communicable diseases
- Health system strengthening
- Reduction of maternal mortality
- Reduce avoidable maternal mortality
- Monitor pregnancy testing by Community Health Workers in the community
- Marketing services e.g. campaigns within the community, community health workers and Traditional Health Practitioners, community dialogues
- Improve quality of care – high risk clinic operating hours extended from Monday to Friday

iii. Decrease delivery in 10 to 19 years in facility rate

- Conduct outreach services to schools
- Train school health teams on long term contraceptives.
- Implement youth friendly services at clinics

iv. Couple Year Protection rate

- Provide mentoring to all clinicians
- Monitor condom distribution, Intra Uterine Contraceptive Device and implants insertion on weekly nerve centre meetings
- Conduct community surveys on choices of family planning

v. Reduce Neonatal Mortality

- Antenatal care, Counselling AYFS (youth friendly)
- Community dialogues
- Adherence to guidelines, Ensure clinical audits are performed
- Book 1st antenatal visit before 20 weeks
- Counselling of mums

vi. Reduce under 5 mortality

- Revive and monitor functionality of Philamntwana centres
- Linking of CHW's with Care givers
- On-going Mentoring of integrated Management of Childhood Illness (IMCI) nurses
- Increase under 1 year immunization coverage

vii. Manage HIV Prevalence

viii. Increase Male Condom Distribution

- Identify areas of need to supply more condoms e.g. areas with high sex workers, farms and taverns
- Pack condoms in treatment packs from consulting rooms in PHC settings



- Bin cards for condom distribution to be sent to all PHC facilities
- ix. Increase people living with HIV/AIDS with completion viral loads to 90%**
 - Improve Supervision of staff
 - Counselling to patients
- x. Increase Positivity yield (testing)**
 - Plan outreach activities to HTA's
 - Follow up of index contacts for testing
- xi. Improve TB outcomes**
 - Decrease the TB client lost to follow up
 - Improve health education
 - Implement tracing tool and monitor
 - Print and monitor early and late missed appointment list from tier.net system
- xii. Decrease TB death rate**
 - Write TB contact at the back of clinical charts.
 - Provide with sufficient number of contacts to trace
- xiii. Reduce mortality and morbidity of non-communicable diseases**
 - Reduce the incidence diabetes and hypertension
 - Screen all clients who are not on diabetic and hypertension treatment
 - Planned training of Community health Care workers
 - Conduct campaigns and awareness
- xiv. Increase cataract surgery rate**
 - Increase mass screening of target groups e.g. >50s
 - Train community health workers on screening.
 - Keep a list of transferred clients to Port Shepstone Hospital and do follow up.
- xv. Decrease cataract operation backlog**
 - To eradicate the current backlog in cataract operation.
 - Create public awareness and education on eye care, targeting the young and old
 - Conduct mass eye care to primary school children and elderly citizens
 - Develop measures to prevent cataract before it is too late.
 - Provide free eye glasses for refractive error.
 - Procurement of equipment
- xvi. Health system strengthening**
 - Coordination of community based services capacity building.
 - Ward based outreach teams
 - School health teams
 - Tracer teams
 - Conducts clinical audits
 - Align to the Provincial Department of Community Safety and Liaison's Safety Strategy.



Conclusion

The Department of Health within the municipality has not been in a position to develop new facilities since 2006 due to financial constraints, however, it must be noted that some current structures that are operational do get a facelift now and again, and some as indicated earlier, get extensions. To improve ethical professional behaviour, the department has established amongst other strategies:

- monitoring tool whereby its staff is orientated on the public regulation
- Regular clinical audits
- Continuous Professional development
- Supervision
- Identify accredited person to train others
- Consequence management

3.1.20 Municipal Interventions

(i) How the municipality has responded to Strategic Goal no.3 of the PGDP 2035

In response to goal no.3, which talks to Human and community development, Ray Nkonyeni Municipality through its Department of Health has fully aligned to it and has ensured that the provision of social relief of distress and social grants to the most vulnerable, care and support, substance abuse programmes, treatment and rehabilitation programmes are effectively rolled out. Food insecurity leads to poor nutrition and is at risk factor to health.

There is effective communication by the Department in this respect. The provision of counselling and guidance services to curb drug abuse and develop resilience against drug use for an example are rolled out in all the clinics.

There is very little child poverty and malnutrition within the municipality. This is monitored at ward level through the Sukuma Sakhe Flagship Programme.

The health financing system is managed effectively to ensure efficient utilization of financial resources and value for money. KZN currently accounts for more than 53% of the triple HIV, TB and STIS burden, Ray Nkonyeni Municipality through its community mobilization, using Operation Sukuma Sakhe as implementation platform, will remain the primary strategy to increase awareness, effect social behaviour change, increase uptake of prevention and treatment as well address the stigma and discrimination.

3.1.21 Vulnerable and Disabled Groups

The municipality has a designated unit, (the Special Programmes Unit) tasked with ensuring that programmes aimed at addressing the needs of the vulnerable groups are in place. Programmes are prioritized and budget is set aside annually and appear in the municipality's SDBIP. There are a number of programmes that specifically address all the issues for this group in particular and annually, a summit is held with a special focus on addressing issues faced by this group. These programmes include:



- The Mayor of the municipality specifically doing visits to schools, elderly centers and other institutions with an aim of ensuring that projects rolled out by the municipality reaches these people and are sustainable.
- Capacitation in terms of skills and other uplifting projects are conducted. The elderly and the disabled, gender across, participate in this programme. They are empowered with skills to bead and weave.

The table below details programmes and projects carried out by the municipality in response to the needs of the vulnerable groups.

RNM Vulnerable Groups Programmes/Projects

PROGRAMME	ACTIVITIES
GENDER	Women empowerments Workshop
	16 Days of Activism
	Women's Day Commemoration
DISABILITY	Hand craft trainings
	Disability Sports Day
CHILDREN'S RIGHT	Back to school Campaign
	Dress a child Campaign
	Sanitary Dignity Campaign
	Take a Child to Work
	ECD Educational Toys
SENIOR CITIZENS	Healthy Life style
	Golden Games
	Intergenerational Dialogue
	Senior Citizen thanks giving
HIV/ AIDS	HIV/Aids Awareness
	Wold Ads day
FARM WORKERS	Farm workers wellness Awareness
	Farm Workers sports day

3.1.22 Safety and Security

Safety and security is a major priority after service delivery of the municipality. The crime predicament is due to many economic and social factors which include poverty and unemployment. In Ray Nkonyeni, over 168 521 people have reported feeling unsafe at night whilst over 38 173 people become victims of crime on an annual basis. Some of the major places of concern include Gamalakhe Township, Margate, Albersville and Murchison. Murchison and Gamalakhe report a high rate of robbery and theft both during the day and night, with Albersville reporting high home burglary incidents. These statistics indicate the visible and lingering problem of crime within the municipality. Crime is also rife in rural areas, as there are no police stations, let alone satellite ones visible. Stock theft, rape as well as burglary are part



of common crimes in these area. Due to the steep topography of many parts of the rural areas, it is often difficult to access assistance in the form of police vehicle. When a crime has been reported, it takes more than a day to be assisted. It has been mentioned that the Department of Public Works does not have funds to set up new police stations in rural areas, which is quite a concern. It is only in urban areas where there is police visibility. To this, the SAPS works closely with the municipality's Safety and Security Department in ensuring that crime is combatted but above all. Some areas such as Sunwich Port, Southport and Umtentweni have Crime Watch Units that have long and working relationship with their respective community police stations

There are nine (9) police stations within the municipality, being:

- Ramsgate
- Gamalakhe
- Mellvile
- Hibberdene
- Ezingolweni
- Sea Park
- Port Shepstone
- Paddock and
- Margate

There is a high concern of the lack of visible policing in rural areas. Communities have requested to have at least satellite police stations put in their areas. Crime is very rife in these areas simply because even if an incident has been reported, there is delayed response from the SAPS or none at all in some instances. Communities further complain that in most remote areas, there is absolutely no response from the SAPS probably due to their sloppy terrains make reaching there by any form of transport is difficult.

Dotted in some urban centres where crime is very rife, the municipality has its safety and security personnel placed on full time basis. There is also visible policing in all major towns within the municipality. The Safety and Security Department ensures that traffic by laws are enforced. This is done in conjunction with the Provincial Safety and Security Department.

The provincial planning standards suggests that a population of 50 000 people needs to be provided with one Police Station at a radius of 10km. There are few areas that this radius does not reach and these include parts of ward 8, 9, 10 and 35.

Ray Nkonyeni Municipality has developed a Safety Plan, reviewed in 2017. It fully addresses the national safety objectives and to further



3.1.23 Social Development Key Findings

- Walking long distances to access these facilities
- Due to steep topography, most communities do not access such facilities
- There are no 24 hour health care facilities
- No appropriate and sufficient medication available
- Insufficient Health care practitioners resulting in people turned back
- Some current facilities are dilapidated
- The demarcation by the Health Department poses difficulties to most communities

Below are key findings on the entire situational analysis AND how the municipality has addressed these findings, (*Refer to table 34*)

- High rate of income and wealth inequality;
- High poverty levels;
- High crime rate;
- Urbanization challenge with RNM being urban center of the district;
- High number of child/female and elderly headed families;
- High Dependency ratio;
- High unemployment rate amongst the youth; and
- Backlog on basic services and infrastructure



3.2 CROSS CUTTING ISSUES ANALYSIS

2023/2024 MEC Comments	RNM Response	2023/24 Score
<ul style="list-style-type: none"> The Municipality is commended for complying with Section 26 of the Municipal Systems Act and Sections 12(1) and Sections 20 of the Spatial Planning and Land Use Management Act, Act No 16 of 2013, by developing and submitting the Spatial Development Framework as an annexure to the Integrated Development Plan. The Spatial Development Framework is required to comply with Regulation 2(4) of the Local Government Planning and Performance Management Regulations, 2001, Regulation 796 of 2001 and the provisions of Section 21 of the Spatial Planning and Land Use Management Act, 2013. 	Noted.	4.0/5
<ul style="list-style-type: none"> The Municipality is commended for preparing a comprehensive Capital Expenditure Framework as part of their Spatial Development Framework (SDF) submission. 	Noted.	
<ul style="list-style-type: none"> Whilst evidence of advertisement and public participation is noted, there is no proof that the SDF has been gazette, hence, the Municipality requested to gazette its SDF in compliance with section 20 of the Spatial Planning and Land Use Management Act (Act 16 of 2013) 	The SDF has been gazette. Proof of gazette is attached as an attachment.	
<ul style="list-style-type: none"> The Municipality is requested to submit Spatial Development Plan (SDP) as part of the IDP Submission 	The SDP Is printed and attached as well.	
<ul style="list-style-type: none"> Although the SDP was the focus of the assessment this year, the municipality is urged to unpack all requirements of SPLUMA Section 	Noted.	



21 to improve the SDF during future reviews thereof.		
<ul style="list-style-type: none"> The Municipality is requested to consider increasing its budget for disaster management and fire services and explore other external funders. 	The recommendation is noted..	

This section addresses land use, environmental as well as disaster issues. In place is the SDF prepared by Sbuko Pty Ltd a local service provider and the Disaster Management Plan which is reviewed every 5 years. Under this section is also a detailed environmental analysis. The Municipality is rich in numerous naturally occurring water bodies which range from riverine systems, wetlands, wet marshes and most importantly the ocean.

3.2.1 Introduction

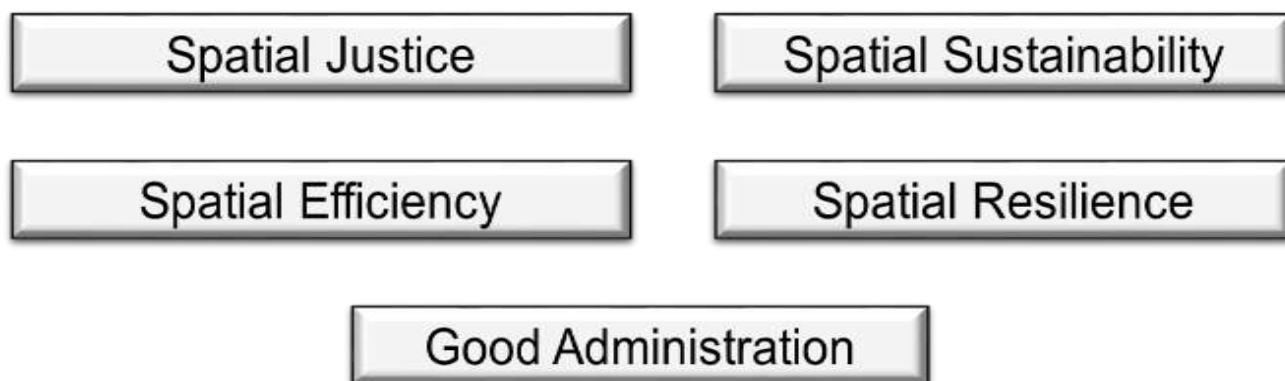
The municipality has a diversity of settlements given the fact that it entails urban and rural character while it is also within a very active tourism region. These broad characteristics imply that over the years the area has evolved with a need to provide formal urban settlements for different income groups within the area.

The municipality has a dedicated disaster management centre which is responsible for the management of disasters within its jurisdiction area.

The municipality is located within a region that has been characterised as being highly dependent upon agricultural practises and tourism. It has significant portions of land that have been identified as having a high agricultural potential. Being a rural environment with limited alternative opportunities to economic development, the majority of the households invariably rely on agriculture for both livelihood and economic requirements. There are functional structures within the municipality for the cross-cutting issues below is an in-depth analysis of the three components under cross cutting.

Ray Nkonyeni Municipality is guided by the following 5 major SPLUMA principles:

Illustration 6: 5 SPLUMA Principles





3.2.2 Spatial Development Vision and Mission

Ray Nkonyeni Spatial Vision has been developed to guide the direction and growth of the Municipality. The key underlying themes for the development of this vision are uGu District Development Vision as captured in the district IDP as well as the principles that emanated from SPLUMA. Below is the municipality's Spatial Development Vision and Mission.

Spatial Vision

“By 2036 Ray Nkonyeni will be a spatially efficient, socially equitable, environmentally sustainability and economic powerhouse of Kwa Zulu Natal with the unique tourism economy”.

Spatial Mission

“By 2036 Ray Nkonyeni will be a prime tourist destination, economically viable smart city with equitable opportunities and services”.

3.2.3 Spatial Planning

3.2.3.1 Provincial and Regional Context

The KwaZulu-Natal province is well-known and characterised by its undulating topography. The coast-line along both the northern and southern coast together with the river systems have defined the primary catchments for the development of towns and cities throughout the province. A second major structuring element along the KwaZulu-Natal south coast is the national mobility route, the N2. The N2 provides the only direct north/south link between KwaZulu-Natal and the Eastern Cape. The KwaZulu-Natal south coast is a case in point to this theory – a town is located every 10/15 kilometres along the N2. The N2 can be seen as the main contributor of the organic growth and development within the Ray Nkonyeni Municipality.

Ray Nkonyeni Municipality covers an area which is approximately 1 594km² in extent. The municipality's coastline runs from Hibberdene to Port Edward, covering approximately 72km. The municipality is situated along the coastline in the southern portion of KwaZulu-Natal. RNM is locked between the Indian Ocean on the Eastern part while Umdoni local municipality borders the North Eastern part, Umzumbe local municipality borders the Northern part and Umuziwabantu Local municipality borders the Western part. South of the municipality lies the Imbizana local municipality (Eastern Cape Province). The municipality consists of eight urban nodes and six traditional authority areas as indicated in the Situational analysis. The towns are located along the urban strip while the traditional authority lands are located in the hinterland of the municipality. The region has an extensive range of natural assets, particularly the coastline, which have attracted a range of development opportunities into the area overtime.

RNM is experiencing continuing urbanization. Along the coastal belt, the infrastructure is well developed, and the economic growth is relatively well developed. However, the hinterland is characterised by poor infrastructure provision and a large number of formal and informal settlements not well connected to the coastal settlements where economic activities and infrastructure is concentrated. The SDF that is being developed, highlights this linkage challenge and prioritizes the creation of opportunity for the people that shadow the coastal corridor. According to the Integrated Development Framework Draft Discussion, 2014, the projected urbanization and population growth showed that by 2030 the majority (70%) of South Africans will be living in cities and towns as urban centres provide job creation and great opportunities for addressing the challenges of poverty, inequality and the ability to achieve the required social and economic transformation. In this regard therefore, there needs to be a



coherent strategy that seeks to achieve the goals of economic development, job creation and improved conditions for all citizens.

Population growth within the municipality has substantially increased over the years. Based on the 2011 census data, RNM has the highest population concentration within the uGu District Municipality. The dominance of RNM in terms of population is undoubtedly due to its role as the economic hub of the district which also attracts the labour force. The population group breakdown in terms of racial groups, has been made and it was found that, it is a general representative of the trend in rural KwaZulu-Natal where African population group represents more than 91% in the uGu District and 82% in Ray Nkonyeni Municipality of the total population, and also the majority of residents within the study area indicated that IsiZulu is their home language, with a minor number of residents also speaking English, Xhosa and Sesotho. The municipality consists of 36 wards, nine town centres and 9 traditional authority areas. The 9 town centres are:

- Hibberdene
- Port Shepstone
- Shelly Beach
- Uvongo
- Margate
- Ramsgate
- Southbroom
- Port Edward
- Ezinqoleni

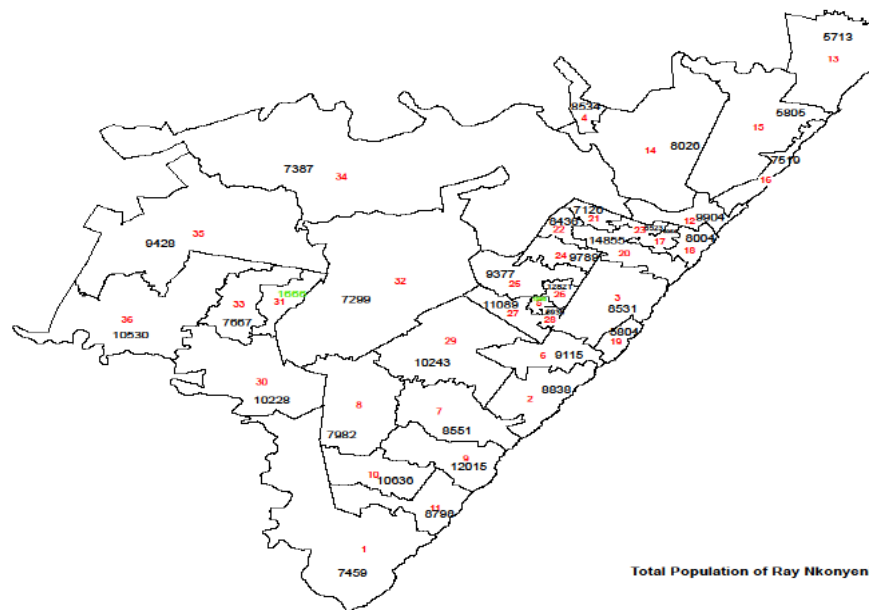
The Traditional Authority areas are:

- KwaXolo
- KwaNzimakwe
- KwaNdwalane
- KwaMadlala
- KwaMavundla
- Oshabeni
- KwaMthimude
- KwaVukuzithathe
- KwaNyuswa

The municipality wards vary according to size and population. The highly concentrated wards in terms of population are along the Coastal belt due to economic factors while the sparsely populated wards are in the hinterland because of little or no economic activity taking place.



Map 9: Population Density



Source: Ugu District GIS 2016

3.2.4 Structuring Elements

The N2 running along the coast linking the coastal towns is a major structuring element within the municipality. This link provides the primary north/ south movement lattice through the municipal area. Secondary but still critical north/south links are the R102, R602 and R61.

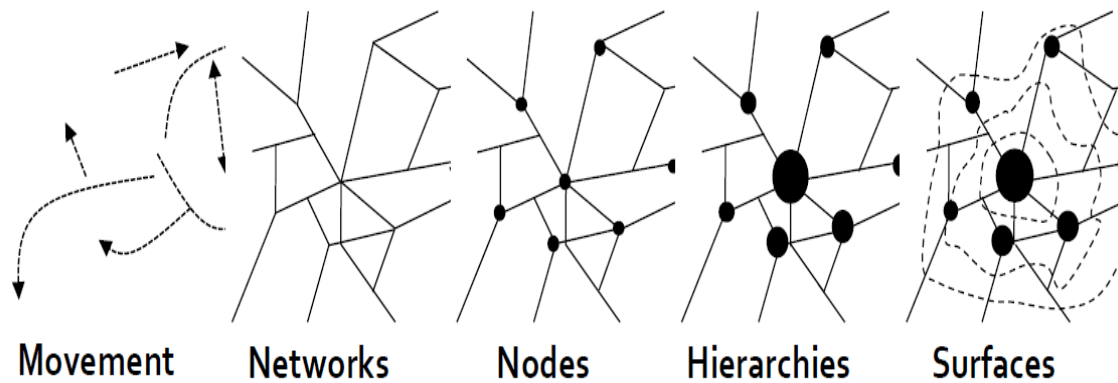
The N2 runs from Hibberdene to Port Shepstone inland and away from the built-up area. R102 runs in the same area but along the sea and through the built-up area from Port Shepstone all the way to Southbroom about 40 km down the coast. From Port Shepstone, the R61 and R602 play the same role as N2 and R102 respectively. P200 is the only north-south link inland of N2 and is only about 30km long. This road links Marburg (i.e. Port Shepstone industrial area to Southbroom). Therefore, there are no developed, well-functioning link roads beyond about 10-15 km from the sea.

In the east/ west direction, the N2 between Port Shepstone and Harding (outside the municipality's area) is the primary link with a number of supporting secondary routes. This is the main east-west corridor. Other east-west links are P68, P55, and D202/P482 and P284. There is a proposed inland activity route which will run parallel the N2. This route will run from Hibberdene and links the connector route from Port Edward to Izingolweni. This is in line with SPLUMA.

The spatial framework is developed through an interrelated set of nodes, networks and surfaces. The essence of development in this system is the movement of people, goods and services that produces the basic impetus for developing functional relationships between otherwise independent and unrelated elements. The first structuring element is the development and reinforcement of a system of varied activity nodes. This will enable greater access to city-wide opportunities, as well as equitable access to a system of local opportunities.



Illustration 7: Spatial Restructuring Models



3.2.5 Land Landscape Character and Built Form

Ray Nkonyeni Municipal area can be segregated into four categories which are as follows:

Coastal Strip – Ray Nkonyeni area is also referred to as the South Coast due to its popular scenic beaches. This part is characterized by outstanding landscape character and built form. It is developed with medium to high density buildings that boasts modern and ambitious architectural styles. The municipality has a responsibility to enhance and maintain this landscape and built form (i.e. this part can be considered to be the jewel of the municipality).



Land scape character of the municipality



Urban (Inland) – this includes formal suburbs and townships within close proximity to main routes. These areas are characterized by formal low-rise and uniform structures.

Farmlands (Inland) – the inland are also occupied by farms which deal with sugar cane or Banana production, along with the recent rise of Macadamia nut production and processing. The farms present a rather natural landscape which is less clouded by built form.

Rural (Inland) – the rural areas lack aggressive architectural styles nor built form. However, there are signature buildings that exist within different parts of it and these include social facilities such as clinics, community halls and Thusong Centres.

3.2.6 Land Cover and Broad Land Use

3.2.6.1 Broad Land Use Pattern

i. Coastal Tourism Towns and Surrounding Suburbs

There are a number of coastal tourism towns that are located along Marine Drive, Ocean Drive and Finnis Road. These towns are also surrounded by associated formal suburbs. These towns have a number of commercial and entertainment activities within it which were introduced in order to embolden this tourism environment.

ii. Urban Towns and Surrounding Suburbs

The main urban centres within the area are Port Shepstone, Hibberdene, Margate and Port Edward. These serve as the main towns for the municipal area with the highest agglomeration of commercial activities. These towns are surrounded by the associated formal suburbs including Gamalakhe.



iii. Rural Town and Surrounding Peri-Urban Settlements

Ezingoleni is the main rural town that is found within the municipal area. It is surrounded by the densely populated rural settlements which have grown around it over the years.

iv. Rural Villages and Settlements

Much of the inland area is occupied by rural villages and settlements. These are spread within different parts of the administrative boundaries of traditional authorities. These villages and settlements have several commercial and social activities within it. The kind of commercial activities are limited to small local convenient shops, taverns as well as scale manufacturing activities (block making) and personnel services such as salons and subsistence agricultural activities (ploughing field and food gardens).

v. Agriculture

Ray Nkonyeni Municipality has an abundant amount of agricultural land which is geographically located between the urban and rural areas in the form of commercial agricultural farms. The agricultural pattern within the area is primarily due to the undulating topography, which prescribes the available land parcels out of the valley lines and along other major structuring elements.

Commercial farming is dominated by sugar cane farms and banana plantations along the coastal strip. Sugarcane and bananas are grown at a large scale while cattle rearing, macadamia nuts and vegetable growing are on the rise.

The agricultural industry is a prominent feature within the KwaZulu-Natal south coast, and therefore becomes a predominant land use within the area. The predominance is due to the rich natural resources and climatic conditions, which allow for the farming of produces such as sugar, bananas, pawpaw, coffee, tea and exotic nuts along the coast, maize, legumes, cattle rearing, vast pine, wattle and eucalyptus plantations.

Subsistence farming (maize growing, amadumbe, beans and sweet potatoes) is practiced mainly in the hinterland whereby families grow for consumption. There is a small-scale growth of sugarcane farming in the interior.

There is a small-scale growth of sugarcane farming in the interior, practiced mainly by emerging Black farmers. Seasonal rains, steep topography, poor infrastructure and lack of new scientific methods of ploughing are some of the shortfalls these farmers experience.

The status quo depicts that much land in the interior is dedicated to sugar cane production within the service area of Sezela Mill situated next to the coast between Pennington and Bazely Beach.

The Umzimkulu Sugar Mill has permanently closed down leaving only the Sezela Mill in operation. Due to the closeness to the sea, and commercialization and urbanisation of the coastal belt, the growing area is now mainly inland from the mill, stretching as far as Harding and with some areas in the former Transkei (cane deliveries have dramatically reduced from this region). Employment is decreasing in the sector.



uGu District boasts of the following agricultural milestones:

- Commercial Agriculture in the District produces 1/5 of all bananas consumed in S.A.
- Export is growing on tea tree to Australia and Macadamia to other countries.

vi. Environmental Sensitive Areas

There are six declared formal conservation areas, namely, Umtamvuna, Mbubazi, Mpenjati, Skyline, Oribi Gorge and Umzimkhulu river valley Nature Reserves. There are also a number of unprotected environmental areas within the area which are undeveloped /untransformed and consist of grassland, dense bush and forests. High biodiversity areas represent a substantial fraction of the area. High biodiversity areas occur in discrete pockets within the municipal landscape, with larger portions located in the southern part of the municipality. The intrinsic value of these areas lies in its ecological and tourism development potential.

3.2.7 Land Legal Issues

3.2.7.1 Land Ownership

Land ownership within Ray Nkonyeni Municipality is diverse but the dominant owner within the inland is Ingonyama Trust. Most of the land is privately owned within the coastal urban areas and the farms are either privately or owned by corporation. The remaining intermediate pockets are under the ownership of the state, association, trust or church owned.

3.2.7.2 Land Reform

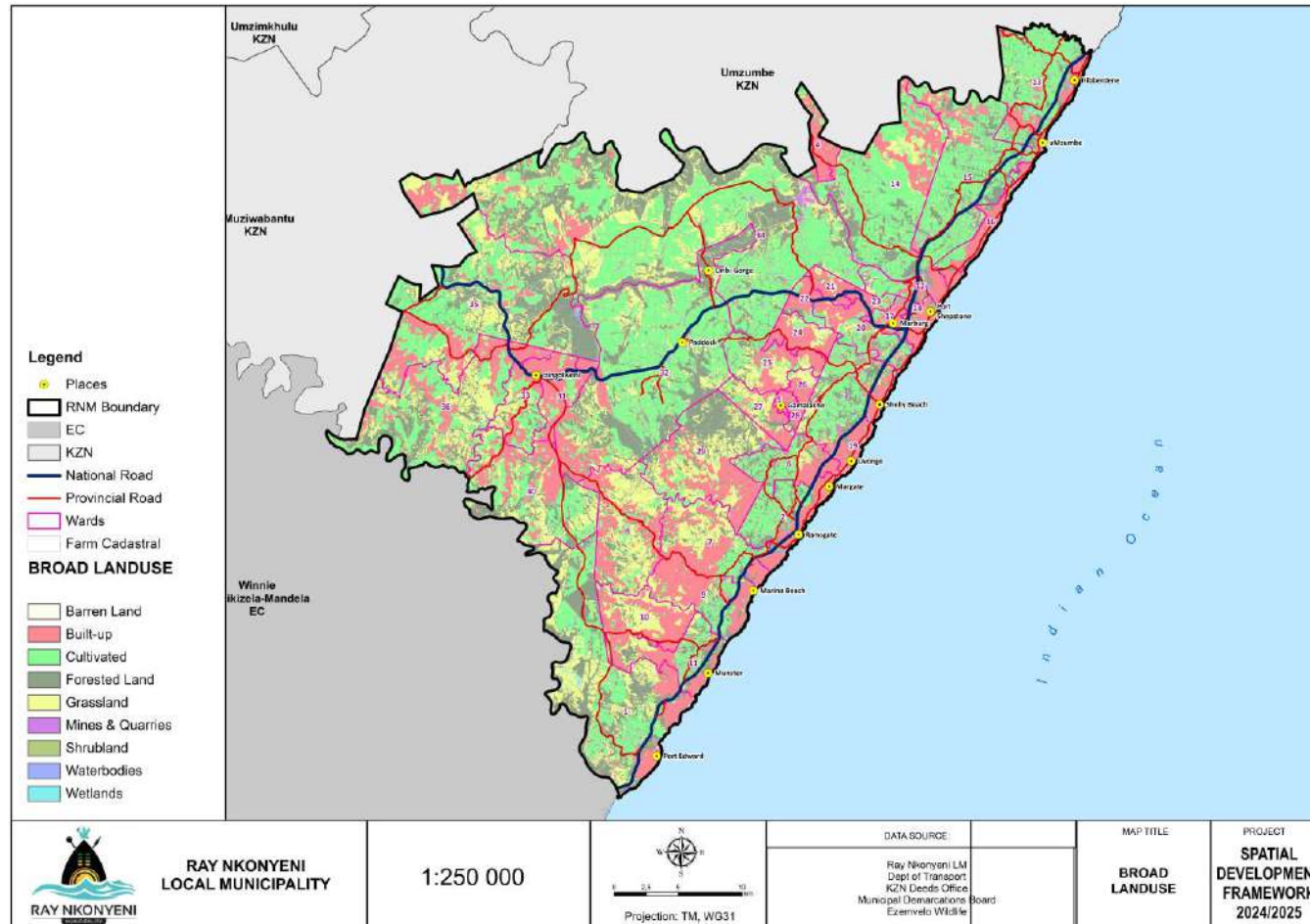
There are several land claims that were lodged within Ray Nkonyeni Municipality. However, few of these claims were transferred into projects. There are also a number of gazetted restitution claims within the area. According to the IDP, there are two programmes that are currently running namely, the Land Restitution Programme and Land Re-distribution Programme.

On the following pages are the following maps:

- Broad Land Use Patterns
- Land Ownership
- Land Reform

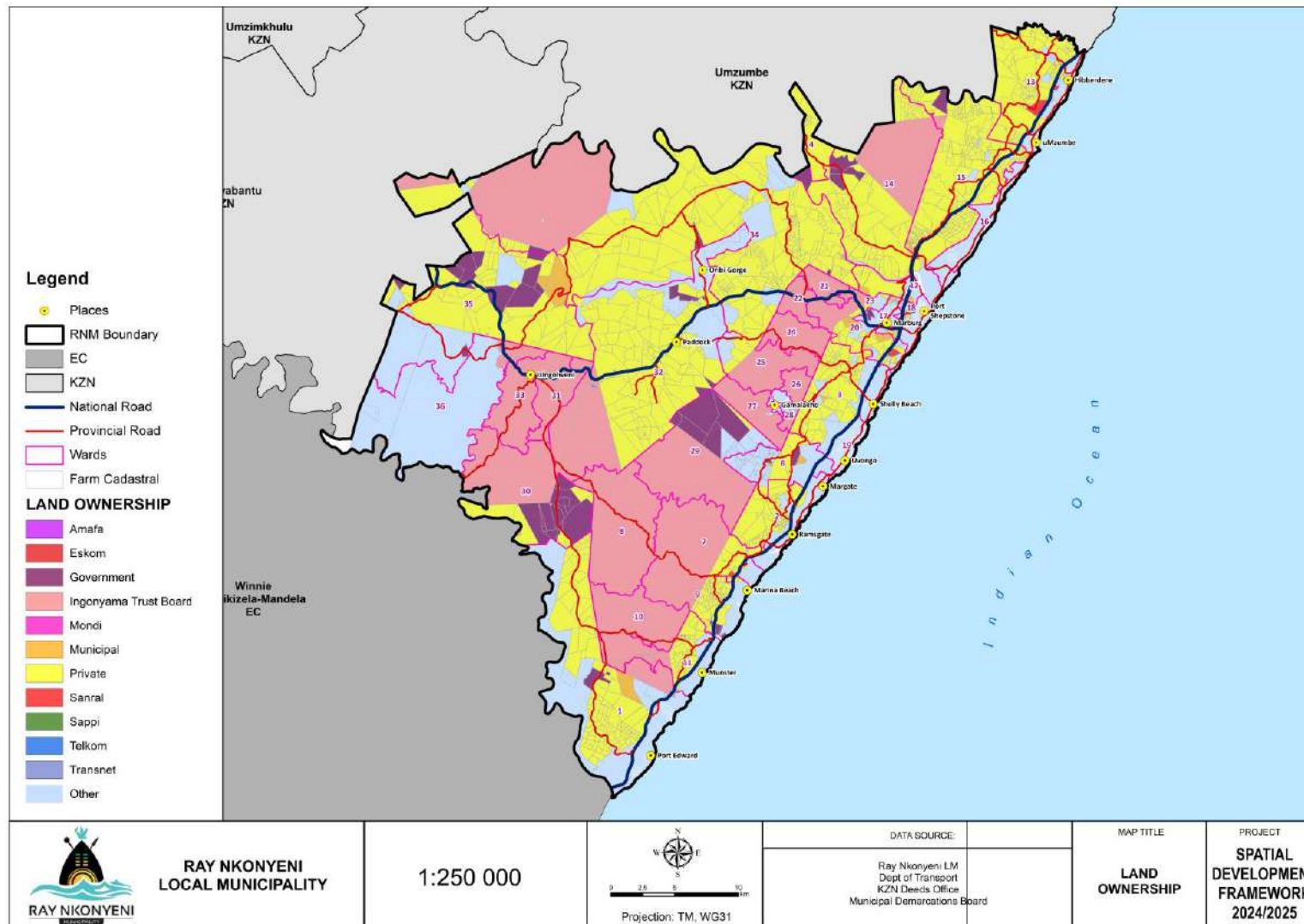


Map 10: Broad Land Use Patterns



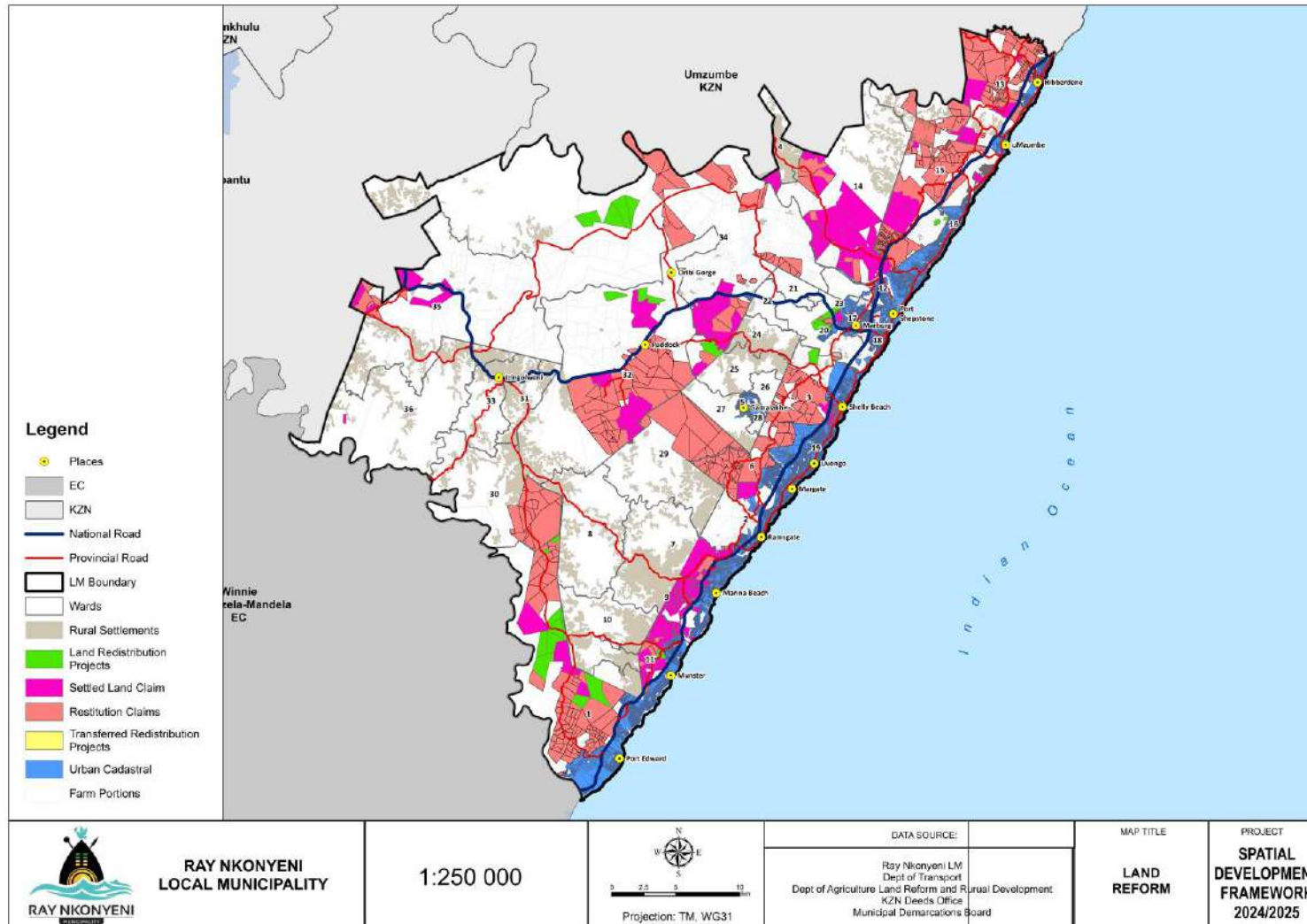


Map 11: Land Ownership





Map 12: Land Reform





3.2.8 Land Use Management

SPLUMA requires all municipalities across the country to develop and adopt Wall-to-Wall Schemes throughout their area of jurisdiction. This must take place within 5 years from the commencement of the Act. In addition, SPLUMA requires that the wall-to-wall scheme be reviewed every after 5 years in order to achieve consistency within the Municipal SDF. RNM has adopted the Wall-to-Wall Scheme with the Traditional Settlement Master Plan (TSMP's).

The development of the wall-to-wall scheme required participation of municipal officials in all, traditional councils, local communities in Ray Nkonyeni and other structures responsible for spatial planning and land allocation.

3.2.8.1 Transport Networks

An extensive road network exists within Ray Nkonyeni, providing many households with access to road transport. While the national and provincial roads are in a generally good condition, the quality of district and local roads is poor. This is mainly because these roads are gravel, they require regular maintenance and upgrading. During the rainy season, these roads are particularly bad and hamper access to settlements.

3.2.8.2 Regional Network

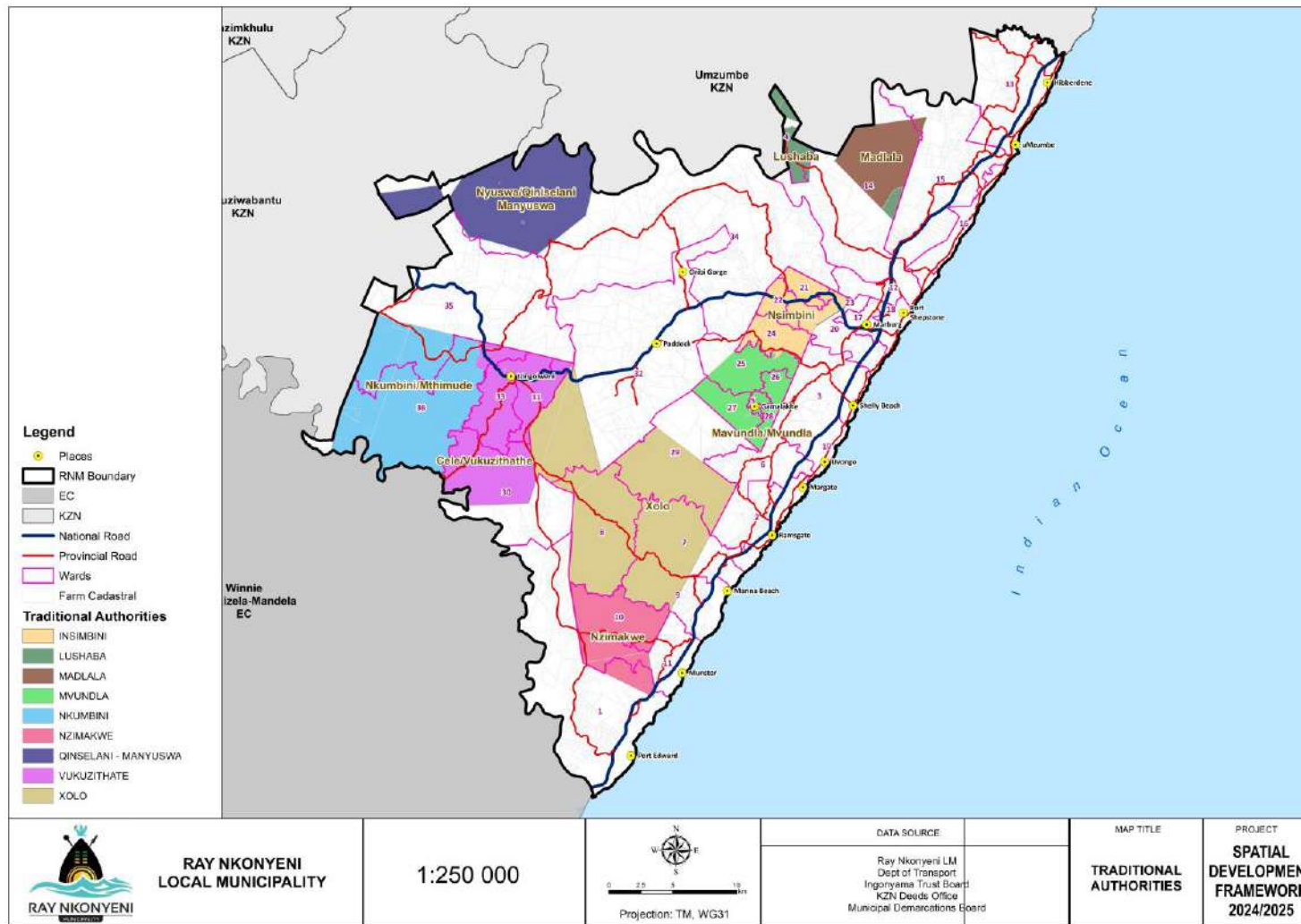
The N2 is the primary north-south regional linkage route. It links Port Shepstone in the South with Durban in the North. The N2 also links Port Shepstone with Kokstad as an east-west linkage.

3.2.8.3 Primary Road Networks

Some of the main provincial roads within RNM include the R102, R61, R612 and the R56. R102/R61: The R102/R61 is termed the 'beach road' and it runs in the north-south direction along the coast, linking the various coastal towns.

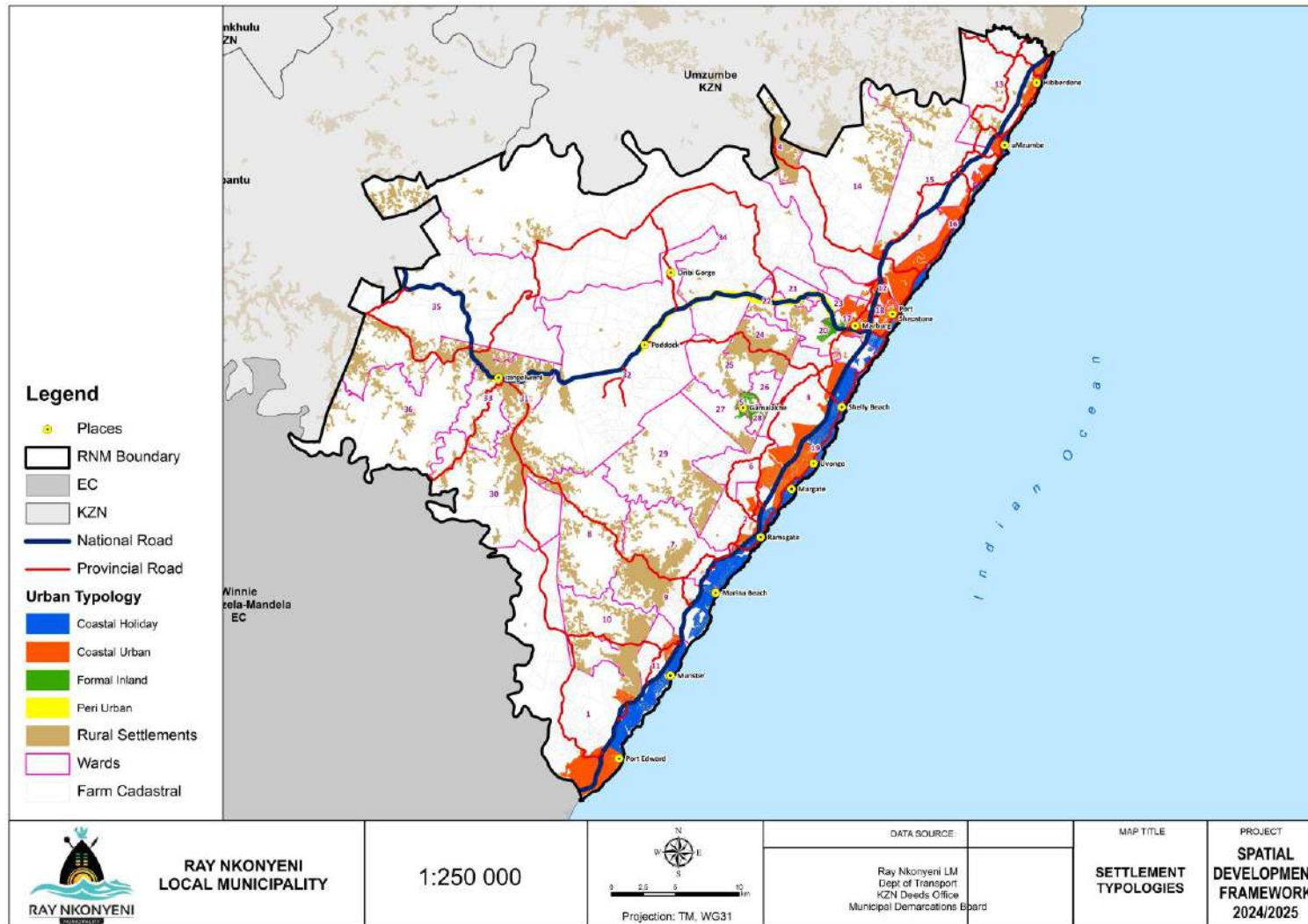


Map 13: Land Use (Traditional Authorities)



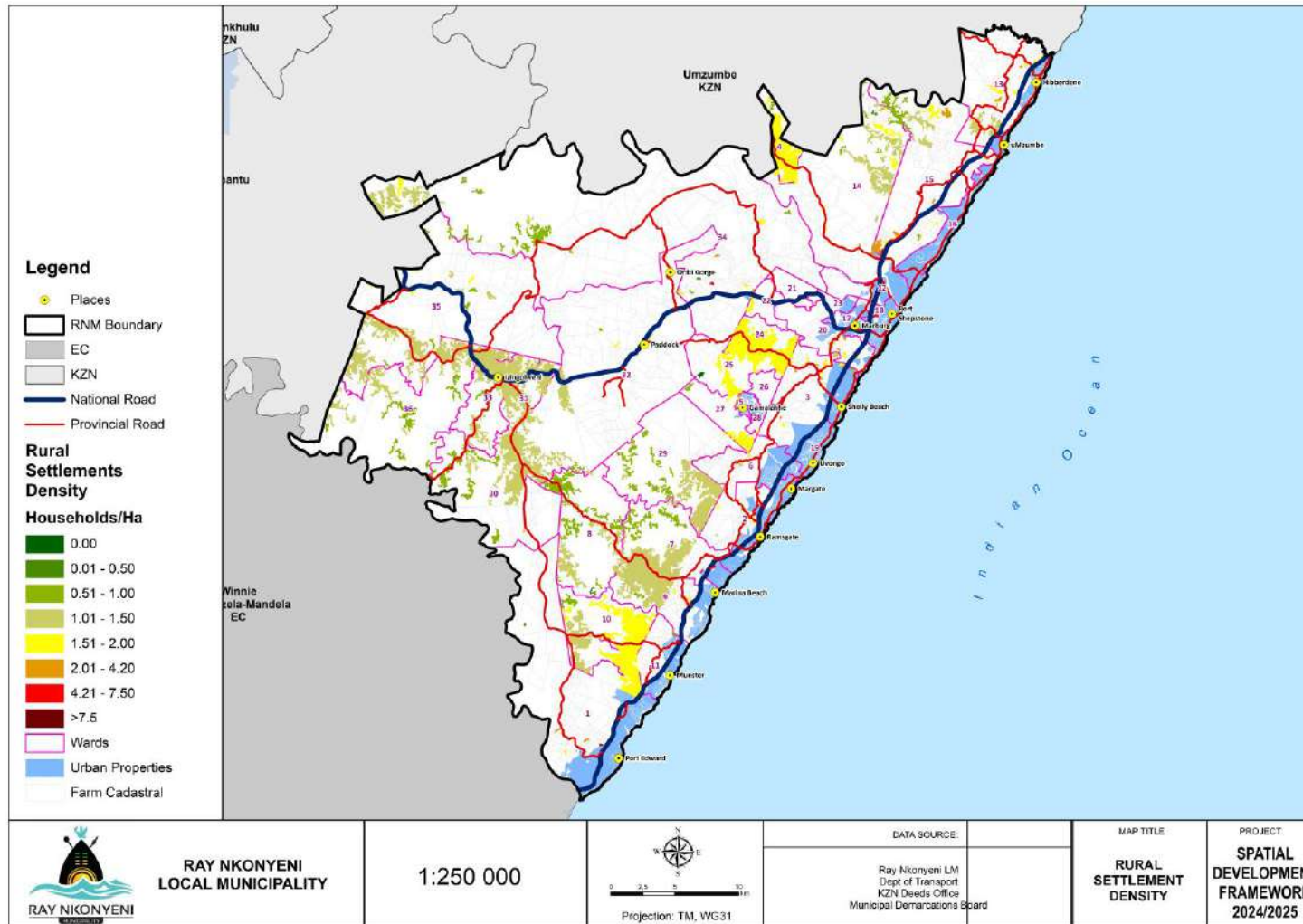


Map 14: Land Use (Settlement Typologies)





Map 15: Land Use (Settlement Density)





3.2.9 Municipal Nodes

3.2.9.1 District Node

Port Shepstone town has been identified as a District Node as it is the main urban centre within the Ray Nkonyeni and uGu District Municipality area of jurisdiction. The town is strategically located at the central parts of the district and it plays an important role as a regional centre for the district. It functions as a district centre, and it qualifies to have its local justice system through a Magistrate Court. It is the primary area for investment promotion and centre of supply of services in the district. Port Shepstone is the main commercial centre and the major location of employment.

3.2.9.2 Development Nodes

There are six (6) Municipal Development Nodes identified which provide medium order goods and services to surrounding settlements. These nodes are:

- Shelly Beach
- Margate
- Hibberdene
- Port Edward
- Marburg; and
- Izingolweni

The municipal Development Nodes would be physically linked to each other and to urban centres outside their regions (districts) by frequent and reliable transportation and all-weather roads. They offer diversified commercial, financial, professional and administrative services. They accommodate sub-regional offices of national government departments and branch offices of provincial government department.

3.2.9.3 Community Development Node

While the District and Municipal Development Nodes serve as a regional and sub-regional centre, at least fourteen (14) other areas present an opportunity for the development of the Community Development Nodes with much less threshold/ sphere of influence, namely:

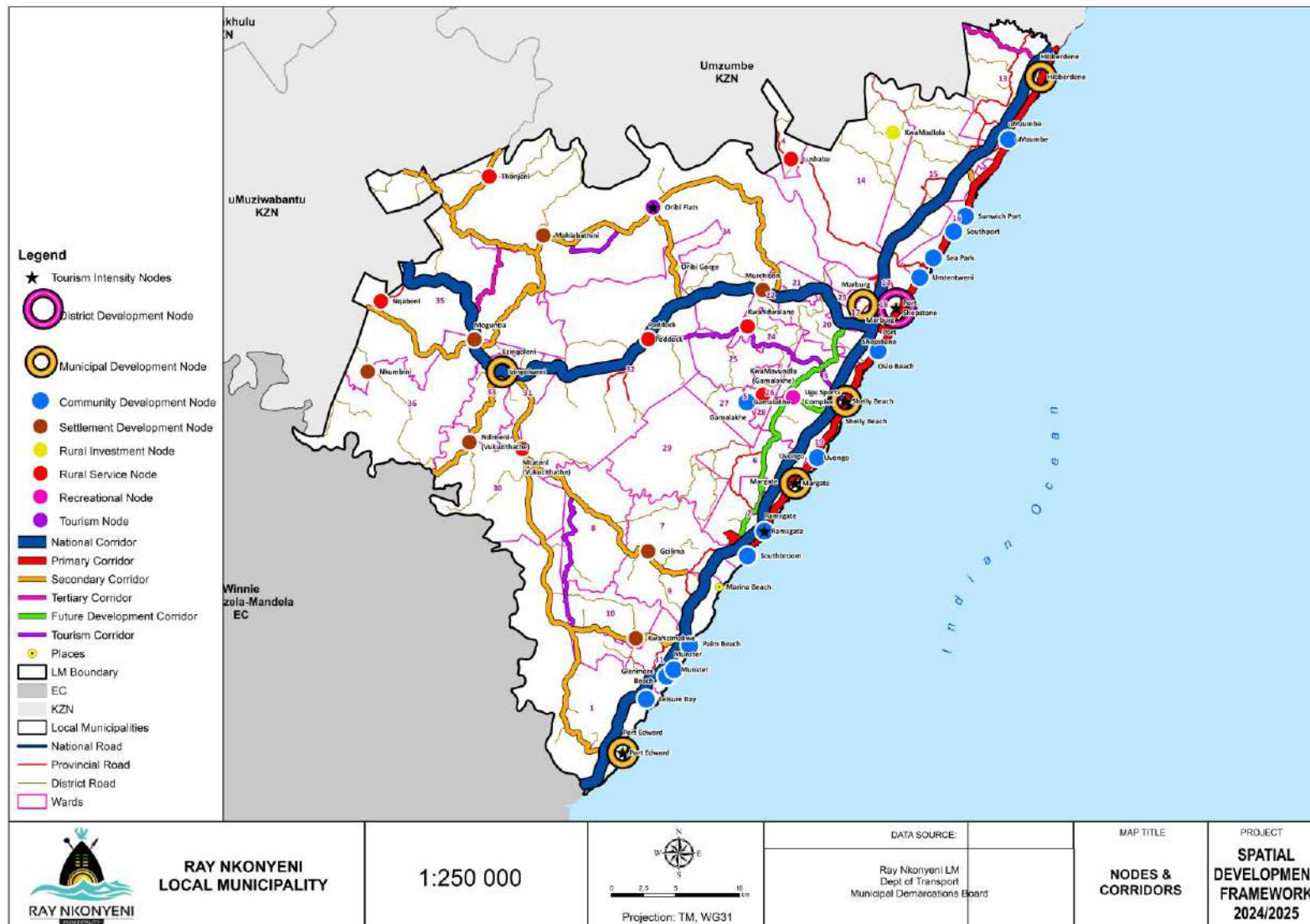
- Umzumbe
- Glenmore Beach
- Leisure Bay
- Oslo Beach
- Umtentweni
- Ramsgate
- Uvongo
- Southport
- Sea Park
- Palm Beach
- Munster
- Gamalakhe
- Southbroom; and
- Munster.



The map on the following page shows the hierarchy of development corridors within the municipality. The municipality is urban biased developed currently and the current SDF has addressed this imbalance. Corridors will be developed in the hinterlands. Port Shepstone is the highest developed corridor within the municipality.



Map 16: Nodes and Corridors





3.2.9.4 Settlement Development Nodes

Settlement Development Node serves specific geographical area and social network. Its service area would be limited to the surrounding cluster of settlements within a specific neighbourhood and would include low order public, shopping and small business enterprise facilities. It serves as a link between the local communities and the major towns as such they should locate in accessible areas along or at the intersection of public transport routes. These seven (7) nodes have been identified as follows:

- KwaNzimakwe
- Gcilima
- Murchison
- Ndimeni (Vukuzithathe)
- Moguntia
- Nkumbini; and
- Mahlabathini

3.2.9.5 Rural Investment Nodes

KwaMadlala has been identified as the Rural Investment Node. It is strategically located to serve rural settlements. Rural Investment node is focussed on improving the local economic growth of the rural centre with basic socio-economic elements. This node will serve as major rural centre and serve as location points for community facilities serving the local communities. This is a rural area with a lot of potential for local economic centres and manufacturing activities. The most basic facilities for this type of node include Secondary/ Primary Schools, Crèches, a Mobile Police Station, Traditional Court, Satellite pension pay points, Mobile Clinic, Community hall and Sports Fields.

3.2.9.6 Rural Services Nodes

In addition to the Rural Investment Nodes, the vision for the future spatial development of Ray Nkonyeni 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 and Community halls and other community facilities. There are no facilities that operate as Rural Service Centres at this stage, but some activity could be upgraded to perform this role. The location of these nodes is usually the most accessible location within an acceptable walking distance of a community. These were identified as:-

- Mtateni (Vukuzithathe)
- Nqabeni
- Thonjeni
- Paddock
- KwaMavundla (Gamalakhe)
- KwaNdwalane; and
- Lushaba.

3.2.9.7 Tourism Node

Oribi Flats is situated to the north of the Oribi Gorge and represents the centre point of an agri-tourism, eco-tourism and adventure area. Any development within this area that may have adverse effects on the tourism industry and needs to be discouraged. The area is situated



centrally to the north-eastern parts of the Municipality and represents the access point from the southern parts to the Northern tourism area. This area is envisioned to provide limited social amenities such as a postal collection point/post boxes but more specifically for the marketing of, and direction to tourism attractions in the Tourism Area. Therefore, no large-scale development would be encouraged here.

3.2.9.8 Other: Tourism Intensity Nodes

There are five nodes within the municipality that have a tourism character over and above the role and function that has been listed above. These are:-

- Port Shepstone
- Margate
- Ramsgate
- Port Edward; and
- Shelly Beach

3.2.10 Hierarchy of Development Corridors

The system of development corridors in Ray Nkonyeni Municipality are developed on the following fundamental aspects: -

- Levels of Mobility
- Levels of Access
- Land use intensity and role in the spatial economy; and
- Functionality of the corridor

3.2.10.1 National Corridor: N2 and R61

The N2 is the primary north-south linkage and it links Port Shepstone in the South with Durban in the North. R61 is the provincial routes that link Ray Nkonyeni with external significant nodes such as Kokstad, Port Edward and Mount Fletcher. Secondary to the N2, this route serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province.

3.2.10.2 Primary Tourism Corridor: R102 and R602

The R602 is termed the 'beach road' (better known as Marine Drive) and it runs in the north-south direction along the coast, linking the various coastal towns.

3.2.10.3 Secondary Corridors

The Municipality is characterised by poor corridor development linking urban and rural settlements. This may be due to the lack of economic activities located along these routes. The secondary corridors are P69, P732, P482, P344, D686, D0165, P0860, P0262, P0354, P0284, P0057 and P0058. There are a number of corridors serving areas of high poverty levels with good economic development potential within one or two sectors.

3.2.10.4 Tertiary Corridors

These corridors are mainly envisaged for movement purposes with direct access to properties permitted and high pedestrianized activity.

The following roads have been identified as the tertiary corridors:

- Road from Hibberdene to Msinsini
- Road from St Michaels to Gamalakhe



- a route that runs from Nkuswana-(D0920) via Thonjeni-Nkulu (D1085)-N2-Sunshine to Nqabeni
- a route that runs from Moguntia to Maryland; and
- Road from Margate to Gamalakhe.



Map 17: Ray Nkonyeni Spatial Development Framework

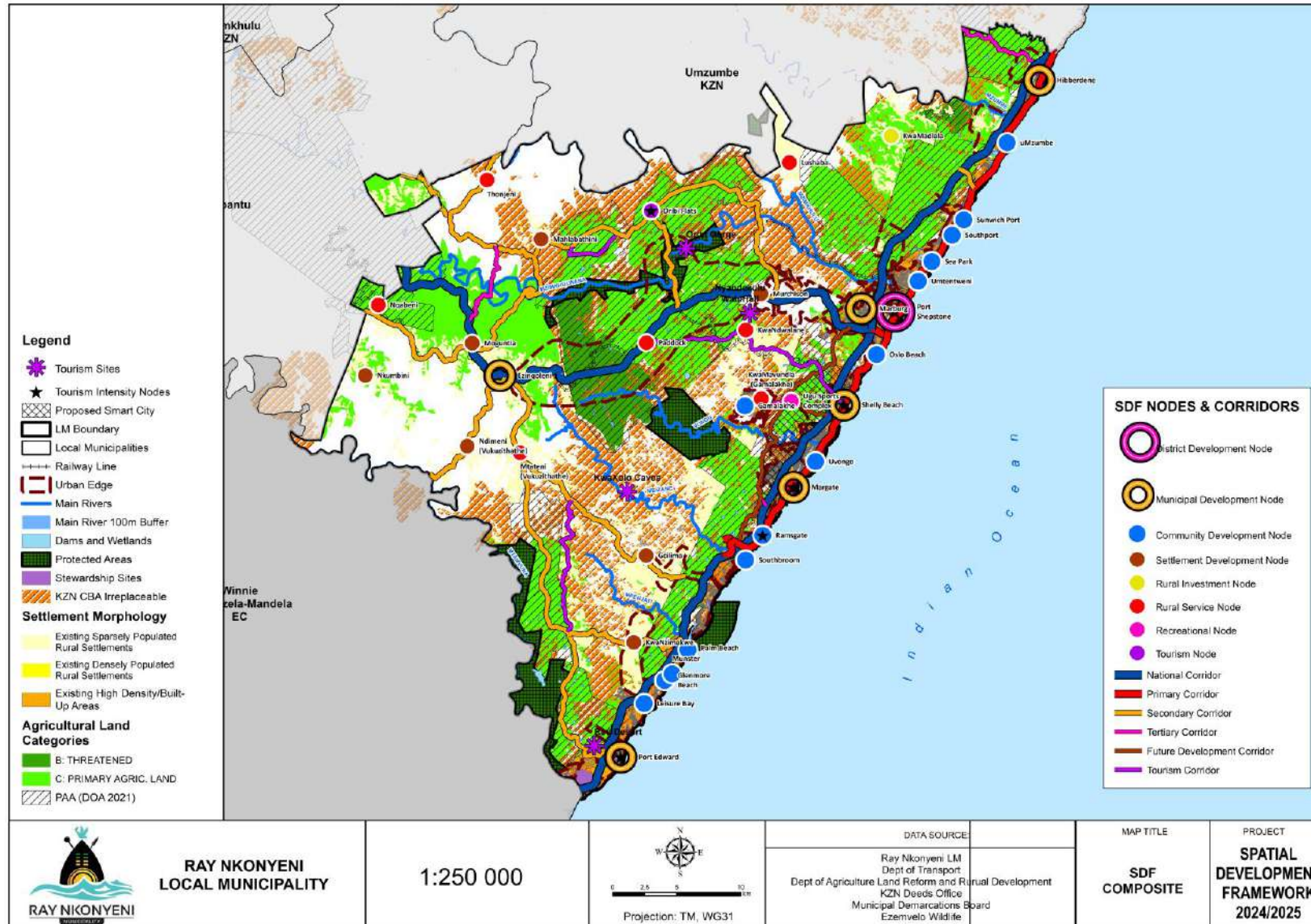
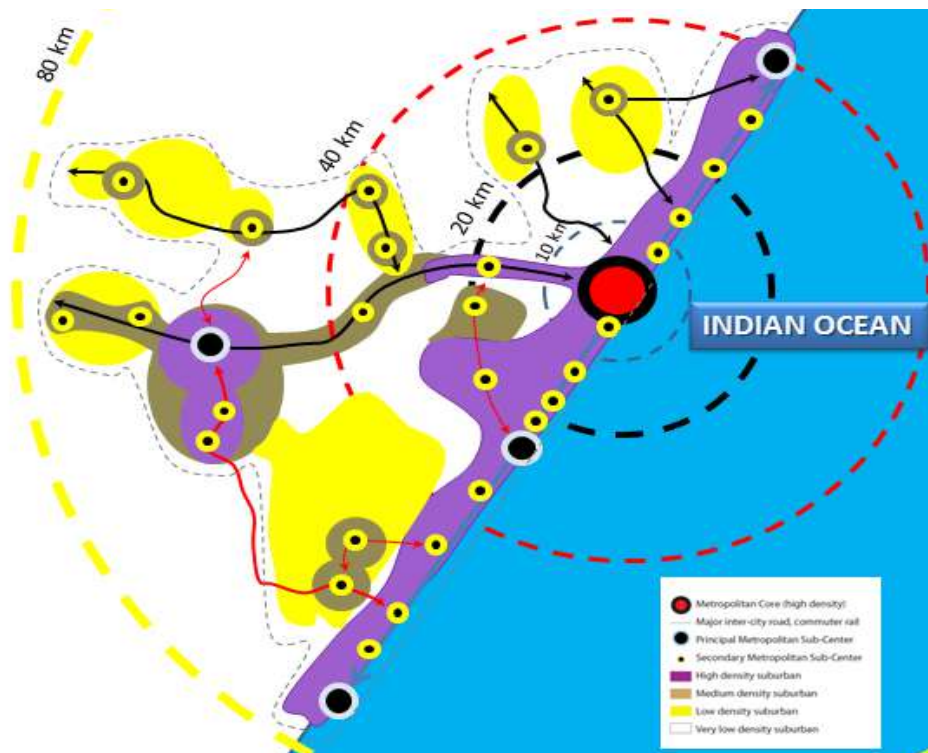




Illustration 8: Future Spatial Form of Ray Nkonyeni



The future polycentric Ray Nkonyeni will bring jobs to residential areas and housing opportunities to job centres rather than merely transporting people between the two. It will create complete nodes where people can live work and play that are efficiently connected by public transport. It will bridge spatial and social barriers and build a framework for a spatially just municipal area.



3.2.10.5 Tourism Development Corridors

Corridor aims at promoting and facilitating tourism development. The identified tourism development corridors include:

- P69 linking Munster and KwaNzimakwe TC
- P262
- D251
- P732 linking Southbroom and KwaXolo TC
- P55 linking Murchison, Nyandezulu Waterfalls and Oribi Gorge; and
- D1095 linking Port Edward, Izingolweni and passing through Red Dessert

Another, potential tourism corridor route is located along the Port Edward to Izingolweni east/west link. The Route consists of several Cultural and Tourism opportunities such as the Red Desert, the Umtamvuna Nature Reserve, the Space Centre and KwaXolo Caves.

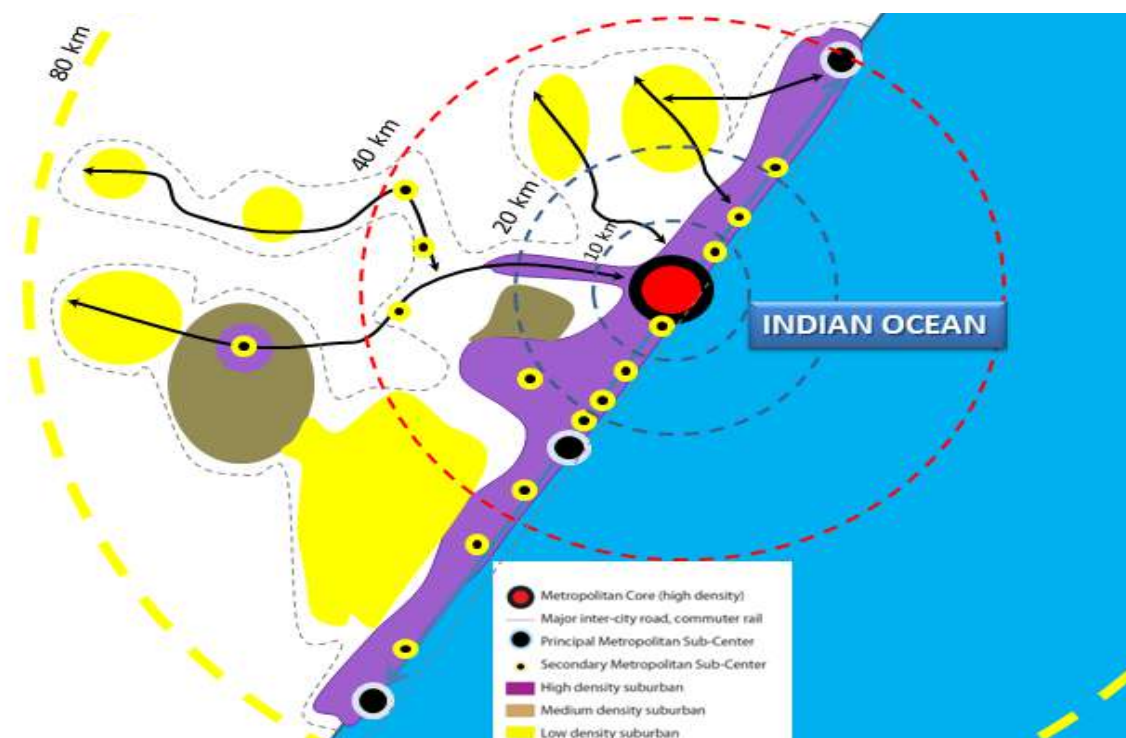
3.2.10.6 Izotsha Corridor

This corridor is located on the west-southern part of Port Shepstone. It is intended to facilitate the expansion of the town through industrial, commercial, and residential developments.

Industrial Hubs: Izotsha Industrial Development Corridor is a theatre of manufacturing and storage/ warehouse activities within the municipal area. The coverage of this area stretches to include properties located along the Izotsha Road, N2 and R102. Other industrial activities are found in towns such as Marburg and Port Shepstone which also extensively contribute to the economic growth of the municipality. The municipality has identified land along Izotsha Corridor and Hibberdene and Margate for future industrial development.

4.2.10.7 Future Development Corridor

Illustration 9: Future Development Corridor





3.2.11 Densification

Densification is a spatial structuring tool that can positively contribute to sustainable urban growth, should it be applied accordingly.

4.1.11.1 Gamalakhe Densification Monitoring

Gamalakhe Township was used as an example for the use of densification monitoring tool. This involved mapping and showing household increase between 2008, 2011 and up to 2013. The two illustrations bellow show the densification of the township.

Illustration 10: Gamalakhe Density 1

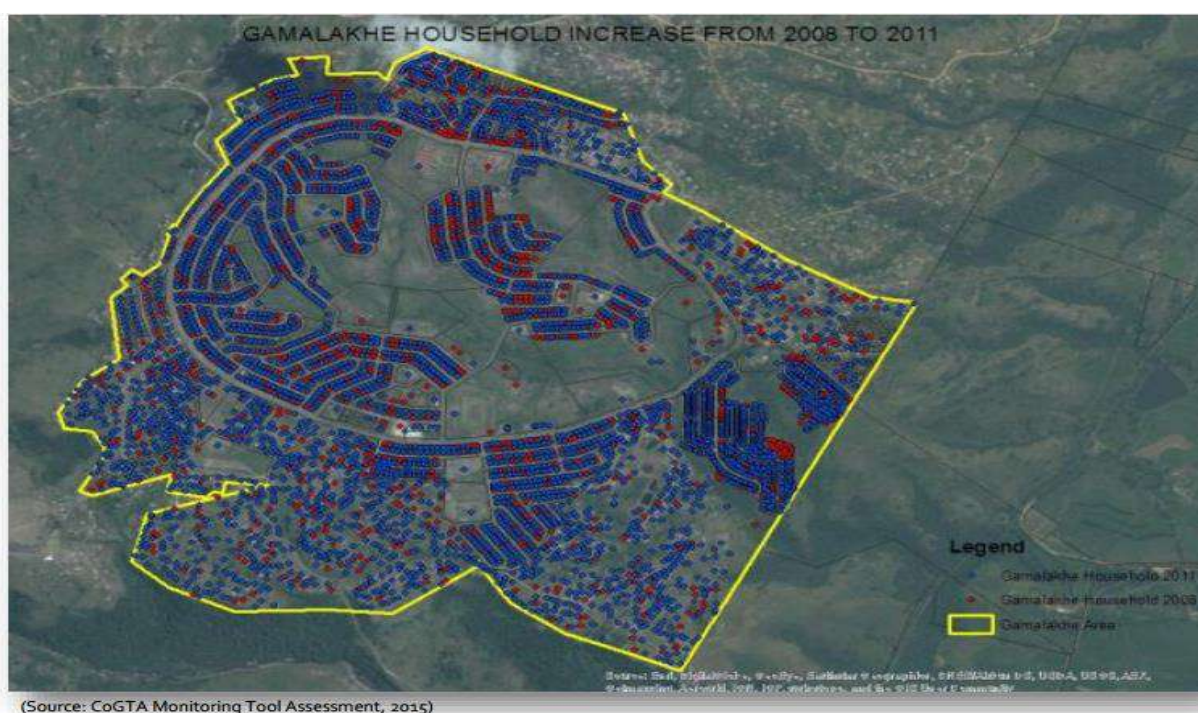
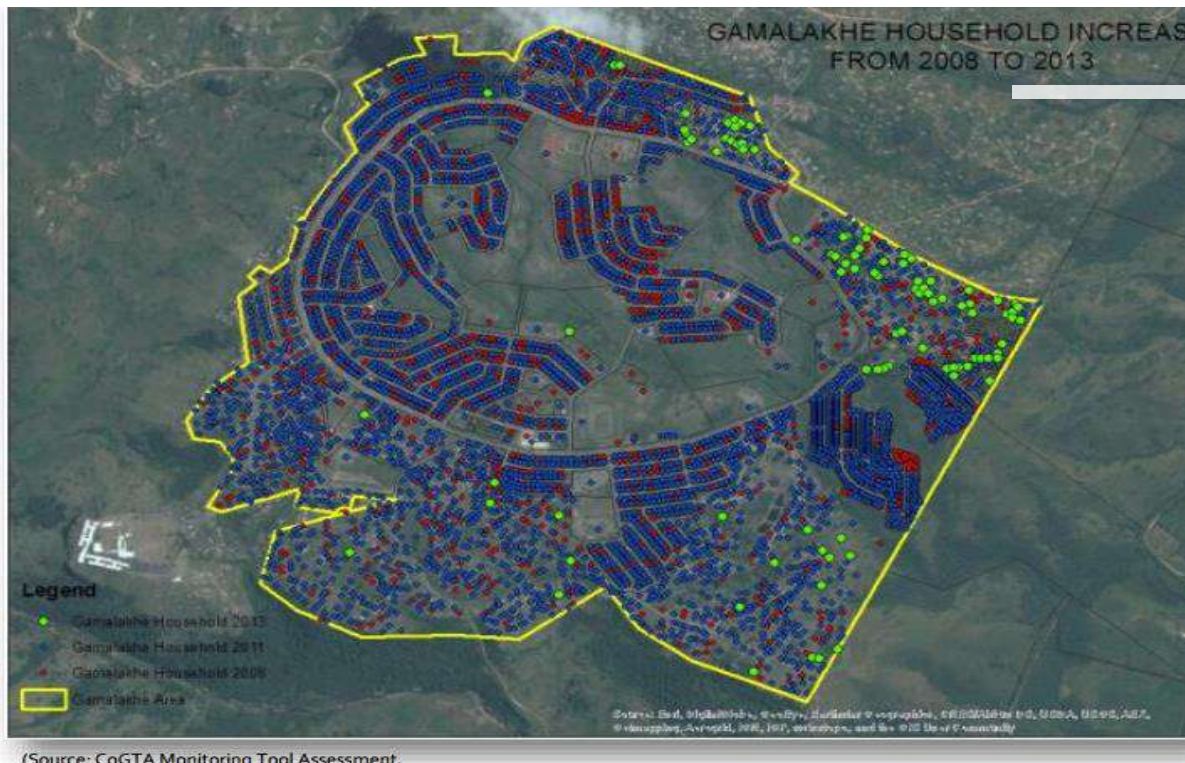




Illustration 11: Gamalakhe Density 2



3.2.12 Cross-Border Alignment Issues

As per the National and Provincial policies and legislation (MSA-S26 (d), MSA Regs S2 (4) (h), municipalities are required to provide a clear indication of how the SDF is aligned with the planning of neighbouring municipalities. Ray Nkonyeni Local Municipality has a mandate to ensure that its IDP is in compliance with the planning legislation and policies to give effect to the development of a SDF as the spatial representation of the IDP. There is a structure of planners that was established to ensure continuous alignment through the District Development Model where planning is down with all relevant stakeholders, rather than in silos.

3.2.12.1 UMuziwabantu Local SDF

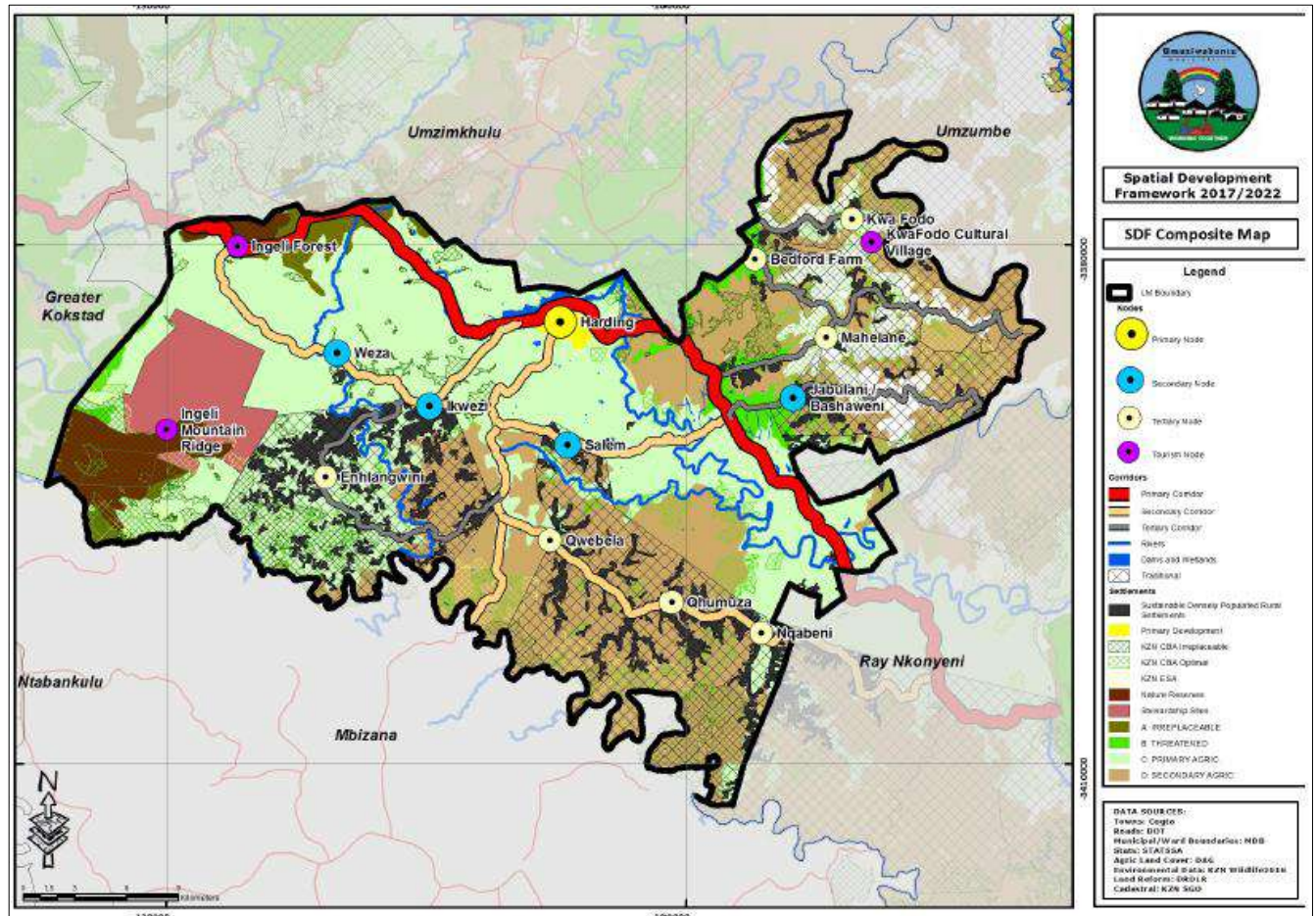
The following alignment issues between Ray Nkonyeni and UMuziwabantu will need to be taken into consideration: -

- **Primary Corridor:** uMuziwabantu SDF identifies the N2 which traverses both Municipalities. This serves as both the activity and economic corridor for the three municipalities.
- **Primary Agriculture:** uMuziwabantu Municipality identifies the opportunity for agriculture which borders the municipality. This aspect is acknowledged by both Ray Nkonyeni and uMuziwabantu.
- **Environmental Conservation and/or Conservation Corridor:** there is also environmental conservation uses bordering the uMuziwabantu Local Municipality which should be considered through the use of buffering around the environmentally sensitive environments.



- Landscape corridors linking the coast and the berg occur from Ray Nkonyeni to Umziwabantu and beyond.

Map 18: uMuziwabantu SDF Map



3.2.12.2 Umzumbe Local SDF

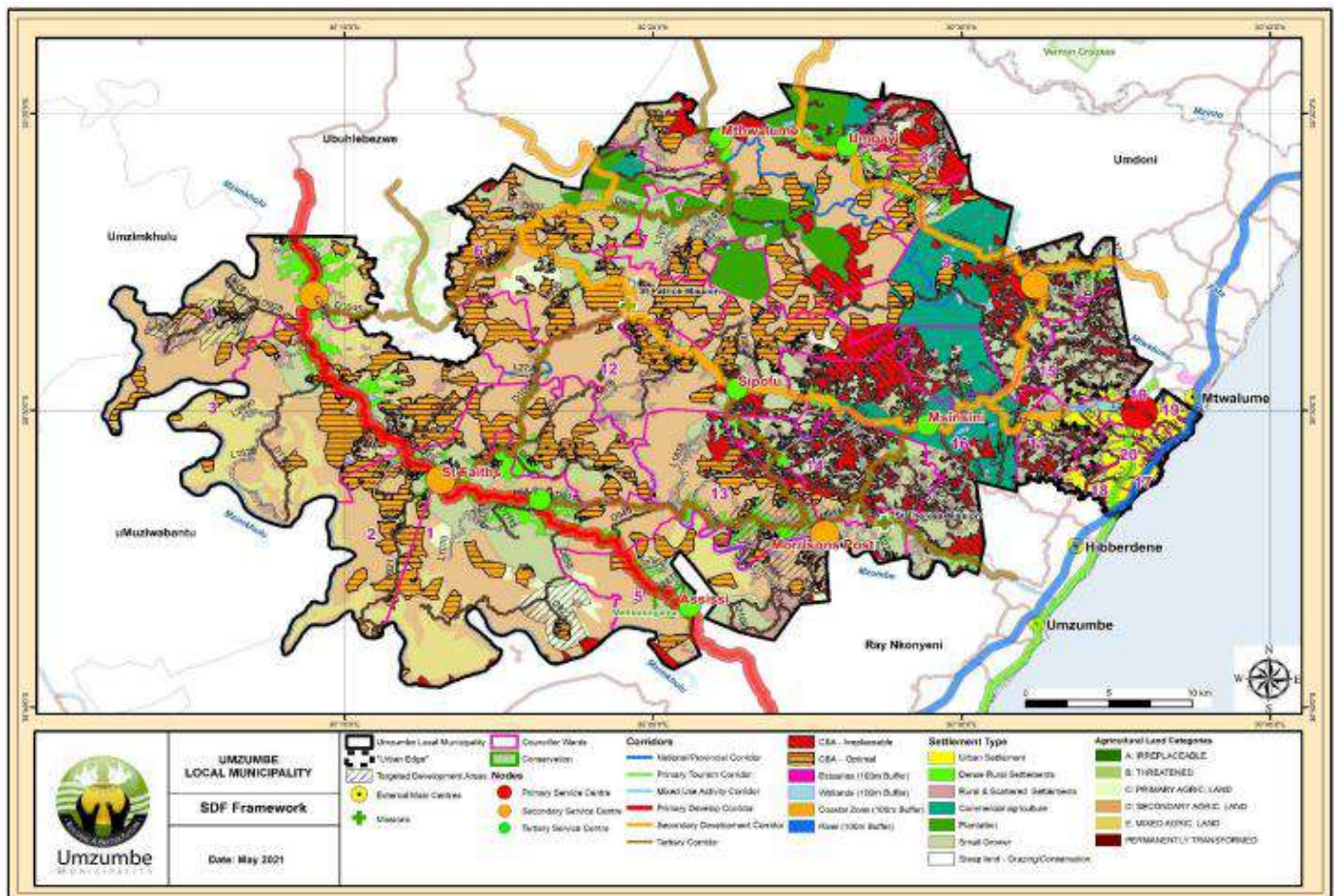
Umzumbe Municipality is located northeast of Ray Nkonyeni Municipality. It is a predominantly rural municipality which is also considered to be peripheral to the economy of Ray Nkonyeni Municipality. The key alignment issues include the following:

- The N2 route linking both municipalities is identified as a primary corridor.
- Primary east-west corridors link the coast to St Faith's in Umzumbe LM. This takes on the form of the P68, which connects St Faiths, Dweshula and Assissi in Umzumbe, to Port Shepstone. In addition, the P286 (which forms an important route through the central part of Umzumbe to the north) connects Msinsini in Umzumbe to Hibberdene in Ray Nkonyeni.
- Specific attention should be drawn to the proper management of the coastal strip and associated development along the coast. The linkage and coordination of tourism activities along coastal tourism is also a matter of importance.
- The urban part of Umzumbe is Mtwalume which stretches down to the Hibberdene urban area in Ray Nkonyeni. This may pose a conflict with Ray Nkonyeni's spatial landscape because the adjoining settlements are very different between this part of the boundary.



- The other bordering areas have identified small growers (subsistence agriculture), biodiversity priority 1 area and rural settlements. These will need to be harmonized with the areas that are found within the cross border of Ray Nkonyeni.
- The Mehlomnyana NR occurs on the border of the Ray Nkonyeni LM and Umzumbe. Protection of this area is required from both Municipalities.

Map 19: Umzumbe Municipality SDF

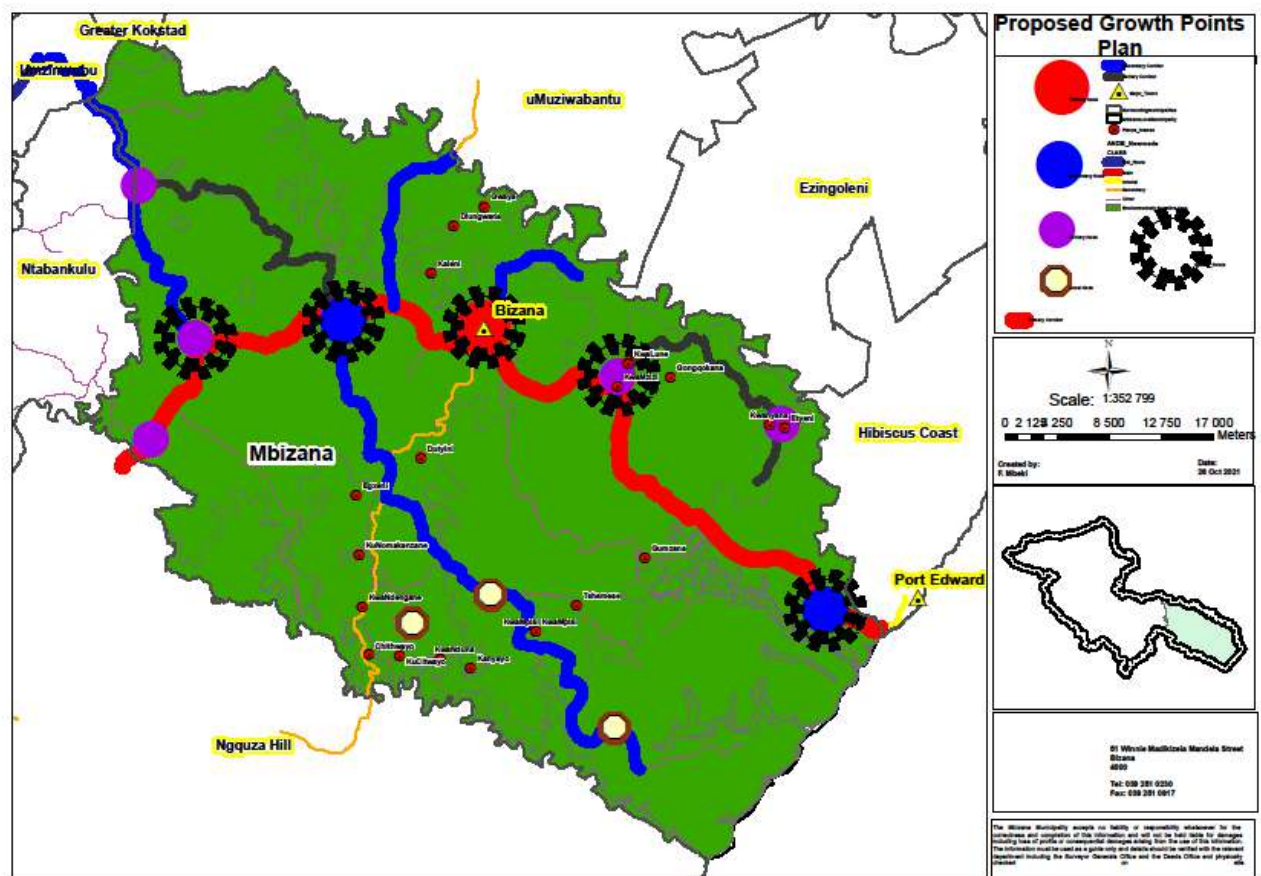




3.2.12.3 Winnie Madikizela-Mandela Local SDF

Winnie Madikizela-Mandela (previously Mbizana LM) Local Municipality is predominantly rural and comprises Bizana town as a centre. It is one of the areas that heavily depend on Ray Nkonyeni for the agglomeration of commercial and social facilities which are found within it. These include the nearby Port Edward and Port Shepstone. Winnie Madikizela-Mandela Municipality exists within the administrative boundaries of Alfred Nzo District Municipality, Eastern Cape Province. According to the income leakage study that was undertaken by Alfred Nzo District Municipality many rural areas and small towns within the northern Eastern Cape depend on Ray Nkonyeni LM for commercial services.

Map 20: Mbizana Municipality SD





3.2.13 How the municipality has responded to Goal 7 of the PGDP 2035: Spatial Equity

The PGDP 2035 states that the Integrated Spatial Planning is subsequently the single most important tool utilised to co-ordinate the distribution of population, land uses, existing resources, and proposed initiatives in relation to each other in order to create an improved sustainability to such uses of scarce land resources. Ray Nkonyeni fully aligns to this goal. The various spatial interventions of the municipality have an opportunity to utilise the land while having equitable access to social service standards and development opportunities.

The municipality has developed a robust and representative methodology which will be reviewed on an annual basis to assess progress in achieving its spatial equity. As mentioned in the strategy that the spatial equity should enhance the resilience of new and existing cities, the municipality is in line with this. It has not only concentrated on public investments, but also private investments on the basis of their developmental potential. The LUMS cuts across the municipality. The municipality has further responded by establishing nodes, formalising strategic rural nodes, in this case, it is Ezinqoleni town.

The promotion and development of Ward Based Plans, LUMS, Spatial Planning Systems is another response by Ray Nkonyeni Municipality to the objective. Furthermore, the municipality has developed specific corridor plans to coordinate interventions around provincial corridors. There has been a response also to the densification strategy. Gamalakhe densification is one such example, which shows future projections of the then township. The municipality's SDF is aligned to the provincial development framework as expected.

The municipality has a fully functional GIS unit, which too is a response to the objective of the strategy. Catalytic projects also form a large integral part of the municipality. Ray Nkonyeni has identified these and fully adheres to the PGDP in this regard.

Table 49: Cross Cutting Issues

Strengths	Weaknesses
<ul style="list-style-type: none"> Being able to develop a sound vision statement that talks to both urban and rural developments SDF is aligned to all the planning principles Corridors with vibrant economic activities have been identified Being able to plan with communities at large RNM makes provision for the development of community centres within a cluster of settlements Cross Boundary Potential Networks 	<ul style="list-style-type: none"> The need to develop the full suite of plans for the municipality Key spatial plans have not been fully developed



Opportunities	Threats
<ul style="list-style-type: none"> • Meeting land use needs and identification of economic development potentials through • Job opportunities in the newly developed nodes and economic corridors • An extensive range of natural assets for preserving the biodiversity for the future generations 	<ul style="list-style-type: none"> • Slow development in the hinterland Organic and illegal thus a great need for the implementation of the SDF • Slow development of a wall-to-wall scheme as per the PDA regulations

3.2.14 Environmental Management

Ray Nkonyeni Municipality has a fully-fledged Environmental Management Section, see organogram. The municipality undertakes a thorough assessment of its environment, paying attention to its hydrology, coastal management, biodiversity and undertaking an in-depth analysis of its climate change. The long-term vision of the municipality recently adopted states how the municipality will adapt and be resilient to climate change. The vision further outlines how the municipality will promote sustainable use of natural resources while complying to the Environmental legislation, however, the management of biodiversity is threatened by alien invasion species which triggered the need to prepare a municipal invasive species monitoring and eradication plan which was adopted in 2018.

Ray Nkonyeni Municipality is blessed with abundance of natural resources though threatened by transformation of land use and cover due to a number of activities. The municipality has a wave energy potential in terms of using its currents and thermal in the sea to generate energy as well as a possibility to produce biofuels from sugar cane and sweet sorghum waste materials.

The municipality has several sector plans dealing with the environmental management of its jurisdiction. The Strategic Environmental Assessment (adopted in May 2019) is the superior environmental analysis document, which is review every 5 years. This document was prepared by SiVEST Environmental Division, a local service provider dealing with environmental management.

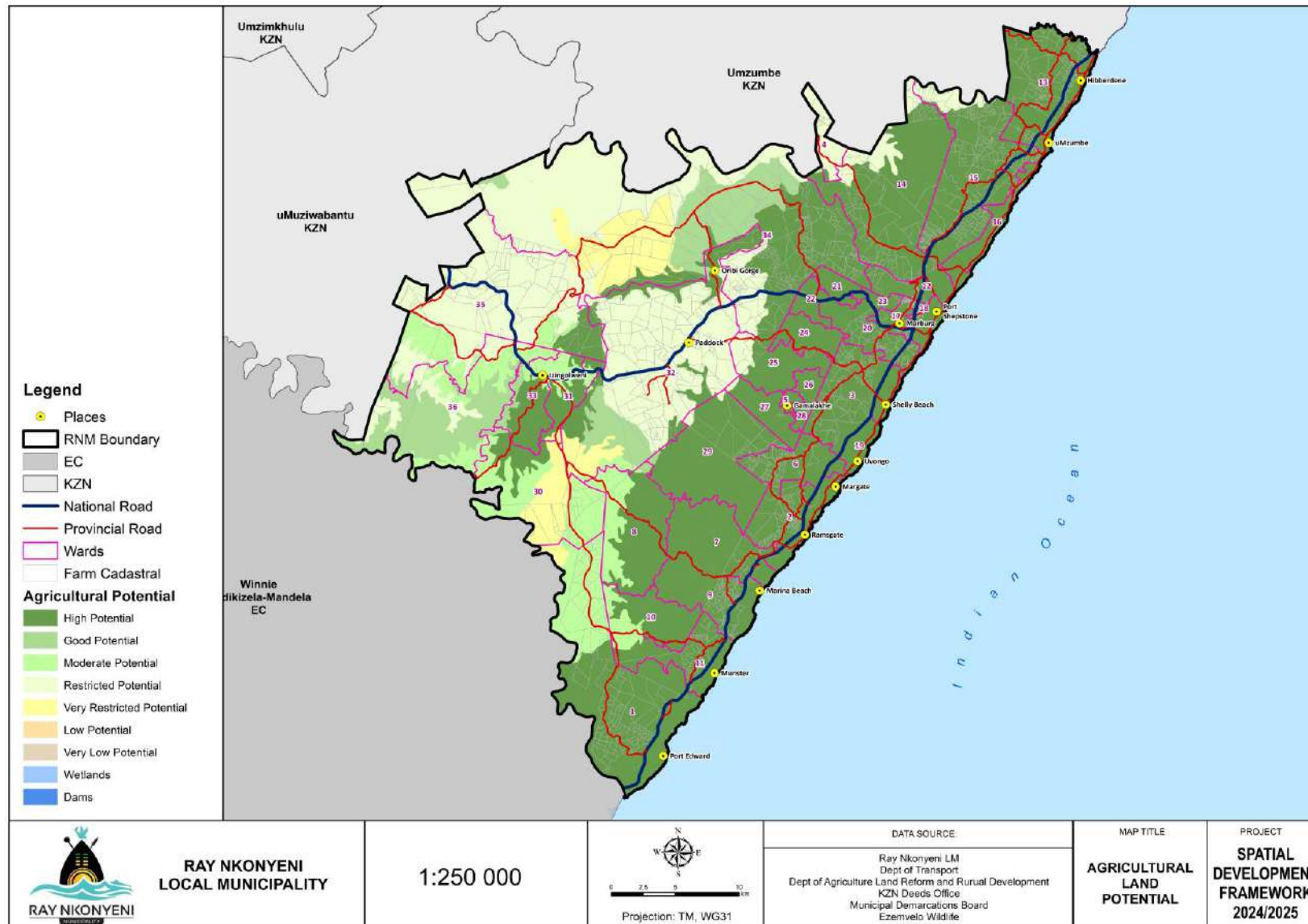
3.2.14.1 Environmental Features

3.2.14.1.1 Agriculture Potential Areas

The overall area within the municipality has a high agricultural potential, as majority of the land is scattered with sections of structured upland clays becoming waterlogged during rainy conditions. This suggests that that flora and fauna can really flourish in this environment with plenty of water, resulting in high vegetation. The map below shows the agricultural potential areas within the municipality. It is clear to deduce that there exists large pockets of Primary, Secondary and Mixed Agricultural land as one moves inland away from the coastline. The inland area shows great potential for agriculture and thus, majority of the farms in the municipality are located in the middle part of the entire municipality.

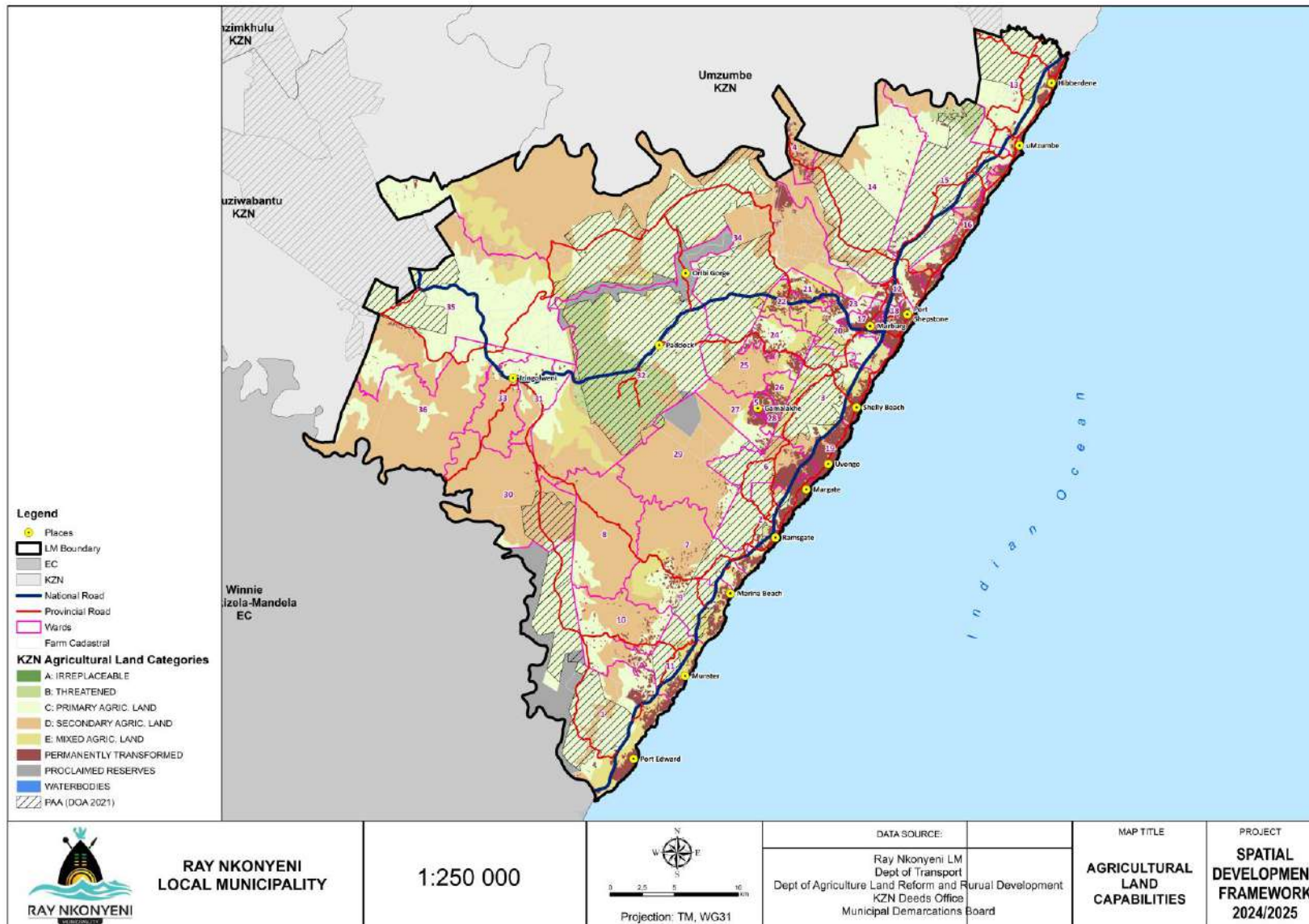


Map 21: Agricultural Potential





Map 22: Agricultural Land Categories





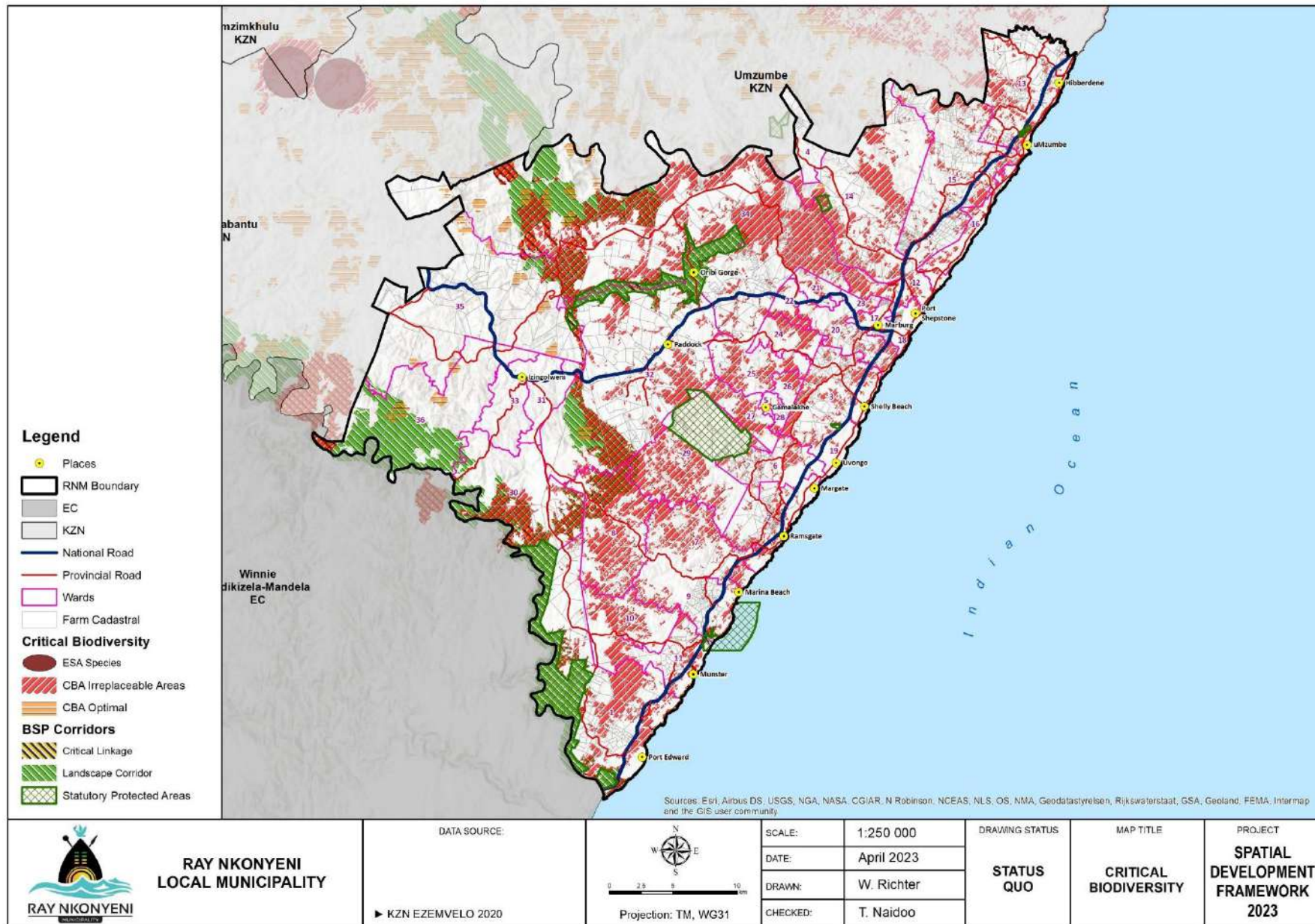
3.2.14.1.2 Environmental Sensitive Areas

Ray Nkonyeni has six declared formal conservation areas which are Umtamvuna, Mbubazi, Mpenjati, Skyline, Oribi Gorge and Umzimkhulu river valley Nature Reserves. In 2009, Ezemvelo KZN Wildlife developed a marine conservation plan which identified the best sites for marine protected areas based species, habitats and threat data. As shown below, there are several sites of conservation significance on the coast of the municipality, particularly between Pumula and Uvongo, near Hibberdene, and approximately 10 kilometres off the coast of Shelly Beach (i.e. Protea Banks). The implications for development are that certain activities are prohibited or restricted within these marine areas of high conservation value. In addition, there should be careful management of on-shore activities which can potentially impact negatively on the biodiversity of these areas.

Moreover, there are also a number of unprotected environmental areas within the areas which are undeveloped /untransformed and consist of grassland, dense bush and forests. High biodiversity areas represent a substantial fraction of the area under the municipality. High biodiversity areas occur in discrete pockets within the municipal landscape, with larger portions located in the southern part of the municipality. The intrinsic value of these areas lies in its ecological and tourism development potential.



Map 23: Environmental Sensitive Areas





3.2.14.1.3 Biodiversity

Ray Nkonyeni contains several sensitive vegetation types or areas of conservation significance. These areas have been identified as being of conservation value as they are necessary to maintain a representative sample of biodiversity and to sustain the functioning of particular ecosystems. From a national perspective, the municipality contains several Critically Endangered (CE) ecosystems, namely Interior South Coast Grasslands, Margate Pondoland Ugu Sourveld, Southern Coastal Grasslands, and Endangered (E) ecosystem types, namely Oribi-Port Edward Pondoland-Ugu Sourveld vegetation types.

Therefore, development within these areas require environmental authorisation from the relevant environmental authorities. The municipality contains large natural areas which are classified as irreplaceable in terms of their conservation value. As with the above, certain activities within these areas may require environmental authorisation and an offset.

3.2.14.1.4 Rivers, Hydrological Water Features and Ecosystem

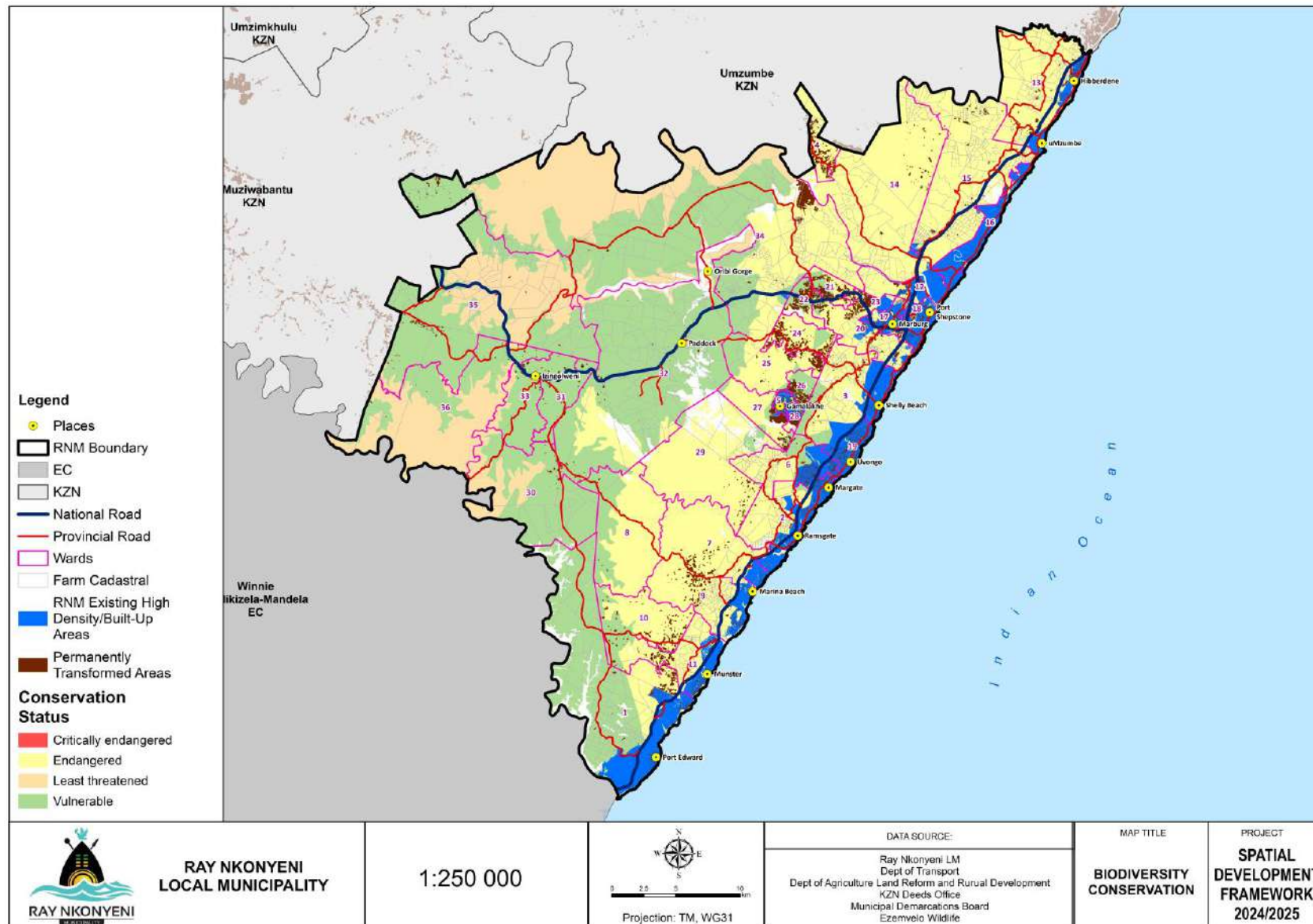
The Municipality is richly blessed with numerous naturally occurring water bodies which range from riverine systems, wetlands, wet marshes and most importantly the ocean. Most rivers run in an easterly direction from high altitudes and finally channelling into the warm Indian Ocean. In total, the municipality boasts twenty-seven (27) rivers in total. The most important rivers in the context of the municipality are:

- Mzimkhulu River
- Mtamvuna River
- Mbizana River
- Vungu River
- Mzumbe River; and
- Mzikhulwane River

3.2.14.1.5 Coastal Issues

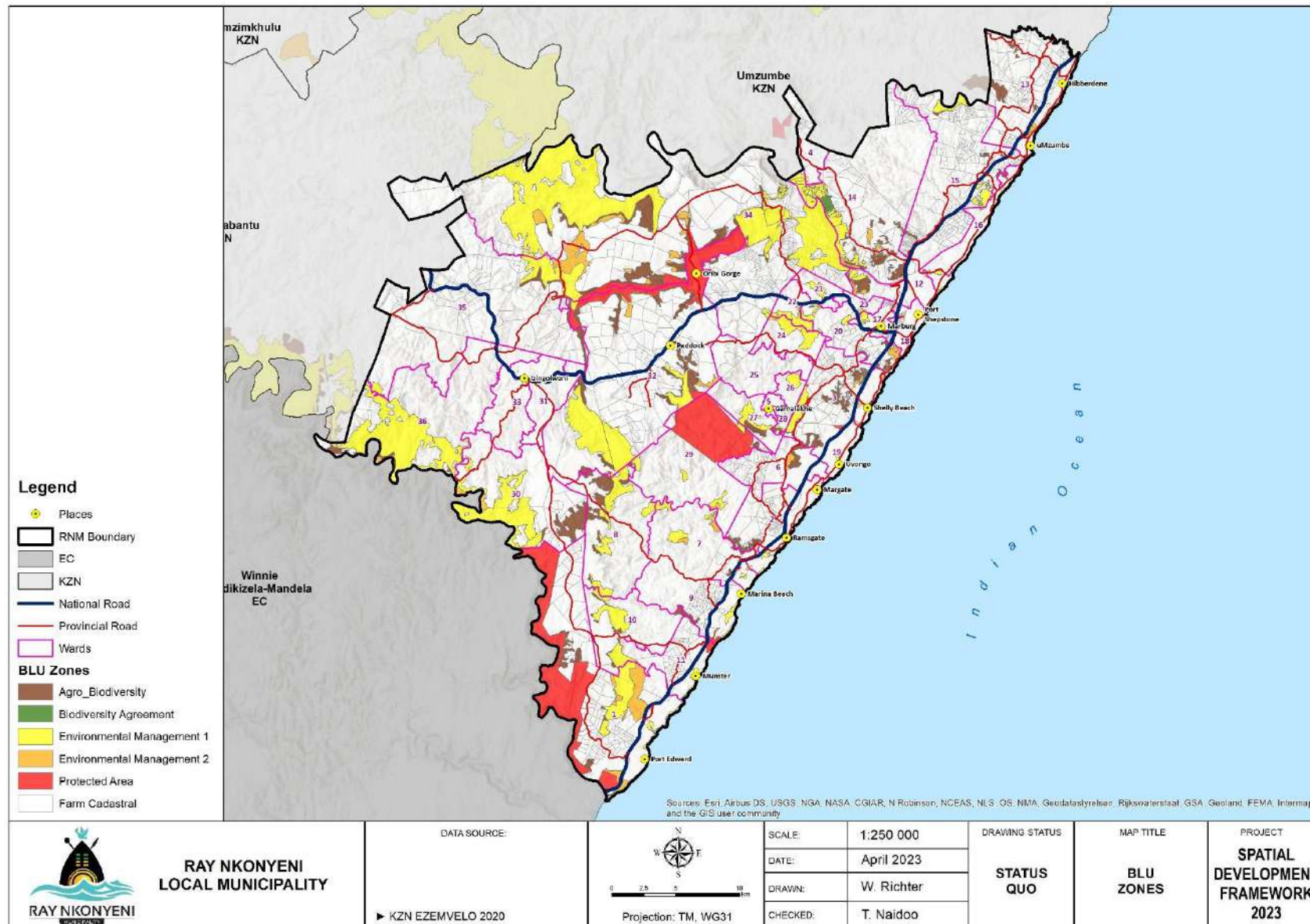
With Climate change (discussed in section below) on the rise, the coastline within Ray Nkonyeni Municipality has experienced higher rainfall levels along with flash floods causing rapid flooding in the Urban part of the municipality. The map below shows the increase in rainfall levels moving from inland towards the coastline. The municipality ought to intervene with strategic mitigation methods in order to reduce the risk to infrastructure and crucial buildings within the CBD and built-up areas.

On the following pages are maps showing Biodiversity, Hydrology & Mean Annual Rainfall.

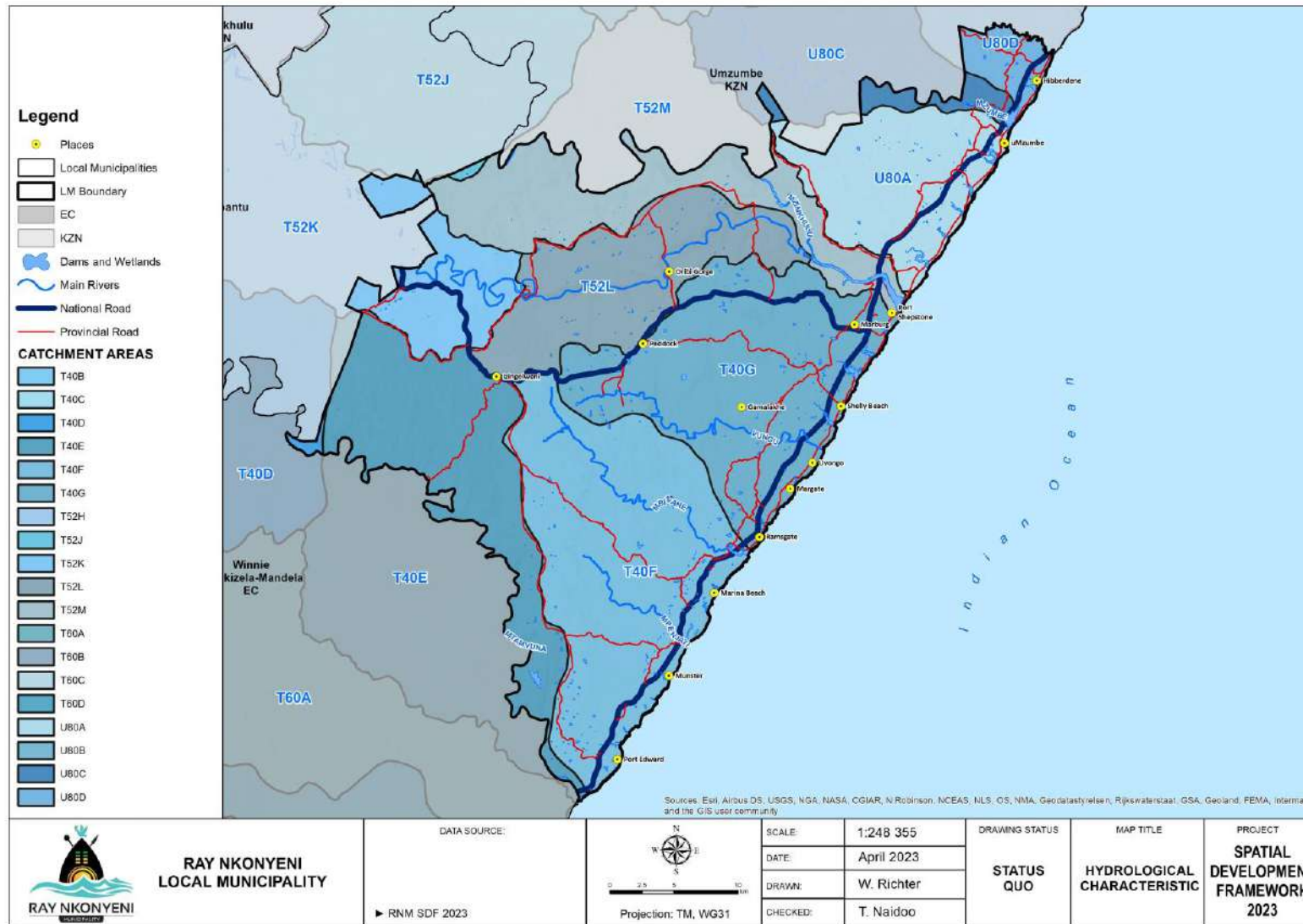




Map 25: Biodiversity Land Coverage

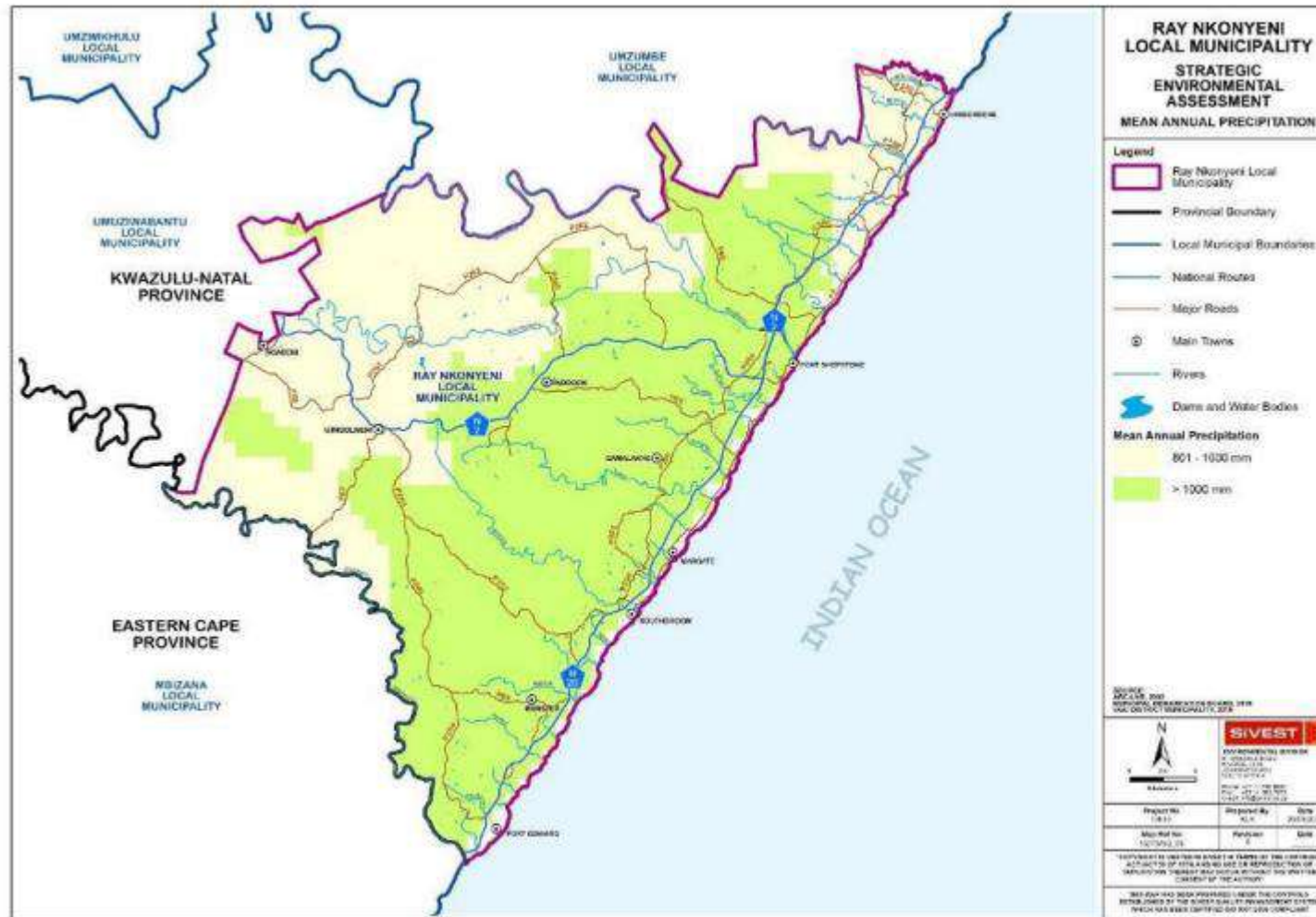


Map 26: RNM Hydrological Features





Map 27: Mean Rainfall





3.2.1.4.1.3 Key Challenges

Key Challenges	Mitigation method
Soil Erosion (loss of arable land)	<ul style="list-style-type: none"> • Plant vegetation (especially indigenous trees) on soil prone to soil erosion
Lack of reliable agricultural data	<ul style="list-style-type: none"> • Form strategic partnerships with research institutions and other environmental management Institutions (e.g. CSIR)
Underdeveloped inland area	<ul style="list-style-type: none"> • Develop the inland area with regards to infrastructure and not just social facilities. Thus, more catalytic projects.
Climate change (unpredictable weather patterns and more extreme storms lead to loss of commodity, rising sea levels, higher and unpredictable rainfall and warmer temperatures alter natural ecosystems)	<ul style="list-style-type: none"> • Raise awareness about climate change • Develop a climate change strategy • Build institutional capacity required to address climate change • Integrate relevant climate change information into planning, policies and decision making process • Improve the adaptive capacity of human, natural and built systems • Establish or strengthen partnerships that enhances climate change response capacity
Good Environmental Legislation, but poor enforcement resulting in environmental mismanagement (e.g. illegal dumping and building on floodplains)	<ul style="list-style-type: none"> • Employment environmental officers to undertake enforcement of bylaws and legislation. • Charge environmental fines onto rates • Assist Traditional Councils with basic township establishments for subdivision purposes, in order to leave land vacant between plots for the provision of engineering services
Inland areas do not have a refuse removal system, resulting in illegal dumping	<ul style="list-style-type: none"> • Establishment of inland refuse removal scheme (municipality can partner with strategic players in the community) • Establishment of a new landfill inland to service the inland population • Raise awareness in the hinterland at schools and community halls on the dangers of illegal dumping/ inadequate waste removal



3.2.14.2 Environmental Sector Plans

3.2.14.2.1 Environmental Management Programme (EMP)

The EMP will support decision-making in the RNM area in order to facilitate appropriate and sustainable development. The EMP must:

- Identify the geographical area to which the EMP applies; specify attributes of the environment the area including the sensitivity, extent interrelationship and significance of those attributes; identify any parts in the EMP area to which the specified attributes relate;
- state the conservation status of the area and/or its relevant parts;
- state the environmental management priorities in the area;
- indicate the kind of activities that would have a significant impact on the attributes in the area and those that would not;
- indicate activities that would be undesirable in the area or in specific parts of the area; and
- meet any other requirement specified by the Minister or MEC

The effective implementation of this plan will ensure that all environmental impacts are avoided or minimized. All possible alternatives must be assessed during the designing and planning phase of any development no matter its magnitude. The development must take three (3) things into consideration during any phase of the development and these are:

- (i) Engineering- the practicality of the development from an engineering point of view;
- (ii) Environment- the impacts associated with the development on the receiving environment; and
- (iii) Socio- Economics- the impact which the development is likely to have on the receiving community both on social and economic perspective.



The objectives of the EMP are to:

- Provide a pro - active, feasible and practical working tool to enable the measurement and monitoring of environmental performance by the Municipality;
- Identify geographical areas in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA);
- Ensure that the construction and operational phases of any development continue within the principles of Integrated Environmental Management.
- Encourage minimum disturbance of all natural environment;
- Provide generic actions deemed necessary to assist in mitigating the environmental impact of developments in general;
- Comply with all applicable laws, regulations, standards and guidelines for the protection of the environment; and
- Encourage sustainable development.

The municipality has developed and adopted a number of Environmental Plans. These include:

3.2.14.2.2 Coastal Management Programme

The Programme aims to facilitate the coordinated, collaborative and participatory management of the municipality's coastal zone by the RNM, Ugu District Municipality (DM), National and Provincial organs of state including parastatals, the private sector, key coastal communities, civil society organisations, and the public as a whole. The ultimate purpose of the Programme is to ensure that the coastal zone is sustainably managed, that the benefits thereof are maximised, existing and potential conflicts and harmful effects are minimised, and access to this precious resource is enabled for all citizens of South Africa and the municipality.

3.2.14.2.3 Greening Plan

The result of high population densities is environmental degradation, especially in areas where no planning of parks and tree planting in streets and open spaces. It is a fact that rapid urban development is characterised by lack of environmental planning. Effective environmental planning, including urban and rural greening, can assist greatly in improving the quality of the environment and the livelihoods of the people who live in these areas.

Against this background, there is a clear need for practical and aggressive action plan, which will enable the municipality to assist in the pressing issues of environmental sensitivity, reduce the municipality's carbon footprint and make positive contribution to increasing the quality of environment for the municipality and effectively the World.

Thus, in response to this, the municipality has developed a Greening Plan which aims at enhancing the quality of environment to the municipality in the economic, social and environmental aspects.



3.2.14.2.4 Estuarine Management Plans

The combined Estuarine Management Plan for seven (7) out of twenty seven (27) estuaries, will:

- Fulfil the requirements of Section 34 of the ICM Act, which includes the facilitation of public participation;
- Be consistent and aligned with the Protocol, the National Coastal Management Programme and any other applicable coastal management programmes, including the Ugu and Ray Nkonyeni Municipal Coastal Management Programmes;
- Seek to achieve the National Vision and Strategic Objectives for estuarine management; and

Contain/meet the minimum requirements stipulated in the Protocol which provides the Framework for Estuarine Management in South Africa.

3.2.14.2.5 Strategic Environmental Assessment (SEA)

The main objective of the SEA is to strengthen and streamline Environmental Impact Assessments by addressing a broader range of alternatives like; addressing cumulative effects through the identification of limits of acceptable change for a particular area. It will further facilitate the maintenance and enhancement of a chosen level of environmental quality, which can provide a context for EIAs within the Municipality. An amount of one million has been set aside for the SEA for the 2018/19 financial year.

3.2.14.2.6 Alien Invasive Management/ Control Plan

The Control Plan has been developed following the guidelines for the development of Invasive Species Monitoring, Control and Eradication Plans ("the Guidelines") which were published in September 2015. It will be adopted in this current financial year. A total of 131 invasive alien species (IAS) have been identified on the municipality's properties. Five items have been identified for successful planning and implementation of the Control Plan:

- coordination
- resourcing
- prevent the introduction of emerging IAS and extirpate where possible
- Control of established IAS and awareness.

A number of organizations' and departments implement invasive species projects within municipality and focus on various species.

3.2.14.2.7 Wetland Assessment

Ray Nkonyeni Municipality (RNM), identified the need to identify, assess and map wetlands within its area of jurisdiction. This exercise is to ensure that the entire area of the municipality is covered within all its geographical area. The size of the entire municipality is 1487km². Even though wetlands have many benefits to society including, purifying water, controlling erosion and providing habitat for wetland dependent species, they continue to be destroyed and poorly managed. This is usually because the benefits are poorly understood, or they benefit people distant from the wetland. In order to begin improving the management and protection of wetlands, one needs to have a better understanding of how wetlands function. Virtually all ecological processes that occur in wetlands are influenced by the water that flows to, from, and within these wetlands.



3.2.14.3.8 Functional Environmental Structures within the Municipality

The municipality has active Environmental structures. Below is the list of these and functionality:

- **Municipal Environmental Sub Committee** -sits on a quarterly bases
All environmental issues within the municipality are discussed by this committee
- **Invasive Alien forum**-Sits quarterly
The Forum discusses progress on alien invasive control plans developed by the municipality, control of new weeds that may have grown
- **Coastal Management forum**- sits on a quarterly bases
Issues discussed in this Forum entail encroachments, illegal development, and progress on estuarine as well as health status on estuaries
- **Working for the Coast forum**- sits on a quarterly bases
Update on progress with regards to the municipality deliverables as well as issues experienced on site are key discussions in this forum
- **Environmental Education and awareness forum**-sits monthly
Report back on all events that may have taken place as well as support from other sector departments who deal with environmental issues are some of the issues discussed in this forum
- **Ugu District pollution and waste management Forum.** The Forum sits once in a quarter. Regulations from National as well as information session on how other municipalities manage their waste is part of discussion in the Forum.

3.2.14.3 Climate Change

The effects of climate change in South Africa are not limited to increased water scarcity in some parts of the country and drastic qualitative changes in the water supply, but extend to losses in biodiversity and rangelands, which impacts in the farming and agricultural sector, as well as possible increases in infectious and respiratory diseases. Climate change will have a significant impact on food availability, food accessibility and food systems stability. Climate change affects the large proportion of South Africa's population who have a low resilience to extreme climate events due to poverty, inadequate housing infrastructure and location.

Climate change affects the decision-making processes of the vulnerable poor people in South African communities, such as where they choose to live and which areas are sustainable for their livelihoods. In some households, people survive on subsistence farming as they may not have the opportunities to access formal employment channels neither are they close to any public facilities which could enable them to access employment opportunities. Therefore, in such cases subsistence farming becomes a way of life and survival.

However, because of climate change, this form of livelihood is mostly threatened leaving subsistence farmers vulnerable to drought or forced to relocate from one area to another, where there is rainfall or access to water in order to survive. In some cases, the inability to access potable water forces people to relocate into other areas where water is available. These patterns



then directly affect settlement patterns, in terms of where most informal settlements tend to conglomerate within a Municipal area. Furthermore, they determine which parts of municipal areas have the most sporadic development of informal settlements despite efforts by planners and local authorities to curb housing backlog and demand. Climate change may also influence the switch from subsistence farming as a form of livelihood to people moving closer to areas in which they can access public facilities or areas of mobility such that they have access to economic opportunities in the market.

Cities are also required to deal with the rising threats of climate change and dwindling resources. These constraints mean that cities that do not plan adequately will face higher costs to residents, a decline in welfare, and reduced economic competitiveness. Preparations for these circumstances typically require decades of forward-thinking development guidance.

The effects of climate change have been experienced in the municipal area both inland and coastal areas over the past few years. The 2008 floods destroying many houses mainly at Murchison/ Bhubhoyi area which happened together with the tidal surge destroying a lot of public infrastructure and private property along our beaches. The response on the inland has been to rebuild most of the destroyed houses and on the coast restoring public infrastructure with latest (soft) engineering requirements. Ever since 2008 almost every year the municipalities more than one flash floods affecting some of its communities. Damage private property and public infrastructure is experienced. Climate change is recognized as the major environmental problem facing the globe. Escalating greenhouse gas emissions contribute towards climate change and will ultimately impact on human health, food security, natural resources, sea level rise, land loss and coastal infrastructure. Climate change embraces far more than temperature change and may include changes in rainfall patterns, sea level rise, and the spread of infectious disease such as malaria, increase alien vegetation invasion and loss of biodiversity.

Climate change is likely to cause several challenges for Ray Nkonyeni Municipality, linked to global impacts such as increased temperatures, extreme weather events (e.g. flooding and drought), sea level rise and climate variability. As such, climate change runs the risk of undoing all of the development gains of the last one and a half decades; climate change adaptation in all sectors will have to become one of the Municipality's top development priorities.

Temperatures in the Ray Nkonyeni are likely to increase by 1.5°C and 2.5°C by 2065 and by 3.0°C and 5.0°C by 2100. Projected annual rainfall changes are likely to include an increase in aggregated rainfall by 2065 with an increase of up to 500 mm by 2100. This increase is likely to be manifested as an increase in extreme rainfall events and stream flow intensity across the municipal area with prolonged dry spells between rainfall events. Sea level rise along Municipality's coastline is already occurring at 2.7 cm per decade and may accelerate into the future. (Source: <http://www.epa.gov/climatechange/science/future.html> - 20 March 2015)

Climate change impacts for the Ray Nkonyeni may include:

- An increase in the frequency and intensity of floods and droughts;
- A decrease in water availability due to changed rainfall patterns and increased evaporation; this will affect subsistence dry land farmers the most.
- An increase in erosional capacity of river courses, resulting in the loss of more top soil, thus decreasing the agricultural value of land and increasing siltation in dams.
- Infrastructural damage as a result of extreme weather events causing flooding, affecting human wellbeing and safety as well as insurance costs;
- An increase in erosion of coastal areas due to sea-level rise;



- Higher energy consumption due to increased residential cooling load;
- An increase in economic losses due to property damage and decreased tourism revenue;
- An increase in heat-related vector-borne (e.g. malaria) and water-borne (e.g. cholera) illnesses;
- An increase in heat stress, leading to dehydration, particularly for those that reside in the urban areas, as well as children and the elderly;
- Changes in the geographical distribution of plants and animals with extinction of species that are unable to move and an increase in the prevalence of alien invasive species. This will negatively affect the biodiversity of the Municipal Area and the associated goods and services;
- Further loss of critically endangered grassland habitats as they are outcompeted by woody species able to utilize the higher concentrations of CO₂ in the atmosphere.
- A reduction in yield of staple food crops, such as maize;
- Changes in the optimal planting and harvesting dates for crops as well as land suitable for crop production;
- Heat stress increasing livestock and poultry mortality rates;
- An increase in respiratory problems in the city due to a decrease in air quality (e.g. changes in the concentration and distribution of near-surface ozone) and increased dampness; and
- Deterioration of foods leading to increased incidents of food-borne diseases.

The areas particularly vulnerable to sea-level rise are coastal wetland and dune ecosystems. Shoreline Management Plans are required to determine what adaptation interventions if any are required now or in the future. To respond to these changes the Ray Nkonyeni has to develop a similar approach that was initiated by the EThekweni Municipality, by initiating the Municipal Climate Protection Programme (MCP) in 2004. This was a phased programme, which has focused on climate change adaptation and enhancing the city's ability to cope with climate change impacts. The likely climate change impacts have been assessed and plans, programmes and projects have been developed to assist the Municipality in dealing with these impacts.

The mitigation and adaptation work streams of the MCP are located in the Energy Office and the Environmental Planning and Climate Protection Department respectively. The issue of energy challenges and demand to reduce use of traditional electricity thereby reducing our emissions as the country is also on the agenda for the municipality. In this regard Eskom has offered second round of distributing energy efficiency globes. The municipality is also exploring ways to switch to energy saving alternatives in its traffic and streetlights as well as all public infrastructures in the municipal area. The use of solar for heating water and lighting is being considered. A total of seven projects have been submitted as applications to the Green Fund's window that opened towards the end of 2012 and the results are awaited.

Ugu has developed a Climate Change response which states that SDF's provide key entry points for addressing pressing climate change related issues and climate change responsive spatial development planning will be critical to the long terms sustainability of the Ugu DM. Apart from support climate resilient development, failure to take climate change impacts into account



could deem municipalities liable for damage and losses resulting from negligent planning decisions. The municipal SDF should consider climate change impacts on the following areas:

- Sensitive, vulnerable, highly dynamic and stressed ecosystems in the municipal area
- Vulnerable neighborhoods;
- Desertification;
- Soil loss;
- Ecologically sensitive areas;
- Drought vulnerable areas;
- Flood risk areas or low-lying areas;
- Estuaries;
- Infrastructure and facilities in close proximity to the ocean;
- Impact of deforestation and the land use changes that may result from climate change and migration;

Response Options are identified as follows:

- Map vulnerable areas (flood lines, etc.) and implement development bans in highly vulnerable zones;
- Implement land use planning and zoning to avoid building and development infrastructure in hazard prone areas;
- Relocate existing development away from areas of high risks;
- Strengthen building code requirements according to increased risks of flooding, heat waves,
- intense storms on building and infrastructure development projects;
- Maintain and upgrade drainage systems;
- Consider permeable pavements, green roofs and rain tanks to increase on-site retention of storm water;
- Building regulation to ensure efficiency in all new buildings – monitor and enforce and encourage best practice development;
- Densification of land use through zoning regulations to support high density living and work and mixed use;
- Development preference given to developments on priority nodes;
- Ensure thorough planning reduces incidence of unplanned population and economic growth and ensure contingency for unplanned settlements/growth; and
- “Smart growth” planning—a strategy that highlights high-density, mixed-use, transit-oriented development— also has other goals, such as maintaining open space, farmlands, and other natural areas and directing city resources toward existing communities rather than diverting them to new development in outlying areas.

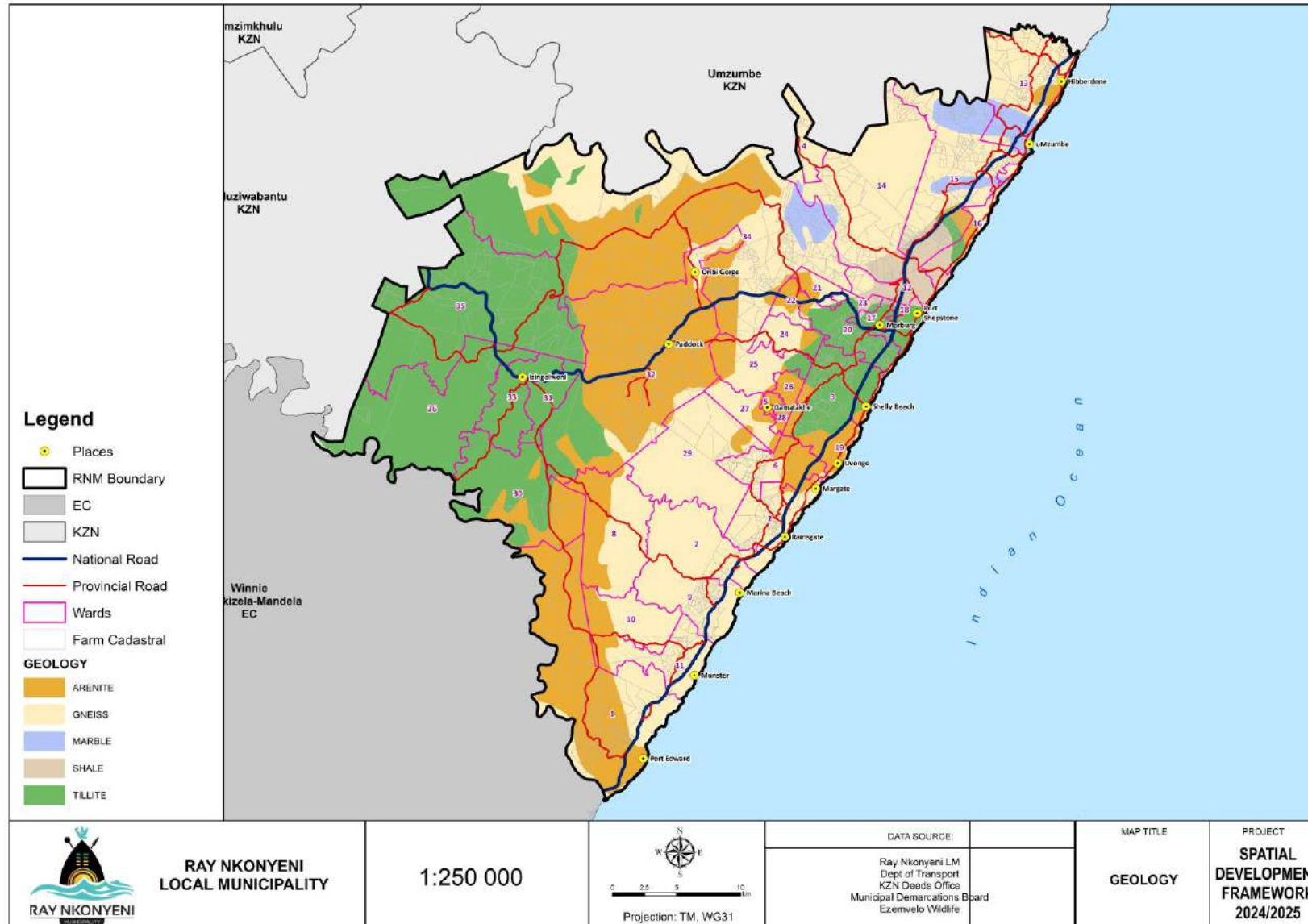
Sea level will increase the inundation and saline intrusion risk to low-lying coastal areas. Also at risk are estuaries and river mouth areas. The increase in ocean storms that is projected to take place in the Indian Ocean will drive heightened storm surges that when exacerbated by rising sea level could damage areas of lower elevation and rivers. The damage caused may result in loss of land as well as ecological damage and risk to community livelihoods. The above map indicates areas and infrastructure that are at particular risk from the impacts of sea-level rise. (Source: Ugu Draft Climate Change Response Strategy- 2016).

Ray Nkonyeni currently does not have funds to formulate Climate Change Reduction Strategies and to conduct programmes, however, UGU District Municipality does have a District Climate Response Strategy that is in place and services the entire family district.

The soil geology of the municipality is covered by seven geological formations, with the predominant being the Margate gneiss, followed by Msikaba Arenites, Gneiss, Tillete, Shale, Marble and Natal Group Arenite. Margate gneiss originates from a high grade metamorphic rock which implies that it has been subjected to higher temperatures and pressures. It is formed by the metamorphosis of granite or sedimentary rock. Gneiss displays distinct foliation, representing alternating layers composed of different minerals. Below is the illustration of the geology of the municipality.



Map 29: Geology





3.2.14.5 Soil Type

Soil is a natural body consisting of layers (soil horizons) of minerals of variable thicknesses, which differ from the parent materials in their morphological, physical, chemical, and mineralogical characteristics. It is composed of particles of broken rock that have been altered by chemical and environmental processes that include weathering and erosion. Soil differs from its parent rock due to interactions between the lithosphere, hydrosphere, atmosphere, and the biosphere. It is a mixture of mineral and organic elements that are in solid, gaseous, and aqueous states.

3.2.14.6 Air Quality

Air quality in RNM is regulated via the Ugu Air Quality Management Plan which acts as a guide for air quality management activities and ensure that air quality meets the requirements of the National Environmental Management Act which basically relates to the provision of air that is not harmful to health and wellbeing. The UGu Districts vision in respect of air quality management is as follows: Air quality in UGu District continues to be the envy of South Africa". As such, the municipality has developed four goals to assist in achieving the vision. The four goals are described as follows:

- Goal 1: Air quality governance which meets all legislative requirements;
- Goal 2: The establishment of tools and systems to effectively manage air quality
- Goal 3: Provision of air quality management with participatory systems as an integral component
- Goal 4: Ensure sufficient capacity requirements are met to carry out air quality management functions.

According to the UGu District Air Quality Management Plan (2012), the following activities are indicated as the main sources of air pollution in UGu, namely:-

- Industrial and mining activities;
- Motor vehicle traffic on main roads and in popular coastal towns;
- Residential areas where wood is used for cooking and heating; and
- Sugar cane burning and other agricultural burning.

3.2.14.6.1 Emissions from Industry and Manufacturing

Ray Nkonyeni Municipality has a high number of industrial and manufacturing activities which produce toxic emissions in comparison to the other municipalities in the District. This is mainly due to the fact there is relatively much industrial activities in Municipality, with the location of two major industrial basins in Uvongo and Marburg and limited activity in the areas of Hibberdene and Margate. (Source: UGu DM Air Quality Management Plan, 2012).

The environmentally sensitive areas were identified during the situational analysis. . Essentially, the key goal is to promote conservation related land usage within these areas. The formally protected areas within Ray Nkonyeni Municipality are as follows:



Table 50: Protected Areas

Site	Date Proclaimed	Extent (Ha)
Oribi Gorge Nature Reserve	1950	1745,7
Skyline Nature Reserve	1986	17,1
Mbubazi Nature Reserve	1986	2022,9
Mehlomnyama Nature Reserve	1908	160,6
Umtamvuna Nature Reserve	1971	2653
Mpenjanti Nature Reserve	1985	94,9
Trafalgar Marine Reserve	1979	552

Source: *Ugu Bio-diversity Sector Plan (2014)*

Table 51: Environmental Buffers

Ecological Support Areas	Requirement
Freshwater Systematic Conservation Assessment (FSCA) Wetlands	100m
CBA Perennial Rivers, KZN Flagship Rivers and National Flagship Rivers	70m
Non-Perennial Rivers	70m
Freshwater Ecosystem Priority Areas (FEPA) Priority Wetlands and KZN Priority Wetlands	500m

Source: *Ugu Bio-diversity Sector Plan (2014)*



3.2.14.6.2 Programs Aimed at Protecting the Environment

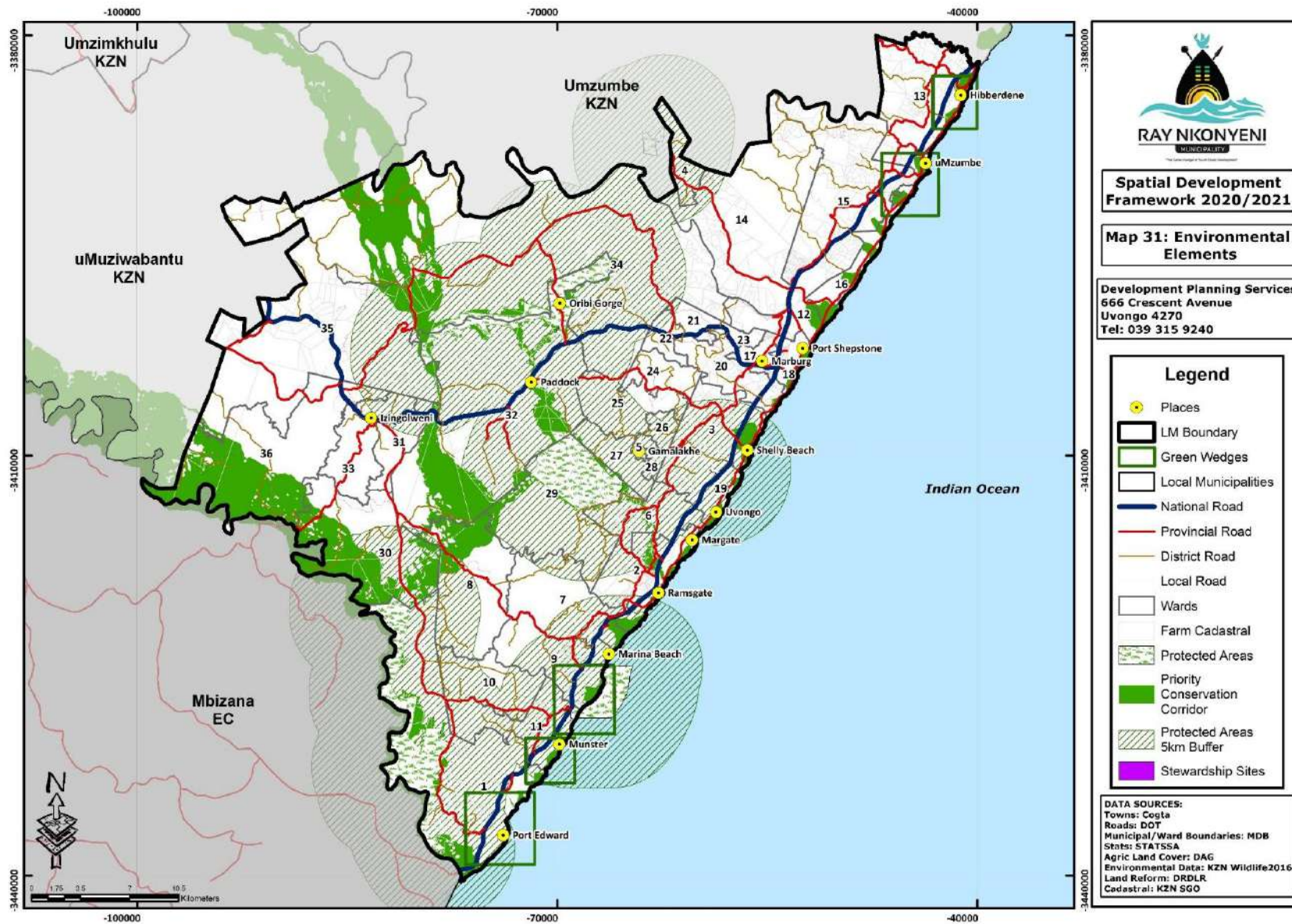
Table 52: Programs Aimed at Protecting the Environment

Programme	Description
Arbour day	Arbour day is celebrated annually where environmental awareness is presented to communities, schools and households, indigenous as well as fruit trees are distributed.
Wetlands Audit	Wetlands are first identified within the municipality. Communities/ schools near identified wetlands are encouraged to adopt and manage them. The municipality currently faces financial constrains in te4rms of funding this programme.
Red Dessert Stewardship program	The municipality together with private land owners identified environmental sensitive land and partnered to proclaim it a protected area. This area has bio-diversity species. People are encouraged to visit this area to learn about the importance of nature preservation.

Communities, schools, and business sector are capacitated on environmental issues through environmental awareness campaigns, school competitions and clean up campaigns (rivers, streams and waste). Environmental days are celebrated in collaboration with the District Municipality and Provincial Department of Environmental Affairs. Communities are educated on recycling and re use. There are also recycling competitions held with schools.



Map 30: Environmental Elements





3.2.15 SWOT Analysis & Key Challenges

3.2.15.1 Agriculture SWOT Analysis

Table 53: Agriculture SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Vast tracts of land available (Ingonyama Trust) • Overall area has high agricultural potential (good soil) • Good climate (warm temperatures and adequate rainfall) • Strategic location between eThekweni Metro Municipality (Durban Harbour) and EC • Margate Airport allows for fast access to National and International Markets 	<ul style="list-style-type: none"> • Lack of reliable agricultural data • Weak inland infrastructure and transport routes • Underdeveloped inland area • Unreliable water sources (UGU water shortages) • Lack of Finance for machinery and operational costs
Opportunities	Threats
<ul style="list-style-type: none"> • New booming commodities (Macadamia nuts and Tea Tree) • High unemployment (huge labour reserves) • Growing demand for food • Farming byproducts can be used as biofuels (renewable energy) • Value addition (farming brings other ancillary jobs like food processing, packaging and transportation) 	<ul style="list-style-type: none"> • Soil Erosion (loss of arable land) • Loadshedding (processing delays lead to loss of commodity due to power outage) • Climate change (unpredictable weather patterns and more extreme storms lead to loss of commodity)



3.2.15.2 Environmental SWOT Analysis

Table 54: Environmental SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Soil suitable for foundations of buildings • Soil suitable for grazing, agriculture, and urban development • Geology rich in natural minerals (e.g. limestone used for cement and other aggregates production) • Rich in Biodiversity – boosts tourism sector • Substantial indigenous vegetation in the area that is used as medicinal plants (traditional and western medicine) 	<ul style="list-style-type: none"> • Soil has a high potential of eroding • Mostly clay type soil with low potential for underground water supplies • Lack of awareness on environmental management (e.g. alien plants management) • Understaffed • No environmental Bylaws • Budget Constraints
Opportunities	Threats
<ul style="list-style-type: none"> • Vast water bodies for water infrastructure projects such as reservoirs and dams • Potential to produce some imported goods locally • The establishment of Public-Private-Partnerships for more innovative and efficient environmental management (especially with regards to data sharing between institutions and conservation) • The development of processing plants for the 7 mines in the municipality (this will positively impact economic growth through job creation and boosting the local formal and informal markets around the mines – thus creating mini economic nodes) 	<ul style="list-style-type: none"> • Climate change (rising sea levels, higher and unpredictable rainfall and warmer temperatures alter natural ecosystems) • Good Environmental Legislation, but poor enforcement resulting in environmental mismanagement (e.g. illegal dumping and building on floodplains) • Inland areas do not have a refuse removal system, resulting in illegal dumping.



3.2.15.3 Key Challenges

Table 55: Key Challenges

Key Challenges	Mitigation Method
Soil Erosion (loss of arable land)	<ul style="list-style-type: none"> • Plant vegetation (especially indigenous trees) on soil prone to soil erosion
Lack of reliable agricultural data	<ul style="list-style-type: none"> • Form strategic partnerships with research institutions and other environmental management Institutions (e.g. CSIR)
Underdeveloped inland area	<ul style="list-style-type: none"> • Develop the inland area with regards to infrastructure and not just social facilities. Thus, more catalytic projects.
Climate change (unpredictable weather patterns and more extreme storms lead to loss of commodity, rising sea levels, higher and unpredictable rainfall and warmer temperatures alter natural ecosystems)	<ul style="list-style-type: none"> • Raise awareness about climate change • Develop a climate change strategy • Build institutional capacity required to address climate change • Integrate relevant climate change information into planning, policies and decision making process • Improve the adaptive capacity of human, natural and built systems • Establish or strengthen partnerships that enhances climate change response capacity
Good Environmental Legislation, but poor enforcement resulting in environmental mismanagement (e.g. illegal dumping and building on floodplains)	<ul style="list-style-type: none"> • Employment environmental officers to undertake enforcement of bylaws and legislation. • Charge environmental fines onto rates • Assist Traditional Councils with basic township establishments for subdivision purposes, in order to leave land vacant between plots for the provision of engineering services
Inland areas do not have a refuse removal system, resulting in illegal dumping	<ul style="list-style-type: none"> • Establishment of inland refuse removal scheme (municipality can partner with strategic players in the community) • Establishment of a new landfill inland to service the inland population • Raise awareness in the hinterland at schools and community halls on the dangers of illegal dumping/ inadequate waste removal



3.2.16 Disaster Management

Disaster Management can be defined as the organization and management of resources and responsibilities for dealing with all humanitarian aspects of emergencies, in particular preparedness, response and recovery in order to lessen the impact of disasters. See below for detailed disaster management for Ray Nkonyeni Municipality.

3.2.16.1 Disaster Management Budget & Programmes

i. Breakdown of available budget for Disaster management and fire services

Table 56: Disaster Management Budget

Units	Budget	Purpose
DISASTER MANAGEMENT (Response and Recovery)	R 439 000	Procurement of emergency relief material
FIRE SERVICES	R10 million	Operational budget for fire and rescue

II. Grant Funding Allocated For Post Disaster Recovery

RNM allocated R 439 000 in the 2023/2024 operational budget for emergency relief in a form of blanket and mattresses.

III. Disaster Management Programmes & Projects

Name of Project	Budget	Target Areas	Year
Department of Education / Public Works			
Rehabilitation of schools	R 8 000 000	Ray Nkonyeni	2023 -2024
Human Settlement			
Construction of 40m2 house plan and repair of houses that were affected by Storms	R 23 466 956	Ray Nkonyeni	2023-2024
Infrastructure			
Grading, stormwater, and kerbs Phase 1 grant	R 8 100 000	Ray Nkonyeni	2022-2023
Grading, stormwater, and kerbs Phase 2 grant	R11 000 000	Ray Nkonyeni	2022-2023



3.2.16.2 Disaster Management Legislative Mandate

As per Section 42(1) of Chapter 5 of the Disaster Management Act (Act no. 57 of 2002), each metropolitan and each district municipality must establish and implement a framework for disaster management in the municipality, aimed at ensuring an integrated and uniform approach to disaster management in its area.

According to Section 43(1) of Chapter 5 of the Disaster Management Act (Act no. 57 of 2002), each metropolitan and each district municipality must establish, in its administration, a disaster management centre in its municipal area.

Furthermore Section 53(1)(a) and Section 53(1)(e) of Chapter 5 of the DMA (Act no. 57 of 2002), each municipality must, within the applicable municipal disaster management framework, prepare a disaster management plan for its area according to the circumstances prevailing in the area and also regularly review and update its plan. Ray Nkonyeni Municipality has fully adhered to the Disaster Management Legislative Mandate.

3.2.16.3 Centre for Disaster Management

There is a Disaster Management Center based within the Fire station at Port Shepstone. There are also three Satellite Stations for Disaster Management which are located respectfully, at the Seaslopes Fire Station; Margate Airport; and at Izingolweni Fire Station. These Satellite Stations work in correspondence with the main station.

The Disaster Management has a practitioner's forum at a district and Municipal level. The municipality has a developed disaster management plan to comply with Section 26 (g) of the Municipal Systems Act No 32 of 2000. This is a review process to the existing plan. The comprehensive disaster management plan shall be suitable to the area and shall incorporate comments received from the Honorable MEC of the Department of Cooperative Governance and Traditional Affairs on the 2022/2023 IDP comments.

i. Brief overview on the Municipality's Disaster Management Department

It must be noted that the municipality prides itself with having all the required Sector Plans developed as regulated. It has also fully complied with Section 43(3) of DM Amendment Act of 2015.

Below is a brief overview of the Sector Plan

- The Municipality has a Disaster Management Sector Plan that is reviewed annually and also has a Disaster Risk Management Plan that is reviewed every 5 years;
- The Disaster Risk Management Plan expired in 2018 and it only has former Hibiscus Coast Municipality information. A Service provider was appointed to enhance the quality of disaster risk profiling mapping and new Disaster Management Sector Plan was completed in November and is awaiting approval from council. The new Sector Plan is a consolidated plan of Ray Nkonyeni Municipality, which includes former Hibiscus Coast Municipality and Ezingolweni Municipality information. However, the municipality also does its own risk profiling;
- In terms of reflecting on Disaster Management and fire and rescue service programmes, the municipality has awareness and educational programmes in vulnerable communities, schools, informal settlements, taxi ranks and traditional council areas; That will be detailed in the analysis later.
- There is an internal operations budget and dedicated disaster management vote to attend to emergency relief items



- The Unit complies with Section 43(3) of DM Amendment Act of 2015 by having the following:
 - Disaster Management Centre with 3 staff members and 36 fire fighters
 - Dedicated Budget and adequate resources for Fire and Rescue services
 - Dedicated disaster management vote and operations budget
 - Disaster Management Plans and Risk Reduction programs

i. Disaster Management Sector Plan

The Disaster management Sector Plan was adopted in 2013 and is reviewed annually, which has taken place already to update the risks and include new geographical areas. **(See attachment 5: Disaster Management Sector Plan).**

ii. Disaster Management Plan

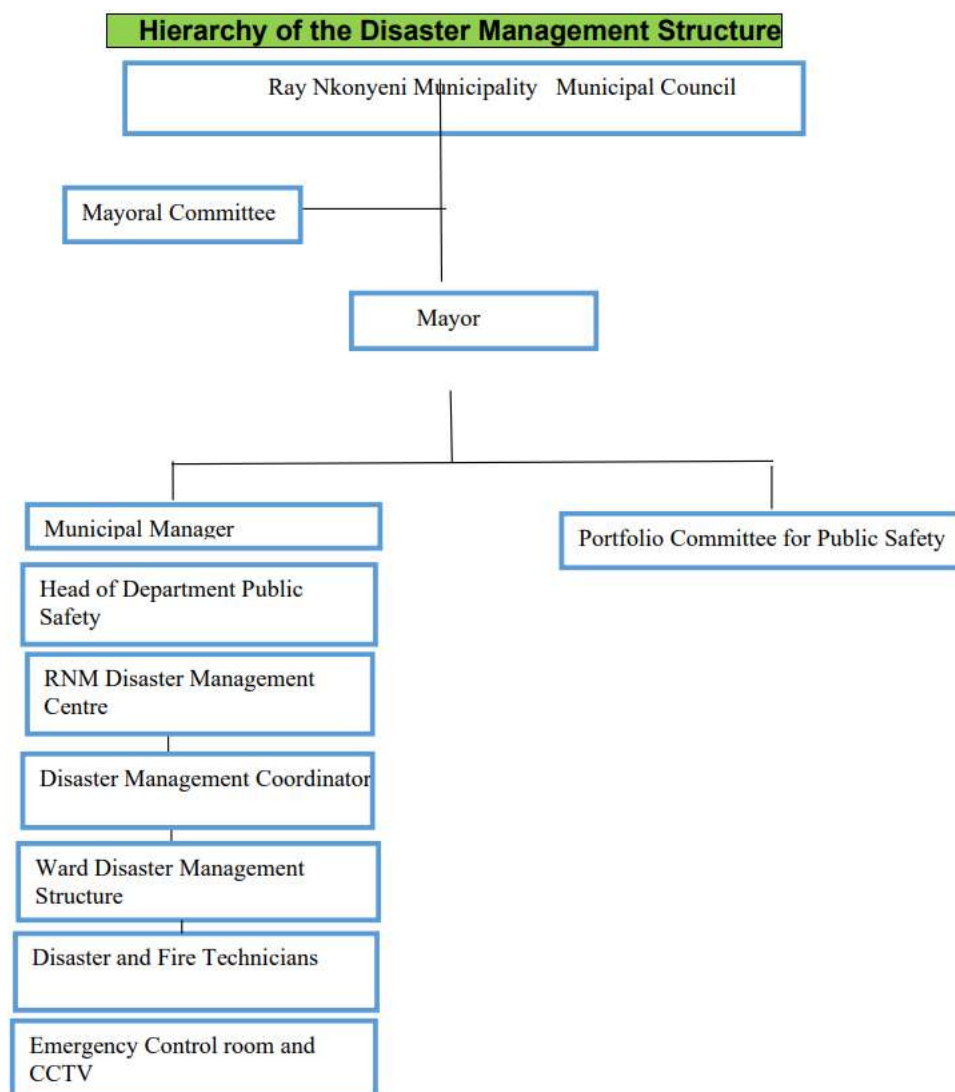
In terms of section 45(1) (b) of the Act, the District disaster management centre exercises its powers and performs its duties in accordance with the directions of Council and in accordance with the administrative instructions of the Municipal Manager. The line function of disaster management will remain under the Public Safety Department and the plan has been incorporated strategically in the IDP as per the Cogta guidelines as an important plan for the municipality, this was done through the alignment with the SDF and service delivery plans. Currently there is a Plan for both former municipalities and was consolidated and reviewed in July 2018. **(See attachment 6: Disaster Management Plan)**

iii. Disaster Center

The current location of the centre is within Council's administration and reporting lines for direction and administrative purposes are illustrated in the chart that follows.



Illustration 12: Hierarchy of the Disaster Management Structure



The Municipality has a centre with regards to communications and a 24-hour call centre and CCTV centre. The municipality is currently in a process of facelifting both the call center and the CCTV centre. The current location of the centre within Council's administration and reporting lines for direction and administrative purposes are illustrated in the chart on the following page.

Ray Nkonyeni Municipality envisages the following disaster management centres and fire stations in order to increase capacity and response in terms of disasters and firefighting:

- Gamalakhe fire station
- Hibberdene fire station
- Ezingolweni fire station
- Hibberdene disaster management centre and
- Margate disaster management centre



3.2.16.4 Disaster Risk Profile

Disaster risk is dynamic. It is driven by a combination of hazard and vulnerability processes, including changing patterns of land-use, infrastructure development/maintenance, urban growth and settlement densification. Similarly, household size and composition, health status and level of livelihood security affect household potential for loss. Some risks, particularly those triggered by climate processes, must be reviewed seasonally prior to the rainy season or hot summer months. Other risks, such as flood risk, require extensive flood hydrology investigations, and maybe undertaken once during a 20-year period. The municipality is engaging with 300 volunteers from all Wards.

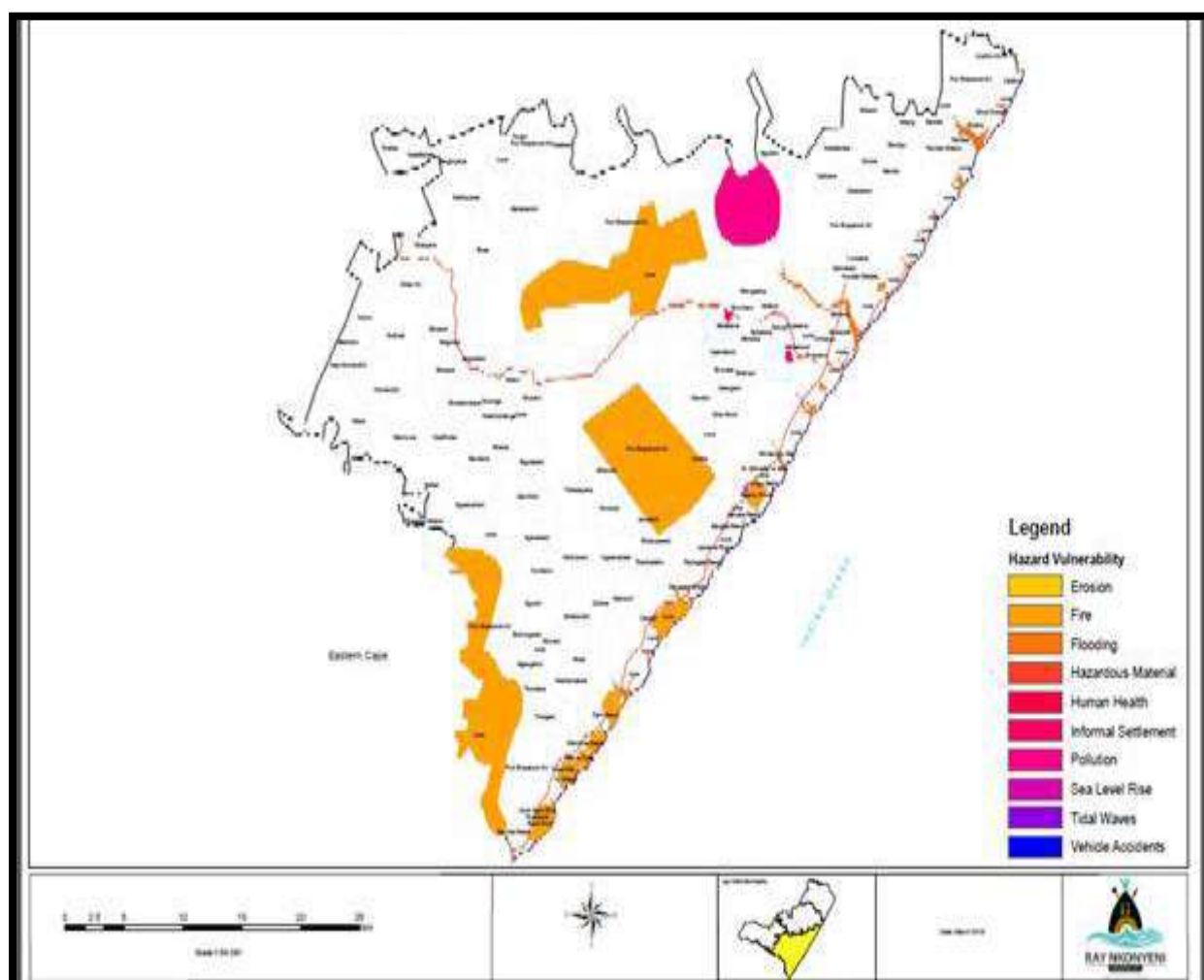
3.2.16.4.1 Hazard Profile List

Table 57: Hazard Profile List

HAZARD/ HAZARDOUS EVENTS	VULNERABILITY	LIKELYHOOD	IMPACT
Strong winds	medium	likely	low
Lightning	low	rare	low
Environmental degradation along coastline	low	rare	low
Structural fire	high	Likely	moderate
Veld fires	medium	likely	moderate
Drought	low	rare	moderate
Snake bites	medium	likely	moderate
Low level bridges	medium	likely	moderate
Overgrown vegetation	medium	likely	moderate
Rabies	medium	likely	moderate
Illegal electricity connections	medium	likely	moderate
Motor vehicle accidents	high	likely	high
Flooding	high	likely	high
Mudslides	medium	rare	high
Crime	high	likely	high
Unemployment	high	likely	high
Water outages	high	likely	high
Sewage leaks	high	likely	high



Map 31: RNM Hazard Map



3.2.16.5 Risk Assessment

Risk Assessment must be undertaken to:

- Ensure that development initiatives maximize their vulnerability reduction outcomes; and anticipate and plan for known risks or disasters to prevent losses and limit endangering impacts.
- The design and methodology adopted for conducting disaster risk assessment for RNM is consistent with the national guideline and standard.
- The Disaster risk assessment must determine the level of risk in RNM by; Identifying potential hazards and/or threats assessing the conditions of vulnerability that increase the chance of loss for particular elements-at-risk (that is, environmental, human, infrastructural, agricultural, economic and other elements that are exposed to a hazard, and are at risk of loss);
- Assessing impact and coping capacity
- Determining the level of risk for different situation and conditions setting priorities for action after prioritizing the hazards according to their risk factor; and
- Continuously monitoring capabilities, risk maps and risk scenarios



Illustration 13: Disaster Management Planning and Climate Change Framework





There are many different methods of carrying out risk assessments. In essence, the disaster risk assessment for the municipality was based on the following methodology:

- ❖ in future assessments, it may however be necessary to deviate, amend or adapt the methodology depending on the type of hazard being assessed:
- ❖ characteristics of the area, infrastructure, service or business concerned
- ❖ The urgency of the assessment and,
- ❖ The availability of relevant hazard and vulnerability information.
- ❖ Is the risk becoming progressively greater;
- ❖ Is the risk undermining development progress in the areas, communities and households it affects and if so,
- ❖ Is the management of the risk a development priority

The aim of the assessment is to establish:

- ❖ which hazards are the most prevalent in RNM area;
- ❖ the frequency with which a significant event or disaster is likely to occur;
- ❖ which areas, communities or households are most at risk;
- ❖ which hazards (of certain intensities) are likely to have the most profound impact on RNM;
- ❖ what is the probability of the identified hazards impacting on RNM within a given time frame;
- ❖ what are the existing conditions of vulnerability and capacity (physical, social, economic and environmental) in the RNM area;
- ❖ which vulnerabilities could be exploited by the identified hazards (of different intensity);
- ❖ what capabilities or resources exist to manage the risk;
- ❖ what are the risk priorities of RNM;
- ❖ how are vulnerabilities being addressed through the Integrated Development Plan projects and other developmental initiatives;
- ❖ what other developmental initiatives are necessary to reduce vulnerability and therefore risk in RNM;



3.2.16.6 Climate Change Risk Analysis

The effects of climate change have been experienced in the municipal area both inland and coastal areas over the past few years. The two highlights of such impact were the 2019 and 2022 floods destroying many houses mainly at Ward 15 KwaMadlala area, Ward 25 Goso area, Ward 23 at Bhobhoyi area and Ward 35 at Izingolweni area as well as the tidal surge destroying a lot of public infrastructure and private property along our beaches. The response on the inland has been to re-build most of the destroyed houses and on the coast restoring public infrastructure with latest (soft) engineering requirements. The issue of energy challenges and demand to reduce use of traditional electricity thereby reducing gas emissions as the country is also on the agenda for the municipality. In this regard Eskom has offered second round of distributing energy efficiency globes. The municipality is also exploring ways to switch to energy saving alternatives in its traffic and streetlights as well as all public infrastructures in the municipal area. The use of solar for heating water and lighting is being explored.

Table 58: Climate Risks and Impacts

Climate Risk	Likely Climate Change Impacts
Higher annual temperatures	<ul style="list-style-type: none"> Increased evaporation and decreased water balance. Reduced crop quality and food security.
Higher maximum temperatures, more hot days and more heat waves	<ul style="list-style-type: none"> Increased heat stress on humans and livestock. Increased incidence of heat-related illnesses. Increased mortality and serious illness, particularly in older age groups. Increased heat stress in livestock and wildlife. Decreased crop yields and rangeland productivity. Extended range and activity of some pests and disease vectors, specifically malaria. Increased threat to infrastructure exceeding design specifications relating to temperature (e.g., road surfaces, electrical equipment, etc.); Increased electric cooling demand increasing pressure on already stretched energy supply reliability; and Exacerbation of urban heat island effect.
Higher minimum temperatures, fewer cold days and frost days	<ul style="list-style-type: none"> Decreased risk of damage to some crops and increased risk to others such as deciduous fruits that rely on cooling periods. Reduced heating energy demand. Extended range and activity of some pests and disease vectors; and
Increased rainfall variability and subsequent drought potential	<ul style="list-style-type: none"> Decreased average runoff, stream flow, groundwater recharge. Decreased water security and potential increases in cost of water resources. Decreased water quality.



Climate Risk	Likely Climate Change Impacts
	<ul style="list-style-type: none"> Decrease in shoulder season length threatening sensitive crops. Increased fire danger (drying factor); and Impacts on rivers and wetland ecosystems.
Intensification of rainfall events	<ul style="list-style-type: none"> Increased flooding. Increased challenge to storm water systems in settlements. Increased soil erosion. Increased riverbank erosion and demands for protective structures. Increased pressure on disaster management systems and response. Increased risk to human lives and health; and Negative impact on agriculture such as lower productivity levels and loss of harvest which could lead to food insecurity.
Increased mean sea level and associated storm surges	<ul style="list-style-type: none"> Saltwater intrusion into groundwater and coastal wetlands. Increased storm surges leading to coastal flooding, coastal erosion, and damage to coastal infrastructure; and Increased impact on estuaries and associated impacts on fish and other marine species.

Map 32: Environmental Vulnerability

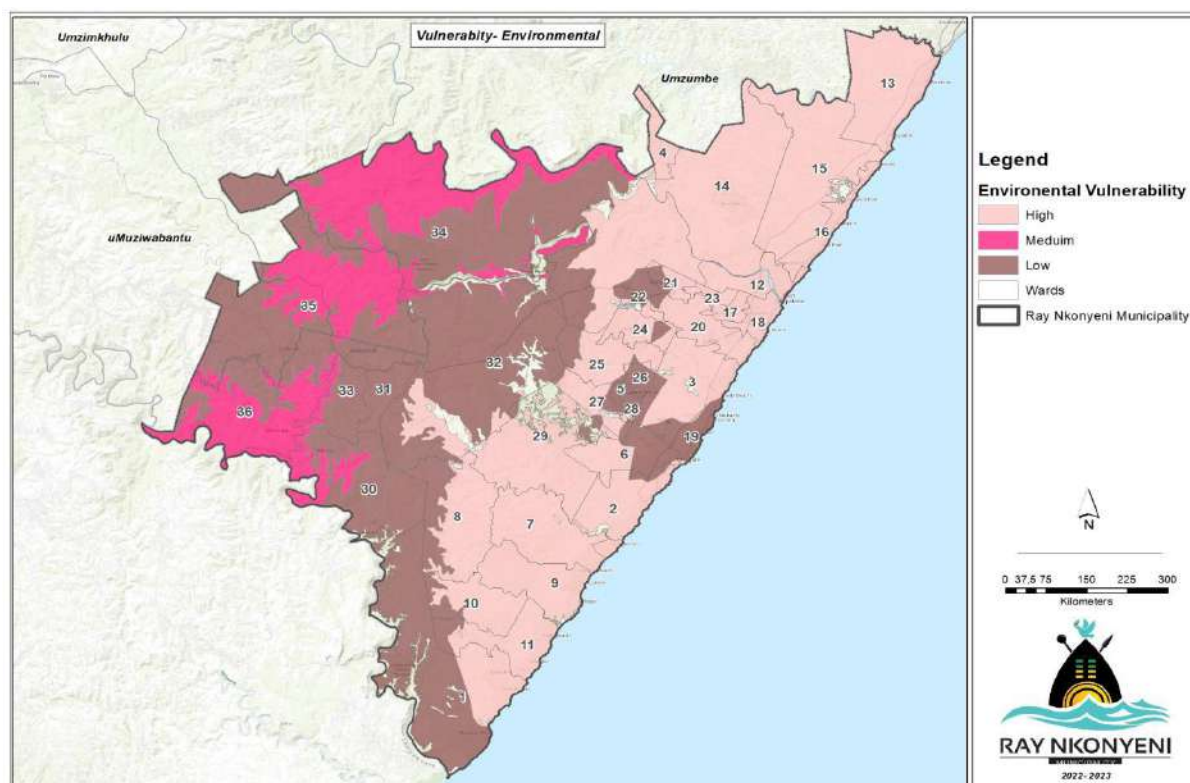




Table 59: RNM Climate Risk Projection

Ray Nkonyeni (coastal) LM		Relative Risk Priority		Hazard Indices			Vulnerability Rating			
Climate change impacts	Range of time variability	Rural Areas	Urban Areas	Likelihood	Predictability	Hazard severity	Population clusters	Agricultural vulnerability	Environmental resilience	Cumulative Climatic hazards
		Commercial farming	Subsistence Farming							
Increase annual rainfall	> 10 years	Moderate risk	Moderate risk	Almost certain	Forecastable	Significant impact	There are large population clusters in this LM with high population density. Climate impacts are therefore likely to disrupt more people.	There is commercial agriculture in this LM but is not very sensitive irrigation deficit	This LM is transformed and has commercial agriculture and there is little natural vegetation. Environmental resilience is medium to low	Little climate changes projected to take place in this as the change is mitigated by the proximity to the ocean.
		Moderate risk	Moderate risk							
Increased rainfall intensity in summer	> 10 years	Major risk	Major risk	Almost certain	Highly variable	Significant impact				
		Major risk	Major risk							
Seasonal rainfall shifts	> 10 years	Minimal Risk	Insignificant Risk	Likely	Highly variable	Minimal Impact				
		Minimal Risk	Minimal Risk							
Drought potential	> 10 years	Moderate risk	Moderate risk	Likely	Mildly predictable	Significant impact				
		Moderate risk	Moderate risk				Measureable adaptation	Policy capacity	Personal Capacity	Institutional Capacity
Increased temperatures	> 10 years	Minimal Risk	Minimal Risk	Almost certain	Forecastable	Medium impact	Social structures allow for better adaptations for the rural and subsistence areas such as usage of water storage and organic farming awareness and mitigation activities. There are maps available for both rural and urban areas to help with planning activities.	The LM focuses on climate change in the IDP and the SDF and sees the need to have this mind-set in development.	The population of this LM have a combined high capacity. This is derived from their level of education and personal income	The institutional capacity is high as there are several economic hubs, urban infrastructure and a focus on development
		Minimal Risk	Minimal Risk							
Increased extreme temperature days	> 10 years	Major risk	Moderate risk	Almost certain	Mildly predictable	Significant impact				
		Moderate risk	Major risk							
Increased heat wave incidence	> 10 years	Major risk	Moderate risk	Almost certain	Mildly predictable	Significant impact				
		Moderate risk	Major risk							
Decreased number of cold nights	> 10 years	Insignificant Risk	Insignificant Risk	Almost certain	Forecastable	Minimal Impact				
		Insignificant Risk	Insignificant Risk							



Table 60: Climate Adaptation Programme(s)

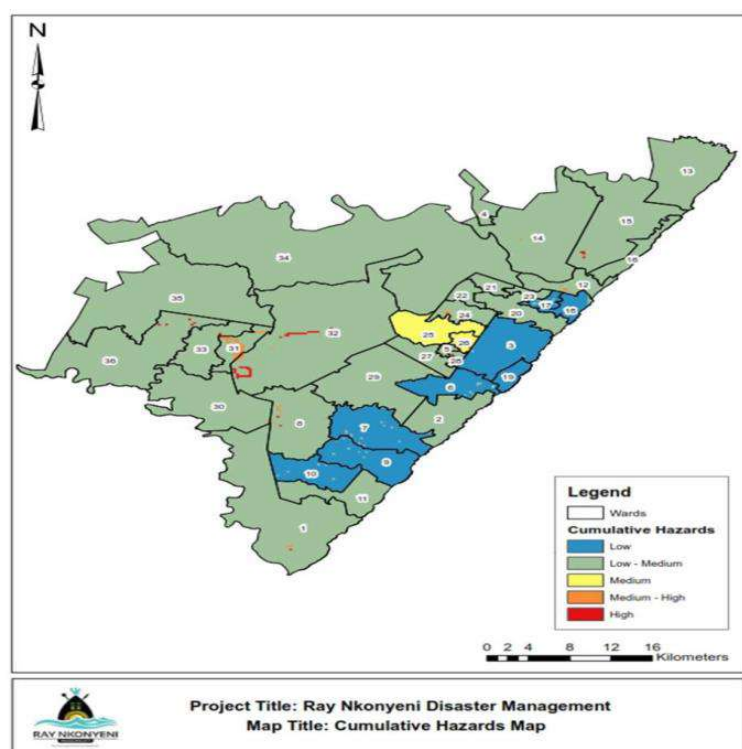
NAME OF PROJECT	BUGDET	TARGET AREA	YEAR
Invasive Alien plants control plan (Ray Nkonyeni Municipality – address fire risk)	R200, 000	Ray Nkonyeni	2023-2024

3.2.16.7 Hazardous Areas

The process of identifying hazards within RNM was a collective process between community members and RNM team including gathering of indigenous information. The more significant hazards identified by communities is social economic challenges and unemployment levels followed by crime and substance abuse. Communities are also faced with water and electricity shortages. The common natural hazards are mainly, fires, and heavy winds. There are impacts of flooding at lower-level bridges and access to school roads.

Most structural fires are caused by use of candles due illegal connections and loadshedding. There are continuous awareness campaigns addressing these issues. Further hazards are traffic management related eg: Traffic lights, speed humps and speed cameras to be located at high accident zones. Covid 19, rabies and snake bites are further hazards risks.

Map 33: RNM Cumulative Hazards

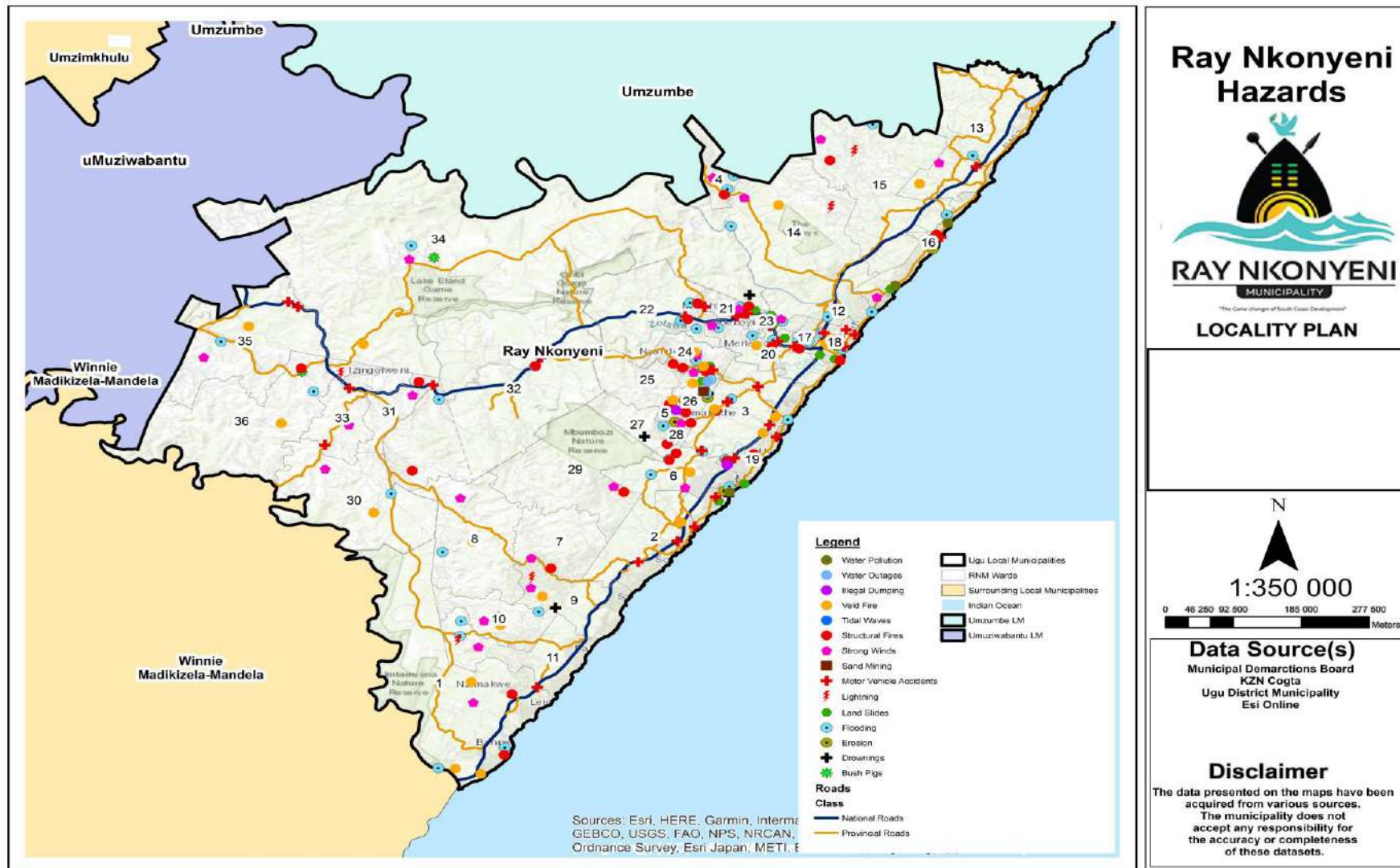


Source: RNM Disaster Management Sector Plan (2022)





Map 34: RNM Hazards





3.2.16.8 Risk Reduction and Prevention

In order to ensure disaster risk reduction in Ray Nkonyeni Municipality the DMC must: monitor, assess, and co-ordinate Council's disaster risk management arrangements, placing particular focus on risk reduction strategies;

- collaborate, coordinate and monitor progress on joint projects and programmes and their integration into the IDP process; support the municipal Disaster Management Satellite Centre in its activities;
- review the disaster management plan of the municipality; review departmental disaster management plans and the plans of other municipal entities in Council's area annually to ensure that the plans are integrated, current, and consistent with Council's Disaster Management Framework;
- promote joint standards of practice across all municipality entities and line functions; monitor progress on the implementation of priority projects aimed *at risk reduction*; and
- Promote and support disaster risk awareness campaigns within the municipality as well as within communities.

3.2.16.9 Prevention and Mitigation

In order to ensure disaster prevention and mitigation in Ray Nkonyeni Municipality the DMC must:

- provide the Disaster Management Satellite Centre with timely information and advice on disaster management related issues;
- ensure the application and enforcement of laws and by-laws by municipality entities relating to disaster management within their jurisdiction;
- promote structural and non-structural mitigation measures;
- develop appropriate prevention and mitigation strategies for the known hazard threat of Ray Nkonyeni Municipality; and
- Assist in the development of appropriate early warning systems for the municipal area.

3.2.16.10 Emergency Preparedness

- In order to ensure emergency preparedness, the DMC must:
- ensure that all departments engage in contingency planning for all priority risks; plan for all residual risk after the disaster risk reduction initiatives had been taken into consideration;
- ensure and participate in desk top exercises on a bi-annual basis in order to keep up to date on roles and responsibilities in the activation and operation of the Disaster Management Centre;
- ensure a rapid and efficient response and recovery in the event a disaster threatens to occur or occurs in Ray Nkonyeni Municipality area;
- make recommendations to Council regarding disaster management matters; and
- Make recommendations to Council on the declaration of a local state of disaster (see section 54 and 55 of the Disaster Management Act 57 of 2002)

With respect to the implementation of the Act, a risk assessment must be undertaken when one or more of the vulnerability reduction criteria (reflected in the table below) are considered priorities in any project or programme initiated by RNM.



Table 61: Maximising vulnerability reduction outcomes

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

3.2.16.11 Disaster Risk Reduction Planning

On the left-hand side of the framework, 'Disaster Risk Reduction Planning', consist of Vulnerability Reduction that are present in the municipality as a whole. The Specific Risk Reduction Projects include on one hand future developments (planned for though the IDP) that should be assessed and on the other hand any area where a combination of vulnerabilities, hazards and/or a lack of capacities pose a specific (or combination of) high risk(s) to the population, infrastructure and environment. Fire and Rescue does have a budget of R23m.

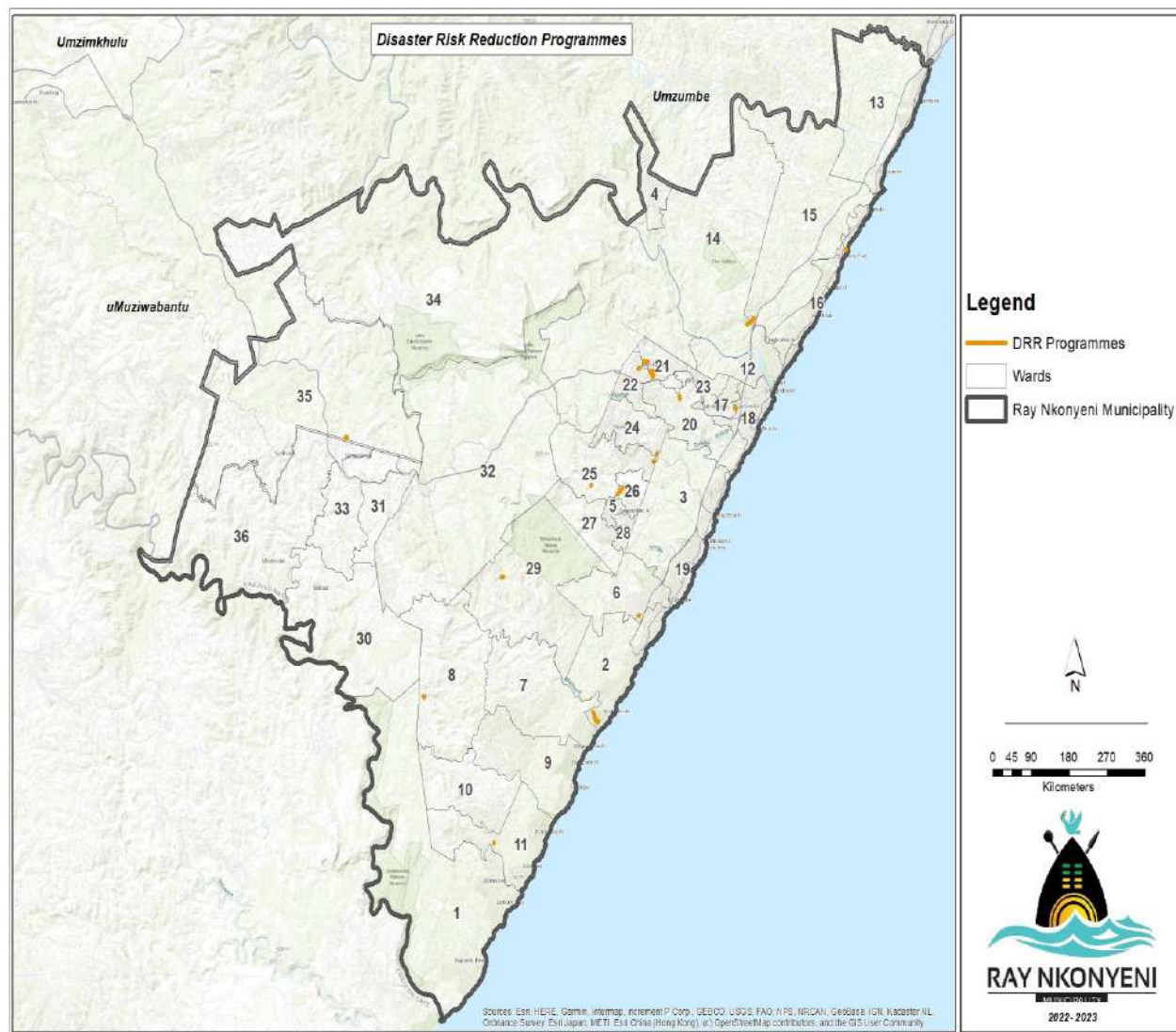


Table 62: Disaster Management Programmes/Projects by the Municipality

NAME OF THE PROJECT	BUDGET	TARGETED AREAS	YEAR
School fire awareness campaigns	R12 000	Ray Nkonyeni	July 2023- June 2024
Settlements and Taxi ranks public education on fire safety	R16 000	Ray Nkonyeni	July 2023- June 2024
Traditional Leaders and Traditional Councils community fire safety education	R16 000	Ray Nkonyeni	July 2023- June 2024
Fire risks prevention and reduction	R12 000	Ray Nkonyeni	July 2023- June 2024
DISASTER MANAGEMENT RISK REDUCTION PROGRAMMES			
Community Awareness campaigns	R11 000	Ward level	July 2023- June 20234
Basic Disaster Management Training	R 6 000	Ward level	July 2023- June 2024
DRM workshops	R 6 000	Ward level	July 2023- June 2024
Establishment of ward-based structures	R 4 000	Ward level	July 2023- June 2024
Monitor low levels bridges	R 7 000	Ward level	July 2023- June 2024
Floods awareness	R 9 000	Ward level	July 2023- June 2024
Operational Budget	R10 M	Ward level	July 2023- June 2024
CCTV cameras	R 3 000 000	Ward level	July 2023- June 2024
-Reconstruction and Rehabilitation of damaged infrastructure 2019/2020	R82 298 000	Ward level	Oct. 2023- Sept.24



Map 35: Disaster Risk Reduction Programme



3.2.16.12 Contingency Planning

The right-hand side of the framework focuses on contingency planning. This type of planning has two components: for the most prevalent hazards, the municipality should have a contingency plans in place that can be activated before or during the impact of a specific hazard ('Hazard Specific Contingency Plans').

As it is impossible to plan for every hazard, the contingency planning should also include generic plans. For the purpose of drawing up such plans, the most important issues have been listed in the framework (public health, command and control, shelter etc.)

Risk of a certain hazard can change over time. It is therefore necessary that all aspects of the framework are adapted accordingly. Continuous assessment is necessary for sound disaster risk management planning which will therefore assist in the prevention and reduction of disaster incidents.



3.2.16.13 Response and Recovery

i. Disaster Response, Recovery, Rehabilitation and Reconstruction

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

ii. Preparedness and early warning

Objectives

- To establish effective early warning systems in the RNM that will ensure rapid and effective actions by essential and emergency services;
- that households, communities and areas at risk are able to respond timeously and appropriately; and
- in order to avert or reduce the potential impacts on people in terms of health, personal injury, loss of life, damage to property, infrastructure or environments

The RNM DMO is primarily responsible to ensure that it has the technical capacity to identify and monitor hazards and must ensure that mechanisms are in place for the receipt, dissemination and appropriate responses to standard early warnings issued by organs of state tasked with primary responsibility for a specific hazard.

DMO is responsible to prepare and issue hazard warnings of significance for the municipal area in a timely and effective manner and to ensure that the warnings are disseminated to those communities known to be most at risk to the hazard including those in isolated and/or remote areas. Warnings must include information and guidance that will enable those at risk to increase their safety and take risk avoidance measures to reduce losses.

iii. Operational plans for disaster response and recovery

DMO is responsible to ensure the development of operational plans for disaster response and recovery when a disaster occurs or threatens to occur in the RNM area of jurisdiction and the facilitation of rehabilitation and reconstruction programmes and projects.

Such plans must be prepared consistent with the national guidelines. The RNM DMO must ensure effective *strategic* co-ordination and management of response and recovery operations for its area.

iv. The RNM DMO has primary responsibility to facilitate:

The development of a standard operational guide for the establishment of Joint Operations Centres (JOCs) to:

- Ensure the effective tactical co-ordination and management of response and recovery operations for major incidents and significant events which occur or threaten to occur in the area and



- Ensure that each response agency identified which can contribute to the response and recovery efforts – whether it be an essential service; an emergency service; community volunteer; a non-governmental organisation;
- a community based organisation; or a private sector agent – prepares and submits an operational plan applicable to their particular functional area which is in accordance with the national field operation guidelines (FOGs).

v. Training and Awareness objectives

- To promote and facilitate non-accredited and accredited education and training opportunities for all disaster risk management stakeholders:
- To identify and implement appropriate disaster risk management training programs for schools in the area to increase knowledge and capacity.
- To identify and implement appropriate disaster risk management training programs for the communities to increase knowledge and capacity.
- To ensure that traditional knowledge and coping strategies are included in the training programs where appropriate.

vi. Schools Programs

Disaster risk management training programs for the purposes of disseminating information on disaster risk management are in place in most schools. The creation of programs relating to disaster management in schools, focus on relevant and appropriate aspects of disaster risk management, have also been encouraged.

vii. Dissemination and use of traditional knowledge

All training and awareness programmes undertaken within the municipality must take into account indigenous knowledge relating to disaster risk management, as per section 7(2).

viii. Community training programmes

Education and training programmes for communities must focus on risk awareness, risk reduction and preparedness. Where appropriate, communities must be given the opportunity to modify and enhance training programmes through the inclusion of indigenous knowledge, practices and values, and the incorporation of local experience of disaster and disaster risk management. Cognisance of the risk assessment for the area must be taken when such programmes are developed.

ix. Government Officials and relevant role players

Training programmes for government officials and policy makers must include modules on planning, hazards, prevention, risk reduction and preparedness.

x. Public Awareness Policy

An integrated public awareness strategy to promote a culture of risk avoidance among all role players and across all departments must be developed and implemented. Such a strategy is necessary for the promotion of an informed, alert and self-reliant society capable of playing its part in supporting and co-operating with the municipality in all aspects of risk and vulnerability reduction.

The ability of the public to understand the nature of commonly encountered hazards in their communities to manage and reduce risks; to develop risk avoidance behaviour patterns; and to



respond appropriately and timeously when disasters occur or are threatening to occur, is dependent on knowledge and access to reliable information. In order to inculcate

Risk-avoidance behaviour by all stakeholders, public awareness campaigns aimed at raising consciousness about disaster risks must provide information on how to reduce vulnerability and exposure to hazards. Public information should be disseminated through the media, schools, public gatherings and through any other suitable network.

xi. Media involvement

The local print and radio media are involved in community awareness programmes.

xii. Policy Directives and Legislative Mandates

The IDP review is guided by binding and nonbinding national and provincial legislations including policies, programmes and strategies that need to be considered in the municipal planning and development processes.

The Non-attendance of provincial department poses the following challenges and limitations for the municipality:

- Limited level of engagement and knowledge sharing
- Department budget for projects that are not urgent to communities
- Departments' projects do not have impact
- Some sectors are neglected and some remain unfunded
- No proper alignment, Duplication of funding and Fiscal Dumping



3.2.17 Disaster Management and Fire Services SWOT Analysis

Table 63: Disaster and Fire Rescue SWOT Analysis

Disaster Management

Strengths	Weakness
<ul style="list-style-type: none"> • Disaster Management Plan is in place • Public awareness disaster programmes are in place • School programmes are also in place • The risk reduction plan is in place • Disaster management Framework is in place • Have adequate disaster relief items • Good working relationship with Ugu District Disaster Management • Member of FPA • Disaster management Advisory Forum • Ward profiles were done 	<ul style="list-style-type: none"> • Shortage of disaster staff • Shortage of heavy-duty fire engines • Do not have reservists • Shortage of disaster vehicles • Coordination of Local Disaster Management Forum • Abnormal weather patterns due to Climate Change • No volunteers • Inadequate budget for grading, stormwater and kerbs
Opportunities	Threats
<ul style="list-style-type: none"> • Have adequate Expertise • To expand on disaster programmes • To increase CCTV operations to monitor disaster • To expand on GIS information 	<ul style="list-style-type: none"> • Shortage of staff • RNM have old vehicles • Staff turnover • Extension of informal settlement • Time delays to call outs
Fire Services	
Strengths	Weakness
<ul style="list-style-type: none"> • 24 Hour shift operation • 24 Hour Control Room operation • Enormous fire expertise qualified personnel • 3 satellite stations 	<ul style="list-style-type: none"> • Need more staff • Shortage of Fire Engines • Poor two-way radio communication • Control room hunting lines • Do not have a generator



<ul style="list-style-type: none"> • Fire safety section backup to neighboring Municipalities • 2 x CCTV Rooms • Have protective clothing • Member of District Fire Forum 	
Opportunities	Threats
<ul style="list-style-type: none"> • Service providers in place to deal with repairs to vehicles • Staff back up for disaster issues • Member of FPA • To expand fire safety • To expand on the ranking structure • Service provider to supply disaster relief 	<ul style="list-style-type: none"> • Managing of Veld fire season • Water cut offs in all wards • Extension on informal settlement • Frequent vehicles break down • Load shedding

3.2.18 Key Findings

Table: Key Findings

KEY CHALLENGES	DESCRIPTION
1. No reliable heavy duty Fire Engines	Fire engines are constantly requiring repairs-1984 models
2. Urbanised Coastal Zones	The coastal strip is very urbanised and developed
3. Manufacturing Sector is limited to the coastal strip	All the economic development is centralised along the urban areas.
4.Climate Change	Due to climate change that the municipality occasionally experiences, flood occur leaving behind distraction.
5.Impoverished rural interior	There is absolutely no development in the hinterland





3.3 MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT ANALYSIS

2023/2024 MEC Comments	Corrective measure	2023/24 Score
<ul style="list-style-type: none"> The Municipality is commended for addressing this Key Performance Area (KPA) and covering key elements of this KPA. To further enhance this KPA, the Municipality is requested to reflect on the status of the Retention Policy. 	Noted.	4.9/5
<ul style="list-style-type: none"> The Municipality vacancy rate has increased from 27% in the previous financial year to 28% this financial year. The Municipality is encouraged to work faster towards reducing this rate to ensure that there is sufficient capacity to perform on the powers and functions. 	Noted and Human Resources has been notified of this finding. The updated vacancy rate will be shared in the Final IDP in May. (See attachment 7: Organogram)	
<ul style="list-style-type: none"> The Municipality is commended for employing people living with disabilities (Currently employed 1%), the municipality is encouraged to continue with its effort and ensure that it attains the required target of 2%. 	Noted.	

3.3.1 Organizational Development

Section 51 of the Municipality System Act 32 of 2000 stipulates that a municipality must establish and organize its administration in a manner that will enable it to:

- Be performance-oriented and focused on the objectives of local Government
- Perform its functions: Through operationally effective and appropriate administrative units and mechanism and /or When necessary on a decentralized basis; and Maximize efficiency of communication and decision-making within the administration
- Be responsive to the needs of the Local Communities;
- Facilitate a culture of public service and accountability amongst its staff, and
- Be performance-orientated and focused on the objects of local



government as set out in Section 152 of the Constitution and its developmental duties as required by Section 153 of the Constitution.

The Back-to-Basics Policy further emphasizes a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. It further details the basic requirements that needs to be monitored which include critical positions to be filled with competent and qualified persons, municipal organograms be realistic etc. Also, one of the five pillars of the Back-to-Basics approach talks to building an institutional and administrative capabilities. Ray Nkonyeni Municipality has fully adhered to the Back to Basics talking to filling up critical positions as well as having a realistic organogram. With regards to the principle of building institutional and administrative capabilities, as well as adhering to the Back to Basics Policy, the municipality can undoubtedly confirm that, yes, it has aligned itself accordingly.

3.3.1.1 Municipal Transformation and Organisational Development Strategies

Ray Nkonyeni Municipality has developed and adopted goals and objectives that talk to the municipal transformation and organizational development to enhance service delivery and address key challenges. The adopted goals are fully aligned to the KZN PGDS. Below are the municipality's adopted strategic goals:

- i. To foster effective and efficient Inter-Governmental Relations (IGR)
- ii. To ensure on-going human resource development
- iii. To attract and retain skilled employees
- iv. To be an innovative organization with improved performance

3.3.2 Institutional Arrangements

Addressing the building of a strong municipal system Back-to-Basics pillar, Ray Nkonyeni Municipality has the following institutional arrangements:

- **Municipal Governance (Council)**

Her Worship, Mayor, Councillor P.Z Mzindle, is chair for Council which comprises of seventy (70) Councillors. Council sits once a month or when an urgency arises. Its main duty is to deliberate on issues brought forward by the Executive Committee and other issues thereof, and then adopt.

The municipality is diverse in terms of political representation, and is run in a very democratic manner, which is transparent. Political parties represented in the Council are six (6) in total, being the ANC, DA, IFP, EFF, AIC & VFPLUS. There are thirty-six (36) ward councillors and thirty five (34) Party Representatives (PR).

- **Executive Committee (EXCO)**

The Executive Committee is the top decision-making structure in the municipality. It consists of twelve (12) councillors, consisting of the Mayor, Deputy Mayor, Speaker, Chief Whip and eight other members representing the ANC, DA and IFP. The ANC members in the committee are the seven portfolio chairpersons. The Exco committee is chaired by the Mayor and sits twice a month, deliberating and noting issues raised in the different municipal portfolio committees. The issues are then sent to Council for adoption.








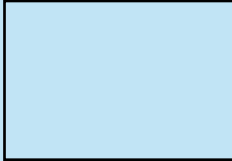
Furthermore, this committee is a day-to-day committee of Council, which means, they are full time office bearers in the municipality. Council is chaired by the Speaker, and sits once every month.

- **Portfolio Committees**

The municipality consists of seven (7) subject specialization portfolio committees with eleven (11) politicians each as members, and some members sit in two different portfolios. Each committee sits once a month to deliberate on departmental issues with regards to administration and service delivery issues and chaired by an Exco Member. Departmental managers, headed by their HoD sit in these meetings to account where possible. These portfolio committees are:













Table 64: RNM Portfolio Committees

DEPARTMENT	MANAGER DESIGNATION	TOTAL
i. Office of the Municipal Manager	   <p>Manager Internal Audit Manager in the Municipal Office Manager Legal and Compliance</p>	3
1. Corporate Services	   <p>Manager Human Resources Manager IT Manager: Fleet Management</p>	6

RAY NKONYENI MUNICIPALITY'S FINAL INTEGRATED DEVELOPMENT PLAN



	 <p>Manager Administration management</p>  <p>Manager Estates & Administration</p>  <p>Manager Labour Relations and Wellness</p>	
2. Development Planning Services	 <p>Senior Manager Building Control</p>  <p>Senior Manager: Technology Hub</p>  <p>Senior Manager: Strategic Planning</p>  <p>Manager Aviation Services</p>  <p>Manager: Environmental Management and Signage</p>  <p>Manager: Town Planning</p>  <p>Manager LED & Tourism</p>	7
3. Public Safety		4



Superintendent Operations



Manager Fire, Rescue and Disaster



Superintendent Public Transport and Administration



Manager Motor Licensing and Bureau

4. Community Services



Manager Arts and Culture



Manager Aquatic Safety



Manager Education and Waste Minimization



Manager Cleansing & Waste Management
(Depo South)



Manager Cleansing & Waste Management
Depo North



<p>5.Strategic Planning and Governance</p>	<div data-bbox="613 328 819 528"></div> <p data-bbox="580 547 925 569">Manager Mayoralty and Communications</p> <div data-bbox="1077 352 1285 528"></div> <p data-bbox="1077 547 1292 569">Manager Speaker's Office</p> <div data-bbox="1458 328 1664 528"></div> <p data-bbox="1442 547 1686 569">Manager Youth Development</p> <div data-bbox="584 611 808 818"></div> <p data-bbox="580 837 1021 860">Manager Stake Holder Relations and Customer Care</p> <div data-bbox="1084 635 1326 818"></div> <p data-bbox="1055 837 1451 860">Manager Performing, Monitoring and Evaluating</p> <div data-bbox="1496 643 1720 810"></div> <p data-bbox="1480 837 1733 860">Manager Special Programmes</p>	<p>6</p>
<p>6.Treasury</p>	<div data-bbox="613 967 837 1166"></div> <p data-bbox="580 1185 889 1208">Manager Supply Chain Management</p> <div data-bbox="981 967 1256 1158"></div> <p data-bbox="969 1185 1261 1208">Manager Budgeting and Reporting</p> <div data-bbox="1424 967 1621 1166"></div> <p data-bbox="1373 1185 1648 1208">Manager Revenue Management</p>	<p>5</p>

RAY NKONYENI MUNICIPALITY'S FINAL INTEGRATED DEVELOPMENT PLAN



Manager Expenditure management



Manager Asset Management

7. Technical Services



Manager Human Settlement



Manager Project Management



Manager Electrical Engineering



Manager Project Finance



Manager Roads and Storm Water

Manager Facilities Management

Manager Mechanical Engineering -Vacant



TOTAL		44



• Traditional Authorities

Section 81 of the Municipal Structures Act No 117 of 1998, stipulates that Traditional Authorities (Amakhosi) may participate through their leaders in the proceedings of the Council of that municipality. As per Cogta public participation directive, each municipal council is to have 2 Amakhosi participating. Ray Nkonyeni Municipality has fully adhered to that. In terms of Amakhosi participating in the formulation of the Draft IDP, it must be noted that the participation is not very satisfactory due to some valid reasons, however, the municipality has since made inroads in terms of being slotted in their calendar for the next financial year:

- Chosen municipal dates to present to Amakhosi in most instances clash with their tight Local House schedules
- Amakhosi in most instances are engaged in their calendar scheduled weekly Traditional Council business whereby only the Council sits

• Municipal Administration

The administration is headed by the Municipal Manager, Mr KJ Zulu. The administration is structured in to seven operational departments, being:

- Department of Community Services (DCOMMS)
- Department of Corporate Services (DCS)
- Department of Strategic Planning (DSPG)
- Department of Technical Services (DTS)
- Department Development Planning Services (DDPS) &
- Department of Public Safety (DPS)

3.3.3 Organogram

The municipality developed a new organogram which was adopted by Council in August 2016 reviewed annually and has since been reviewed (**See attachment 7: Organogram**). The transformation process commenced in 2004 whereby the system of Section 57 Managers was adopted. Due to municipal grading as regulated by organized local government structures, the municipality over the years has faced challenges in retaining employees attributed to several reasons such as the institutions which often offer more attractive packages. Ray Nkonyeni Municipality has since addressed this by having more attractive packages and other benefits to ensure its employees are retained.

Ray Nkonyeni municipality has a total staff compliment of 1083. As per the Back-to-Basics pillar which talks to local government ensuring that the top six posts (Municipal Manager, Finance, Infrastructure and Corporate Services, Community development and Development Planning and Governance are filled by competent and qualified persons, Ray Nkonyeni Municipality has adhered to that by having these posts filled. The municipality has seven designated departments as mentioned in the executive summary, and all these have been filled with qualified Section 57 Managerial positions.

In terms of women empowerment, the municipality has since started prioritizing more deserving females to management positions. With regards to employees living with disability, there are eleven (11) out of 1083 (Current permanent status) = 1 %. Below is a summarized table of employees living with disability.



Table 65: Employees Living with Disability

	DESIGNATION	TG	RACE	GENDER	DEPARTMENT	DISABILITY
1	General Assistant	3	A	M	Community Services	Artificial leg
2	General Assistant	3	A	M	Community Services	Limping
3	Supervisor Stormwater	10	A	M	Technical Services	Crutches
4	General Assistant	3	A	M	Community Services	Partially blind
5	General Assistant	3	A	M	Community Services	Limping
6	CCTV Operator	7	W	M	Public Safety	Wheelchair bound
7	Control room Operator	7	A	F	Public Safety	Crutches
8	Control room Operator	7	I	M	Public Safety	Wheelchair bound
9	Traffic Warden	6	A	F	Public Safety	Limping
10	Machine Operator	3	A	M	Community Services	Limping
11	Machine Operator	3	A	M	Community Services	left hand not working
12	Clerical Assistant	4	A	M	Corporate Services	Limping
13	General Assistant	3	A	M	Technical Services	Limping
14	Handyman (Bricklayer)	7	A	M	Technical Services	Limping
15	Librarian	11	W	F	Community Services	Uses Hearing Aid
16	Librarian	11	A	F	Community Services	loss of sight in one eye

Table 66: Vacancy Rate

The municipality is currently reviewing its organogram to ascertain posts that need to be filled. It must be noted that there are a number of posts that have been in the organogram but not budgeted for, so, budget has been set aside for the new financial year. There has been 1,89% increased of the vacancy rate from the 2022 financial year.

STAFF ESTABLISHMENT - RAY NKONYENI MUNICIPALITY (KZ-216)					
DEPARTMENT	SECTION	OCCUPIED	VACANT	TOTAL	VACANCY RATE
Office of the MM		11	1	12	8,33%
	MM's Office	3	1	4	
	Internal Audit	8	0	8	
Corporate Services		60	4	64	6,25%
	Office of the HOD	2	1	3	
	Human Resource Management	11	0	11	
	Estates	4	0	4	
	Legal	3	0	3	
	Information Communication Technology	8	0	8	
	Fleet Management	6	1	7	
	Administration	20	2	22	



	Labour Relations/Wellness	6	0	6	
Development Planning Services		48	33	81	40,74%
	Office of the HOD	3	1	4	
	Building Control	15	5	20	
	Town Planning	7	7	14	
	Environmental Management & Signage	5	2	7	
	Aviation	5	11	16	
	Technology Hub	2	2	4	
	Local Economic Development	11	5	16	
Public Safety		206	83	289	28,72%
	Office of the HOD	8	8	16	
	Administration	10	0	10	
	Law Enforcement (operations)	93	59	152	
	Motor Licence Bureau	30	11	41	
	Fire, Rescue & Disaster	65	5	70	
Community Services		440	196	636	30,82%
	Office of the HOD	7	1	8	
	Education & Waste Minimisation	21	14	35	
	Cleansing & Waste Management	321	156	477	
	Aquatic Safety	16	1	17	
	Arts and Culture	75	24	99	
	EPWP / CWP	0	0	0	
Strategic Planning & Governance		34	8	42	19,05%
	Office of the HOD	2	1	3	
	Performance Monitoring & Evaluation	2	1	3	
	Strategic Planning	2	2	4	
	Mayorality & Communications	5	1	6	
	Youth Development	4	1	5	
	Speakers Office	10	1	11	
	Special Programmes	3	1	4	
	Stakeholder Relations & Customer Services	6	0	6	
Treasury		72	17	89	19,10%
	Office of the CFO	1	3	4	
	Budget & Reporting	4	2	6	
	Supply Chain Management	19	2	21	



	Revenue	27	10	37	
	Expenditure	15	0	15	
	Assets	6	0	6	
Technical Services		166	96	262	36,64%
	Office of the HOD	3	0	3	
	Electrical Engineering	33	2	35	
	Mechanical Engineering	7	2	9	
	Human Settlements	8	0	8	
	Facilities Management	13	10	23	
	Roads & Storm Water	93	81	174	
	Project Management	9	1	10	
	TOTAL	1037	438	1475	29,69%

3.3.5 Municipal Powers and Functions

The significance of integrating sector plans into the IDP is to provide a demonstration of how they relate to one another. It also outlines a sector plan integration process which will guide our municipality as we integrate various sector plans in our IDP to ensure the realization of integrated development and alignment. The following table illustrates the functions that are undertaken by Ray Nkonyeni Municipality, Ugu as a District as well as by other Sectors within the District as priority function per COGTA.



Table 67: Municipal Powers and Functions

	Powers and Functions of the Municipality	Ugu DM	Shared with other services	Ray Nkonyeni LM	KPA
1	Air pollution	X			Cross-Cutting
2	Building regulations			x	Basic Service Delivery
3	Electricity and gas reticulation		X		Basic Service Delivery
4	Firefighting services			x	Basic Service Delivery
5	Local tourism		X		Local Economic Development
6	Municipal airports			x	Cross cutting
7	Municipal planning			x	Cross cutting
8	Municipal health services	X			Basic Service Delivery
9	Municipal public transport			x	Basic Service Delivery
10	Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to the m under this Constitution or any			x	Basic Service Delivery
11	Control of undertakings that sell liquor To the public			x	Basic Service Delivery
12	Facilities for the accommodation-area			x	Basic Service Delivery
13	Fencing and fences			x	Basic Service Delivery
14	Licensing of dogs			x	Basic Service Delivery
15	Licensing and control of undertakings that sell food to the public			x	Basic Service Delivery



16	Local amenities			x	Basic Service Delivery
17	Local sport facilities			X	Basic Service Delivery
18	Markets			x	LED
19	Municipal abattoirs			x	LED
20	Municipal parks and recreation			x	Basic Service Delivery
21	Municipal roads			x	Basic Service Delivery
22	Noise pollution			x	Basic Service Delivery
23	Pounds			x	Basic Service Delivery
24	Public places			x	Basic Service Delivery
25	Refuse removal, refuse dumps & solid waste disposal			x	Basic Service Delivery
26	Street trading			x	Basic Service Delivery
27	Street lighting			x	Basic Service Delivery
28	Traffic and parking			x	Basic Service Delivery

3.3.6 Institutional Capacity and Human Resource Development

In response to building institutions and municipal capabilities as per the Back to Basics, pillar no.5, the municipality has responded by ensuring that strategies, policies and plans that talk to these are developed and implemented. Further more, in ensuring that the main core for skills development, meeting equity targets and ensuring that the institution responds to its constitutional mandate responsive, the Human Resource Strategy has been developed. Vision 2036 of the municipality recently adopted by Council clearly stipulates the importance of developing a sound human resource as it broadens growth and development and this requires an educated, safe, healthy and a happy population. For the municipality to achieve this, adopted plans do not talk to empowering the municipal staff only, but the entire community of RNM by ensuring that community members are equipped with resources to enable a society that is better capacitated in terms of skills and knowledge.

For Human Resource and capacity development, the municipality has adopted all required strategies and policies, listed and briefly summarised below:



3.3.6.1 Human Resource and Management Strategy

The Human Resource Strategy is a 5 year strategy that was adopted in 2017 and was reviewed and adopted in 2023 (**See attachment 8: HR Strategy**). The Strategy's aim is to assist the municipality in the career development of its existing staff, maximize productivity by the optimum implementation of relevant legislations, collective agreements with special emphasis of the Employment Equity Policy. The municipality has major objectives that it seeks to achieve through the strategy as listed below:

- Attract and retain competent staff
- Retain key staff members whose services are regarded as critical
- Identify individual's potential for assuming a higher degree of responsibility
- Help develop a skills base for succession planning
- Ensure career development for staff

The HR strategy is informed by the IDP and SDBIP. The departments would identify their human capacity needs that shall enable them to achieve their annualized targets in the form of SDBIP as well as medium term targets which takes the form of the IDP, and all this is done with the ultimate goal of realizing the vision of the municipality. HR policies are crafted with the strategy in mind. Below is a list of all the adopted Policies as per the HR Strategy:

3.3.6.2 Human Resource Plan

The municipality has never developed a Human Resource Plan and has since requested the assistance of Cogta to give full clarity on what this plan is all about since there is a Human Resource Strategy in place. However, it is clear that this plan should be more detailed and more focused on the short term to ensure the strategic plan is achieved. This will hopefully be done with the assistance of Cogta in the next IDP.

3.3.6.3 Employment Equity Policy

The Employment Equity Policy (EEP) is a five year plan, in place, adopted by Council in 2017, reviewed after five years or **when need arises**. With the EEP, the RNM has not seen any need to review it as the living document still adapts with the municipality.

The purpose of the Employment Equity Policy is to provide:

- A framework for implementing the principles of the Employment Equity Act.
- A framework for implementing and monitoring Affirmative Action Programmes.
- Equality, diversity and transformation through elimination of unfair discrimination and the empowerment of designated groups which will reflect RNM demographics.

To this extent, RNM shall have an Employment Equity structure that is transparent, diverse and shall ensure empowerment through multi-skilling; and Commit itself to recruitment and selection process that is fair, non-discriminatory, culture free and accessible, thereby enabling a representative workforce. Deserving females are considered first than males.

The policy redresses the imbalances of the past in terms of the designated groups (black female, coloured women and Indian Women). RNM can proudly pronounce that it has adhered to the 2024 SONA whereby the President mentioned that SA must build a society where the injustices of the past no longer define the lives of the present. In responding, RNM developed the Employment Equity Policy which clearly outlines how the municipality intends to undertake the processes of employment to address the past injustices to those deserving, which includes;



- On the gender part when shortlisting, a black female is scored higher than either a black/white male
- The disabled are given preferential attention in terms of employment if they qualify

3.3.6.6.1 Employment Equity Plan

Section 20 of the Employment Equity Plan requires that a designated employer prepares and implements an Employment Equity Plan which will achieve reasonable progress towards employment equity. Ray Nkonyeni Municipality as a designated employer / municipality, in terms of section 20 of the Employment Equity Act No 55 of 1995, has prepared and implemented an employment equity plan which will achieve reasonable progress towards employment equity. The duration of this plan is three (3) years which is effective from: 27 JUNE 2020-30 JUNE 2023. The successive three year plan has been in effect from 01 July 2023 and will expire in June 2026. The below 2 tables summarize employment equity numerical targets including people with disabilities and disabilities only for the current financial year.

Table 68: Employment Equity targets

Numerical targets: Year 3											
Start date: 01 JULY 2023				End date: 30 JUNE 2024							

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	4	0	0	0	2	0	1	0	0	0	7
Professionally qualified and experienced specialists and mid-management	23	1	2	1	18	0	2	2	0	0	49
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	110	5	24	11	97	3	12	4	0	0	266
Semi-skilled and discretionary decision making	227	7	21	8	179	3	20	12	0	0	477
Unskilled and defined decision making	195	6	9	6	158	3	8	5	0	0	390
TOTAL PERMANENT	560	19	56	26	456	9	43	23	0	0	1190
Temporary employees											



GRAND TOTAL	560	19	56	26	456	9	43	23	0	0	1190
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Table 69: Numerical targets for people with disabilities only

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	1	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2	1	1	2	2	0	1	1	0	0	10
Semi-skilled and discretionary decision making	2	2	1	0	2	0	1	2	0	0	10
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	4	0	2	2	5	0	2	4	0	0	22
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	4	0	2	2	5	0	2	4	0	0	22



Table 70: Current Workforce Profile

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Section 54)	1	0	0	0	0	0	0	0	0	0	1
Senior management (Section 56)	2	0	0	0	2	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management (T14 - T18)	18	1	3	2	18	0	2	2	0	0	46
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (T9 - T13)	117	5	22	6	98	4	5	2	1	0	260
Semi-skilled and discretionary decision making (T4 - T8)	215	0	13	3	178	4	15	5	0	0	433
Unskilled and defined decision making (T1 - T3)	171	0	2	0	139	0	0	0	0	0	312
TOTAL PERMANENT	524	6	40	11	435	8	22	9	1	0	1056
Non-permanent employees	36	0	0	1	30	1	1	0	0	0	69
GRAND TOTAL	560	6	40	12	465	9	23	9	1	0	1125



Table 71: Employees Living with Disabilities Withing Ray Nkonyeni Municipality Only

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Section 54)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Section 56)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (T14 - T18)	0	0	0	0	0	0	0	0	0	0	0



Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (T9 - T13)	1	0	0	0	0	0	0	1	0	0	2
Semi-skilled and discretionary decision making (T4 - T8)	3	0	1	1	2	0	0	0	0	0	7
Unskilled and defined decision making (T1 - T3)	7	0	0	0	0	0	0	0	0	0	7
TOTAL PERMANENT	11	0	1	1	2	0	0	1	0	0	16
Non- permanent employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	12	0	1	1	3	0	0	2	0	0	16

3.3.6.4 Workplace Skills Plan

The Workplace Skills Plan (WSP) is in place, reviewed annually (submitted to the LGSETA annually as required in April. For 2023/24 WSP, the municipality submitted in May 2024. This plan is informed by the Employment Equity. The employment equity guidelines form an integral part of planning for training as prescribed in the Skills Development Act. The Plan is aligned to the WSP. It must be noted however, that in as much as the Plan is effective, there are constraints that come with budget. Projects not budgeted for get recommended for implementation during a financial year thus compromising the programme on the WSP.

The employment equity profile illustrates progress made towards achieving the transformation targets. The Plan reflects the progress the municipality has achieved thus far and actions to address challenges relating to enhanced demographic spread, skills development, fast-tracking, diversity management and organizational culture assessment. This plan is being implemented effectively by amongst other things, putting emphasis on job adverts as well as scoring criteria for short listing and interviews. In this regard, there are special points allocated based on race and gender. The plan amongst other things has ensured that the municipality's employees are capacitated in terms of skills training. New recruits in terms of interns are also capacitated through this plan.

Each financial year a budget is allocated to ensure a smooth plan for all allocated beneficiaries. In terms of trainings, these are conducted internally and if need be beneficiaries are allocated funding to be trained or be skilled in their field of choice in any institution. In total, there are 333 beneficiaries and budget is set aside for each financial year.

Following is a table summarizing the number of beneficiaries in the plan for the current financial year.

**Table 72: Occupational Category(beneficiaries)**

Occupation category	No of beneficiaries
Councillors	50
Management	14
Professionals	55
Technicians & Associate professionals	56
Clerical support workers	179
Plant & machine operators & assembles	9
Elementary occupations	116
Service and sale workers	157
TOTAL	633

3.3.6.5 Recruitment and Selection Policy

The Recruitment and Selection Policy was adopted in 2017, reviewed annually and has since been reviewed and adopted in March 2024. The recruitment and selection policy sets out the process of recruiting the suitable candidates for the vacant posts. It starts with the department concerned identifying the vacant post and informing the Corporate Services Department to advertise the same. The Corporate Services would confirm if the post is indeed in the organisational structure as approved by council, and whether the said post is budgeted for in the current financial year. The Municipal Manager is informed through the memorandum of the request and advised whether there are funds available to fill in that position. The Municipal Manager would then authorize the filling of the said post. The panel responsible for the shortlisting and interviews is chaired by the Head of the Department in which the vacant post has been identified and manager to whom the incumbent shall be reporting forms part of the panel and an official from HR is present throughout the process. Once the successful candidate has been identified, references as they appear in their CV are then contacted. If positive reference is received the memo seeking MM's approval of the recommended candidate is sent to him. Once MM approves the successful candidate is informed.

3.3.6.6 Staff Secondment Policy

Ray Nkonyeni Municipality is committed to fair and transparent Human Resources practices. The aim of this policy is to outline principles underpinning secondment of employees, and to clarify procedures to be followed in respect of transfers applicable to all employees.

3.3.6.7 Leave Management Policy

The main purpose of this policy is to regulate taking of leave by employees of Ray Nkonyeni Municipality, having regard of the relevant statutory provisions regarding leave. The objective of this policy is to simplify the rules and regulations contained in the following agreements and legislative documents.



3.3.6.8 Talent Management & Succession Planning Policy

The approved talent management strategy provides a strategic framework for the management of talent with Ray Nkonyeni Municipality. Ray Nkonyeni Municipality recognizes the strategic imperative to attract, develop, engage and retain scarce and critical skills into the Municipality. The Municipality endeavours to develop deliberate talent management strategies and policies that will ensure a sustained supply of competent and stable talent pipeline through succession plans that meet the objectives of the Integrated Development Plan.

3.3.6.9 Staff Transfer Policy

To outline principles underpinning transfer of employees, and to clarify procedures to be followed in respect of transfers.

3.3.6.10 Acting Policy

To outline principles underpinning transfer of employees, and to clarify procedures to be followed in respect of transfers.

3.3.6.11 Induction Policy

The Municipality believes that all new employees must be given timely induction training. This training is regarded as a vital part of staff recruitment and integration into the working environment. This policy, associated procedures and guidelines define the Company's commitment to ensure that all staff are supported during the period of induction, to the benefit of the employee and municipality alike.

3.3.6.12 Individual Performance Management Systems

The development of the Municipality's IPMS is informed by the need to enhance the effectiveness of the OPMS already established within the organization. The IPMS will allow for the PM system processes in place to be cascaded to other levels of employees apart from Sec. 54/56 managers. The municipality is required to develop a PMS which is commensurate with its resources, best suited to its circumstances, and in line with the priorities, objectives, indicators and targets contained in the IDP; and the PMS seeks to promote a performance management culture among political structures, political office bearers and Councillors and in its administration as well as also administer its affairs in an economical, effective, efficient and accountable manner.



3.3.6.12.1 Probation Policy

- 1.1 This policy sets out the Municipality's approach to probation for new employees aiming to ensure the municipality meets its commitment to the fair, equal and consistent treatment of employees within a supportive framework and in line with employment legislation requirements with regards to the probation period.
- 1.2 To ensure the municipality is provided with an opportunity to assess skills, conduct, capability and attendance of the new employee before deciding whether or not to confirm their appointment.
- 1.3 To identify the link between induction, probation and developmental processes and emphasize the need for all to underpin the support and development of a newly appointed employee.

3.3.6.13 Information Technology Strategy (IT)

There is a fully designated section within the municipality that is responsible for all IT related matters. IT Strategy was adopted in March 2017 and is a 5-year Strategy which is reviewed annually, and it has since been reviewed and adopted by Council, May 2024. The purpose of the strategy is to give a focus and framework for future IT Investments and projects linking these into the priorities of the IDP. It is also aimed at raising the profile and awareness of the importance of IT investments and the governance which surrounds these and associated benefits realization. It also provides an effective technology architecture which not only provides robust and reliable underpinning to municipal services but is an architecture which acts as an enabler and catalyst for service delivery both within the municipality and across our strategic partners. Basically, the strategy addresses the long term vision of the municipality. The implementation of the strategy reports are submitted to Corporate Management on quarterly basis as indicated in the municipality's Service and Delivery Budget Implementation Plan. There are a number of policies crafted with the strategy in mind, currently being reviewed, to be adopted on 30 May 2023, see below:

- i. Business Continuity Plan (BCP)
- ii. Firewall Management And Procedures Policy
- iii. ICT Usage & Security Policy
- iv. Change Control Management Procedure
- v. ICT Backup Policy
- vi. IT Disaster Recovery Plan (DRP)
- vii. ICT Governance Charter
- viii. Governance Framework :
- ix. Governance Implementation Plan :
- x. User Account Management Procedure Policy

3.3.7 Inter-Governmental Relations Structures (District)

Ray Nkonyeni municipality actively participates in a number of IGR forums. The municipality has a dedicated IGR officer, the Stake holder Relations and Customer Care Manager. However, the official is not specifically labelled as IGR officer but is within the organogram and has the specific responsibility of IGR within their job description.

The IGR consists of a number of structures/forums tasked with certain roles as mentioned above. These structures/Forums on their meetings need to come up with solutions to problems. All sector departments within the municipality are fully represented in the IGR Forums. In terms of monitoring discussions and implementation, each designated forum has a monitoring tool to check progress on each issue that needed attention. All findings



are tabled to the Mayor's Forum who then report to their respective Councils. Ray Nkonyeni Municipality further has a committee called Rapid Response Team which looks into urgent matters arising pertaining service delivery in wards. Once such a matter is reported to the municipality, the task team assembles and goes to that particular ward/area affected and discuss it with the members of the community. Such a matter is then dealt with immediately. In terms of National and Provincial strategic pronouncements, the IGR does adhere to them. Issues that are pronounced by these 2 spheres of government, are deliberated in all the IGR Forums.

Following are brief summaries of each forum:

i. The Premier's Coordination Forum (PCF)

The objective of the PCF is to promote and facilitate intergovernmental relations and cooperative government between provincial government and municipalities to ensure integrated, effective and efficient service delivery. Amongst the many issues discussed in this Forum, this is the main core to ensure if municipalities are inline with the Provincial pronouncement.

In accordance with the Inter-Governmental Relations (IGR) Act (2005), RNM's Mayor participates in the PCF coordinated by the Office of the Premier.

- The forum discusses mainly issues that affect local Government.
- It sits four times a year. The Premier chairs the forum
- MEC Cogta is the co-host
- Other than Municipal Mayors, the Province invites Municipal Managers, CFOs and Deputy Mayors to sit in this Forum.

ii. Mayor's Forum (Political Command)

In accordance with the IGR Act (2005), a Mayor's Forum was established in 2006 for the District. The role of a district intergovernmental forum is to serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of mutual interest, including (a) draft national and provincial policy and legislation relating to matters Ugu District's Mayor's Forum is fully functional and all its local mayors fully participate. The District Mayor's Forum fulfill its mandate in as far as intergovernmental responsibilities are concerned. Matters discussed in the forum always take priority as the district does not want to lose sight of its mission:

- meets on a regular basis
- The District Mayor chairs this forum
- It discusses issues around service delivery and challenges affecting Locals as well as resolutions taken at Provincial level.

iii Speaker's Forum

The Speakers' Forum sets the direction for the sector and is the highest decision making-body of the sector that oversees the management and coordination of sector programmes. This Forum draws up the policy framework that guides the work of the sector. The Ugu District has an established Speakers Forum with all local municipalities' speakers participating. Programmes discussed in the forum are fully monitored to ensure communities are served with diligence in as far as basic services is concerned.

The purpose of the establishment of the Speakers forum is therefore to ensure that:

- There is uniformity and consistency in the management and operation of the Offices of the Speakers of the Ugu District Municipality,



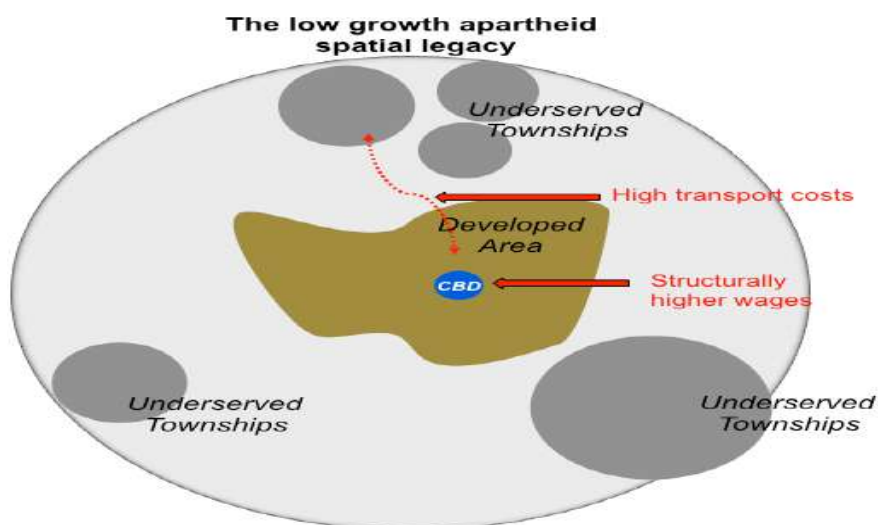
- To facilitate and oversee that the programmes and initiatives of Speakers at local municipalities are implemented,
- To identify and implement programmes aimed at realizing one of the key objectives of local government ,i.e. deepen democracy,
- To coordinate and ensure active participation of communities in matters of local governance,
- To ensure coordination and streamlining at all the member municipalities,
- To initiate and implement training and capacity building programs for councilors.

The Speakers forum has one ordinary meeting per quarter, provided that the other members may request a special meeting by making a written submission to the chairperson. The Chairperson of the Forum is the Speaker of the District Municipality. Meetings of the Speakers Forum rotates among member municipalities. One of the core duties of this forum is to table to full council all that was discussed in all the IGR structures for comments.

iv. The Municipal Manager's Forum (Technical Command)

The state's capacity is weakest where socio-economic pressures are the greatest. This is the result of the planning imbalances of the past. The diagram below illustrates what most municipalities currently face, but not limited to it alone. The municipal Managers' forum is a platform to discuss them.

Illustration 14: The Low Growth Apartheid Spatial Legacy



The Municipal Manager's Forum was also established in 2005 by Ugu District and meets on regular basis, with all four local municipalities fully participating. Issues raised at this forum are discussed at Corporate Management meetings in all the locals. Amongst other issues discussed, the Forum sees to it that resolutions taken at Mayors forum are being implemented. It also discusses challenges experienced at each local municipality as explained in the diagram. Munimec, which is a technical support for PCF discusses issues affecting at both local and District levels and so these issues are further discussed at the Managers' Forum and seek way forward.



v. Chief Financial Officer's Forum

This Forum is a platform for the various local municipalities within the district to discuss issues on finance. Forum members provide feedback during formulation of their local budget and regularly receive information regarding budget pressures.

Within the Ugu District, there is a functionality of CFO Forums and are held on a quarterly basis to discuss financial management issues. All locals within the district are full members of this Forum. The Chairperson for this Forum is the CFO of the District. This Forum also deliberates on Audit opinions. It fully adheres to the National Treasury requirements on how to conduct finances.

vi. Planners Forum

A Planners' Forum offers a unique opportunity to talk informally about local issues, to share ideas and to receive updates from the Government and sector departments whose work may impact land use. The Planners' Forum also satisfies requirements for credentialed planners towards professional development through advanced-level presentations provided by professionals on an array of timely and relevant planning subjects. Other issues discussed include coordinating IDPs to:

- Ensure horizontal alignment between the district and local municipalities IDP's,
- Ensure vertical alignment between the district and local municipalities, National and Provincial spheres.

In this regard, the Forum fully aligns to the SPLUMA principles. The planners' forum meetings are held monthly. Meetings are chaired by the district IDP Manager. The Planning Development Unit renders secretarial services; The Forum consists of the four local municipalities. IDP Managers and town Planners coordinate technical submissions.

vii. District Batho Pele Forum

This is an approach to get public servants committed to serving people and to find ways to improve service delivery. Ugu district has a dedicated forum to address such issues and information is escalated to other levels if need be or if findings are there, they are immediately addressed.

This Forum sits once per quarter, chaired by the District Champion. Representatives in the Forum consist of the District champion, the four local municipalities' champions and Sector Departments. Issues discussed are mainly on complaints management and Batho Pele programme.

3.3.8 Institutional Structures

For any institution to be fully functional, it needs to have functional structures in place. Ray Nkonyeni Municipality has its institutional structures in place and comprise of:

i. IDP Steering Committee

- Develops terms of reference for various planning activities
- Provides guidance on planning matters
- Monitors IDP and review progress on a quarterly basis
- Make recommendations to the IDP Forum
- Takes decisions on administrative matters in line with legislations, policies and COGTA guidelines
- Give strategic support and give guidance to the IDP unit
- Ensures that information is provided to the IDP unit in time and communicates IDP issues with staff members and ensures that Strategic Planning manager does not end up thumb sucking information



- Overall Management including appointments of consultants
- Refers matters to relevant committees for further investigations, research and alignment
- Closely monitors and evaluates consultants' progress and performance
- Considers inputs from all stakeholders and make amendments accordingly.

ii. IDP Cluster Meetings Committee

- It is chaired by a Political Head
- Provide technical assistance on Planning matters
- Make recommendations to the Steering committee
- Provide departmental issues that have influence on planning
- Consider inputs from sub committees
- Assists in developing terms of reference for consultants

iii. Municipal Public Accounts Committee

The Municipal Public Accounts Committee (MPAC) is a committee of the municipal council, appointed in accordance with section 79 of the Structures Act. Members of this committee do not sit in any portfolio within the municipality. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. In order for the MPAC to fulfil this oversight role, it needs to be provided with the necessary information and documentation to interrogate the actions of the executive.

The MPAC committee is made up of seven councilors represented by all the political parties represented in Council. It is chaired by the ruling party and makes recommendations to Council on monthly basis. Amongst other duties, the committee oversees the work of Exco, portfolio committee, OPMS, does special investigations and other adhoc assignments.

The MPAC must interrogate the following financial aspects addressed in the Municipal Finance Management Act:

- Unforeseen and unavoidable expenditure (Section 29)
- Unauthorized, irregular or fruitless and wasteful expenditure (Section 32)
- Quarterly report of the mayor on the implementation of the budget and the state of affairs of the municipality / SDBIP (Section 52(d))
- Monthly budget statements (Section 71)
- Mid-year budget and performance assessment (Section 72)
- Mid-year budget and performance assessment of municipal entities (Section 88)
- Reports to Council as mandated by the Legislation

iv. Tribunal

- The Tribunal (MPT/JMPT) processes land use applications.
- Sits once a month
- The head of department, Development Planning Services chairs the Tribunal
- The Executive Council is the Appeal Authority



v. IDP Representative Forum

- Sits quarterly
- Chaired by the Deputy Mayor
- Make inputs and comments on the IDP
- Heads of Departments, Sector Departments, Stakeholders and Councilors participate

vi. LED Forum

- Sits quarterly
- Stakeholders and Sector Departments participate
- The Forum is chaired by a politician
- Forum aimed at unlocking LED issues

vii. TROIKA

This is a team of the municipality's top leadership politicians, chaired by the Mayor. It consists of the Mayor, Deputy Mayor, Speaker and Chief Whip. It meets once a month and deliberate on administration and political issues.

viii. Internal Audit Committee

- Reports directly to the municipal Manager and further reports it's functionally directly to an Audit Committee which consists only of external members and sits monthly.
- The Unit has a fully-fledged staff which comprises of a manager, Senior Auditor and three (3) officers
- Internal Audit Activity s the Accounting Officer and Senior Management in achieving their objectives and to discharge their responsibilities by providing an independent, objective assurance and consulting services designed to add value and improve the municipality's operations
- Internal Audit also helps the municipality to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal audit is an appraisal function established within the municipality to independently examine and evaluate the activities of the municipality as a service to the Council in particular and to management in general.

ix. Bid Committees

The municipality has fully fledged Bid Committees. Each Bid Committee comprises of 5 members of which 1 member being from the Procurement Section and the Bid Adjudication Committee is chaired by the Chief Financial Officer.

In accordance with Chapter 11 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) delegated authority had been bestowed to the Bid Specification Committee to approve tenders and tender notices whereas the Bid Adjudication can adjudicate all tenders up to the value of R5million. Any value over and above will be awarded by the Municipal Manager at his discretion.



In accordance with the Supply Chain Management Regulations and Section 17 of the municipality's Supply Chain Management Policy, all awards made by the Bid Adjudication Committee are submitted to Council monthly as part of the oversight role.

3.3.9 Key Challenges

Table 73: Key Challenges

Key Challenges	Description
1.Employee retention	The municipality faces challenges in retaining employees more especially those in strategic positions.
2 . Municipal powers and function	Some powers are not fully functional due to budget constraints.
3. Lack of office space	Budget for office space is insufficient, as there is not much office space to accommodate all employees
4.Insufficient budget	Vacant posts cannot be filled



3.3.10 SWOT Analysis

Table 74: Municipal Transformation and Organizational Development SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Institutional Structures in place • Governmental Structures in place • Organogram adopted • Portfolio Committees fully functional • All managerial posts have been filled • Effective portfolio committees • Diverse representation of political parties in Council (ANC, DA, IFP, COPE and EFF, VF, ATM, AIC, JEP, ACDP) • All 7 Departments are fully operational • The Labour Forum is well functional • Line 1 Managers are fully capacitated • 2 of the 7 Heads of Departments, section 56/57 is female 	<ul style="list-style-type: none"> • Budget constraints to supply sufficient office space and fill vacant posts
Opportunities	Threats
<ul style="list-style-type: none"> • Room for improvement in terms of equity 	<ul style="list-style-type: none"> • Failure to retain employees • Budget constraints



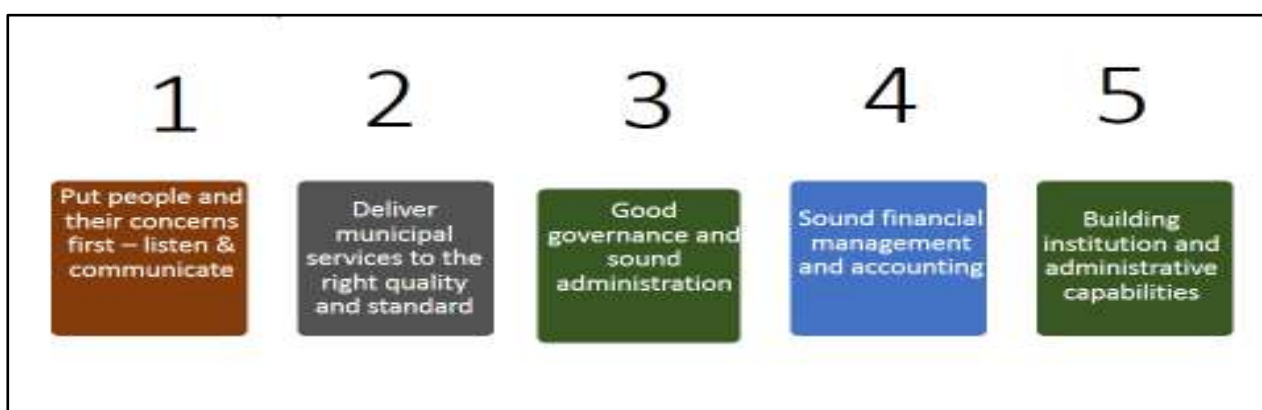
3.4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION ANALYSIS

2023/2024 MEC Comments	Corrective measure	Score
<ul style="list-style-type: none"> The Municipality is commended for the comprehensive coverage and detailed reporting on all aspects of the Good Governance and Public Participation KPA. 	Noted.	4.96/5

It is essential to practice good governance and sound administration for stability, sustainable development and growth within an organization. The Provincial government has ensured that there is good financial management, proper budgeting and investigation of fraud and corruption. Ray Nkonyeni Municipality has good efficiency in terms of good governance and public participation. All systems and structures are in place and fully functional to ensure sound governance. Ray Nkonyeni Municipality fully abides by the pillars of good governance which include transparency, accountability, responsibility, participation, stakeholder engagement, consensus orientated, effectiveness and efficiency, risk and rule of law.

One of the goals of taking Local Government forward is to improve the functions of municipalities to better serve communities by getting the basics right as per the NDP and through the Back to Basics Pillar no.3 as per the illustration below.

Illustration 15: Back to Basics Pillars



The Audit and Risk management for an example, are fully functional and bring assurance and consulting activity designed to add value and improve an organization's operations. These two units also assist the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.



Following is a detailed analysis of Ray Nkonyeni Municipality's Good Governance & Public Participation.

3.4.1 Governance

The municipality has transparency in its governance. This is ascertained from all the public engagements whereby information is made public. The Batho Pele principles are the backbone of the municipality's governance. Furthermore, the open-door policy from political heads down to the municipal manager and his team of HoDs. Engagements with members of the public, from Stakeholders, ratepayers, ordinary community members etc is a very flexible one. The Mayor and Deputy Mayor have monthly schedules whereby communities are engaged on Council matters. Members of the public are welcome to sit in Council meetings as well.

3.4.1.1 Budget Transparency

The application of sound financial management principles for the compilation of the Ray Nkonyeni Local Municipality's Budget 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. Whilst the municipality's budget is closely monitored on a monthly basis by the relevant oversight structures of the council, no overspent or underspending of the operational budget was experienced in the previous financial year. The municipality has managed to spend 100% spending of its capital budget and currently has loans with DBSA and Standard Bank that are being paid but does not anticipate in making future loans since it does not afford loans because of an adverse cash coverage. When budget has been adopted by Council, the Mayor makes public notice to all the municipality's citizens, which is in line with the Batho Pele Principles.

3.4.1.2 Audits and Qualifications

The municipality's commitment to national targets of clean audit and that corrective action plan to address all the findings raised by the AG are always in place and closely monitored by Finance portfolio, Executive Committee (EXCO), MPAC and Audit Committee. The municipality obtained an unqualified Audit Report in the current financial year and an action plan with corrective measures is in place to address findings by the AG. The plan is closely monitored by the Internal Audit manager and reported to the Municipal Manager.

The municipality further has an Operation Bounce back action plan which started on 30 June 2020 established to fast track service delivery and departments are expected to report on monthly basis on their status quo.

3.4.2 Portfolio Committees

The municipality's seven departments have fully functional Portfolio Committees chaired by an Executive Committee Member, from the ruling party. Portfolio Committees sit once a month on different scheduled dates as per the municipal calendar to get reports on progress of that department. Line Managers compile their monthly reports which comprise of their weekly plans. These are submitted to the Head of Department for confirmation who in turn submits to the respective Portfolio Committee. Each portfolio committee These committees do not adopt any issue discussed, but findings made are reported to EXCO.



Below are the portfolio chairs.

Table 75: RNM Portfolio Chairs

Portfolio Chairperson	Portfolio Committee
 <p>Cllr GS Shange</p>	Good Governance and Public Participation
 <p>Cllr Mzindle</p>	Finance
 <p>Cllr RP Gumbi</p>	Development Planning Services
 <p>Cllr MT Lubanyana</p>	Public Safety and Community Services
 <p>Cllr VL Ntanza</p>	Technical Services
 <p>Cllr ET Khanyase</p>	Corporate Services

3.4.3 Inter-Governmental Relations

Ray Nkonyeni municipality actively participates in a number of IGR forums. The municipality has a dedicated IGR officer, the Stake holder Relations and Customer Care Manager. However, the official is not specifically labelled as IGR officer but is within the organogram and has the specific responsibility of IGR within their job description.

The District IGR consists of several structures/forums tasked with certain roles, as detailed. These structures/Forums on their meetings need to come up with solutions to problems. All sector departments within the municipality are fully represented in the IGR Forums. In terms



of monitoring discussions and implementation, each designated forum has a monitoring tool to check progress on each issue that needed attention. All findings are tabled to the Mayor's Forum who then report to their respective Councils. Ray Nkonyeni Municipality further has a committee called Rapid Response Team which investigates urgent matters arising pertaining service delivery in wards. Once such a matter is reported to the municipality, the task team assembles and go to that ward/area affected and discuss it with the members of the community. Such a matter is then dealt with immediately.

In terms of National and Provincial strategic pronouncements, the IGR does adhere to them. Issues that are pronounced by these 2 spheres of government, are deliberated in all the IGR Forums.

In a every Council sitting (once per month), IGR reports are fully tabled.

3.4.3.1 IGR Strategic Agenda

Refer to 3.3.8

3.4.3.2 Strategic Pronouncements

The municipality's IGR sits and deliberates on both National and Provincial pronouncements. Issues pertaining development planning to facilitate coherent planning, strategic and Performance plans, matters to avoid legal proceedings, provision of effective transparent, accountable coherent government are some of the deliberations undertaken in the sittings. Once issues have been dealt with, a team (rapid response team) headed by the local mayor, ensures that it is addressed with immediate effect and progress is monitored.

3.4.3.3 IGR Action Plan

Ray Nkonyeni Municipality has a focused plan of action as indicated on the following page



Table 76: Intergovernmental Relations

Back to Basics	Milestone	Detailed Activities	Responsible Official/ Department	Blockages/ Challenges	Support Needed in Terms of Unblocking
Roads infrastructure provision and maintenance	Comprehensive infrastructure plan	Development of the infrastructure plan	MR Qwabe Technical Services (DTS)		KZN Transport, Housing, Public works, COGTA
Municipal buildings maintenance	Maintenance plan	Develop and communicate the plan with Council and management	MR Qwabe Technical Services (DTS)		Liaising with HoDs
Housing provision	Construction of units	Facilitate housing provision and liaise with provincial Housing department	MR Qwabe Technical Services (DTS)	Red tape in application approval and delays	Department of Housing to fast track application approval and proper management of consultants
Electrification	Provide infrastructure and cover in-fills	Develop an electrification masterplan Align with Eskom	MR Qwabe Technical Services (DTS)	Eskom does not plan with the municipality	Eskom to align with municipal plans and advise planning Processes Technical Support
Solid waste Services	Effective collection and extend services to un-serviced areas	Implementation of the Integrated Waste Management Plan (IWMP)	Mr P Sithole (DCS)		Nil
Effective municipal by-laws	Develop And enforce municipal	Fine and prosecute	MR S Ngwabe (DPS)	Co-operation from other departments	Nil



	wide by-laws				
Debt recovery	Recover outstanding debt	Correct customer billing Review the revenue enhancement strategy	Mr V Gqoboka (CFO)	Correct billing	Nil
Develop a financial plan	Adoption of the credible financial plan	Development of the financial plan incompliant with the MSA & MFMA	Mr V Gqoboka (CFO)		Treasury
IT Governance strategy	Development and implementation	Development and implementation	Mr R Lubanyana (Corporate Services)		NIL
Improve LED	Improve economic growth	Implement LED strategies Contained in the IDP Develop an incentive scheme	Mr D Zulu (DDPS)		NIL
Effective ward committee	Support ward committees	Provide necessary training, stipend, ensure departments action issues coming from ward committee meetings, etc.	Mr S April (DSPG)	Political support	COGTA



3.4.4 Good Governance and Public Participation Strategies and Policies

This section will briefly analyse the main strategies and policies that guide Good Governance and Public Participation in Ray Nkonyeni Municipality. The fundamental reasons why organisations should adopt good governance practises include:

- To preserve and strengthen stakeholder confidence – nothing distracts an organisation more than having to deal with a disgruntled stakeholder group caused by a lack of confidence in the governing body.
- Implementing changes in governance and launching new projects is extremely difficult. However, by developing implementation strategies, drawing on new technology, communicating with stakeholders and monitoring progress, the rollout of new policies, strategies and plans can be made smoother.

3.4.4.1 Communications Strategy

Ray Nkonyeni Municipality has a communication strategy shall be review in every Local Government Elections Cycle, hence the strategy was adopted 2021. However, amendments were made, hence the strategy Council in March 2023 (**See attachment 9: Communications Strategy**). The strategy is intended to serve as the spring board for the municipality to improve effective communication with the citizens and all relevant stakeholders on municipal services and on local issues. The Council or the Executive Committee can go through a special resolution and call for an earliest review of the Strategy.

Research has shown that communication has in modern times become a fundamental tool used by organizations to remain in touch with their clientele. In this context, the objectives of the municipality's strategy are:

- To ensure that the municipality does not lose touch with its constituency by ensuring that the principles of Batho Pele are advanced and promoted at all times.
- To comply with the legal obligations as prescribed in the Constitution and the other relevant Acts of Government in the upholding of democratic values and principles
- To provide a mechanism of communication between the Ray Nkonyeni, the community and the other sector departments and stakeholders
- To proactively provide the public with timely, accurate, relevant, understandable and complete information about Ray Nkonyeni vision, policies programmes, services and initiatives using recognised language

In order for Ray Nkonyeni to achieve the stated strategic emphasis, this strategy:-

- Subjects councilors and employees to communicate information which is aligned to municipality's vision and mission and other government legislation
- Displays the belief that communication is a fundamental factor in the achievement of the goals of accountable, open, transparent and responsive local government
- Commits itself to compliance with all relevant statutory prescripts regarding the making available of information held by the municipality.



3.4.4.2 HIV & AIDS Strategy

The Strategy was reviewed in 2017 for a period of 5 years. In 2022, the strategy was again reviewed and adopted by council. Municipalities are expected to adhere to the National and Provincial principles set to guide them in the HIV/AIDS Implementation Plan, and Ray Nkonyeni Municipality's strategy adheres to this of which the following is addressed in the strategy:

- Social and Structural Drivers of HAST Prevention Care and Impact.
- Prevention of HIV, STI and TB infections
- Sustaining Health and Wellness
- Ensuring Protection of Human Rights and Improving Access to Justice
- Coordination, Monitoring and Evaluation

3.4.4.3 Youth Development Strategy

RNM adopted a five-year plan Youth Development Strategy in 2019 which serves as the pillar of Youth Development within Ray Nkonyeni Municipality. The strategy will be reviewed in 2024 and will be adopted in June 2024. One of the objectives of this strategy is to ensure that young people take full responsibility of their livelihoods and serve as leaders within their communities. Youth development unit has identified a need of grooming young people within its structures and ensuring that they understand their role as leaders and to provide them with soft skills aimed at training young people to be able to adapt, survive and succeed in a constantly changing environment.

3.4.4.4 Anti-Fraud and Anti-Corruption Strategy

The municipality has a three year anti-fraud and anti- corruption strategy in place, adopted in November 2018, to be reviewed annually, which it has since been. Anti-Corruption has been a priority in the programme of government for many years and the municipality took a stance to stamp it out. RNM's main objective of formulating the strategy is to detect and prevent fraud.

3.4.4.5 Public Participation Strategy

The strategy was adopted in 2016 and is reviewed as and when needed. The rationale behind its formulation is to create a conducive legislative environment and provide practical guidelines for the involvement and participation of local communities in matters of RNM governance and service delivery thus contributing towards a responsive, accountable, effective and people centered municipality

3.4.4.6 Batho Pele Strategy

The Municipality adopted the Batho Pele Strategy in June 2018, to be reviewed when need arises **(See attachment 10: Batho Pele Strategy)**. It must be noted that the implementation of the principles are in line with the KZN Cabinet Lekgotla Resolution of 2016. The municipality fully adheres to the eleven principles of Batho Pele as it has over the years displayed good governance to its communities.

3.4.4.7 Risk Management Strategy

The Risk Management Strategy was adopted in 2017 and reviewed annually, which it has been. The purpose of this strategy is to provide a risk management framework and guidelines to be followed and applies to all personnel within the municipality. Its objectives being:

- Promote a more innovative, less risk averse culture in which the taking of calculated risks in pursuit of opportunities to benefits the organisation in encouraged;



- Provide a sound basis for integrated risk management and internal control as components of good corporate governance;
- Establish a culture of Risk Management within the Municipality;
- Effectively manage specific risks within the Municipality such as security and fraud and corruption;
- Ensure that the Municipality complies with legislation, policies, and regulatory requirements Embed risk management into the culture and language of the Ray Nkonyeni Municipality;
- Define boundaries regarding risk management within the Ray Nkonyeni Municipalit

3.4.5 Bid Committees

The municipality has fully fledged Bid Committees. Each Bid Committee comprises of a number of members of which 1 member being from the Procurement Section.

I .Bid Evaluation Committee(BEC)

The BEC is responsible for the evaluation of bids submitted in response to a public invitation for bids. The committee must, as far as possible, consist of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality or municipal entity This committee comprises of 5 members, chaired by the Head of Department Public Safety. Members comprise of:

- Head of Department Community Services
- Senior Manager Technology Hub
- Officer Supply Chain
- Manager Budget

ii. Bid Adjudication Committee(BAC)

In accordance with Chapter 11 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) delegated authority had been bestowed to the Bid Specification Committee to approve tenders and tender notices whereas the Bid Adjudication can adjudicate all tenders up to the value of R5million. Any value over and above will be awarded by the Municipal Manager at his discretion.

In accordance with the Supply Chain Management Regulations and Section 17 of the municipality's Supply Chain Management Policy, all awards made by the Bid Adjudication Committee are submitted to Council monthly as part of the oversight role.

The BAC committee comprises of 6 members, chaired by the Chief Financial Officer.The members being:

- Head of Development Planning
- Head of Corporate Services
- Manager Supply Chain
- Senior Manager Mayoralty and Communications
- Senior Manager Building Control



3.4.6 Municipal Structures

Table 77: Municipal Structures

No.	Role Players	Roles And Responsibilities
1.	Ugu District Municipality	<ul style="list-style-type: none"> • Horizontal alignment of IDP's between local and the district; • Vertical alignment between district and local municipalities, National, Provincial as well as other district municipalities • Formulates the district process plan based on the district's framework plan; • Formulates, manage and approve districts IDP; • Monitors and evaluate the district IDP process plan; • Ensures that draft process plans are compiled by the local municipalities with Ugu District; • Ensures that the process plans adhere to the framework as agreed; • Ensures that all local municipalities under the district adhere to the timeframes in the framework plan as agreed; • Coordinates the alignment of the district's budget process with the district IDP Process and local IDP processes; • Facilitates vertical alignment of IDP's with other spheres of government and sector departments and the preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists; • Gives financial support in line with its financial policy; • Gives institutional support to develop expertise.
2.	Ray Nkonyeni Municipality	<ul style="list-style-type: none"> • Guides provincial sector departments participation in their contribution to the municipal planning processes; • Guides departments in assessing draft IDP's and to align their sectoral programmes and budget with the IDP's; • Assists in accessing financial grants for IDP process; • Monitors the progress of the IDP processes through the district and IDP Managers Forum; • Facilitates resolution of disputes related to the IDP; • Organizes IDP-related training when required; and • Co-ordinates and manage the MEC's assessments and comments with regards to IDP's. • Orientation of councilors on IDP.



3.	Ugu District Planners Forum	<p>Meetings to be chaired by the district IDP Manager;</p> <ul style="list-style-type: none"> • Planning Development Unit render secretarial services; • Consists of the four local municipalities IDP Managers; • IDP Forums to be held quarterly to: <p>Coordinates technical submissions and the compilation of the respective IDP documents</p> <p>Ensures horizontal alignment between the district and local municipalities IDP's, and</p> <p>Ensures vertical alignment between the district and local municipalities, National and Provincial spheres</p>
4.	Co-operative Governance and Traditional Affairs	<ul style="list-style-type: none"> • Coordinates participation and cooperation of all other key sector departments. • Monitors and advice the municipalities on the drafting, review and implementation of the IDP. • Ensures that sector department's planning is informed by Ray Nkonyeni plans and IDP • Closely monitor sector departments performance in terms of fulfilling their core functions and support Ray Nkonyeni
5.	Sector Departments	<p>Identify an IDP Coordinator in the sector departments</p> <ul style="list-style-type: none"> • Contribute knowledge and ideas about planning issues in the province and sectors; • Contribute relevant information on the provincial sector departments plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner; • Ensure that their objectives and strategies and projects take various IDP's into consideration and adjust their budgets as informed by the various IDP's into consideration and adjust their budget as inform by the various IDP's; <p>Engage in a process of alignment with district municipalities, and participate in the provincial management system and co-ordination;</p> <ul style="list-style-type: none"> • Ensure active participation in IDP Representative Forum and Task Teams



6.	Ugu District Development Planning Unit	<p>Development Planning Unit provided the following function:</p> <ul style="list-style-type: none"> • Provide methodological guidance and support to local municipality during the IDP implementation and review and well other planning processes; • Support the planning and implementation management process of local municipalities and district municipality • Establish and maintain close links with public and private service providers for proper programme alignment in municipal; • Provide information to municipalities relevant national and provincial policy and legislation frameworks; • Organize/conduct relevant training events for municipalities to build their planning and implementation management capacity; and • Liaise with Donors and other state agencies for municipalities to build their planning and implementation management capacity; • Liaise with Donors and other state agencies for funding to the municipalities; and • Render secretarial services to all district communication and sub-committee.
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3.4.7 Ugu District IDP Forum

The Ugu District Municipality's IDP forum meetings are held on a monthly basis. There is a Planners forum committee which was established to assist with capacitation and empowerment of the local municipalities that fall within the District. The committee comprise of Ugu District Municipality IDP unit, IDP managers and town planners from the four local municipalities and COGTA. The committee also ensures that the Integrated Development Plans of municipalities are aligned. The committee also ensures local municipalities align with the district municipality, provincial departments and get advice and assistance required prior to the IDP assessments. Meetings rotate amongst all the municipalities. The Provincial department fully participates in the IDP Forum meetings and provided technical support in the IDP development process. The municipality also attends all the IDP Indabas organized by the Provincial department. The department also provides financial and technical support to municipal development and planning initiatives.

3.4.8 Task Teams

The municipality uses a task team approach for management to the development agenda in an integrated manner and ensuring ownership at corporate management level. The rationale behind this approach is to ensure management take full control of the IDP given the recognition of the IDP as the master strategic plan of the municipality.

The task teams are led by Heads of Departments looking at strategic position of each department, cross cutting matters, how departments can support and assist each other to fast track and ensure implementation plans. IDP task team focuses on the following IDP Review key focus areas:



- Infrastructure provision and maintenance
- Budget aligned to the IDP priorities
- Development and implementation of Strategic Sector plans
- Good Governance and accountability
- Financial viability and value for money
- Spatial planning and rural planning development
- Youth development and skills development
- Job creation, economic growth and transformation
- Safe and healthy environment
- Effective supervision of service providers
- Knowledgeable communities
- Tourism industry support
- Promoting sports and recreation and cultural diversity

3.4.9 Internal and External Forums

The municipality consists of both internal and external forums that contribute and inform the IDP Review, and these are detailed in the table below.

Table 78: Process Plan and Internal Structures

Role Player	Purpose	Date
Council	<ul style="list-style-type: none"> • Adopt IDP Process Plan • Consider draft IDP • Consider public comments • Adopt final IDP 	August 2024 March 2025 April – May 2025 May 2025
	<ul style="list-style-type: none"> • Consideration of process plan • Confirmation of key issues and consideration of IDP Cluster Meetings recommendations • Confirmation of resources allocation per key issue • Consider vision statement • Consider IDP prior Council approval 	August 2024 February 2025 March 2025 May 2025 May 2025
IDP Representative Forum	Input on vision, objectives and strategies Input on priorities and projects Consider and recommend IDP document for council approval Final inputs into the IDP Process Plan	February 2025 March 2025 May 2025



		August 2024
IDP Cluster Meetings	Provide strategic direction Advise Provide departmental support	March 2025 May 2025
Steering Committee	<ul style="list-style-type: none"> • Consider process plan • Revision of strategic framework • Compilation of preliminary project list • Planning of project planning phase, setting up of project teams and determining terms of reference for project teams • Review progress made with project plans • Screening of all project plans • Consider comments and objections received to the revised IDP 	August 2024 March 2025 March 2025 April 2025 May 2025 May 2025 May 2025
COGTA	Alignment of projects and programmes by Sector Departments and Municipalities	November 2024
Public Participation	<ul style="list-style-type: none"> • Community needs • Budget • Community consultations and participation 	March 2025 April 2025 April 2025
LED Forum	An oversight of programs inclusive of all sector departments	Sits once per quarter
Joint municipal planning tribunal	Decide on development applications	Once per month

3.4.10 Audit and Risk Management

Both the Internal Audit unit as well as Risk Management unit operates under the Office of the Municipal Manager with the latter regarded as an independent unit. The objective of both units with different roles and responsibilities or areas of focus is to bring assurance and consulting



activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Both units report to the municipal Manager. The Internal Audit unit further reports its functionally directly to an Audit Committee which consists only of external members and sits on onthly basis.

3.4.10.1 Internal Audit Functions on Governance

Ray Nkonyeni Municipality has an established Internal Audit Unit within the office of the Municipal Manager in terms of Section 165 (1) of the Municipal Finance Management Act, Act 56 of 2003, and (MFMA), and responsible to the Chairperson of the Audit Committee and for administrative purposes, reports to the Accounting Officer via the Manager:

The Unit has a fully fledged staff which comprises of a manager, Senior Auditor and three (3) officers. The purpose of the Internal Audit Activity is to assist the Accounting officer and Senior Management in achieving their objectives and to discharge their responsibilities by providing an independent, objective assurance and consulting services designed to add value and improve the municipality's operations. Internal Audit assists the municipality to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal audit is an appraisal function established within the Municipality to independently examine and evaluate the activities of the Municipality as a service to the Council in particular and to Management in general. It is a control function which functions by examining and evaluating the adequacy and effectiveness of internal controls and furnish Management with analyses, appraisals and recommendations concerning the activities reviewed.

Internal audit has an independent status within the municipality and is not involved in the day-to-day internal checking of systems within the municipality nor involved in the implementation of internal control systems. In discharging its responsibilities, internal audit:

- review systems and operations to assess the extent to which Municipal objectives are achieved, and the adequacy of controls over activities leading to such achievement;
- evaluate the relevance, reliability and integrity of management and financial information;
- appraise utilisation of resources with regard to economy, efficiency and effectiveness;
- assess the means of safeguarding assets and verify their existence;
- ascertain the extent of compliance with established policies, procedures and instructions;
- recommend improvements in procedures and systems to prevent waste, extravagance and fraud;
- advise on appropriate systems of controls and other accounting and operational matters in a consulting capacity;
- draw attention to any failure to take remedial action;
- carry out any ad hoc appraisals, inspections, investigations, examinations or reviews requested by the Audit Committee or by the Accounting Officer; and
- To maintain a professional internal audit staff with sufficient skills, knowledge, experience and qualifications.



3.4.10.2 External Audit Committee

The External Audit Committee is responsible for monitoring and advising in respect of the effective functioning of the Internal Audit activity. Internal Audit reports functionally to the Audit Committee and administratively to the Accounting Officer. In terms of section 62(1) (c) of the Municipal Finance Management Act (MFMA), No.56 of 2003, the Municipal Manager is the Accounting Officer and is responsible from managing the financial administration of the municipality. The Audit Committee is appointed in terms of Municipal Legislation, to assist and to advise the Mayor, Speaker and Municipal Manager of the Municipality. This committee reports to Council and does presentations to Council once a quarter. It is afforded wide powers and statutory obligations in terms of Section 166 of the Municipal Finance Management Act. Audit Committee meetings and Performance Audit Committee meetings take place at least four times a year.

3.4.10.3 Municipal Public Accounts Committee (MPAC)

The municipality has an established MPAC Committee that sits once a quarter. It consists of seven(7) members, with all political parties within Council being represented.. The committee is chaired by a member from the ruling party. The Committee reports to EXCO then Council. Its main function is to look at financial reports, suspicion of fraud and then investigate, and report back to Council. Depending on the findings reported to council, either Council takes decisions itself or cascade the matter to Cogta or report to the the SAPS for further investigation.

3.4.11 Risk Management

RNM has a risk unit, under the Internal Audit Section. The need for risk management is to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity. It is an appropriate proactive way of managing risks and to successfully achieve the municipality's goals and strategic objectives. The risk committee of the municipality meets quarterly. The Risk and Fraud Management officer constantly monitors the implementation of future action plans and reports the progress of implementation quarterly to the Risk Management Committee, Corporate Management Committee and to the Audit Committee.

The committee comprises of five member with teir designation listed below.

Table 79: Risk and Fraud Management Committee

MEMBER	POSITION
Chief Financial Officer	CHAIR PERSON
HOD Strategic Planning and Governance	MEMBER
HOD Corporate Services	MEMBER
Risk and Fraud Officer	STANDING INVITEE
Internal Audit	STANDING INVITEE

3.4.11.1 Risk Assessment and Register

For an effective free risk organization, there need to be sound strategies in place to enhance a smooth running on daily basis. It is in this regard therefore the municipality has strategies to manage risks. The process starts with the risk assessment session where management identify



the currently existing risks and as well as possible risks. Once these risks have been identified management comes up with future action plans to mitigate the identified risks and the target dates for implementation of the future action. Once the risk assessment has been finalized, the Risk and Fraud Management Officer develops a risk register. The risk register is submitted to the Risk Management Committee, Corporate Management Committee and to the Audit Committee. The rationale behind the submission amongst others is to monitor risks facing the municipality and how best to mitigate those identified. There are certain aspects that any risk register should monitor and ensure that they are addressed properly. Ray Nkonyeni Municipality's risk register looks at a number of fraud risks and some are listed below:

- Payment to incorrect Service Provider
- Duplication of invoices
- Fraudulent payments
- Suppliers claiming for Vat yet they are not vetted
- Ghost suppliers created in the system

The Risk and Fraud Management officer constantly monitors the implementation of future action plans and reports the progress of implementation quarterly to the Risk Management Committee, Corporate Management Committee and to the Audit Committee.

3.4.12 Public Participation Analysis

The purpose of this section is to discuss public participation as an integral part of the IDP development and implementation process. The section also outlines principles, processes and structures to ensure effective public participation in the development and implementation of an IDP.

This function falls under the Office of the Speaker and the Manager reports direct to the HoD Strategic Planning and Governance. Public participation is encouraged through the Mayoral Izimbizo and Budget Road shows. Ray Nkonyeni has a Community Participation Strategy that is reviewed when a need arises. The strategy commits itself to use community bning to ensure communities even the marginalized are involved in the development from the initial phases of development projects. A public participation forum has been established to effectively deal with public participation structures and issues thereof.

As per the Back to Basics approach, municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

- The existence of the required number of functional Ward Committees;
- The number of effective public participation programmes conducted by Councils
- The regularity of community satisfaction surveys carried out.

To the above mentioned, Ray Nkonyeni Municipality takes pride in announcing that it fully adheres to the Back to Basics approach, all is in place and fully functional.

Ray Nkonyeni encourages public participation of local communities through various mechanisms including but not limited to ward committees. Ward committees have been established in all 36 wards and are fully functional with a 100% rating. A number of community report back meetings are held every month.



i. Public Participation Cluster Meetings

The municipality introduced cluster meetings that sit quarterly to ensure that all issues received from communities are responded to timeously. These cluster meetings are chaired by Portfolio Committee Chairs (Political Champions). HoDs are Administrative Champions. All Stakeholders participate in these meetings. Amongst other responsibilities these committees undertake, they deliberate on SDBIP progress, responses on service delivery issues raised during the previous quarter, deliberate on new issues if any and report on Ward Committee functionality.

Public participation by various stakeholders e.g. Traditional Authorities have also been involved. It must be further noted that public participation reports are submitted to Council on regular basis. The Mayor ensures that she meets at least once quarterly with Amakhosi and Council resolved that Amakhosi should sit on all council meetings as per Section 81.

3.4.12.1 Participation Analysis

The mechanisms that the municipality uses for its public participation are as follows:

- **IDP Representative Forum (IDP Rep Forum)**

This forum represents all stakeholders and is as inclusive as possible. Efforts have been made to bring additional organisations into the Representative Forum and ensure their continued participation throughout the process.

- **Media**

Local newspapers are used to inform the community of the progress of the IDP Review.

- **Information Sheets**

This will be prepared in English and IsiZulu and be distributed via the Representative Forum; Council and Ward Committees.

- **Road Shows / Izimbizo**

Road shows are held twice a year, April and November in all the wards within the municipality.

- **Radio Slots**

These are mainly used by the political leadership. These are recommended where possible if they suit the municipality's programme financially and otherwise. A budget of R1.550M has been set aside for radio slots for this current financial year.

3.4.12.2 Ward Committee Functionality

A budget of R3.6 M has been set aside for Ward Committees out of pocket expenses/stipend. Ward committees are paid on monthly basis based on the following:

- The Ward Committee members sit in ward committee meetings three times a month
- Sit in Community meeting 3 times a quarter
- They submit a monthly comprehensive report detailing activities of the month to the office of the Speaker
- Councilors submit comprehensive quarterly reports to the Speaker



Participation takes place in different forums, meetings and gatherings. The IDP Representative Forum is the main forum where external stakeholders including provincial departments, Traditional Leaders/Amakhosi, Ugu district municipality, business, entities and parastatals are invited to discuss developmental challenges facing the municipality and means of overcoming developmental challenges.

This review process also had an advantage of a ward planning process that happened parallel and meant to inform the IDP Five year plan. Also the fully functional ward committee strengthens the participation process. The Mayoral Izimbizo in October 2021 once again formed the cornerstone of public participation for this process.

All ward committees are committed to serve their communities and are fully functional. The municipality is currently conducting workshops to capacitate the newly elected ward committee components to ensure the ward committees are fully functional and effective. Furthermore the municipality has set resources aside to assist with the operational costs of the ward committee structures to enrich public participation and therefore the IDP.

Systems have also been put in place to effectively and efficiently deal with ward committee issues. The municipality has delegated Committee Clerks to serve as secretariats at ward committee meetings to provide more support and ensure that issues that are deliberated at these meetings are service delivery based and that Council effectively addresses the issues raised at the ward committee meetings. The municipality in partnership with IDASA in capacitating ward committees.

The non-attendance of Sector Departments poses a number of challenges and limitations for the municipality such as:

- Limit level of engagement and knowledge sharing
- No proper alignment
- Duplication of funding
- Department projects that are not urgent to communities
- Some sectors are neglected some remain unfunded

3.4.12.3 Ward Based Planning

The municipality has undertaken Ward Based Planning Sessions to formulate the new generation 5 year plan IDP which has already been adopted by Council. Ward/Community Based Planning (WBP) programme forms a major component of the Good Governance and Public Participation KPA. Ward Based Planning prioritizes needs are formulated for five years and reviewed annually. Further to this, for a more effective planning, the municipality has undertaken this exercise, planning was prepared by the residents of the ward, owned by the community and will be supported by discretionary ward funds provided by the municipality and where possible, a sector department and provide useful information in guiding the IDP. The Ward Based Plan will be reviewed annually for the next five years. Participants include, Stake holders, ward committee members, CDWs and Amakhosi/representatives from traditional authorities who jointly plan and prioritize for their respective wards and vision for each ward. Ward Based Plans are currently under review, to be adopted by Council inline with the IDP.



3.4.13 Putting People First (Batho Pele)

i. Customer Service Delivery Charter and Standards

The Customer Service Delivery Charter and Standards of the municipality was reviewed and adopted in 2018. The charter serves as an expressed commitment by the municipality to its end users as an effort towards building a customer driven organization where the requirements of the customer comes first, within the limits of available resources. The municipality has over the years undertaken to consult all its customers on the level and quality of services provided as well as development required, to continue to improve the living conditions of its communities. Further to this, the municipality has committed to serve its customers as envisaged by the Batho Pele Principles in the White Paper on the transformation of the Public Service (1997) as follows:

- Consultation
- Service Standards
- Access
- Courtesy
- Information
- Openness and Transparency
- Redress
- Value for Money
- Encouraging Innovation and Rewarding Excellence
- Customer Impact
- Leadership and Strategic Direction

ii. Procedure Manual

The municipality has designed a procedure manual to regulate all major decisions, actions and principles to be undertaken. It must be noted that the document has since been presented to Corporate body of the municipality for comments and additions which thereafter will be then presented to Executive body and finally to Council for adoption. This document sits in the stakeholder Relations and will be reviewed if need arises. The manual provides authority and necessary guidance to the entire municipality and has been made available to all employees of the municipality as well as communities at large. The following have been incorporated in the manual:

- Employment Procedures
- Work from home policies
- Organization culture
- Communication policies
- Payment Procedures
- Workplace guidelines
- Employee code of conduct
- Technology usage procedure

iii. Service Delivery Improvement Plan

Ray Nkonyeni Municipality has developed a Municipal Service Improvement Plan. Local Municipalities under Ugu District have since requested assistance from Cogta with regards to



formulating the Service Delivery Improvement Plan, and there has not been any response as yet.

The municipality has identified services to be improved in the next three (3) years and they appear in the table below:

Table 80: Service Delivery Improvement Plan

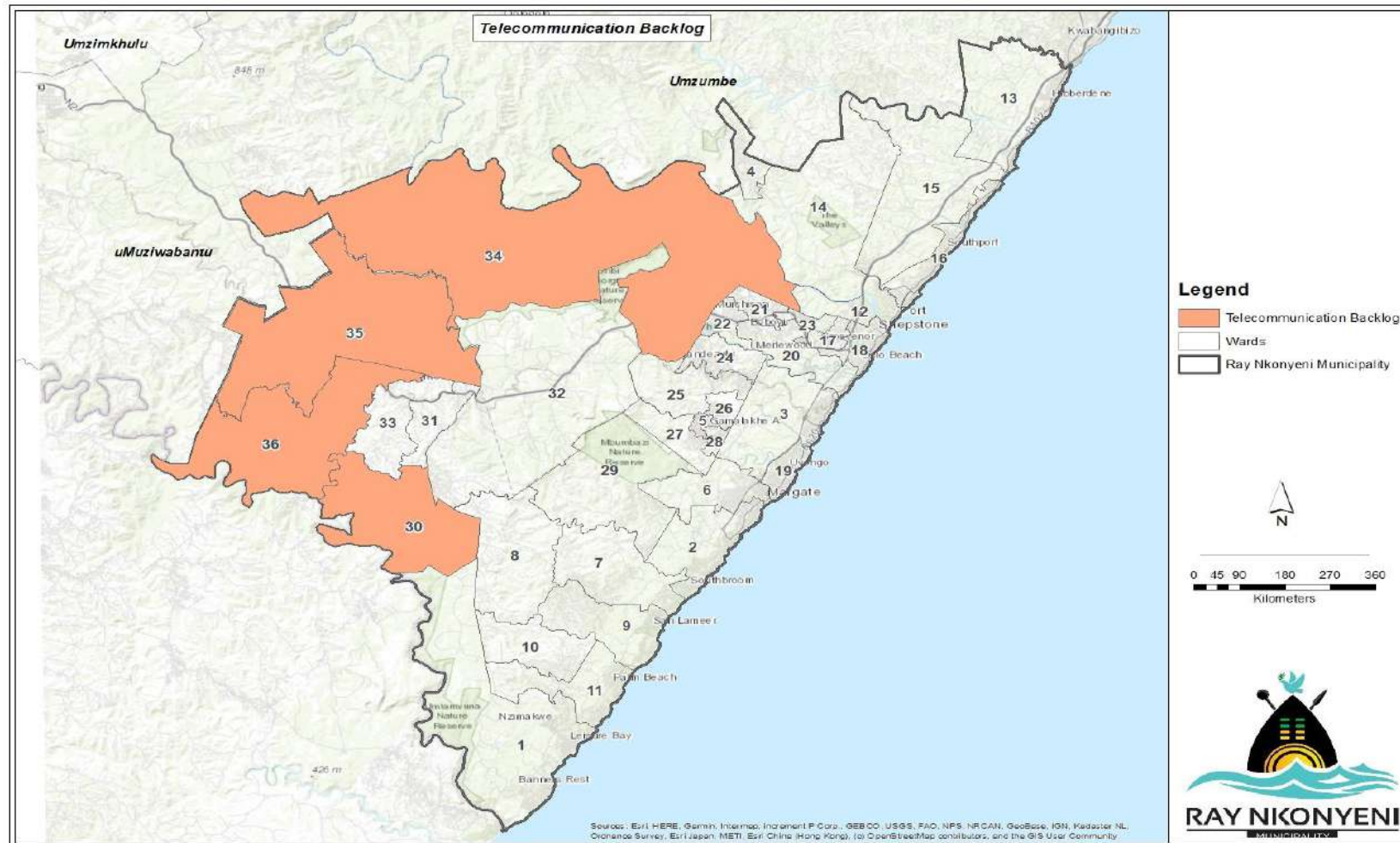
PROJECT	IMPROVEMENT PLAN
Refuse removal	The municipality has extended its refuse removal to areas previously not receiving this service (rural). Skips have been provided where refuse is stored until collection time. In some areas identified, refuse is collected once a week
Motor licensing	The municipality needs to improve its customer care and minimize complains from the public
Electrical services	The Electrical Master Plan has been developed and is in place. This plan seeks to address those areas that have a backlog in electricity and also it addresses concerns in areas where other types of energy need to be utilized.

iii. Telecommunication

There is quite good telecommunication network coverage in urban areas, while the furthest rural northern part of the municipality, telecommunication network coverage is poor. In formal urban settlements majority of the people have access to Telkom services. In rural areas the majority of people rely on cellular phones. Some key issues faced by the Municipality access to telecommunication service, infrastructure information and a lack of co-ordinated planning to meet the district's needs.



Map 36: Areas with Poor Telecommunication Coverage



Source: RNM GIS 2021



iv. Service Delivery and Budget Implementation Plan (SDBIP)

The SDBIP is in place and the six Key Performance Areas are listed. Performance Indicators are clearly outlined per KPA as well as the framework. The municipality has adopted Strategic Objectives to measure performance which is reported on quarterly basis where by portfolio of evidence is then produced, and if targets have not been met due to challenges encountered, corrective measures must be made to enable a smooth flow of action.

3.4.14 Operation Sukuma Sakhe (OSS)

The rationale behind OSS is to align with the National strategies that guide OSS. RNM has a fully fledged OSS programme and meetings in all wards are held once or twice a month.

3.4.14.1. Functionality of OSS

Operation Sukuma Sakhe within Ray Nkonyeni Municipality is fully functional. Community Care Givers (CCG) and representatives from the local tribal authority form part of the OSS. The chairperson is elected by the stakeholders. CCGs are foot soldiers in the community who collect information based on challenges. Once information has been gathered, it is then reported back to the war room. OSS is made up of:

- Local Task Team (LTT)
- War room Champions and mentors
- War room champions secretary
- CDWs
- NGOs

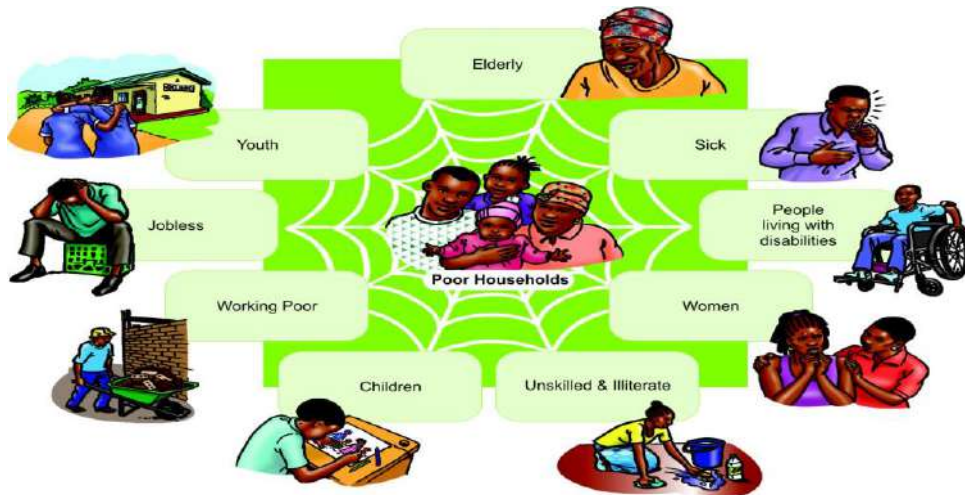
The municipality has partnered with the Ugu District Municipality as well as Provincial Departments in implementing the Sukuma Sakhe flagship programme which is aimed at creating sustainable livelihoods through the provision of integrated services to communities.

3.4.14.2 OSS Programmes

Each department would then pick up issues relevant to it and address them, then report back to the war room. It is then that these issues are escalated to the Local Task Team (LTT) who will then cascade them to the District Task Team (DTT). RNM has recently appointed its management with the task of sitting in war rooms with an intention of guiding and assisting with skills where need be. Managers will be in a position to identify performance gaps. Below is an illustration of how war room operates. The primary clients of OSS are the most vulnerable groups within poor households. OSS defines the most vulnerable groups as women, children, youth, unemployed adults who either are jobless or earn below minimum wage, unskilled and illiterate adults, the chronically sick, persons living with disabilities and the elderly (see illustration below).



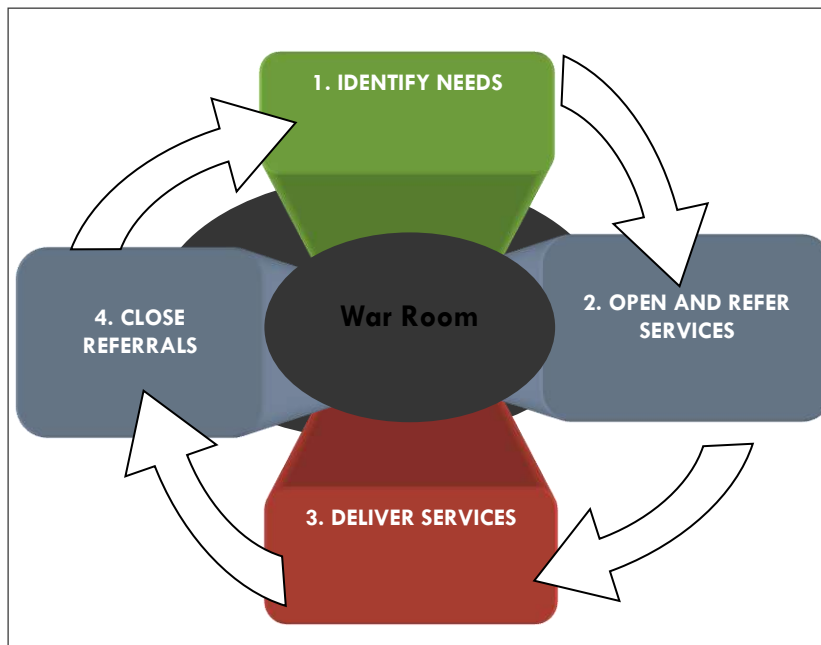
Illustration 16: Operation Sukuma Sakhe Target Groups



3.4.14.3 War Rooms

War rooms are intended for the mostly deprived wards, so in as much as it was mentioned earlier on that OSS is fully functional in all wards, it must be noted that in urban wards there are no war rooms, but meetings are held on monthly basis to obtain the needed information to be cascaded to relevant sector departments.

Illustration 17: War Room Process





3.4.14.3.1 War Room Challenges

It must further be mentioned that even though war rooms are functional, there are no sufficient tools of trade to function effectively. Below are the obstacles that hinder effective functioning of these war rooms:

- Non-attendance by Sector Departments
- Lack of proper training tools on the programme
- No resources e.g. stationery and other equipment since CDW's are not in all wards
- Poor response and non – submission of referral forms to Sector Departments
- High volume of unresolved issues raised in war rooms and non-intervention by the Sector Department

3.4.14.4. District Development Model Implementation

RNM fully aligns with the DDM in rolling out of OSS. Functional tasks teams at both Provincial and District level have been created to deliver integrated services to individuals, households as well as communities. The municipality has set its objective through the DDM in creating a fully efficient OSS human capital structures across all levels of the OSS implementation package. According to the DDM, profiling of individuals, households at ward level and the building of a database for different services required must be done, so has RNM.

3.4.14.4.1 DDM Functionality

The cluster convenes once a month. The members include (both District & Local) are as follows:

- Municipal Managers
- Development Planning Managers
- IDP Managers
- Town Planning Specialists
- PMS Officials
- Sector Departments

The matters of discussion in the forum pertain the alignment of projects between district and local, and also to check the efficiency of Operation Sukuma Sakhe Structures

3.4.15 Amakhosi

The Municipal Structures Act, Section 81 stipulates that Traditional Authorities may participate in the proceedings of the Council. This is carried out to enable the traditional leaders to partake in development issues or any facing their jurisdiction. Ray Nkonyeni Municipality has adhered to this section of the Act. There are two Traditional Authorities in Council who represent all traditional leaders within the municipality.

3.4.16 Back to Basics

The municipality has a dedicated official (Manager Performance Monitoring and Evaluation) who ensures that the monthly reports as well as the quarterly reports as per the requirement are compiled, analysed and sent to both Province and National timeously. These reports are further reported during the SDBIP sessions and if there are findings made, the responsible Head of Department ensures that corrective measures are designed to address those issues.



3.4.17 Municipal Sector Plans/Policies/Strategies

To ensure good governance and achieve goals and targets set, the municipality has policies, strategies, plans as well as By Laws in place that have been adopted by Council as listed below:

Table 81: Municipal Sector Policies/Strategies and Plans

STRATEGIES

NO.	DEPARTMENT	STRATEGY	DATE OF ADOPTION	DATE OF REVIEW & ADOPTION
1.	STRATEGIC PLANNING & GOVERNANCE	Communications Strategy	2017	Adopted in March 2023
		Batho Pele Strategy	2019	To be reviewed when necessary
		Youth Strategy	2019	Will be adopted in June 2024
		HIV/AIDS Strategy	2017	It was reviewed in and adopted in 2022, to be reviewed after 5 years.
2.	DEVELOPMENT PLANNING SERVICES	Port Shepstone Urban Renewal (Precinct Plan) strategy	2021	Reviewed when need arises
		Margate Urban Renewal strategy	2018	Reviewed when need arises
		Urban Development Planning Framework for Shelley Beach, Uvongo & Margate strategy	2016	Was adopted in 2021, reviewed when need arises



		Urban Development Planning Framework for Hibberdene & Port Edward	2017	Reviewed when need arises
		Wall to Wall Scheme	2019	November 2023
		LED Strategy	2018	November 2023
3.	CORPORATE SERVICES	IT Strategy	2017	June 2024
		Human Resource Strategy	2017	June 2023
		ICT Firewall Management & Procedure strategy	2020	30 May 2023
		GIS Strategy	2018	To November 2023
4.	COMMUNITY SERVICES	Halls	2010	Currently under review
		Plot & Clearance strategy	2008	Amended & reviewed when need arise4s

POLICIES

NO.	DEPARTMENT	STRATEGY	DATE OF ADOPTION	DATE OF REVIEW & ADOPTION
1.	STRATEGIC PLANNING & GOVERNANCE	OPMS/Procedural manual Policy	2017	Adopted in June 2023
		Ward Committee Payment Policy	2021	May 2023



		Ward Committee Elections	2023	Will be reviewed after the 2026 elections
		Risk Management Policy	2017	Reviewed annually
2.	DEVELOPMENT PLANNING SERVICES	Informal Trading Policy & Management Framework	2018	Adopted November 2023
		Investment Incentives Policy	2020	Adopted November 2023
		Investment Protocol	2018	To be adopted June 2024
		SDF Framework	2017	Adopted in May 2023
		GIS Policy	2020	Reviewed when need arises
		Business Licensing	2020	To be reviewed and adopted in 2025
		Container Policy	2018	Under review
		Telecommunications Infrastructure Policy	2018	Under review
3.	CORPORATE SERVICES	Firewall Management and Procedures Policy	2020	Adopted 30 May 2023
		Business Continuity Plan (BCP)	2021	30 May 2023
		Governance Implementation Plan		30 May 2023
		ICT Governance Framework	March 2021	30 May 2023



		ICT Governance Charter	March 2021	30 May 2023
		IT Disaster Recovery Plan (DRP)	March 2020	30 May 2023
		ICT Backup Policy	2019	30 May 2023
		ICT Change Control Management Procedure	June 2020	30 May 2023
		ICT Usage & Security Policy	March 2020	30 May 2023
		User Account Management Policy	June 2020	30 May 2023
		Recruitment & selection Policy	2017	30 May 2023
		Employment Equity Policy	December 2016	30 May 2023
		Leave Management Policy	May 2017	30 May 2023
		Cell phone Policy	March 2019	30 May 2023
		Fleet Policy	June 2017	June 2023
		Land disposal Policy	June 2020	June 2023
		Acting Policy	September 2017	September 2023
4.	TREASURY	Cost containment Policy	July 2021	June 2023
		Creditors & Staff payment policy	June 2018	June 2023



		Consumer care credit control and debt collection Policy	June 2018	June 2023
		Indigent Policy	June 2018	June 2023
		Property rates policy	June 2018	June 2023
		Funding & Reserve Policy	June 2018	June 2023
		Supply Chain Policy	June 2017	June 2023
		Procurement Policy	July 2021	June 2023

PLANS

NO.	DEPARTMENT	PLAN	DATE OF ADOPTION	DATE OF REVIEW
1.	STRATEGIC PLANNING & GOVERNANCE	Ward Based Plans	2019	Annually (to be reviewed and adopted in May 2024)
2	DEVELOPMENT PLANNING SERVICES	Alamein Precinct Plan	30 June 2016	Reviewed when need arises
		Gcilima – Gamalakhe Local Area Plan	30 June 2016	Reviewed when need arises
		Margate Airport Master Plan	30 June 2016	Once off plan, no review
		Poverty alleviation Plan	November 2018	November 2023



3	TECHNICAL SERVICES	Electrification Master Plan	2018	June 2024
		Human Settlement Sector Plan	2018	May 2024
		Road Master Plan	June 2021	June 2023
		Storm Water Master Plan	August 2021	Reviewed When need arises

BY-LAWS

No.	DEPARTMENT	BYLAW	DATE OF ADOPTION	DATE OF REVIEW
1.	COMMUNITY SERVICES	Waste Minimization By Law	November 2018 Provincial Gazette No.2046 of 21 February 2019	To be amended when need arises
		Beach and Launch site by law	February 2019	Amended when need arises
		Libraries, & Museums		To develop new policies
		Cemetery & Crematorium By law	27 November 2018 (Provincial Gazette No.2036 of January 2019)	Amended when need arises
		Film By Law	29 August 2019	August 2024



2.	DEVELOPMENT PLANNING SERVICES	Informal Trading By Law	26 March 2018	June 2023
		Signage By Law	2006	ADOPTED IN November 2023
3	TECHNICAL SERVICES	Electricity Supply By Law	June 2018	June 2023



In addition, in terms of Schedule 4B and 5B of the Constitution, the municipality has also adopted a number of promulgated bylaws and have been reviewed. These include:

- Credit Control by law,
- Fire by law, Beach by laws
- Rates by laws
- Solid Waste bylaws
- Informal Trading bylaws,
- Hiring of halls by laws and
- Environmental Conservative bylaw.

3.4.18 How The Municipality Has Responded to PGDP 2035 Goal 6: Governance and Policy

In response to the Governance and Policy under the following objectives:

- Strengthen policy, strategy coordination and IGR
- Build government capacity
- Eradicate fraud and corruption
- Promote participative, facilitative and accountable governance

Ray Nkonyeni Municipality has ensured that it fully adheres to it. Its policies and strategies talk to the national and provincial levels. The municipality has developed a strong fora for engagement between itself and Government as well as its social partners. Furthermore, the municipality has developed a credible mechanisms to regularly measure the level of alignment between its municipal budget and the PGDP and district and development plans. There are functional IGR Forums, MuniMEC. According to the PGDP 2035, the need to build government capacity to implement policies, strategies and programmes remains one of the most critical priorities of KZN and the country.

Ray Nkonyeni Municipality is proud to announce that all its strategies and policies formulated have been fully implemented. The public is satisfied with the level of service delivery it gets from the municipality, hence no public riots have taken place thus far.. All critical posts have been filled and the municipality received an unqualified audit. The conditional grant the municipality obtained was fully spent in accordance with the business plans in place. The eradication of fraud and corruption is an especially critical objective of the PGDS, and the municipality treats it with a no nonsense stance.

The municipality's governance is run in transparent, fair and accountable manner The anti-fraud and corruption strategy has been adopted. Ethic presentations have been presented by the relevant unit.. There is a hotline running and cases reported are investigated. The municipality also ensures that it fast tracks disciplinary processes for effective consequences of engaging in fraudulent and corrupt activities. The municipality further releases statistics for fraudulent cases.

It must be mentioned that RNM has over the years ensured a swift, fair and efficient action is being taken to conclude all investigations into alleged fraudulent and corrupt activities. The SCM is run in a very transparent and effective manner. The monitoring and auctioning of irregular and unauthorised expenditure has been improved.

As a service delivery entity, RNM aligns to objective 6 which talks to promoting participative, facilitate and accountable governance. The municipality fully accounts to its communities and engages in various platforms as listed earlier in the KPA.



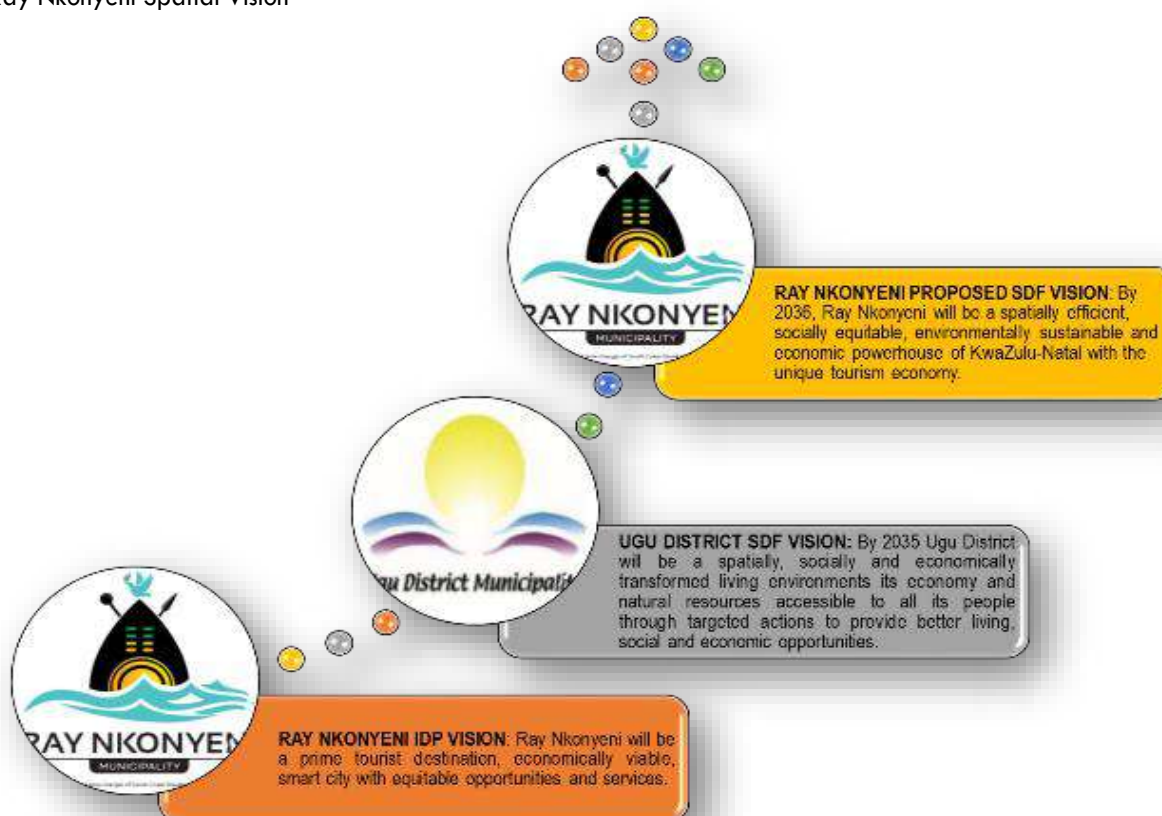
In the case of local economic development being cascaded down, the municipality has leveraged social partnerships in the form of forums where stakeholders and sector departments engage on economic development issues. Ward committees are fully functional and report on a monthly basis on community deliberations. The Ugu District has a centralised development agency which is fully functional. The agency is promoting a more conducive environment for existing business and potential to realise the economic potential of each of the four local municipalities.

3.4.19 Land Use Management

Ray Nkonyeni spatial vision has been developed to guide the direction and growth of the Municipality. The key underlying themes for the development of this vision are Ugu District Development Vision as captured in the district IDP as well as the principles that emanated from SPLUMA. Ugu DM vision promotes equity and accessibility to the entire spectrum of economic opportunities that the district has to offer.

Illustration 18: RNM Spatial Vision

Ray Nkonyeni Spatial Vision





3.4.19.1 Tribunal

RNM has a Tribunal MPT/JMPT Committee, which comprises of 6 members, and sits once a month. The appointed Municipal Planning Authorised Officer is the Head of Department, who also chairs the Tribunal. RNM fully adheres to Regulation 14 of SPLUMA, which talks to the submission of land development and land use applications. The tribunal, amongst other procedures, processes land use application and also conducts site inspections for pending land use applications and/or land developments. The Executive Council is the Appeal Authority within Ray Nkonyeni Municipality.

3.4.20 SWOT ANALYSIS

Table 82: Good Governance and Public Participation SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Ward committees are fully functional • Effective Municipal structures\IGR structures fully functional • Excellent task team Management • Internal audit and Risk Management in place <ul style="list-style-type: none"> • Excellent good governance • Strategies and policies adopted • Budget transparency • Functional Portfolio Committees • Operation Sukuma Sakhe fully functional • Amakhosi participate in Council • Ugu District Development Agency fully functional • Fully responds to PCDP 2025 goal 6 	<ul style="list-style-type: none"> • Poor attendance of Sector Departments in War Rooms • Deprived Wards • Poor attendance of Amakhosi
Opportunities	Threats
<ul style="list-style-type: none"> • Improved flagship program • Improved functionality of the District's Planners Forum • Excellent Public participation mechanisms • Municipal Structures in place 	<ul style="list-style-type: none"> • Some wards are deprived and other semi deprived • Service Delivery Improvement Plan not in place

3.4.21 Key Challenges

The municipality has identified the following key challenges within this KPA9:

- **Poor attendance of Sector Departments in War Rooms:** There is poor participation of Sector departments in War rooms resulting in not having communities engaging meaningful in terms of their needs from departments. This has led to poor service delivery resulting in protests.
- **Deprived Wards:** Rural wards as compared to their urban counterparts are deprived of service delivery. One of the contributing factors is the non showing up of sector departments in war rooms as well as steep topography being another factor.
- **Poor Attendance of Amakhosi:** Amakhosi have been appointed



3.5 BASIC SERVICE DELIVERY AND INFRASTRUCTURE ANALYSIS

2023/2024 MEC Comments	Corrective Measure	Score
❖ It is recommended that the Municipality liaise with the District, being the Water Service Authority (WSA) to access additional sources of information such as the KZN Water Master Plan to be used to update and augment the data in the IDP.	Noted.	4.5/5
❖ It is requested that the water and sanitation projects are listed over the five-year planning horizon using the Infrastructure Delivery Management System (IDMS) phases as required by National Treasury to improve alignment and implantation.	The municipality is liaising with the WSA, UGU Water Services, and shall give an update by the adoption of the Final IDP in May.	
❖ The Municipality has addressed issues of transport infrastructure in the IDP.	Noted.	
❖ The Municipality is commended for clearly presenting issues of Waste Management in the IDP and progress regarding the Implementation of the Integrated Waste Management Plan (IWMP).	Noted.	
❖ The Municipality is advised to consider quantifying the amount of funding required to unlock service delivery challenges and finalize its internal capacity to deal with these associated backlogs.	Noted and the relevant sections have been notified of the recommendation.	

3.5.1 Water

The provision of water services is the responsibility of Ugu District. This includes the delivery of bulk sanitation infrastructure such as the wastewater treatment plants. Most of the treatment plant facilities are owned and managed by the Ugu District Municipality other treatment plants



are privately owned and managed. There are several pump stations in the reticulated areas whilst wastewater treatment plants are generally located inland of the coastal strip. The district does not have the WSDP hence there is no Operations and Maintenance Plan for water and sanitation, however the district has in place a comprehensive Water Services and sanitation Master Plan (**See attachment 11: Water Services and Sanitation Master Plan**).

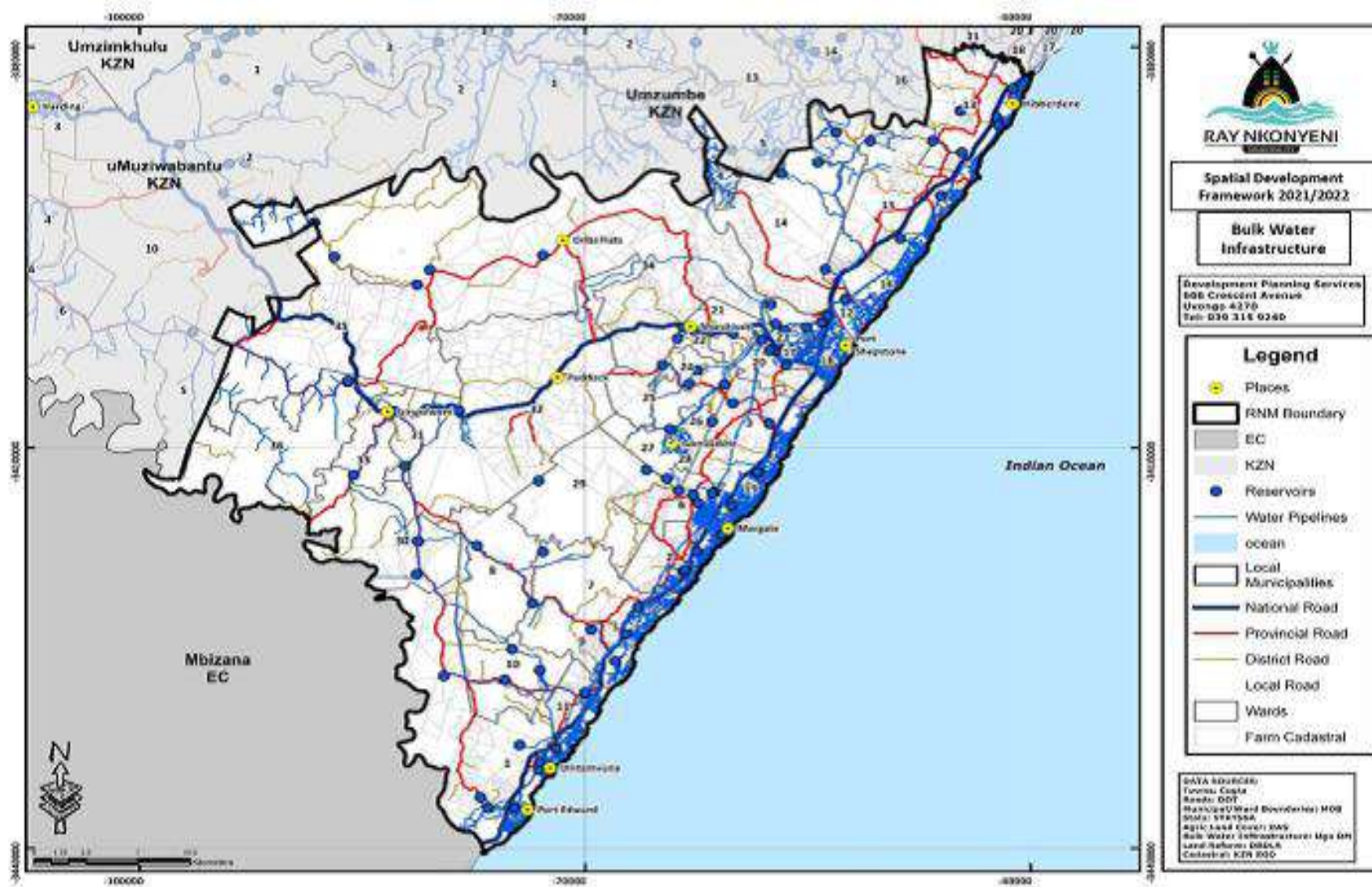
In South Africa as a whole, water and sanitization related problems are major causes of hospital admissions and deaths. These diseases include dysentery, cholera, typhoid and acute diarrhea as well as bilharzia. The Ugu District's Environmental Health Department ensures that its waters are not contaminated and closely monitored.

3.5.1.1 UGU District Water and Sanitation Master Plan

The UGU District Water and Sanitation Master Plan for the financial periods 2020/2021 – 2049/2050 is a comprehensive technical report that provides information on the organisation's current infrastructure and on its future infrastructure development plans. This Master Plan replaces the last comprehensive Infrastructure Master Plan that was compiled in 2006. In the context of water services, Ugu District Municipality needs to overcome several challenges relating to capacity, planning, performance monitoring of projects, basic services backlogs, inadequate services leading to sewer blockages amongst others, meter reading challenges resulting in cash flow shortages, ageing infrastructure, and the need to provide more serviced residential stands as well as the poor blue- and green drop compliance.

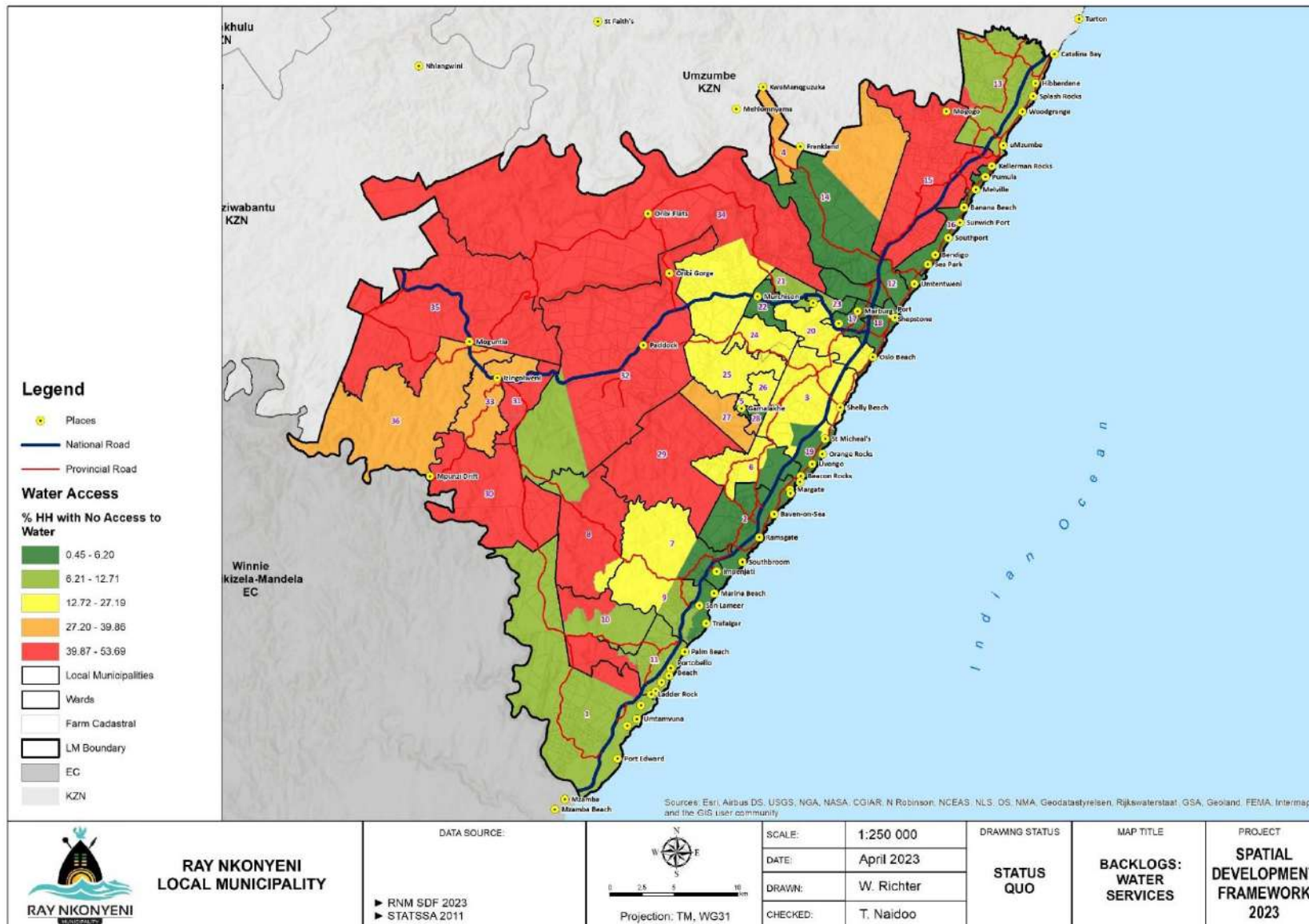


Map 37: RNM Bulk Water Infrastructure





Map 38: RNM Households With no Access to Water





3.5.1.2 Areas That Lack Access To Water

On the previous page is a map depicting households within RNM with no access to Water. Out of the 90 409 HH within RNM, 10 873 hh (13%) are estimated to be without access to water. The municipality noted that there are still backlogs in terms of clean water provision to some areas in many parts in the rural hinterland. Water access in the hinterland vary per ward. Some have better access connections while some have dry infrastructure connection. Wards that have the poorest water connection include ward 4,8,15,27, 29, 30, 31, 32, 34 35,36. More than 50% of HH source their water from springs, dams and rivers and are prone to a number of water borne diseases. The Ugu District Municipality has since made provision of water tankers to supply water to these communities but not sufficient as supposedly. Communities complain of dirty water supplied by the tankers and inconsistent service from the municipality, this is evident from the recent community unrests.

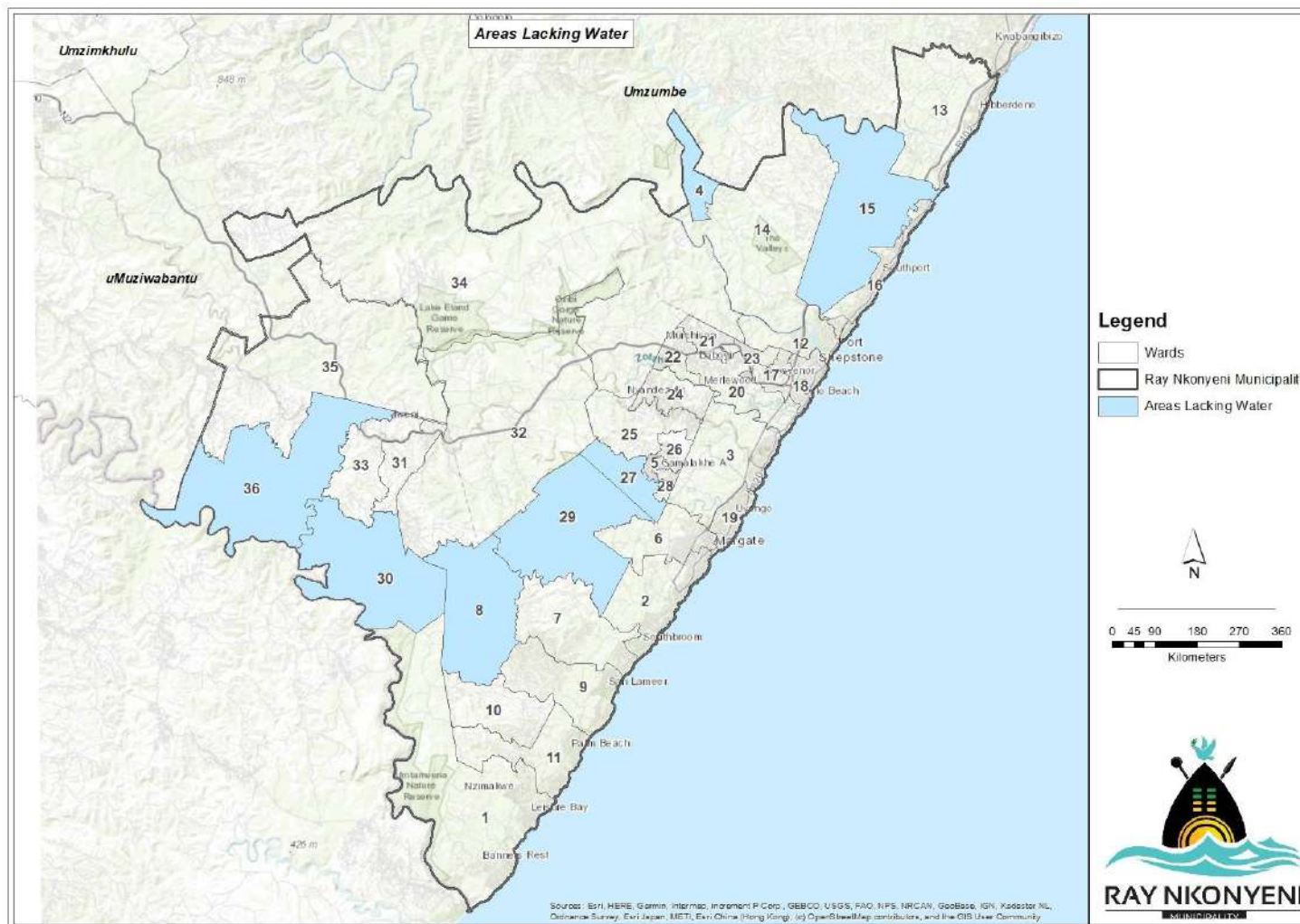
3.5.1.3 Areas with Clean Water

It is essential that the water made available for different uses meets the quality standards relevant to that use, either human consumption, industrial purposes or for the maintenance of ecosystems. Ray Nkonyeni Municipality's coastal belt and a few areas in the peri-pheri wards have clean water supply connections inside houses, outside taps and community taps. Areas in the hinterland face a huge challenge in terms of clean water supply. In this context, Ugu District Municipality needs to overcome several challenges relating to capacity, planning, performance monitoring of projects, basic services backlogs, inadequate services leading meter reading challenges resulting in cash flow shortages, ageing infrastructure, and the need to provide more serviced residential stands as well as the poor blue- and green drop compliance.

On the following page is a map depicting areas within RNM that lack clean water.



Map 39: Areas Lacking Clean Water



Source: RNM GIS 2021



3.5.1.4 RNM Level of Service

Ray Nkonyeni Municipality (RNM) has on average a higher level of service than the other municipalities in the district because it has the largest urbanised and semi-urbanised areas. This places a higher demand on services, and it also places a larger burden on the maintenance of these services. Aged infrastructure in RNM is a serious challenge. Areas such as Shelly beach experiences regular water outages due to pie brakes. The pressure reduction program brought some temporary relieve but breakages are on the increase again and the only solution is to replace all the aged pipes.

Table 83: Ray Nkonyeni Municipality Level of Service





3.5.1.5 Level of service per household

Table 84: Ray Nkonyeni Municipality Level of Service per Household

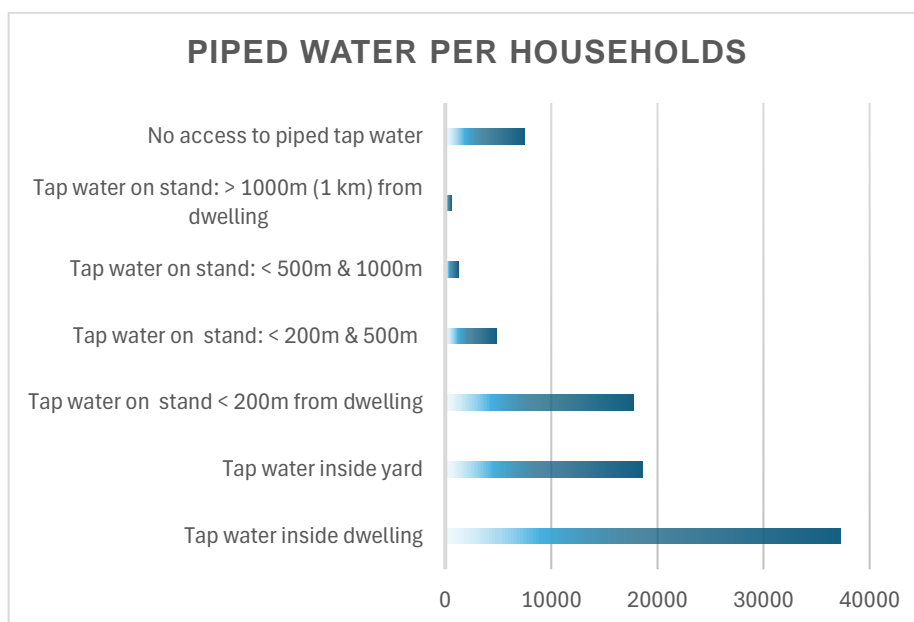
Municipality	Ward	Total Number of HH's	HH's with access to water	HH's with Yard Connections	HH's with piped water within 200m	HH's > 200m < 4000mm away	HH's > 4km from existing infrastructure
RAY NKONYENI		96 963 HH	87 336 HH	31 666 HH	28 098 HH	27 572 HH	9 627 HH
	1	2743	2729	1509	1097	123	14
	2	2699	2686	1484	1080	121	13
	3	2742	2728	1508	1097	123	14
	4	2799	2379	140	840	1400	420
	5	2763	2349	138	829	1382	414
	6	2675	2662	1471	1070	120	13
	7	2611	2585	1958	522	104	26
	8	2691	2664	2018	538	108	27
	9	2729	2715	1501	1092	123	14
	10	2621	2595	1966	524	105	26
	11	2705	2691	1488	1082	122	14
	12	2711	2697	1491	1084	122	14
	13	2752	2738	1514	1101	124	14
	14	2676	2275	134	803	1338	401
	15	2611	2219	131	783	1306	392
	16	2678	2678	2651	27	0	0
	17	2620	2227	131	786	1310	393
	18	2726	2726	2699	27	0	0
	19	2775	2775	2747	28	0	0
	20	2683	2670	1476	1073	121	13
	21	2600	2210	130	780	1300	390
	22	2611	2219	131	783	1306	392
	23	2727	2713	1500	1091	123	14



24	2670	2270	134	801	1335	401
25	2635	2240	132	791	1318	395
26	2756	2343	138	827	1378	413
27	2713	2306	136	814	1357	407
28	2609	2218	130	783	1305	391
29	2671	2270	134	801	1336	401
30	2716	951	136	272	543	1765
31	2752	2339	138	826	1376	413
32	2614	2222	131	784	1307	392
33	2789	2371	139	837	1395	418
34	2702	2297	135	811	1351	405
35	2662	2263	133	799	1331	399
36	2726	2317	136	818	1363	409

3.5.1.6 Piped Water per Household

Graph 19: Piped Water per Household

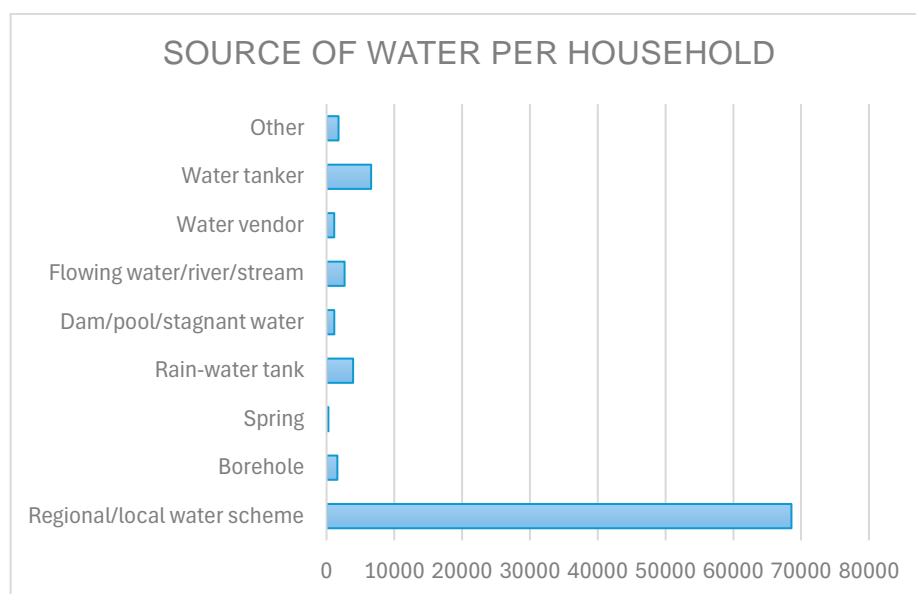


Improved water supply and better management of water resources can boost countries economic growth and can contribute greatly to poverty reduction. In RNM approximately 37287 households have piped tap water inside their dwelling. However, it is estimated that 7481 households in RNM have no access to piped tap water. 42864 household in RNM are expected to have other means of access to water.



3.5.1.7 Sources of Water per Household

Graph 20: Sources of Water



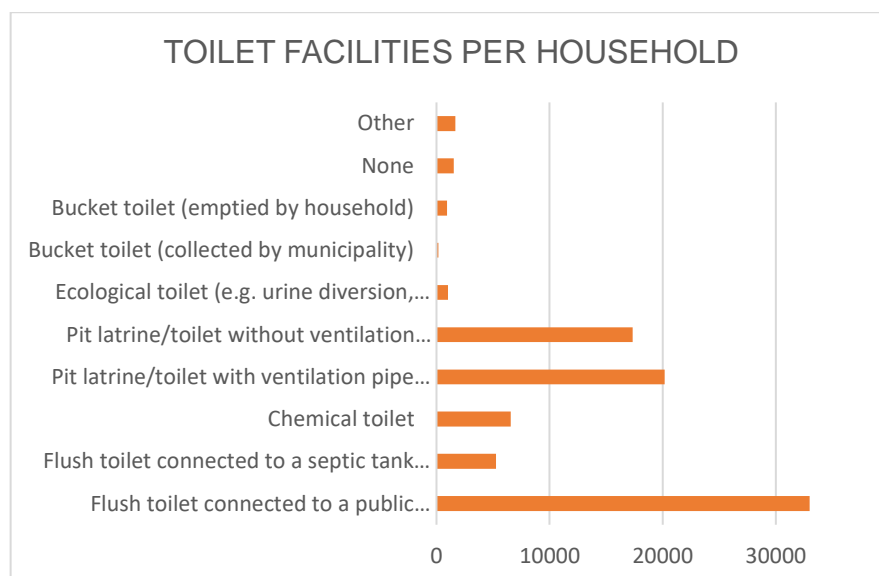
The availability and accessibility of water sources can vary depending on geographical location, climate conditions, and human activities. In RNM water is sourced from various sources which include regional/local schemes, boreholes, rainwater tankers, dams, flowing water, water vendors, and springs. Approximately 68572 households in RNM depend greatly on water being sourced from regional/local water schemes.

3.5.2 Sanitation

Approximately 14 493 households within RNM do not have access to sanitation facilities within the appropriate standards. This makes up to 17% of the total population of the Municipality.

3.5.2.1 Main Type of Toilet Facility Used

Table 85: Main Type of Toilet Facility



Source: Statistics South Africa Community Survey 2016



The above graph represents the kind of toilet facility that is available in households in RNM. The level of accessibility of the toilet facilities in the RNM was determined through the considerations of households. The number of households who could access flush toilets connected to a public sewerage was equivalent to 37,65%. 59,34% of the household had access to other toilet facilities which include flush toilet connected to septic tanks, chemical toilets, pit toilet with or without ventilation pipes, ecological toilets or other means. In contrast, 1,26% households could only access through bucket toilets either emptied by households or collected by the municipality. It is estimated that 1,74% of households in RNM have no access.

3.5.2.2 Types of sanitation

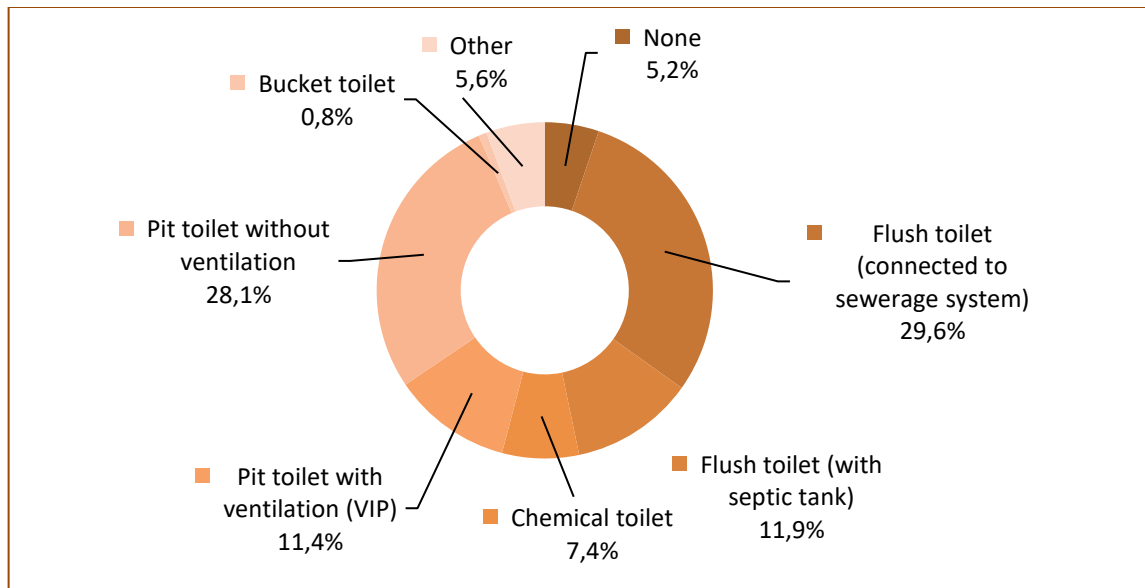
Rural RNM sanitation has more than 80% of its VIP's older than five years and have reached the end of their lifespan. The standard for a basic level of rural sanitation in Ugu is a ventilated, improved pit latrine (VIP) comprising pre-cast concrete "C" sections as reflected in the photograph below



Sewer infrastructure in the urban part of RNM is also in need of upgrading to cater for an increasing urban population. Considering that the $\pm 90\%$ of the pits are older than 5 years suggests that major challenges lie ahead in ensuring the sustainability of the rural sanitation programme. Getting access to the VIP's is a major challenge, it makes maintenance extremely difficult and very costly. It is easier and more cost effective to install a new VIP.

The graph indicates the % of types of sanitation within RNM.

Graph 21: Types of Sanitation



Statistics South Africa Community Survey 2016

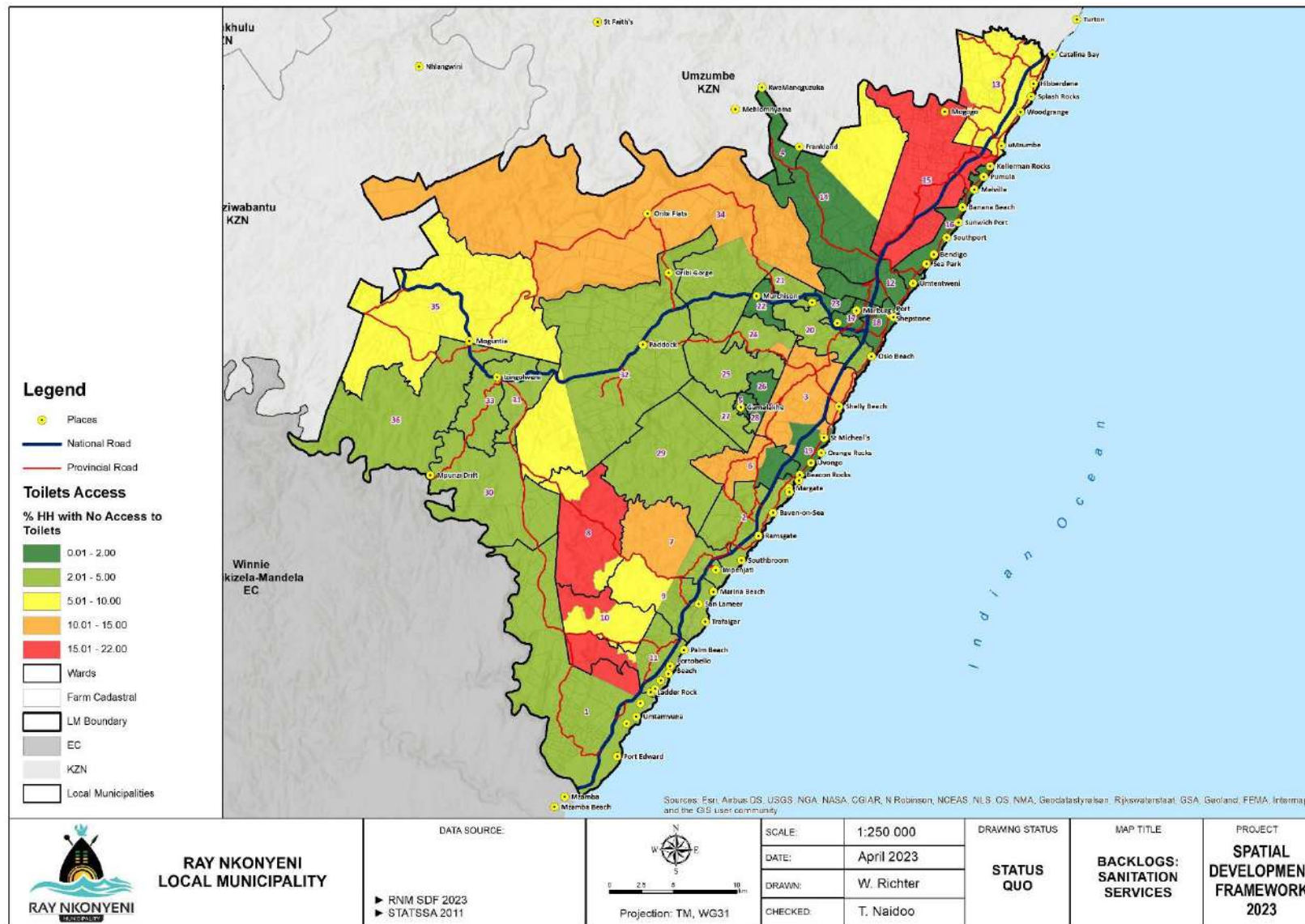
Ugu Water Services Development Plan estimates that R 2, 1 billion is required to meet the waterborne sanitation backlog between Sezela, Umtentweni, Southbroom and Port Edward. The existing sewerage reticulation, pump stations and treatment works infrastructure was assessed in 2004/2005 to be in need of refurbishment requiring R120 Million. To date a total of R 30 million has been invested in this area resulting in several of the beaches retaining their Blue Flag status. The water borne sanitation programme was assessed and a master plan developed for the whole district. The first phase of prioritize areas will be undertaken in the next two years against a R100m loan facility.

3.5.2.3 Areas Lacking Sanitation

Approximately 14 493 households do not have access to sanitation facilities within the appropriate standards. This makes up 17% of the total population within Ray Nkonyeni Municipality. Wards 8 and 15 have the highest sanitation backlogs. These are followed by ward 3, 6, 7 and 34.



Map 40: Areas With No Access to Sanitation





3.5.2.4. Conclusion

It must be made clear from the outset that Ugu District municipality will not be able to finance all the projects required to provide adequate water and sanitation to all its people. External grant funding must be sought to finance most of the projects. When it comes to bulk infrastructure, Ugu District municipality will have to consider partnerships with external organisations that has the financial capability to provide these services.

3.5.3 Solid Waste Management

RNM has a fully-fledged education and waste minimization section, which comprises of a Manager, 2 waste management officers and one horticulturalist and 9 EPWP employees shared between the 2 officers. Waste minimization is important because it helps protect the environment and makes good business sense. In fact, businesses can simultaneously manage both business and environmental objectives by focusing on waste minimization. For waste collection, the municipality is fully responsible for that.

The National Environmental Management: Waste Act of 2008 requires each municipality to implement the Waste Management hierarchy which categorically states the following: -

- ❖ Reduce, Reuse, Recycle, Treat and Dispose

The waste management system being implemented by the municipality is aligned to the requirements of the Act and further elaborated details are provided in the sector plan.

3.5.3.1 Integrated Waste Management Plan

Ray Nkonyeni has an implemented Integrated Waste Management Plan was reviewed and adopted in 2017 and is to be reviewed when and if necessary (**see attachment 12: IWMP**). Since the plan is outdated, the need to review has risen. The Municipality submitted a proposal to the Provincial Department to source funding for the review and it is slated to commence in the beginning of the next financial year (from June 2024), and hopefully will be finalized for adoption May 2025.

The plan focuses on the management of general waste generated by the major centres of the municipality. The municipality is responsible for waste collection. The Integrated Waste Management Plan (IWMP) focuses on waste recycling and refuse removal of household solid waste, business and industrial waste, as well as development and management of garden refuse stations.

The current status is as follows:

- The coastal strip residential areas receive a weekly collection service of household refuse ;
- Businesses and flats within the coastal strip and CDB receive a collection twice to seven times a week depending on the amount of waste generated and type of operation done by a specific business.
- Industrial areas have skips in place and are cleared daily and based on the need to do so.
- Some rural areas benefit through level 1 service of national domestic waste collection standards of 2011, through which the municipality conducts ongoing waste awareness and educational programs.
- Informal settlements have skips and are serviced once weekly.



Only the urban formal settlements receive waste removal and if looking only on that population the service covers 100% of the households. It is envisaged that the majority (approx. 62%) of the population have their refuse removed by the municipality at least once a week and (approx. 28%) make use of their own refuse dumps.

The IWMP further investigates the number of registered landfill sites and their lifespan, need for new sites, extension of service and rehabilitation. The plan will expose other means of extending the service to rural communities in a cost effective and coordinated manner.

Waste minimization, promotion of environmentally friendly waste management practices, efficient waste management and improved service delivery mechanisms are also practised. The IWMP allows for EIA to be conducted where necessary and covers all aspects of environmentally friendly practices. The IWMP covers options that are mainly environmentally friendly. The IWMP is partially being implemented with the available budget.

There are (6) six garden transfer stations located throughout the municipality. In some instances, the geographical landscape poses challenges with service provision. It is a challenge to provide services to sparsely populated communities and in areas with steep terrain thus the cost-of-service provision is too high and therefore serviced as level 1 of national domestic waste collection standards of 2011. The Integrated Waste Management Plan focuses on the following objectives:

- ❖ To decrease waste deposited at municipal landfills.
- ❖ To build capacity through information sharing.
- ❖ To improve, develop & maintain infrastructure to comply with legislative requirements & Ray Nkonyeni Municipality needs.
- ❖ To provide effective waste collection services for the municipality.
- ❖ To provide effective waste management services for the municipality
- ❖ To provide cost effective waste management services.
- ❖ To create, implement & enforce the necessary legal regulatory & policy framework to support waste management service throughout Ray Nkonyeni Municipality.
- ❖ To minimize illegal dumping the municipality will embark on awareness campaigns, increase accessibility to disposal facilities, monitor and follow up where the dumper can be identified and implemented a penalty system for offenders.

The IWMP allows for EIA to be conducted where necessary and covers all aspects of environmentally friendly practices. The IWMP covers options that are mainly environmentally friendly. The listed garden and drop-off faculties in the IWMP do not trigger a listed activity therefore no EIA will need to be done.

3.5.3.2 Landfill/Waste Disposal Site

Oatlands Landfill site is owned by the municipality and is the only licenced and registered site within the municipality. It has an estimated twelve (12) years airspace remaining. All collected waste within the municipality is disposed off at Oatlands. Waste collection zones are in Hibberdene, Port Shepstone, Margate, Ezinqoleni, Sea Park, Port Edward, Sunwhich Port South Port and other coastal settlements.

The existing landfill is projected to be filled in year 2035 and the plan for a new site will start in the year 2025. Waste disposal methods are alternatives and will be explored and working for waste programmes. Currently, there is a temporary cell for stock-piling waste, while the



construction of Cell-4C is underway. The landfill has a total of 6 Cells, which means only Cells 5 & 6 will be available after Cell-4C is operational.

The municipality is currently sourcing funds to extend the waste removal service to rural areas.

The municipality has a team of Engineers, 3 internal and 1 external. They audit the landfill site management focusing on the issue of compliance with the landfill site certificate.

Operational Budget allocated for 2024/25 for Oatlands Landfill Site is R7 200 000 to be utilised as follows on monthly basis

- The budget is spent on internal and external audits,
- Landfilling and cover material,
- Producing monthly reports on operations,
- Scheduling monitoring committee meetings,
- Water sampling,
- Site Inspections and travel

3.5.3.3 Refuse Removal

The current status is as follows:

- The coastal strip residential areas receive a weekly collection service of household refuse;
- Businesses and flats within the coastal strip and CDB receive a collection twice to seven times a week depending on the amount of waste generated and type of operation done by a specific business.
- Industrial areas have skips in place and are cleared daily and based on the need to do so.
- Some rural areas benefit through level 1 service of national domestic waste collection standards of 2011, through which the municipality conducts ongoing waste awareness and educational programs.
- Informal settlements have skips and are serviced once weekly.

Only the urban formal settlements receive waste removal and if looking only on that population the service covers 100% of the households. It is envisaged that the majority (approx. 62%) of the population have their refuse removed by the municipality at least once a week and (approx. 28%) make use of their own refuse dumps.

3.5.3.4 Status of Waste Collection Services

The municipality conducts a level 4 service for the coastal areas and level 3-1 in 21 other wards that are densely populated areas/townships. The combined level of service comprises both awareness campaigns, supervision, and provision of refuse bags with recyclable waste collected. Up upliftment frequencies range from weekly to quarterly. The coverage of service delivery is thus 69.4% of the municipality. The map on the following page shows the level of waste collection in different parts of the municipality.

3.5.3.5 Free Basic Refuse Removal Service

The Free Basic Refuse Removal Policy give guidance on collection of refuse for households in the jurisdiction of the municipality. It should be noted that on-site disposal is an option where travelling distances and the resulting costs may render regular waste collection services

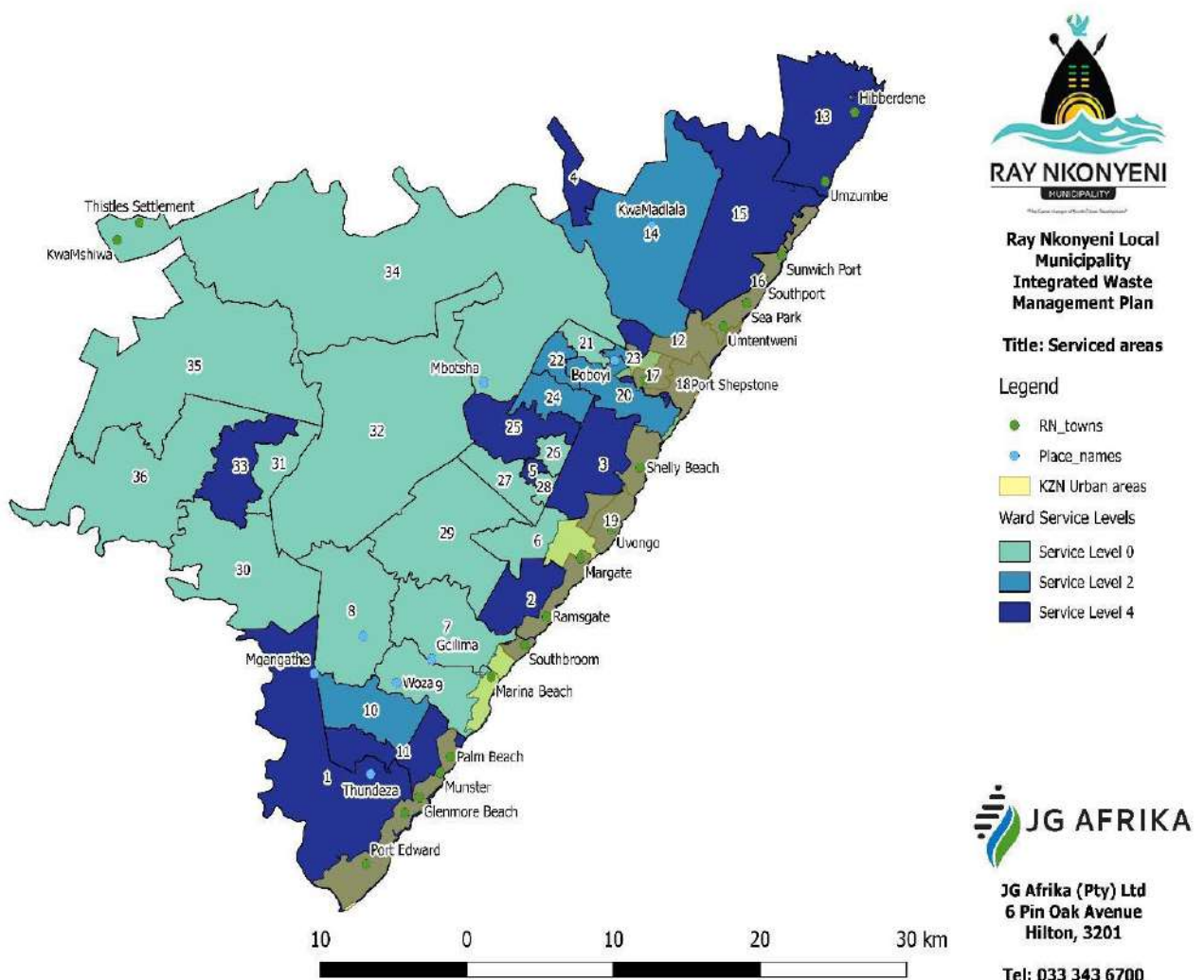


impractical hence all households with no access to refuse collection services are serviced as level 1-2 of national domestic waste collection standards of 2011 this is well addressed through EPWP and CWP programmes.

3.5.3.6 Waste Collection in Rural Areas

In rural areas of the municipality, waste and dumping is not controlled and when heavy rains come, the refuse is washed into rivers resulting in diseases for those communities drinking the running water. The municipality is conducting education and Waste campaigns as well as establishing waste management committees in rural areas. This suggests that in-migration is not only from rural to urban, but population growth is rural areas as well.

Map 41: Waste Collection In Rural Areas





3.5.3.7 Waste Collection Backlog and Needs

Almost all rural wards within the municipality have a backlog in the collection of waste due to lack of capacity and budgetary constraints. There are areas, however, have an urgent need to have solid waste removal programme implemented. These areas are semi-rural and currently do not have the programme. Inability to extend level 3 service to other areas because of resource limitations. These areas include;

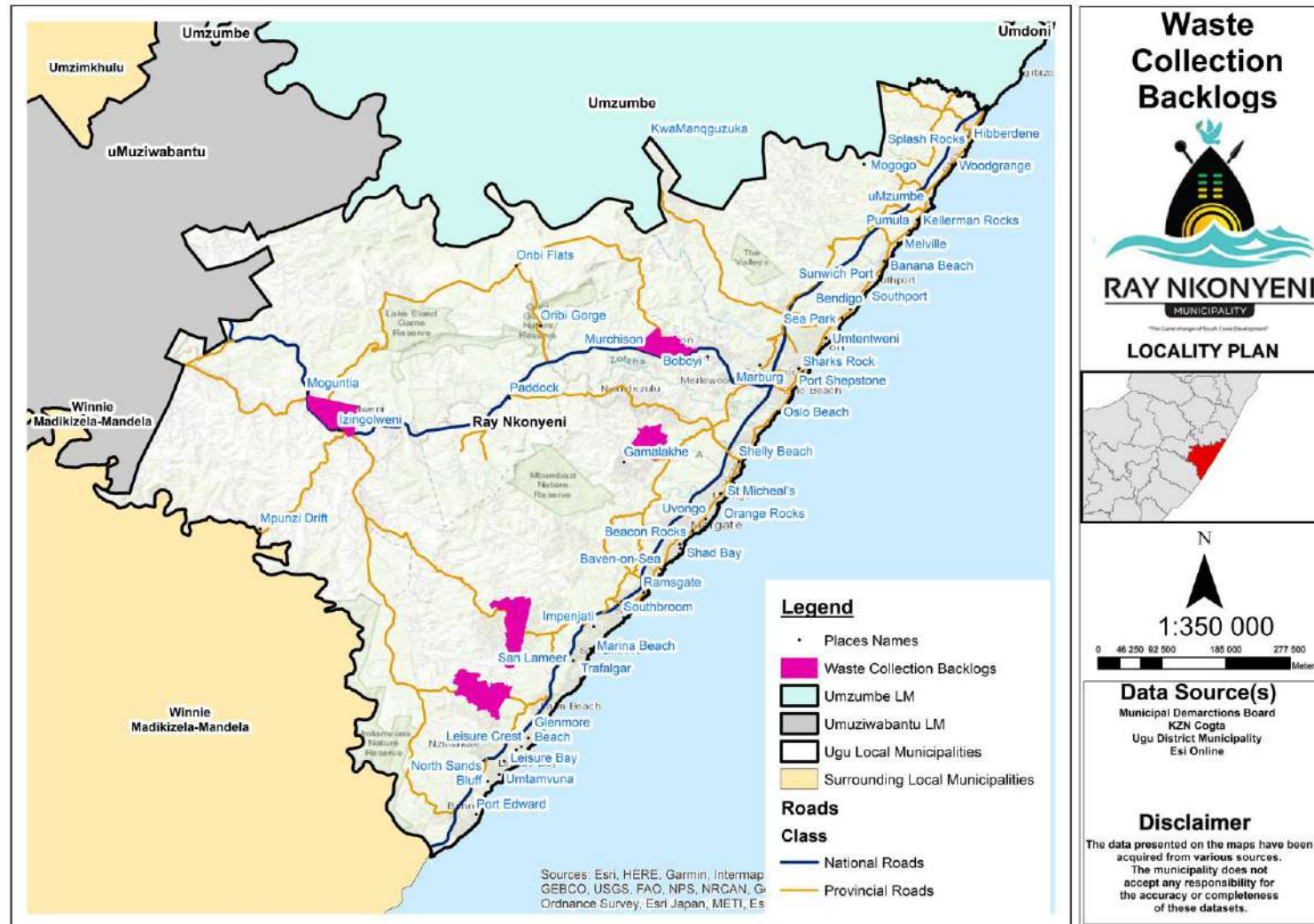
- Bhobhoyi
- Murchison
- Qina bout and Kwa Xaba
- Gcilima
- Izingolweni (residential area)
- KwaNzimakwe

Although the municipality is currently not uplifting waste in rural areas, however, there is a section dealing with Education and Waste programs as well as waste minimization initiatives. Some of the initiatives/study include ongoing waste education on illegal dumping/littering to communities and schools, advocating transformed attitudes in matters of waste management, school awareness programmes such as recycling, waste reduction to landfill site, Cost efficiency to rendering of services, Route Optimization for waste trucks. These are ongoing initiatives and strategic plans for sustainable waste management which also include participating in exchange program with other municipalities to learn best practices with regards to waste collection in rural areas.

The map on the following page depicts areas with waste collection backlogs:

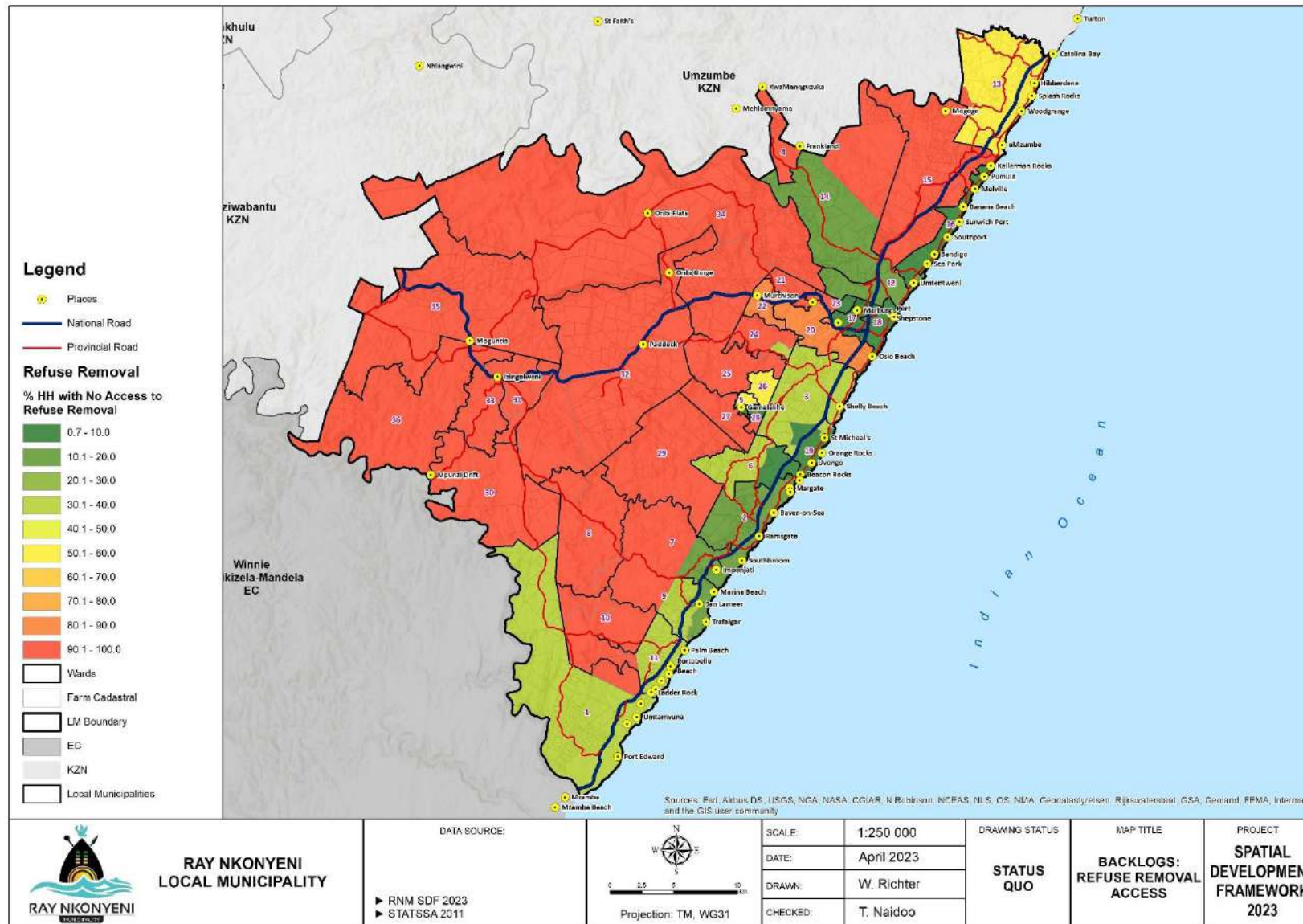


Map 42: Waste Collection Backlogs





Map 43: Areas with No Access to Sanitation





3.5.3.8 Waste Types and Quantities

A study conducted in 2012 at the Oatlands weighbridge data show that:

- Domestic/Commercial waste was 61% of the total waste collected;
- The total recyclable content is 11.6%;
- Industrial waste was highly recoverable at ~22%;
- Industrial waste was dominated by polystyrene, polypropylene nets and K4-cardboard (packaging materials).
- Paper and plastic recyclables dominated the recyclable composition
- Commercial centres have room for improvement (e.g. The South Coast Shopping Centre yielded 100% recoverable waste material)

3.5.3.9 Waste Recycling, Treatment and Disposal

There is an appointed service provider for recycling of waste in RNM, which is Ravine Lane Recycling Facility. They were originally appointed in 2020, however their contract was amended and renewed in 2021. The facility is used to assist SMME's and small business, as some are working with the appointed service provider in operating the Ravine Lane Recycling Facility.

Recycling programmes have been developed by the municipality using a separation at source program and voluntary drop-off centres. The process begins with a two-bag system for kerbside collection. Recyclables are placed in clear bags and collected separately from black non-recyclable bags. Clear bags are sent to Ravine Lane Recycling/Buy-Back Centre where further separation / baling is carried out by a private enterprise. Additionally, seven drop off centres are available for the public to NWMS goals for waste management in South Africa state that waste can be reusable. Ray Nkonyeni fully adheres to these goals.

Re-use of a "waste" removes it from the waste stream for use in a similar or different purpose without changing its form or properties. After re-use comes the recycling of waste, which involves processing them as products or raw materials.

It results in the diversion of materials that still have useful physical or chemical properties, out of the waste stream. These can then be used to replace raw, or virgin materials in product manufacturing. The objective of recycling is to save resources and reduce the environmental impact, by reducing the amount of waste disposed at landfills.

Illustration 19: Waste Recycling, Treatment and Disposal Process



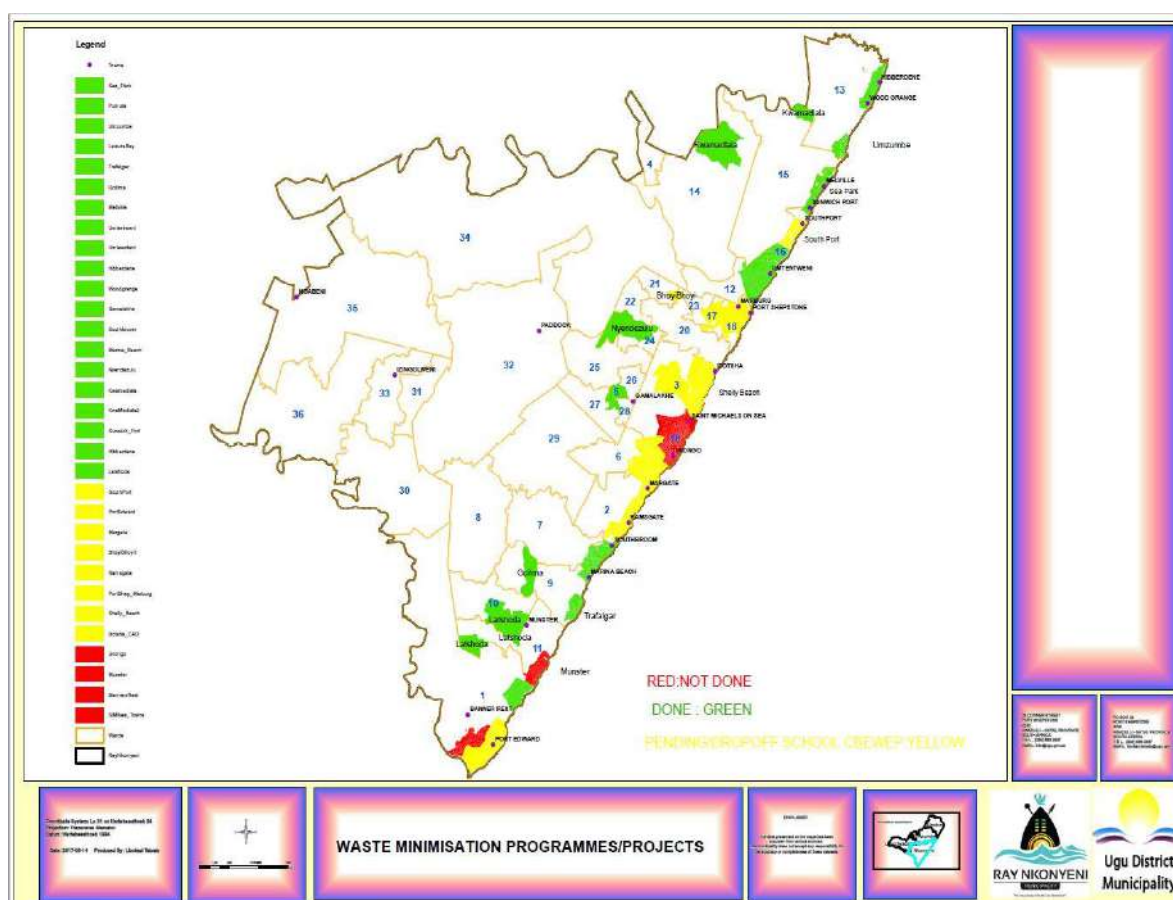
The municipality has expanded on the recycling programme through the Kerbside recycling, called two bag project. It is implemented in 11 formal residential dwellings with a minimum of 900 houses each. All areas are supplied with two bags (black bag for general waste and Clear Bag for recyclable waste). The municipality is responsible for collecting waste in those areas on weekly basis. The amount of waste recycled is reported to South African Waste Information Systems as tonnages of diverted waste.

- Wheelie bins are owned by the municipality and are distributed to companies for use. No information has been provided as to the number or placement thereof. A component of this is an education program that relates to controlled disposal and collection.

It should be noted that there are seven drop off facilities to cater for areas that do not have bag projects. New recycling initiatives within industrial sector and composting are still under investigation. Below is a map indicating the location of bag project and drop off facility..

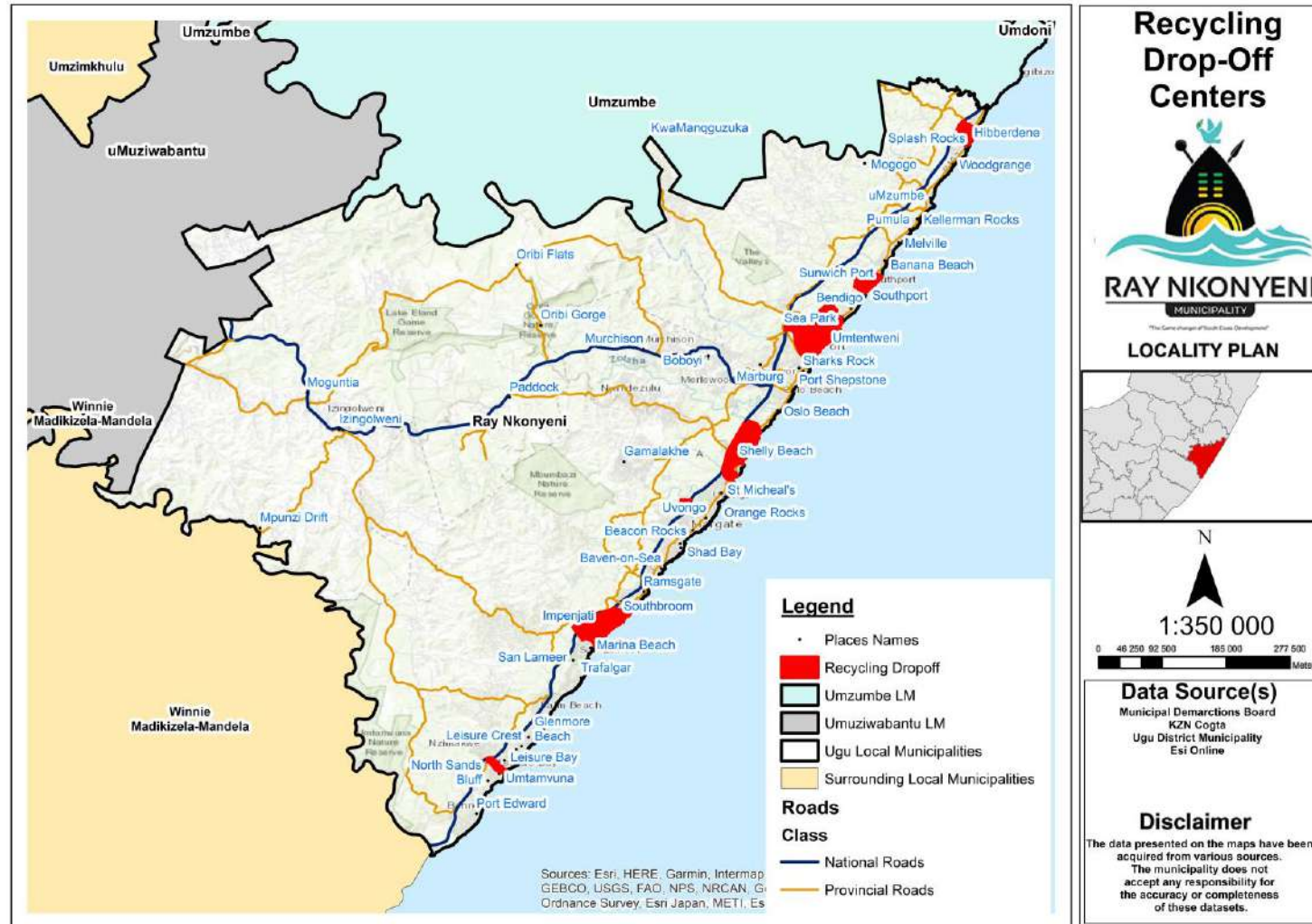
Below is the Bag project and Drop off facility map (Waste Minimisation Projects)

Map 44: Waste Minimization Projects





Map 45: Recycling Drop-Off Centres





3.5.3.10 Recycling Drop Off Centers

RNM has established recycling drop-off centres as an implementation of its waste management strategy which is reduce, re-use, and recycle. These centers are located in the following areas:

- Umtentweni
- South Broom
- Hibberdene
- Shelly beach
- South Port
- Leisure Bay and
- Masinenge

3.5.3.11 Green Economy

The municipality conducted a feasibility study on waste minimisation in 2018 to ensure that communities are educated on waste minimization and importance of recycling to protect the environment, however, the exercise was never completed due to budget constraints. Rural communities in the feasibility study were included since these areas do not have any waste disposal sites, and it was felt not much has been done in terms of educating them on waste management. In the study, the municipality amongst other programmes was to establish centralised waste sites and educate communities on waste minimization. Collection and recycling, the municipality aimed at giving a sort of an incentive to any person undertaking this exercise.

In the municipality's Vision 2036, the issue of green economy is discussed extensively, under strategic Goal 6 which talks to environmental sustainability. The municipality details how the green energy should be seen as an alternative energy. Currently the recycling initiative benefits the municipality by preserving its environment and the economy because recycling of waste conserves natural resources such as trees and extends the lifespan of the landfill site and saves energy and water. The municipality is sourcing funds to continue with the feasibility study so as to enable the implementation of the green economy.



3.5.3.12 Solid Waste Management SWOT Analysis

Table 86: Solid Waste Management SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Integrated Waste Management Plan aligned to National Waste Act, 2008. • Structure set up to promote the implementation of the waste hierarchy: Appointed two qualified Waste Management Officers with degree in environmental management. • Well – structured education and awareness campaigns targeting both educational and community sector. • Partnerships with the District and Provincial departments enable integration and a concerted effort in rendering services to the community. • Properly structured and implemented recycling program. 	<ul style="list-style-type: none"> • Limited number of staff and vehicles to implement wastes recycling throughout Ray Nkonyeni Municipality. • Limited buy – in from outside stakeholders like business to take responsibility / own their environment
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Employment opportunities in recycling sector. • Outsourcing fully the operation and management of landfill site through a PPP model. • Appointment of green Scorpions (Peace Officers) to limit expenditure on illegal dumping clearing. • Extension of waste services to rural areas through EPWP. • PPP to develop recreational areas like parks. • Full exploitation of “Adopt a spot” concept. 	<ul style="list-style-type: none"> • Price drop of commodities that are recyclable lead to job losses. • Inability to extend services to rural areas will lead to non-compliance with environmental regulations and constitutional mandate.



3.5.4 Human Settlement

Human Settlement could be defined as: *the totality of the human community - whether city, town or village - with all the social, material, organizational, spiritual and cultural elements that sustain it. The fabric of human settlements consists of physical elements and services to which these elements provide the material support.*

Over the years, this concept has developed further into a strategic framework for overall socio-economic development. The physical components of human settlements comprise of shelter (a house); basic services such as water and sanitation, electricity and refuse removal; security of land tenure rights; access to social facilities and services; economic development opportunities and improved amenity. Human settlements are the spatial dimension as well as the physical expression of economic and social activity. The creation of sustainable human settlements is inevitably an objective for social development. It defines and conditions the relationship between where people live, play and work on one hand, and how this occurs within the confines of the natural environment. It is one of the most visible and quantifiable indicators of the society's ability to meet one of its basic needs – shelter, and a pre-requisite for sustainable human development and economic growth.

In terms of the National Development Plan, by 2050 visible outcomes from effectively coordinated spatial planning systems will have transformed Human Settlements in South Africa into equitable and efficient spaces with citizens living in close proximity to work with access to social facilities and essential infrastructure.

By 2030 most South Africans will have affordable access to services and quality environment. New developments will break away from old patterns and significant progress is to be made in retrofitting existing settlements. In rural areas targeted investment and institutional reform will need to drive a revival of rural South Africa towards:

- Thus by 2030, measurable progress must be made towards breaking apartheid spatial patterns.
- That the majority of South Africans shall have access to adequate housing, affordable services in better living environment.
- Equitable and functional residential property market.

The vision within KZN Human Settlement Master Spatial Plan is also by 2030 KwaZulu – Natal is recognised for its compact, connected and integrated human settlement pattern across different scales reflecting successful spatial transformation, founded on the values of sustainability, collaboration, choice and value creation. The human Settlement spatial plan states that the strategic thrust of the Housing Needs, Research, and Planning Programme is to ensure that housing development is undertaken in an integrated and sustainable manner by ensuring that there is a fully functional project pipeline that is aligned to National and Provincial Priorities.

The Municipal Vision (2036) has reflected three strategic objectives in the implementation of sustainable human settlements which are as follows:

- Strategic Objective 1:
 - New Housing Funding Model
 - Funding for Gap housing, social housing;
 - Transformation of informal settlements,
 - Density and green human settlement patterns.



- Strategic Objective 2: Mixed Housing Typologies
- Strategic Objective 3: Regional Bulk Infrastructure

The National Development Plan (2011) outlines the National Development Agenda. Chapter 8 of this plan presents the national strategy for the development of Sustainable Human Settlements. It adopts a medium to long-term approach and states that by 2030 Human Settlements pattern should have changed for the better so that by 2050 South Africa should have eliminated all poverty traps. The HSSP commits the Municipality to the attainment of these goals.

The National Government has introduced a comprehensive programme to address a range of housing needs in South Africa. The National Housing Code and the Comprehensive Plan for the Creation of Sustainable Human Settlements (commonly known as Breaking New Ground) provides a detailed outline of the National Human Settlements Programme. The National Housing Code (March 2000) clearly sets out the National Housing Policy of South Africa. It identifies the primary role of the Municipality as taking all reasonable and necessary steps, within the framework of National and Provincial Legislation and Policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing on a progressive basis.

The National Human Settlement Plan (2014) also supports Sustainable Development Goals as described by UN-Habitat as “compact , connected and integrated “ human settlements.

Compact Settlements demonstrates -increasing density in urban areas with viable public transport and increased land value.

Connected Settlements demonstrates- restructured settlement patterns which equates to spatially transformed settlements. Pedestrian and non- motorised prioritised environments being energy efficient settlements.

Integrated Settlements demonstrates – appropriate settlement typology in rural areas, mixed use environments, diversity and choice in housing options, natural environment constraints and opportunities (climate , topographic features and conservation).

The Human Settlements Sector Plan for Ray Nkonyeni Municipality is a thirteen year (2017 to 2030) strategic guide for the transformation of existing Human Settlements and Development of new Sustainable Human Settlements in line with the National Human Settlements Development Policy. Its primary aim is to move the Human Settlements Development Programme beyond the provision of basic shelter towards achieving the broader vision of sustainable Human Settlements and efficient spatial systems.



Its objectives are as follows:

- ❖ To reduce the housing need in line with the National and Provincial norms, standards and targets
- ❖ To provide for the introduction of various human settlement programmes with a variety of housing typologies and densities in appropriate locations in line with the RNM (SDF).
- ❖ To contribute towards spatial transformation and creation of an efficient settlement and spatial patterns. (Priority Human Settlement Development Areas and Informal Settlement Upgrading Plans / relocation Strategy)
- ❖ To facilitate rapid and cost-effective release of land for Human Settlements development purposes.
- ❖ To integrate Human Settlements projects with other development programmes within the context of RNM Integrated Development Plan and the Ugu District Integrated Development Plan.
- ❖ To build capacity for effective Human Settlements development through the National Housing Accreditation Framework (2023).

The Municipal Human Settlement Sector Plan seeks to achieve its goals by means of a range of instruments, rural housing subsidy, project linked subsidy, social housing and community residential units. The application of these instruments occurs within the Government Legislative and Policy Framework implemented through the National Department of Human Settlements. The three spheres of Government is to implement this programme in a cooperative manner with the participation of relevant private and public sector organisations.

The 2023, Revised Accreditation Programme draws its legislative framework from Section 156(4) of the Constitution which places an obligation to National and Provinces to accredit any function to the Municipality which can better be administered at the local level. Furthermore, Section 10 of the Housing Act provides that any Municipality may apply in writing to the MEC in accordance with the criteria determined by the Minister for the purposes of administering one or more national housing programmes. Accreditation has been introduced as an instrument to ensure the progressive capacitation of Municipalities in order for them to perform the delegated function without compromising delivery capacity in the short term. By definition, Accreditation is the recognition by a Provincial MEC responsible for Human Settlements that whilst a Municipality has met certain criteria and standards, it requires additional support and capacity prior to assuming full responsibilities for the administration of national housing programmes.

The revised accreditation approach advocates for a programme-based incremental approach to accreditation. Municipalities are to be accredited for implementing a programme or mixture of programmes that are relevant to their capacity and priority needs. The decision on what national housing programmes to accredit a Municipality for will be linked to the Municipality's Human Settlements Sector Plan (HSSP). Furthermore, the role of intermediate City Municipalities (formerly secondary cities) secondary Cities in housing delivery and accreditation is highlighted in this revised framework. Secondary Cities are seen as important catalysts for more balanced and dispersed growth across the country. Intermediate City Municipalities (ICMs) / Secondary Cities are facing various human settlements challenges due to rapid urbanisation. These challenges negatively impact the implementation of human settlements programmes in these



secondary cities and it is imperative that these cities be capacitated, funded and accredited to successfully undertake human settlements programmes thereby addressing the various challenges faced by communities at a local level.

An intervention support is proposed in this revised framework for secondary cities which includes amongst other support the following:

- ❖ Prioritised Accreditation
- ❖ Human Settlements Capacity Cities Support
- ❖ Municipalities can be accredited for the housing administrative functions in relation to the national housing programmes included within their respective HSSPs, the level of administrative responsibility devolved will differ in terms of whether the municipality has been awarded.

3.5.4.1 National Housing Needs Register

The Municipal Council has supported the implementation of the National Housing Needs Register which is currently being implemented by the Municipality. A Service Provider as been appointed by the PDoHS to assist the Municipality in this process. The National Housing Needs Register became operational in Jan 2023 and will be completed by middle of 2024. Ward Councillors were engaged with the implementation process. A total of **48 307** housing needs within the Municipal Area have been captured on the National Data System.

3.5.4.2 Policies and Strategies

3.5.4.2.1 Municipal Housing Allocation Policy

The objective of the Housing Allocation Policy of the Municipality, is to facilitate a fair, equitable, transparent and inclusive selection of applicants in terms of the Integrated Residential Housing Programme. This is achieved through determining housing needs with accurate data for planning and budgeting purposes and addressing such needs (*housing needs register*), prioritize beneficiaries with special needs (*quota allocation*) and a uniform and consistent approach when allocating housing opportunities that promotes good governance (*housing allocation committee*).

3.5.4.2.2 Social Housing Policy

The National Social Housing Programme primary objective is to spatially transform South African urban centres to create greater economic, integration and provide access to low and moderate incomes to areas of urban space from which they were previously excluded. It is also to provide low-moderate income household's easier access to the socio- economic resources of development to towns and cities by the provision of good quality well managed formal rental housing stock that is affordable to households.

The Municipality has an important role to play by ensuring the delivery of Social Housing within its area of jurisdiction as the Social Housing Programme is intended to support social-economic



development as mandated in the Constitution and through National Policy and legislation. Municipalities are required to work in close partnership with Social Housing Institutions / Housing Delivery Agents designed within Social Housing legislations and Regulatory Framework accredited by the Social Housing Regulatory Authority. (SHRA);

The task of the Municipality in ensuring the Social Housing Programme achieve their socio - economic and spatial restructuring objectives, by ensuring the release of appropriate land and buildings in the right location and at the right price or rental to ensure sustainable properties to accredited delivery agents. Municipalities must ensure by making land and buildings to housing delivery agents is used for the intended purpose in the longer term, .i.e. the provision of well-located and managed rental housing stock which are affordable to low and moderate income earners;

The Municipality is required to have a clear policy on the form of freehold or leasehold to Social Housing Institutions or Delivery Agents that provides conditions for long term sustainable housing projects . Furthermore, in determining the rental in terms of a lease arrangement that the basis applied must also ensure social housing delivery agents will be financially viable to deliver and manage rental housing to the targeted market and still sustain itself as a non –profit organisation.

The role of the Municipality in terms of the Social Housing Act must where there is a demand for social housing within its municipal area, as part of the Municipalities process of Integrated Development Planning, take all reasonable and necessary steps within the National and Provincial legislative, regulatory and policy framework to:

- ❖ To facilitate social housing delivery in its area of jurisdiction.
- ❖ To encourage the development of new social housing stock and the upgrading of existing stock or the conversion of existing non-residential stock.
- ❖ To provide access to land and buildings for social housing development in designated restructuring zones for Social Housing Institutions to acquire municipal rental stock;
- ❖ Provide municipal infrastructure and services for approved projects in designated restructuring zones.

In October 2020, the Municipal Council of RNM approved its Municipal Social Housing Policy which has taken the following into consideration.

- ❖ Restructuring Zones (area based)
- ❖ Rental Housing Need / demand
- ❖ Developable land and unused buildings
- ❖ Municipal Rebates or other form of Municipal Incentives
- ❖ Land Disposal to Social Housing Institutions or Housing Delivery Agents
- ❖ Provision of Bulk Infrastructure Services
- ❖ Establishment of Data Base for Social Housing Institutions
- ❖ Appointment of Socia Housing Institutions or Housing Delivery Agents
- ❖ Establishment of a Multi-Disciplinary Technical Support Team



3.5.4.2.3 Upgrading of Informal Settlements / Relocation Strategy

The provision of human settlements is of creating human settlement opportunities within the policy prescripts and within available resources for delivery in a prescribed and justifiable manner. Such provision entails access to quality accommodation, basic services, secure tenure, and affordable mortgage finance. The Municipality is faced with a proliferation of several informal settlements and land invasions, particularly on the periphery of the urban areas is an ongoing process. Most of these areas (Municipal Owned /Privately Owned / State-Owned Land), which makes service delivery by the Municipality or the Provincial Department of Human Settlements quite challenging. Some of these informal settlements are growing rapidly due to migration and internal expansion for various reasons (Economic / Social / Reactional) .

The Municipality has developed Upgrading Plans with a Relocation Strategy of its identified Informal Settlements enabling that some of the informal settlements which cannot be developed will require relocation including surplus/overflow of informal dwellers within such settlements that will not be accommodated. A number of privately owned / State own land parcels have been in the process of being transferred to the Municipality which are vacant that have been earmarked for various Housing Development Programmes. The Municipality needs to have a strategy to address its Informal Settlement Upgrading / Relocation and illegal land invasion.

The Municipality acknowledges that some of its citizen reside in informal settlements. It recognises that many of these informal settlements offer shelter to the poor and destitute, but that it creates undesirable urban environments due to the lack of decent services and security of tenure. Furthermore, some of the land parcels in the Municipality area are in terms of different ownership and are / becoming illegally occupied for the purposes of commercial trading and other activities. With the production of Upgrading Plans for its various informal settlements with a clear implementation and relocation strategy some of these settlements have various challenges to be development as an in-situ upgrading project and therefore requires relocation.

It is for these reasons the Municipality as developed an Anti- Land Invasion Policy including a a Strategy on Informal Settlement Upgrading / Relocation which is directed to prevent/ manage land invasion and the spread of informal settlements. This Policy is subject to regular review to accommodate changes to National/ Provincial Policy / Plans/ Strategies.

3.5.4.2.4 Human Settlement Sector Plan

The Municipal Human Settlement Sector Plan is a 13 year plan (2017-2030), **(See attachment 13: Human Settlement Sector Plan)**. The Human settlement Plan is reviewed / updated annually, which is aligned to the Provincial Human Settlement Spatial Master Plan. It reflects on the policy framework, the democratic profile, and the spatial and environmental context, institutional assessments, housing needs and supply, human settlement development strategy and implementation.

3.4.5.3 Institutional Arrangements

3.4.5.3.1 Housing Accreditation

The Municipality has been accredited for level 1 housing function involving subsidy budget planning and allocation, housing subsidy budgetary planning across programmes / projects, planning of subsidy/fund allocations and project identification. Implementation Protocol agreements are signed and are renewed every three years.



As an accredited Municipality it is also required to get involved in the following:

- **Assistance to Military Veterans**
- Emergency Assistance (Sukumasakhe/disaster related housing)
- Social Housing (Rental stock).
- Community Residential Units.
- Catalytic Projects.
- Rental Tribunal Information Office.
- Prevention of Land Invasion & emergence of new informal settlements
- Sites and Services.

3.5.4.3.2 Housing Supply (Pipeline of Projects)

Various Housing Programmes and Projects are being implemented to address the housing need to improve the standard of living of the local communities.

The following reflects various Housing Programmes with Projects at different stages within the Municipal Area. Projects are being implemented by the Municipality and the Provincial Department of Human Settlements as the Developer.

3.5.4.4 Provision of Housing

3.5.4.4.1 Provision Of Housing Opportunities (Develop Being The Municipality, The Provincial Department Of Human Settlements and Private Housing Delivery Agents)

Table 87: Provision of Housing Opportunities

PROGRAMMES	SITES SERVICED	UNITS ALREADY CONSTRUCTED	UNITS CURRENTLY UNDER CONSTRUCTION (PHASED APPROACH)	UNITS UNDER PLANNING
Rural Housing Programme	N/A	11 003	216	3500
Informal Settlement Upgrading Programme	1 297	1066	380	1080
Greenfield Housing	2705	1436	91	1138
Rectification Process – Pre 1994	Nil	269	300	100
Social / Rental Housing Programme/ IRDP	0	0	0	2923



Institutional Subsidy Housing (Old Home / Tin Town)	0	0	220	100
Total	4002	13774	1207	8841

3.5.4.4.2 Housing Projects At Different Stages

Table 88: Housing Projects at Different Stages

PROGRAMMES	TOTAL NUMBER OF PROJECTS	STAGES
Rural Housing Programme	25 projects	11-Completed 4 -Planning stage 10-Construction stage
Informal Settlement Upgrading Programme	4 projects	1- completed 2 - planning stage 1- Construction stage
Greenfield Housing	4 projects	2 at planning stage 1- at implementation 1-Consgruction stage
Social / Rental Housing Programme	5 projects	5 at planning/ conceptual stage
Financed linked individual Subsidy Programme (FLIPS/Gap market)	2 projects	2 at concept/ feasibility stage
Rectification Housing	3 project	1- completed 1-construction stage 1-planning stage
Title Deed Restoraton Programme	3 project	3- Implementation stage
Integrated Residential Development Programme /other – mixed income housing	3 land parcel	3-Conceptual stage



Institutional Subsidy Housing (Old Age Home (Upgrading) / Tin Town – Demolition/ Rebuilding- by the Provincial Dept of Human Settlements)	1 project	1- Construction stage 1 Conceptual / planning stage
Operation Sukuma Sake by the National / Provincial Dept of Human Settlements)	3 projects	3- Construction stage

3.5.4.4.3 Informal Settlement Upgrading Programme

Table 89: Informal Settlement Housing Programme

PROJECT	WARD	CLUSTER	NO OF UNITS	FINANCIAL VALUE (approx.)	CURRENT STATUS
Louisiana	15	7	564	R57 911 667.26	Completed project - 697 sites were serviced, however due to slope only 564 units were constructed. The project is to be closed off at 564 units. Title Deed Restoration - The last land parcel (portion 30 (of 6) of the farm Louisiana No 3239) which is privately owned as now been transferred into the name of the Municipality. Currently busy with consolidation of six land parcels into one, undertaking traffic impact assessment, registration of servitudes leading to the opening of township register. This will pave the way for issuing title deeds to approved beneficiaries. The title deed registration process will be undertaken in the financial year 2025-2026
Masinenge	3	4	882	R154 560 067,47	Construction Stage - High Density Development. The developer of the project is the PDoHS. 600 sites serviced with 502 top structures built (walk up). Budget allocation for the 2024/2025 financial year is R9 204 675,00 which result in



					52 units being built. To commence with property transfers shortly.
Mkholombe	17	6	1000	R3 326 590.00	Planning stage – Due to bulk infrastructure challenges. The option of providing high density housing is being considered to maximise the number of housing opportunities to be provided. An Upgrading and Relocation Strategy for this project was completed in November 2022. Implementation of project will be dependent on the provision of bulk infrastructure reticulation services (sanitation) by Ugu District Municipality. The PDoHS in the 2024/2025 financial year appointed a Service Provider to undertake detailed Planning studies for 2400 households (funding in the amount of R20 354 400.00) .
Paddock (transnet Ltd)			60	n/a	Planning stage – Upgrading Plans with a Relocation Strategy was completed in Nov 2022 which needs to be implemented. The land is owned by Transnet with the intention of providing interim rudimentary services by the Municipality and later identifying land for relocation
TOTAL			2506	R215 798 432,73	

The Louisiana Informal Settlement. Project of 564 units have been completed. The process of individual transfer to approved beneficiaries is still to commence with support funding being provided by the Provincial Department of Human Settlements. Some informal dwellers in the settlement could not be provided with housing opportunities due to geographical challenges within the development which will necessitate alternative housing provision by means of relocation. There is also a gradual influx of new informal dwellers into the area. Upgrading Plans and relocation strategy have been developed by the Municipality with an Implementation Strategy. On going discussion are taking place between the Municipality and the PDoHS with regard to the identification of further land to accommodate surplus occupants.



The Masinenge Informal Settlement. The project consists of 882 units (walk ups) which is a high-density concept. The project has different phases in the provision of services and top structures. Approved beneficiaries are to receive title deeds to their properties. The project is accommodating informal dwellers from the Masinenge Informal Settlement being and in-situ upgrade project. The current development has surplus informal dwellers and constant inflow of new informal dwellers. Further land needs to be identified to address the relocation of surplus beneficiaries. The developer of the Project is the PDoHS with the appointment of an Implementing Agent. The Municipality as an approved development plan, with a relocation strategy for this settlement. On going discussion are taking place between the Municipality and the PDoHS with regard to the identification of further land to accommodate surplus occupants.

The Mkholumbe Informal Settlement. Portion of the land within the informal Settlement can be developed whilst the balance will have to be relocated to the Bhoboyi Phase 2 (greenfield) and other land parcels (still to be identified). Challenges encountered is the availability of bulk infrastructure services (sanitation). This matter is being addressed by Ugu District Municipality. Development Upgrading Plan, Relocation Strategy with an Implementation Plan have been completed and approved by the Municipality. On going discussion are taking place between the Municipality and the PDoHS with regard to the identification of further land to accommodate surplus occupants. The PDoHS as approved and appointed a Service Provider to undertake planning studies for 2400 households.

The Paddock Informal Settlement. With approved Upgrading Plans and a Relocation Strategy being completed, land needs to be identified to relocate all the affected beneficiaries. Also interim rudimentary services needs to be provided. On going discussion are taking place between the Municipality and the PDoHS with regard to the identification land for the relocation of the affected occupants.

3.5.4.4.4 Rural Housing Programme

The Municipality has initiated various rural housing projects in terms of the rural housing programme. The table reflects projects that have already been completed, those which are at implementation stage (different levels of construction/ upgrading) and lastly those that are at the planning phase. Some of the Projects are being implemented by the Municipality as a Developer (through the Housing Accreditation Programme) whilst others by the Provincial Department of Human Settlements. Current and Planned Projects are dependent upon Human Settlements Grant funding (HSDG) from the Provincial Department of Human Settlements (PDoHS- Annual Business Plan). Rural housing projects are implemented mainly on communal land and are based on functional land tenure rights. Implementing Agents are appointed to undertake the project development. The policy states that one household to one house which means that each rural household qualifies for one house irrespective of the number of people that qualifies for a housing subsidy. It must be noted the projects are being phased from 1000 units to 500 units per project as the PDoHS policy. Operational Oposamake Programme is being implemented by the National Department of Human.

Table 90: Housing Projects



PROJECT	WARD	CLUSTER	NO OF UNITS	FINANCIAL VALUE	CURRENT STATUS
Vukuzithathe Phase 1 (Nkulu & Mbeni)	33 & 36	1	1116	R 61 380 000.00	Completed: Municipality was the Developer. 1116 units built.
Vukuzithathe Phase 2 (Dlovinga)	31,33 & 36	1	1000	R 55 000 000.00	Completed: Municipality was the Developer: 1000 units built.
KwaNyuswa Phase 1 (Mahlabathini & Thonjeni)	34	1	1000	R 55 000 000.00	Completed: Municipality was the developer. 1000 units built
Mthimude Phase 1	36	1	989	R 84 888 142.69	Completed. Municipality was the Developer 989 units built.
KwaXolo Phase 2	5 ,8,9, 29 & 32	2 & 4	1100	R 144 195 388.00	Completed: Municipality was the Developer: 1087 units built.
KwaMadlala	14	2	1000	R 126 954 730.00	Completed: Municipality was the Developer: 933 units built.
Oshabeni (phase 1)	4 and 12	6 & 7	502	R 61 227 750.26	Completed. Municipality was the Developer. 502 units completed.
KwaNdwalane (Phase 1 -deep rural)	24 and portions of wards 3,20,21,22, and 23	4 & 5	1000	R 131 082 085.00	Completed. Municipality was the developer: 995 units built
KwaNdwalane (Phase 2 A)	Portions of wards ,20,21,22, and 23	5	500	R 64 042 796.00	Completed: Municipality was the developer: 500 units built.
KwaNdwalane (Phase 2 B)	Portions of wards ,20,21,22, and 23	5	300	R 48 234 438.00	Construction Phase- Municipality is the Developer: Project Budget Allocation for 2024/2025 financial year is R4 902 975.00 which will result in 24 units being build.
KwaMavundla	17, 20,25,26 & 27	4 & 6	1104	R 76 924 542.00	Construction Phase –Municipality is the Developer: 1104



					unit have been completed.
KwaXolo (Phase 1)	7 and 9	2	1000	R 10 243 041.52	Completed: Municipality was the Developer: 977 units built 23 sites with challenges, are to be addressed separately (repackaged) under SukumaSakhe Programme)
KwanZimakwe (Phase 1)	1,10 and 11	2 & 3	500	R 63 869 960.00	Completed: Municipality was the Developer 500 units built.
KwanZimawke Phase 2)	8,10 &11	2 & 3	300	R 48 388 323.00	Construction Phase- Municipality is the Developer. Implementing Agent appointed; 42 units have been built to date. 2024/2025 budget allocation is R5 603 400.00 which will result in 27 units being built .
KwaNyuswa Phase 2 (WoSiyane/Nkulu	34	1	1000	R 74 000 000-00	Planning Phase- PDoHS is the Developer: Planning activities completed. Development Rights Agreement concluded. PDoHS to appoint Implementing Agent for construction of units. Budget allocation for 2024/2025 financial year is R500 000.00.
KwaNyuswa Phase 2- Blose	34	1	300	R 48 539 289.00	Construction Phase – Planning activities completed. PDoHS is the Developer: Implementing Agent appointed for the construction of the units. Budget allocation for the 2024/2025 financial year is 4 379 220.00



					which will result in 18 units being built.
Mthimude Phase 2 Hlomendini /Bhosiki	35/36	1	300	R 48 539 289.00	Construction Phase – Planning activities completed. PDoHS is the Developer: Implementing Agent appointed for the construction of the units. Budget Allocation for the 2024/2025 financial year is R5 520 904,00 which will result in 24 units being built .
Mthimude Phase 2 Shibe	35	1	300	R 48 539 289.00	Construction Phase – Planning activities completed. PDoHS is the Developer: Implementing Agent appointed for the construction of the units. Budget allocation for the 2024/2025 financial year is R4 902 975.00 which will result in 21 units being built .
Vukuzithathe phase 3- Ngawusheni / Bdlazi	30	1	300	R 48 539 289.00	Construction Phase – Planning activities completed. PDoHS is the Developer: Implementing Agent appointed for the construction of the units. Budget allocation for the 2024/2025 financial year is R4 902 975.00 which will result 21 units being built.
Vukuzithathe Phase 3- Bandlana/ Shobashobane	30 /31/33	1	1000	R 45 000 000-00	Construction Phase – Planning activities completed. PDoHS is the Developer: Implementing Agent



					appointed for the construction of the units. Budget Allocation for the 2024/2025 financial year is R4 902 975.00 which will result in 21 units being built.
Oshabeni Phase 2	4&12	6 & 7	300	R 45 000 000.00	Construction Phase- Municipality is the Developer: PDoHS approved Tranche 2 for 300 units. To date 300 unit have been completed. Project completed.
Oshabeni Phase 3	4&12	6&7	200	Still to be determined	Construction Phase: Municipality id the Developer: PDoHS to finailze agreement. Same Implementing Agent used from Phase 2 will be engaged. Budget allocation of R4 902 975.00 for the 2024/2025 financial year which will result in 24 units being built .
KwaMadlala Phase 2	13/14/15	2	1000	Still to be determined	Planning Phase 2024/2025 financial year. Project to be approved by the PDoHS with funding commitment to appoint Implementing Agent and to commence with planning activities
KwaMavundla Phase 2	25/26&27	4	1000	Still to be determined	Planning Phase 2024/2025 financial year. Project to be approved by the PDoHS with funding commitment to appoint Implementing Agent and to commence with planning activities



KwaXolo Phase 3	7	2	1000	Still to be determined	Planning Phase 2024/2025 financial year. Project to be approved by the PDoHS with funding commitment to appoint Implementing Agent and to commence with planning activities
TOTAL			18111	R 1 389 592 352.47	

3.5.4.4.5 Operation Sukuma Masakhe by Ndohs/ Pdohs

Table 91: Operation Sukuma Masakhe

PROJECT NAME	PROGRAMME TYPE	WARD	CLUSTER	NO. UNITS	FINANCIAL VALUE	CURRENT STATUS
Ugu Disaster 293 units	-	-	-	35	R2 801 700.00	Construction stage - 35 units to be built in the 2024/2025 financial year.
Ug Disaster Phase 1 (CHS developments)	-	-	-	35	R4 003 791,00	Construction stage - 35 units to be built in the 2024/2025 financial year.
Others (New Annexure D (total of 82))	-	-	-	82	R10 085 390.00	Construction stage - 30 units to be built in the 2024/2025 financial year.
TOTAL				152	R16 890 881.00	

3.5.4.4.6 Greenfield Housing Programme

In addition to the upgrading of informal settlements and rural housing projects, the Municipality is also implementing a number of Greenfield Housing Projects. The majority of these are urban and will contribute significantly towards addressing the housing backlog as it affects both the low income and middle-income communities. These projects will yield a total of approx. 3850 units. They are at different stages of the development programme.



Table 92: Greenfield Human Settlements Projects

PROJECT	WARD	CLUSTER	NO OF UNITS	FINANCIAL VALUE	TITLE DEED RESTORATION	CURRENT STATUS
Bhobhoyi Phase 1	20	6	711	R56 000 000.00	427	Completed. 711 sites were serviced. 699 units were built. Title Deed Restoration Programme - 427 sites transferred to approved beneficiaries. The transfer process was suspended due to houses built outside cadastral boundaries. In terms of the title deed restoration programme, the Municipality needs to replace the existing GP with an as built General Plan. Need to redo the entire transfer process. Funds were approved by the PDoHS to undertake social facilitation and conveyancing activities. Project requires more funding to address rectify challenges Matter is being address with the PDoHS.
KwaNzimakwe (PHP) KwaLatshoda	1	7	1813	R60 000 000.00	600	1813 sites were serviced. 600 top structures were built. Need to address bulk Infrastructure challenges (sanitation to remaining site to ensure top structures are built. In terms of the title deed restoration programme the General Plan needs to be redone due to houses affected by road expansion (SANRAL). PDoHS has committed funding to address the



						re-doing of planning and survey activities. Service Provider to be appointed. Currently concluding IP Agreement with the PDoHS on the redirecting of funds to address project shortfall.
Bhobhoyi Phase 11	20	6	1098	Still to be determined	0	Project development stalled due to bulk Infrastructure challenges (mainly sanitation) Planning phase is 100% completed. This is being addressed between RNM Municipality & Ugu District Municipality with support from the PDoHS. Ugu District Municipality is undertaking a technical assessment with the provision of an activity plan. Consultants have been appointed.
Merlewood mixed income housing	17	6	228	R 50 000 000.00	0	Construction-Phase-Implementing Agent appointed. 37 sites unbuildable due to adverse site conditions. 181 sites serviced with 137 top structures completed. Bulk infrastructure reticulation is being completed. Budget allocation is R2 801 700.00 for the 2024/2025 financial year which will yield 12 units being built.
Lot 7 Albersville	12	7	40	R0	0	Challenges with local community on land ownership. Project was put on hold due to land ownership challenges within the beneficiary



						community. This is currently be addressed by community leadership.
TOTAL			3890	R 166 000 000.00	1027	

3.5.4.4.7 Insitu / Retification Projects

The project is with regard to refurbishment of pre -1994 units that were built and had various construction challenges. Government has provided funding to undertake remedial work on these units so that they become more liveable.

Table 93: Insitu/Retification Projects

PROJECT NAME	PROGRAMME TYPE	WARD	CLUSTER	NO. UNITS	FINANCIAL VALUE	CURRENT STATUS
Gamalakhe Phase 1	In-situ Upgrading	5,25,26,27&28	4	500	R63 427 145.00	Completed
Gamalakhe Phase 1	Rectification	5,25,26,27 &28	4	273	R34 000 000.00	Project Completed. Municipality was the Developer: 269 units refurbished. The balance of 4 units which required demolition was moved to Phase 2.
Gamalakhe Phase 2	In-situ Upgrading	5,25,26,27,&28	4	300	R 45 154 500.00	Construction Phase: Municipality is the Developer: PDoHS approved for the upgrading of 300 units. Implementing Agent appointed. Project completion 2025/2026 financial year. Budget approval is R4 902 975.00 for the 2024/2025 financial year which can yield 24



						units being upgraded.
Gamalakhe phase 2	Rectification	5,25,26,27 &28		300	Still to be determined	Construction phase- 2024/2025, Implementing Agent appointed.
Gamalakhe Phase 3	Insitu /Rectification	5,25,26,27,&28	4	100	Still to be determined	Planning phase 2024-2025 financial year To be approved by the PDoHS.
TOTAL				900	R108 615 645.00	

3.5.4.4.8 Social (Rental) Housing Programme

Various sites were identified within the Restructuring Zones for development in terms of Social Housing (Rental). Approximately 2923 housing opportunities can be realized.

However, development of the various sites are being challenged with the availability of bulk infrastructure services by Ugu District Municipality, such as the upgrading the waste water treatment plants. This is being addressed between the Municipality, Ugu District Municipality and PDoHS. The Municipality will enlist the services of established Social Housing Institution /Delivery Agents / Developers to plan and manage social housing on these sites. For the endorsement of any Projects by the Social Housing Provincial Steering Committee / SHRA written confirmation is required on the availability of bulk water / sewer.

3.5.4.4.9 Integrated Residential Housing Programme (Flips And Gap Housing)

Municipalities are now being advised of the need to increase densities of their towns and cities to combat urban sprawl and to build better compact cities and towns for the future have been prioritized by Government as set out in the key actions of the National Development Plan and the Strategic Development Goals. It is also mooted that these objectives were also included in the comprehensive Plan for the Creation of Sustainable Human Settlements in 2004 (Breaking New Ground).

Organs of the State responsible for human settlement planning and development at Provincial and Municipal levels are under severe pressure to positively contribute towards the delivery of sustainable human settlements through the application of higher density developments. The only higher density state funded development option available is the Social Housing Programme and Community Residential Unit Programme. Rental housing is rarely affordable to the poorest of the poor and affordable rental options are currently in very high demand. There is thus no higher density human settlement ownership programme that has been considered.

The National Department of Human Settlements appointed a consortium of expertise comprising of architects, quantity surveyors and civil engineers to redesign the house to be funded under the Housing Subsidy Scheme in line with the latest National Building Regulations (NBR). The Consortium investigated and tabled proposals on a variety of house typologies that could be considered to expand the scope of the National Housing Programmes, particularly to address the need for higher density developments.



With regard to multi storey higher density units, the application of the proposed new higher density house typologies should therefore not be compulsory. Each development area will require a tailored housing development strategy. Provinces and Municipalities should therefore be allowed discretion to select from the enhanced range of house construction design options whether to opt for the higher density ownership developments where such is regarded feasible and practicable.

In terms of ensuring integrated sustainable human settlement development the Municipality has identified developable land to implement the integrated residential housing programme by providing mixed income housing in terms of the relevant income bands with a variety of housing typology and density. The programme will also address overflow of beneficiaries from informal settlements, settlements that cannot be developed.

Table 94: Land for Social Housing and Mixed Income Housing

SITE AREA	WARD	CLUSTER	NO OF HOUSING OPPORTUNITIES	STATUS
Marburg (Rem 26 of 4939) – Social (Rental) Housing 24.264 ha	20	6	1213	Planning Phase- Have established bulk water infrastructure reticulation challenges (water/ sanitation) that need to be addressed. by Ugu District Municipality as the water services authority. Ugu District Municipality have indicated wastewater treatment plant needs to be upgraded. Ugu District Municipality as appointed a Service Provider with PDOHS funding support to access, and to submit an activity plan to address bulk sanitation challenges .
Marburg (Lot 29 of 4941)- Social (Rental) Housing 11.234 ha	20	6	936	Planning Phase- Have established bulk water infrastructure reticulation challenges (sanitation) that need to be addressed by Ugu District Municipality. Ugu District Municipality as appointed a Service Provider with PDOHS



				funding support to access, and to submit an activity plan to address bulk sanitation challenges .
Uvongo (1675) - Social (Rental) Housing. 1.4925 ha	19	-	124	Planning Phase- To undertake pre-feasibility study Awaiting feedback from UGu District Municipality on Bulk capacity (water / sanitation).
Uvongo (erf 2394) – Social (Rental) Housing by Umkhumbi Wesizwe Social Housing Institution . (Peter Road) – 47 ha	19	-	500 units of (1, 2 and 3 bedroom units)	Planning Stage - Propose new development by Umkhumbi Wesizwe Social Housing Institution (land parcel which is privately to be purchased by the SHI. Social Housing Institution is accredited with SHRA.
Portion 15 (of17) Portion 16 (of 17) and the remainder of 7 of the farm success no 7108 (Mr Dammont)	22	5	281	Planning Phase- Mixed use housing opportunities .PDoHS has assisted by purchasing the land for the Municipality. Still to be planned for mixed income housing.
Disposal of Council Owned land parcels for Social Housing and FLIPS (Marburg and White City)	Various	n/a	753	Planning Phase- Land parcels are in the Marburg area / White City. The Municipality has appointed an Implementing Agent to plan and implement the development of the sites for Social (Rental) Housing and Finance Linked Subsidy Programme. The project planning is ongoing . Bulk infrastructure challenges being encountered , mainly sanitation. Ugu District Municipality as appointed a Service

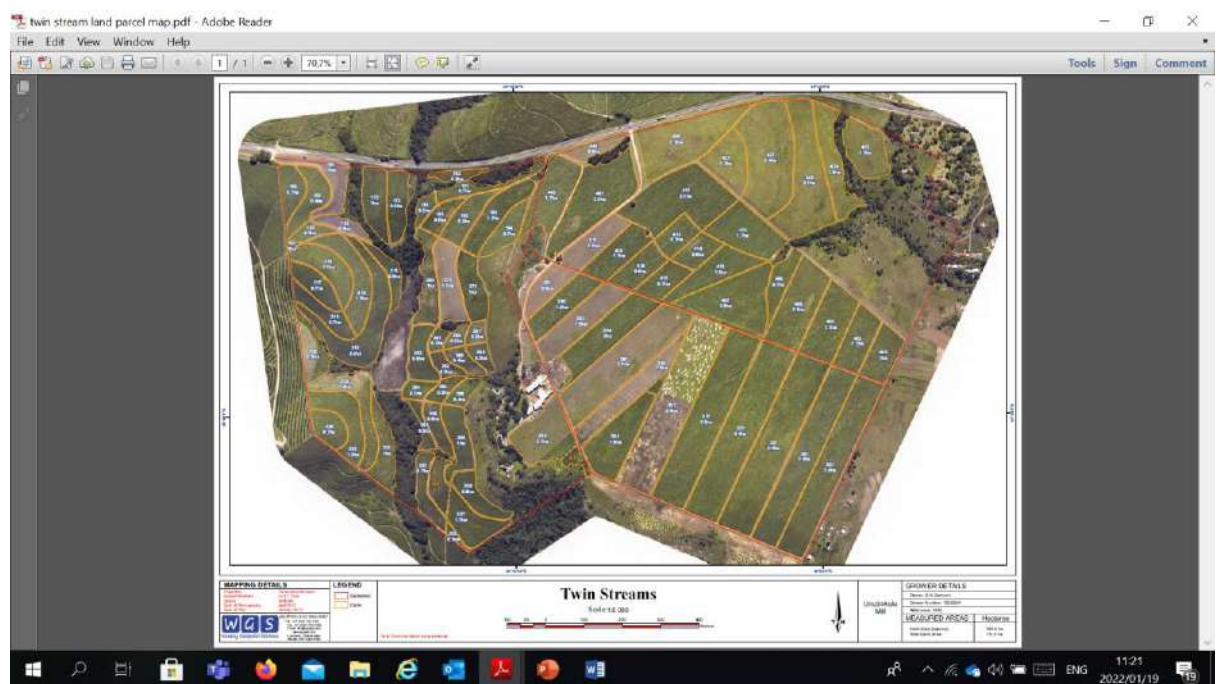


				Provider with PDOHS funding support to access, and to submit an activity plan to address bulk sanitation challenges .
Portion 8 (of 4) of the farm Louisiana No 3239, Portion 46 (of 7) of the farm Louisiana no 3239 and portion 34 of the farm Sanderstead No 15566 (Mixed Income Housing) (Mr Chetty)	Various	Various	Still to be determined	Planning Phase- The land was acquired by the PDoHS and is registered in the name of the Municipality Still to be planned for housing development. Ugu District Municipality to advise on bulk Infrastructure capacity (water/ sanitation).
Portion 1 of Lot 7 Marburg Settlement 5344 (Mr Frik Pieterse)	Various	n/a	Still to be determined	Planning Phase- The land was acquired by the PDoHS and is registered in the name of the State. Still to be transferred/ donated to RNM. Still to be planned for housing development (mixed use development, including housing for military veterans) Ugu District Municipality to advise on bulk Infrastructure capacity (water/ sanitation).



LAND USEABLE

LAND USEABLE	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
Residential (Single Detached)	10,000	10,000	10,000	10,000	40,000
Residential (Medium Density)	10,000	10,000	10,000	10,000	40,000
Commercial	10,000	10,000	10,000	10,000	40,000
Public Space	10,000	10,000	10,000	10,000	40,000
TOTAL	40,000	40,000	40,000	40,000	160,000





3.5.4.4.10 Institutional Subsidy (Upgrading Of Old Age Home/Other)

Table 95: Institutional Subsidy Programme

PROJECT NAME	PROGRAMME TYPE	WARD	CLUSTER	NO. UNITS	FINANCIAL VALUE	CURRENT STATUS
Gamalakhe - Zibambeleni Old age Home)	Rectification /upgrading	5	4	220	R5 796 179.88	Construction stage - The project upgrade is being initiated by the PDoHS, Phase 1, 2024/2025 budget allocation amounts to R2 801 700.00 ,
Gamalakhe (Tin Town)	Rectification / Upgrading	5	4	100	Still to be determined	Planning Stage - Demolition / new units: Project by the Provincial Department of Human Settlements Planning taking place within the yearr 2024-2025
TOTAL				320	R5 796 179.88	

3.5.4.5 Priority Human Settlement Housing Development Areas (Phshda)

Ray Nkonyeni Municipality has both a duty and an obligation to undertake a developmentally oriented spatial plan which subscribes to the principles of spatial justice, sustainability, efficiency, resilience and good land use management and administration. In recognizing its duties and functions as stipulated in Section 9 of the Housing Act, Chapter 5 of the Municipal Systems Act (Act 32 of 2000) and Sections 5(1) and 21 of the Spatial Planning and Land Use Management Act, Ray Nkonyeni Municipality has adopted a Human Settlements Sector Plan which epitomizes its 2030 vision. The vision within spatial framework of RNM, is to provide affordable housing at strategic locations within the Municipality which will integrate into the Urban fabric, thus providing access to ancillary uses and amenities that will aim to achieve integrated sustainable human settlements. Furthermore, it is important to note that the conceptual development framework recognises the planned key focal points of such intensions will involve movement, infrastructure, economic growth, and tourism.

The priority Human Settlement Housing Development Areas (PHSHDA) are aligned with its IDP, Human Settlements Sector Plan and its Spatial Development Framework as Priority Housing Development Areas. Within the four (4) Priority Housing Human Settlement Development Areas various potential sites (land parcels)) for development purposes were identified with an Implementation Framework with the aim of ensuring the creation of integrated sustainable human settlements. This was undertaken by the Housing Development Agency via their appointed Service Provider in consultation with various sector depts of Provincial Dept and the Municipality.

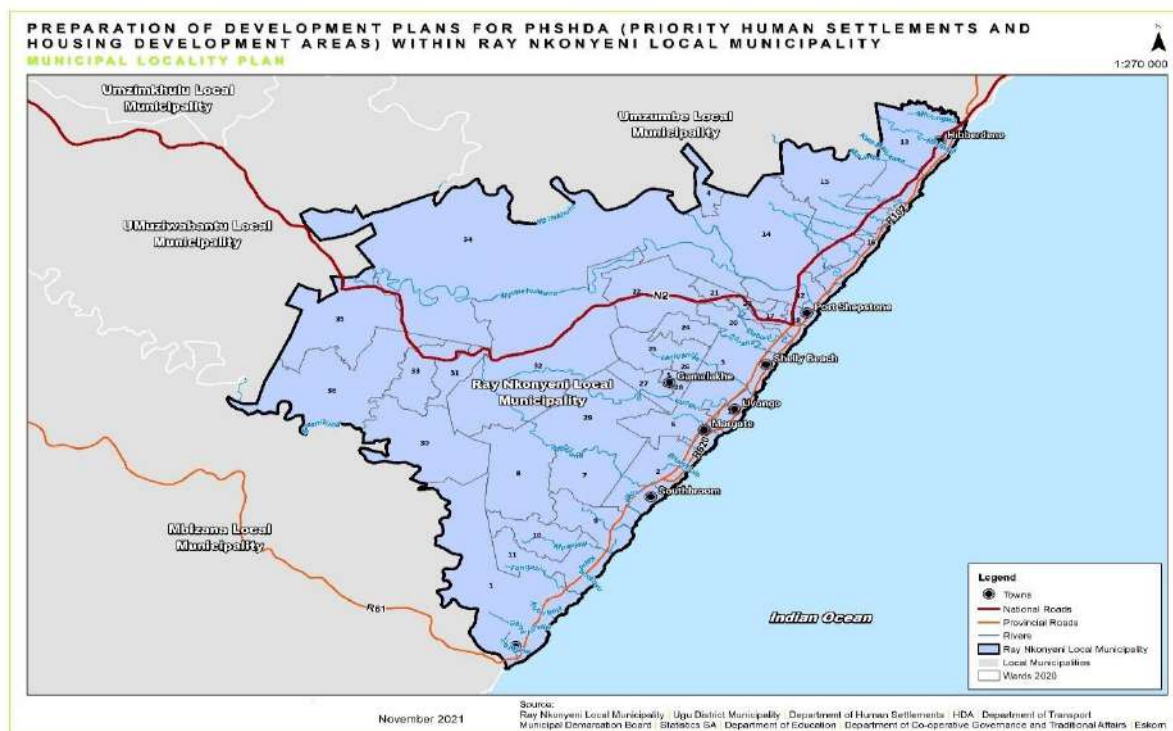
It is envisaged that over the next 20-30 years, Ray Nkonyeni Municipality (LM) will be a prominent Municipality which is built upon the vision set forth in the Ray Nkonyeni SDF and the PSHDA supported by the Municipal IDP. The proposals will be realised through key interventions by development strong infrastructure linkages with the neighbouring towns and local municipalities.

a) Greater Port Shepstone..... (Wards 12,14,15,16,17,18,20,21,22,23,24)
b) Gamalakhe Nositha..... (Wards 3,5,6,25,26,27,28)
c) Uvongo- Margate..... (Wards 3,19)
d) Shelly Beach..... (Ward 3)

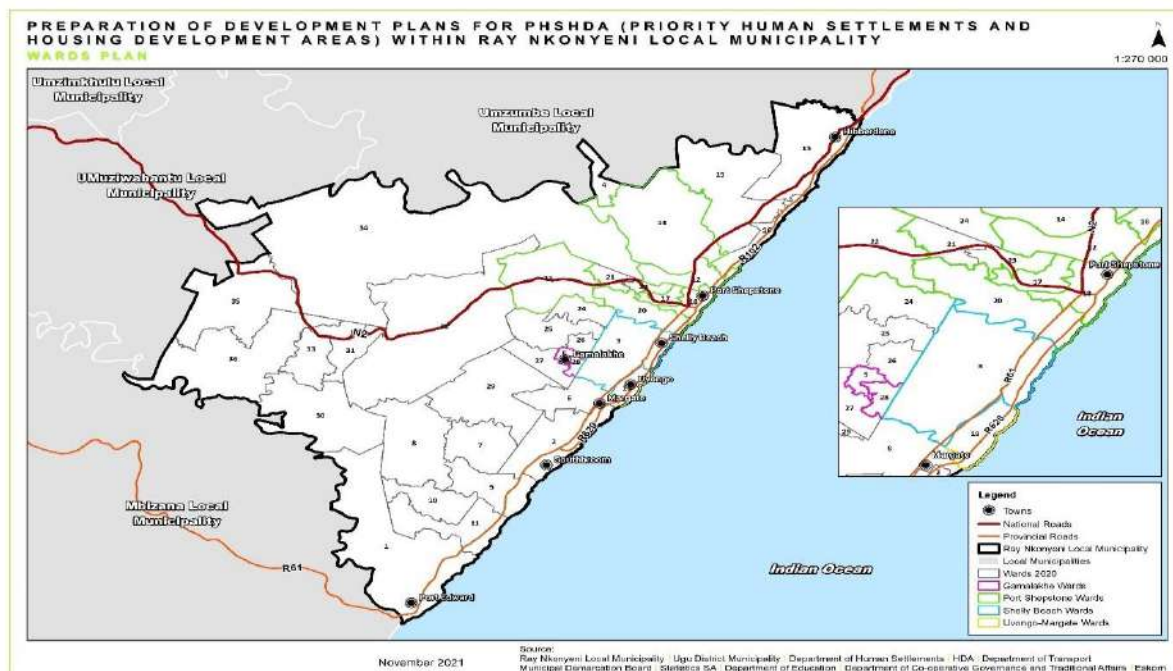




Map 48: UGU District Locality



Map 49: Ray Nkonyeni Local Locality



Map 50: Ward Plan of the Four (4) PHSHDA Areas



3.5.4.5.1 Greater Port Shepstone N2/R102 Corridor PHDA

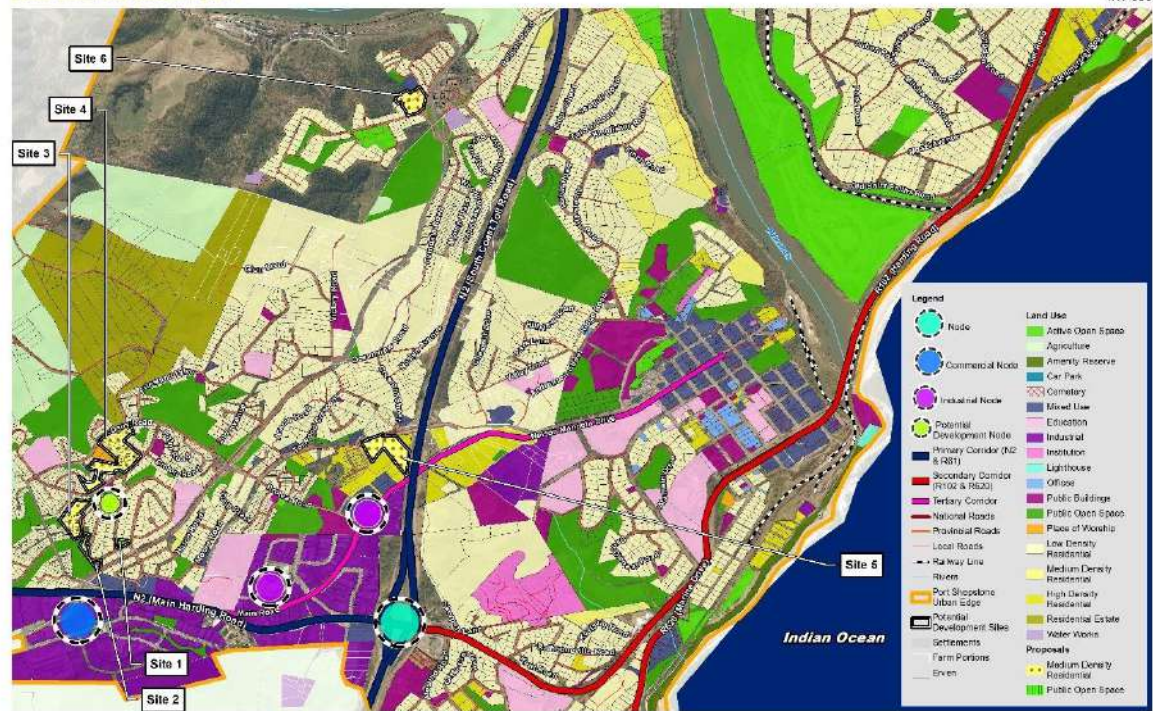
This area is described in the North by the water course separating Southport and Sea Park (Ward 16) till National Road (N2), coming South along N2 (towards Louisiana) till Umtentweni river and move along inland (North East direction) on the centre of the Umtentweni river (Ward 15 Louisiana) excluding Cabhane in KwaMadlala Traditional Area but including privately owned properties and the Maristella Church properties on the south of Umtentweni river joining St Faith Road. St Faith Road towards Louisiana township coming across the Umzimkhulu river covering part of Wards 12, 18, 17, 23, 21, 22 and portions of 32, 20 and 3.



Map 51: Greater Port Shepstone, N2 Corridor



**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - PORT SHEPSTONE**
LAND USE PROPOSALS PLAN



Source: Ray Nkonyeni Local Municipality : Ugu District Municipality : Department of Human Settlements : HDA : Department of Transport : Municipal Demarcation Board : Statistics SA : Department of Education : Department of Co-operative Governance and Traditional Affairs : Eskom

Map 52: Erf 1302 - 1309 & Erf 2542 - 2549 Marburg (Marburg Ext 34 Phase 1)



The site is currently zoned residential only 4. The permitted du/ha for the zone is 15du/ha.

The following calculation is applicable:

Total size area: 0.81ha

$0.81\text{ha} \times 15\text{du/ha} = 12 \text{ dwelling units}$



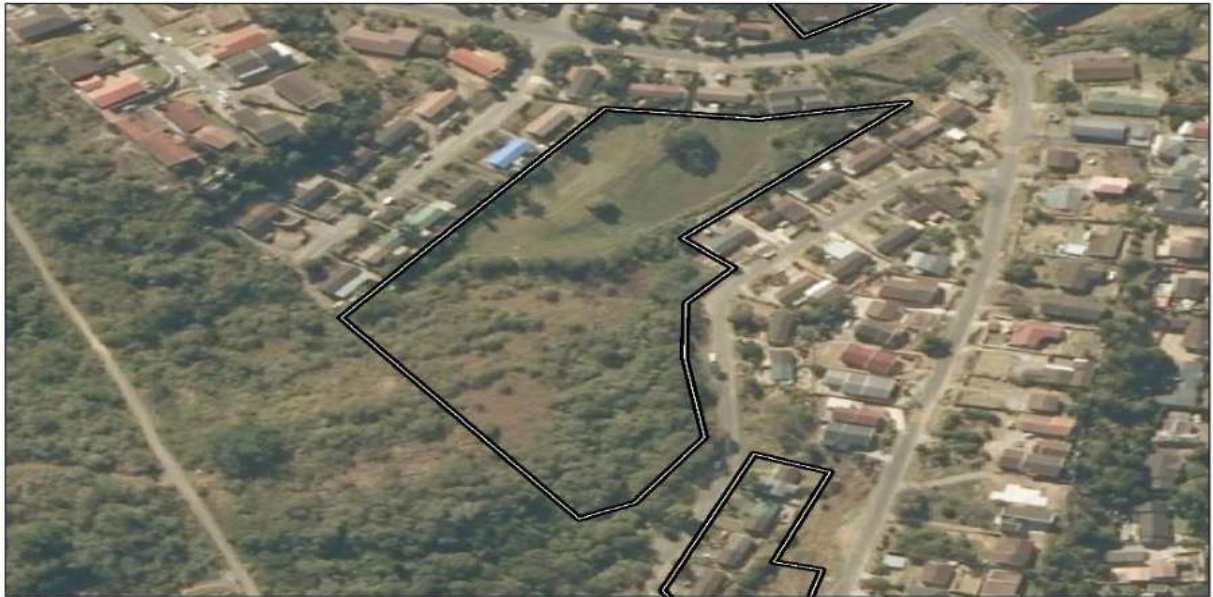
NB: The maximum residential density (15 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: FLISP Housing

Option 1: $0.81 \times 75 \text{ du/ha} = 61 \text{ units}$

Option 2: $0.81 \times 110 \text{ du/ha} = 89 \text{ units}$

(ii) Erf 2514 -2537 Marburg (Marburg Ext 34)



The site is currently zoned residential only 5. The net density is N/A. Therefore, to permit for maximum residential density (35 du/ha) the property will have to be rezoned to Residential High Impact 4.

Total size area: 2,69 ha

The following calculation is applicable:

2,69 ha less 20% for roads

$2,15 \text{ ha} \times 35 \text{ du/ha} = 75.2 \text{ dwelling units}$

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: $2.15 \times 75 \text{ du/ha} = 161 \text{ units}$

Option 2: $2.15 \times 110 \text{ du/ha} = 237 \text{ units}$



(iii) Erf 2565 - 2616 Marburg (Marburg Ext 34 Phase 2)



The site is currently zoned residential only 5. The net density is N/A. Therefore, to permit for maximum residential density (35 du/ha) the property will have to be rezoned to Residential High Impact 4.

Total size area: 1,50 ha

The following calculation is applicable:

1,50 ha less 20% for roads

1,20 ha x 25 = 42 dwelling units

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: 1.20 x 75 du/ha = 90 units

Option 2: 1.20 x 110 du/ha = 132 units



(iv) Erf 2554 & 2319 Marburg (Marburg Ext 34 Phase 2)



The site is currently zoned Residential Medium Impact 2. The permitted du/ha for the zone is 25du/ha.

The following calculation is applicable:

Total size area is 2.95 ha.

2.95 ha less 20% for roads

2,36 ha x 25 = 59 dwelling units

To permit for medium density residential, the property will have to be rezoned to Residential High Impact 4. The zone permits a maximum of 35 du/ha. Therefore $35\text{du/ha} \times 2.36 = 82.6$ dwelling units

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: $2.36 \times 75 \text{ du/ha} = 177$ units

Option 2: $2.36 \times 110 \text{ du/ha} = 260$ units



(V) Erf 2686 Protea Park: (Protea Park)



The site is currently zoned residential only 4. The permitted du/ha for the zone is 15du/ha.

Total size area: 1,71 ha

The following calculation is applicable:

1,71 ha less 20% for roads

1,37 ha x 15 du/ha = 20.5 dwelling units

To permit for medium density residential, the property will have to be rezoned to Residential High Impact 4. The zone permits a maximum of 35 du/ha. Therefore $35\text{du/ha} \times 1.37 = 47.9$ dwelling units.

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

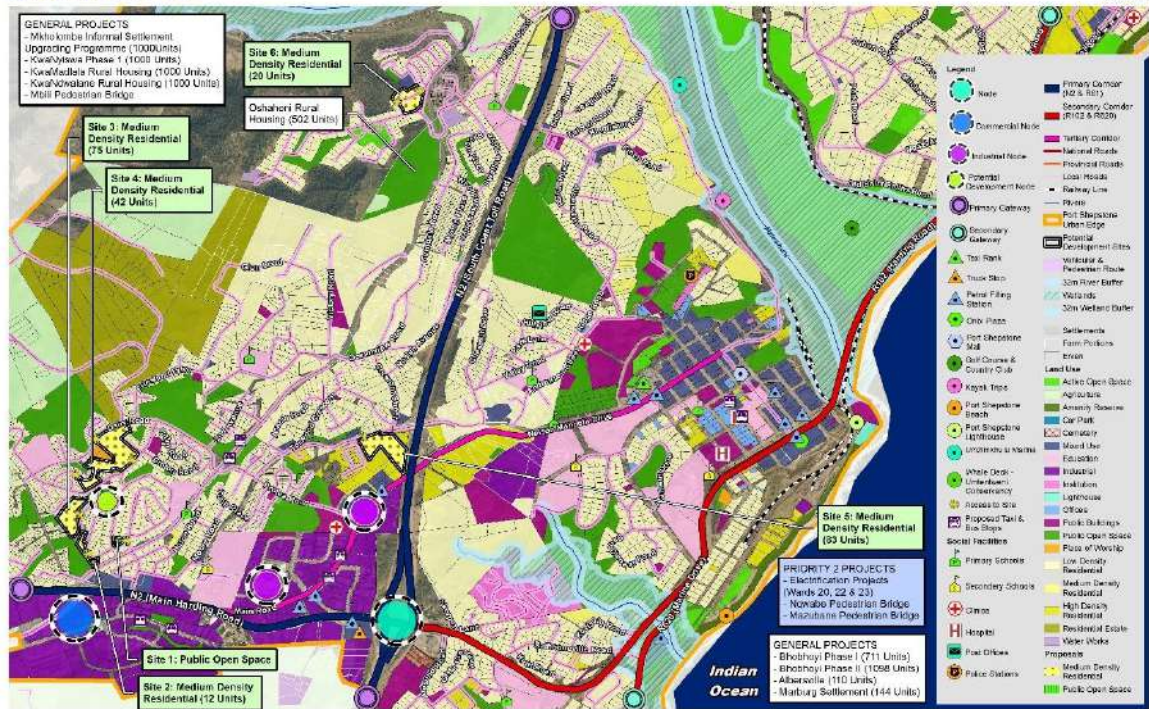
Proposed Dwelling Units Per Hectare: Social Housing

Option 1: $1.37 \times 75 \text{ du/ha} = 103. \text{ units}$

Option 2: $1.37 \times 110 \text{ du/ha} = 151 \text{ units}$



**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - PORT SHEPSTONE
IMPLEMENTATION PLAN**



March 2022

Source:
Ray Nkonyeni Local Municipality : Ugu District Municipality : Department of Human Settlements : HDA : Department of Transport
Municipal Demarcation Board : Statistics SA : Department of Education : Department of Co-operative Governance and Traditional Affairs : Eskom

Table 96: Implementation Framework

No.	Name	Project Description	Study Area	Responsibility	Budget Estimate	Priority
CATALYTIC PROJECTS						
C1	FLISP Housing	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Erf 1302, Erf 1309, Erf 2542, Erf 2549 Marburg	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R5 628,00	
	Survey				R4 584,00	
	Infrastructure Support				R34 500,00	
	Environmental				R1 464,00	
C2	Social Housing	Intends to offer residential options to those who seek	Erf 2514, Erf 2537 Marburg	RNLM Infrastructure & Planning		High



		accommodation in neighbouring towns and providing for increased population growth within the town.		RNLM LED & Environment Management		
	Town Planning				R35 175,00	
	Survey				R28 650,00	
	Infrastructure Support				R215 625,00	
	Environmental				R9 150,00	
	Rezone Fee				R17 624,00	
C3	Social Housing	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Erf 2565, Erf 2616 Marburg	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R19 698,00	
	Survey				R16 044,00	
	Infrastructure Support				R120 750,00	
	Environmental				R5 124,00	
	Rezoning Fee				R17 624,00	
C4	Mixed Use Residential	Mixed Use residential are proposed to the South of the CBD	Erf 2554, Erf 2319 Marburg	RNLM Infrastructure & Planning M LED & Environment Management		Medium
	Town Planning				R38 927,00	
	Survey				R31 706,00	
	Infrastructure Support				R238 625,00	
	Environmental				R10 126,00	
C6	Social Housing	Mixed Use residential are proposed to the	Erf 2686 Protea Park	RNLM Infrastructure & Planning		



		South of the CBD		M LED & Environment Management		
	Town Planning				R9 380,00	
	Survey				R7 640,00	
	Infrastructure Support				R57 500,00	
	Environmental				R2 440,00	
C7	WWTW Upgrade	Upgrades required to Waste water treatment works to facilitate proposed development	Greater Port Shepstone	RNLM Infrastructure & Planning	R 20 000 000	Medium
TRANSPORTATION						
T1	CBD Street Upgrade	The upgrade of the two main CBD Streets. The upgrade could include kerb build outs at the intersections with the minor streets, the widening of sidewalks, centre medians, mid-block pedestrian crossing points and provision of additional on-street parking (angle and/or parallel bays)	Greater Port Shepstone	RNLM Infrastructure & Planning	R 4 230 000	Medium
T2	Taxi Ranks	The formalization the taxi rank, providing shading, facilities and ablutions for the Pedestrians, Taxi drivers and Traders thus making it a convenient an	Greater Port Shepstone	RNLM Infrastructure & Planning	R 1 200 000	Medium



		attractive junction.				
T3	Kwasithole Pedestrian/ Vehicular Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.		RNLM Infrastructure & Planning	R4 500 00	Medium
T4	Mazubane Pedestrian Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 21	RNLM Infrastructure & Planning	R3 000 000	Medium
T5	Mbili Pedestrian Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 22	RNLM Infrastructure & Planning	R5 500 000	Medium
T6	Ngwabe Pedestrian Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 20	RNLM Infrastructure & Planning	R3 500 000	Medium
T7	Mazubane/Dikwe Pedestrian Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 20	RNLM Infrastructure & Planning	R3 500 000	Medium
T8	Banana Beach Pedestrian Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward16	RNLM Infrastructure & Planning	R5 500 000	Medium



T9	Mvuzane Road And Vehicular Bridge (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 14	RNLM Infrastructure & Planning	R5 500 000	Medium
T10	Pedestrian Bridge (Over Sugar Mill Road) (Extracted from Ray Nkonyeni 2021-22 SDF)	Pedestrian crossing points it a convenient an attractive junction.	Ward 12	RNLM Infrastructure & Planning	R4 000 000	Medium
BEAUTIFICATION & PUBLIC SPACE						
BP1	Open Space Outdoor Gym	To address the continuity of the built-form fabric to ensure equitable access to green spaces and other opportunities	Erf 240 Marburg	RNLM Infrastructure & Planning	R 1 500 000	High
BP2	Street Lighting	Ensuring visibility on the main and side streets. Especially focused on areas intended for public spaces. Focus is placed on upgrade and maintenance of existing lighting	Greater Port Shepstone	RNLM Infrastructure & Planning	R 6 000 000	High
				RNLM Social & Community Development		
				RNLM LED & Environment Management		
BP3	Informal Trader Facility Install	Formalising informal trade facilities along the main street and around the taxi rank vicinity	Greater Port Shepstone	RNLM Infrastructure & Planning	R 4 000 000	High
				RNLM Social & Community Development		
				RNLM LED & Environment Management		



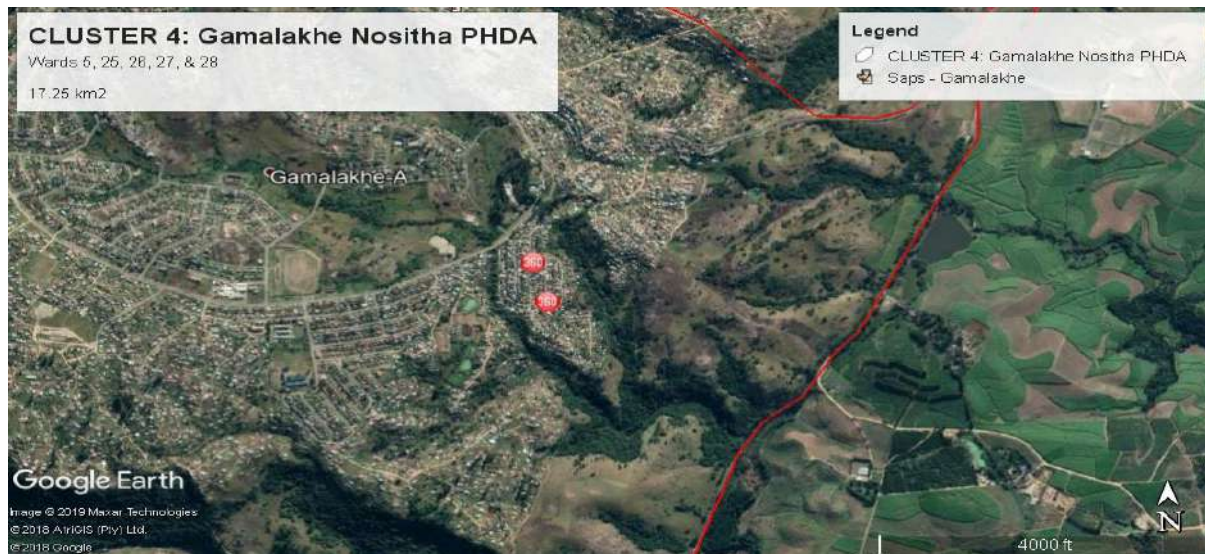
BP4	New Civic Centre	The urban concept aims to implement a civic precinct, this will create a centrality to the linear town, serving as its anchor. The Civic square provides centrality and common place for social meetings or gatherings.	Greater Port Shepstone	RNLM Infrastructure & Planning	R 16 000 000	medium
				RNLM Social & Community Development		
				RNLM LED & Environment Management		
ECONOMIC STIMULATION						
E1	Develop a Database of Informal Traders within the town within focus local and foreign owned business	Aiming to understand the nature of trade within RNLM through quantified research will be very beneficial for RNLM to understand the nature of trade in their towns and better provide.	Greater Port Shepstone	RNLM LED & Environment Management	R400 000	High
E2	Establish a data base of all SMME and Co-operatives	The local businesses and co-ops operating within RNLM need to be incubated and promoted. This necessitates the need for ULM to have good knowledge of these structures to build stronger working relationships.	Greater Port Shepstone	RNLM LED & Environment Management	R500 000	High



E3	Youth Development Campaign	An ongoing focused and robust programme which targets youth development through physical and academic methods is necessary. This will provide an alternative to young people who increasing been caught in the trap of substance abuse.	Greater Port Shepstone	RNLM Social & Community Development	R600 000	High
E4	Neighbourhood Development Partnership Grant Capital	-	Ward 18	-	R130 000 000	Medium
E5	Mlb Offices In Ward 17 (Extracted from Ray Nkonyeni 2021-22 SDF)	-	Ward 17	-	R10 000 000	Medium
E6	Protea Park Ablution (Extracted from Ray Nkonyeni 2021-22 SDF)	-	Ward 12	-	R1 200 000	Medium

3.5.4.5.2 Cluster 4: Gamalakhe Nositha

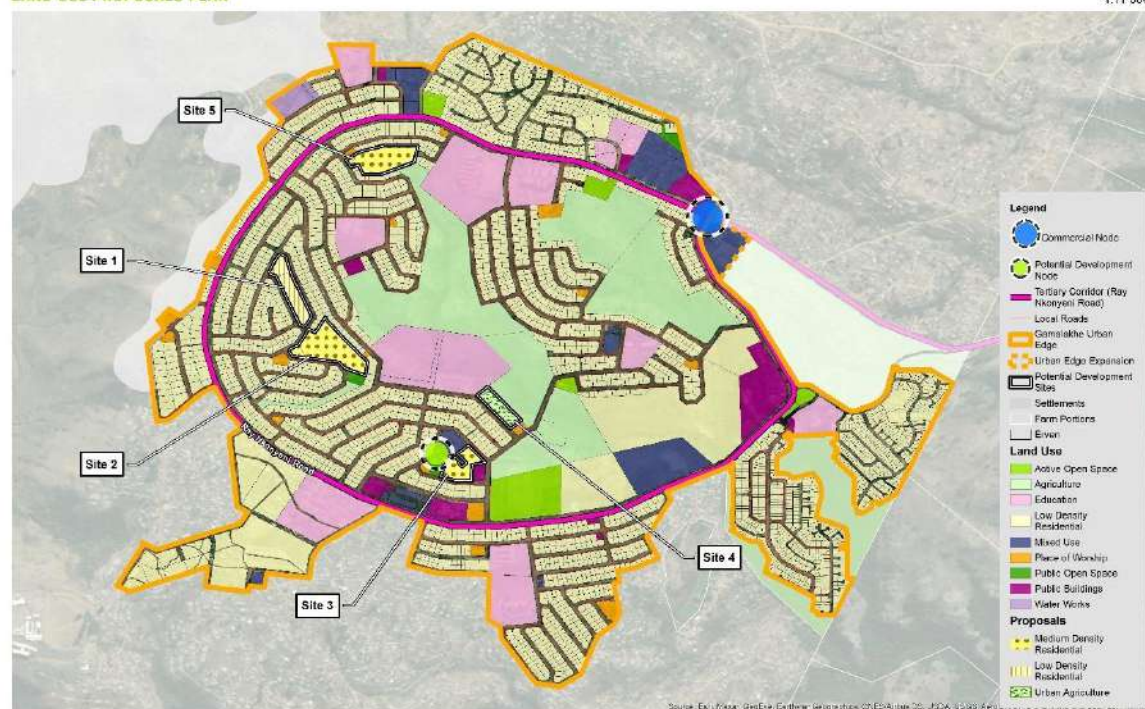
This area which starts at P200/Ray Nkonyeni Road intersection towards Gamalakhe township. In Ward 26 to include Thembalihle, Mpovuza area towards Masimula area. In Ward 25 to include Masimula area. Wards 5, 27 and 28 areas included up till intersection of Oatlands and Nositha Road coming east towards P200. Oatlands Road and P200 intersection back to Ray Nkonyeni/P200 intersection.



Map 53: Gamalakhe-Nositha

**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - GAMALAKHE NOSITHA**

LAND USE PROPOSALS PLAN



March 2022

Source: Ray Nkonyeni Local Municipality; Ugu District Municipality; Department of Human Settlements; HDA; Department of Transport; Municipal Demarcation Board; Statistics SA; Department of Education; Department of Co-operative Governance and Traditional Affairs; Eskom



(I) Erf 1595, Gamalakhe A & Erf 1596, Gamalakhe A



The sites are currently zoned as follows:

Erf 1595, Gamalakhe A - Active Open Space 1

Erf 1596, Gamalakhe A - Residential Only 5 (Net density is Not applicable)

To permit for maximum residential density (35 du/ha) the properties will have to be consolidated and rezoned to Residential High Impact 4.

The following calculation is applicable:

Total size area: 1,85 ha

1,85 ha less 20% for roads

$1.85\text{ha} - 0.37\text{ha} = 1,65\text{ ha}$

$35\text{du/ha} \times 1.65\text{ ha} = 57.7\text{ dwelling units.}$

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

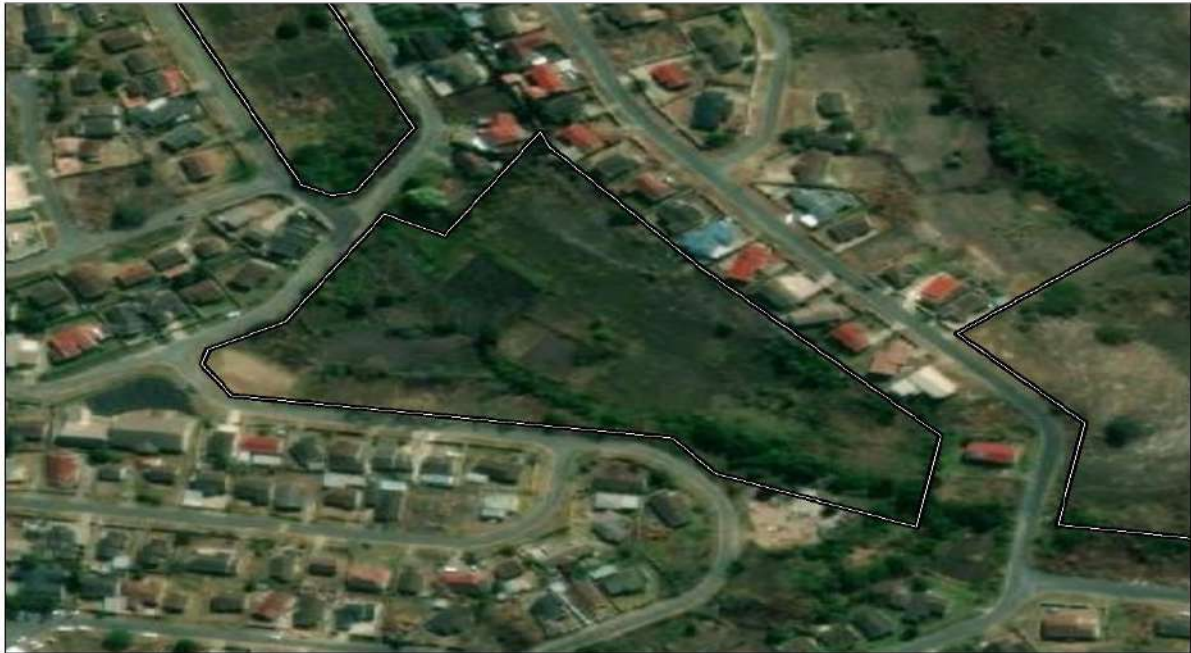
Proposed Dwelling Units Per Hectare: FLISP Housing

Option 1: $1.65 \times 75\text{ du/ha} = 124\text{ units}$

Option 2: $1.65 \times 110\text{ du/ha} = 182\text{ units}$



(ii) Erf 1791, Gamalakhe A & Portion 2 of Erf 1781, Gamalakhe A



The sites are currently zoned as follows:

(iii) Erf 1791, Gamalakhe A - Active Open Space 1

Portion 2 of Erf 1781, Gamalakhe A - Agriculture 2

To permit for maximum residential density (35 du/ha) the properties will have to be consolidated and rezoned to Residential High Impact 4.

The following calculation is applicable:

Total size area: 3,35 ha

3,35 ha less 20% for roads

$3.35\text{ha} - 0.67\text{ha} = 2,68\text{ ha}$

$35\text{du/ha} \times 2.68\text{ha} = 93.8\text{ dwelling units.}$

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: $2.68 \times 75\text{ du/ha} = 201\text{ units}$

Option 2: $2.68 \times 110\text{ du/ha} = 294.8\text{ units}$



(iii) Erf 458, Gamalakhe A & Portion 3 of Erf 2044, Gamalakhe -A



The site area is 1.5ha. The site is currently zoned Residential High Impact 3 with a maximum 35du/ha.

The following calculation is applicable:

Total size area: 1,50 ha

1,50 ha less 20% for roads

$1,50\text{ha} - 0.3\text{ha} = 1.20\text{ ha}$

$35\text{du/ha} \times 1.20\text{ha} = 42\text{ dwelling units}$

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: FLISP Housing

Option 1: $1.2 \times 75\text{ du/ha} = 90\text{ units}$

Option 2: $1.2 \times 110\text{ du/ha} = 132\text{ units}$

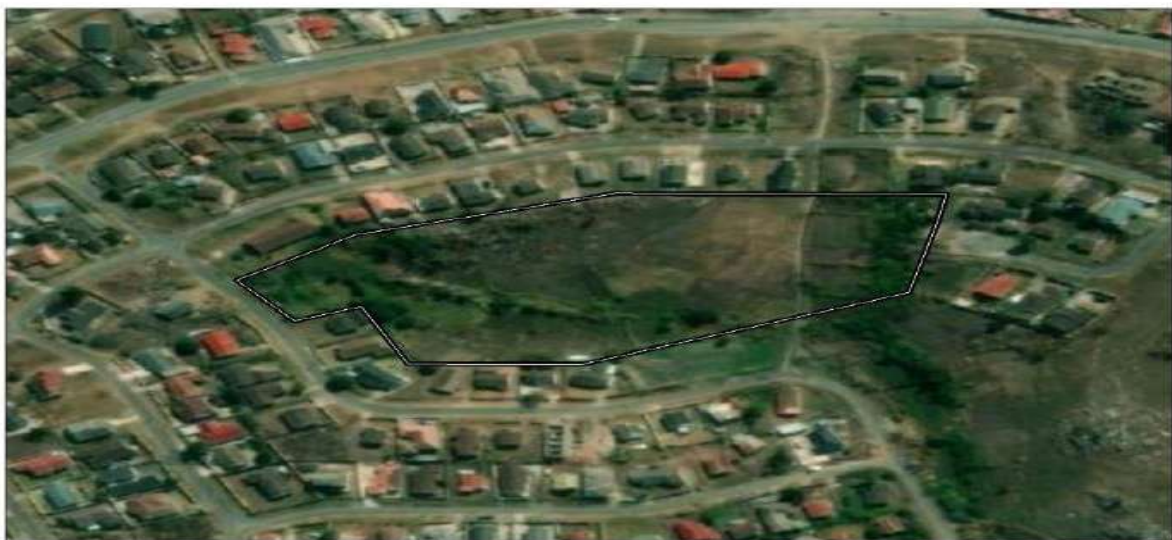


(iv) Erf 969, Gamalakhe A



The site is predominantly use for agricultural activities. The site is situated in a residential area. The proposed urban agriculture upholds the strength to cater for urban agriculture for the community in the proximity of the site. Urban agriculture will enable a community garden dominated by the production of fresh vegetables for the locals to consume further expand.

(v)Erf 993, Gamalakhe -A



The site is currently zoned as Residential Only 5. The net density is N/A. Therefore, to permit for maximum residential density (35 du/ha) the property will have to be consolidated and rezoned to Residential High Impact 4.



The following calculation is applicable:

Total size area: 2,48 ha

2,48 ha less 20% for roads

2,28 ha – 0.496ha = 1.98 ha

35 du/ha x 1.98 ha = 69.3 dwelling units

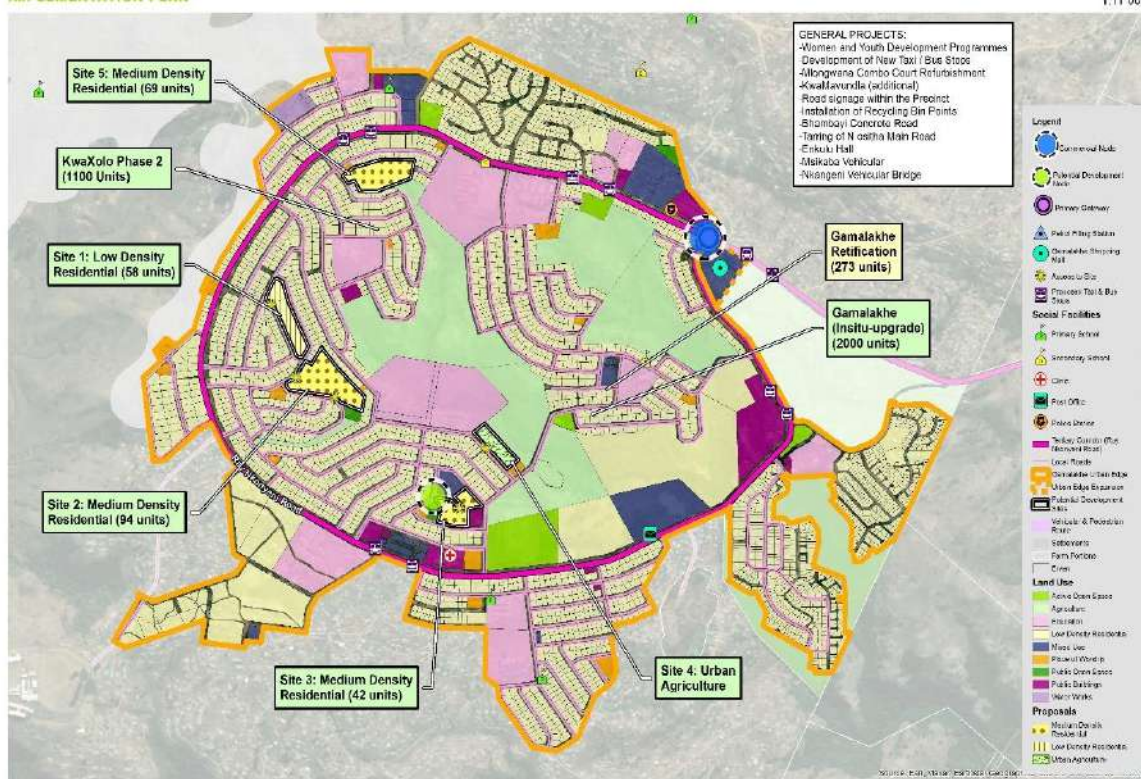
NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: 1.98 x 75 du/ha = 148.5 units

Option 2: 1.98 x 110 du/ha = 217.8 units

PREPARATION OF DEVELOPMENT PLANS FOR PHSHDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS) WITHIN RAY NKONYENI LOCAL MUNICIPALITY - GAMALAKHE NOSITHA IMPLEMENTATION PLAN



March 2022

Source:
Ray Nkonyeni Local Municipality / Ugu District Municipality / Department of Human Settlements / HDA / Department of Transport
Municipal Conservation Board / Statistics SA / Department of Education / Department of Co-operative Governance and Traditional Affairs / Eskom



Table 97: Implementation Framework

No.	Name	Project Description	Study Area	Responsibility	Budget Estimate	Phasing
CATALYTIC PROJECTS						
C1	Low Density Residential	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town	Erf 1595, Gamalakhe A & Erf 1596, Gamalakhe A	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R27 202,00	
	Survey				R22 156,00	
	Bulk Infrastructure				R166 750,00	
	Environmental				R7 076,00	
	Consolidation and Rezoning Fee				R20 880,00	
C2	Medium Density Residential	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Erf 1791, Gamalakhe A and Portion 2 of Erf 1781, Gamalakhe A	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R44 086,00	
	Survey				R35 908,00	
	Bulk Infrastructure				R270 250 00	
	Environmental				R11 468,00	
	Consolidation and Rezoning Fee				R20 880,00	



C3	Medium Density Residential	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town	Erf 458, Gamalakhe A and Portion 3 of Erf 2044, Gamalakhe A	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R19 698,00	
	Survey				R16 044,00	
	Bulk Infrastructure				R120 750 00	
	Environmental				R5 124,00	
	Rezoning Fee				R17 624,00	
C4	Urban Agriculture	To providing food security and a mechanism for risk management in household economies	Erf 969, Gamalakhe A	RNLM Infrastructure & Planning M LED & Environment Management		Medium
	Town Planning				R900 000	
	Rezoning Fee				R17 624,00	
C5	Medium Density Residential	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town	Erf 993, Gamalakhe A	RNLM Infrastructure & Planning M LED & Environment Management		High
	Town Planning				R19 689,00	
	Survey				R26 358,00	
	Bulk Infrastructure				R198 375,00	



	Environmental				R8 418,00	
	Rezoning Fee				R17 624,00	
C6	Gamalakhe (Insitu- upgrade)	To improve delivery of capital projects through investment in housing development	Wards 25, 26, 27, and 28	Ray Nkonyeni Local Municipality	R 5 670 220.00	High
C7	KwaMavundla (additional)	To improve delivery of capital projects through investment in housing development	Wards 25 & 27	Ray Nkonyeni Local Municipality	R 9 652 328-00	High
C8	KwaXolo (Phase 2)	To improve delivery of capital projects through investment in housing development	Wards 5, 8, and 29	Ray Nkonyeni Local Municipality	R 127 663 310.00	High
C9	KwaMavundla (additional)	To improve delivery of capital projects through investment in housing development	Wards 25 & 27	Ray Nkonyeni Local Municipality	R 9 652 328-00	High
C 10	Gamalakhe Rectification	To improve delivery of capital projects through investment in housing development	Wards 26 and 28	Ray Nkonyeni Local Municipality	R 35 704 679.79	High
TRANSPORTATION						



T1	Development of New Taxi/ Bus Stops	To improve delivery of capital projects through investment in street furniture	Ray Nkonyeni Road	Ray Nkonyeni Local Municipality/ Department of Transportation	R 30 000. 00	Medium
T2	Road Signage within the Precinct	To improve delivery of capital projects through investment in infrastructure development	Entire Precinct	RNLM Infrastructure & Planning	R 150 000.00	Medium
T3	Bhambayi Concrete Road	To improve delivery of capital projects through investment in infrastructure development	Ward 27	RNLM Infrastructure & Planning	R 1 000 000	Medium
T4	Tarring Of Nositha Main Road	To improve delivery of capital projects through investment in infrastructure development	Ward 27	RNLM Infrastructure & Planning	R 1 406 000	Medium
T5	Msikaba Vehicular Bridge	To improve delivery of capital projects through investment in infrastructure development	Ward 25	RNLM Infrastructure & Planning	R 2 500 000	Medium



T6	Nkangeni Vehicular Bridge	To improve delivery of capital projects through investment in infrastructure development	Ward 25	RNLM Infrastructure & Planning	R 500 000	Medium
BEAUTIFICATION & PUBLIC SPACE						
BP 1	Installation of Recycling Bin Points	To improve delivery of capital projects through investment in Public Spaces	Gamalakhe Nositha	Ray Nkonyeni Local Municipality	R 10 000 00	High
BP 2	Mlongwana Combo Court Refurbishment	To improve delivery of capital projects through investment in Public Spaces	Ward 5	Integrated Urban Development Grant (IUDG)	R 400 000.00	High
BP 3	Enkulu Hall	To improve delivery of capital projects through investment in Public Spaces	Ward 25	RNLM Social & Community Development	R 1 000 000	High

3.5.4.5.3 Uvongo-Margate

This area is bounded on the East by the Provincial Road Marine Drive, Uvongo river on the North and using Masinenge west boundary as its Northwest and Western boundary and Westgate and Sea Slope Roads as its Southwest and South boundary. It includes Ward 19 and 3.



Source: Ray Nkonyeni Local Municipality; Ugu District Municipality; Department of Human Settlements; HDA; Department of Transport; Municipal Demarcation Board; Statistics SA; Department of Education; Department of Co-operative Governance and Traditional Affairs; Eskom.



(i) Erf 1675 uVongo Ext 2 (site 1: Medium Density Residential)



The following calculation is applicable: Total size area: 1,74 ha

1,74 ha less 20% for roads

$1,74 \text{ Ha} \times 20\% = 0.348 \text{ Ha}$ for Roads

$1,74 \text{ Ha} - 0.348 \text{ Ha} = 1.392 \text{ Ha}$

$1.392 \times 35 \text{ du/ha} = 49$

49 Dwelling Units

(Amount Using Municipality Scheme requirements)

Proposed Dwelling Units Per Hectare:

Social Housing

Option 1: $1.392 \times 75 \text{ du/ha} = 104 \text{ units}$

Option 2: $1.392 \times 110 \text{ du/ha} = 153 \text{ units}$



Table 98: Implementation Framework

N o.	Name	Project Description	Study Area	Responsibility	Budget Estimate	Phasing
CATALYTIC PROJECTS						
C1	Medium Density Residential	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town	Erf 1675 uVongo Ext 2	RNLM Infrastructure & Planning		High
				RNLM LED & Environment Management		
	Town Planning				R22 981,00	
	Survey				R18 718,00	
	Bulk Infrastructure				R140 875,00	
	Environmental				R5 978,00	
	Rezoning Fee				R17 624,00	
C2	Informal Settlement Upgrade Programme	To access livelihood opportunities within the available urban areas	Masinenge informal Settlements	Ray Nkonyeni Local Municipality/ Department of Human Settlements	R 155 388 701,10	High
C3	Water and Sanitation Infrastructure	To improve delivery of capital projects through investment in infrastructure development	Ward 19	Ray Nkonyeni Local Municipality	R 1 500 000	High
TRANSPORTATION						



T1	Public Transport Stop	To improve delivery of capital projects through investment in street furniture	Seaslopes Avenue and Collis Road	Ray Nkonyeni Local Municipality/ Department of Transportation	R150 000	Medium
T2	Proposed Road upgrade	To improve delivery of capital projects through investment in infrastructure development	uVongo and Margate	RNLM Infrastructure & Planning	R 1 500 000.	Medium

PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS) WITHIN RAY NKONYENI LOCAL MUNICIPALITY - UVONGO-MARGATE

IMPLEMENTATION PLAN



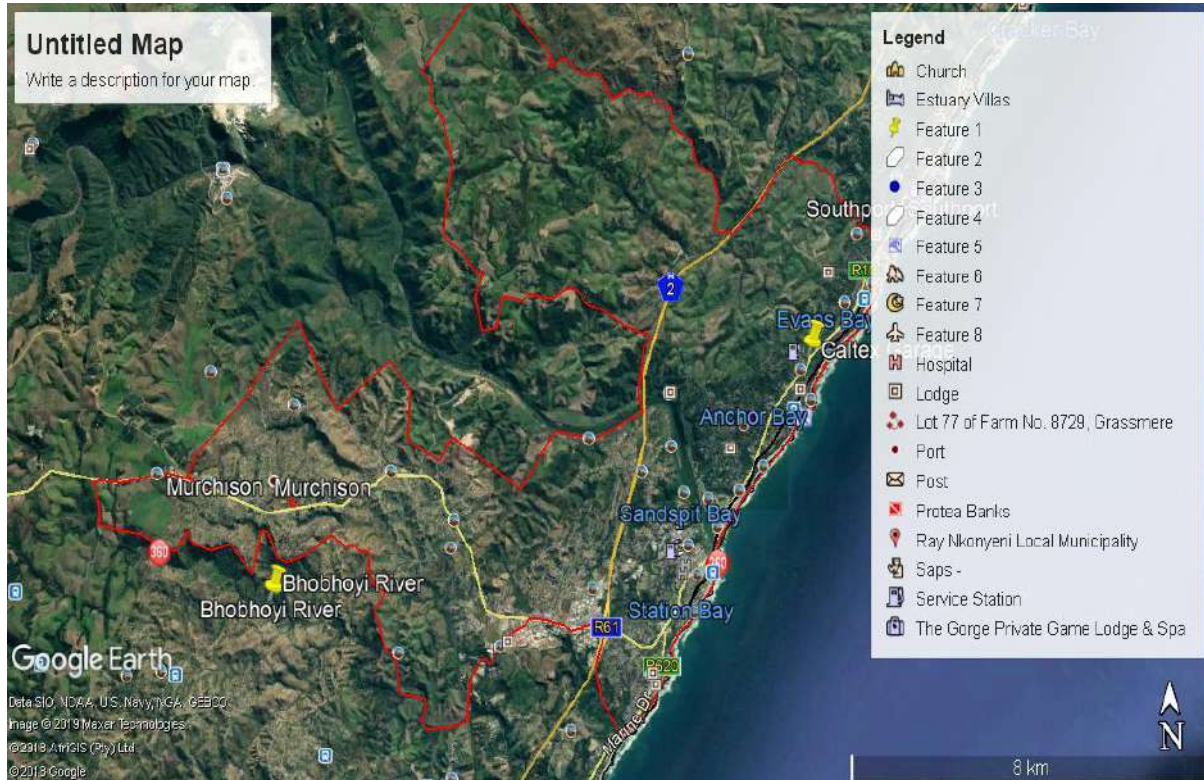
March 2022

Source: Ray Nkonyeni Local Municipality - Ugu District Municipality - Department of Human Settlements - HDA - Department of Transport - Municipal Demarcation Board - Statistics SA - Department of Education - Department of Co-operative Governance and Traditional Affairs - Eskom



3.5.4.5.4 Shelly Beach

This area is bounded on the North by the Bhobhoyi river until the P200 on the Northwest, then moves Southwest through P200 until the intersection with Izotsha Road. Then it moves on Izotsha Road towards South Coast Mall as its Western and Southwest boundary until it intersect with Marine Drive. On the Eastern side, it then moves North on Marine Drive until Somers Road and moves East towards the Beach and joins the Bhobhoyi river mouth on the North. It is part of Ward 3.



Map 55: Shelly Beach



**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - SHELLY BEACH
LAND USE PROPOSALS PLAN**

1:20 000



(i) Social Housing (Erf 1564 Shelly Beach)



The site is currently zoned Special zone, the permitted du/ha for the zone is 25 du/ha

Total size area: 4.4 Ha



4.4 Ha less 20% for roads

$4.4 \text{ Ha} \times 20\% = 0.88 \text{ Ha}$ for Roads

$4.4 \text{ Ha} - 0.88 \text{ Ha} = 3.52 \text{ Ha}$

$3.52 \times 25 \text{ du/ha} = 88$

To permit for maximum residential density (35 du/ha), the property will have to be rezoned to Residential High Impact 4, therefore, the permitted is

$35 \text{ du/ha} \times 3.52 = 123 \text{ dwelling units}$

NB: The suggested maximum residential density (35 du/ha) is low and does not comply with the density threshold for the government housing subsidy. The following densities are recommended:

Proposed Dwelling Units Per Hectare: Social Housing

Option 1: $3.52 \times 75 \text{ du/ha} = 264 \text{ units}$

Option 2: $3.52 \times 110 \text{ du/ha} = 387 \text{ units}$

(ii) Site 2; Erf 505 Shelly Beach



Site 2: Medium Density Residential

Total size area: 4.4 Ha

4.4 Ha less 20% for roads

$4.4 \text{ Ha} \times 20\% = 0.88 \text{ Ha}$ for Roads

$4.4 \text{ Ha} - 0.88 \text{ Ha} = 3.52 \text{ Ha}$

$3.52 \times 25 \text{ du/ha} = 88$



$$3.52 \times 35 \text{ du/ha} = 123$$

$$35 \text{ du/ha} \times 3.52 = 123 \text{ dwelling units}$$

123 Dwelling units (amounts using Municipality Scheme requirements)

Proposed Dwelling Units per Hectare: Social Housing.

$$\text{Option 1: } 3.52 \times 75 \text{ du/ha} = 264 \text{ units}$$

$$\text{Option 2: } 3.52 \times 110 \text{ du/ha} = 387 \text{ units}$$

(iii) Portion 3 of Erf 2094 Shelly Beach (Medium Density Residential)



The site is currently zoned Residential High Impact 2. The permitted du/ha is 30 du/ha.

Total size area: 0.84 Ha

0.84 Ha less 20% for roads

$$0.84 \text{ Ha} \times 20\% = 0.168 \text{ Ha for Roads}$$

$$0.84 \text{ Ha} - 0.168 \text{ Ha} = 0.67 \text{ Ha}$$

$$0.67 \times 30 \text{ du/ha} = 20 \text{ dwelling units}$$

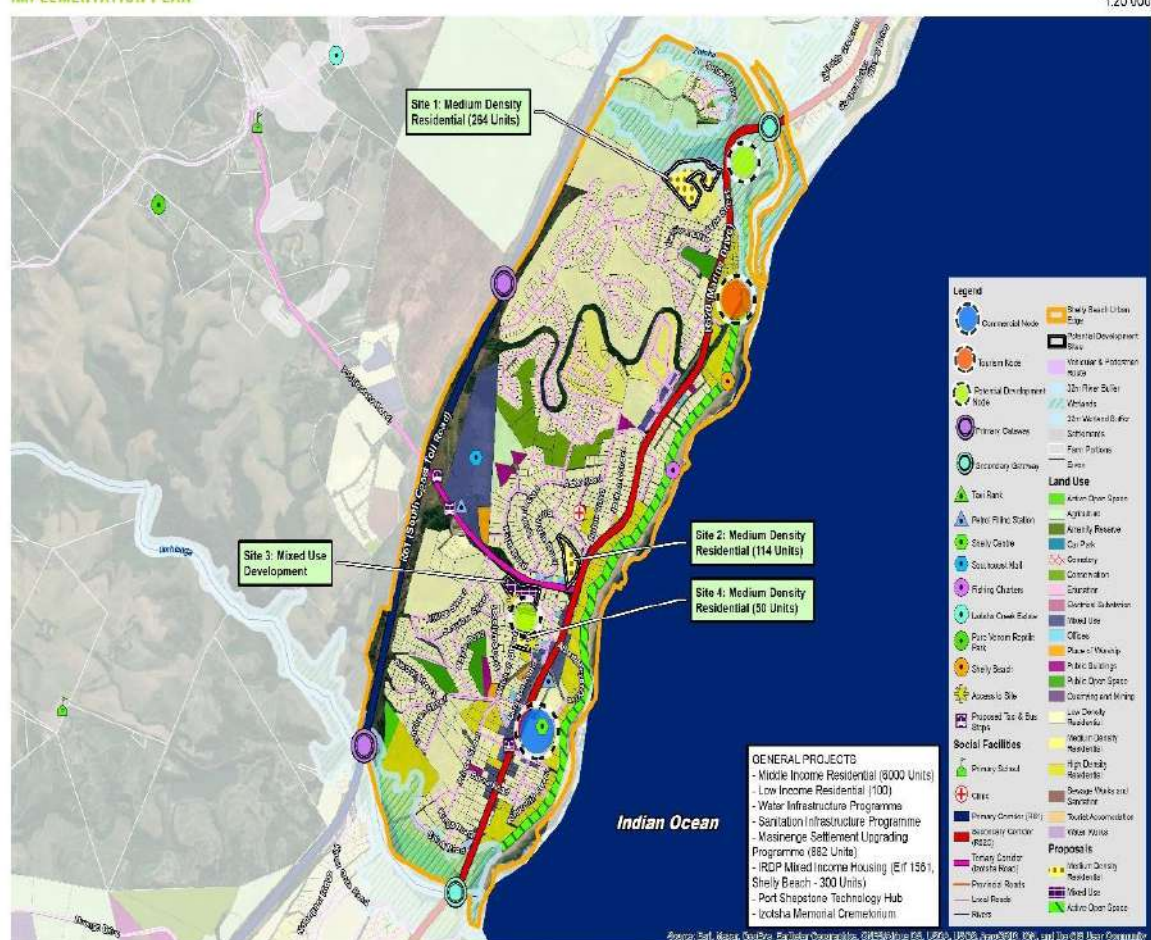
To permit for maximum residential density (35 du/ha), the property will have to be rezoned to Medium Density Residential, therefore, the permitted du/ha for residential high impact 4 is 35 du/ha.

$$0.67 \times 35 \text{ du/ha} = 23 \text{ dwelling units}$$

Proposed Dwelling Units Per Hectare: FLISP Housing

Option 2: $0.67 \times 110 \text{ du/ha} = 74 \text{ units}$

IMPLEMENTATION PLAN



Source:
Ray Nkonyeni Local Municipality Ugu District Municipality Department of Human Settlements HDA Department of Transport
Municipal Demarcation Board Statistics SA Department of Education Department of Co-operative Governance and Traditional Affairs Eskom



Table 99: Implementation Framework

Sit e No .	Name	Project Description	Study Area	Responsibility	Budget Estimate	Priority
CATALYTIC PROJECTS						
C1	Social Housing	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Erf 1564 Shelly Beach	RNLM Infrastructure & Planning		High
				RNLM LED & Environment Management		
	Town Planning				R181 503,00	
	Survey				R147 834,00	
	Infrastructure Support				R36 000 000	
	Environmental				R47 214,00	
	Rezoning Fee				R17 624,10	
C2	Social Housing	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Erf 505 Shelly Beach	RNLM Infrastructure & Planning		High
				RNLM LED & Environment Management		
	Town Planning				R78 323,00	
	Survey				R63 794,00	
	Infrastructure Support				R16 000 000	
	Environmental				R32 208,00	
	Rezoning Fee				R17 624,10	
C3	Mixed Use Residential	Mixed Use residential are proposed to the South of the CBD	Portion 1 of Erf 2094 Shelly Beach	RNLM Infrastructure & Planning		Medium
				M LED & Environment Management		



	Town Planning				R900 000	
	Survey				R22 920,00	
	Infrastructure Support				R 17 800 000	
	Environmental				R7 320,00	
	Rezoning Fee				R17 624,10	
C4	Middle Income Housing	Intends to offer residential options to those who seek accommodation in neighbouring towns and providing for increased population growth within the town.	Portion 3 of the Erf 2094 Shelly Beach	RNLM Infrastructure & Planning RNLM LED & Environment Management		High
	Town Planning				R347 006,00	
	Survey				R28 268,00	
	Infrastructure Support				R16 000 000	
	Environmental				R9 028	
	Rezoning Fee				R14 310,00	
C5	WWTW Upgrade	Upgrades required to Waste water treatment works in order to facilitate proposed development	Shelly Beach	RNLM Infrastructure & Planning	R 20 000 000	Medium
TRANSPORTATION						
T1	CBD Street Upgrade	The upgrade of the two main CBD Streets. The upgrade could include kerb build outs at the intersections with the minor streets, the widening of sidewalks, centre medians, mid-block pedestrian crossing points and provision of additional on-street parking (angle and/or parallel bays)	Shelly Beach	RNLM Infrastructure & Planning	R 4 230 000	Medium



T2	Taxi Ranks	The formalization the taxi rank, providing shading, facilities and ablutions for the Pedestrians, Taxi drivers and Traders thus making it a convenient an attractive junction.	Shelly Beach	RNLM Infrastructure & Planning	R 1 200 000	Medium
BEAUTIFICATION & PUBLIC SPACE						
BP 01	Street Lighting	Ensuring visibility on the main and side streets. Especially focused on areas intended for public spaces. Focus is placed on upgrade and maintenance of existing lighting	Shelly Beach	RNLM Infrastructure & Planning	R 6 000 000	High
				RNLM Social & Community Development		
				RNLM LED & Environment Management		
BP 02	Informal Trader Facility Install	Formalising informal trade facilities along the main street and around the taxi rank vicinity	Shelly Beach	RNLM Infrastructure & Planning	R 4 000 000	High
				RNLM Social & Community Development		
				RNLM LED & Environment Management		
BP 03	New Civic Centre	The urban concept aims to implement a civic precinct, this will create a centrality to the linear town, serving as its anchor. The Civic square provides centrality and common place for social meetings or gatherings.	Shelly Beach	RNLM Infrastructure & Planning	R 16 000 000	medium
				RNLM Social & Community Development		
				RNLM LED & Environment Management		
ECONOMIC STIMULATION						



E1	Develop a Database of Informal Traders within the town within focus local and foreign owned business	Aiming to understand the nature of trade within RNLM through quantified research will be very beneficial for RNLM to understand the nature of trade in their towns and better provide.	Shelly Beach	RNLM LED & Environment Management	R400 000	High
E2	Establish a data base of all SMME and Co-operatives	The local businesses and co-ops operating within RNLM need to be incubated and promoted. This necessitates the need for ULM to have good knowledge of these structures to build stronger working relationships.	Shelly Beach	RNLM LED & Environment Management	R500 000	High
E3	Youth Development Campaign	An ongoing focused and robust programme which targets youth development through physical and academic methods is necessary. This will provide an alternative to young people who increasing been caught in the trap of substance abuse.	Shelly Beach	RNLM Social & Community Development	R600 000	High



3.5.4.6 Development Strategies

Table 100: Development Strategies

STRATEGIC OBJECTIVE	DEVELOPMENT STRATEGIES	PERFORMANCE INDICATORS	ASSUMPTIONS
To accelerate housing delivery in line with the National and Provincial norms and Standards.	Deliver housing units across the product spectrum provided in the National /Provincial Policies on Human Settlements.	<ul style="list-style-type: none"> Number of projects with preliminary approval per housing programme. Number of projects with tranche 1 and 2 approval per housing programme. Completion of services within scheduled programme. Number of housing units delivered per annum per housing programme. 	<ul style="list-style-type: none"> The Municipality has capacity and the resources to deliver housing based on the relevant programme. Such capacity needs to be enhanced when accredited in terms of Level 2 Programme based. Stakeholders will collaborate to remove all blockages to housing delivery.
	Council approved Restructuring Zone for Social Rental Housing.	<ul style="list-style-type: none"> Have approved Restructuring Zones for Social Rental Housing 	<ul style="list-style-type: none"> Identification of projects for Social Rental Housing within the Restructuring Zones.
	Identify and assess all informal settlements within the Municipal area and formulate a strategic response.	<ul style="list-style-type: none"> Occupants' data Register. Approved Upgrading and Development Plans / Relocation Strategy of informal settlements within the programme. Number of informal dwellings eradicated per annum. Identification of land for relocation purposes 	<ul style="list-style-type: none"> Eradication of informal settlements is a priority for all spheres of government. Providing rudimentary interim services to improve the quality of life of occupants pending formalisation / relocation
To develop effective systems and procedures for an effective implementation of the Human	Develop a housing needs register and the associated systems to monitor housing backlog /need.	<ul style="list-style-type: none"> Operational Housing Needs management system. Quarterly reports on the Housing Needs Register. 	<ul style="list-style-type: none"> Households who are need of housing assistance will register on the National Housing Needs Register. The National Housing Needs Register will serve as the basis for planning/ budgeting



Settlements programme.		<ul style="list-style-type: none"> • Application of quota principle to housing allocation. • Establishment of a Housing Allocation Committee. 	<p>and for housing allocation though the Housing Allocation Committee.</p> <ul style="list-style-type: none"> • In terms of the IRDP Programme beneficiaries will be drawn from the National Housing Needs Register .
	Review the Human Settlements Sector Plan annually.	<ul style="list-style-type: none"> • Annual review/ update of the HSSP. • Alignment with the Municipal IDP &SDF • Alignment with the UGu IDP. • Alignment with changes to National and Provincial Policies and Plans 	<ul style="list-style-type: none"> • The HSSP will be reviewed internally with the use of Service Provider (if required) for technical assistance and seek Municipal Council approval.
	Establish a Project Management System for Human Settlements projects.	<ul style="list-style-type: none"> • Technical Project Steering Committee meetings. • Monthly Service Delivery Meetings • Housing Forum meetings. • Monthly reports. • Progress according to project scheduling. 	Implementing Agents and all other Service Providers will perform according to the approved programme.
	Facilitate programmatic service level agreements with Eskom and UGu DM in respect of bulk services.	<ul style="list-style-type: none"> • MTEF based programmatic agreements with UGu DM and Eskom. 	UGu and Eskom will commit to provide bulk services in housing projects.
To use Human Settlements projects as a catalyst for local economic development.	Establish and implement a contractor-training programme.	<ul style="list-style-type: none"> • Number of local contractors involved in projects. • Percentage amount allocated to local contractors per project. 	Implement Agents are to provide relevant information on a monthly basis through the medium of the monthly Project Progress Meetings
	Enrol Human Settlements projects with EPWP.	<ul style="list-style-type: none"> • Number of job opportunities created. 	
To contribute towards spatial	Promote densification and different housing typology in	<ul style="list-style-type: none"> • Number of dwelling units per hectare. 	



transformation and creation of an efficient settlement and spatial pattern and also being guided by environmental constraints created by climate change	Human Settlements projects.	<ul style="list-style-type: none"> • Number and size of infill developments. • Number and size of social housing projects. 	The Municipal statutory spatial planning tools (SDF and scheme) facilitates Human Settlements.
	Prioritise projects located within development nodes, along development corridors, Restructuring Zones and Priority Human Settlement Development Area.	<ul style="list-style-type: none"> • Location of projects in relation to development nodes, corridors, restructuring Zones and Priority Human Settlement Development Areas. 	
	Work with induna to map all settlements and delineate settlement edges for each rural housing project.	<ul style="list-style-type: none"> • Detailed settlement plans. 	
To facilitate rapid and cost-effective release of land for Human Settlements development purposes.	Identify land suitable for future housing development and within the Priority Development Areas as approved by the Municipal Council	Approved atlas of land parcels for Social Housing and Integrated Residential Development Programme	Land is available in strategic locations for Human Settlements Development projects.
	Undertake pro-active zoning of land for future housing development.	Number of green fields zoned for housing development.	
	Facilitate private public partnerships (PPPs) for strategic Human Settlements projects.	Number and value of PPPs.	
	Enlist the services of the Housing Development Agency for assistance with land acquisition.	Amount of land available for housing development.	
	Purchase land and development schemes in public auctions.	Amount spent on land acquisition per annum.	
To build capacity for effective Human Settlements development.	Consideration for level 2 accreditation which is Programmed based .	Level 2 accreditation (Programme based).	The Department of Human Settlements to support level 2 accreditation in terms of identified Programmes.
	Review organogram to build capacity	Approved new organogram. Increase in staff complement.	
	Capacity support Programme ; Facilitate continuous staff training and capacity building.	Training of staff by the PDoHS/ Municipality	

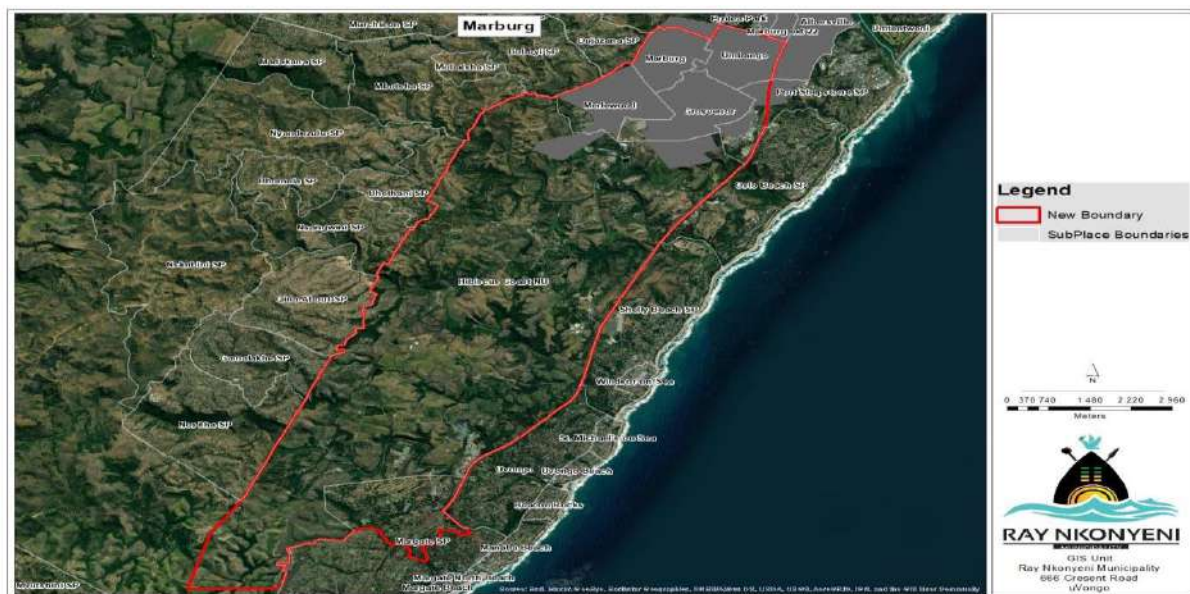


3.5.4.7 RNM - Social Housing- Restructuring Zones and Identified Projects

The Social Housing Programme constitutes higher density subsidized housing that is implemented, managed owned by independent accredited social housing institutions in designated restructuring zones. Along with the Community Residential Units Programme, which targets households with an income of less than R3 500 per month, the Social Housing programme provides for rental and cooperative housing projects and facilitates access to privately administered rental housing for households with an average income of between R1850 to R22 000). It requires overall funding sustainability to ensure its success. The implementation of this program will be based on a clear understanding of the target market.

On 27th July 2021, the Municipal Council granted approval for the extended boundary demarcation regarding the already approved Restructuring Zones of Marburg, Protea Park and Uvongo. The extended boundaries will now include areas such as :

- ❖ **Marburg:** uMbango, Marburg, Merlewood, Portion of Port Shepstone, portion of Margate and non- urban areas.
- ❖ **Protea Park:** Albersville, Umtentweni, Port Shepstone CDB, and Sea Park.
- ❖ **uVongo:** Portion of Port Shepstone, Oslo Beach, Shelly Beach and uVongo.



Map 56: Municipal Restructuring Zones Marburg

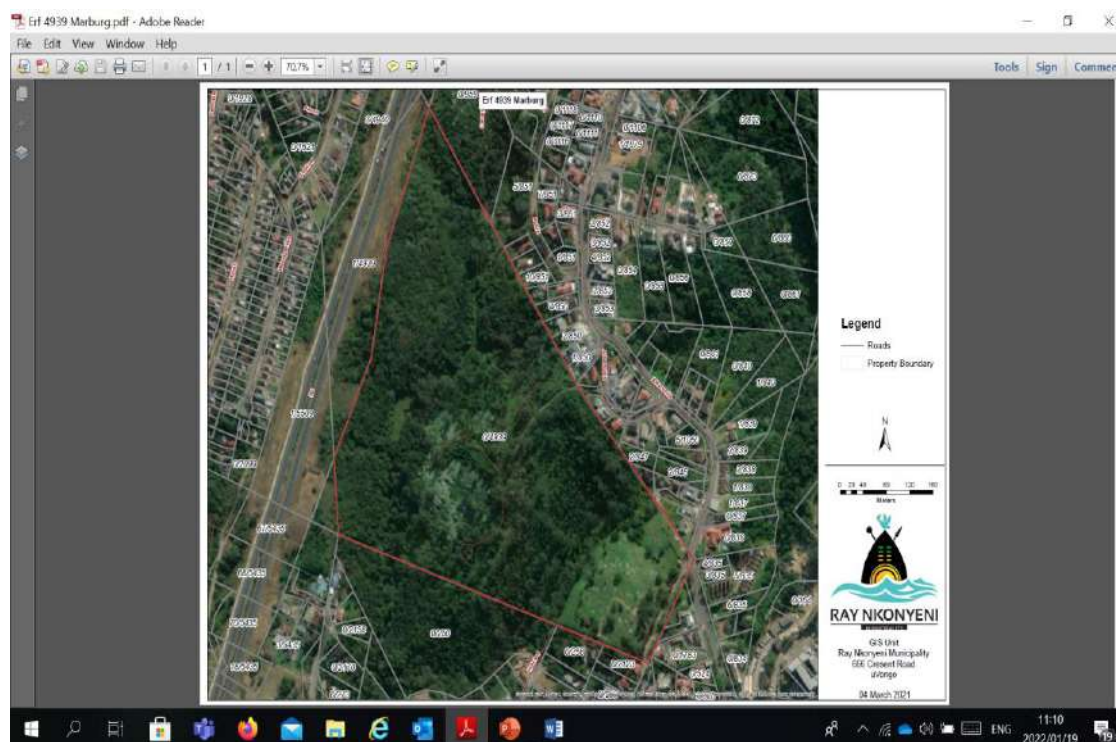




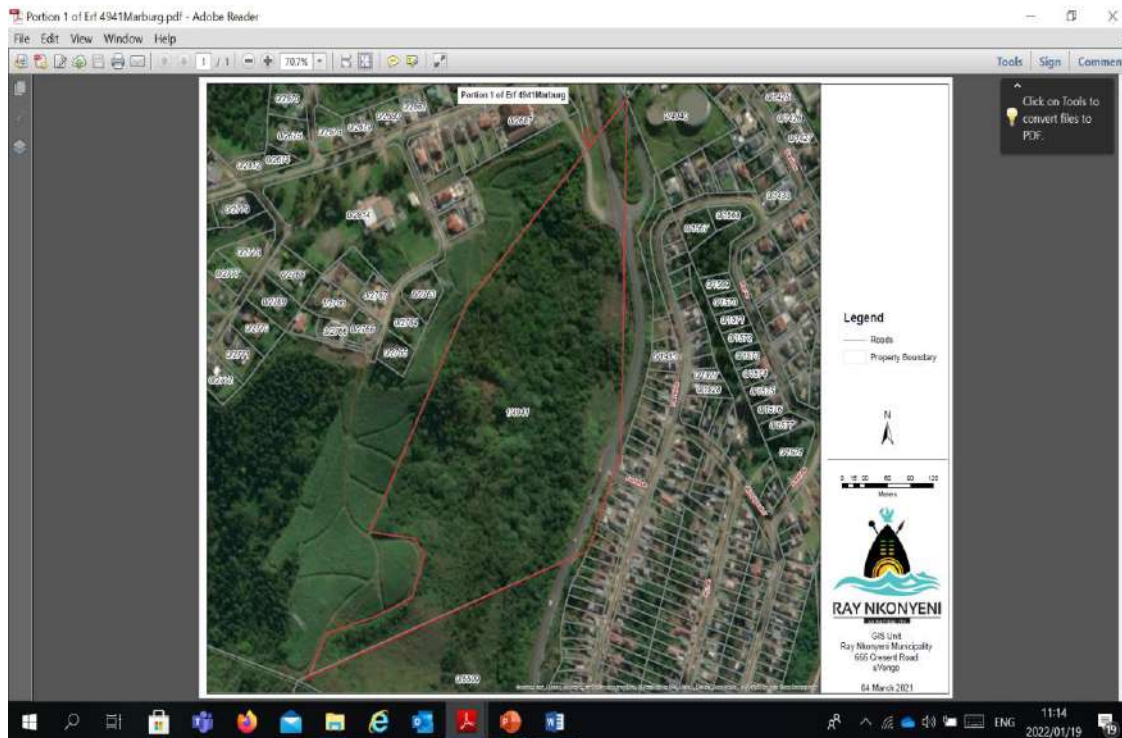
The following sites were identified for Social Housing (Rental) within the 5 year Provincial Department of Human Settlements Roll Out Programme.

Table 101: Social Housing

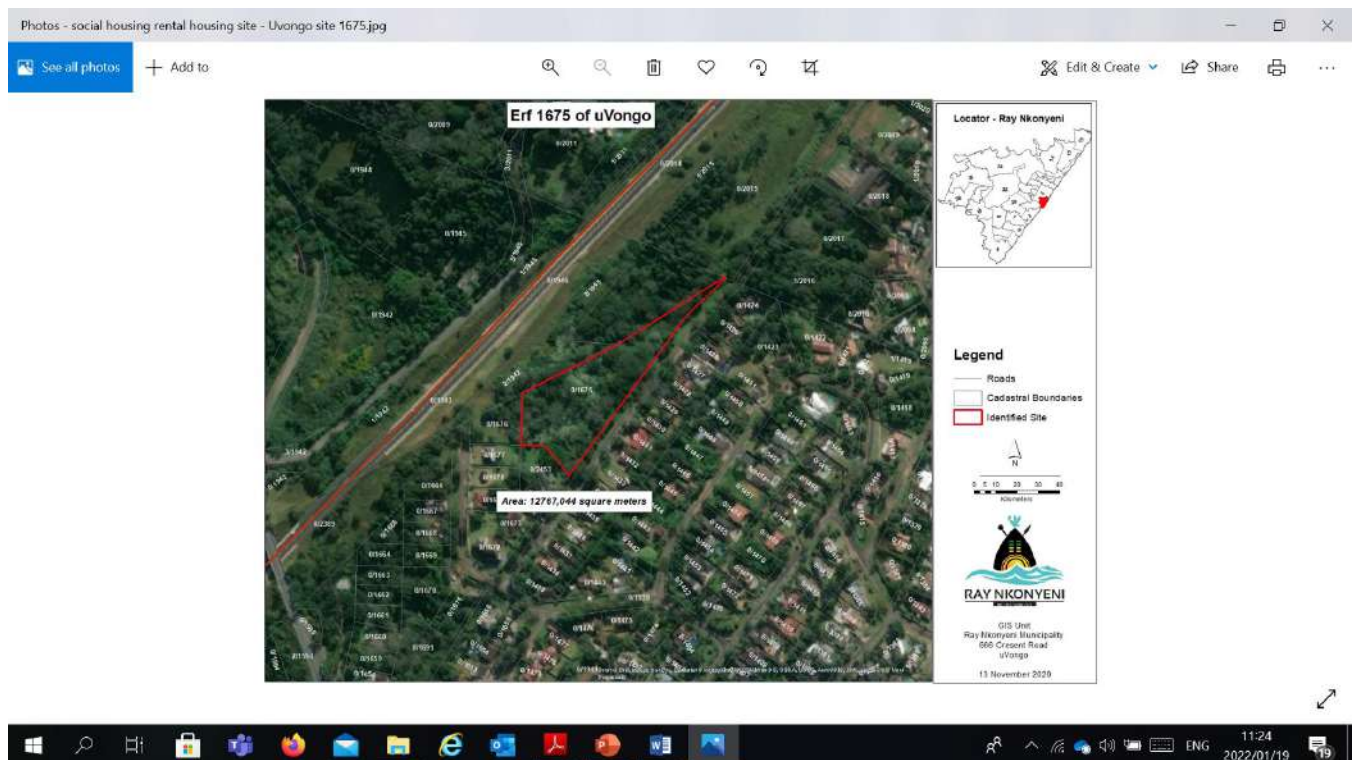
PROPERTY DESCRIPTION	EXTENT	CURRENT ZONING	INTENDED REZONING	POTENTIAL YIELD
Lot 26 of 4939 , Marburg	24.264 ha	Residential only 5	Residential High Impact 3	1213 units
Lot 29 of 4941, Marburg	11,234 ha	Residential only 5	Residential High Impact 3	936 units
Erf 1675. Uvongo	1.4925 ha	Residential only 5	Residential High Impact 3	124 units
Erf 2394 (Privately owned)	4.7ha	Residential only 5	Residential High Impact 3	500 units
Total				2773 housing opportunities



Map 59: Social Rental Housing - Marburg Site (4939)



Map 60: Social Rental Housing - Marburg Site (4941)



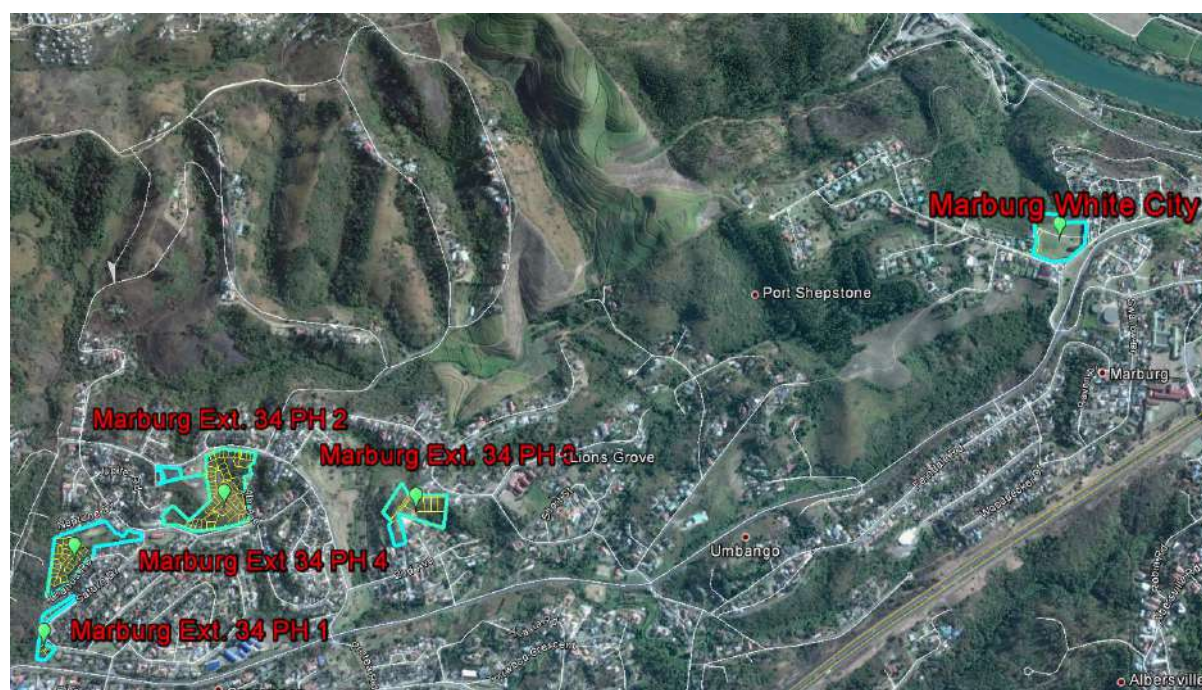
Map 61: Social Rental Housing - Uvongo Site (1675)



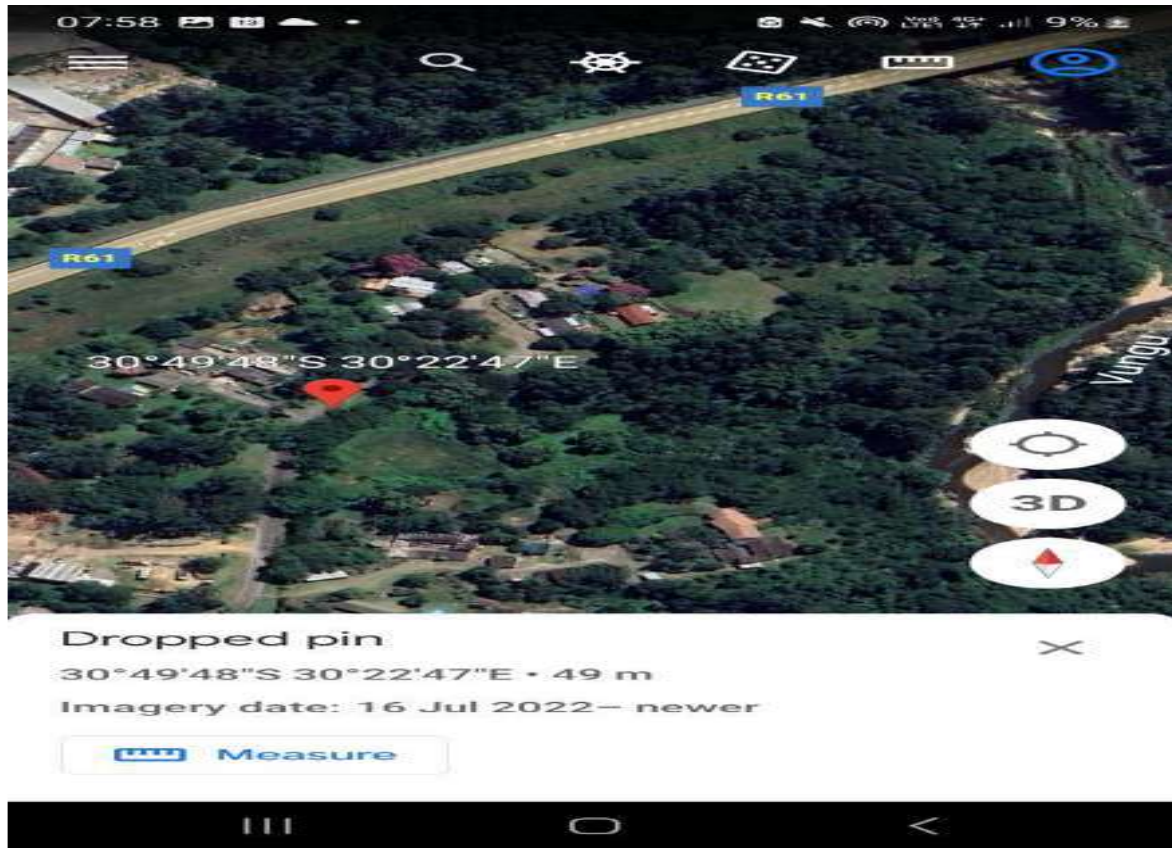
The following sites were identified for Social Housing (Rental / other) on municipal owned properties with an appointed Implementing Agent.

Table 102: Restructuring Zone - Protea Park

PROTEA PARK (WHITE CITY) – RESTRUCTURING ZONE		
AREA	PROPERTY DESCRIPTION	POTENTIAL YIELD
ERF 2686	Marburg (Area 1)	150 units
Erven 2560-2564	Area 2A	15 units
Erven 2565-2625	Area 2B	166 units
Erven Remainder of 2377, 2439 and PTs 0-6 of 2440	Area 3A	257 units
Erven 2514 -2537, Marburg (Merlewood)	Area 4	120 units
Ervens 2542 – 2549, Marburg (Merlewood)	Area 5	55 units
Social Rental / mixed income housing		763 units



Map 62: Social Rental Housing and FLIP Housing - Identified Areas



Map 63: Social Rental Housing - Uvongo (2394)

3.5.4.8 Upgrading of Informal Settlement (UISP)- Upgrading Plans and Relocation Strategy

Conventional informal settlements ('in-situ') upgrading entails the re-development of an informal settlement in a comprehensive and relatively complete fashion in respect of housing, tenure, and infrastructural services. Relocations may affect only a portion of settlements or the entire settlements and may be temporary (e.g. to a temporary relocation area) or permanent (i.e. to another green-fields project site). Whilst temporary relocations of the settlement may be inevitable, and permanent relocations of some residents might also be inevitable, the relocation of entire settlements, should be undertaken as a last resort and in special circumstances (e.g. material health and safety risks to residents) given the significant negative impact on residents typically flow from such wholesale relocations.

In July 2011, the Cabinet Lekgotla directed that Local Municipalities should produce informal settlement upgrading plans. These plans are required to cover issues including provision of security of tenure, water, sanitation, public transport, area lighting, electrification, waste management, public open spaces and recreational facilities.

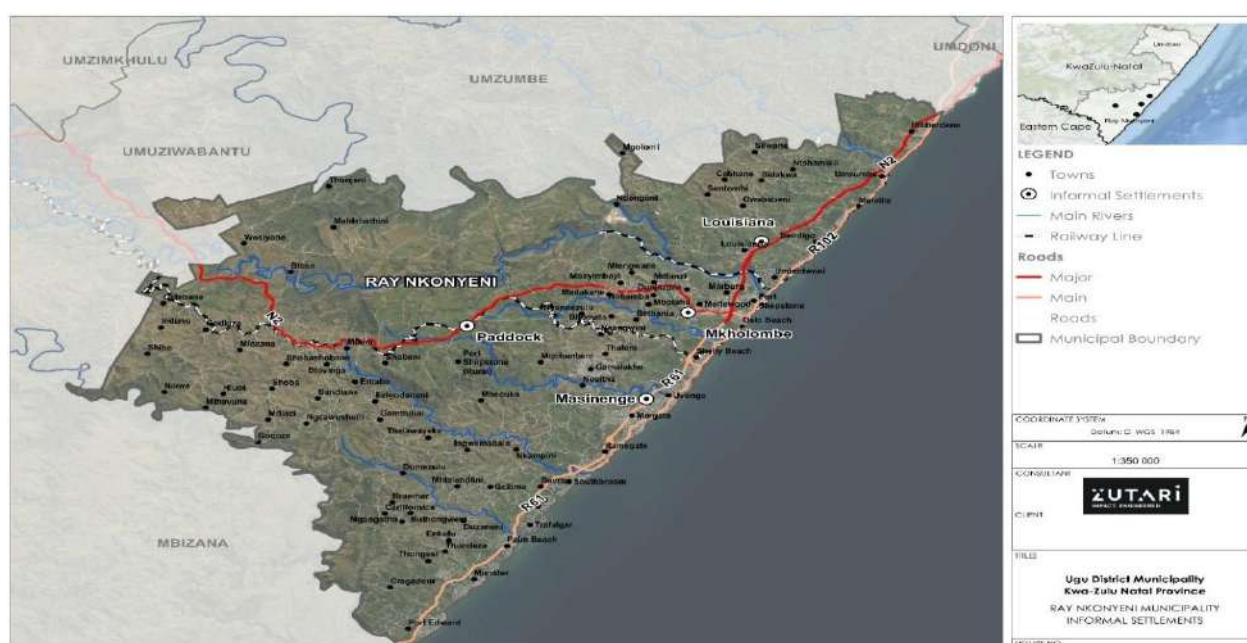
In September 2011, MinMEC amplified the Cabinet Lekgotla decision by calling for Provinces to establish implementation agreements with relevant Municipalities to support the achievement of targets set by National Development Outcome 8, including informal settlement upgrading. While Outcome 8 was formally concluded in April 2014, the practice of close working arrangements between the Provincial and Municipal Departments of Human Settlements remains vital.



The table below outlines the informal settlements in the RNM, together with the total area and estimated number of structures. The actual number of structures was based on fieldwork exercise that was undertaken.

MUNICIPALITY	SETTLEMENT NAME	AREA (HA)	STRUCTURES (RFQ ESTIMATE)	STRUCTURES (ACTUAL)*
Ray Nkonyeni	Louisiana	7,60	190	416
	Masinenge	14,76	650	1 557
	Mkholombe	33,78	939	2 400
	Paddock	0,93	51	101
SUBTOTAL		57,07	1 830	4 474

* Actual number of structures based on fieldwork.



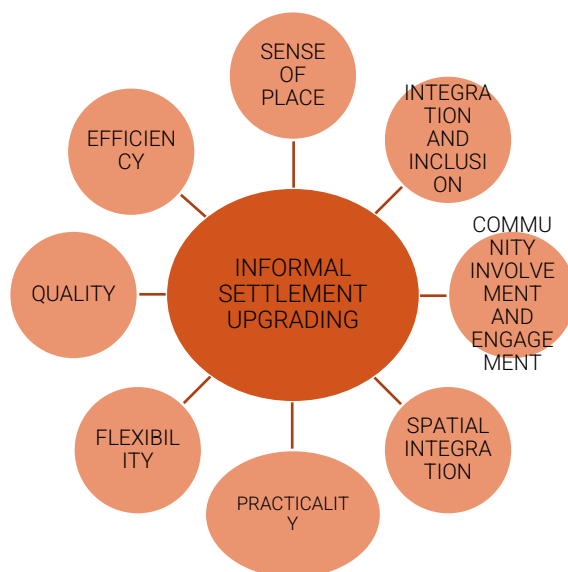
Map 64: Location of Informal Settlement with RNM

In terms of the approach a set of principles for informal settlement upgrading have been developed as part of the NUSP. These principles are aligned with the intent of the NDoHS to facilitate the Structured Upgrading of Informal Settlements focusing on Sustainable Human Settlements, and the need for In-Situ Upgrading Strategies. The principles are outlined as follows:

- Sense of place: Existing elements of community organisation, such as the placement of private and semi-private space within communities.
- Integration and inclusion: Social and spatial connectivity and the building of community;
- Community involvement and engagement: Ensuring that meaningful engagement and participation takes place during the upgrading process;
- Spatial integration: The integration of informal settlements into the urban fabric;



- **Practicality:** Ensuring strategic development decisions and that in situ upgrading takes place when it is the most technically and socially responsible option for the communities concerned;
- **Flexibility:** The development of contextually appropriate strategies;
- **Quality:** The development of quality, sustainable upgrading solutions; and
- **Efficiency:** The efficient utilization of land, resources, and efficient service provision to achieve maximum benefits for the urban poor across spatial and temporal scales.



3.5.4.8.1 NUSP Informal Settlement Categories and summary of infrastructure response

A	Full upgrade in terms of services, top structures and tenure is appropriate, affordable, and viable, i.e. where full upgrading can take place in the short term. Typically, no interim service provision since full upgrading is imminent.
B1	These settlements are those which are viable for full upgrading in the longer term but where it is not imminent. Interim basic services provided as a precursor to an eventual full upgrade.
B2	This refers to settlements where long-term upgrading is not appropriate or viable, but relocation is not urgent. Interim basic services should ideally be provided until relocation can take place.
C	Informal settlements which have to be relocated as a matter of urgency because they face significant risks (health, environmental or any associated harmful situations) in their current location. No interim service provision.



In terms of Upgrading Plans for Informal Settlements, the following details are provided for each Category

a) Settlements which can be upgraded in-situ imminently (Category A):

- Such Settlements can be upgraded (and/or formalised) imminently.
- The upgrading plan for these settlements will typically include a basic layout and yield assessment, together with a programme with costing and timeframe for completion of upgrading activities.

b) Settlements which can be upgraded in-situ in the long term (Category B1):

- These are for In Situ Upgrading but typically require some intervention, such as land acquisition or bulk infrastructure upgrades, before upgrading can be fulfilled.
- Appropriate interim solutions are recommended, such as provision of communal water, shared sanitation, basic area lighting, together with an accompanying programme and costing for the proposed interventions.
- The design for interim service provision is based on the settlement's existing layout.

c) Settlements which require eventual relocation (no imminent threat or need) (Category B2)

- In terms of such category appropriate interim solutions are recommended, such as provision of communal water, shared sanitation, basic area lighting, together with an accompanying programme and costing for the proposed interventions.
- The design for interim service provision is based on the settlement's existing layout.
- The process to identify suitable land for eventual relocation is also specified. where a land parcel for relocation has not yet been identified, the cost of relocation cannot yet be determined.

d) Settlements which require urgent relocation due to a type of hazard/ potential risk (Category C)

- Where land for relocation has been identified by RNM, a conceptual layout design will be developed to determine the yield. The cost of developing the relocation site will be determined.
- Where land for relocation has not yet been identified, the proposed process to identify suitable land is specified and the recommended procedure for undertaking relocation is outlined.



3.5.4.8.2 Synthesis of Informal Settlement Categorisation and Associated Response

Louisiana	B2	<ul style="list-style-type: none"> • Site is too steep for in situ upgrade but no imminent safety threat necessitating relocation. • Provision of interim basic services with eventual relocation to suitable site. • Interim basic services upgrading plan and relocation strategy formulated.
Masinenge	B1 and C	<ul style="list-style-type: none"> • Some sections of the site are prone to flooding and would have to be relocated. • Approved layout plan for a portion of the site is already in place and construction of multi-storey units has already commenced. • Provision of interim basic services in developable areas as a precursor to eventual full upgrade (detail designs obtained from KZN: Human Settlements; costing requested). • Land for relocation of overflow households and those situated in flood prone areas has not yet been identified. A relocation strategy has been developed.
Mkholombe	B1 and C	<ul style="list-style-type: none"> • Large sections of the site are too steep for in situ upgrade or prone to flooding. • Approved layout plan for a portion of the site is already in place. • Provision of interim basic services in developable areas as a precursor to eventual full upgrade (detail designs and costing requested from KZN: Human Settlements / RNM). • Land for relocation of overflow households and those situated in flood prone areas has not yet been identified. A relocation strategy has been developed. •
Paddock	B2	<ul style="list-style-type: none"> • Site is isolated from urban fabric.



		<ul style="list-style-type: none"> • Provision of interim basic services with eventual relocation to suitable site. • Interim basic services upgrading plan formulated. • Land for relocation has not yet been identified. A relocation strategy has been developed.
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3.5.4.8.3 Develop Schematic Infrastructure Layouts

The two settlements that are eligible for in-situ upgrading – Masinenge and Mkholombe – have approved layout plans in place. Bulk outline scheme reports and/or detail infrastructure designs have been completed for these settlements. Where in-situ upgrading is neither viable nor appropriate, relocation strategies have been developed. Land for relocation has not yet been identified to address the relocation strategy. The engineering responses of interim basic services provision include provision of the following services:

- Communal standpipes
- Communal toilets
- Provision of septic tanks
- Provision of skip bin for solid waste

The engineering responses as part of in situ upgrading plans typically include the provision of the following services:

- Roads and associated stormwater networks;
- Roads and ducts at road crossings (data and electrical sleeves);
- Water reticulation networks and water house connections;
- Foul sewer drainage networks and sewer house connections;
- Street lighting, area lighting (where applicable), electrical reticulation and electrical house connections;
- Electrical MV cabling for connection to existing MV networks surrounding the different sites; and
- Allowances for site clearance and bulk earthworks within road reserves.

3.5.4.9 Enabling Factors for Upgrading and Development

3.5.4.9.1 Land Acquisition

Land acquisition will include the purchasing of land, land swop arrangements and acquisition by means of expropriation./ Municipal owned land parcels. Regulatory processes to unlock and enable development include environmental studies (such as basic environmental screenings or full Environmental Impact Assessments (EIA)), planning approvals, land surveying and final infrastructure design and approvals.

3.5.4.9.2 Infrastructure Requirements

Upgrading of an informal settlement is dependent on sufficient bulk infrastructure being available, both in terms of utilities distribution capacity (pipelines, distribution networks) and



treatment capacity (water and wastewater treatment works). Without sufficient bulk capacity in place, the respective settlement will not be adequately serviced. As such, the following enabling elements have been identified to possible (highlight) current shortfalls in bulk capacity and what options can be pursued in the event where such bulk is currently not available.

3.5.4.9.3 Enabling Factors for Development – Water

WATER		
Current Situation		
<ul style="list-style-type: none"> The rivers within the region have sufficient surplus flow to cater for the water demands for the foreseeable future. Bulk water supply and reticulation infrastructure are under pressure due to growing demand. Pipe systems are old and in need of maintenance and upgrading 		
Bulk Infrastructure Requirements		
<ul style="list-style-type: none"> Bulk water supply and reticulation infrastructure will need to be upgraded to cater for the demand. Old pipe systems and increasing capacity of water treatment plants will require strengthening to meet future water demand. The following systems within RNM need strengthening: <ul style="list-style-type: none"> Umzimkhulu water augmentation project; Mtwalume bulk water project; South Coast Bulk pipeline; Umtamvuna bulk water project; Port Edward and Ezinqoleni; and Rural Water Supply 		
Reticulation Options		
Short-term	Medium-Term	Long-Term
Shared standpipes	<ul style="list-style-type: none"> Sites and services (with slower take-up) Sites and services with valve restrictors 	Sites and services with conventional erf connections

3.5.4.9.4 Enabling Factors for Development – Sewer

SEWER
Current Situation
<ul style="list-style-type: none"> There are several pump stations in the reticulated areas, whilst wastewater treatment plants are generally located in-land, off the coastal strip. Waterborne sanitation is largely confined to the coastal, densely populated areas of the Municipality. Inland and rural areas rely on rudimentary forms of sanitation such as Ventilated Improved Pits (VIPs)
Bulk Infrastructure Requirements
<ul style="list-style-type: none"> Sewer infrastructure in the urban part of the Municipality will have to be upgraded to cater for an increasing urban population. Bulk network to be extended further inland



where required and in line with the Municipality's desired future spatial form to serve the growing population		
Reticulation Options		
<i>Short-term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
Alternative sanitation options to be considered (e.g. conservancy tanks and dry sanitation options)	Connect settlements to conventional waterborne networks as sewer outfalls are upgraded	Connect all settlements as sewer outfalls and WWTW are upgraded

3.5.4.9.5 Proposed Regulatory Amendment

Due to circumstances of certain informal settlements, they are categorised for eventual/ long term upgrading (B1) or long term relocation (B2).

The Municipality will explore measures to indicate these areas as special zones within the Municipal area. Such measures could include, for example, amending the RNM Land Use Scheme to make provision for zones of incremental upgrading and temporary informal settlement respectively, subject to certain qualifying criteria.

Such zones may be incorporated in the municipal Spatial Development Framework (SDF) and Integrated Development Plan (IDP), to qualify for the necessary annual budget to support either incremental upgrading endeavours (for B1 settlements) or temporary interim basic services (for B2 settlements).

3.5.4.9.6 Collaboration as Foundation for Implementation

Community engagement and involvement should form the basis of implementing the Upgrading Plans, whether in situ upgrading or relocation. The engagements is to be initiated by the Municipality /relevant structures. This will also assist with future management of land invasion. Where needed, it is advisable to make use of available support such as NUSP CDFs and/or NGOs that specialise in engagement related to upgrading and relocation.



3.5.4.10 Upgrading Plans with Relocation Strategies

3.5.4.10.1 Louisiana Informal Settlement



Map 65: Louisiana Informal Settlement - Aerial Image



Settlement size: 76,049.69 m² (7.60 ha)



Number of households: 416

Assessment and Categorisation Synthesis

The Louisiana informal settlement is located on a very steep slope. There are no hydrological or critical biodiversity affecting or constraining the developability of the settlement. Although the settlement is considered upgradeable from a geotechnical desk study perspective, it should be noted that the shales of the Pietermaritzburg Formation on which the settlement is located are known to be unstable, particularly where the slopes face towards the east / south-east (as is the case of this site) and where cut excavations are made into the natural slope.

Approximately half of Louisiana is already zoned as residential and the other half zoned as Agriculture 1, which will necessitate partial rezoning of the land. The settlement also currently falls on land owned by Illovo Sugar SA Ltd and Hibiscus Coast Municipality (now RNM), which will impact the overall development feasibility and associated timeframes as a land acquisition process would need to be embarked upon.

The settlement is located directly adjacent a serviced area, which will allow for potential service connection. However, due to the steepness of the slope and lack of a formal/informal road network within the settlement boundary, this will likely give rise to increased costs of providing link services, reticulation services and a road network. In addition, there also currently no sewer network within the settlement or surrounding areas. This will therefore require significant investment in both bulk and reticulation infrastructure to provide connectivity.

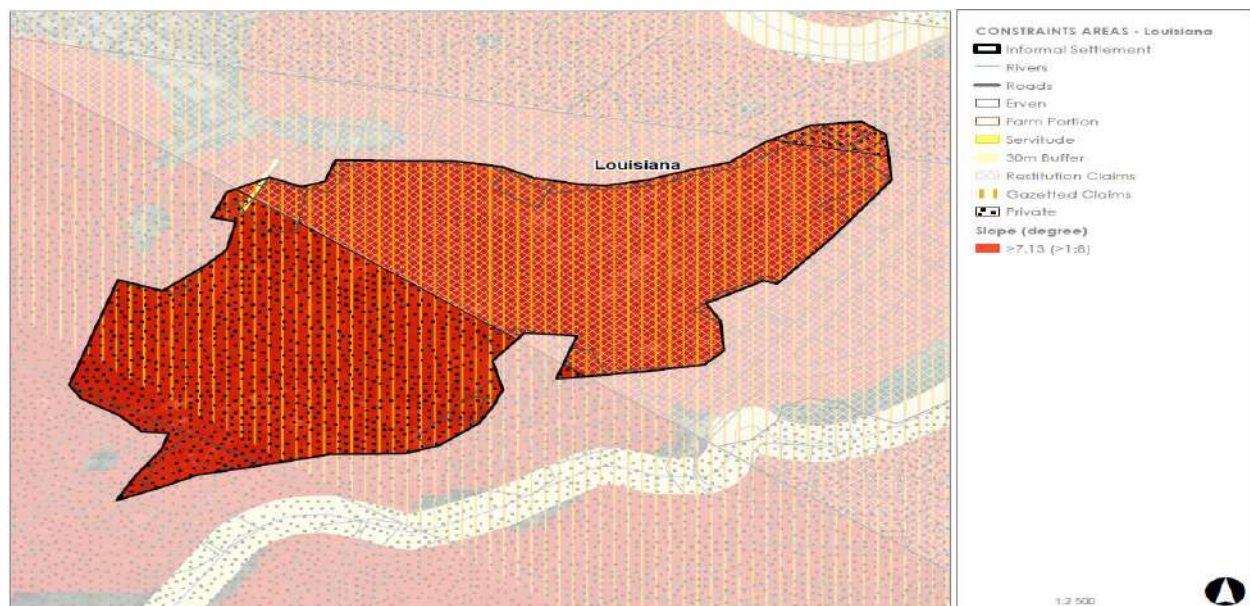


Based on the above, the Louisiana informal settlement has been categorised as B2. The development response entails the provision of emergency basic services as an immediate response with eventual relocation.

B2
Interim basic services upgrading plan and relocation strategy to be formulated

Site Constraints and Developable Areas

The following map depicts the site constraints detailed above, and provide clarity on why the Louisiana informal settlement is not fit for in-situ upgrading.



Louisiana Informal Settlement – Constrained Areas

From the map it is clear that the entire settlement is located on a very steep slope which exceeds a gradient of 1:8. While it is primarily due to the topography that the settlement is not viable for in-situ upgrading, a large portion of the settlement is located on privately owned land. Furthermore, a Gazetted land claim covers the entire extent of the settlement, while a restitution claim covers the eastern portion of the settlement.

The constraints areas (areas not fit for development) comprise 76,049.69 m², which is 100% of the overall settlement.

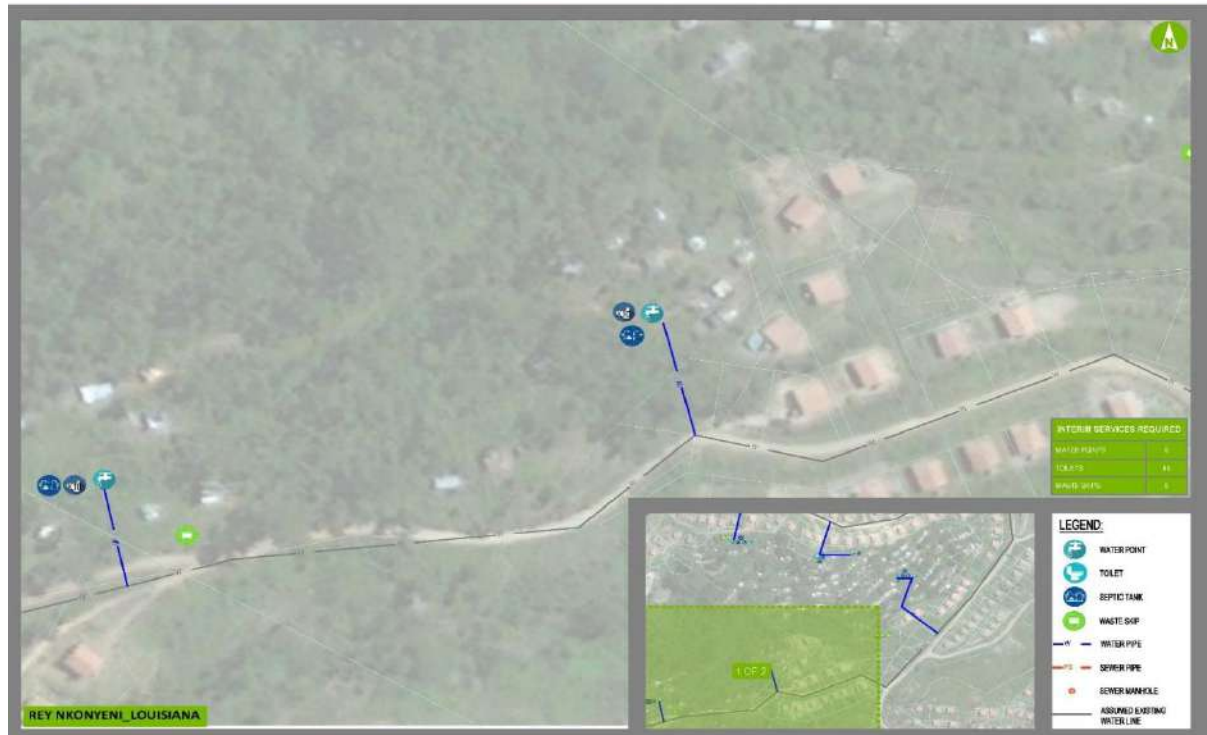
Development Need

The greater Louisiana Informal Settlement underwent upgrading in 2013. 697 approvals were granted/ sites serviced, which have led to the construction of 564 housing units. The balance of housing units (133 units) could not be constructed due to terrain difficulties. The entire settlement could therefore not be accommodated in-situ at the time, and the settlement continued to grow informally ever since.



Due to the settlement not being able for in-situ upgrading, a relocation action plan and strategy has been developed to support the need for eventual full relocation of the settlement. The provision of interim basic services is proposed to support the community until relocation.

Based on the household survey data collected, the settlement is home to 416 households, that need to be relocated to a site fit for human settlement development.



Louisiana Interim Services layout (1/2)



Louisiana Interim Services layout (2/2)

Minimum level of service standards

Potable water: A maximum of 150 people per water point for communal water provision according to the CSIR Red Book (2019). The responsible department will be Ugu District Department of Water and Sanitation.

Sewer: A maximum of 20 people per ablution point for communal sanitation provision according to guidelines taken from The Sphere Project – Humanitarian Charter and Minimum Standards in Humanitarian Response. The responsible Department will be Ugu District Department of Water and Sanitation.

Interim Services Construction Cost Estimate			
Basic Service	Type	No.	Construction Cost
Potable water	Communal water point	8	R 750,000.00
Sewer	Ablution, basin and conservancy tank	63	R 1,890,000.00
Total Estimated Cost			R2,640,000.00



Site specific requirements

The existing water main supplying the formalised houses within the vicinity of the settlement will be used to provide water for the standpipes and ablution blocks. Owing to the lack of waterborne sanitation in the area, conservancy tanks will need to be used, requiring emptying and servicing on a regular basis.

Relocation Strategy

Due to environmental and land and legal constraints the settlement is deemed unfit for in-situ upgrading, and eventual relocation of all 416 enumerated households. Thus a relocation strategy is proposed to ensure that the informal settlers can be moved to an alternative site which is able to accommodate all affected households. It must be noted that the settlement continues to grow, and that the number of households to be relocated will change over time.

Table 103: Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	<ol style="list-style-type: none"> 1. Identify suitable land for human settlement development 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield 	RNM with support from Ugu DM and KZNDoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> 1. Identify settlement leadership structures 2. Establish project committee which includes community leadership structure 3. Determine if residents are willing to relocate to identified land 4. Determine number of beneficiaries to be relocated 	RNM with support from DHS and KZNDoHS through NUSP
Phase 3: Relocation	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> 1. Identify suitable finance mechanism(s) 2. Secure funding 	KZNDoHS in collaboration with RNM, Ugu DM, Eskom through NUSP

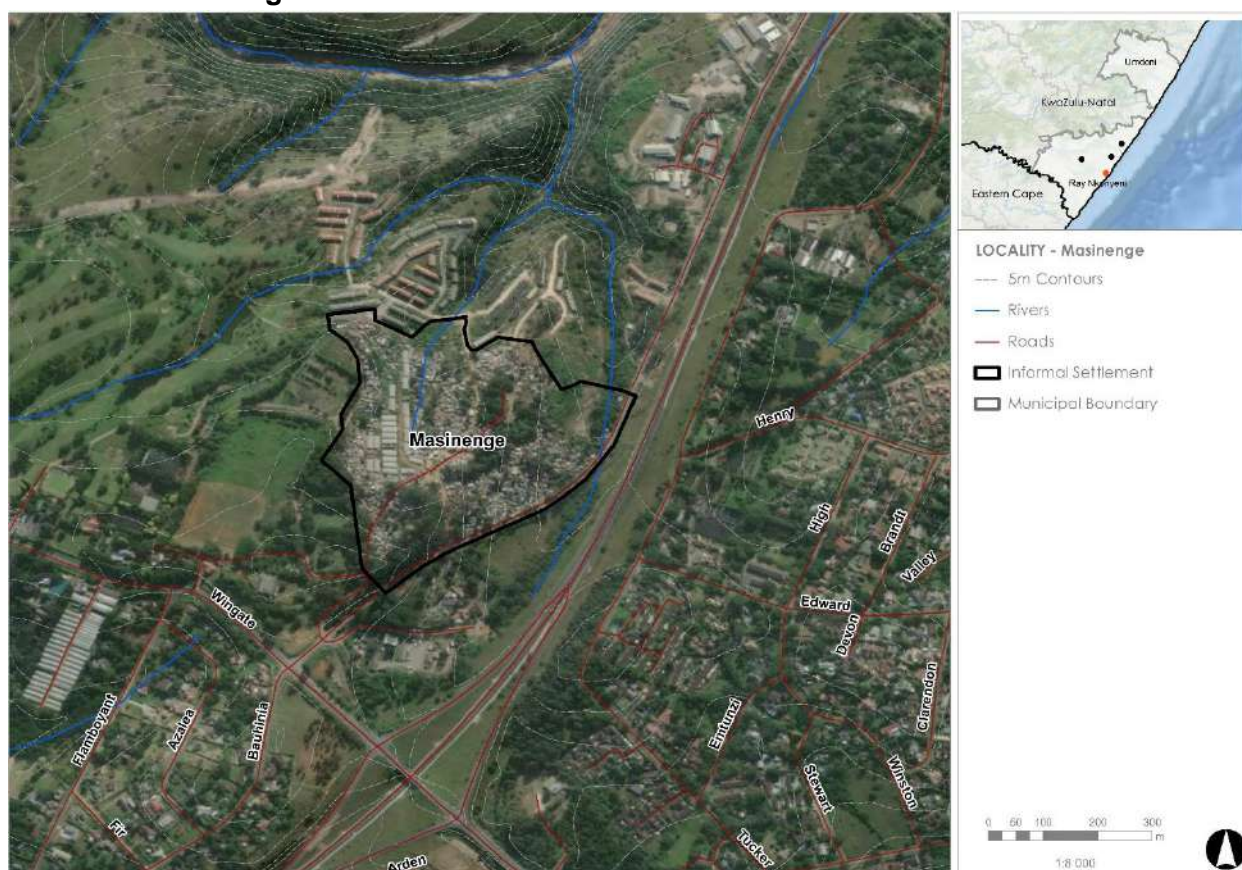


PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
preparation/ development		<ol style="list-style-type: none"> Commence land acquisition if needed Finalise layout plan in consultation with community Obtain statutory approvals (environmental and town planning) Develop contingency plans for residents that cannot be relocated Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>) 	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> Allocate stands/houses to qualifying beneficiaries based on Housing Needs Register /other Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) Provide emergency assistance at transit site to households who cannot be moved to developed land 	RNM with support from KZNDHS
Phase 5: Risk mitigation	Ensure that invaded land/	<ol style="list-style-type: none"> Remove informal structure as soon as household is relocated 	RNM



PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
	settlement is not reoccupied	<ol style="list-style-type: none"> 2. Fence off land and install lighting and signage as a deterrent to re-occupation 3. Activate land as per intended land use where feasible 4. Commence/ continue land invasion monitoring 	

3.5.4.10.2 Masinenge Informal Settlement



Map 66: Updated Aerial Image of the Masinenge Informal Settlement



Settlement size: 147,559.37 m²
(14.76 ha)



Number of households: 1 557

Assessment and Categorisation Synthesis



The Masinenge informal settlement is located on a fairly gradual slope which results in areas of the settlement that are developable and areas of the settlement which are not developable. It has a watercourse to the north of the settlement and a small area of Irreplaceable Critical Biodiversity Area in the south of the settlement. The existence of the watercourse and the Irreplaceable Critical Biodiversity Area poses development restrictions. There is also a servitude which runs along the eastern boundary of the settlement which also poses further development restrictions.

The settlement is located on land owned by the Department of Education and is to be transferred to the Municipality.

The settlement is also located directly adjacent to a serviced area, as well as ongoing housing projects, which allows for potential service connection. The existing formal road network surrounding the settlement will allow for access points to be easily upgraded. Due to the gradual slope and an informal road network found within the settlement boundary, the cost of providing link services, reticulation services and a road network will be relatively low.

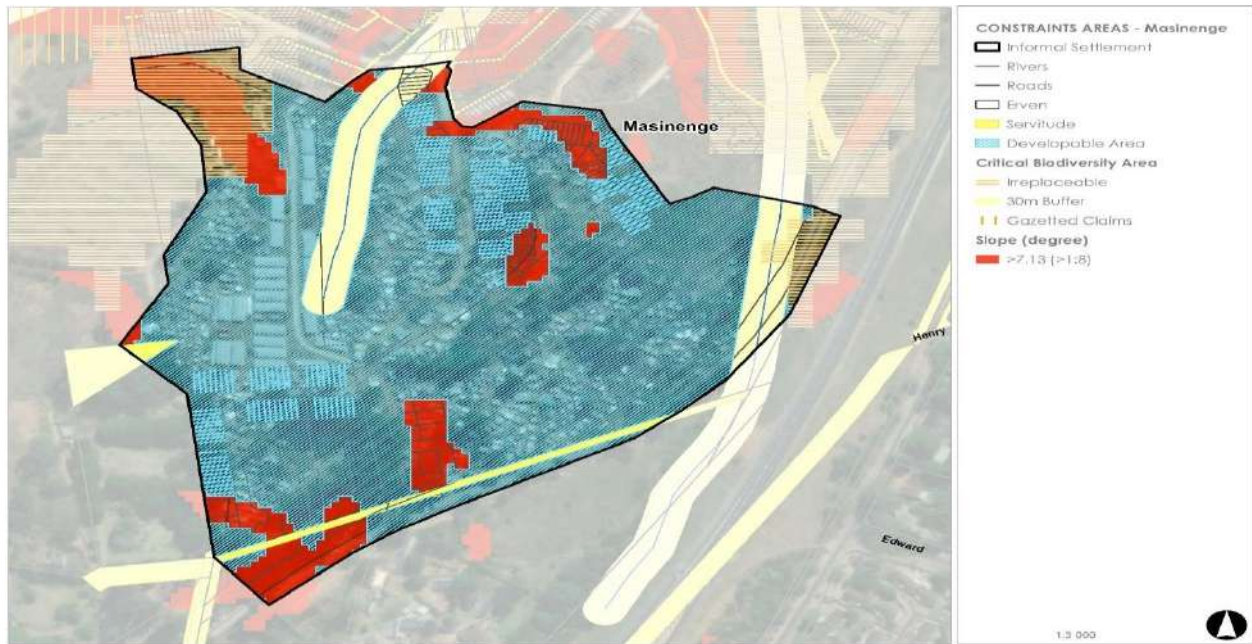
An approved layout plan exists for the Masinenge informal settlement.

Based on the above, the Masinenge informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved layout plan which is already in place, coupled with the urgent relocation of households from flood prone areas. If possible, these households should be accommodated within the upgraded Masinenge township. Alternatively, a suitable relocation site should be identified.

B1and C
<p>In situ upgrade for areas that are developable, in line with approved layout plan.</p> <p>Relocation strategy to be developed to cater for households in flood prone areas (preferably insitu, else on alternative relocation site).</p>

Site Constraints and Developable Areas

The following maps showcase the site constraints described above, and outline the areas of the Masinenge informal settlement which are fit for human settlement development.



Masinenge Informal Settlement Constraints Area

It is clear that pockets of steep topography where the gradient exceeds 1:8 pose development constraints. Moreover, the occurrence of Critical Biodiversity Areas prevents development in the north-western and north-eastern extents of the settlement. A watercourse runs through a portion of the northern extents of the settlement; the associated 30m buffer areas restricts development. Finally, a servitude encumbers the southern extents of the settlement.

The constrained areas (areas not fit for development) comprise 37,717.99 m², which is 26% of the overall settlement. The settlement footprint is 147 559,37m² in extent. The figure below outlines the portions of the settlement which are suitable for development.





Approved layout plan for Masinenge (Aerial photo)

Development Need

The approved in-situ upgrading layout plan provides for 882 sites. It was noted that the original number of sites had to be decreased due to terrain difficulties with the construction of multi-storey top structures, which has commenced.

The settlement is experiencing an influx of informal structures in the project area. Not all households can be accommodated, and that relocation of the overflow households to an alternative location would be required. Alternative land has not yet been acquired.

Based on the enumeration recently completed, the settlement is home to approx. 1 557 households. Based on the current layout, a total of 882 housing opportunities will become available. These are reserved for Masinenge residents. A total of approx. 675 households will have to be relocated.

Upgrading Plan Content and Interventions

Since an approved layout plan is already in place, no in-situ layout plan has been formulated. The approved layout plan for Masinenge provides for the following land uses:

LAND USE	ERVEN	HECTARES	PERCENTAGE
Special Zone Residential (250m ²)	118	3.2	11.5
Special Zone Residential (70m ²)	764	7	25.1
Limited Commercial	1	0.1	0.4



Administration	1	0.1	0.4
Worship	1	0.2	0.7
Primary School	1	3.0	10.7
Creche	1	0.1	0.4
Public Open Space	7	9.9	35.5
Public Roads	8	4.3	15.4
TOTAL	902	27.9	100

Relocation Strategy

Partial relocation is required since not all households who reside in the settlement can be accommodated in-situ (i.e. the approved layout plan is unable to cater for the entire settlement). Suitable land for the overflow households is to be identified and secured by the Municipality.

Table 104: Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	<ol style="list-style-type: none"> 1. Identify suitable land for human settlement development 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield 	RNM with support from Ugu DM and KZNDoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> 1. Identify settlement leadership structures 2. Establish project committee which includes community leadership structure 3. Determine if residents are willing to relocate to identified land 4. Determine number of beneficiaries to be relocated 	RNM with support from DHS and KZNDoHS through NUSP

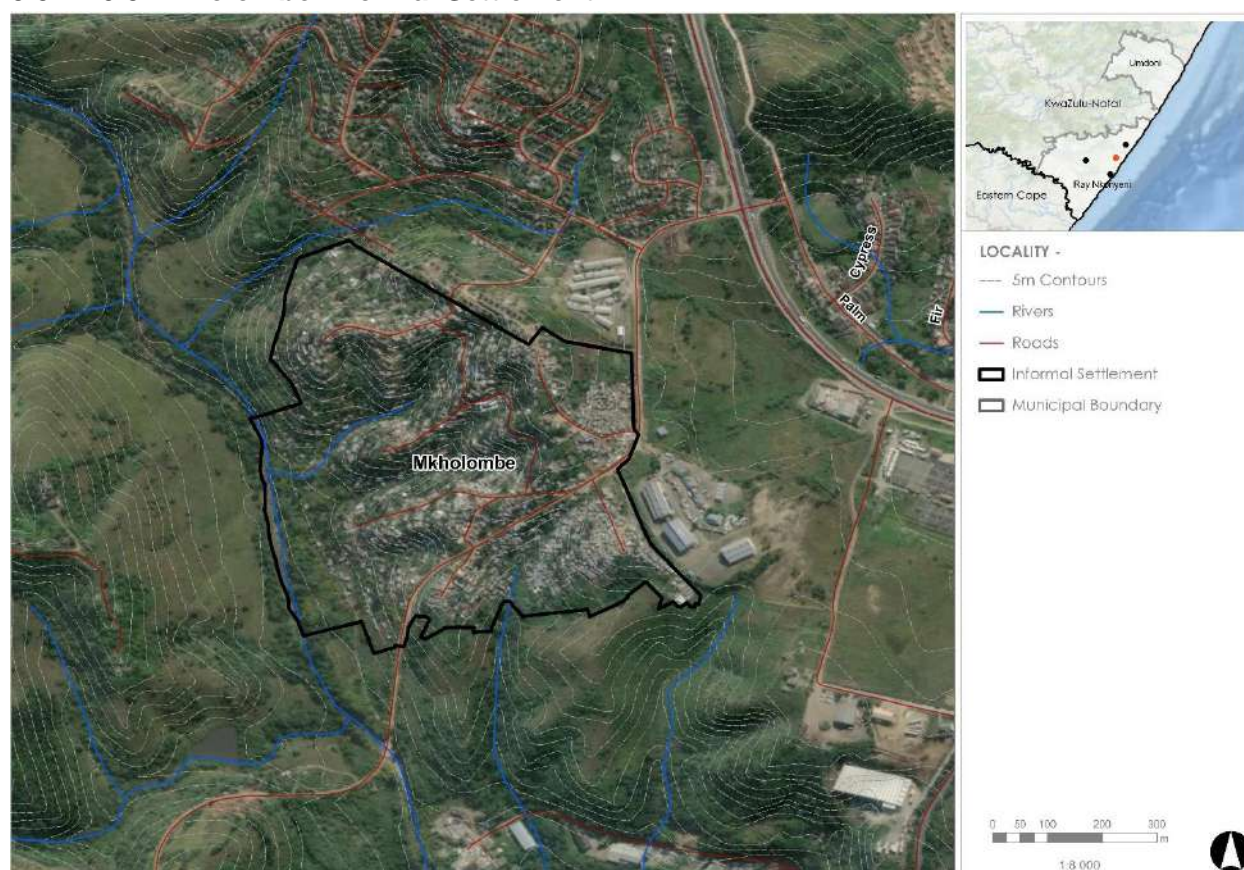


PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 3: Relocation preparation/ development	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> 1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed 4. Finalise layout plan in consultation with community 5. Obtain statutory approvals (environmental and town planning) 6. Develop contingency plans for residents that cannot be relocated 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>) 	KZNDoHS in collaboration with RNM, Ugu DM, Eskom through NUSP
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> 1. Allocate stands/houses to qualifying beneficiaries based on Housing Needs Register/other 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i> 	RNM with support from KZNDoHS



PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	<ol style="list-style-type: none"> 1. Remove informal structure as soon as household is relocated 2. Fence off land and install lighting and signage as a deterrent to re-occupation 3. Activate land as per intended land use where feasible 4. Commence/ continue land invasion monitoring 	RNM

3.5.4.10.3 Mkholumbe Informal Settlement



Map 67: Updated Aerial Image of the Mkholumbe Informal Settlement



Settlement size: 337,846.70 m²
(33.78 ha)



Number of households: 2 400

Assessment and Categorisation Synthesis

The Mkholumbe informal settlement is located on steep slopes. Two watercourses can be found in the southern and western area of the settlement. There is also a 1:100-year floodline which is situated along the south western border of the settlement. A small area of Irreplaceable Critical Biodiversity is located in the south western area of the settlement. There are undevelopable portions of the settlement due to the floodline, watercourse buffers and the Irreplaceable Critical Biodiversity Area within Mkholumbe.

Connectivity to existing bulk infrastructure is possible, however bulk infrastructure upgrading will be required. Access to the settlement is possible via a formal road. The road network has a high possibility to be upgraded as there is access to an existing network. There is an existing road network connecting the area which could potentially be used to provide connectivity to the settlement. The steepness of the slope will likely give rise to increased costs of providing link services, reticulation services and a road network.

An approved layout plan exists for the Mkholumbe informal settlement.

Based on the above, the Mkholumbe informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved layout plan which is already in place, and the urgent relocation of households from flood prone areas. Where possible, relocated households should be accommodated within the settlement footprint.

B1 and C
Upgrading of developable areas in line with approved layout plan.
Relocation strategy to be developed for households situated on steep slopes and otherwise undevelopable land.

Developable Areas and Site Constraints

The following maps depict the site constraints of the Mkholumbe settlement as well as the areas that are fit for development.

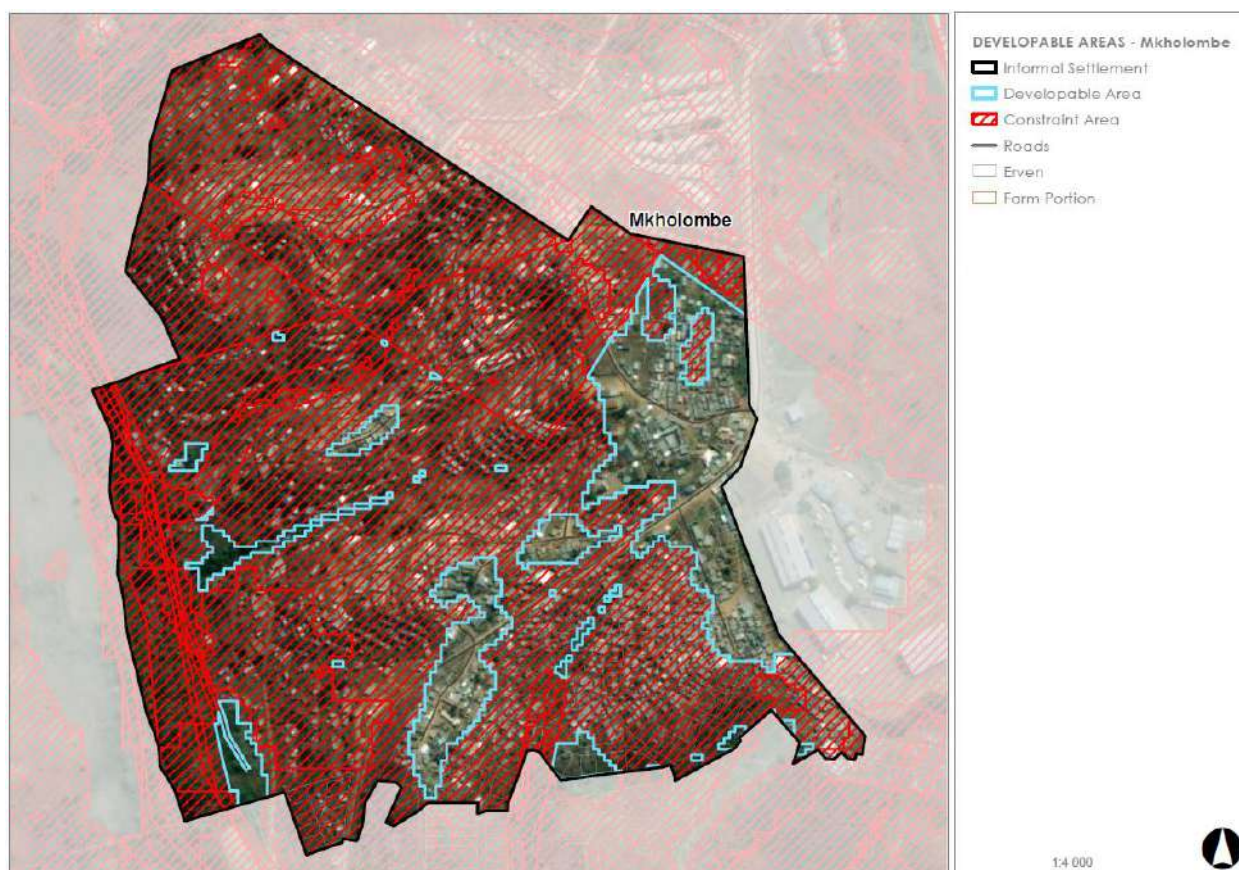


Mkholombe Informal Settlement Constraints Areas

From the map it is clear that a very large part of the settlement is located on steep slopes that exceed a gradient of 1:8. Critical Biodiversity Areas further limit development in the south-western and far south-eastern extents of the settlement, while a servitudes, two watercourses river tributaries (and associated 30m buffer areas) also restrict development.

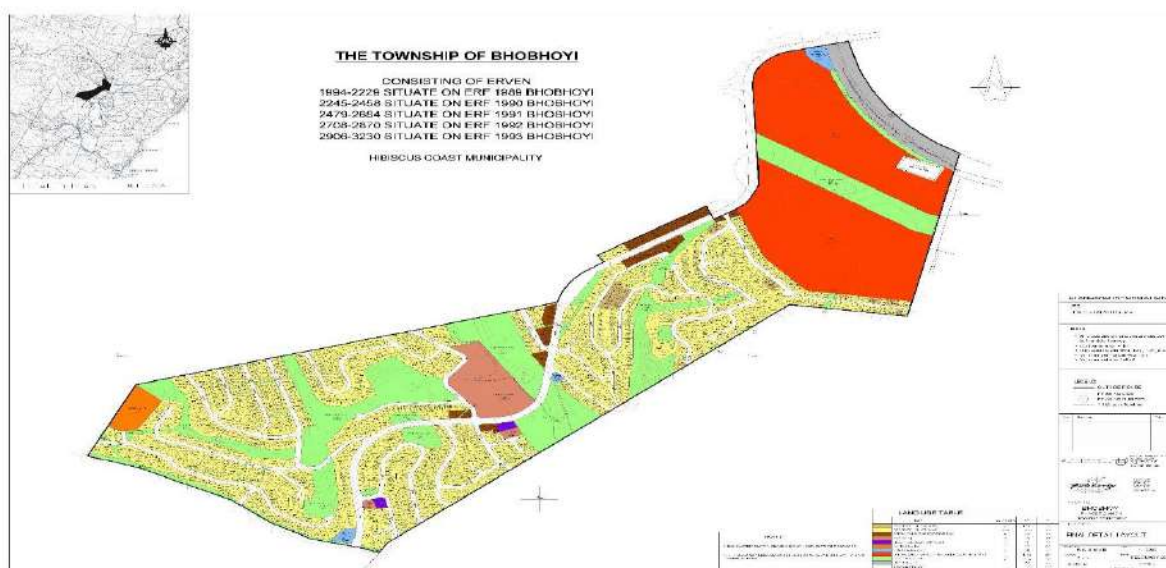
Lastly, a Gazetted land claim covers the northern extent of the settlement, and a transferred distribution claim covers the northern and north-western portions of the settlement.

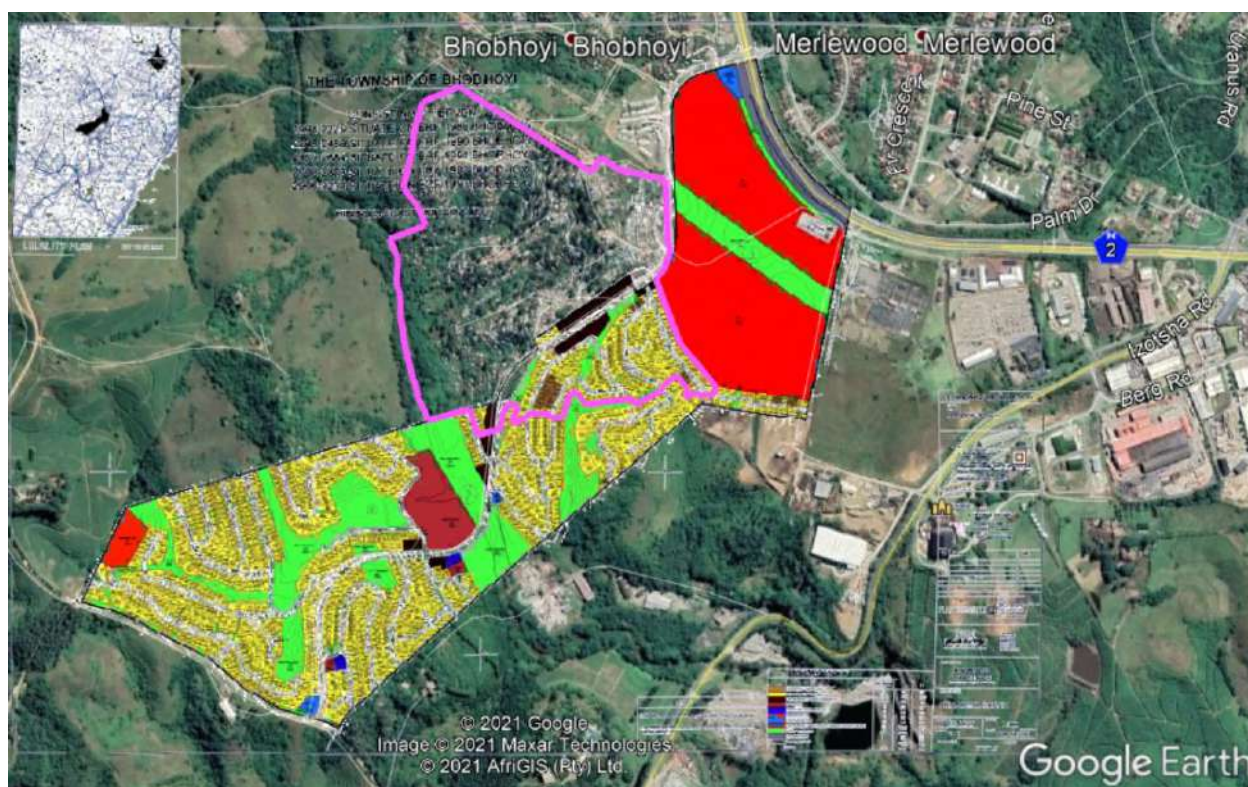
The constrained areas (areas not fit for development) comprise 285,651.52 m² – 85% of the overall settlement (which is 337,846.70 m² in extent). The figure overleaf outlines the portions of the settlement which are suitable for development.



Mkhholombe Informal Settlement developable Areas

The Bhobhoi Phase II project covers a portion of the Mkhholombe informal settlement. The approved layout plan is illustrated below, followed by an overlay to illustrate the overlap.





Mkhholombe Informal Settlement- Approved layout Plan

Comparison of NUSP assessment with Bhubhoyi layout plan

It is evident that only a small portion of the project site overlaps with the informal settlement. It was further found that the steep south-eastern portion of Mkhholombe informal settlement is proposed for in situ upgrading (this area is categorised as B1). Unfortunately, it is not viable to upgrade small pockets of the settlement even though the slope allows. Therefore, the remaining parts of the settlement are categorised as B2 and would have to be relocated to suitable land – hence being categorised as B2.

Development Need

An approved layout is already in place which provides for partial in-situ upgrading. A concept layout plan was conditionally approved in 2004. A further plan was prepared and submitted in 2005, but the project was stopped until 2008 as a consequence of, inter alia, problems with the land assembly process which resulted in an amended plan which also included an inclusionary housing component. The intention was to sell erven for a market-related fee to cross-subsidise physical project infrastructure delivery and associated costs. This concept was rejected by the then Council and the plan was revised once again in 2009. During this revision the need existed to identify wetland areas and wetland buffers. A detailed geotechnical evaluation was carried out to substitute the previous desktop analysis, identifying unstable slopes and areas with soil conditions not conducive to low-income housing development. This is because special design considerations and construction methods (such as the use of raft foundations) are required.



The findings of the detailed geotechnical study and wetland identification process made it apparent that there are substantial constraints. Stands on the areas deemed developable had to be reduced in order to accommodate semi-detached dwellings (single or double storey).

Other preliminary studies completed include engineering services report, land audit report and planning report. It is to be noted that the Mkholumbe informal settlement is rapidly growing.

Based on the household survey data collected, the settlement is home to 2 400 households. If Mkholumbe households are to be accommodated, the remaining 1 302 households will have to be relocated to suitable land.

A relocation action plan and strategy is required for partial relocation of the settlement. These areas are classified as C, urgent relocation. However, a destination site has not yet been identified or secured.

Infrastructure response

Since an approved layout plan is in place for a portion of Mkholumbe. Since relocation is also being proposed, the provision of interim basic services should be discouraged and the focus should instead be on prioritising land identification and acquisition.

Upgrading Plan Content and Interventions

Since an approved layout plan is already in place, no in-situ layout plan has been formulated. The approved layout plan for Mkholumbe provides for the following land uses:

LAND USE	ERVEN	HECTARES	PERCENTAGE
Residential Only 4 (180m²)	26	0.50	0.7
Residential Only 5 (200m²)	1 028	28.52	37.7
Special Zone 15 (Mixed Residential)	44	1.29	1.7
Education	3	1.29	1.7
Health and Social Services	2	0.14	0.2
Administration	1	0.69	0.9
Multi Use Retail 1	3	0.40	0.5
Special Zone 17 (Industrial/Commercial/Agriculture)	2	15.62	20.7
Public Open SPace	34	14.65	19.4
National Road	1	1.92	2.5
Proposed Roads		10.59	14
TOTAL	1 144	75.61	100

Relocation Strategy

Partial relocation is required since many of the households (at least 1 302) that reside in the settlement cannot be accommodated in-situ (i.e. the approved layout plan is unable to cater for the entire settlement). Since it is an urgent relocation, the provision of interim basic services is not proposed.



Since not all of the affected households can be catered for in the current approved in-situ layout plan, strategically located land must be identified and acquired.

Table 105: Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	<ol style="list-style-type: none"> 1. Identify suitable land for human settlement development 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield 	RNM with support from Ugu DM and KZNDoHS
Phase 2: Community	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> 1. Identify settlement leadership structures. 2. Establish project committee which includes community leadership structure. 3. Determine if residents are willing to relocate to identified land 4. Determine number of beneficiaries to be relocated 	RNM with support from DHS and KZNDoHS through NUSP
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> 1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed. 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals (environmental and town planning) 	KZNDoHS in collaboration with RNM, Ugu DM, Eskom through NUSP



PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		<ol style="list-style-type: none"> 6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>) 	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> 1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register/other. 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i> 	RNM with support from KZNDoHS
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	<ol style="list-style-type: none"> 1. Remove informal structure as soon as household is relocated. 2. Fence off land and install lighting and signage as a deterrent to re-occupation. 3. Activate land as per intended land use where feasible. 4. Commence/ continue land invasion monitoring 	RNM



3.5.4.10.4 Paddock Informal Settlement



Map 39- Paddock Informal Settlement – Aerial Image



Settlement size: 9,256.18 m² (0.93 ha)



Number of households: 101

Assessment and Categorisation Synthesis

The Paddock informal settlement is located in the rural agricultural region of the RNM and has inadequate access to education, healthcare and community facilities. The settlement is located on land with a gradual slope and is not affected by any watercourses, floodlines or Critical Biodiversity Areas. There are also no servitudes affecting the settlement.

The settlement is located on land owned by Transnet Ltd which will necessitate a land acquisition process. From an access perspective, the settlement will require road link infrastructure to be upgraded, and although connectivity is possible, the design requirements of the N2 connection would need to be catered for.

There is no existing potable water or sewer network within proximity, and the settlement is isolated from any existing electricity network. With no existing electrical network in the area, connectivity would be onerously expensive and significant investment would be required to bring potable water and sanitation to the settlement.



Based on the above, the Paddock informal settlement has been categorised as B2. Since there is no imminent danger, the development response entails the provision of interim basic services and eventual relocation to a well-located site closer to social amenities and where bulk services area available.

B2
Interim basic services and long term relocation. Relocation strategy to be formulated.

Site Constraints and Developable Areas

The following map showcases the site constraints detailed above, and provide clarity on why the settlement is not fit for in-situ upgrading.



-Paddock Informal Settlement – Constraints Area

The greatest challenge is the settlement's isolated location, and the resultant lack of nearby engineering infrastructure and social amenities. The settlement is located outside the municipal urban edge, indicating that the provision of future services is unlikely

Development Need

A relocation strategy is required for the entire Paddock settlement. Until such time as suitable land has been identified and secured, it is proposed that interim basic services be installed.



Interim Basic Services Layout



Paddock Interim Services layout

Minimum level of service standards

Potable water: A maximum of 150 people per water point for communal water provision according to the CSIR Red Book (2019). The responsible department will be Ugu District Department of Water and Sanitation.

Sewer: A maximum of 20 people per ablution point for communal sanitation provision according to guidelines taken from The Sphere Project – Humanitarian Charter and Minimum Standards in Humanitarian Response. The responsible department will be Ugu District Department of Water and Sanitation.

Interim Services Construction Cost Estimate			
Basic Service	Type	No.	Construction Cost
Potable water	Communal water point	3	R 450,000.00
Sewer	Ablution, basin and conservancy tank	16	R 480,000.00
Total Cost			R 930,000.00

Site specific requirements



Given the lack of a municipal water supply within the vicinity of the settlement, the interim water solution will need to consist of a combination of jojo tanks, provided at elevation, which will need to be filled on a regular basis by the municipality. Owing to the lack of waterborne sanitation in the area, conservancy tanks will need to be used, requiring emptying and servicing on a regular basis.

Relocation Strategy

Due to the settlement's isolated spatial location, the fact that the land was never intended for human settlement development, and the excessive costs which would be required to install the necessary infrastructure, the settlement is deemed unfit for in-situ upgrading. Full relocation is therefore required, and a relocation strategy is proposed to ensure that the affected households can be moved to an alternative site.

During community engagement sessions and the remuneration survey, it has been made clear that the residents work within a two-kilometre radius of the settlement. The majority of the residents of Paddock are farm labourers and have chosen to reside in Paddock to access employment opportunities at the surrounding farms. This will need to be taken into consideration when identifying a relocation site for the settlement.

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	<ol style="list-style-type: none"> 1. Identify suitable land for human settlement development 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield 	RNM with support from Ugu DM and KZNDohS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> 1. Identify settlement leadership structures 2. Establish project committee which includes community leadership structure 3. Determine if residents are willing to relocate to identified land 4. Determine number of beneficiaries to be relocated 	RNM with support from DHS and KZNDohS through NUSP



PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 3: Relocation preparation/ development	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> 1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed. 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals (environmental and town planning) 6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>) 	KZNDoHS in collaboration with RNM, Ugu DM, Eskom through NUSP
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> 1. Allocate stands/houses to qualifying beneficiaries based on Housing Needs Register /other 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i> 	RNM with support from KZNDoHS



PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	<ol style="list-style-type: none"> 1. Remove informal structure as soon as household is relocated 2. Fence off land and install lighting and signage as a deterrent to re-occupation. 3. Activate land as per intended land use where feasible 4. Commence/ continue land invasion monitoring. 	RNM

INFORMAL SETTLEMENT UPGRADING (SLUM CLEARANCE)

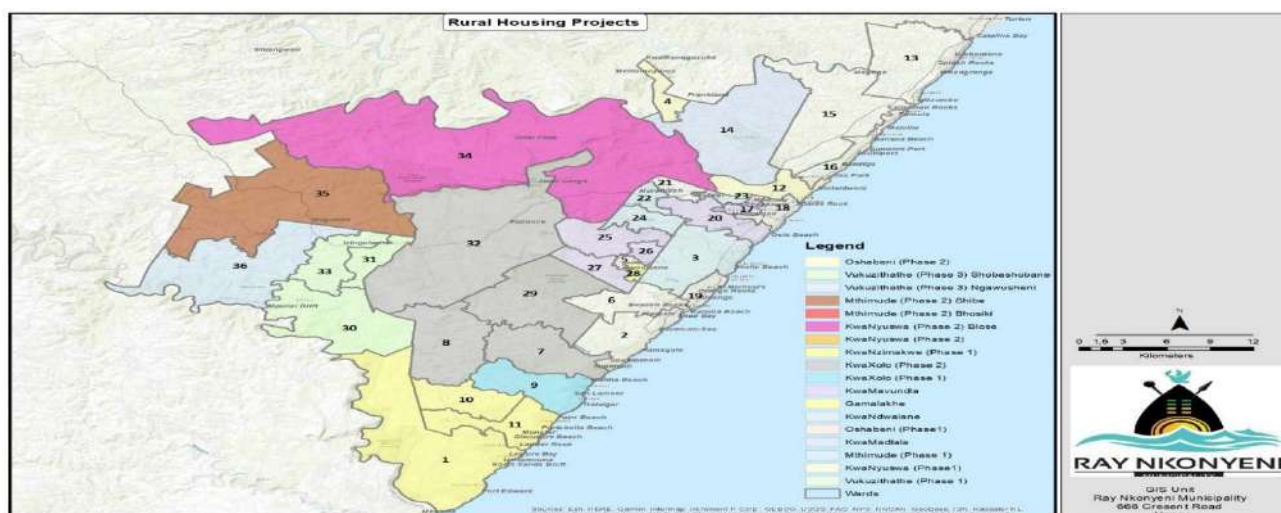


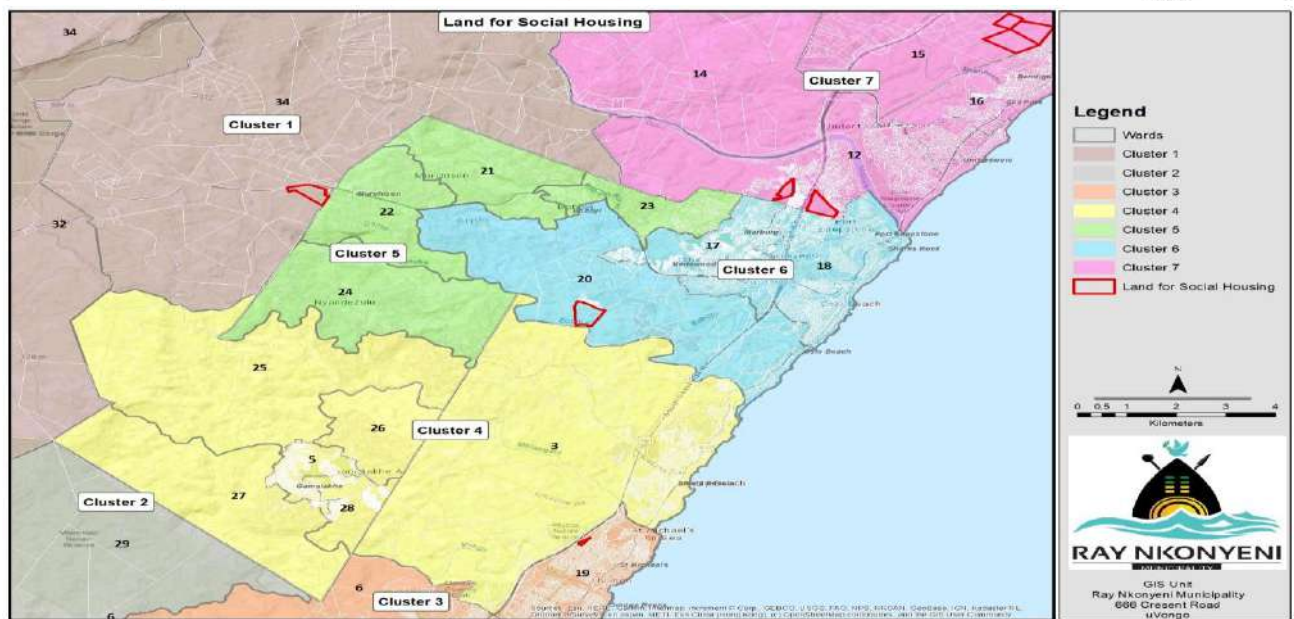


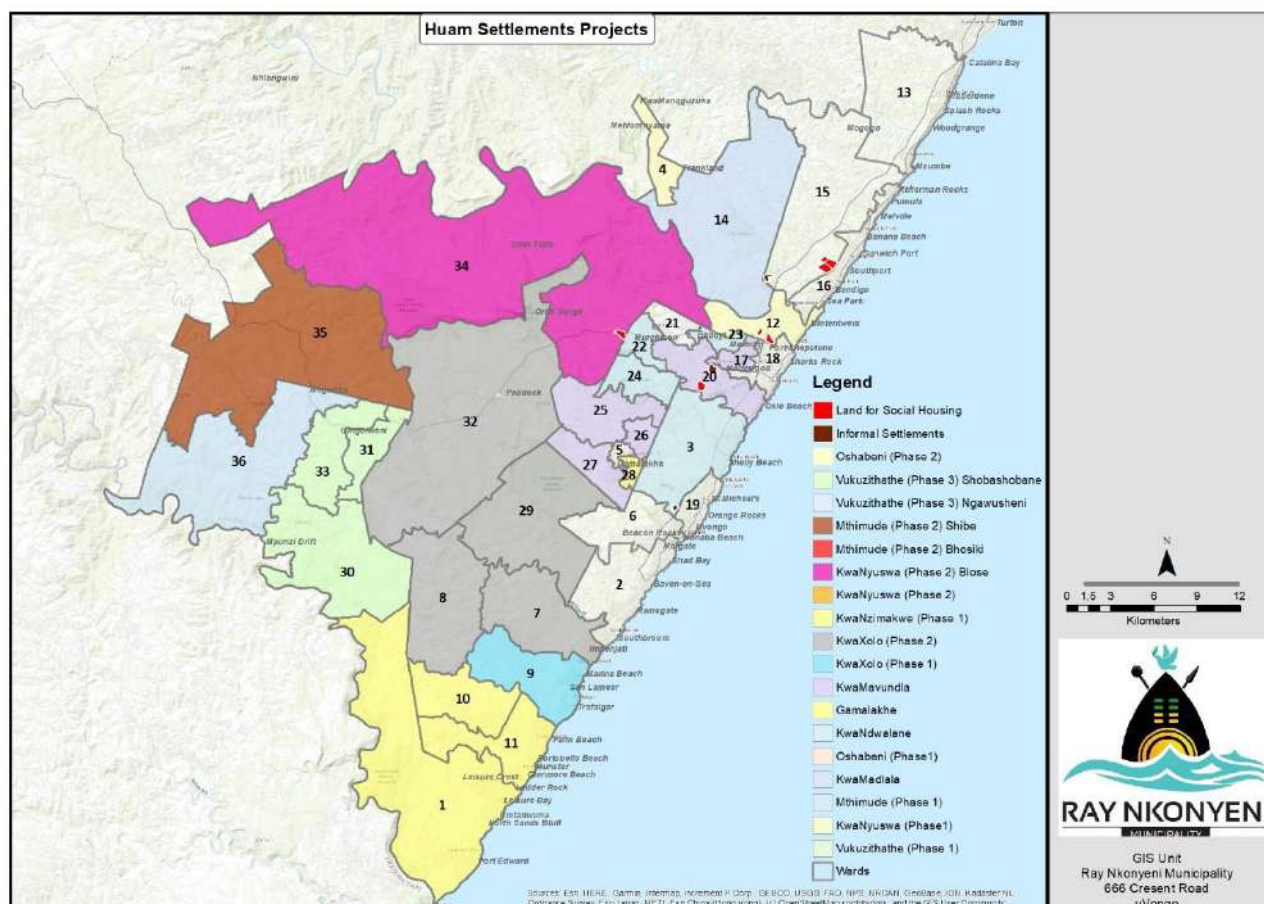
RURAL IN-SITU UPGRADING



39







3.5.4.11 Key Challenges

Implementation of projects with regard to Informal Settlement Upgrading, Social Housing, and Mixed Income Housing is affected by the availability of bulk infrastructure services (water & sanitation). Ugu District Municipality acknowledges that it has a constitutional responsibility to provide bulk water and sanitation infrastructure to support RNM's Human Settlements Service Delivery targets. The District Municipality has commissioned a study and has drafted its Water Services Master Plan (2021-2050). The Municipality has indicated that the master plan places extreme financial challenges to meet its demand and supply and thus require external funding, partnerships with external organizations. However, Ugu District have commenced with planning purposes with the intention of upgrading the affected sewer treatment plants to address such key projects for development.

3.5.5 Energy

Ray Nkonyeni Municipality holds an electricity distribution licence, number NER/D/KZ216 from NERSA. There has been a sectoral alignment between the municipality and Eskom as the National Service Provider was achieved. Eskom supplies electricity to most areas within the municipal jurisdiction and Ray Nkonyeni Municipality is licensed distributor in areas of Port Shepstone, Albersville, Oslo Beach, Marburg Industrial, Mbango, Newtown and Mbango Valley.



Census data reveals that approximately 96% of the municipality's population has access to electricity. Other sources of energy include bio-ethanol gel, lamp oils, candles, paraffin, solar and gas.

KwaZulu Natal has thirty municipalities who are licensed electricity distributors, and Ray Nkonyeni Municipality is one of them. There are two Eskom bulk supply points at the Eskom Marburg switching station located in Marburg and the Eskom Port Shepstone 1X20MVA 132/11kV substation located in Albersville; with a total installed capacity of 29 MVA – 16.5MVA from Port Shepstone substation and 12,5MVA from Marburg substation.

In order to cater for load growth and to facilitate supply redundancy and increased electricity reliability within the 11kV networks it is critical to establish a new substation within Ray Nkonyeni to offer additional capacity and allow for load shifting from the Port Shepstone substation

The budget for 2024/2025 is as follows:

- Operations is R156 024 151
- Capital is R1 538 0195

3.5.5.1 Electricity Infrastructure Master Plan

The Council Meeting of 27 March 2018 adopted the Electricity Master Plan (**See attachment 14: Electrification Master Plan**), which details the implementation of the short-term to medium-term projects. At the time of adoption, the municipality had outstanding information, hence it was only for 5 years yet such plan is expected to be a long term (10 years) and no need to review it. Since the municipality has a 5 year term plan, it is to be reviewed in 2023. The electricity infrastructure master plan contains the technical and financial findings of the status quo of the electricity network operations and condition assessment of the network infrastructure. The short to medium term master plan was the formulated. For the long-term, municipal SDF vs. environmental sensitive information – works involved and costs involved should take into consideration increase the municipal areas of supply, engagements to take place between all relevant stakeholders, including NERSA, Eskom and Ray Nkonyeni.

3.5.5.2 Electricity Revenue Enhancement Programme (Adopted in 2021, currently under review in 2024)

Ray Nkonyeni Municipality has secured funding from the Development Bank of Southern Africa (DBSA) to undertake a Revenue Enhancement with special focus on the electricity meters and land use and zoning audits, meter management and the tariffs review and recommendations on electricity tariffs restructuring. The DBSA provides financial support to municipalities across Southern Africa and seeks to assist RNM to resolve the challenges it is facing with revenue challenges, ageing electricity distribution network and service delivery issues. DBSA has therefore partnered with RNM with the intent to assist with the creation of operational efficiencies, identify and implement the quick wins/low hanging fruits on immediate achievable benefits for the municipalities.

The bank further seeks to develop and implement a Revenue Enhancement program with the aim to strengthen the municipality revenue streams. The focus of the revenue enhancement programme is on electricity meters and land use audits, meter management and tariffs review and recommendations on restructuring. The program focuses on financial sustainability of the electricity service.



3.5.5.3 Overview of Electricity Network Infrastructure

Ray Nkonyeni Local Municipality's electrical reticulation network consists of the following infrastructure :

- Two major 11kV switch stations, that is, Reynolds and Memorial switch stations housing 11kV switchboard and switchgear equipment, power factor equipment, DC batteries and battery tripping units.
- Medium-voltage network is mainly underground cabling network
- 11kV built substations buildings
- 11kV/400V mini-substations
- Low-voltage cabling network
- Interconnector between Port Shepstone Substation and Marburg Switching Station is currently not operational, this link is required to provide redundancy on the distribution network and allow for back feeding.

3.5.5.4 Bulk Electric Infrastructure

On the following Page is a Bulk Infrastructure Map.

Legend

- Places
- RNM Boundary
- EC
- KZN
- National Road
- Provincial Road
- Eskom: HV Stations
- Eskom: MV Stations
- Eskom: HV Cables
- Eskom: MV Cables
- Wards
- Farm Cadastral
- URBAN
- Rural Settlements
- World Hillshade

Map Title: INFRASTRUCTURE: ELECTRICAL NETWORK

Scale: 1:250 000

Date: April 2023

Drawn by: W. Richter

Checked by: T. Naidoo

Projection: TM, WG31

Data Source: RNM SDF 2023

Project: SPATIAL DEVELOPMENT FRAMEWORK 2023



3.5.5.5 Electricity supply points to Ray Nkonyeni distribution network

Ray Nkonyeni Municipality purchases electricity in bulk from Eskom at supply voltage of 11kV, there are two Eskom supply points, at Port Shepstone Substation and Marburg. The Port Shepstone electricity network is constrained, with future load requirements in Port Shepstone and the surrounding areas increasing rapidly; as a result, new office and commercial developments that are taking place in the area. New customer applications and new developments within the Port Shepstone distribution areas require additional capacity up to 10MVA in the short to medium-term.

3.5.5.6 Sources of energy within RNM

Table 106: Sources of Energy

Source of energy	Cooking	%	Heating	%
Electricity	55008	76..2	45041	62.4
Gas	2996	4.2	1264	1.8
Parrafin	7095	9.8	3335	4.6
Wood	6431	8.9	8457	11.7
Coal	117	0.2	315	0.4
Animal dung	41	0.1	190	0.3
Solar	171	0.2	299	0.4
other	182	0.3	15	0.0
None	135	0.2	13258	18.4
	72176	100	72174	100

Stats SA Census 2016

3.5.5.7 Short-term to Medium-term Projects Implementation

The electricity master plan identified projects for short-term to medium-term implementation, as follows:

- i. Notified maximum demand increase at the Port Shepstone Substation
The project objectives and benefits of increasing the notified maximum demand at the Port Shepstone substation is to eliminate Eskom penalties due to exceedance of the actual maximum demand. In the medium-term, to supply electricity to new developments that are underway in Port Shepstone.
- ii. Memorial and Reynolds Switching Stations Refurbishments
The project objective is to refurbish the ageing electricity infrastructure assets, the main switching stations.
- iii. Re-instatement of Power Factor Correction on network
The objective of this project is to design and re-instate the power factor correction equipment, to introduce capacitance in order to correct the power factor to be within acceptable range of 0,96.
- iv. Electricity Tariff Re-design
The aims of this project will be to optimize the electricity tariff structure for the municipality to be aligned to Nersa benchmark tariffs.
- v. Electricity Meters audit and Land-Use Audit
The project objectives will be to decrease non-technical system losses and result in increased revenue for the municipality.



- vi. **Memorial and Reynolds Switch-board Refurbishment**
The project objectives is the replacement of old, obsolete switchboard at Memorial and Reynolds switching stations with new technology switchboards and switchgear.
- vii. **Establish 11kV Interconnector between Marburg Switching Station and Port Shepstone Substation and Replacement**
The project objectives is to link the two points of supply on 11kV side, this will create redundancy in supply and thus increase reliability of electricity supply for municipal customers. The interconnector can also allow for switching of loads between the two substations.
- viii. **Billing Audit**
The objectives of this project will be to ensure that each consumer is classified by consumer type and the correct electricity tariff can be applied, thus likely to result in increased revenue.
- ix. **Electricity network infrastructure replacement**
The objectives of this project is to replace old, ageing network infrastructure with new equipment, to ensure reliability of supply.
- x. **Electricity metering system replacement**
The objectives is to replace old, obsolete meters with a smart meters for efficient and accurate metering and billing to enhance revenue.
- xi. **Centralized Network Control Centre**
The objectives of this project is to establish a centralized control room for electrical network control and monitoring. The benefit is faster faults finding and location.
- xii. **Electrification Projects Implementation**
The project objective is to eliminate the electrification backlog within the municipal wards.

3.5.5.8 Operations and Electricity Infrastructure Routine/Preventative Maintenance Plan

The Municipality is in a process of developing a Maintenance Management Policy which is inline with electricity assets in alignment with ISO 55001. The policy directs that maintenance plans must be developed in compliance with the ISO 55001 for renewal and upgrade of assets. Ray Nkonyeni Municipality aims to maintain public lighting infrastructure in a manner so as to provide efficient lighting or illumination of public areas in all the municipal areas. That is, streetlights in built-up and urban area; high masts lights in rural areas and illuminated robot intersections.

Ray Nkonyeni Municipality currently maintains streetlights; high masts lights and traffic lights intersections in the various Wards within the municipal boundaries. Conducts preventative maintenance of electricity infrastructure within the municipality: public lighting infrastructure, distribution network equipment, standby generators and the electrical installations at Council offices, buildings and facilities.

The electricity infrastructure to be maintained consists of the following:

- Public Lighting Infrastructure – Street Lights, High Masts, Traffic Lights, Airport Lighting



- Distribution Network Infrastructure – Substations, Transformers, Switchgear, Cables, Meter Kiosks Electrical Installations at Council Building and Generators

The infrastructure spans the whole Ray Nkonyeni Municipality areas all 36 municipal wards and areas:

- Streetlights and robots are installed in the various municipal wards;
- Highmasts lighting are installed in various Municipal Wards;
- Transformers, switchgear and mini-substations are within the Municipality's distribution network: Port Shepstone, Oslo Beach, Marburg, Mbango, Albersville, Newtown;
- The generators are located in the Margate Airport, Treasury Offices, IT Server Rooms in Port Shepstone; and Council buildings and facilities.

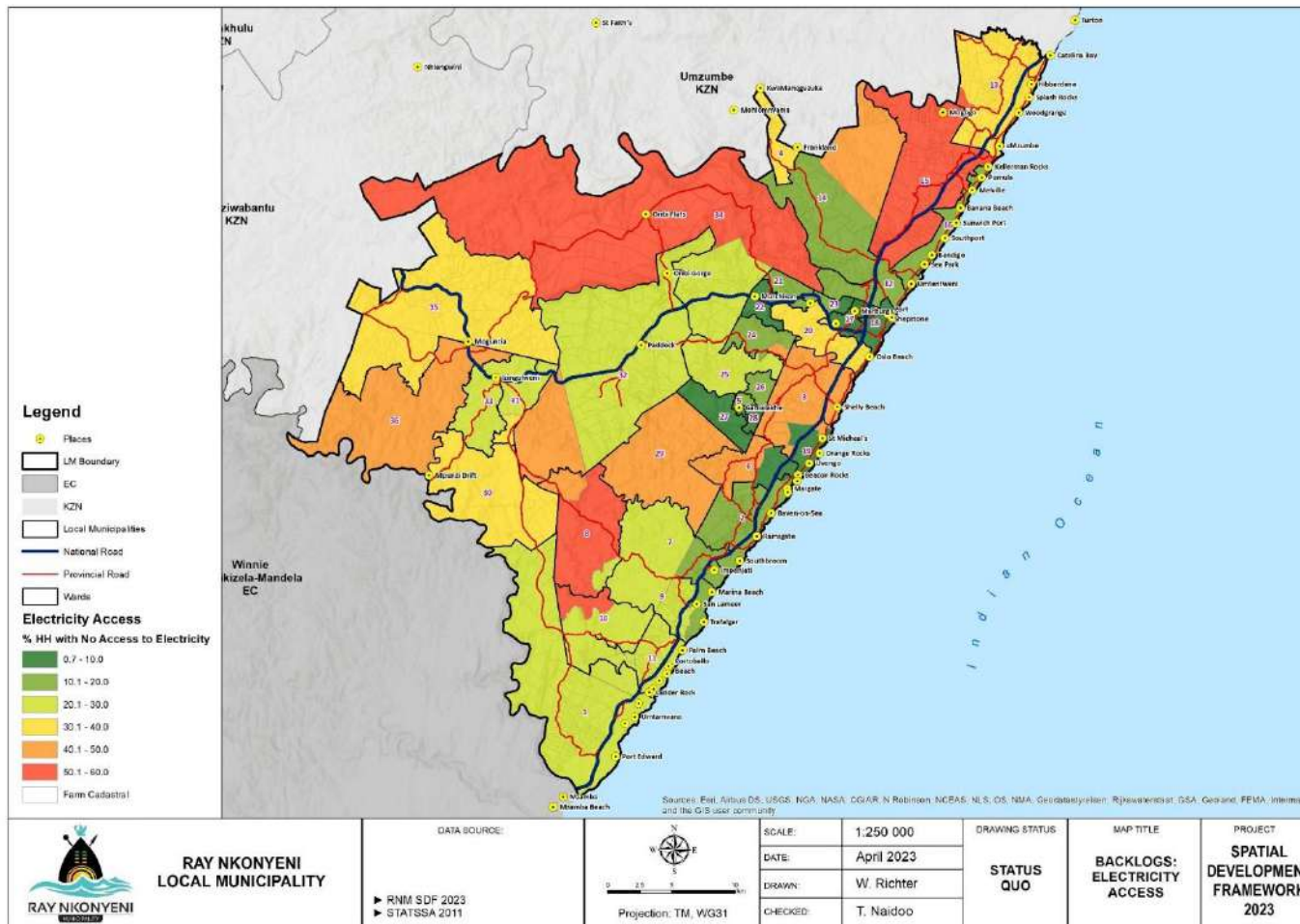
When it comes to schedule 5B projects, the municipality's area of supply is fully connected, except for new housing and commercial development. Some rural areas are still not yet connected, so the municipality liaises with those communities to determine the number of households that need electricity. If Eskom has network capacity, the municipality is given a go ahead to design and implement electrification projects; of which is coordinated with Eskom as well contractors and service providers hired by the municipality.

3.5.5.9 Electricity Plan and Backlog

The municipality has a municipal wide electricity master plan which aims at eliminating the electrification backlog. Some rural communities still have an infrastructure backlog and there is an Infills backlog. The municipality has rolled out a plan to ensure that all wards with backlog infills are attended to. There has been a budget allocated for projects implementation from pre-engineering up to project construction. There is a backlog of 8 772 connections in all rural wards.



Map 69: % Households with No Access to Electricity





Below is a list of wards and an indication of projects under planning and design and those under construction. Electrification is funded via the Integrated National Electrification Programme (INEP) Grant Funding from the National Department of Energy which is a capital subsidy to address the electrification backlog. The grant funding allocation for 2024/25 is R7 026 000

Pre-marketing and site investigations have been completed and it was identified that there is a total backlog of 8 772 Infills and new electricity connections for households within the Ray Nkonyeni Municipality wards. Of these, 691 connections are on constrained networks and depend on Eskom network upgrades and strengthening projects, and these have been handed over to Eskom for implementation. Designs have been completed and are approved for a total of 2 355 connections, and projects are ready for construction. Electrification projects are under construction for 2049 connections. Below is a list of wards with the total number of connections, and it must be noted that RNM has electrification backlogs in rural areas only.

Table 107: Electrification Plan and Backlog

WARD NO.	AREAS	TOTAL NO. CONNECTIONS	PROJECT STATUS
3	Masinenge Phase 1	354	Under construction by Eskom
3	Masinenge Phase 2	535	To be implemented by Eskom
4	Oshabeni	293	Design stage
5	KwaNzimakwe	267	Ready for construction
7	Gcilima	144	Ready for construction
8	Enkuthameni, Emphелеle, Ibhazabhaza. Okhalweni, Bulalinja	442	Ready for construction
9	Various areas	175	Ready for construction
10	Braemar, Nompondo, Enkulu, Woza, Enkomeni, Dozameli	210	Ready for construction
11	Califonia , Ebuthongweni , Umgangathi, Thundeza, Ithongasi	188	Ready for construction
12	Various areas	28	Design stage
13	Stickfarm, Fairview	257	Ready for construction
14	KwaSilwane	250	Ready for construction



14		Denver, KwaMadlala	321	Ready for construction
15		Various areas (Chibini)	100	Ready for construction
		Louisiana	300	S1 connections by Eskom
17		Merlewood Phase	359	On hold – houses not ready
20		Bhobhoyi	176	Network constrained
21		Mdlanzi	113	Network constrained
22		Murchison	51	Network constrained
23		Dujazana	351	Network constrained
24		Bhomela	63	Network constrained
25		Qinabout , Madwaleni , Goso , Mavundla, Msikaba, Mveveni, Nsangwini, Nkulu, KwaXaba Okhalweni	700	Under construction
26		Ethangeni Ezitendeni Mthini Sideni	155	Under construction
27		Mqolombeni Mbhoshongweni College KwaXaba Nositha Sgedleni	280	Under construction
28		Tintown Besters	16	Planning stage
29		Mlonde, Bhashise, Mthombothi, Thelawayeka, Dingeton , Sunduza	244	Under construction
30		Mdlazii, Bandlane, Mdlazi, Goqosi Shoba, Dlovinga	551	Design stage
31		Mshweshwe, Izingolweni, Mbeni, Magidigidi	440	Design stage
32		Shibase Manzamhlophe Kwezi Phezulu Shobeni Sgundaneni Phansi Mgawulane Mthini Kheni	395	Design stage
33		Mbeni, Nkulu, KwaShoba, Shobashobane	276	Design stage
34		kwaNyuswa	131	Design stage



35		Shibe, Ndunu, Godloza, Celebane, Thuvukezi, Maromeni, Nteleni, Hlomendlini	312	Design stage
36		Mnikwe, Mlozane, Mthavuna, Phosheni, Mahlubini	295	Design stage
		TOTAL NO. CONNECTIONS	8 772	

Source: RNM Electricity unit

3.5.5.10 Planned Electricity Projects

Table 108: UGU District Infrastructure Plan (Eskom)

	Project name	Status	Panned completion date
1	Nqabeni SS Upgrade	Design stage	2025

Table 109: RNM Electrification Projects

PROJECT	LOCATION	BUDGET	PHASE	PMU comments
Fairview Mission Electrification	Ward 13	R3.8 Million	Construction phase until end of June 2023.	Construction phase until end of June 2024.
Ward 30 Electrification	Ward 30	R6 Million	Construction phase until end of May 2023.	Completed in June 2023
Ethangeni Village Electrification	Ward 26	R2 Million	Planning Phase until end of May 2023. Construction stage to be completed end of June 2023.	Planning phase completed in May. Project on hold due to funding. Included in funding request for 2025/2026
Ncukeni Village Electrification	Ward 1	R3.4 Million	Planning Phase until end of May 2023. Construction stage to be completed end of June 2023.	Planning phase completed in April 2023. Project is funded for construction in 2024/2025
Bhazabhaza Village Electrification	Ward 8	R1.5 Million	Planning Phase until end of May. Construction stage to be completed end of June.	Planning phase completed in April 2023. Project is funded for construction in 2024/2025



Municipality Code & Name	Project Name	Ward Number	Project Type	Estimated Conns	Status
KZN216_Ray Nkonyeni	KwaXaba Nsangwini Nkulu (ward 25) Extensions	25	Household	320	Design in progress
KZN216_Ray Nkonyeni	Ward 24 Bomela Extension	24	Household	409	Contractor on site – Re-design in progress

KwaXaba Nsangwini Nkulu: contractor appointed. Project to be handed over on the 22nd (phase 1).

Bhomela : Phase one completed.

Table 110: 2023/2024 Eskom Projects

Municipality Code & Name	Project Name	Project Type	Ward Number	Estimated Conns
Ray Nkonyeni	Ward 28 Tintown extensions	Households	28	100
Ray Nkonyeni	Ward 14 KwaMadlala extensions	Households	14	150
Ray Nkonyeni	Ray Nkonyeni Ward 4 extensions	Households	4	168

Ward 28: Project done under ward 5 electrification.

Ward 14: Project at construction stage (Phase 1).

3.5.5.11 Free Basic Electricity (FBE)

The Municipal Systems Act 32 of 2003 states that a municipality must ensure that all communities have access to at least minimal basic services, that is, receive free basic electricity subsidised to a maximum of 50 kWh per month. As per MOU agreement, Eskom



co-ordinates and administers the prepaid free basic electricity (FBE) benefit packages to indigent households within Ray Nkonyeni Municipal jurisdiction.

Ray Nkonyeni Municipality has 1934 households who are registered on the FBE programme; of which an average of only ±2560 indigent beneficiaries purchase electricity tokens and receive free electricity up to 50kWh on a monthly basis benefit packages to indigent households within Ray Nkonyeni municipal jurisdiction.

3.5.5.12 Free Basic Alternative Energy (FBAE)

The objectives of the Free Basic Alternative Electricity, FBAE programme is to help indigent households in non-electrified areas by providing them with free basic alternative energy, for purposes of cooking and basic lighting. The intervention is aimed at alleviating some of the difficulties associated with access to energy in these households whilst the Municipality together with Eskom implement rural electrification programme.

The intervention has assisted the Municipality to address a whole suite of socio-economic issues that arise from inadequate provision of energy to households within the community of Ray Nkonyeni Municipality. Free basic alternative energy in the form of bio-ethanol gel for stoves and oil for lamps is used for households' cooking and lighting purposes, is distributed on a quarterly basis to 2932 households in 27 Wards.

Table 111: Free Basic Alternative Energy (FBAE) Programme

WARD NO.	TWO PLATE GEL STOVE	LAMP OIL	BIOETHANOL	OIL LAMP
35	103	103	103	103
34	103	103	103	103
15	141	141	141	141
14	182	182	182	182
26	130	<u>130</u>	130	130
10	80	80	80	80
7	80	80	80	80
9	159	159	159	159
8	105	105	105	105
27	48	48	48	48
29	156	156	156	156
32	147	147	147	147
30	105	105	105	105
31	144	144	144	144
25	48	48	48	48
1	63	63	63	63
24	48	48	48	48
3	290	290	290	290
5	17	17	17	17



22	48	48	48	48
21	48	48	48	48
23	48	48	48	48
13	48	48	48	48
11	95	95	95	95
36	103	103	103	103
33	310	310	310	310
4	83	83	83	83

3.5.5.13 Small-Scale Embedded Generation (SSEG)

Steep increases in the price of electricity, elevated environmental awareness, rapidly decreasing costs of photovoltaic (PV) panels, and the high risk of load shedding and national power blackouts have all resulted in electricity distributors around the country receiving numerous requests to allow electricity consumers to connect PV and other Small-Scale Embedded Generators (SSEGs) to the electricity grid. Such SSEGs are intended to be connected to the wiring on the consumer's premises which is in turn connected to, and supplied by, the Municipality's electricity network. Such generators are hence considered to be 'embedded' in the local municipal electricity grid.

The parallel (or embedded) connection of any generator to the electrical grid, however powered, has numerous implications for Ray Nkonyeni Municipality as the local electricity utility. The most significant implications are the safety of the utility staff, the public and the user of the generator. Further implications include the impact on the quality of the local electrical supply, and metering and billing issues. In terms of the Municipal Structures Act, No. 117 of 1998, municipalities are therefore obliged to regulate the installation of SSEGs to uphold responsible management of the distribution network, as well as for the general benefit and protection of citizens.

The Municipal Council adopted an SSEG policy document which provides a framework for the approval and registration of Small-Scale Embedded Generators of electricity as well as the regulation thereof relative to the requirements of the Municipality and By-laws. The policy is applicable to all customers wishing to install systems categorized as Small-Scale Embedded Generators. This policy facilitates the inclusion of Small-Scale Embedded Generation (SSEG) onto the electricity distribution network of Ray Nkonyeni Local Municipality, so that safety, power quality, grid operation and municipal revenue issues are adequately addressed, and that the local renewable energy industry and green economy is promoted at the same time, supporting job creation. The municipality intends to apply for Nersa approval of small-scale embedded generation tariffs.

3.5.5.14 Energy Efficiency Demand Side Management (EEDSM)

Ray Nkonyeni Municipality energy efficiency demand side programme has to-date retrofitted 2 789 LED streetlights. The decrease in electricity consumption helps to reduce CO2 emissions and helps with climate change. Future EEDSM interventions includes retrofits of municipal buildings and facilities with photo voltaic (PV) solar panels to generate on-site



electricity directly from the sun, without environmental harm, pollution, or depletion of resources. Other proposed EEDSM intervention is installation of remote monitoring system for streetlights, traffic lights and high mast floodlights in the municipality. Remote monitoring system for streetlights will help the municipalities to reduce the manpower and the money spent on street light maintenance services.

Future proposed EEDSM intervention is installation of an energy management system for the municipal buildings. Adopting an ISO 50001 standard energy management system can yield significant benefits in cost reduction, operational efficiencies and risk management.

3.5.5.15 Smart Metering

Electricity meter audit recommendation is migrating the electricity consumers within Ray Nkonyeni distribution area from conventional to a smart metering system and the residential consumers to a smart prepaid metering system.

3.5.5.16 Renewable Energy

Vision 2036 strategic goal is to explore innovation in clean renewable and alternative energy sources. The strategic focus is to generate own electricity using clean renewable and alternative energy sources and to reduce reliance on coal-based electricity grid. In October 16th, 2020, the Minister of Mineral Resources and Energy published amendments to the Electricity Regulations on New Generation Capacity (2011) of the Electricity Regulation Act of 2006 that authorize municipalities to apply to the Minister to generate or procure new generation capacity in accordance with the Integrated Resource Plan (IRP, 2019). The municipality aims to develop a renewable energy policy and strategy, subject to a feasibility study and compliance with provisions of the Municipal Finance Management Act (2003) and the Municipal Public Private Partnership Regulations.

3.5.5.17 Electricity Legislative and Regulatory Framework to enable Renewable Energy Projects

The electricity supply industry is regulated by the Electricity Regulations Act, No. 4 of 2006 (ERA, 2006). In terms of Section 34 of the ERA 2006, the Minister of Mineral Resources and Energy, together with the National Energy Regulator may determine that new generation capacity is needed to ensure continued uninterrupted electricity supply, the types of energy sources to generate the electricity, the percentage of electricity, buyer and seller of such electricity and procurement process to be followed.

There are various environmental laws which project developers have to comply with to ensure there is no pollution or environmental degradation caused by renewable energy power generation projects.

- Under EIA listing notices, an environmental authorisation is not required for developing a RE generation facility less than 10MW;
- Schedule 2 of the ERA exempts activities relating to the operation of generation facilities from the licensing requirements in the electricity regulation act, 2006 –



embedded generation where there is no point interconnecting with the grid; operation of a generation facility with a capacity of less than 100MW.

There is no currently no legislative framework governing green hydrogen projects; these will have to comply with requirements for licensing and permitting under existing laws, the ERA and applicable environmental laws.

Clean energy certificates are currently unregulated, registration is on a voluntary basis.

Grid connection code for renewable energy power plants (RPP Code) sets out minimum technical and design grid connection requirements for renewable plants wanting to connect to transmission and/or distribution networks.

Grid code for battery energy storage facilities connected to electricity networks was published by the National Energy Regulator.

There is no legislation dealing with microgrids – the ERA 2006 is applicable.

The Department of Forestry, Fisheries and the Environment published notices in terms of the National Environmental Management Act, NEMA identifying areas of strategic importance – renewable energy development zones – for the development of wind and solar power generation plants.

Pre-feasibility study has been conducted and identified potential renewable energy sources within the municipality determined appropriate energy mix and technologies including solar PV plant in the municipality.



3.5.5.17 Electrification Programmes & Projects

Table 112: RNM Electrification Projects & Programmes

PROJECT / PROGRAMME	BRIEF DESCRIPTION
1. Energy efficiency demand side management programme	Implementation of energy saving technologies within municipal infrastructure to reduce electricity consumption & costs – all Wards.
2. Solar streetlighting & highmasts lighting project in all Wards	Installation of solar streetlights and highmasts lighting with reduce reliance on Eskom supply and to minimize impact of load shedding.
3. Backup generators for critical municipal infrastructure	Installation of backup generators at municipal buildings and facilities which support critical operations – IT servers, networks, etc.
4. Solar PV energy generation programme	Install grid-tied solar PV systems with battery storage and inverters for municipal buildings and facilities affected by load shedding.
5. Small-scale embedded generation (SSEG) programme	Establishment of framework and processes for municipal electricity customers with own-generation systems within Wards 12, 17, 18
6. Free basic electricity (FBE) programme in all municipal Wards	Review and update of FBE indigent beneficiaries list to allow for qualifying indigents complying to indigent criteria and policy.
7. Free basic alternative energy (FBAE) programme	Provision of non-grid energy for indigents within 27 municipal wards (1,3,4,7,8,9,10,11,12, 13,14,15,21, 22,23,24,25,26,27,29,30,31,32, 33,34,35,36).
8. Electrification programme	Electrification of households with no electricity connections with the aim to achieve universal access within various municipal wards.
9. Power factor correction equipment for Memorial subs.	Install filtered capacitor banks to improve power factor and provide harmonic filtering to assist to eliminate violations of limitations.
10. Smart meter replacement	Replace old, obsolete technology and faulty meters which are out of specifications.
11. Establish new 132/11kV 2x40MVA substation	To cater for existing and future growth in residential, commercial, industrial and tourism with licensed distribution areas – 12,17,18.
12. New 43MWp solar PV plant sized up to peak power	To reduce Eskom load demand within electricity network to result in annual costs savings for the municipality.
13. Establish a centralized electricity network control centre	To remotely control distribution substations via centralized control centre and allow for safe operation and switching in Ward 18.
14. Bulk electricity network infrastructure upgrades	To upgrade medium-voltage equipment and refurbish switchgear at Memorial and Reynolds substations in Ward 18.
15. Electrical infrastructure asset care programme	A 1 st generation asset management plan was developed for electricity infrastructure assets within Wards 12, 17, 18.



16. Electricity revenue enhancement programme	Project identified 10 key recommendations to be implemented by to improve the electricity revenue stream within Wards 12, 17, 18.
17. Prepaid electricity metering within Wards 12, 17, 18	Introduce prepaid electricity for RNM electricity customers within licensed area subject to Nersa approval of prepaid tariffs.
18. Cost of supply studies for electricity supply in Wards 12, 17, 18 – compliance project	Nersa requires that municipalities to conduct cost of supply studies every 5 years in compliance with COS framework.
19. Traffic lights infrastructure upgrades and refurbishment	To upgrade old (technology) robot controllers, replace robot heads with LED lights, and replace old robot controller cards in all Wards.



3.5.6 Community Facilities

Community facilities are public places where members of a community gather for recreational, educational, artistic, social, or cultural activities. The facilities are all user friendly as mentioned earlier in the document.

The municipality boasts of the following community facilities which are fully functional:

❖ **Community Halls**

- There are 36 functional halls.

❖ **Sports Fields**

- There are 35 Sports fields and 4 Sports Complexes: The municipality has ensured that these sports fields have facilities, (changing rooms), disability user friendly and fenced.

❖ **MPCCs - Thusong Centers**

- There are 10 MPCCs.

❖ **Libraries**

- The municipality has 12 Operational Libraries in the urban areas including Gamalakhe Township, one (1) library at Kwa-Ndwalane Traditional Authority and five in land of the municipality are five mobile libraries with one fully fledged library at Kwa Ndwalane Tribal Authority and one at Izingolweni and Vukuzithathe Tribal Authority. There are also 5 Mobile libraries.

❖ **Recreational Parks**

- The municipality consists of 17 recreational parks, however, most of these are in the urban areas and one at Gamalakhe and Gcilima.

❖ **Authorized Cemeteries**

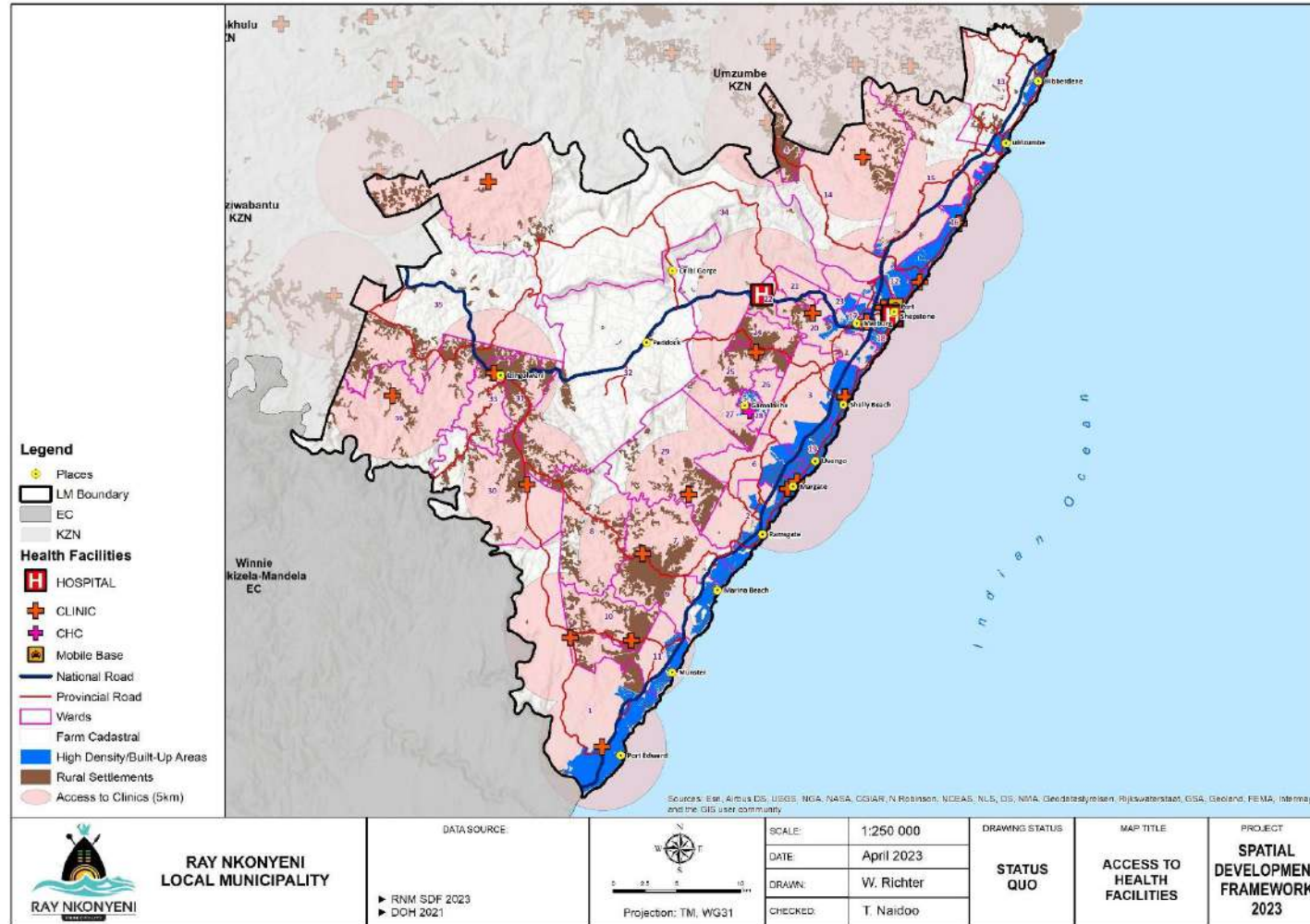
- One private cemetery
- Four public cemeteries, namely:
 - Oslo Beach Cemetery
 - Port Shepstone Cemetery
 - Kwa Nositha Cemetery and
 - Margate Cemetery

All the cemeteries have either been closed as they have reached capacity or close to reaching capacity. Only KwaNositha is still having ample space. There is one private Cemetery within the municipality at Izotsha. There are no formal cemeteries in the rural areas hence the prevalence of on-site burials. There is a need to identify cemetery sites in the rural areas in line with the principle of environmental sustainability. The municipality does not have land to provide for more public cemeteries.

On the following pages are maps illustrating these facilities within the municipality:

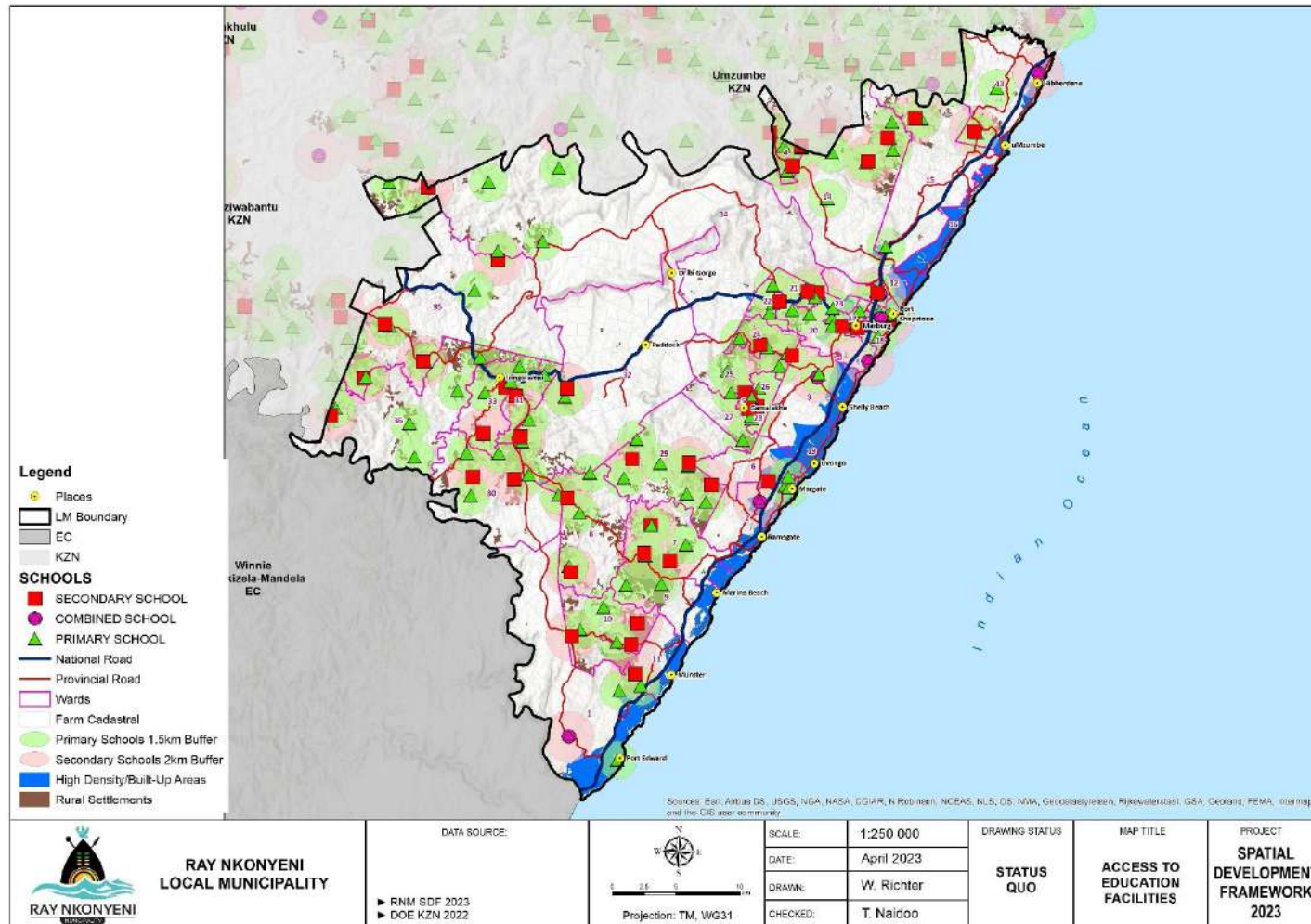


Map 70: Health facilities



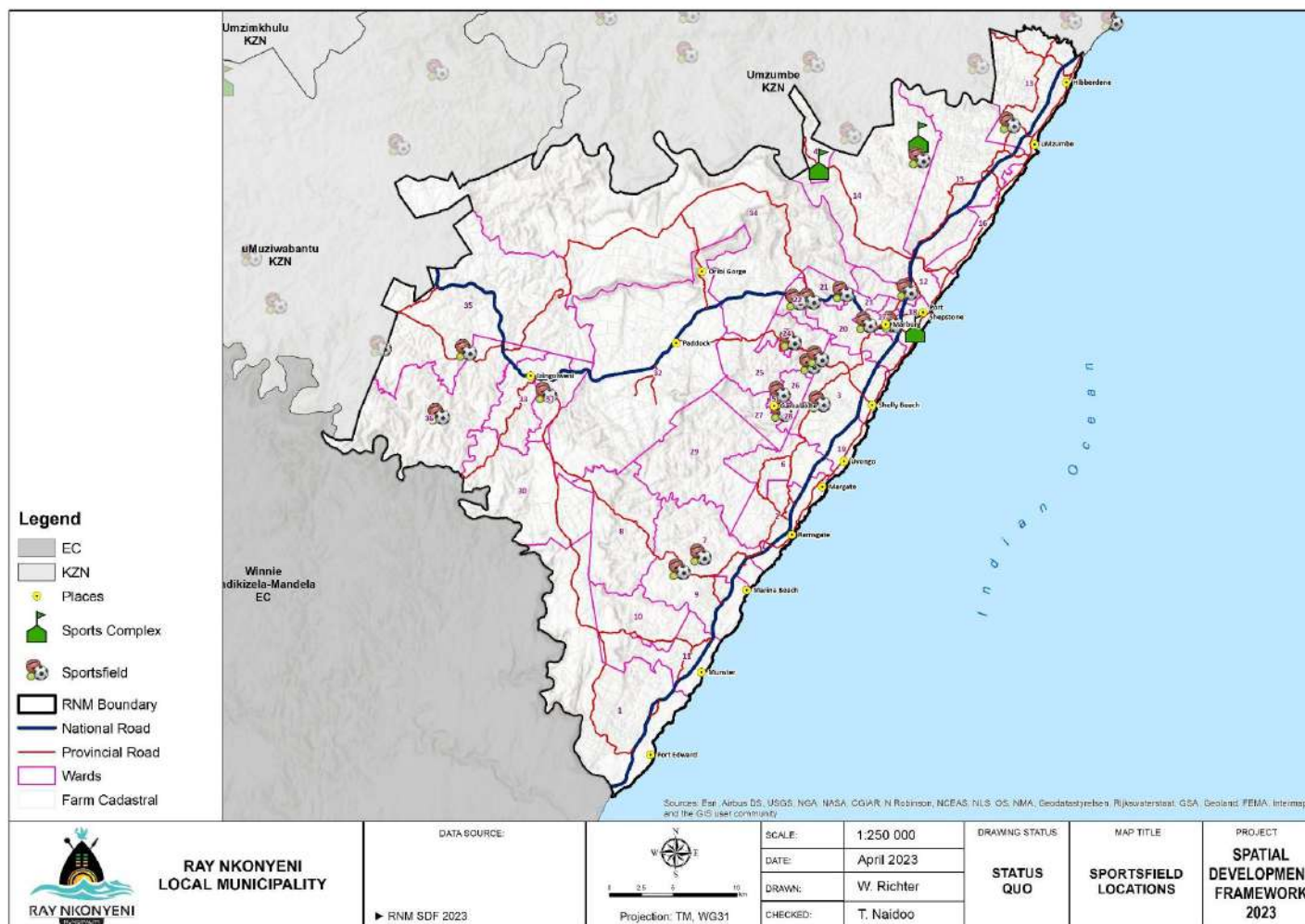


Map 71: Schools





Map 72: Sports





3.5.7 Coordination with Sector Departments

The municipality has engaged the Land and Rural Development Reform Department in accessing land required for cemeteries. In terms of MPCCs and community halls, Amakhosi were engaged in outsourcing land required for those developments. The department of Transport and Department of Electricity as well as Ugu District for water and sanitation were involved to acquire electricity and have roads developed leading to these facilities.

3.5.8 Transport Infrastructure

Transport infrastructure refers to the framework that supports our transport system. This includes roads, railways, ports and airports. National and local government are responsible for the development of our transport infrastructure. An extensive transport network exists in Ray Nkonyeni, which includes, road, rail and air infrastructure. Following is a summary of each:

3.5.8.1 Air infrastructure

The municipality has a vibrant air infrastructure situated at Margate. The airport was reopened in November 2013 and is fully operational. Due to the need for expansion, it recently underwent a revamp that created employment for 50 job opportunities for the local community. KZN Economic Development Tourism and Environmental Affairs (EDTEA) funded the project with an investment of R 11 000 000,00.

The capacity of the newly revamped Margate Airport is as follows:

- ❖ **Construction of new external Rental Office Space** – this entails moving the car rentals and airline offices from inside the terminal to a new facility freeing up internal space for passenger movement. The new rental offices also generate income for airport.
- ❖ **External Ablution adjacent to Rental Offices** – these toilet and shower facilities are designed for staff members and use by rental offices. The area also houses the generator and water storage tanks during water outages.
- ❖ **New Internal Ablutions** – to serve both departure lounge and general public in foyer. The previous ablutions were inadequate serving only one occupant at a time.
- ❖ **Internal Terminal Works** – Demolition of internal walls, re-tiling, painting, fixing shop fronts and encasing entrance lobby into the terminal.
- ❖ **External Works** – trench excavation, paving, kerbing, footing and plastering.
- ❖ **Airport Masterplan** – finalization of the airport masterplan to identify and prioritize projects.



3.5.8.1.1 Future Planned Upgrades

As part of Phase two (2) of upgrade of airport infrastructure the following priority projects have been identified as the short-term infrastructural and pre-existing capacity and maintenance challenges for future development at the Airport:

- ❖ Improvement of Airport Rescue and Fire Fighting Capability and Facility / Infrastructure - R 30 000 000,00 (estimate)
- ❖ Airside Terminal re-configuration and passenger terminal extension design and construction - R 50 000 000,00 (estimate)
- ❖ Improvement and re-structuring of fuel dispensing facilities / infrastructure – R 6 000 000,00 (estimate)
- ❖ Security Fence compliance pertaining to lighting and security features - R 10 000 000,00 (estimate)
- ❖ Runway Resurfacing and Lengthening with inclusion of the enlargement of the apron to accommodate bigger aircraft - R 120 000 000,00 (estimate)
- ❖ Vehicle Parking Area resurfacing and reconfiguration with inclusion of pay-parking system - R 7 000 000,00 (estimate).

Margate Airport currently has a budget of R 6 000 000,00 for 2023/2024, for the upgrade of the airport perimeter security office. This budget was funded by KZN Economic Development Tourism and Environmental Affairs (EDTEA)

3.5.8.2 Railway Line infrastructure

The railway infrastructure has aged and being the second major transportation infrastructure to road infrastructure within the municipality, talks between the municipality and PRASSA has commenced to pave ways on how best to address the issue. The railway infrastructure linking RNM to Umdoni is non-functional due to its dilapidated state. Also, the Banana express rail linking the southern part with Ezingoleni town is dysfunctional as well.

3.5.8.3 Road Infrastructure

Ray Nkonyeni Municipality secured funding of R3.5 million from the Development Bank of South Africa (DBSA) for the development of roads and storm water master plan (RSWDMP) which will enable the municipality to compile an implementation strategy with goals and objectives. The adoption of the Plan was September 2021 and has since been incorporated into the IDP. The masterplan includes a programme for the implementation of all projects identified and prioritized. Evaluation of long-term viability of existing infrastructure to cope with identified augmentation needs and expansion will be done. New infrastructure needs will be identified and proposed timelines for the implementation in the plan.

While the national and provincial roads are in a generally good condition state, the quality of district and local roads is poor.

Ray Nkonyeni Municipality's mandate when it comes to road infrastructure is to maintain the existing road networks in terms of potholes, black top and re-gravelling. It is not the mandate of the municipality to build roads from scratch, hence there is no Road Maintenance Plan,



However, there is an adopted Operational and Maintenance plan for the existing public transport facilities. It must be noted that the road work maintenance covered by the municipality is based on complaints received from communities and depends on the availability of budget. Other than complaints received from communities, the municipality does have a road work plan/ operational and maintenance plan as shown in the SDBIP. For 2023/2024, the maintenance budget for roads is as follows:

Table 113: RNM Transport Infrastructure Maintenance Budget (2023/2024)

Wet Fuel	R4 850 000,00
Maintenance of Equipment	R370 000,00
Overtime: Non-Structured	R380 000,00
Overtime: Night Shift	R18 000,00
Roads Safety Equipment, Stationery, Materials, Stores	R50 000,00
Hire Charges	R5 000 000,00
Roads Street Signs	R1 503 210,00
Pothole Maintenance	R25 862 270,00
Pavements: Storm water repairs	R3 754 910,00
Fleet Repairs & Oil (700)	R3 650 000,00
Roads Safety Equip, Stationery Materials Stores	R179 990,00
Roads Uniform & Protective Clothing	R500 010,00
TOTAL	R46 118 390

The municipality is fairly covered with sound tarred and physical infrastructure and as areas utmost services are easily accessible to all residents albeit at varying scales with rural residents struggling to some extent. The point is, compared to other rural areas in the region and the other sister municipalities of Ugu, accessibility of RNM rural population fairs well. However, the maintenance of such infrastructure is what poses most challenges. There is also a serious problem of aging infrastructure especially on roads manifests itself in too many potholes. However, effective programmes to ensure that all roads are in safe driving conditions and are carried out appear in the SDBIP.

3.5.8.4 Roads and Storm Water Master Plan

The Plan was adopted in September 2021 and addresses conditions of both urban and rural roads within the municipality. It further addresses critical bridges that need upgrading, storm water drainage that need to be attended to as well as upgrade prioritised roads.

3.5.8.5 Local Integrated Transport Plan

The municipality is currently developing its Local Integrated Transport Plan and it is at a draft phase. The plan is anticipated to be tabled to Council at the end of July 2022 for adoption after it has been tabled to Corporate Management.



The Local Integrated Transport Plan's purpose is to provide Ray Nkonyeni Municipality with a guide to plan on overcoming the challenges identified within the transport system of the Municipality. Part of the Integrated Transport Plan process is data collection of the current transport system through surveying, data analysis, recommending strategies and prioritising projects.

3.5.8.6 Road Networks

3.5.8.6.1 National Corridor: N2 and R61

The N2 is the primary north-south linkage, and it links Port Shepstone in the South with Durban in the North. R61 is the provincial routes that link Ray Nkonyeni with external significant nodes such as Kokstad, Port Edward and Mount Fletcher. Secondary to the N2, this route serves as a main link between the Eastern Cape Province and KwaZulu-Natal Province.

Primary Tourism Corridor: R102 and R602

The R602 is termed the beach road (better known as—Marine Drive) and it runs in the north-south direction along the coast, linking the various coastal towns.

3.5.8.6.2 Secondary Corridors

The Municipality is characterised by poor corridor development linking urban and rural settlements. This may be due to the lack of economic activities located along these routes. The secondary corridors are P69, P732, P482, P344, D686, D0165, P0860, P0262, P0354, P0284, P0057 and P0058. A corridor serving areas of high poverty levels with good economic development potential within one or two sectors.

3.5.8.6.3 Tertiary Corridors

These corridors are mainly envisaged for movement purposes with direct access to properties permitted and high pedestrianized activity.

The following roads have been identified as tertiary corridors:

- ❖ Road from Hibberdene to Msinsini
- ❖ Road from St Michaels to Gamalakhe
- ❖ A route that runs from Nkuswana-(D0920) via Thonjeni-Nkulu (D1085)-N2-Sunshine to Nqabeni
- ❖ A route that runs from Maguntia to Maryland; and Road from Margate to Gamalakhe.

3.5.8.6.4 Arterial Roads

There are arterial roads within the municipality that feed the main roads and mostly are predominately surfaced (black-top). From Port Shepstone to Margate along the sea is the Marine Drive Road and it also runs parallel the R61 which runs down to Port Edward. Several arterial roads link the coast to the hinterlands as well. Three arterial roads join the R102 before Port Shepstone, and the rest join the R61 and Marine Drive after Port Shepstone respectively. There are no arterial roads that join the N2. Following is a summary of main arterial roads that link the hinterland and the coastal towns.



- ❖ The Station Road cuts through the hilly inland through Umzumbe, and join the R102 above the Umzumbe River
- ❖ The Rathman Drive Road runs from hilly inland and joins the R102 at Umtentweni.
- ❖ Stephen Road cuts through KwaMadlala and joins R102 just before Mayville.
- ❖ The Izotsha road runs from St Michaels through the Izotsha corridor up through KwaNdwalane and further inland
- ❖ P200 road offramps from the N2 at Marburg past Gamalakhe into South Broom. This road is also a link to several farms dotted along that area.
- ❖ Louis Botha Avenue Road off ramps from the R61 at Mpenjati through KwaNzimakwe tribal authority joining D869 further up.
- ❖ D 869 runs from Port Edward to Izingolweni

Roads along the coastal belt are in a good state as compared to those in the interior, however, the biggest challenge is potholes, but they are currently being addressed. The railroad is dysfunctional. Modes of transport consist of public mini taxis, which are very dominant and highly used by the public; there are also buses which ferry commuters from their residential areas which are predominantly in rural area to towns where many are employed. Another mode of transport is the small cabs which operate between towns and the urban edge areas.

Most roads are in a deteriorating state both provincial and local roads, this can be contributed to lifespan of the existing road networks and somehow can be contributed to the lack of regular maintenance of the road network and the original substandard designs of these roads especially access roads.

Ray Nkonyeni Municipality talks to the SPLUMA principle of efficiency. There is optimization of the existing infrastructure resources. Inland is a proposed activity route that will run parallel the N2 from inland Hibberdene, cuts across the hinterland and join the connector route from Port Edward to Ezingolweni

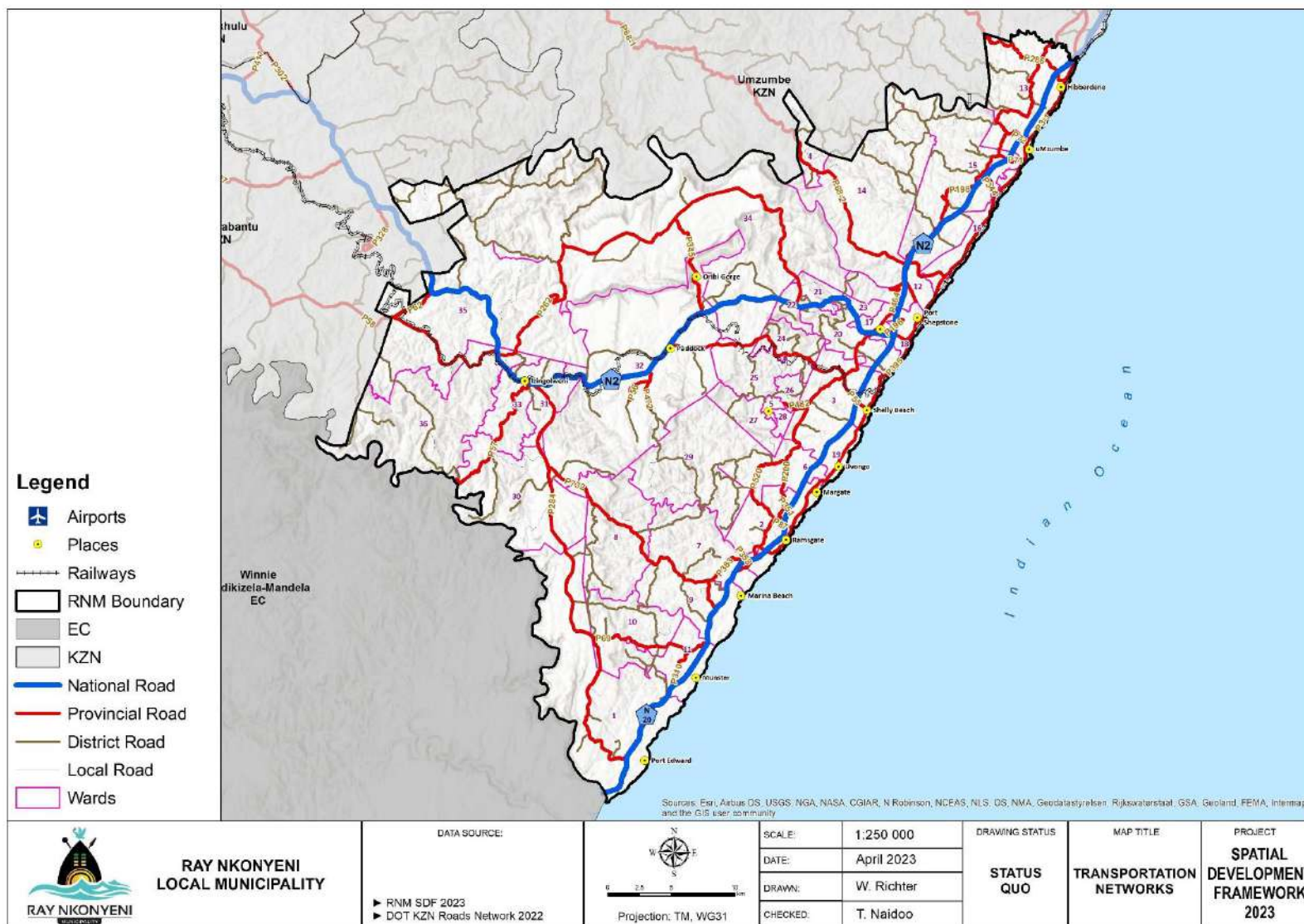
Most roads in the interior are gravel and make 1200km. There are very few tarred roads there. The gravel roads are timeously maintained by being graded though it has proven very costly for the Municipality. It should be noted that the Lower South Coast is prone to flooding, so during the rainy seasons most low-level bridges are washed away and big pot holes appear on the roads, and this is quite expensive to repair.

All Tarred roads make 750km altogether throughout the municipality, and most of these roads are found along the Coastal belt. New roads and bridges in rural areas need to be constructed and those that already exist need maintenance as most of them are in undesirable conditions and some are inaccessible during rainy days.

The map on the following page illustrates the existing road infrastructure within Ray Nkonyeni Municipality



Map 73: Existing Road Infrastructure





3.5.8.6 How the municipality has responded to Goal 4 of the PDGP 2035

Goal 4 of the PGDS 2035 talks to strategic infrastructure with reference to:

- ❖ Development of airports and seaports
- ❖ Development of road and rail networks
- ❖ Develop ICT Infrastructure
- ❖ Ensure availability and sustainability of water and sanitation for all
- ❖ Ensure access to affordable, reliable, sustainable and modern energy for all
- ❖ Enhance KZN Waste management capacity.

Below is how RNM has responded to the above goal:

i. Development of airports and seaports

In terms of developing seaports, the municipality is looking at Hiberdene as potential future harbour to create an environment conducive for the development of small craft harbour. The municipality being the second largest tourist attraction in the province after Ethekeini, it needs to promote a seaport that is desirable for international cruise liners, as in Durban. Margate airport is in full swing with a number of scheduled domestic connection flights. The airport opened its doors in November 2013 and has seen more connecting routes as far as Plattenbergbay. The municipality's road infrastructure is sound though the rail infrastructure has aged and closed down. Future intervention talks on this issue are at hand.

ii. Development of road and rail networks

The increasing connectivity by road, rail, airport and harbours is fundamental to the realization of provincial industrial hubs, agri parks, new urban spaces etc. There is a need for the municipality to develop multi modal facilities that cater for fast moving consumer goods as well as bulk minerals and lighter manufactured goods. In the case of RNM, road has provided job opportunities through its EPWP programme, this should continue to provide at least temporary employment for youth and female headed households.

iii. Development of ICT Infrastructure

The municipality has developed an ICT Infrastructure for sufficient information and communications for the growth and development of its citizens. However, it must be mentioned the broad band coverage is limited to rural areas.

The municipality needs to expand the number of public wi-fi hotspots and expand the community access to broadband services.

iv. Sustainability of Water and Sanitation for all

Ray Nkonyeni has more than 95% of households with clean water and sanitation. In as much there are backlogs in some areas in the hinterland, the district as the entity for both has plans in place on how to address the issue. It still needs to develop policies that will talk to these and also develop programmes for water resources as mentioned in the 2035 strategy. Ray Nkonyeni still needs to develop strategies that talk to adaptation and response to climate change. According to the PGDP, KZN is able to effectively anticipate, respond and mitigate the effects of climate change. There is a need to assess the mainstreaming of climate change adaptations strategies in local planning, such as the IDP reporting and



Sector Plans, so the strategy mentions. These relate to inter alia and strategies need to address both the immediate and longer-term threats to the health and well-being of communities.

v. Access to affordable, reliable, sustainable, and modern energy

According to the PGDP 2035, there must be sufficient electricity available for the growth and development needs of KZN. Ray Nkonyeni Municipality has 85% of households with electricity supply. The recently adopted electrification Master Plan details how the backlogs will be addressed. The municipality has a light industry and so there are no harmful emissions.

vi. Waste management capacity

Ray Nkonyeni Municipality has an updated Disaster Management Plan, and the centers are fully functional. There is a capacitated dedicated disaster management team. The indicators listed under this section in the strategy, the municipality fully adheres to it.

3.5.9 Telecommunications

According to Ugu SDF, telecommunication services within the district is provided by Telkom and a licensed cellular phone companies in the country. Telecommunication infrastructure remains one of the major challenges in all municipal areas, information on infrastructure is difficult to access from the various service providers due to competition. In formal urban settlements, most of the people have access to Telkom services, while on rural area most people rely on cellular phones. Ray Nkonyeni Municipality is faced with infrastructure information and a lack of coordinated planning to meet the district's needs.

3.5.10 Animal Pound

Animal pound is a function of the municipality, however, there is a 3-year Service Level Agreement (SLA) with the local SPCA, which carries out the function. The first agreement was signed in 2019 and expired in October 2022. It has since been renewed for another 3 years, ending in October 2025. The agreement includes details on how dead, uncontrolled, and stray animals are dealt with by SPCA.



3.5.11 SWOT Analysis

Table 114: Basic Service Delivery and Infrastructure SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ❖ The municipal area is generally covered with well-developed bulk infrastructure and networks. ❖ Relative high levels of service provision with relatively low backlogs to RDP standards. ❖ Partnering with Government in enhancing EPWP and CWP ❖ The implementation of the IWMP ❖ Availability of the Storm Water Master Plan 	<ul style="list-style-type: none"> ❖ Staff and skills shortages in key positions. ❖ Overstretched technical services / PMU. ❖ An ageing fleet of vehicles ❖ An ageing infrastructure ❖ Absence of a multi-wide building maintenance plan in line with the asset register ❖ Backlog is electricity provision in some areas (peripheries) ❖ Rural areas have poor telecommunication coverage
Opportunities	Threats
<ul style="list-style-type: none"> ❖ The existence of several sector plans. ❖ Ensuring the lease of public land for low and affordable housing. ❖ Reviving the Airport through LED projects. ❖ Proximity to the N2 corridor. ❖ • Vast undeveloped land in urban corridor as well as rural hinterland 	<ul style="list-style-type: none"> ❖ The need to reduce electricity revenue losses due to technical losses, illegal connections, tampering leading to unbilled usage. ❖ Backlog in accessibility to roads by the general public in the rural areas of the municipality. ❖ Storm water backlog caused by densities not considered original infrastructure layout. ❖ Most roads are in a deteriorating state, provincial and local. ❖ Illegal waste dumping

3.5.12 Key Challenges

An ageing fleet of vehicles: The municipality is faced with a challenge on ageing fleet. Heavy vehicles for waste collections, TLBs as well as trucks for road maintenance have aged, however, budget has been set aside to address this issue.

- An ageing infrastructure: Most roads are in a deteriorating state, provincial and local
- Illegal waste dumping: Waste minimization education is one of the programmes being utilized to address illegal dumping
- Backlog is electricity provision in some areas (peripheries):
- Backlogs on provision of basic service delivery i.e. sewage, water, roads, housing etc. there is a programme currently in place that talk to roads and housing backlogs. In terms of water and sanitation, Ugu District is in a process to have plans in place to address these issues
- Stormwater backlog: The Storm water Master Plan in place is addressing this issue



3.6 LOCAL ECONOMIC DEVELOPMENT ANALYSIS

2023/2024 MEC Comments	RNM's Response	2023/24 score
<ul style="list-style-type: none"> The Municipality is advised to give more attention to in-house research, especially in support of industries within Municipal's Jurisdiction. This includes keeping databases of businesses in the area, needs assessment, sector performance etc. 	<ul style="list-style-type: none"> As part of the 2024 / 2025 budget proposals the department has put aside R400 000 to conduct an analysis into the key economic sectors. Part of the exercise will be to profile each key economic sector, its contribution into the local economy and compile database in terms of key players within the sector. <p>The databases will be critical in terms of engaging with the sector in terms of needs assessments etc. key also as part of the profiling exercise will be to ascertain job contribution per sector amongst other things.</p> <p>Where there are contractions, we will be able to understand causal links to that effect and hopefully come up with retention mechanisms to deal with such. In-house research to support local industries within municipal jurisdiction, including keeping of databases of businesses, needs assessment and sector performance.</p>	4,63/5
<ul style="list-style-type: none"> The Municipality is requested to prioritize Infrastructure investment on existing and new industrial parks/estates to attract and retain tenants in industrial parks. 	<ul style="list-style-type: none"> Continuous investment in infrastructure and other infrastructural improvements is critical for the sustainability of businesses located in industrial parks. For instance, lobbying for the Marburg Industrial Precinct must be ongoing to ensure that industries based there are supported. <p>Infrastructure improvement should also go beyond industrial parks, hence local roads must be continuously improved, i.e. Old Harding Road. There is a roads master plan within the municipality, which will also assist in this regard.</p>	
<ul style="list-style-type: none"> The Department recommends that information on the work done on Red Tape Reduction/ Ease Doing Business should be reflected in the LED Strategy. 	<ul style="list-style-type: none"> In line with 2024 / 2025 financial year budget proposals, the municipality has put aside R600 000 to formulate a new LED Strategy with Implementation Plan, which will reflect the PASP programme (Pilot Administrative Simplification Programme), which is basically an Ease of Doing Business Programme which is currently being piloted in RNM by National Department of Small Business Development. <p>Details and progress regarding the programme will be included as part of the LED programme in the draft IDP.</p>	



3.6.1 Introduction

The South African legislative framework envisages South Africa being a developmental state and as a result its local government sector also being positioned to be a critical element of the developmental state. The National Development Plan makes a case for this focus arguing that it is fundamental to ensure social cohesion. In other words, the social stability of the country is at risk unless there is some meaningful transformation and growth of the economy. Ray Nkonyeni Municipality respects this mandate recognizing the nobility of its objectives. The municipality is mandated by law to develop a Local Economic Development Strategy to support the development of sustainable, robust and inclusive local economies through the exploitation of local opportunities, potential and competitive advantages as well as addressing local needs and contributing to Provincial and National development objectives.

The processes of planning and implementation of development programs to create a platform for economic development throughout the country remains a challenge. Part of the challenge, is the ongoing quest by the three spheres of government to find innovative ways to align strategies and report key planning programs and project based information in a meaningful manner to one another. Furthermore, the increasing pressure on the economy to create jobs and the seeming failure of government macro-economic policy to address unemployment and inequality further exacerbate the problem for government.

Ray Nkonyeni municipality works closely with the Department of Rural Development, Department of Economic Development, SALGA, South Coast Tourism, SMMEs, Coops, Business people and Department of agriculture. Communities are represented by Stakeholders. The municipality has an active LED Forum. The mentioned sector Departments and stakeholders form the LED Forum. Poverty remains one of the leading social concerns for Ray Nkonyeni Municipality. This is reflected in various municipal strategies and plans that have recently been developed, with the overall aim of creating job opportunities and reducing the poverty levels within the local area. Furthermore, in response to LED projects, Vision 2036, which is the long term vision of the municipality adopted in 2020, Strategic goal 2, which talks to the Diverse and Inclusive Economy, the municipality seeks to have a diverse economy and inclusive economic growth by 2030- Expand traditional sectors, Unlock potential growth sectors, Stimulate enterprise development and drive township and rural economies. There are various in house budgeted for projects to combat the scourge of poverty.

3.6.2 LED functionality and capacity

This is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. For LED to function, there must be both human resource capacity as well as financial resource. Below is a detailed analysis of both.

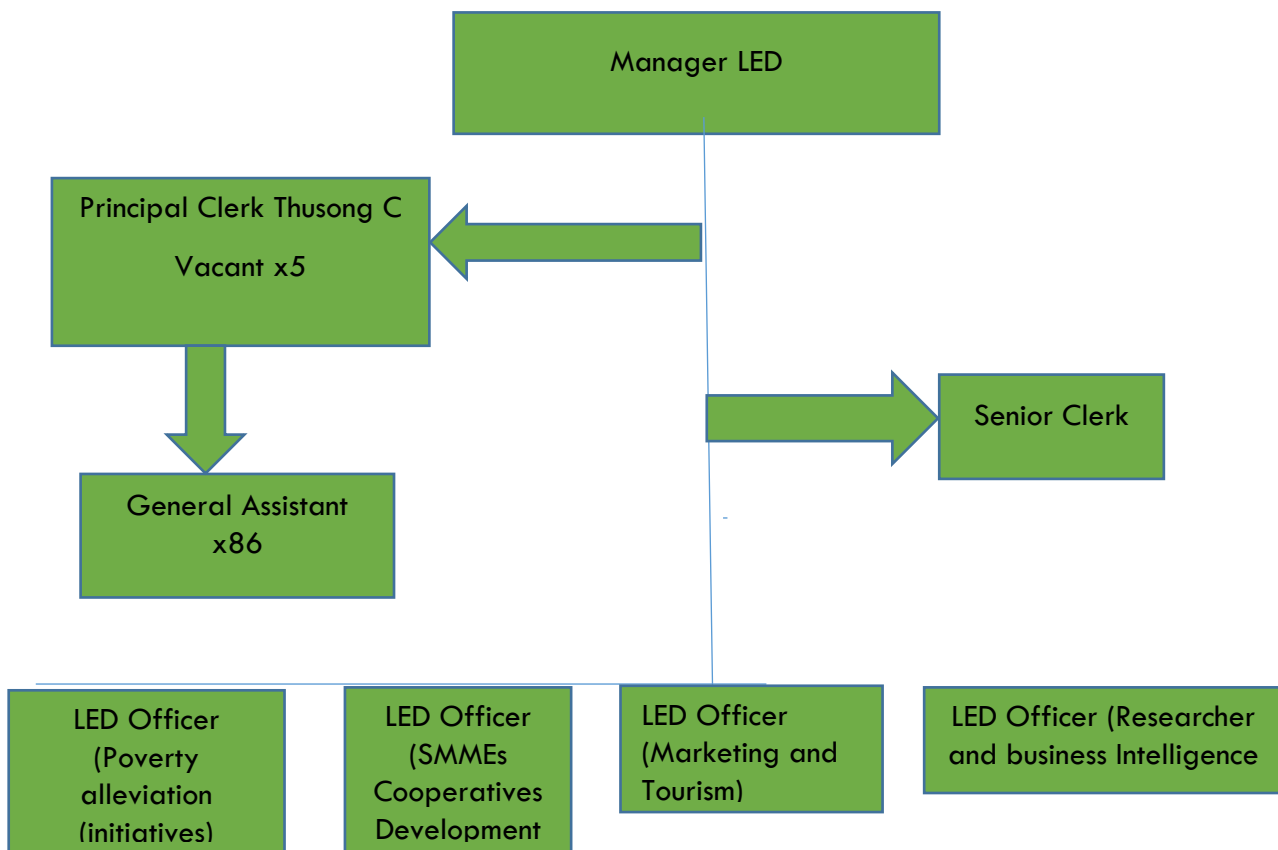


3.6.2.1 LED Unit Organogram

The municipality has a designated LED Section, see diagram below, however, there are human resource constraints within the section, due to lack of budget. The LED programme is implemented by specialists in individual sub-sectors. The trend Nationally, seeks to suggest that by having specialists from various sectors of the economy, leading and implementing LED programmes, it is likely to see efficiency and productivity, therefore as it is, lack of industry specialists within the LED Unit is seen as a challenge.

Below is the LED unit's organogram as adopted by Council

Illustration 20: LED Organogram





3.6.2.2 LED Forum and Hierarchy of Reporting

The municipality's LED Forum sits once a quarter to deliberate on local economic development issues and is chaired by a councillor. Furthermore, the municipality participates in the District's LED Forum that also sits once per quarter. The Forum facilitates an inclusive local economic development as to ensure that the local economy grows and, in the process, creates jobs, particularly for the previously disadvantaged groups.

It must be mentioned that the AG did not raise any issues pertaining the LED, hence there is no action plan in place to address any issues that might have been raised. Ray Nkonyeni Municipality's LED fully adheres to the PGDS which talk to:

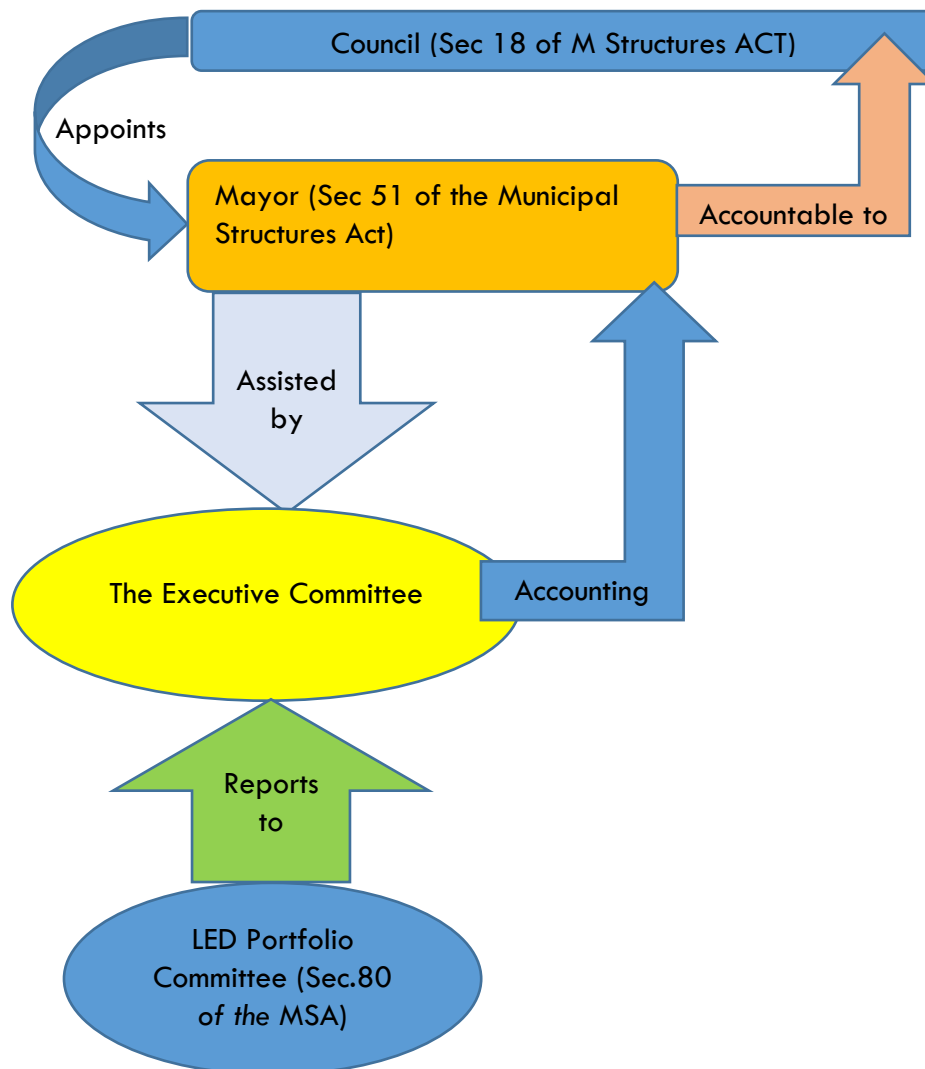
- Human resource development
- Human and community development
- Strategic infrastructure
- Responses to climate change
- Governance and policy
- Spatial equity

Since the DDM serves as a basis for discussion and engagements on the baseline and priorities for developing a ONE PLAN ONE B DGET, RNM's LED'S strategy fully adheres to the plan. The One Plan seeks to have joint planning, budgeting and implementation processes of projects for all municipalities in each District. The focus of the ONE PLAN talks to focus on development of key economic sectors (agriculture, manufacturing, tourism, SMME & informal sector and services), advancement of investment promotion and facilitation as a means to stimulate economic development, Development of SMMEs and promotion of entrepreneurship, which the municipality's LED Strategy has touched base with and fully outlines how each will be achieved, **(See attachment 15: LED Strategy).**



Below is the hierarchy of reporting by the LED Unit within RNM.

Illustration 21: LED Hierarchy of Reporting



3.6.3 Policy/Regulatory Environment and alignment

To regulate the environment, RNM has adopted an LED Strategy which informs several policies to guide its implementation. Below is a brief of the Strategy and policies.



3.6.4 National Framework on LED

The National Framework on LED in South Africa (2006 to 2011) directs that a credible approach to LED in any municipality should include a commitment to invest in the capacity of a municipality to manage its affairs in a manner that inspires confidence to both its constituents and the private sector. It must also provide signposting for domestic and external investors, indicating based on objective and empirical analysis, where opportunities for growth lie. In that regard, Ray Nkonyeni Municipality has clearly outlined the core enabling pillars of the National Framework, which are discussed in the Strategy.

RNMs Economic Development Strategy serves as a refinement of the municipal strategic intent outlined in the IDP and a consolidation of local municipalities' economic development vision into a coordinated and integrated regional development plan. RNM as 'the economic engine room' of the lower south coast has goals that talk to:

- Infrastructure development
- Functional linkages
- Entrepreneurship
- Job Creation
- SMME Support
- Rural Development
- Tourism development
- Innovation and ICT
- Integrated Development

3.6.5 LED Strategy

Ray Nkonyeni Municipality has an LED strategy, adopted by Council in April 2018, reviewed annually, and has aligned with the Ugu District Municipality's Growth and Development Strategy. For the 2024/25 financial year, services of a consultant have been outsourced to review the strategy, and it is expected to be finalised and adopted in September. Proper processes in terms of consultations were followed communities were engaged and other sector departments' inputs were utilised.

Local economic development is one of the municipality's priorities in line with the national key priorities. Strategies have been developed to promote economic and social development aiming to provide job opportunities and reduce poverty levels. Generally, RNM is the most concentrated economic hub within Ugu District with the main economic sectors being tourism and agriculture with some manufacturing occurring in Port Shepstone. As an economic hub, RNM has an advantage of influencing the Ugu Region's economic potential, policies and development programs. Port Shepstone is the major economic hub in the south coast and serves as the administrative centre for both RNM and Ugu District.

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



The LED strategy addresses the following:

- Grow the economy of the municipality by attracting investments and fostering partnerships with the public private sector
- Create a conducive environment for businesses and cooperatives to thrive and ensure the creation of jobs for the local community
- Promote township and rural development through nodal developments
- Promote RNM as a prime tourism and investment destination
- Promote local economic development and the support of emerging enterprises and SMMEs as well as Micro Enterprises
- Promote strategic and transformative release of land to foster inclusive economic development
- Accelerate fight against poverty and prioritize support to vulnerable groups such as children, females and the elderly
- Promote sustainable livelihoods
- Promote pro-poor economic growth and lessen social and income inequalities

In essence, the LED Strategy for Ray Nkonyeni municipality seeks to seize the opportunities the environment and its people present. It reflects learning from other municipalities as a means to avoid common mistakes and reposition the area on a sustainable economic development path as per the PGDP and DGD. This includes removing blockages and obstacles, identifying economic development opportunities, area marketing and promotion, and providing support (technical and otherwise) to local businesses. The implementation plan is inline with the LED Strategy which will be adopted in June 2023.

3.6.5.1 LED Strategy alignment with the DDM

The LED Strategy was adopted in April 2018 and the District Development Plan is still yet to be approved, hence there is no alignment currently. Such will be attended to when revising LED Strategy. However, it must be noted that the DDM as well as RNM's LED Strategy mention poverty, inequality, under-development and unemployment as primary focused areas. Objectives listed in the DDM, four of them touch base with RNM's LED Strategy.

3.6.6 Policies and Strategies under the LED Strategy

Through the LED Strategy, a number of policies, plans and strategies have been crafted, See a brief below:

i. Investment Attraction Strategy

In April 2018, the municipality adopted an Investment Attraction Strategy, and it is reviewed if need arises. This strategy is meant to attract business investments based on the municipality's clear objectives and vision. Through the Investment Attraction Strategy, the Investment Protocol was developed which guides investment processes within the municipality. Again, through the Investment Attraction Strategy, the Investment Prospectus was developed and adopted In March 2019, which seeks to showcase the investment opportunities that exist within the municipality. With this prospectus in place, the Provincial Spatial Economic Development



Strategy (PSEDS) has identified Port Shepstone as a Secondary Node in the provincial context and the eThekweni –Ugu Corridor as a primary corridor. This corridor is at the same level as the extremely strong and growing eThekweni–Umhlatuze and eThekweni–Msunduzi Corridors. PSEDS confirms the tourism potential of the South Coast Region as established in the Provincial Tourism Strategy.

ii. Investment Incentives Policy

Ray Nkonyeni Municipality's Investment Incentives Policy was adopted in 2020 and is currently under review, to be adopted in June 2024. It is aimed at promoting investment and boosting the economy of the municipality. The municipality recently pronounced and adopted an exemption not only for developers' applications but others as well such as the Informal Traders site applications for the current financial year as the world is facing economic hardships due to the covid 19 pandemic. Teams established in departments designated for these ensure fast facilitation of these applications. The purpose of the Ray Nkonyeni Municipality's Investment Incentives Policy includes the following:

- To attract development to the municipality by offering incentives;
- Creating an attractive and investor friendly environment;
- Create a platform for inclusive investment;
- Stimulate local employment and local procurement;
- Establish processes and procedures for incentives;

iii. Informal trading policy and management framework

The policy was adopted in 2017 and certain sections within it are currently under review, to be adopted in August 2024. The policy looks at regulating (permits, zoning) for street vendors. Furthermore, the municipality has gazette informal trading By-Laws which further aid the implementation of the informal trading policy. The survey of the Informal Trading sector within Ray Nkonyeni Municipality, which was done in 2017, revealed that the majority of traders had chosen to engage in informal trading as a result unemployment. This indicates the significant role that Informal Trading plays in absorbing the unemployed. Also significant was the fact that majority of the traders were female; this form of business activity is increasing because of its flexible working hours as well as the opportunity it provides for additional income generation for the poor.

3.6.7 Infrastructure Investment & Initiatives

Continuous investment in infrastructure and other infrastructural improvements is critical for the sustainability of businesses located in industrial parks within the municipality. For instance, lobbying for the Marburg Industrial Precinct must be ongoing to ensure that industries based there are supported. Infrastructure improvement should also go beyond industrial parks, hence local roads must be continuously improved, ie. Old Harding Road is at its final stage of revamping. This is the major road that links the industrial park and Port Shepstone town. The municipality has an adopted Roads Master Plan which assists in this regard. Currently the municipality is driving / at the forefront of various infrastructure related projects – namely catalytic projects, which transcend across different sectors. Two of such projects are the Port Shepstone Intermodal Facility and Technology Hub. There are also initiatives around ocean economy that are being pursued.



3.6.8 Industrial Parks

Currently, the municipality is in talks with the private sector to solicit funding to enable development of more parks which will boost the economy and provide job opportunities. Investors are also being scouted to uplift the existing industrial parks in terms of either investing or being business partners. It must be noted that so far, the municipality is fairing exceptionally well along the coastal belt in terms of industrial parks. There is booming economic activity along the Izotsha corridor, which according to the SDF, will spread in land as land has been identified.

Ray Nkonyeni Municipality has plans in place to mobilize the private sector through its Growth Coalition as indicated earlier on. Through the Investment Attraction Strategy and its processes, there are clear plans to attract investment, also through the SLA that the municipality has with Ugu South Coast Development Agency's operations are catalyzed through funding availed by the municipality and also the agency is provided with a list of mandated projects and its task is to ensure the implementation of these projects takes place.

3.6.9 Enterprise Development

The municipality has started engaging the local mining houses such as Idwala, Rossmin and NPC in determining their Social Labour Plans. The intention of the municipality is to incorporate such SLPs into the LED programme, particularly focusing on enterprise development. Further, the municipality has also held discussion with the Department of Mineral Resources in this regard.

3.6.10 Investment protocol and investment opportunities profile

The municipality further has an investment protocol and investment opportunities profile which serves as a guide to the business and investors pertaining to investment and processes involved in investing within the municipality, with a focus on the ease and cost of doing business with both local and foreign investors. The profile further contains up to date facts and figures and has been tailor made to make navigating the business and investment environment easier by understanding the municipality.

3.6.11 Strategic Economic Analysis and Interventions

The goal of strategic economic analysis is to assess the influence of factors determining the organization's activities in the present and future on its development strategy. Following is the analysis of RNM's analysis and interventions.

3.6.11.1 Economic drivers within Ray Nkonyeni Municipality

In response to identifying the potential economic sectors where jobs can be created, the Municipality's LED does mention that all sectors have the potential for further creation of employment opportunities. However, what is needed is a thorough analysis, which is research backed for each sector. Once that is done, it should be clearer which sector promises a better return in terms of job creation.

Addressing fundamental LED issues requires the municipality to adopt a strategy for the local economy. During the analysis, the performance of each sector was done. It was noted that the value rich Macadamia nut industry was taking over rapidly replacing the sugar cane industry. Further, as per the National norm, the tourism industry has been resilient despite the economic challenges. The Tourism industry continues to be a pillar of strength for the local economy, which is further assisting other industries, for an example, the retail industry is continuously



benefiting from the tourism industry. The Economic Sectors are continuously engaged through the quarterly LED Forums and other Adhoc forums in order to continuously shape LED matters and contribute to enhancing the LED programme within the municipality. The municipality further participates in the Growth Coalition Programme which is being implemented across all districts and the Metro in KZN. RNM as a secondary is also implementing and participating as the municipality.

3.6.11.2 Economic Sectors include the following:

- Tourism (Coastal strip) major potential in rural areas) (Tertiary sector)
- Agriculture (vast arable land in rural areas) (Primary sector)
- Manufacturing (Marburg) (Secondary sector)
- Transport sector (Tertiary sector)
- Mining/ quarrying (Primary sector)
- Financial and Services sector (Tertiary sector)

3.6.11.2.1 Tourism Sector

The municipality has an established a stable tourism sector and is among the most visited tourism destination in the province and boast a range attribute such as a favourable climate, key natural and heritage assets, conservation sites, a range of tourism products, accommodation, swimming and blue flag, beaches and events just to mention a few.

Tourism is one of the key economic drivers in the municipality. Consequently, more than 67% of the tourist attractions in the Ugu District are in Ray Nkonyeni Municipality. The entire coastline of the Municipality is a primary attraction, and the Tourism KwaZulu-Natal website lists no fewer than 29 beaches for this part of the Province. A series of coastal villages each with its own character and interspersed by beaches, rocky coves, tidal pools and lagoons set amongst indigenous bushes are the main features of the municipality. It is viewed by some as just a popular holiday destination for domestic tourists, but it is also a preferred retirement location for many people.

In terms of job opportunities, tourism within the municipality has provided plenty of jobs. There are, for example, hotels that have been recently opened to the public, namely Mthunzi Hotel in Umtentweni outside Port Shepstone. Other tourism attractions such as tour guides, scuba diving and sea trips have too provided employment as well. Since the South Coast is viewed as a holiday destination attraction, there are many accommodation outlets that have provided plenty of jobs. Below is a summary of the segments under the tourism sector:

i. Events Tourism

Popular events such as the Margate Air Show, the Lions South Coast Show and the Ugu Jazz Festival all now form part of the Sardine Festival. These events take place once a year in different seasons. The sardine Festival comprises of many events such as the Golf Challenges. Golf Tourism is probably the second largest tourism product on offer in the municipality and the South Coast is also branded as the Golf Coast of South Africa. This is due to a comprehensive selection of 11 (nine 18-hole and two nine hole) golf courses situated in the southern part of the municipality, at San Lameer. The event is held annually and the Mayor of RNM graces it. This event includes a women's tournament and attracts international players. Three of these courses are rated amongst the top ten courses in the country. Also, the municipality has added another category whereby young school going girls from disadvantaged communities are invited yearly



to participate in a mini golf tournament. This is aimed at both promoting the sport and teaching the girls the sports' skills. Popular annual events that take place during other periods include the:

- South Coast Bike Festival
- Hibberdene Couta Classic Fishing competition
- The Port Edward Ski Boat Festival
- SA Women Open (European Ladies Tour)
- Ugu Jazz and Arts Festival
- RNM Ultra Marathon
- State of Inland Tourism

Tourism activities inland is only concentrated along the Oribi Gorge corridor with few product owners taking the lead. Observations from within the sector indicate that there is substantial work to be done if the sector is going to deliver any level of growth beyond the Oribi Gorge corridor. The Oribi Gorge in the eastern part of the municipality provides better organised, marketed and committed products. There is general limited comparative advantage beyond the Oribi Gorge. The Shobashobane Heritage project is yet to be conceptualised to become one of the tourism icons on the south coast. This may improve cultural tourism, eco-tourism and community based tourism for most areas of the municipality.

RNM RURAL TOURISM



The following inland rural tourism will respond to the pressures for economic development and job creation and sustainable livelihood. These developments will provide jobs such as tour guides and transport provision.

- Gamalakhe Heritage Park
- Nyandezulu tourism Route
- KwaNzimakwe Route

ii. Beaches



South Africa currently has 36 accredited BlueFlag Beaches and therefore Ray Nkonyeni municipality claims almost a quarter of all blue flags in the country.



Margate Beach



Hiberden beach

The municipality has a total of 21 beaches which are classified as swimming beaches. Out of the 21, a total of 07 are accredited Blue flag Beaches status.

The following municipal beaches have the world-renowned Blue Flag status:

- Hibberdene Beach
- South Port Beach
- Umzumbe Beach
- Lucien Beach
- Ramsgate Beach
- Marina Beach
- Trafalgar Beach

The municipal beaches offer an ultimate beach holiday destination with all year round friendly weather even during winter months. All the beaches offer a safe swimming environment with shark nets, which are serviced regularly by the Natal Sharks Board personnel and in addition life guards are on duty at swimming beaches and in peak holiday periods. In addition to this, surfers can indulge their passion to find that perfect wave while patient fishermen are sure to take home a fine catch. The municipality has partnered with the Natal Sharks Board in ensuring that bylaws are implemented at all its beaches and that the municipality plays an active role in ensuring that the status of the beaches is at its best and security personnel visible.

iii. Historical / Nature / Mission Tourism

The municipal area has numerous historical, religious and cultural assets that have potential to be further developed as tourism products. There is a proposal for the Kwa Xolo Caves Project aimed at attracting tourists to the area. Another important draw card for tourist visiting the area is the natural environment the municipality has. There is a next ensivearray of botanical features



and wilderness areas attracting visitors for bird watching, hiking, walking, picnics and other related outdoor activities. There are two existing conservation areas within the municipal area, namely, Umtamvuna Nature Reserve and Trafalgar Marine Reserve. There are however approximately nine declared and protected nature reserves of which the majority falls under management of Ezemvelo KZN Wildlife.

The municipality has various religious assets such as the Albersville Community Church in Port Shepstone that was built in 1959, The Assisi Convert that was built in 1922 and was named in honor of St Francis from Italy; the German Church in Port Shepstone that was built by early German immigrants; The Norwegian Church in Port Shepstone that was built by early Norwegian immigrants, most whom arrived in the area during the 1880's; and the Enxolobeni CP School that is built in the area which used to be the American Board Mission. The mission house and the associated graveyard are still in the area.

iii. Accommodation and Competitive Advantages

The major concentration of tourism accommodation is in Margate (16%), Ramsgate (10%), Uvongo (9%), Shelley Beach (8%) areas, but areas such as Port Edward, Oribi and Hiberdene make a substantial contribution. All these places are found along the coastal strip except for Oribi which is situated about 45 km into the hinterland.

The implementations of the Port Shepstone Beach Front as well as tourism and eco- tourism development are areas identified as growth potential tourism. Tourism products have been developed over many years and the area is one of the Premier tourism destinations in KwaZulu-Natal. The list of competitive advantages includes:

- Blue Flag Beaches
 - Wild life conservation with Ezemvelo reserves
 - Major events such as Ugu Jazz Arts Festival, SA Women Open (European Ladies Tour), Africa Bike Week, Maidens Ceremony at KwaNyuswa. Beach Festival and Easter Adrenalin;
 - Sea and water events
 - Operating airport with OR Tambo,Plattenbergbay/ Margate route
 - Historical, Religious and cultural assets which provide opportunities
 - Sports and adventure tourism including golf and other sport codes
 - Golf estates
- Competitively priced accommodation

3.6.11.2.2 Agricultural Sector

The agricultural sector that was once dominant in the hinterland in terms of both employment and investment has lost its competitiveness. Commercial agriculture is dominated by two agricultural commodities, largely sugarcane and timber. Both these commodities are impacted by international competition. Sugar cane is impacted by the relative unsuitability of the local climate, that is, the distance from the equator in comparison to other international production areas. The restrained and non-formalised support for additional demand drivers in the sector like renewable energy production at the mills and other by-products equates to constraints demand growth for domestic growers. There is also limited tariff protection for local production; the uncertainties around land tenure and the labour input costs are rising faster relative to other international producers and increases risk factors for the sector.



i. Agricultural Categories

The municipality has three types of agricultural categories, namely, primary, secondary and small holder farmers categories.

➤ **Primary category (Commercial Agriculture)**

Commercial agriculture is still highly dominated by a few minority Agriculture is the second largest followed by financial sector within the municipality. The most significant shift in the economic profile of the municipality has been the decline of the primary sector giving way to the tertiary sector that is now the leading sector. This is due to recent reports outlining that agriculture has declined to a point where KZN as a whole has become effectively a net importer of agricultural products. This has affected the municipality in terms of its GDP Nationally. This clearly points to the diminishing agricultural production and food security. Commodities that are directly linked to the primary sector commodities, i.e. timber manufacturing are experiencing decline. Food, beverages and tobacco are the biggest contributors of employment in manufacturing in the province.

Commercial Farming at RNM



The range of agricultural products points to the great agricultural potential of this region, attributed to good climate conditions, soil potential and the entrepreneurial spirit of the people. Following are some of the outstanding features of the agricultural sector at RNM and these are practiced at a large scale more especially along the coastal belt:

- A fifth of all bananas eaten in South Africa are produced at RNM;
- Sugar cane growing and milling has taken place in the region since the 1890s;



- A range of niche market products, such as cut flowers, nuts and vegetables are also produced here;
- Livestock farming and poultry farming are extensive together with crocodile breeding; and,
- Timber farming sector produces Pine, Gum and wattle which are processed by some saw mills
- Macadamia nuts are now taking charge replacing sugar cane growing

➤ **Small holder farmers (Black farmers)**

These farmers practise at a lower scale than commercial farmers. Their turnover per annum is not above a R1m.

Black small sugar cane growers (SSG) farmers in the hinterland faces a number of challenges which includes amongst others, steep topography, no irrigation systems, less mechanisation, poor yields and lack of financial backup. Land is also another challenge as well as their small farm holdings are not fenced. RNM soils are shallow, and this limits plantation as most products need deep soil to enable good growth. A majority of Black farmers do not have codes for their yields at the sugar mills and rely on big sugar cane growers and this has proved to be a failure. Some Black farmers have leased their land for sugar cane growing but end up with next to nothing in terms of profit.

With the current political climate regarding land issues, land ownership and land rights commercial farming is negatively affected. If people are uncertain of their rights, they simply stop to invest in land, as they are unsure of the financial returns they will receive. The closure of the Umzimkulu Mill will increase the input costs, as delivery distances to the Sezela mill will increase on average fourfold putting more financial pressure on the inland farming community, as well as on welfare grants that will be needed to counter the loss in income when the mill closes down.



Sugar cane growers of RNM

➤ **Subsistence Agriculture (Produce for home consumption)**

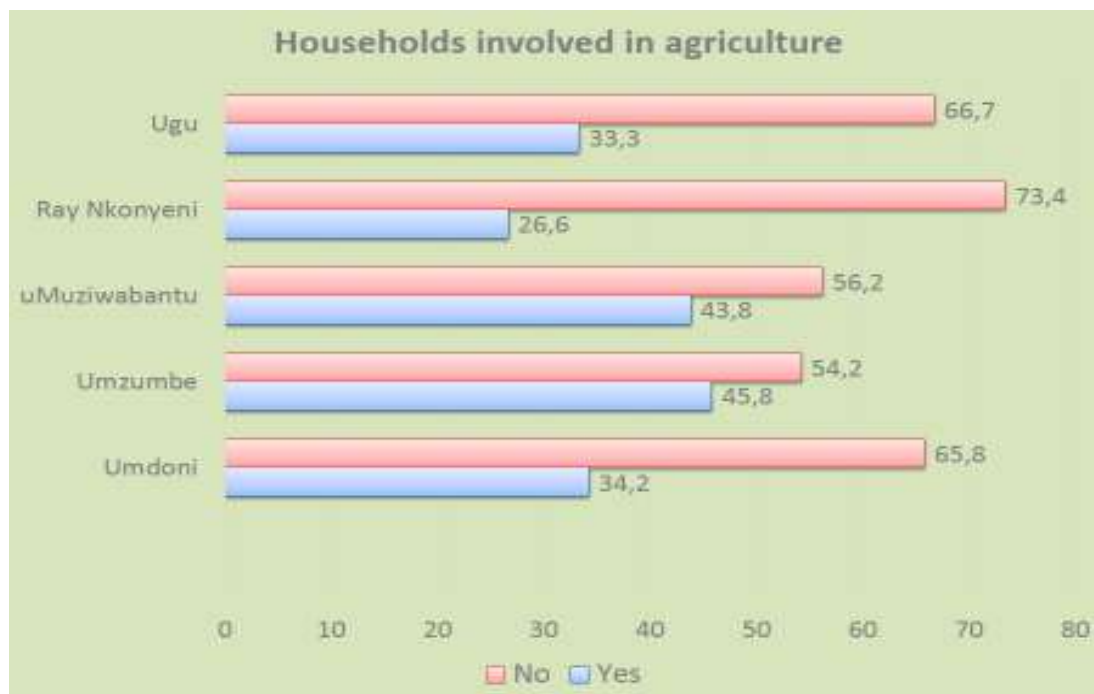
Subsistence farmers within the municipality is practised at a very small scale. Most of the produce is for home consumption and is mainly practised in the hinterland of the municipality. Produce include growing of vegetables, dry beans, sweet potatoes and amadumbe..

The graph on the following page indicates the number of households engaged in agricultural practices. It is noted that a very small number of households (26.6 %) participate in this practice.



Females are the most active participants in subsistence farming. The percentage is practically very little and this is due to the reluctance of households who want to plough.

Table 115: Households Involved in Agriculture



Source: Statistics South Africa Community Survey 2016

ii. Interventions by the Department

Specific approaches to identifying and secure land for agricultural development should receive attention. The department has taken big strides in assisting and supervising co-operatives within the municipality with a number of projects. Below is a list of small commercial farmers' by co-ops, and it must be noted that these projects have proved a huge success in terms of job creation and poverty alleviation.

Further to assisting with funds to co-ops by proving implements and funding, the Department also issues bursaries to students pursuing agricultural studies. The Department has also ensured that other types of farming are practiced such as animal farming, and poultry farming. This is mostly practiced in the hinterland of the municipality.

The Department is also looking at developing a horseshoe farm into an Agripark. Farmers will bring their yields to this point which will be then exported to other parts of the country.

The following projects within the municipality are still awaiting funding;

- Qhubekani Sugar farmers
- Khoshwana Sugar cane growers
- Sinekhono Poultry production (broiler)
- Lavenga Banana farm



The entire Ugu District's commercial agricultural produces 1/5 of all bananas consumed in the country. Export from RNM is growing on tea tree to Australia and macadamia to other countries. The municipality is generally characterized by good potential agricultural land that needs to be preserved for food production. There is mixed agricultural practice. Commercial farming is dominated by sugar cane farms and banana plantations along the coastal strip. Sugarcane and bananas are grown at a large scale while cattle rearing, macadamia nuts and vegetable grow in small holdings. Subsistence farming (maize growing, amadumbe, beans and sweet potatoes) is practiced mainly in the hinterland whereby families grow in small scales for consumption. There is also a small scale growth of sugarcane farming in the interior, practiced mainly by emerging Black farmers. Seasonal rains, steep topography, poor infrastructure and lack of new scientific methods of ploughing are some of the shortfalls these farmers experience. It must be noted that employment is decreasing in the sector due to a number of socio-political factors such as farmers are ageing and the young generation is not very keen on taking up the reins. The issue of land claims also contributes to the degenerating of the sector.

iii. Specific Agricultural Programs

The municipality runs Provincial-driven programmes and projects aimed at assisting emerging farmers. These projects include but not limited to: Agri-Hubs, Agri-Parks whose mandate is to assist emerging farmers to participate in the mainstream agricultural economy. On a smaller scale, the municipality also assists the subsistence farmer, which is inline with the Strategic Focus Area- Agricultural development as outlined in the municipality's LED Strategy.

There are challenges that emerging farmers are encountering and the Department of Agriculture is responding to this by providing seedlings and other working tools to some sectors of farmers for sugar bean growing and vegetable growing. There are also other initiatives the department has in place to address the challenges faced by emerging Farmers as well as Cooperatives. These include :

- Fencing of rural gardens and trainings
- Assisting farmers in exporting their produce to other parts of the country is also another initiative by the department
- Local grown vegetables by cooperatives are supplied to big food chain shops such as Spar and Shoprite Checkers
- Livestock farming is also encouraged where by breeding of cattle and poultry farming programmes are run

To further enhance the growth of the Agricultural sector within the municipality, there are trainings conducted by RNM LED practitioners to farmers on new scientific farming methods. It must be mentioned though that there is a major concern on emerging sugar cane growers in terms of limited funds that are there to assist them.

Currently, the municipality has few emerging Black stock farmers. Over the past few years, land has been provided for the farming of moringa plants.

There are also food security programs that are in place meant to sustain the livelihoods of our communities



Iv. Food Security and Projects Summary

Food security is one of the major challenges the municipality faces. Communities have been encouraged to have community gardens each home which is termed 'one house one garden', for home consumption. The Department of Agriculture is currently making provision of seedlings to communities promoting the one house one garden. The LED section also assists communities in terms of agricultural trainings and workshops. The PGDP 2035 states that there should be a safe guarding and enhancement of sustainable livelihoods and food security, which Ray Nkonyeni Municipality fully aligns through its various poverty eradication flagship programmes.

The department further works alongside the municipality in ensuring that household gardens thrive. The rationale behind this initiative is to ensure that each household has a garden to improve their livelihoods and combat poverty.

The department of Agriculture does not invest in commercial agriculture only, but on livestock agriculture as well. Projects include indigenous goat and indigenous chicken farming. These products are practiced at a medium scale and produce is sold to local retailers.

Conclusion

The collaboration between the municipality and the Department of Agriculture and Rural Development is progressing extremely well. The department of Agriculture and rural development within Ray Nkonyeni Municipality is committed to ensuring that programmes talking to food security are implemented and communities are given the necessary tools and knowledge with regards to agricultural matters. The department further commits into ensuring that these implemented programmes and projects fully align to the DGDP as well as the PGDP. Further it fully aligns with both the SONA and SOPA of 2024 which talks to communities having enough food surplus by participating in agricultural programmes for sustainability. Operation Sukuma Sakhe, One house one Garden, EPWP are amongst many projects, that respond to food security and the municipality is proud to announce that these are effectively rolled out. In response to the youth being fully involved in agricultural programs, the Department is committed into ensuring that the programmes running they are prioritized and fully participate. The strides the department has made into ensuring that the small black emerging commercial farmers do receive assistance in the form of funding, as well as communities receiving agricultural tools and seedlings is acknowledged by the municipality. However, in spite of all the positive moves into ensuring good crop yields, there are a few challenges encountered such as:

- Bird flu
- Banana bunch top virus
- Fall army work
- Foot and mouth disease



3.6.11.2.3 Transport Sector

The transport sector fulfils an important role in the development of RNM. This sector has a number of distinct components for consideration in future economic development planning for municipality. The key components are:

- Air transport
- Road freight transport
- Rail transport

The location of the municipality along N2, proximity to the city of Durban, operational airport with functional route to OR Tambo International Airport and other parts of SA and railway infrastructure (though currently only used for cargo) augers well for accessibility of the municipality.

3.6.11.2.4 Mining/ Quarrying

- *National Portland and Idwala Carbonates (KULU)* :This industrial area is located on the Eastern side of the N2 as you pass Marburg up North.
- *NPC*: The industrial area is located close to the entrance to the NPC Quarry immediately to the west of the N2 as you approach the Margate turnoff from Durban. The area is separated from neighboring developments either by the N2 or vacant land.
- *Rossmine Mine*: This is a small mining house basically for limestone mining operation, Port Shepstone quarries as well as Umzumbe mining. It is situated in Ward 4 of RNM

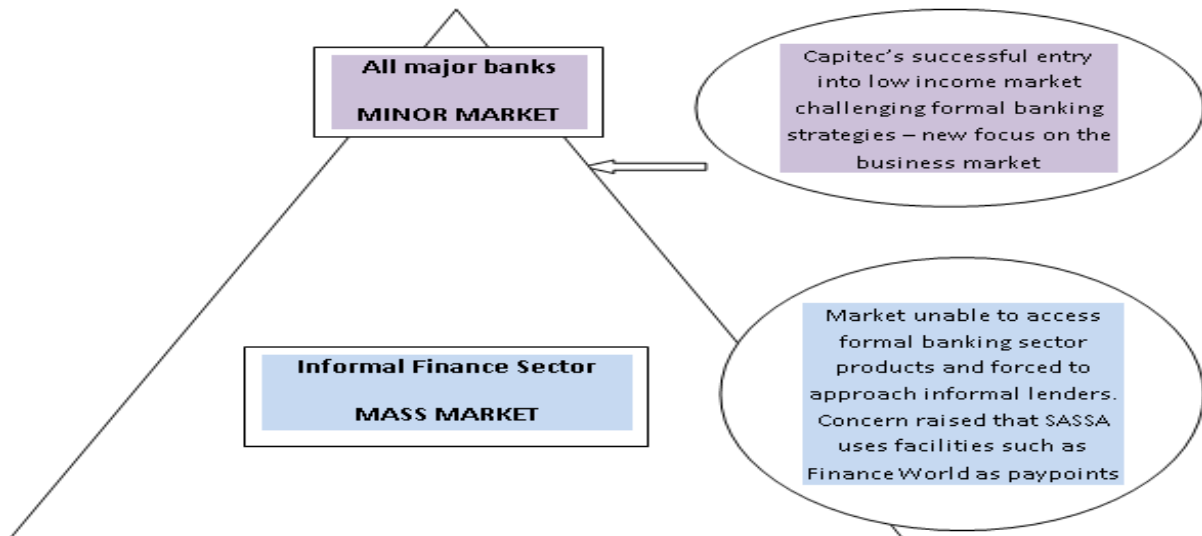
3.6.11.2.5 Financial and Services Sector

The main economic nodes within the Ugu region offer relatively diversified service sectors. Activities range from: legal, insurance, transport, engineering, household, small business, health, social to financial. Access to such services decreases in relation to distance from these nodes. The communications sector has been the top performing service sector with regards to GVA growth over the previous 10 years with 8.8% growth. In particular, the commercial financial sector within the Ugu district is well represented with all the major banking institutions present within the main economic nodes. The perception from the business community, however, is that “banks are not interested in the South Coast”. There is a challenge in facilitating access of rural communities to the formal commercial banks both in terms of the location of such facilities and prohibitive service charges. Capitec has made inroads into the lower end of the banking market as a result. There are many micro-lenders operating within the region, taking advantage of the high credit-risk rating of the rural poor, with unscrupulous lenders locking individuals into a perpetual cycle of poverty.



Below is an illustration of the Finance Sector Structure within RNM

Illustration 22: RNM Finance Sector Structure



3.6.10.2.6 Manufacturing and Retail (Secondary Sector)

Manufacturing and retail sectors are main industry of employment within the municipality. Mining and quarrying is the lowest industry. Although 60% of manufacturing businesses are located in the Port Shepstone/Marburg industrial area, it is important to note that a third of the manufacturing businesses also relate to Margate suggesting that this area should receive some prominence in terms of future industrial sector planning. The formal manufacturing sector is limited to the coastal strip and primarily the Marburg and Margate areas. It is not envisaged that the formal large scale manufacturing sector will expand into the rural areas (although development at Izotsha would provide easier access to job opportunities to the rural workforce).

The secondary sector is fairly stable in both employment and investment terms. Contribution to the municipal economy per sector is as follows:

- | | |
|---------------------------------|--------|
| • Whole sale and retail | 18.7 % |
| • Finance and Business Services | 21.5% |
| • Manufacturing | 12,3% |
| • General Government Services | 13.3% |
| • Agriculture and Forestry | 8.9% |
| • Transport and communication | 8,9% |



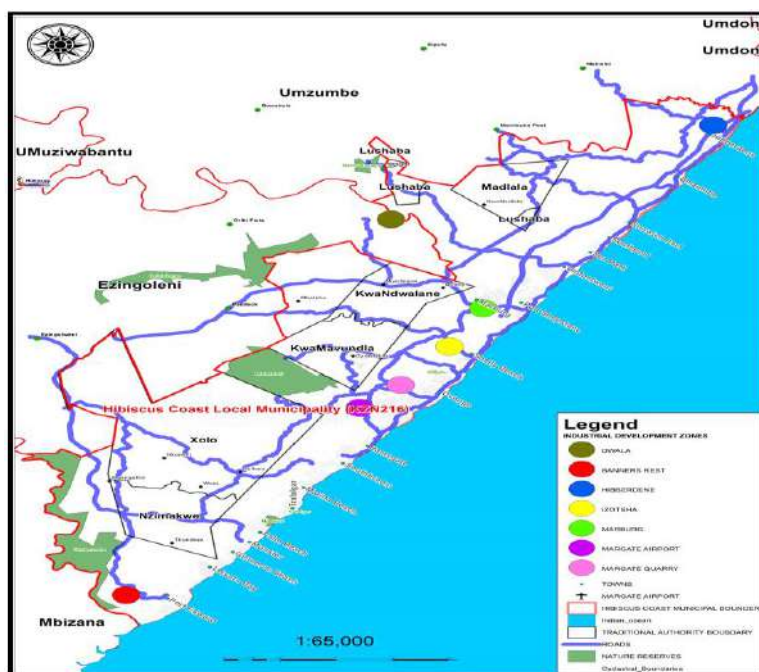
Table 116: Industrial Areas

Area	Basic Description	Type of industry
Marburg Industrial	This is the only major industrial zone in the District. It has been developed on the N2 to the south-west of the Port Shepstone CBD. The land is not flat, but the topography is reasonable for industrial development. A large variety of manufacturing and service sector businesses are located in the area.	Most industrial sectors are represented in the area. Furniture, textile and clothing and food seem to dominate. Sizes range from small service industries to major plants.
Margate Quarry Industry	The industrial area is located close to the entrance to the NPC Quarry immediately to the west of the N2 as you approach the Margate turnoff from Durban. The area is separated from neighboring developments either by the N2 or vacant land	The number of concrete block, brick and molded concrete block manufacturers benefiting from the location in relation to the Quarry is clearly noticeable. Furniture manufacturers and a church are also housed in industrial buildings.
Margate Airport Industrial	This industrial area is located on the northern end of the runway of the Margate airport. It is located on relatively flat land. The area is home to only a handful of industries	Construction related and furniture manufacturing firms are located in the area.
National Portland and Idwala Carbonates (KULU)	This industrial area is located on the Eastern side of the N2 as you pass Marburg up North.	Mining Industry



The map below shows industrial areas within RNM as indicated in the above table. It must be noted that all industrial areas are within former HCM, hence the map below.

Map 74: Industrial Development Zones



Source: Statistics South Africa Community Survey 2016

Manufacturing and retail sectors are main industry of employment within the municipality. Although 60% of manufacturing businesses are located in the Port Shepstone/Marburg industrial area, it is important to note that a third of the manufacturing businesses also relate to Margate. Whilst the Municipality has some large flagship firms in the Manufacturing sector, they often work independently and this has result in making very little impact in regional economies.

- **The Marburg Industrial Complex:** It has shown that it is not sufficient as some Manufacturing Businesses have relocated to what is now known as Izotsha Corridor, clearly the Municipality needs to formulate an Industrial Development Plan which will demarcate industrial zones within the Municipality to avoid haphazard relocation of manufacturing businesses.
- **Izotsha Industrial Development Corridor:** is a theatre of manufacturing and storage/ warehouse activities within the municipal area. The coverage of this area stretches to include properties located along the Izotsha Road, N2 and R102. Other industrial activities are found in towns such as Marburg and Port Shepstone which also extensively contribute in the economic growth of the municipality. The municipality has identified land along Izontsha Corridor and Hibberdene and Margate for future industrial development.



- **Margate Airport Industrial Park** :This industrial area is located on the northern end of the runway of the Margate airport. It is located on relatively flat land. The area is home to only a handful of industries.

3.6.10.2.7 Property Market

Many people find the coastal belt of the municipality very attractive due to its beautiful scenery and beaches. Properties found along this area are both privately owned as well as municipality owned. Part of the capital generated by the municipality comes from these rented properties. Most properties are rented out during the peak season, which is November to January where most people take vacations. Due to the active residential and business development of property taking place in the municipality, there are plenty job opportunities as well.

There is a booming residential development along the coast even though in recent years developers were finding it difficult to sell existing developments. The number of properties on the market, however, is starting to rise. Some developers have voiced concerns in terms of slow sales due to traffic congestion on the Marine drive between Shelly Center and Margate during peak holiday periods and the fact that a number of people see the image of the South Coast as a retirement area and see no point in investing. Attraction of further government services and offices into the municipality has potential to stimulate residential and office markets.

3.6.12 Green Economy

The municipality's long term vision (Vision 2036) adopted in December 2020, under strategic goal 2 outlines extensively its strategic growth and development. The municipality details on how it intends carrying out its Green economy aiming at driving circular and alternative energy initiatives and supports research into new circular economy value chains in key sectors. The vision further investigates biomass and bio-refinery opportunities and have received funding to do a feasibility study for forestry by-products and bio-energy production. To further address the green economy, one of the projects it is currently undertaking is looking into how the amount of waste produced and the amount of resources utilized by the fashion industry can be minimised as this will lead to a great deal on innovation within this industry that encourages the diversion of waste from landfill back into manufacturing process techniques to minimize waste during production and to further reduce resource usage. For an example, 35% of all materials in the supply chain end up as waste before the garment product reaches the consumer. A number of industries within the municipality are actively finding solutions to tackle the environmental impact of the clothing industry to eliminate more use of water and chemicals.



3.6.13 LED interventions

Despite being the most developed municipality within Ugu District Municipality (UDM), poverty remains one of the leading social concerns for Ray Nkonyeni Municipality (RNM). This is reflected in various municipal strategies and plans that have recently been developed, with the overall aim of creating job opportunities and reducing the poverty levels within the local area. To address this, the RNM LED Strategy (2018-23) has identified the need for the formulation of a Poverty Alleviation Plan for RNM. It is intended that this Plan will provide strategic guidance and direction to the Municipality in undertaking specific ward-based interventions to alleviate and reduce poverty within the locality. In response to the 3 identified poverty-stricken wards that have been identified with specific LED interventions, Portfolio recently approved RNM-wide Poverty Alleviation Plan, which will be going to Council for approval and adoption. The Poverty Alleviation Plan is a sub-plan of the broader LED Strategy; thus alignment will be ensured & there are specific interventions for each and every ward in that plan.

To address poverty in general within the Municipality's 36 ward, analysis was conducted at a municipal and ward-based level; and was based on a thorough review of relevant national, provincial, district and local strategies and plans; as well as the most recently available statistics sourced from the Policy and Planning Unit within the KZN Department of Economic Development, Tourism and Environmental Affairs (KZN EDTEA), and from Statistics SA. Strategic objects have been identified that will cut across to enable the implementation of poverty alleviation projects. The municipality has further engaged with all units with red tape problems whereby recommendations have been put in the report. Ray Nkonyeni Municipality is in a process to develop a masterplan where underutilised LED infrastructure as Operation Vula was specific about them will be identified. In terms of Land Use Management requirements, the LED has made considerations for interventions. The SPLUMA states that the private and public sector are by law required to use SPLUMA for all land development applications. The development community, both public and private must be sensitised by the Municipality in terms of key requirements for land development applications beforehand and assisted to comply with such requirements to achieve seamless development applications approvals. In this regard, the municipality has fully adhered to these considerations as all land developed and still to be developed must meet the requirements.

3.6.14 Strategic Programmes Responses

The LED Strategy does identify mechanisms that can directly or indirectly contribute to employment opportunities. Perhaps in the next review of the Strategy, a detailed focus will be conducted, however, it needs to be noted that thorough research not just focusing on secondary data will be required and the municipality through its research unit will undertake it.

In response to responsive programmes that will bring sustainability to the municipality, the municipality has responsive programmes which will promote rural tourism and these programmes seek to transform local tourism, see below listed programmes, **see below**;



3.6.14.1 The Hinterland tourism potential

It must be noted that RNM is ranked number two in the province in terms of tourism. Tourism is more thriving along the coastal belt as compared to the rural hinterland, however, the municipality has identified areas with potential tourism attractions such as the KwaXolo Caves, Nzimakwe trail and Nyandezulu water fall. The Oribi Gorge, which is also in the interior has started to be a huge tourist attraction.

3.6.14.2 South Coast Tourism & Investment Enterprise (SCTIE)

Ugu South Coast Tourism & Investment Enterprise is a representative agency for all Ugu local municipalities for tourism development issues. The tourism agency has an approved Tourism Strategy, whereby the tourism transformation is outlined focusing mainly on broadening participation and ownership.

3.6.14.2.1 Responsive programmes

These programmes are meant to be responsive to the needs of a community. Ray Nkonyeni Municipality has such programmes that are being implemented in collaboration with sector departments.

Below are some of these responsive programmes by the South Coast Tourism & Investment Enterprise. A sum of R3.8 M has been given to the agency by the municipality to enable continuity with the programmes.

i. John Mason Park

- Mixed Use Development (hotel, residential and commercial) based in Umtentweni
- Developer has been appointed having followed SCM processes
- Initially RNM indicated they own the property, but it emerged at contracting stage with the prospective developer that Public Works is the owner
- The project has been in the pipeline for more than 15 years from then HCDA but is now approaching implementation

ii. KwaXolo Caves Adventure Centre

- Adventure centre anchored around Khoisan rock art in a cave at the bottom of a 40m gorge.
- The project was handed over to USCDA by RNM due to serious social issues that could not be solved at the time.
- USCDA managed to attend to the issues and the project is now at implementation.
- Contractor has been appointed and completion anticipated at the end of August 2019

iii. Umzumbe River Trail

- A 74km trail (horse riding, bird watching, cycling, jogging) traversing 7 Amakhosi areas – R36m is needed to enable implementation
- Connects Phumula beach in RNM with Mhlabashane dam in Umzumbe
- Funding applications have been submitted to Rural Development, Tourism, Cogta, EDTEA and a host of private sector companies – CSI allocations



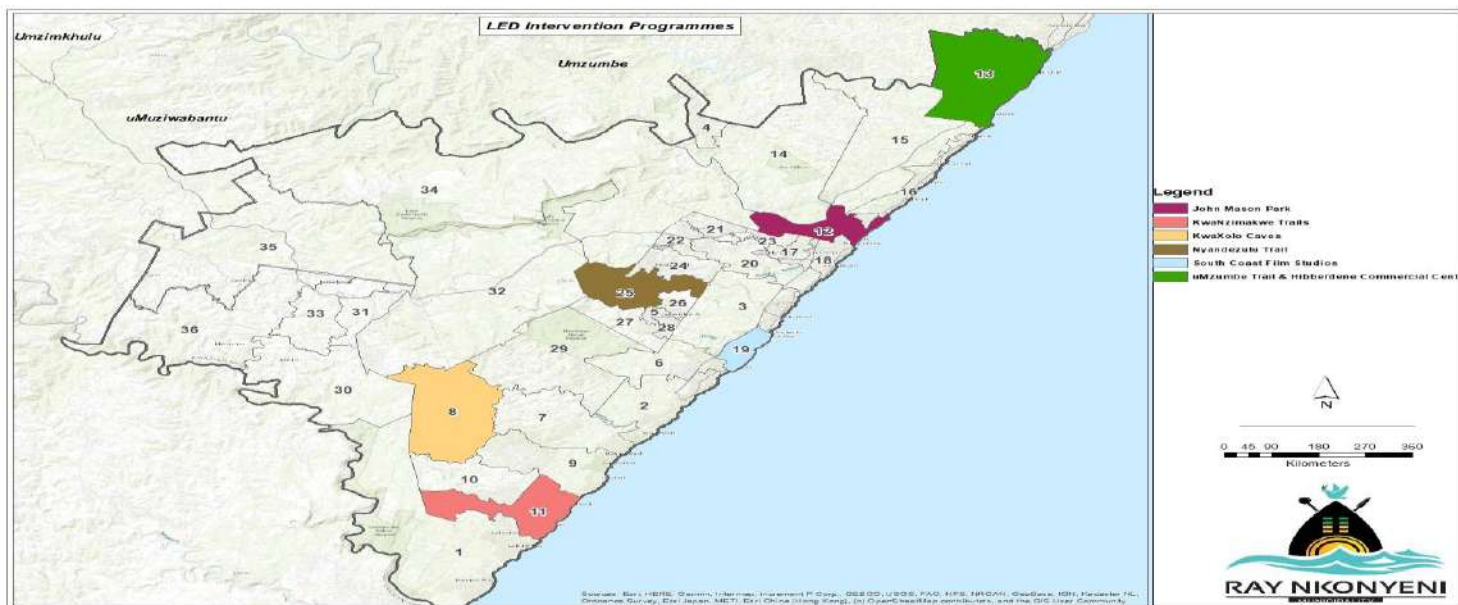
3.6.15 Rural Tourism

Following are the specific programmes in the hinterland that seek to transform tourism:

- KwaNzimakwe route
- KwaNdwalande tourism route

Below is a map highlighting LED Intervention Programmes

Map 75: LED Intervention Programmes





3.6.16 Monitoring and evaluation plan for LED

There is a monitoring and evaluation mechanism for the implementation of all LED programmes and targets. LED programs and projects are outlined and reported in the SDBIP as outlined in the Strategy. Monitoring is carried out on quarterly basis. Engagements in the form of LED Forums are conducted on quarterly basis where integration between the municipality and sector plans are deliberated and if need be, evaluation is done to ensure alignment.

- Any effective food security campaign should:
- Improve agricultural production
- Improve food diversification
- An improved household well being
- Improved food utilization and health status of target group

3.6.17 Funding and Implementation

The Ugu District State of the Economy 2022 talks to the Economic contextualization, which includes RNM. The GDP R-Value for the Ugu District remains lower than what it was in 2018. It is however, predicted to increase in 2023. This is not surprising as the Ugu District's GDP sharply declined in 2020, and provincially it was one of the district economies most affected by the pandemic and related responses. In response to this, RNM has undertaken an initiative of getting an in-depth analysis of all the economic sectors within its jurisdiction in order to ascertain the status core of job opportunities.

3.6.17.1 Research and Development

An in-depth analysis of potential economic sectors within the municipality is one of the research topics undertaken to ascertain the number of job opportunities created and those that can be created. The Ugu District State of the Economy 2022 aims at assisting LED management and administration touches base with the drive to know the core economic sectors. As part of the 2024 / 2025 budget proposals the department has put aside R400 000 to conduct an analysis into the key economic sectors. Part of the exercise will be to profile each key economic sector, its contribution into the local economy and compile database in terms of key players within the sector. The databases will be critical in terms of engaging with the sector in terms of needs assessments etc. key also as part of the profiling exercise will be to ascertain job contribution per sector amongst other things. Where there are contractions, we will be able to understand causal links to that effect and hopefully come up with retention mechanisms to deal with such. In-house research to support local industries within municipal jurisdiction, including keeping of databases of businesses, needs assessment and sector performance.



3.6.17.2 Implementation Budget

Below are the municipality's LED responsive programmes which will be implemented in the 36 municipal wards.

Table 117: LED Implementation Budget

Segment description	Tabled budget 2024/25
Poverty alleviation projects	R 1450 000 00
Business capacity building	R 50 000
Storage facilities	R500 000 00
SMME development	R5 000 000
Newcro-South Coast & Investment Enterprise	R3632 748 00
Film development programm	R100 000 00
Crafter development programm	R200 000 00
Economic development copy charges	R10 000 00
Mayoral fair	R1500 000 00
Economic sector analysis	R500 000 00
LED Strategy & Implementation plan	R500 000 00
Economic development rent& leases	R40 000 00
LED handovers hire charges	R200 000 00
Mayoral Entrepreneur awards	R400 000 00
Marburg motor mechanical w/shop operational maintenance & informal trader permit & cards	RR1300 000 00
LED handover events catering	R200 000 00
Informal Trader permit & cards	R1500 00
RNM marathon	R250 000 00
Chilla Nathi festival	R250 000 00
Maskandi festival	R250 000 00
Uniform & protective clothing	R50 000 00
Stationery materials & stores	R 100 000 00

3.6.16.3 Non-Governmental funding

KZN EDTEA and KZN COGTA normally funds the municipality with a once off budget annually to fund one programme and one project,

Pertaining to this source of funding, there is no funding that has been ploughed in for the next financial year. However, there is a collaboration, between the municipality and Ithal Bank as well as the Department of Agriculture and Rural development, with no specific budget allocated. Ithala bank, for instance, will train 40 local SMMES.

3.6.18 Potential Employment/Job Creation

3.6.19 Mobilization of Private Sector Resources

The municipality has partnered with the South Coast Business Chamber of Commerce. Meetings take place quarterly to discuss issues pertaining local businesses. Issues discussed also include ways and means of attracting more development into the municipality and how best to create more jobs. The Forum also looks at the interest of their businesses on ways of for sustainability and municipal policies are discussed such as Strategies. Since the Forum



members are Businesspeople, they are also ambassadors of their own business and so this platform is set for showcasing them and further on how best to attract investors into the municipality. These Sector partners include:

- Ugu Association of business
- Margate Business Association
- Port Shepstone Business Forum
- Ezingoleni Business Forum
- Kwanzimakwe and
- Gamalakhe Business Forum

3.6.20 Investment Opportunities (Catalytic Projects)

The municipality has key projects aimed at unlocking job opportunities. These are projects regarded as having significant development impact. It is the projects that go beyond the powers and functions and affordability of Council and only use need and desirability/impact as the criteria. A catalytic project displays the following characteristics:

- It makes a substantial impact
- It provides leverage and/or creates multiplier effects
- It has power to radically activate development (social , economic or both)
- It significantly impacts spatial form
- It creates jobs, and increase land value and
- Contributes to the achievement of the vision and goals of a municipality.
-

It must be recognized that these projects are in different categories. Some are government projects driven through social need and demand, whilst others are largely private sector driven to capitalize on economic development opportunities. In this context, three types of catalytic projects have been identified at Ray Nkonyeni Municipality, and they are

- Game changers,
- Major enablers and
- Major needs

Game changers and major enablers are inherently considered catalytic projects because they act to catalyst upstream and downstream economic and social activities. The significance of a project being awarded 'catalytic' status is that it will confirm that such a project had been subjected to a screening and prioritization process and will receive preferential facilitation support and guidance. It must be mentioned that Ray Nkonyeni Municipality in selecting its catalytic projects has been in line with the PGDP, therefor these projects form an integral part of it.

The projects listed below are regarded as catalytic projects being at different stages of implementation. These catalytic projects are:



Table 118: RNM Catalytic Projects

Project name	Project description	Responsible entity	Estimated Budget	Funding source	Current Status
1. RNM Intermodal Transport Facility	Provision of just under 24 000m ² Retail space, Public Transport Facility, Informal Traders	Private Developer	550m (70M Public Transport, The Balance goes to retail facility)	RNM - Land Value DOT: KZN - R50m Private Developer	Implementation
2. RNM Roads Infrastructure Upgrade	Upgrading of Old Main Road and Nelson Mandela Drive	RNM	R120m	Treasury KZN	Implementation
3. Margate Airport	Upgrading of Terminal Building, Parking Areas, Runway, Taxiway and Development of Commercial Precinct	RNM in partnership with DEDTEA	R285 million	DEDTEA - R10m and PPP	Terminal Building completed. The rest to be undertaken through PPP
4. Technohub	Phase 1 - Information Centre and Bulk Infrastructure	RNM	R55 million	European Union and KZN Treasury	Completed
	Phase 2: Internal Infrastructural Services		R61 million	RNM or DBSA	Conceptual Stage
	Phase 3: Estate Development and Investment Attraction (Technology and Innovation inclined)		R2.8 billion	Private Developer	Conceptual Stage



5. Small Craft Harbour	Creation of Small Craft Harbour in line with Operation Phakisa inclusive of Boat Launching Site, Fisheries and related facilities (Hibberdene, Port Shepstone and/or Port Edward)	RNM / Ugu DM and DPW	R1.041billion	Private Developer	Conceptual Stage
	Facilitation of declaration of the area as an Industrial Park - ultimately to be designated as Special Economic Zone	RNM	TBC	RNM / DTIC / DED: KZN	
6. RNM Energy Infrastructure Development	Installation of Smart meters (meter replacement & Mini-Substation) on existing customers - Revenue Enhancement	RNM & DBSA	R12 m	DBSA Loan	Completed Phase 1 - Commercial Sites (Phase 2 - Residential)
	Design of Bulk Interconnector	RNM & DBSA	R16 m	DBSA Grant	Feasibility Stage
	Pre-feasibility studies on Renewable Energy at Lot 19 & 20	RNM & DBSA	DBSA Grant/ RNM (Loan) / Independent Power Producers (Private)	DBSA Grant	Feasibility Stage
7. Oatlands Landfill Site	Creation of additional airspace for waste management. Exploration of generation of alternative and renewable energy from Landfill Site. Waste Management Technologies (Reduction, ReUse & Renewable)	RNM	R65m	RNM and PPP	Implementation



8. Port Shepstone Beachfront Redevelopment	Mixed-use beachfront development with both public & private investment - prominent public art features, craft centre, water features, beach hotel & apartments.	RNM	R180m	RNM / Treasury KZN / Private Investors	Conceptual Stage
9. UMzimkhulu Coastal River Park	River Park with promenade, picnic facilities, braai facilities, etc	RNM	R75m	RNM / Private Investor	Conceptual Stage
10. Port Shepstone Government Complex	Development of a One-Stop Shop Government Precinct in Port Shepstone	RNM	R500m	PPP	Conceptual Stage
11. St Michaels to Margate Promenade	Development of Beachfront Promenade with walking, running pathways, aesthetic lighting, parking areas, restaurants & public open space	RNM	R91.4 m	RNM / Private Investor	Conceptual Stage
12. South Coast Regional Conferencing Center	Conference facility to attract investment events & business tourism.	Ugu DM / RNM	R180m	PPP	Conceptual Stage
13. Resuscitation of Railway Line	The railway line between Durban and Port Shepstone is vital important to the proposed Industrial Development and rapid Eco-Tourism promotion in South Coast. The rehabilitation and its maintenance remains the primary responsibility of Transnet.	RNM, DOT and Transnet	TBC	DoT and Transnet	Conceptual Stage

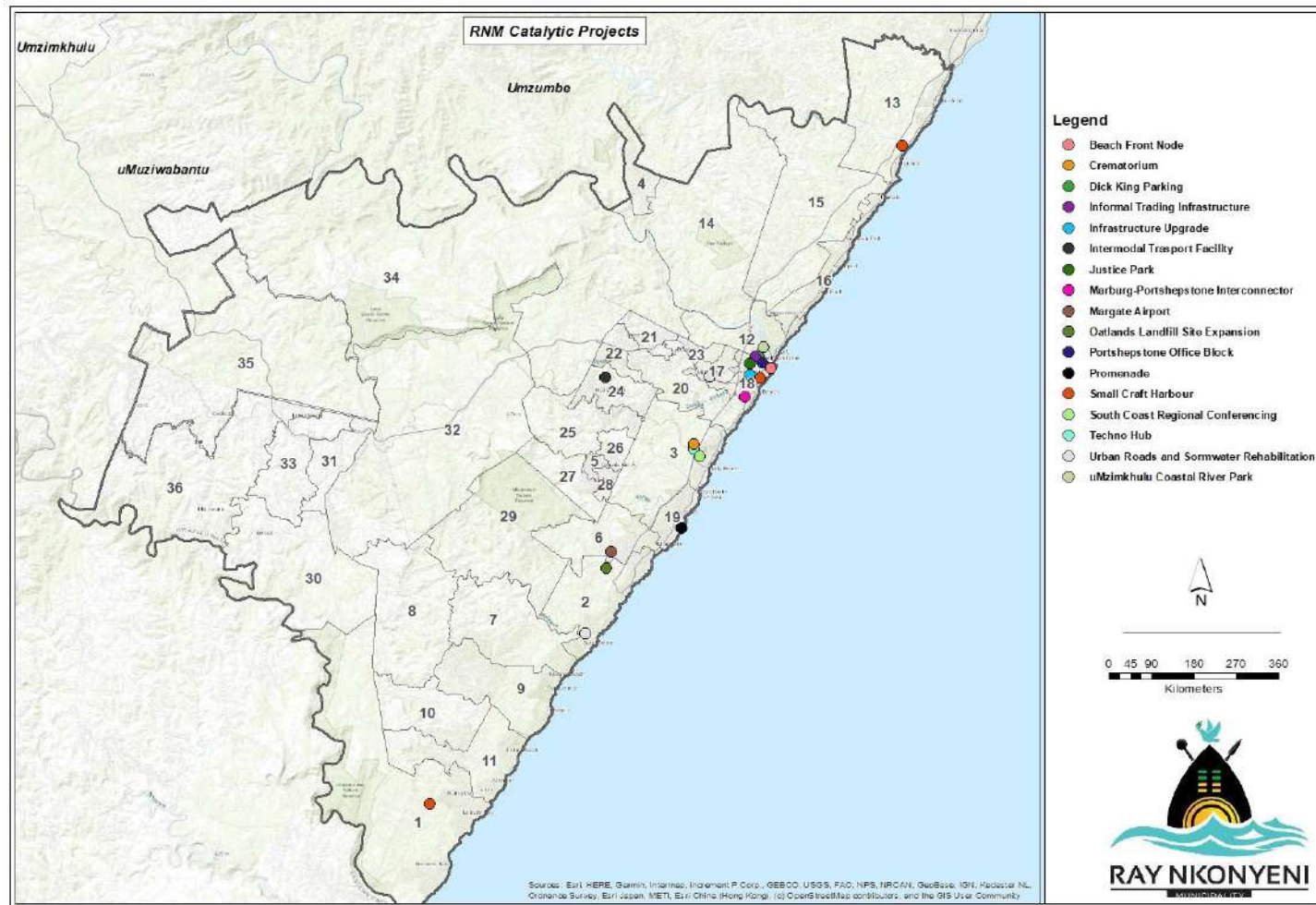


14. Dick King Parking	Construction of Guard House, Fencing and resurfacing of the existing area	RNM	R3 million	RNM	Completed
	Construction of Multi-Storey Parkade to support the Port Shepstone Inner City Rejuvenation Programme	RNM	R100m	PPP	Procurement Stage
15. Informal Trading Infrastructure	Construction of Stalls and Storage Facilities for Informal Traders	RNM in partnership with DEDTEA	R20m	DEDTEA	Implementation
16. KwaXolo Caves	Construction of Zipline over the Gorge to promote the identified potential of an Rural Eco-Tourism Adventure around Khoisan Rock-Art	SCTIE	R13m	RNM / SCTIE / Private Investor	Implementation
17. Serenity Hills	Eco Estate -	Private Developer	R800m	Private Investment	Implementation
18. Bahari Bay	Eco Estate -	Private Developer	R1.1 billion	Private Investment	Implementation
19. Shelly Beach Mixed Use Development	Commercial/Residential and Leisure	Private Developer		Private Investment	Inception

Total =R 7.284 400
billion



Map 76: RNM Catalytic Projects





3.6.21 LED projects Monitoring and Evaluation

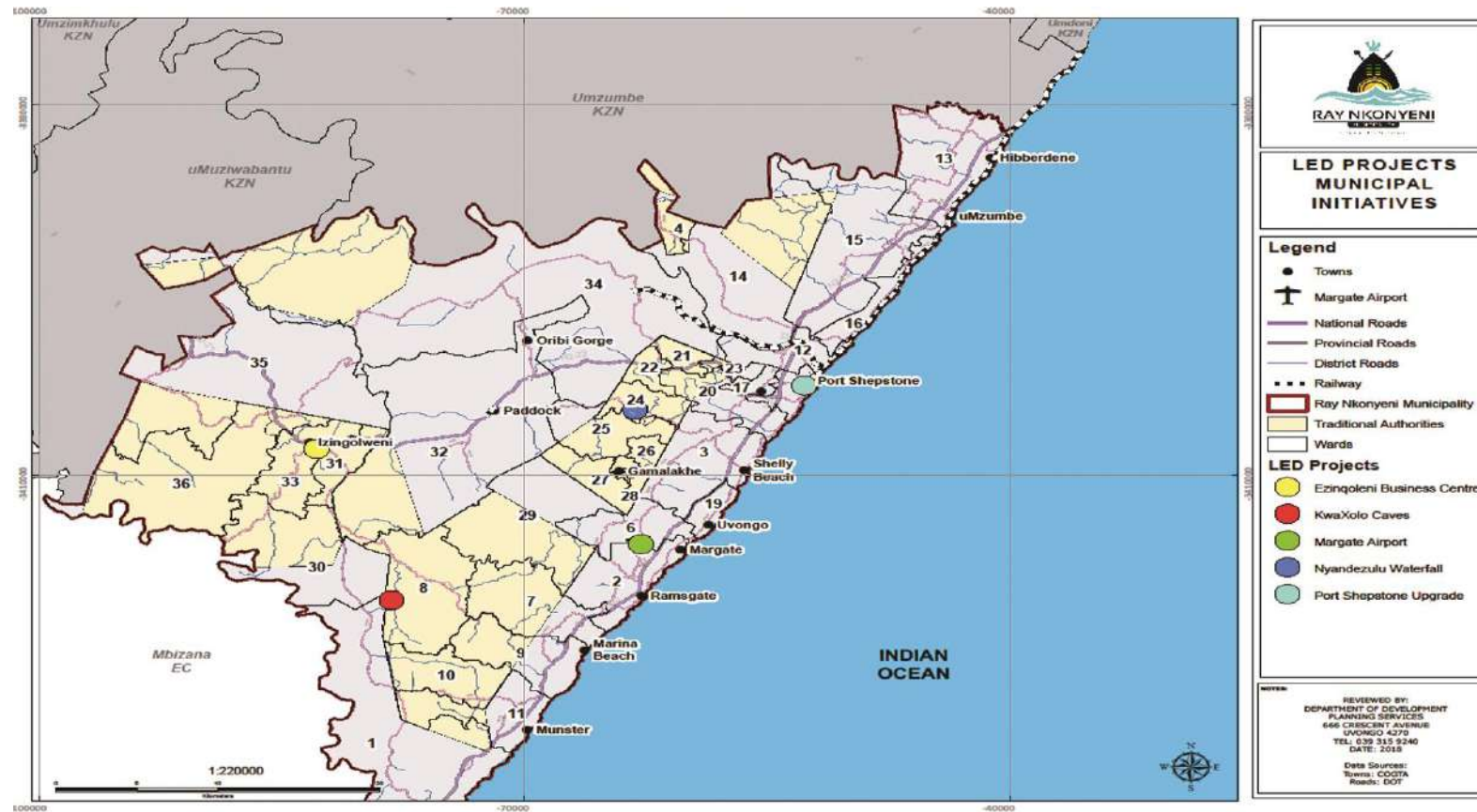
In terms of monitoring and evaluating programs on the ground, the municipality uses various tools such as

- The Service Delivery and Budget Implementation Plan (SDBIP) which is a quarterly assessment
- Site inspections
- All funded projects by the municipality are subjected to M&E
- Mentorships & guide to already existing business funded projects
- Re-visits are made to implemented projects to check if the purpose is still being served
- For SMMEs, there is an independent M&E Evaluator, in most instances this is subject to budget availability

Following are **LED Catalytic Projects** in various parts of the municipality.



Map 77: LED Projects





3.6.22 Natural Assets/Resources

Ray Nkonyeni boasts of several natural resources that have provided job opportunities. To mention some:

- the ocean for an example and its alignment to tourism
- The Red desert
- The KwaXolo Caves and Nyandezulu trail which are rural cultural rich
- The Oribi Gorge which is the largest tourist attraction, is also one of the assets the municipality lists under its natural resource

Below are current initiatives for the municipality. They include but are not limited to the following:

Table 119: Municipal Initiatives

<ul style="list-style-type: none"> ➤ Co-operatives and SMME development and advancement ➤ Second economy advancement ➤ One house one garden ➤ Rural tourism facilitation (tourism development) 	<ul style="list-style-type: none"> ➤ Job creation ➤ Margate Airport as a macro project ➤ Port Shepstone upgrade ➤ Business licensing ➤ Thusong service centres ➤ Ultra-marathon ➤ Cycling classic ➤ KwaXolo Rock Art caves project ➤ Training of SMMEs ➤ Business information days ➤ Distribution of seeds 	<ul style="list-style-type: none"> ➤ Establishing Izingolweni Business chamber ➤ Construction of Agri park at horseshoe farm ➤ Developing Conference centre ➤ Developing Nyandezulu water fall ➤ Developing Arts and craft market ➤ Developing Ndongeni/Dick King tourism route
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3.6.23 Amakhosi Fallow Field Cultivation with niche Crops

Ugu South Coast Development Agency (USCDA) currently working with National Cabinet's Economic cluster to access funding to pilot macadamia cultivation in Amakhosi areas

- The engagements are ongoing and some Amakhosi have already pledged land for this purpose – KwaNzimakhwe and KwaXolo
- KZN Department of Agric, Cogta and EDTEA have also endorsed the initiative as well
- Ugu South Coast Development Agency (USCDA) currently working with National Cabinet's Economic cluster to access funding to pilot macadamia cultivation in Amakhosi areas
- The engagements are ongoing and some Amakhosi have already pledged land for this purpose – KwaNzimakhwe and KwaXolo
- KZN Department of Agric, Cogta and EDTEA have also endorsed the initiative as well

In terms of the LED Strategy aligning to programs undertaken by Traditional Councils, the Local House has since liaised with the municipality in terms of sending programs undertaken by Amakhosi so that they are incorporated into the LED Strategy for alignment.

Urbanisation

- Ray Nkonyeni Municipality has experienced enormous pressure in development over the past year. This is in line with the municipality's urban renewal policy. It is notably that the municipality experiences, in line with international trends, the highest level of urbanisation. There is rapid and growing urbanization within the municipality. There is also a lot of development activities in a form of residential as well as beaches upgrade. Several catalytic projects are also taking place which many people have found employment. This is in line with the Ugu District Growth Strategy.
- The upgrade of Margate Airport has made it easier for tourists to access the district once they are in the province, as well as making it significantly easier and simpler for the tourists to remain in the province for longer periods, due to the expanded range of tourism product in keeping with the tourists' needs.
- The municipality is a business licensing authority and policies have been developed to encourage more businesses into the municipality, more especially the private sector. The CBD in Port Shepstone is quickly reviving its appearance as more establishments are being developed.

3.6.24 Reducing the Red Tape

Reducing The Red tape is seen as a strategic intervention by the municipality. RNM is being piloted under the Pilot Administration Programme. In line with 2024 / 2025 financial year budget proposals, the municipality has put aside R600 000 to formulate a new LED Strategy with Implementation Plan, which will reflect the PASP programme (Pilot Administrative Simplification Programme), which is basically an Ease of Doing Business Programme which is currently being piloted in RNM by National Department of Small Business Development. Currently RNM is one of 4 municipalities wherein Pilot Administrative Simplification Programme is being piloted. PASP is simply a red tape reduction programme, focusing in 8 Units / Sections in RNM.



The municipality has identified interventions to challenges posed by the red tape in terms of unlocking business potential. It has engaged with all units within the municipality with red tape problems whereby recommendations have been put in a report to utilize when developing measures of reducing it. Business license processes is one example that is a big challenge for businesses to operate, and this is being looked at to identify the red tape and eliminate it to improve processes. The municipality wants to ensure that it will expedite and expand an incubation programme for small businesses, do its best to reduce “red tape” for small business and support access to funding through soft loans and grants.

3.6.24.1. Ease of Doing Business Initiatives

Ray Nkonyeni Municipality was selected as one of four (04) municipalities to participate in the PASP (Pilot Administrative Simplification Programme), which is a Red Tape Reduction Programme, led by the National Department of Small Business Development. The focus of the programme is on ensuring that municipalities come up with innovative ideas towards ease of doing business. The programme involves various sub-units within the municipality. All units have been assessed, and report generated by national. The report proposes a number of sub-initiatives / sub-projects that need to be implemented to further enhance ease of doing business within RNM. Furthermore, an IT system will soon be procured by National Department of Small Business Development and be implemented across all 4 participating municipalities. Such system will provide real time assessment for ease of doing business within RNM – focusing on all units / sections that are involved.

The municipality has signed up for the KZN Automated Business licencing and information management system (2019), however, and has trained all approval processes from different departments, however, there are challenges. Some departments still want to make use of the manual system and state that the new system is not user friendly.

3.6.25 In-House Research (Business Database, Sector Performance Etc)

The Ugu District State of the Economy 2022 aims at assisting LED management and administration, touches base with the drive to know the core economic sectors within the district. A service Provider will be appointed to undertake this task. There has to a data base for all businesses within the municipality. The current budget that is available will be utilized for the research and tabling of the data base. Overall, the department will be conducting research on annual basis to assist businesses whilst also assisting decision makers within Council in terms of providing information and statistics to enable informed decision making.

3.6.26 Key Issues

The municipality is faced with several issues in terms of implementing some LED programmes effectively, however, through the LED strategy, the following key issues have been in a position to be addressed:

- Economic governance
- Institutional alignment and coordination
- Economic spatial integration
- Land release for economic development
- Youth and gender empowerment
- Sectoral integration



- Sustainability of LED municipal projects
- Seasonality of key economic sectors
- Infrastructure supporting economic development.

3.6.27 Township & Rural Economic development

The municipality's LED Strategy addresses Interventions for Township & Rural Economic development as they also form basis of TRERS. In terms of Agricultural programmes, tourism, manufacturing, integrated support of existing businesses as well as informal economy, both TRERS and the Strategy do address these.

The issue of Township & Rural Economic development is a crucial and long overdue development instrument to meet the triple challenges of poverty, unemployment, and inequality in the entire country. In as much as both documents were adopted simultaneously, both touch base with the following seven pillars, namely:

Access to commercial property and transformation

- Infrastructure development
- Access to digital innovation
- Informal economy
- Agriculture
- Tourism and creative industry
- Integrated support of existing businesses and manufacturing

Effective implementation of projects are of significant requirement not only by RNM, but the department of COGTA, Agriculture Rural Development, Economic development, Tourism and Environmental Affairs. With that mentioned, for the current financial year, the municipality has, with the assistance of funding from various sources, have planned for projects that address all the seven pillars as mentioned above.

Furthermore, addressing the Township and Rural economic development, Vision 2036 which is the long term vision of the municipality adopted in 2020, Strategic goal 2, which is the Diverse and Inclusive Economy, the municipality seeks to have a diverse economy and inclusive economic growth by 2030- Expand traditional sectors, Unlock potential growth sectors, Stimulate enterprise development and drive township and rural economies.



3.6.28 EPWP



EXPANDED PUBLIC WORKS PROGRAMME





EPWP is a response to poverty alleviation by creating jobs for the underprivileged. In response to employment by gender, the number of males employed is higher as compared to females. Number of jobs created in this sector totals up to 1083. Recruitment occurs every end of each financial year through councillors and the Speaker's office. Employment is in a rotational basis to enable every deserving member of the community to get a chance.

Ray Nkonyeni has a dedicated EPWP section. The section reports directly to the Head of Department; Community services. For the 2024/2025 financial year, a grant of R3 255 000-00 was received.

Through the EPWP, the municipality provides gap job opportunities to many unskilled especially young people and this is implemented mainly through its infrastructure development and services programme. The Previously Disadvantaged Individuals, the youth and disabled members of the municipality are given first preference in job opportunities as a way of redress and equity. In terms of reporting, monthly reports are populated by the service NPO and submitted to the municipality for payment. In terms of skills, the EPWP workers through the Skills Development Unit receive accredited training in different skills.

3.6.28.1 EPWP Phase 5 Policy

The municipality was fully aligned to the EPWP4 policy and made positive interventions in terms of addressing job scarcity and promoting programmes that talk to poverty alleviation. This phase of the EPWP is aimed at "reconceptualization" and "redesigning" of the EPWP of the Future as mandated by the Cabinet. It is vital to provide meaningful and impactful projects which should be valuable to the development of participants. In terms of the EPWP Phase 5, RNM has commenced with its preparation and formulation for the 2024/2025 Financial Year and shall be adopted by Council in October 2024. The municipality binds itself into fully adhering to the principles of the phase and ensure that jobs provided will be of high impact and add value to the lives of participants.

Table 148: EPWP Performance

2024/2025 EPWP PERFORMANCE				
Work Opportunities				
MALES	FEMALES	YOUTH	DISSABLED	TOTAL
85	552	444	02	1083



3.6.28.1 RNM EPWP sectors

The below table illustrates the different sectors of EPW targeted and achieved within the Municipality.

Table 149: EPWP Sectors

Public Body Name	Targets	Achieved	Targets	Achieved	% Achieved	
	Target - Work Opportunities	Achieved - Work Opportunities	Full Time Equivalents	Full Time Equivalents	WOs	FTEs
Environment and Culture Sector	352	476	153	228	135%	149%
Infrastructure Sector	331	185	109	81	56%	74%
Social Sector	194	423	74	172	218%	233%
Total Ray Nkonyeni	877	1 084	336	480	124%	143%

3.6.28.2 Community Works Programme (CWP)

The municipality also has the CWP which is a South African government programme that provides employment safety net. It supplements livelihood strategies by providing basic level of income security through work. This includes fixing community assets like school roads and parks and setting up food gardens. The municipality is formed of 36 wards and all participate in this programme. This serves the purpose of EPWP to strengthen the economic conditions of the most poor in rural areas providing work experience enhancing dignity and promoting social and economic inclusion

- **Agriculture:** Participants plant vegetable gardens and after harvest are donate to the most vulnerable families as well as child headed families identified through war rooms
- **Education:** Participants assist with school support, cleaning premises, patrol premises and clean local creches
- **Health:** Participants fetch chronic medication for clients
- **Community services:** Participants clean and cut overgrown grass and trees near access roads

3.6.29 SMMEs

The LED unit has a database for all active/ registered SMMEs and Cooperatives and is available on request. The municipality created a data base that shows all services offered by the SMMEs. Furthermore, the municipality is working on a new database in terms of adding new members. Following the adoption of the revised Procurement Policy, the municipality has focused on enhancing the capacity of SMMEs, particularly focusing on emerging contractors. The municipality has then created a database for the purposes of sub-contracting. All municipal projects valued at R2.5 M and above are subjected to mandatory sub-contracting which benefits locally based emerging contractors from Grade 1-4.

RNM has been proactive in establishing Small Medium Micro Enterprises SMMEs to enable people to be economic active. Successful businesses (SMMEs) must emerge as they are the largest contributors to new employment opportunities. The SMMEs sector represents an important component of the economy of the municipality and plays a major role in the job creation, economic growth and poverty alleviation. SMME sector is also recognized nationally and world-wide as a major player in economic development and growth especially for the developing world. As such, Ray Nkonyeni Municipality has identified the need to support the



development of the SMMEs across the economic sectors through the creation of opportunities for growth and development. The municipality sees its intervention area to improve efficiency of this sector as improved governance, improved public infrastructure development, improved access to information, and ensuring that our regulatory environment is responsive to the sector. SMME development strategy for the municipality acknowledges that SMMEs are at different levels of development, with some still being at a survivalist stage while others have reached an advanced level of development and ready to graduate into formal business entities. The strategy is to deal with these in a differentiated manner taking into account differences in challenges. The strategy specifically targets the following:

- Informal Sector
- Small formal business the majority of whom operate from the development node
- Emerging contractors involved in construction and infrastructure development.
- Artists and crafters (creative industries) spread throughout the area.
- Small scale farmers including cane growers, community gardens, etc.

Although no permanent solution is provided, the following was determined to be the main causes for failure when addressing the second economy:

- **Failure to Disaggregate and quantify:** For Example, measures were implemented to empower black farmers, but no distinction was made between subsistence farmers who depend on farming for food, and farmers who farm but have a separate source of income. The same measures can therefore not be implemented.
- **Neglect of what is there:** There is a tendency to focus on activities that are more marketable than what the entrepreneurs/farmers are used to and as such start afresh with no experience.
- **Failure to understand real constraints:** The tendency to implement what is more implementable instead of addressing the real needs, therefore misidentifying the real issues.
- **Neglect of lessons from the past:** New programmes are implemented to correct failures of previous programmes without understanding the real issues.

The municipality has a funding for SMME and Cooperative Support programme. In this financial year, a budget of R5M has been set aside for this purpose. The municipality has an agreement with Absa bank for the Enterprise Development initiative. The bank is approached for funding by a person who resides within the jurisdiction of the municipality, who has been awarded an official purchase order by the municipality. ABSA bank would then loan the person half of the requested amount. The condition would then be to open up an ABSA bank account so that payment by the municipality is made in it, and the bank would then deduct what was loaned by the person and leave the interest.

The KZN Premier in his February 2024 State of the Province Address, Priority Intervention 6: 'Unlocking SMMEs and co-operatives potential, mentioned that "shared growth targets can best be achieved by creating an environment for small business to grow. A high participation rate in our economy is much needed and this can be best achieved by getting more business entities that can help create the jobs we need." RNM commits to create a better supportive environment for this initiative and best improve on what is on the ground currently.



As mentioned before, the municipality seeks to support the development of SMMEs across the economic sectors through the creation of opportunities for growth and development. Currently, there are more than twenty SMMEs that the municipality has assisted in growing enabling job opportunities but must mention that the number is small and still hopes that in the future the number will grow.

There is a database set up by the municipality for both active registered SMMEs and cooperatives. The municipality wants to ensure that it will expedite and expand an incubation programme for small businesses, do its best to reduce “red tape” for small business and support access to funding through soft loans and grants. The same will apply to the informal sector. It is detailed in the Strategy how the municipality has set up support access to funding through soft loans and grants. Further, an SMME & Co-operatives Strategy is also in place, which specifies exactly what needs to be done in terms of SMME and Cooperatives development.

3.6.29.1 SMMEs and Cooperatives

For SMMEs and cooperatives, programs are in place aimed at improving them.

- There is capacity building that the municipality runs jointly with Ithala Bank known as Ithala Business Indaba Program. Furthermore
- SMMEs are assisted with material support program.

3.6.29.2 Informal Trading Policy

The Informal trading Policy is in place, adopted by Council in July 2017, currently under review to be adopted in July 2024. The policy is aimed at addressing issues pertaining the informal economy. Also, By-Laws have been gazetted and these were adopted in March 2018 by Council, currently, certain sections are being reviewed and will be adopted in line with the Informal Trading Policy. Further is the Informal Micro Enterprise Development Programme.

3.6.29.3 Municipal Intervention on SMMEs

A budget of R5m has been set aside for this financial year to assist SMMEs. To regulate street vendors, the municipality through its Trading Policy and By-Laws is working closely with KZN Department of Economic Development, Tourism & Environmental Affairs in expediting and elevating informal trading. In-house capacity building initiatives are currently being implemented.

3.6.30 Informal Sector

The municipality acknowledges the relevance and contribution of the informal economy and social life of its existing economic towns. Informal or street trading has become a feature of contemporary urban environment in most South African cities and towns. It symbolizes the changing nature of both spatial and economic environments, with the small and emerging business operating side-by-side with established business entities. Street vendor's area major source of provisioning for poor urban households and form a vital part of any emerging economy.

As per the Ugu District Growth and Development Strategy, informal economy contributes 6% of employment and the figure is steadily growing throughout the District. Within RNM, Informal trading is prevalent in urban centres, particularly in the vicinity of taxi ranks and market areas. There is informal trading outside of public facilities such as clinics, schools and pension pay points.



However, it must be noted that the municipality is working tirelessly to come up with a strategy to be implemented which will amongst other issues ensure that this sector is well provided for as it provides for several employment opportunities. A survey of informal traders undertaken revealed the following:

- Provision of suitable facilities is critical. The majority of informal traders are involved in small operations which involve a relatively small number of people.
- Most traders are not authorized to undertake street trading and do not belong to a formal structure but would like to be part of one.
- High concentrations of informal traders in places such as taxi ranks create pressure on the available infrastructure and causes chaos. The operators who try to work within the rules are becoming frustrated at the lack of regulation.

There is a general lack of market infrastructure (i.e. safe and secure trading sites) and general infrastructure (i.e. roads, electricity, water, sewerage). The municipality further lacks a policy regulating zoning for street vendors but there are Bylaws controlling this system.



Informal Trading at Port Shepstone taxi rank

3.6.31 One Home One Garden

The One home One Garden campaign has been successfully implemented in the entire municipality. The campaign is to initiate an integrated approach to food security demonstrating in practice the principle of coordinated government service delivery with respect to addressing the most vulnerable within the municipality. Currently the municipality does not have specific economic programmes targeting the vulnerable groups, however, the LED focuses on everyone irrespective of gender, race and creed. However, these groups' needs are addressed under the Special Programmes Unit and the Youth section Unit within the municipality.

One home one garden campaign is a key aspect of RNM food security. Health issues cannot be addressed if poverty is not vigorously tackled as it is a major driver of the diseases and it is a known fact that the biggest enemy of health in the developing countries is poverty. The objective of the municipality is to reduce the percentage of households that have gone hungry. According to the National Development Plan on human development report, poverty and hunger must be



eradicated. This is in line with RNM policies; thus the one home one garden programme was implemented and is very successful judging by the number of households with gardens.

3.6.32 Women Focused Initiatives

Initiatives to develop the economic potential of women are becoming a staple of corporate activity in many parts of the world. Economic empowerment is to be sure a crucial aspect of any significant push to make women full and equal participants in their communities. Strengthening the economic role of women is also critical to reducing poverty, improving health and education outcomes, and achieving other broad development goals. Below is a summary of some of the municipality's women initiatives in partnership with Ithala Bank and the Department of Agriculture and Rural Affairs.

3.6.32.1 Women in Business

The local Ithala Bank focuses on women empowerment workshops. Women are skilled in different programs. Its sole existence is to nurture women in Business as well as those aspiring to be in business.

3.6.32.2 Community Garden Programme

This programme consists of women only. Women are being assisted with agricultural inputs by the municipality. They farm for home consumption and this programme is aimed at alleviating poverty and sustain livelihoods. Below is a picture taken within the municipality at one of rural women projects.

Below is one of the Department of Agriculture's initiatives to sustain women's livelihoods.



3.6.33 Economically Active Population

A large part of the population within RNM is economically active through the Local Economic Development initiatives. Many programmes are currently running aimed at developing skills to equip its local communities. Workshops aimed at enhancing the youth in various sectors of businesses are also in place. The President, in his State of the Nation Address, (February 2021),



stated that in order to have an economic active population, the youth must be encouraged to participate in strategic sectors of the economy. The municipality is in line with this initiative.

Emerging Farmers

Specific programmes targeting emerging farmers to unleash agricultural potential are in place. These programmes have been cascaded down to municipalities by the Province. These programmes include the Radical Agrarian Social Economic Transformation (Horse-Shoe farming). This is a vegetable farming initiative allocated to Cooperatives.

3.6.34 Auditor General's Opinion

For the municipality's LED, no opinions were raised by the AG.

3.6.35 Conclusion

In conclusion, the municipality is set to attract more investors through its vibrant growing economy, and through its LED Strategy, the economy will grow even bigger and better benefitting all communities in spite of gender and creed.

LED programmes are budgeted for annually; however, the challenge is that the budget is still less than 1% of the entire municipal budget which is a challenge in terms of implementation. It should further be noted that the annual Service Delivery and Implementation Plan (SDBIP) is an effective monitoring and evaluation tool tracing the implementation of programmes.

Traditional Authority Leaders have come on board in terms of alleviating poverty in their respective areas. The Municipality being a mentor, has been pro-active in ensuring that the projects implemented are in line with the strategy and reach objectives stipulated. Being a municipality with both urban and rural wards, it must be mentioned that needs in the wards vary. There are wards that are highly deprived and urgent attention has been focused on them, however, due to limited human resource capacity within the municipality, there is more scope that has not been covered, such as identifying underutilised infrastructures for revival, but recently services of Researcher have been sought who will undertake an indepth research.

3.6.36 Local Economy SWOT Analysis

There are several advantages and disadvantages that impact upon the current economic initiatives and its development within Ray Nkonyeni Municipality. These have been highlighted in several preceding reports that have been produced such as the Integrated Development Plan (IDP), The Spatial Development Framework etc. This includes some of the challenges that need to be addressed and opportunities, which need to be undertaken advantage off. The following represents a SWOT analysis, which assesses these favorable and unfavorable issues in the context of developing Ray Nkonyeni Municipality as an economically functional Municipality. These are outlined as follows



LED SWOT ANALYSIS

Table 120: LED SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ✚ The Municipality boasts of vast lands of relatively good agricultural potential. ✚ The Municipality generally has a well-established agricultural sector which produces a diverse range of products (Vegetables, Nuts, Sugar Cane, Livestock, Poultry and some speciality products such as the moringa plant and freshly cut flowers), the sector also caters for a range of markets; some of the products produced in the Municipality are exported to international markets. ✚ The timber plantations and cane farming of the RNM are some of the largest of the commercial agricultural enterprises of the province. These enterprises constitute the pillars of the agriculture sector of the RNM. ✚ Ray Nkonyeni Municipality is the regional economic powerhouse of the UGU District Municipality, with more than 75% of the UGU District Municipality's registered businesses located in the Municipality; this puts the Municipality in position to shape the economy of the District and make an impact in the provincial economy. ✚ The Municipality has a long established, traditional industrial complex which is recognised provincially, similar traditional industrial complexes can be found in Mandeni, Ladysmith, Newcastle and Richards Bay. ✚ The Municipality is recognised provincially as a secondary city; this means both public and private sector investment must look to the Municipality as one of 	<ul style="list-style-type: none"> ✚ The Municipality's agricultural sector faces many constraints such as, decreasing investment, rising production costs, a change of land use from agriculture to other land uses. Climate change poses a significant risk to the agricultural sector, primarily linked to increased rainfall variability and water security. ✚ There is limited land and very little technical, financial and business support for emerging farmers in the Municipality. ✚ International competition may cause some farming enterprises to experience pressure. ✚ The infrastructure in the Marburg Industrial Complex was laid many decades ago and may not be able to handle large, new and technologically advanced industrial development that the Municipality wishes to attract. ✚ There are very few sites which are readily available and serviced for large infrastructure development, as envisaged in the LED Strategy. ✚ Whilst the Municipality has some large flagship firms in the Manufacturing sector, they often work independently and this has resulted in making very little impact in regional economies. ✚ Infrastructure maintenance and provision of new infrastructure for business (water, electricity, roads, storm water etc) has been lagging behind and this must be rectified in order to achieve investor confidence. ✚ The Manufacturing, Commercial and to some extent tourism sectors are still urban biased and there is little evidence of these economic sectors having presence in the rural areas of the Municipality, particularly in Traditional Authority Areas ✚ Inadequate packaged development land ✚ Capacity Gap in LED section ✚ Inadequate support for the business sector



<p>the priority investment areas in the province.</p> <ul style="list-style-type: none"> ✚ The Municipality has an established and stable tourism sector and is among the most visited tourism destination in the province and boast a range attributes such as a favourable climate, key natural and heritage assests, conservation sites, a range of tourism products, accommodation, swimming and blue fag, beaches and events just to mention a few. ✚ Political Stability ✚ Blue Flag Beaches 	
OPPORTUNITIES	THREATSS
<ul style="list-style-type: none"> ✚ Agri-Tourism: The Municipality has both agriculture and tourism as key sectors and this presents an opportunity for the establishment of agri-tourism enterprises, it must be noted there are many existing Agri-tourism enterprises already in existence in the Municipality which set precedence for new agri-tourism businesses ✚ Proposed UGU Agri-Park: The Municipality does not have a well-established, regional processing facility for agricultural products and the establishment of the Agri Park in Eziqoleni will provide an opportunity for all famers to access processing opportunities' ✚ Diversification of tourism products, the Municipality is a tourism magnet, yet has a very tight competition in the form of Zululand, the Elephant Coast and others, especially when it comes to foreign tourism, this is because these areas have game reserves and the Municipality, albeit at a District and even in Partnership with Neighbouring Municipalities, must explore the establishment of a Game Reserve. ✚ Township and rural tourism is another sub-sector of the Tourism 	<ul style="list-style-type: none"> ✚ Macro-economic instability ✚ Poor reliability in infrastructure provision(water, electricity) ✚ Pollution of the beaches ✚ Little assistance for small commercial farmers



<p>sector which present an opportunity for new establishments. The LED proposes that township and rural tourism be facilitated as the Municipality has a lot to offer in this regard.</p> <ul style="list-style-type: none"> ✚ The Marburg Industrial Complex has shown that it is not sufficient as some Manufacturing Business has relocated to what is now known as Izotsha Corridor, clearly the Municipality needs to formulate an Industrial Development Plan which will demarcate industrial zones within the Municipality to avoid haphazard relocation of manufacturing businesses ✚ The Municipality is well positioned to take advantage a number of key strategic government programmes, it has been identified as one of the Municipalities to implement the operation Phakisa Programme, key catalytic projects and is one of the key regional economies of the province thereby attracting national and provincial infrastructure programmes. ✚ Opportunity for SMME activity on beaches. The Emerging Film making industry ✚ Aquaculture programmes ✚ Operation Phakisa opportunities 	
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3.6.37 Socio-Economic Profile Analysis

This section is an indepth analysis of the socio-economic profile of the municipality. It provides data and information which will assist in planning, budgeting and prioritization of municipal services.



3.6.37.1 Economic Profile

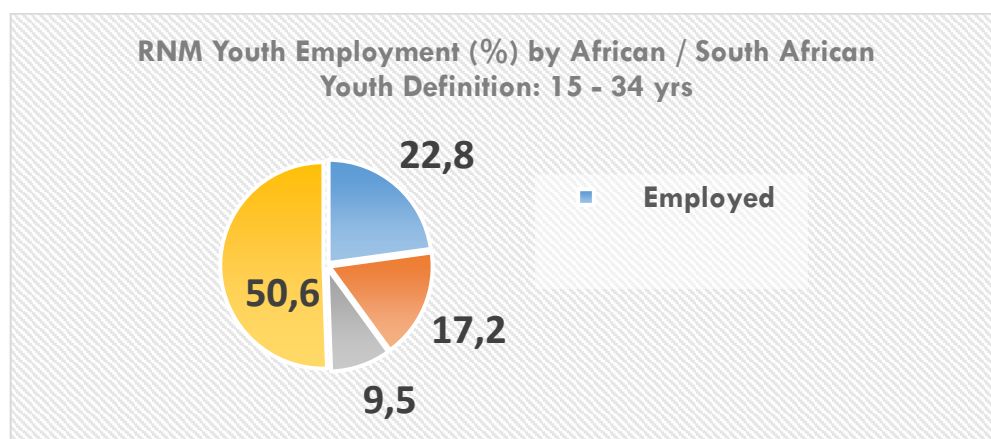
i. Employment

RNM has a high percentage of unemployment, which the majority is the youth, and this impacts negatively in the society at large. Unemployment has led to family disintegration as well as other social ills. Statistics show a large number of young people as either school dropouts, and few with higher education qualification.

For every 100 young persons in age group 15 – 34 years: 23 persons were employed, 17 persons unemployed, 10 young persons have given up hope of ever finding a job and no longer looking for it. Half of the youth (51%) were in schools or in training and therefore could not be described as employed or unemployed. However, 27 young persons (unemployed and discouraged) are effectively not working. To sum this discussion, RNM has a high percentage of youth unemployment.

The following graph indicates the percentage of youth employment vs unemployment.

Graph 22: RNM Youth Employment (%)



Source: StatsSA 2016

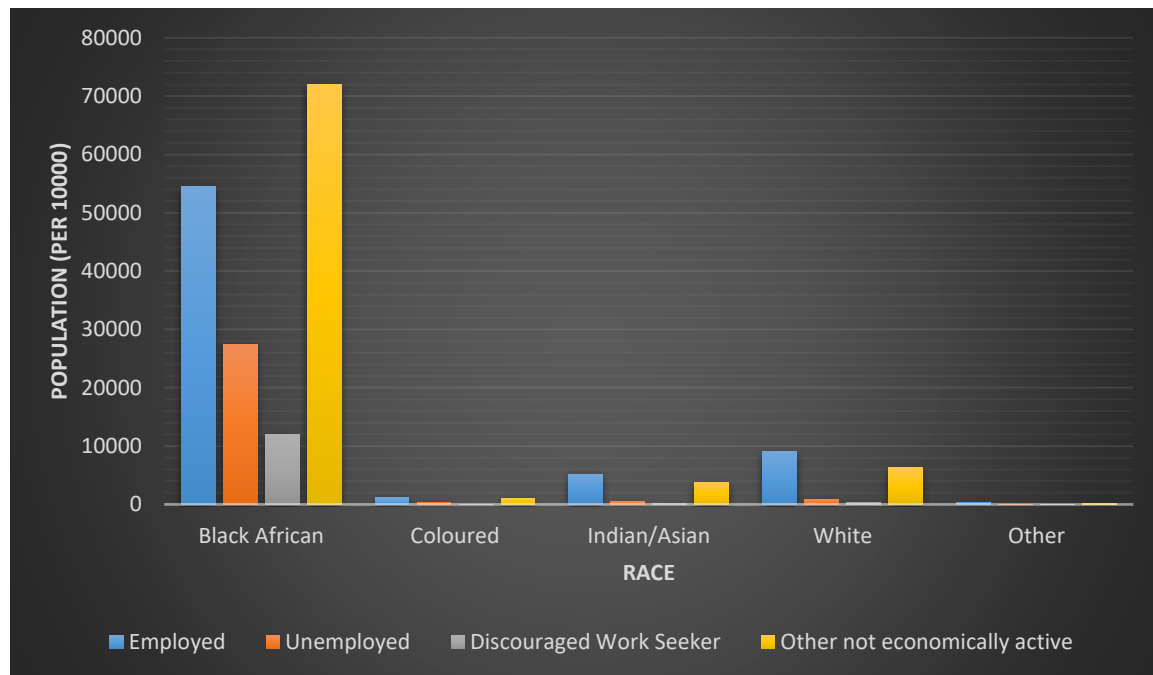
The 2024 State of the Nation Address on unemployment, the president talked to the impacts of inequality and poverty which needs to be halved by 2030 and jobs should be created through various programmes and projects. In response to this, RNM through its Vision 2036, strategic goal no.2, this will be achieved by enterprise development ensuring a more diversified and inclusive economy. Foreign investment through economic growth can have a significant impact of new employment opportunities. The municipality has a number of projects and programmes currently being implemented in rural areas where unemployment is rife. Also these initiatives are aimed at establishing a conducive environment to attract and grow businesses and cooperatives as per the municipality's Local Economic Development's strategy.

The Municipality further adheres to the State of the Province Address 2024, which talks to youth unemployment and being empowered. The municipality has responded to this by increasing an intake of youth in the public and private employment equity programmes and there has been an expansion of learning and skills development opportunities for the youth aimed at equipping them with job skills. RNM's Vision 2036 talks to SMMEs being critical for youth employment and rural development.



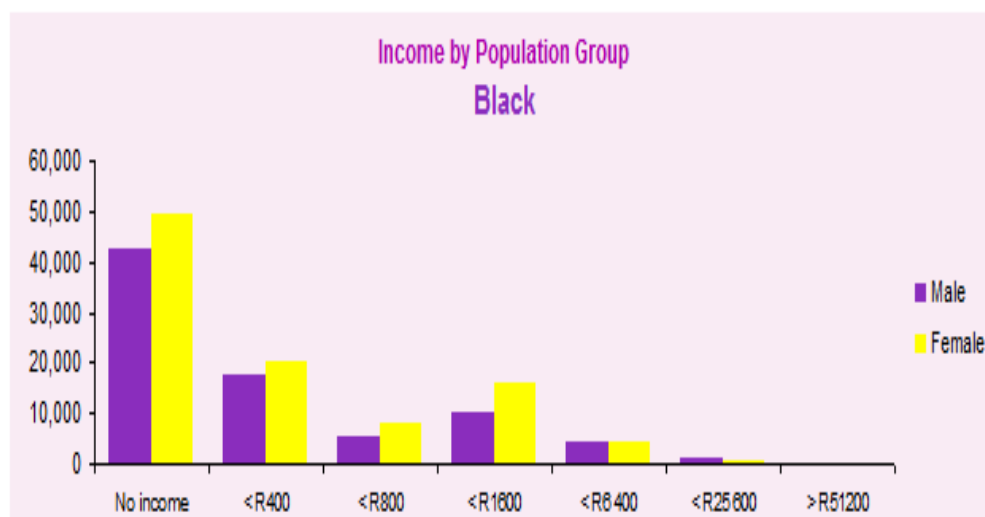
ii. Employment by Race

Graph 23: Employment by Race



iii. Income Levels by gender

Graph 24: Income Levels by Race Breakdown



Source: Statistics South Africa 2011

The above bar graph indicates income levels by the Black population within the municipality. The overall picture that can be drawn is that income levels are very low, which means the vast form of employment offered need unskilled labour, which may have been contributed by low education levels and lack of skills. Also, another picture that is drawn from the above is that females earn more than males. The bar graphs further shows that a large number of people



with no income are females. In the bracket of R400.00 earnings, there are more females than males. This may be attributed by that most employment types in this bracket consists of domestic work, where most females turn to. Interestingly, there are more males than females who earn R25 600. This is an indication that the municipality has more males who are skilled and educated as compared to females.

3.6.35.2 Social Analysis

i. Education

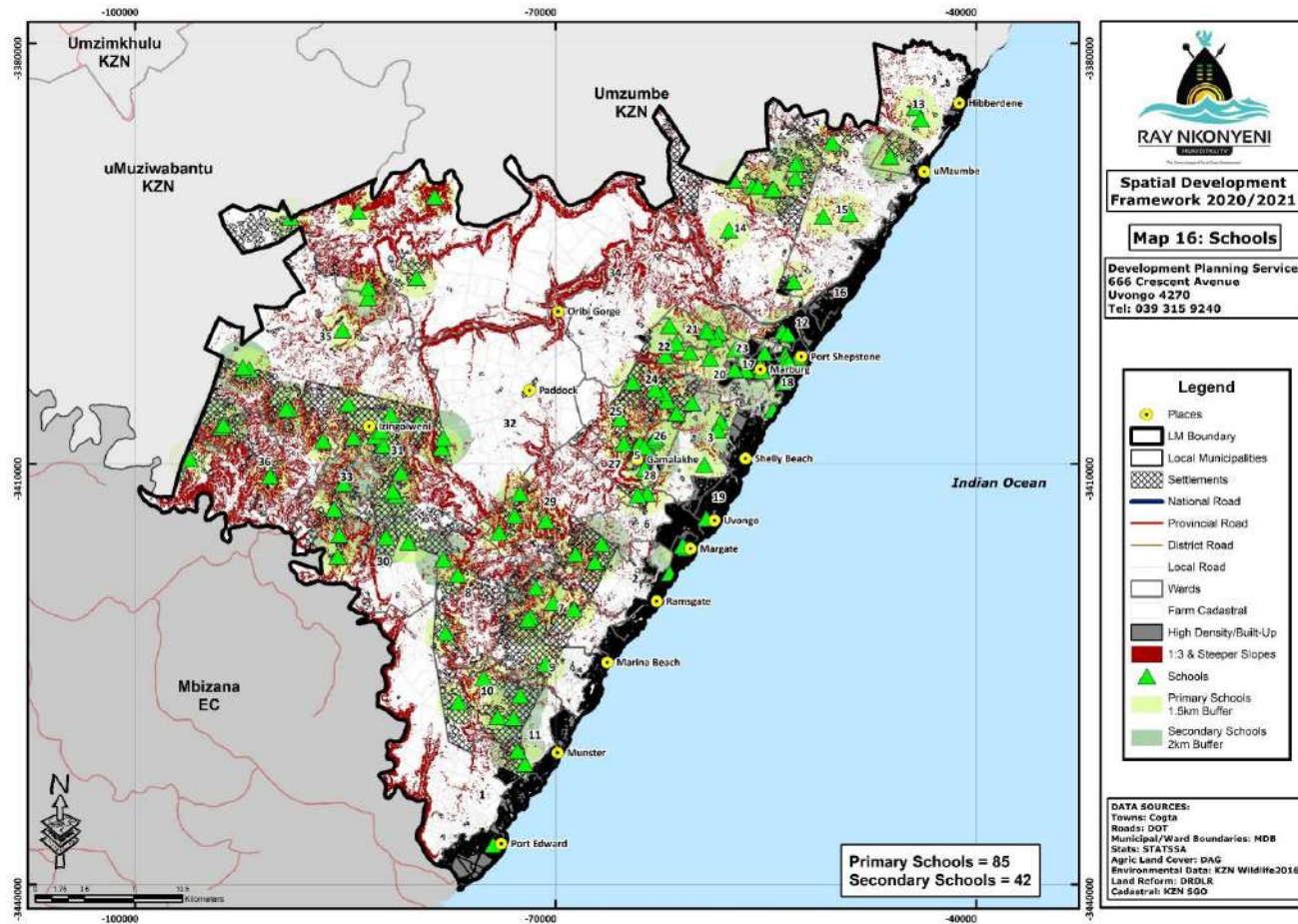
The municipality consists of 85 primary schools and 42 Secondary Schools. Accessibility to most schools in rural areas is not within the KwaZulu-Natal Draft Norms and Standards of primary schools which should be within 1,5km and secondary schools be within a 2km traveling distance. The department of Education has since addressed this issue by providing learner transport, though in some areas this programme has never been implemented due to budget constraints etc. The population catchment threshold differs on the basis on the density requirements whereby the lowest density settlements can be provided with a Micro Primary School for every 60 households while the population catchment which warrants the small Secondary School is 200 households.

Several critical issues relating to poor performance in Education in the Province have always been raised in the state of the province addresses. A need to develop human strategy capacity, increase enrolment rate in TVET colleges and that there should be a seamless transition of learners from early childhood development to adult literacy. RNM prides itself by that it has managed to address these issues because more students are now recorded to be registered in the TVET colleges within the municipality. There has also been an increase in the Grade 1 enrolment which also is in line with the Premier's education goal that there should be an increase and maintaining of enrolment in Primary schools.

The municipality prides itself for having schools spatially located in all its wards. On the following page is a map showing schools within the municipality.



Map 78: Schools within the municipality





Ray Nkonyeni has an urban biased school equipment system. Urban schools are better equipped as compared to those in deep rural areas. Wards such as 34, 35 and 36 have schools not within the regulated walking distance. Daily trips by earners is more than 5km. Several rural communities have a shortage of pre-schools as well as primary schools as compared to urban areas. There are no facilities such as libraries in rural schools. Furthermore, most schools in rural areas have no proper teaching facilities such as laboratories and sufficient class,rooms. The teacher-learner ratio is too high, resulting in poor matric results. Where there are no bridges, crossing is often dangerous and learners are often forced to wade through flooded rivers during rainy seasons subjecting themselves to being swept away or being eaten by crocodiles.

Survey has showed that there is normally poor performance amongst the affected students because they are often forced to stay at home in fear of their lives. This results in school dropouts or poor matric results.

Structures in some schools are not suitable for learning purposes. Make shifts are too hot in summer and very cold in winter. Some structures are made of mud and when it rains, they collapse. Some schools in rural areas do not have access to clean water and sanitation. But have access to electricity. There is a large exodus of pupils from rural areas enrolling in urban schools. This has had a negative impact in that:

- those schools in rural areas with little enrolment are closed down
- Educators are relocated to schools with higher enrolments, in most instances far from their residential areas, which is a social problem
- schools in urban areas are overcrowded

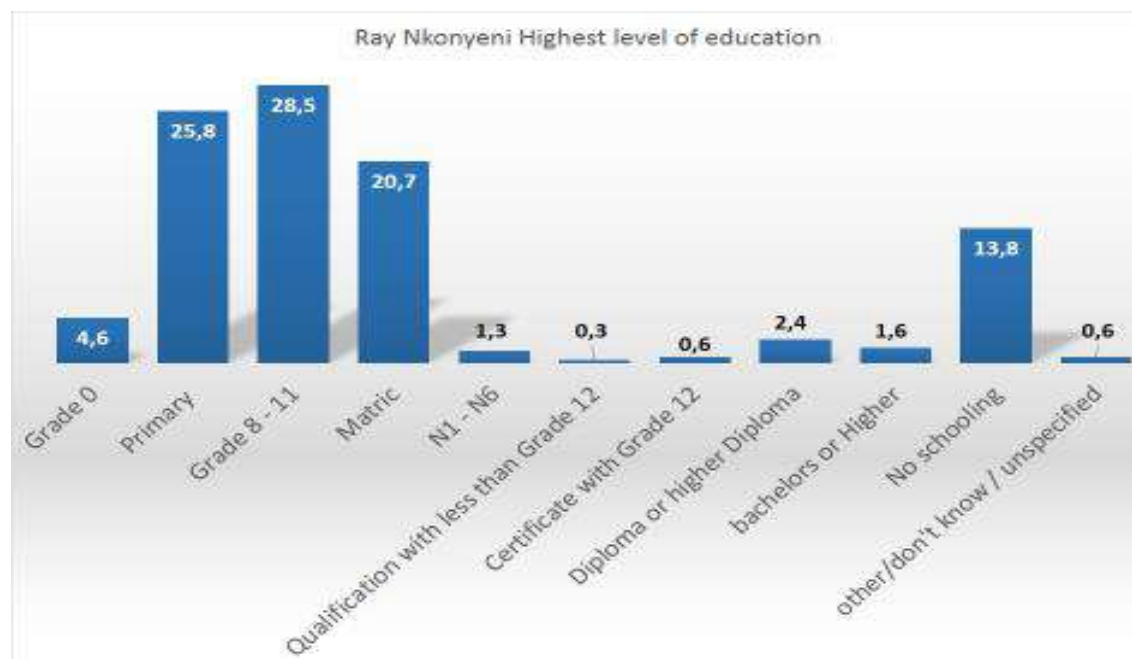
A large proportion of the population of Ugu District has limited skills and low education levels. Ray Nkonyeni Municipality is striving to be a municipality that ensures a seamless transition of learners from early childhood development to adult literacy. According to the Millennium Development Goals Strategy (MDGS), literacy rate in South Africa is improving, so our municipality is in line with this. On the issue of Education, Ugu District Growth and Development Strategy (DGDS) mentions amongst many findings that there is glaring urban/rural divide and that the state of education is poor. Further to this, the district highlights that programmes for maths and science need to be strengthened and promote public-private partnership and enhance the quality and relevance of TVETs.

The National Development Plan (NDP) in its 2030 vision states that, to achieve that all schools provide all learners with an excellent education, the education system needs to improve constantly by ensuring early childhood development, schooling, skills development as well as higher education. The municipality works closely with the Department of the District's Education to ensure policy implementation so as to be in line with the NDP.

Below is a graph showing Ray Nkonyeni's education's attainment. There is a decline of learners in Matric and further a very small number in higher learning institutes. The enrolment in Grade o is very low as well, and this is not in line with the National Education Policy which aims at ensuring that the number of preparatory schools' learners increase. Over the years, RNM has seen a decline in non-school going children. .



Graph 25: Levels of Education



Source: Statistics South Africa Community Survey 2016

An overall summary that can be drawn from the above graph is that RNM has a high primary entry number as compared to Matric certificate holders, 20.7%. This may be attributed to school dropouts, (to find means to provide for their families and themselves, or teenage pregnancy with no one to look after the child), social ills (Pandemic diseases etc.) All of these aspects feed into the low level of people with a higher education within the municipality. According to the graph above, only 1.6% of the population hold bachelors or higher education as compared to the 25.8 primary entry. The drastic drop between the two percentages may be due to the fact that in most instances, most teenagers by now have taken the roles of being household heads or have left homes to seek employment to fend for the family. Another reason may be due to the high intake of intoxicating substances. In terms of no schooling, the municipality stands at 13.8% which is quite high. Factors contributing to this may be that in some African homes, the need to attend school is still viewed as a waste of time. Another factor may be that most children have already taken a role of being a household head since parents have died leaving them to be taken care of by their frail elderly parents.

90% of schools within the municipality are fee exempted, which is a positive intervention by National government to improve access to basic education, however, such a huge percentage of exempted schools is also an indicator that the level of poverty is high.

ii. Literacy Rate

According to the recent community surveys, it was established that more females than males are school. This is opposite the 2011 survey which showed that there were fewer female school going learners as compared to male learners. The perception of girls being groomed to stay at home not attending school seem to be a thing of the past. Such augers well with the government policies to empower women in terms of education is concerned. Statistics also further show that RNM has a lower literacy rate as compared to the other local municipalities of Ugu.



iii. Matric Pass Rate

Out of the four local municipalities under Ugu district, RNM has the highest matric pass rate. The Department of Education has more programmes currently running to enhance better results. Winter classes, for an example, are such programmes being implemented and also student exchange with foreign countries.

iv. Higher Education

The last conducted census revealed that few people within the municipality have higher degree qualifications as compared to those with secondary education, (*refer to 3.6.3.2*).

v. Early childhood development (ECD)

The below information is for the entire Ugu District.

- Number of centres: 450 centres
- Number of learners: 12400
- Learner / Teacher ratio: 1 : 30
- Permanent employees: 90 state paid educators
- Temporary employees: 326 contract educators

A. Intervention programmes

i. School Nutrition Programme

As mentioned in the situational analysis, the municipality boasts of a fully-fledged food and nutrition programme in all its schools.

B. The municipality plays a very important role in ECDs. It has over the years ensured that they are registered and in partnership with the Network Action Group (NAG) whose role is to ensure that all ECD Educators reskilled. Further more, the municipality provides ECDs with educational toys and other learning equipment and furniture. According to the municipality's long term vision, strategic goal 3, no region can achieve true growth and development without significant investment into the education of its people. In this regard, the municipality is creating awareness about the importance of pre-school childcare and providing the relevant support to ensure ECD is being prioritized

ii. Health

The entire Ugu District has fifteen ambulances, seven of these operate under RNM. Response times are still far below the acceptable norm in both urban and rural areas and remain a serious challenge considering the increased demand for emergency services. The improvement of response times is achievable only if the number of staffed rostered ambulances is operational as well as addressing the gaps in terms of filling vacant posts and replacing the aging fleet of vehicles.

Delivery in facility rate under 18 years is 11.5% and is still above target of 9.2%. Due to school health teams not allowed family planning within schools, the Department of Health plans to improve uptake of clinic services via youth friendly clinic projects.

Teenagers from neighboring municipalities make use of the two public hospitals within RNM as not all LMs have hospitals so this stats includes teens from all LMs.



Diarrheal disease is the main contributory factor for most deaths of children under the age of five. It is reported that the incidence of diarrheal cases were in fact on the rise in the previous two years. The causes are multi-factorial but the importance of hygienic food practices, rotavirus immunization and early treatment with Oral rehydration solutions right from home will ensure reduction in morbidity and mortality associated with diarrheal diseases. Breastfeeding, proper hygiene and up to date immunization can help reduce the mortality rate as well. Also, there is a programme that the Health Department has embarked on, known as Phila Mntwana. It educates mothers on how to ensure that their babies are hygienically cared for. This initiative has proved a success as the child mortality is decreasing.

Below is a list of the Phila Mntwana Centres:

- Mkhholombe
- Masinenge
- Manzamhlophe
- Oshabeni Traditional Authority court
- Breamer Mobile Library & Community Hall and
- Thembalesizwe Clinic

According to recent statistics, KZN is the worst affected in terms of HIV and AIDS and the Ugu District Municipal has the highest HIV prevalence especially amongst pregnant women. Murchison hospital and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Municipality. All clinics initiate clients on ARVs. New UTT campaign (Universal Test and Treat) increases number of clients accessing treatment.

Integration of HIV and TB services has been strengthened by training of HIV counsellors on TB Screening. The municipality has partnered with the Ugu district as well as the provincial departments in implementing the Sukuma Sakhe flagship programme. More focus is placed on the most deprived wards/areas most affected by the pandemic. The programme was rolled out to all the wards of the municipal area. War rooms have been established in various wards. The World AIDS Day is commemorated on an annual basis at RNM. The department of Health conducts annual HIV/AIDS surveys on women visiting antenatal clinics in the province. RNM's Council is committed in the HIV/AIDS infection reduction programme. The municipality has implemented viable programmes to fight the scourge of the disease. More educational programmes/awareness campaigns are necessary to alert the community members of the HIV/AIDS disease.

The Private Sector plays a vital role in purchasing school uniforms for vulnerable children in schools within the municipality. The Mayor then ensures that all recipients receive the packages and are treated to a special day.

It will be important to factor into planning the impacts associated with this pandemic and provide adequate services to those living and affected by the virus. Furthermore, it is critical to involve the ward committees, Local AIDS Council and people living with HIV/AIDS in the IDP Forum to discuss issues that affect them and planning matters. The epidemic, for example, will affect infrastructure planning by reducing the projected number of people, impacts on households requiring services as well as their ability to pay for these services and increased demand for health care facilities and social services.



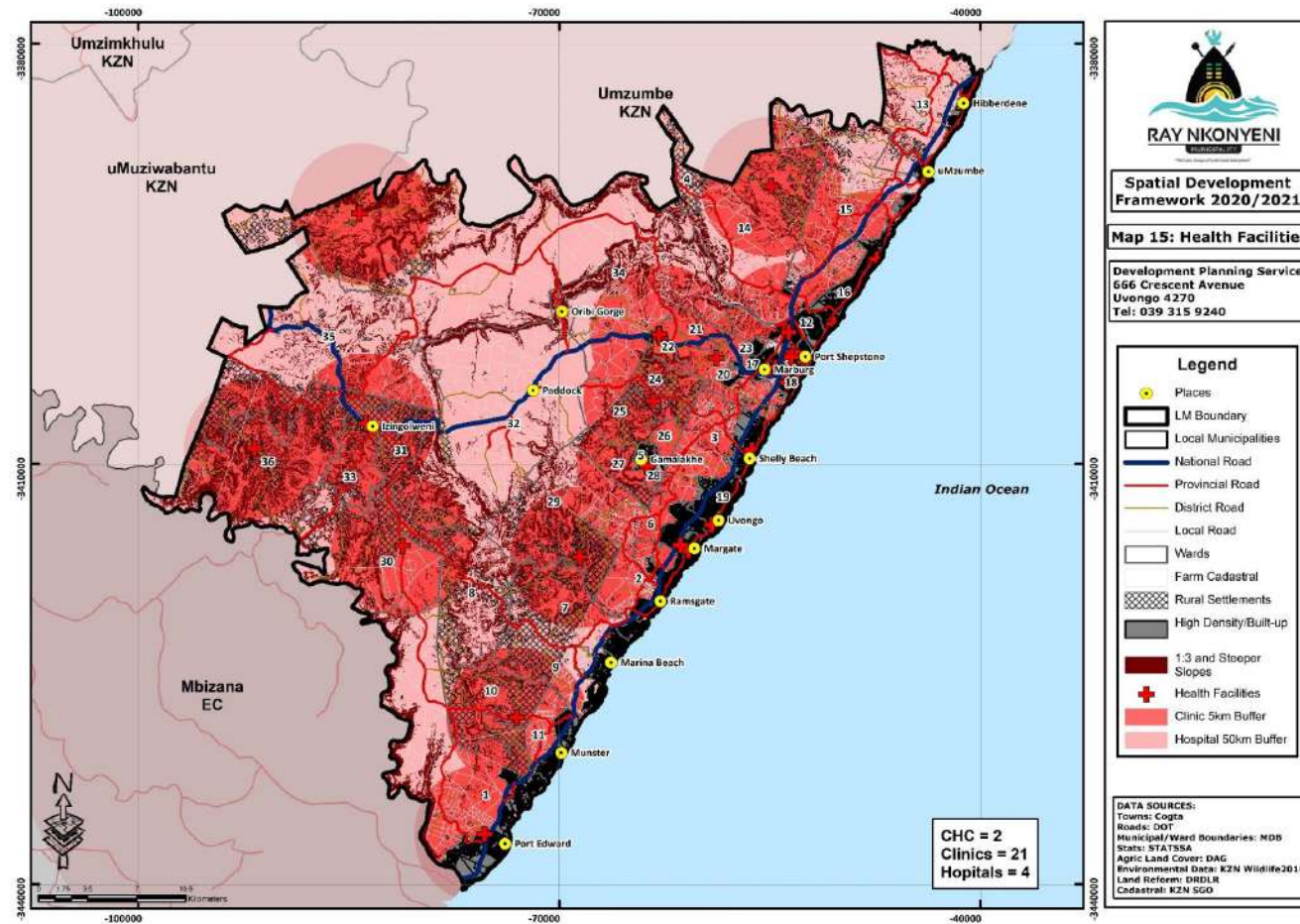
Currently, RNM has two public hospitals, namely (Port Shepstone and Murchison) and two private hospitals, namely (Hibiscus and Margate). The municipality has a total of 20 clinics, 7 mobile clinics and one health care center. The Shelley Beach Hospital which is currently being extended is another private hospital within the municipality.

All the clinics within the municipality have access to electricity, clean water and sanitation. In as much as the District Health Department states that RNM has enough clinics, it must be noted that most rural communities have a backlog of these services. During the Mayoral Izimbizo road shows, most communities list clinics amongst their priority needs. Those communities with these facilities however, raise concerns in terms of staff attitude and the poor level of services rendered. For full details, refer to the situational analysis.

The map on the following page details the health facilities within the municipality.



Map 79: Health facilities





Some of the primary health prevention and care initiatives implemented by the department include;

- NIP sites in partnership with the Department of Social Development; Partnership with TDSA;
- Health promotion in schools with partnership with the Department of Education;
- Partnering with a few NGOs such as ECAP and Dram Aide (226MMC, school health teams, 30MMCmobilisers);
- Happy hour in clinics to prioritise service to school going teenagers; and,
- Distribution of female and male condoms.

In terms of dealing with back logs on health facilities, the Department plans on extending how the following clinics:

- Marburg Clinic
- Hibberdene clinic
- eNtabeni clinic

It must be noted that due to limited funding, all projects are on hold across the Province.

Proposed new clinics within RNM are going to be developed in the following areas when funding is available.

- Hibberdene
- Mphelelwa
- Bhokodisa
- Qinabout
- Nkothaneni
- Mdlazi
- Thorndale
- Mhlabathini
- KwaNikwe

B. Municipal Health Services By-laws

There are no health services are under the supervision of the municipality, hence there are no bylaws. Previously there were but were handed over to the Department of Health, however, the municipality has a fully fledged labour relations and wellness center solely for its employees, comprising of 3 units, which are ; Employee Assistance Programme, Occupational Health and Safety and lastly, Occupational nurse. All these units are headed by a Manager. The professional occupational nurse administers medication and if needs be, make referrals to hospitals, while the senior occupational health and safety practitioner sees to the safety of employees at their working stations, ensures there is safety compliance and conducts internal and external safety related programs, finally, the employee assistance programme practitioner deals with stress related issues. Ray Nkonyeni Municipality is the only local municipality within the entire Province that has a Wellness facility.



iii. Youth Development

The youth make the highest percentage of the population at RNM, which over the years it has had economic implications. In that regard, the municipality aims to impact on its youth through the following objectives:

- To ensure that the youth are given an opportunity to participate in the mainstream economy and to entrench the need for stakeholders to prioritize and support youth economic empowerment;
- To address challenges of youth unemployment and poverty by, among other things developing mechanisms to create markets for young entrepreneurs in RNM including development in sports and arts;
- To develop mechanisms to address the economic needs of the youth in terms of their geographic demographics i.e. urban or rural;
- To encourage young people to actively participate in development issues; and,
- To address moral regeneration needs.

The main youth concerns can be summarised as follows:

- High unemployment rate;
- Lack of skills;
- Lack of information/ communication measures at rural areas;
- High levels of crime; and,
- Exposure to alcohol and drug abuse.
- Vulnerable to HIV/AIDS
- In response to the PGDP 2035 objective 3 which states that there should be a promotion of youth, gender and disability advocacy and the advancement of women, the municipality is proud to announce that it is in line with the strategy. There are active programmes and projects in place that talk to the empowerment of youth, advancement of women as well as the disabled. Funds have been set aside for these programmes, see SDBIP.

To address the listed concerns, the municipality runs a number of programmes which are budgeted for in the SDBIP with timeframes shown. Following are the programmes:

- **Youth Forums and Youth Council are fully functional**

Local Youth Council is an independent civil society organisation and a vehicle and custodians of youth development programmes. It has an executive committee, which has consultative powers with the Youth Development Unit and is a structure that is a custodian of programmes emanating from the statutory body. Annually, youth council is expected to develop its programme of action basing it on the resolutions taken by the summit. Youth Council is also expected to implement its programme of action using the budget allocated within the youth development unit.

- **Youth Summit**

Part of the mandate for the Youth Development Unit, is to ensure that there is active participation of young people in youth matters administered by the council and to ensure that proper consultation with the youth structure to solicit ideas is done, so that youth programmes and policies of council are informed by the updated views and aspirations of the youth on the ground. Youth Development Unit annually hosts Youth Development Summit to provide as a means such platforms.



- **Career Guidance/ Exhibitions**

These programmes are aimed at ensuring various consultations with young people in wards and to fill gaps that has been identified through research, such as lack of extensive academic support, career guidance and motivation, inadequate information about tertiary and application process, access to financial aid and bursaries.

- **Youth Empowerment Business EXPO**

This programme is aimed at ensuring the ongoing business and entrepreneurship support and interactive way of instilling business and personal development in township and rural entrepreneurs. Also, to encourage bigger businesses to consider partnerships with small businesses, as there are many opportunities for growth in these areas. Business Expo also give young entrepreneurs a platform to showcase and exhibit their work to the public.

- **Matric Excellency Awards**

Matric Excellency Awards are aimed at awarding learners and schools who did extremely well on their matric examinations from all RNM schools. This programme helps in encouraging learners still in school to focus on their learners and increase their pass marks.

- **Community Outreach Programmes**

The aim of these programmes is to disseminate information and programmes targeting young people within different spheres of government as well as the private sector. Outreach programme are also aimed at promoting scarce skills and to expose grade 12 learners on different careers they may choose from when furthering their studies, after completing matric.

- **Leadership and life skills**

RNM has adopted the Youth Development Strategy which serves as the pillar of Youth Development within Ray Nkonyeni Municipality. One of the objectives of this strategy is to ensure that young people take full responsibility of their livelihoods and serve as leaders within their communities. Youth development unit has identified a need of grooming young people within its structures and ensuring that they understand their role as leaders and to provide them with soft skills aimed at training young people to be able to adapt, survive and succeed in a constantly changing environment.

- **Mayoral Bursaries targeting 100 students for registration each year**

RNM through its Youth Development Unit has introduced Mayoral Registration Fee programme. This programme is aimed at assisting young people who wish to enrol with tertiary institutions with registration fee. This programme targets young people who did not get NSFAS and other bursaries for various reasons.

- **Internships and In-service trainings**

RNM has identified a number of learners whose qualifications did not require any practical work module and have already qualified are unable to secure employment because of lack of the necessary experience required by the highly competitive job market. Also, there is a wide spectrum of post-matric learners some of whom are interested in serving as voluntary workers for the purposes of gaining experience before they can proceed with their studies. Therefore, in addressing the challenge of skills shortage by building capacity through the In-service Training and Internship Programme and realizes that the approach of In-service Training and Internships is being adopted by the majority of institutions. It also enhances student's ability to link their theoretical /academic learning with the practical application of their theoretical foundations to the real world of business.



- **Youth SMMEs funding assistance**

The aim of this programme is to assist young social and generic entrepreneurs with funding for their business adventures. This programme also assist with startup capital for youth owned SMME's

- **Ward Based Computer trainings**

In line with Youth Development strategy which promotes programmes in line with 4IR. Youth development unit will be enrolling advanced computer trainings ,targeting unemployed young people.This programme will aimed at ensuring that most young people are exposed in technology and are qualified in computer skills.

- **Maritime and Oceans economy**

Developing partnership in promoting and encouraging youth emancipation in key sectors of the economy particularly oceans economy. Different workshops and trainings to be been implemented i.e Maritime Incubation Programme, accredited Maritime and Tourism trainings

iv. Outreach Programmes

There is an outreach programme placed at the Special programmes section within the municipality. The programme is aimed at ensuring that the needs of the elderly, vulnerable children,farm workers and people living with HIV/AIDS needs are met. The unit further seeks to ensure that senior citizens, people living with disabilities are able to cope in their communities. Enhancement programs vary per category as listed below.

I. Farm Workers

The municipality has put in place annually a dedicated sports day for farm workers. Further more, there is also a wellness day whereby fitness exercises are done and health awareness is conducted. Workshop in farming is also done.The municipality has partnered with the department of publics Works in trainings that are relevant farm workers' field of work so as to get certificates for future endeavours or in the event an individual wants to venture into their own. business. Farm workers are also encouraged to register for the ABET, while some are exposed to TVET so as to further their studies.

II. Senior Citizens

- Local Golden Games (250 senior citizens participate from all wards)
- Provincial Golden Games (100 senior citizens participate from all wards)
- senior citizens' forum(social issues are mostly deliberated on)
- Senior Citizens' thanks giving

III. Children

- Child care
- Dress a school child campaign; school children benefit from the programme
- Sanitary dignity campaign
- Take a child to school



Iv. People Living With Disability

- Disability parliament
- Skills training
- Disabled care
- Caine weaving workshop
- Jewellery making workshop
- Life Skills Workshop

v. Women

- Women capacity building and skills training
- Workshop on Gender Based Violence
- Workshop in farming

There are also initiatives targeting awareness around women and child abuse which ensures that communities are well informed and empowered regarding their rights and how to act in such instances of abuse

vi. People living with HIV/AIDS

- HIV/AIDS programmes
- Commemoration of World AIDS Day

Further more, the municipality reaches out to other groups of the society which includes men and Early Childhood Development centers (ECD). For men, the municipality conducts a 16 days of activism where there is an inter-generational dialogue. There are also men empowerment workshops conducted once a year. For ECDs, the municipality hands out educational equipments

v. Public Amenities

Ray Nkonyeni Municipality's public amenities are of very high standards in terms of complying with being user friendly. Services for people with disabilities have been created in these facilities. Entrances that are accessible by disabled persons are clearly identified and are up to International Symbol of accessibility. There are also directional signs indicating the location of the nearest accessible entrance.



For RNM, disabled-friendly features include the following:

Table 121: RNM Disabled-Friendly Features

Features	RNM public amenities
Ramps	Ramps have been built to allow wheelchair users and people pushing prams or other wheeled objects to access the building easily.
Hand rails	Ramps have also been created for people who find it difficult to move unaided rely on handrails when using stairs
Wheel chair or platform lifts	Wheelchair users can access the buildings
Walking surfaces	There are hard surfaces made to assist people with disabilities, the walking surfaces:
Recreational Parks	All recreational parks are environmental friendly

i. Cemeteries

The municipality has four private cemeteries and one public cemetery, namely:

- Oslo Beach Cemetery
- Port Shepstone Cemetery
- Kwa Nositha Cemetery and
- Margate Cemetery
- KwaNositha (Public cemetery)
- Izotsha cemetery (Private cemetery)

All the cemeteries have either been closed as they have reached capacity or close to reaching capacity. Only KwaNositha is still having ample space. Izotsha cemetery is leased out on a long term lease which is about to expire. The burial grounds are sufficient to conduct burials and on the crematorium part, the municipality recently received funding from Human Settlement for construction. Plans have since been approved and construction is at its final stage.

There are no formal cemeteries in the rural areas hence the prevalence of on-site burials. There is a need to identify cemetery sites in rural areas in line with the principle of environmental sustainability. The municipality does not have land to provide for more public cemeteries.

ii. Access to Libraries

There are twelve (12) operational libraries in the urban areas including Gamalakhe Township, one (1) library at Kwa-Ndwalane Traditional Authority and five in land of the municipality are five mobile libraries with one fully fledged library at KwaNdwalane Tribal Authority and one at Izingolweni and Vukuzithathe Tribal Authority. There are three cyber cadets in three of these libraries who train patrons on the use of computers. Tertiary books as well as school projects books are some of the facilities the libraries have.



On the other hand, a majority of communities within the municipality do not have libraries. Ward Based Planning sessions conducted recently in the municipal communities revealed. In order for people to access information from libraries, they travel to urban areas where these facilities are found. The municipality together with the Department of Education in the District have engagements on how to address this issue.

iii. Access to recreational facilities

The municipality has a number of recreational facilities, however, these are only concentrated in urban areas.

- Recreational Parks

There are currently three depots within the municipality, situated at Hibberdene, Port Shepstone and Port Edward. These depots are under the Department of Public Safety (DPS). Each depot is run by a manager ensuring day to day maintenance. Other than ensuring the cleanliness of the municipality in terms of verge cutting, site clearances, street cleaning, waste removals etc. there are recreational parks within these depots. There are seventeen (17) parks in total.

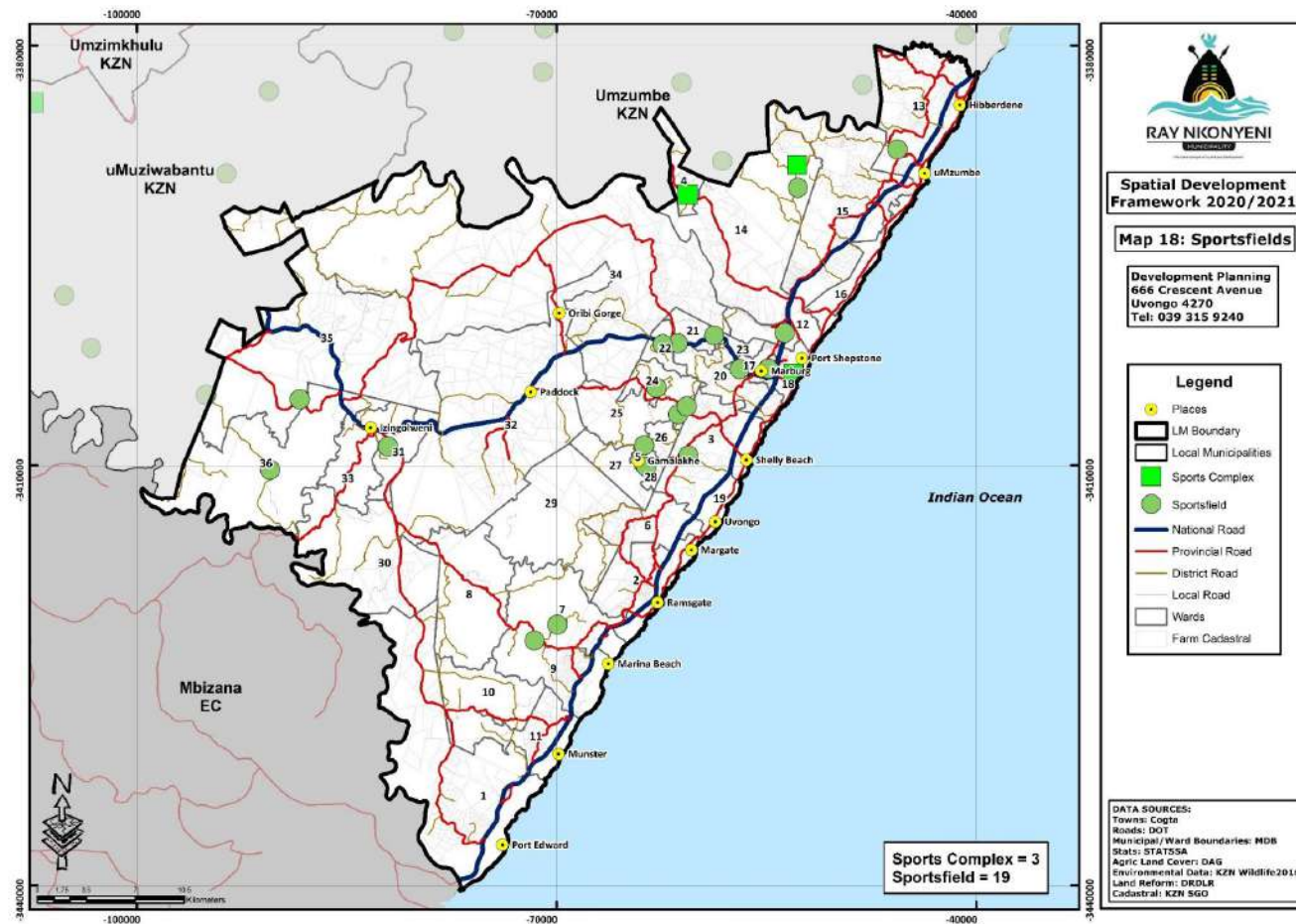
- Sports Complex and sports fields

There are approximately thirty five (35) sports fields, four (4) sports complexes that the municipality has developed throughout its wards. The municipality has ensured that these sportsfields have facilities, (changing rooms) and are fenced.

On the following page is a map showing the location of these facilities within the municipality.



Map 80: Sports complex and sports fields





vi. Thusong Service Centers

There are ten Thusong Centres within Ray Nkonyeni which are located in KwaNzimakwe (Thongazi), Nyandezulu, KwaMadlala, KwaXolo (Gcilima), Mpunzi, Ndunu, Ndimeni, Maguntia, Maryland and Mlozane. There are sixteen (16) community halls that are found within the traditional council areas such as KwaMavundla (2), KwaXolo (4), KwaLushaba (2), KwaNdwalane (1) and KwaNzimakwe (1), Woyisane, Mbeni, Cele, Nkulu and Ezingolweni.

An application of the Kwazulu-Natal Draft Norms and Standards to community halls, suggests that one hall is required for 5 000 people within a 30 minute walking time or 1.5km walking distance. Considering the rural population, this suggests a need for reveal that approximately 41 community halls are required. As such, it would seem that there are backlogs of fifteen (15) facilities.

vii. Safety and Security

There are nine police stations within Ray Nkonyeni Municipality located in Port Shepstone, Port Edward, Ramsgate, Gamalakhe, Mellville, Hibberdene, Ezingolweni, Paddock and Margate. The provincial planning standards suggests that a population of 50 000 people needs to be provided with one Police Station at a radius of 10km. There are few areas that this radius does not reach and these include parts of ward 8, 9, 10 and 35.

Ray Nkonyeni Municipality has developed a Safety Plan, reviewed in 2017 and was reviewed in October 2021. It fully addresses the national safety objectives and to further align to the Provincial Department of Community Safety and Liaison's Safety Strategy. **(See attachment 16: RNM Safety Strategy)**

The Constitution of the Republic of South Africa under section 152 (1) (d) states that municipalities should promote safe and healthy environment. The 1998 White Paper on Safety and Security encouraged municipalities to play a vital role in crime prevention in partnership with different stakeholders and key-role players, taking into cognizance that crimes happen at local level and the local municipalities are closest to people. The White Paper sees objectives of local government with regards to safety and security as:

- To create an efficient and visible policing in all the areas particularly in residential areas and CBD areas;
- To improve on service delivery and rendering efficient service to members of the public;
- To improve service for effective crime monitoring; and,
- To provide a safe and secure environment (routine vehicle checks and routine patrols)

The municipality prioritizes the safety and security of all people within its jurisdiction. Crime is a complex phenomenon and varies from community to community therefore requiring different strategies and solution to suit each situation and crime level thus the municipality has developed safety strategies in partnership with SAPS and the Department of Community Safety and Liaison.



These strategies are aimed at addressing crime at all levels and all communities in a short and long term basis. RNM crime prevention strategies are aligned to the National and Provincial crime and prevention strategies which emphasizes the importance of fighting crime as a threat to our democratic order and development. Community Safety Forums have been established and are well functioning. These forums constitute of the members of the Ward Committees, Community Policing Forums and School Safety Committees. Such forums serves as a coordinating mechanism of government and civil society representatives address our community's safety needs. The municipality has a feasible crime reduction strategy and the concerned department consistently reports on it and its achievements and challenges on quarterly SDBIP which is linked to the municipal IDP and budget. During the IDP Representative Forum the municipality together with SAPS report on crime levels and trends. RNM's IDP sessions prescribe to the national requirements of strengthening interactive, participatory and transparency and community involvement in developmental issues.

It is important to align municipal planning with province and SAPS plans, share resources and information and find a common ground to deal with challenges and to encourage and assist each role player to meet its mandate. The Department of Community Safety and Liaison has played a major role in crime awareness and providing trainings. The Hibiscus Coast Municipality continues to seek partnership with the District Municipality, private sector, province and other social partners in fighting crime.

There are two police clusters within the municipality, based at Margate and Port Shepstone respectively. Both units are highly involved in ensuring that crime is non-existent both in rural areas as well as in urban area. SAPS also uses geographic approach which consists of specific interventions to address crimes that are concentrated in certain geographic locations in a cluster. The specific aim of these clusters is to enhance co-ordination and co-operation and to facilitate an integrated approach to address crimes in these locations. Operational plans are driven by multi-disciplinary teams within the identified Crime Threat areas in order to effectively implement the Geographical Approach. This implies that the SAPS will approach policing in an integrated manner by creating multi-disciplinary teams, under one operational management structure, to police the high crime areas.

One of the cornerstones of policing is community involvement in the policing of the various communities. Of all the partnerships the cluster is engaged in, the most important one is with the general community it serves.

This partnership encompasses all three policing styles viz Democratic Community Policing; Problem-Solving Policing and Partnership Policing.

Apart from the informal partnership between the personnel and the community at grass root level on a daily basis, the Chairpersons and the community members of the Community Police Forums; Community Police. Sub-Forums and the Provincial Board engage in a structured manner with the SAPS and other Departments at all levels on a voluntary basis. In addition to this, numerous community members have enrolled as reservists who offer an invaluable service to the general community. Others offer their services voluntarily as counsellors, social workers and administration clerks. In addition to the above, Business Against Crime (BAC) offers an invaluable service to this Province.



In response to the PGDP 2035 which talks to Enhancement of safety and security, the municipality fully adheres to this. Its safety and security is sound through its policies and plans.

3.6.38 Key Findings

Following are key findings for the entire LED KPA

- High youth unemployment
- Limited coastal-hinterland linkage
- There is a general lack of marketing infrastructure
- Most traders are not authorized to undertake street trading
- Pressure on the available infrastructure due to informal trading causing chaos

3.6.39 Conclusion

The municipality's LED fully responds to the PGDP 2035 as well as the DGDS. The indicators set in the strategy for ensuring that the economy of the municipality is boosted as well as how its communities benefit, are clear on how the municipality fully aligns to both the PGDP and the DGDP. The municipality in its situational analysis (Key Findings) indicated high unemployment rate, poverty and emerging small commercial farmers with no capital and expertise amongst many. The LED addresses these concerns through its programmes and projects as shown in the SDBIP. This also addresses pillar number one of the Back to Basics which stipulates that people and their concerns must be put first, listened to and be communicated to. Ray Nkonyeni is doing its utmost best in terms of giving its citizens sustainable livelihood programmes.



3.6.40 Local Economic Development and Social Development SWOT Analysis

Table 122: LED and Social development SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good number of formal jobs in the Ugu DM family of municipalities • Tourism industry as one of the prominent economic drivers • The coast stretching from Hibberden to Port Edward consisting of 29 beaches • Located along the Tourism and Agricultural corridor in terms of the PSEDS • Increase in the property and construction industry and vehicle sales data • Operational Margate Airport weekly scheduled flights to OR Tambo airport and Platenberbay 	<ul style="list-style-type: none"> • High youth unemployment • Limited coastal-hinterland linkage • Narrow roads, increasing traffic congestion. • Generally poor road network • There is a general lack of market infrastructure. <ul style="list-style-type: none"> • Provision of suitable facilities is critical for informal traders
Opportunities	Threats
<ul style="list-style-type: none"> • Intermodal Transport Facility at advanced planning • Margate Airport scheduled flights growing daily -Major tourism and entertainment events- Ugu Jazz festival, and SA Women ---Open European Tour Golf Tournament <p>Catalytic projects are taking place in various parts of the municipality</p>	<ul style="list-style-type: none"> • The perception of the south coast as a retirement area • Most traders are not authorized to undertake street trading • Pressure on the available infrastructure due to informal trading causing chaos • Current infrastructure not coping with growing population <p>Small emerging commercial agriculture farmers are not fully capacitated</p>



3.7 MUNICIPAL FINANCIAL VIABILITY

2023/2024 Comment	Response	Score
<ul style="list-style-type: none"> The Municipality is commended for presenting the structure of the Financial Viability and Management KPA in accordance with IDP Framework, 	<ul style="list-style-type: none"> Noted 	3.7/5
<ul style="list-style-type: none"> Based on the Annual Financial Statements, there should be a proper financial viability information for the previous 2 financial years and projections for the next financial year indicating all ratios. 	<ul style="list-style-type: none"> It has been addressed. Refer to Ratios. 	
<ul style="list-style-type: none"> The Municipality must provide detailed information on roll-over grants. 	<ul style="list-style-type: none"> It has been addressed. Refer to Table SA20 	

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

The Ray Nkonyeni Local Municipality's business and 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 to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

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

National Treasury's MFMA Circular No. 128 were used to guide the compilation of the 2024/25 MTREF which indicates the following amongst other things: guidance on budgeting for municipalities affected by redetermination of boundaries.

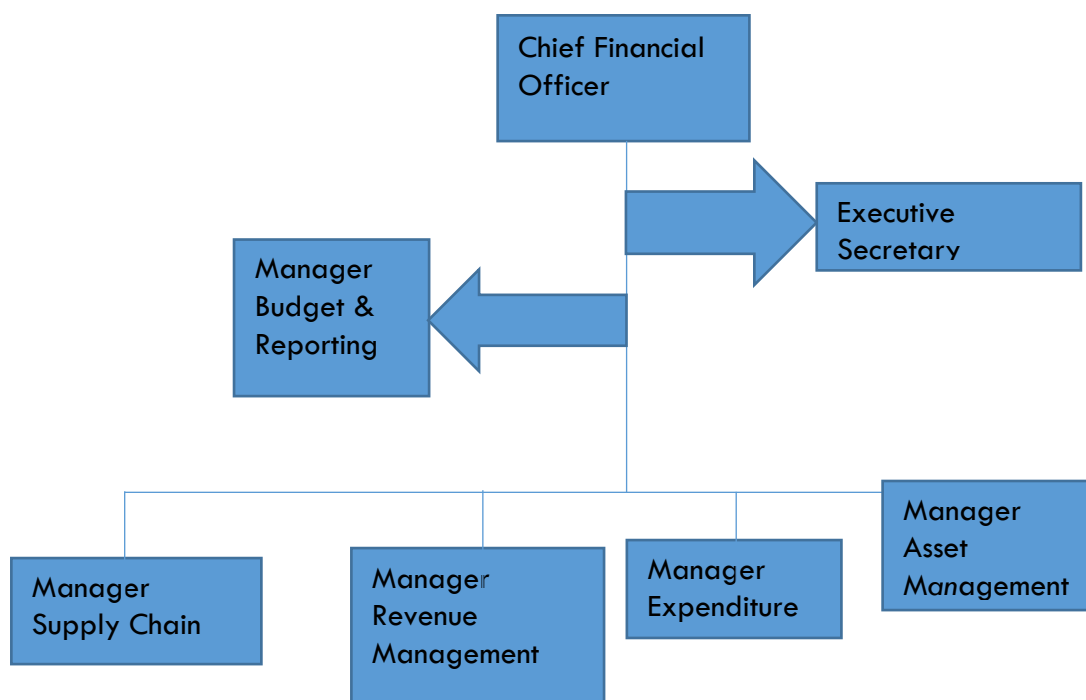
MFMA Circulars

NT has since issued **circular 126, and 128** in relation to this phenomenon on matters how the municipalities should consider on Original annual budget before presented for approval. These budget circulars were issued on 07 December 2023 and 04 March 2024, and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) and as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate.

The budget and treasury department has a fully fledged staff, on the following page is its management.



Illustration 23: Budget and Treasury Organogram



Bulk purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The increase is 12.72 per cent as per NERSA Guidelines was applied on the trend using the mid-year performance figures and budgeted R153.5 million for 2024/25.

Contracted Services

Contracted services equal to 18.0 per cent of the total budget expenditure and has been budgeted at R 227.0 million. Contracted Services made up of 3 categories n namely, Consultants and Professional Services, Contractors, and Outsourced services.

Free Basic Services: Basic Social Service Package

The social package assists households that are poor or face circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy and the policy is reviewed annually. The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

Finance Charges

Finance Charges amounted to R 11.8 million and that includes the finance charges of DBSA loan and the interest of financial lease.



Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The salient features of general expenses have been the following:

Property Rates

National Treasury's MFMA Circular No. 58 and 59 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R85 000 and R50 000 reduction on the market value of a property for residential and vacant land categories respectively, will be granted in terms of the municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents and child headed household in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons whose household income equal 2 state pensions, 4 state pensions and 6 state pensions will receive a rebate of 75%, 50% and 25 % respectively in terms of Rates policy.
- Indigents, in terms of the indigent policy are exempt from paying rates if the value of the property is less than R350 000.00.

The categories of rate-able properties for purposes of levying rates the proposed rates increase for the 2024/25 financial year is 4.9 per cent and the table below reflect individual municipality tariff for rates since the new valuation and new tariffs will be implemented in 2024/25 budget year.

Sale of Electricity and Impact of Tariff Increases

The service charges electricity budget for 2024/25 is R 207.2 million. The consumer tariff was increased by 12.72 per cent as per NERSA guidelines to offset the additional bulk purchase cost from 1 July 2024. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Depreciation and Amortization

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 107,9 million for the 2024/25 financial and equates to 8.6 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.



Waste Removal and Impact of Tariff budget

The Service charges waste removal budget for 2024/25 is R 71. 335. The municipality has implemented a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to solid waste are maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Waste removal tariffs have been increased by CPI of 4.9% for the 2025 budget year.

Other Tariff of Charges

Other tariff of charges such licenses and permits, town planning, fines and other revenue have been increased by 4.9 per cent and tariff of charges is attached as annexure.

Operating Expenditure Framework

The Municipality's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

- Budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services;



3.7.1 Capital Funding and Expenditure

The municipality has a 3-year synopsis of funds received as shown in the table below. On the following page is a table with explanatory notes.

Table 123: Capital Funding and Expenditure

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 8 - Other		-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		333	208	320	-	27	27	-	387	405	423
Vote 2 - Finance and Administration		940	3,072	3,938	3,801	4,108	4,108	-	7,300	7,636	7,987
Vote 3 - Internal Audit		46	92	676	200	220	220	-	210	220	230
Vote 4 - Community and Social Services		7,280	6,051	379	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		189	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		194	6,544	1,464	4,340	995	995	-	4,600	4,812	5,033
Vote 7 - Housing		36	115	229	180	189	189	-	55	58	60
Vote 8 - Other		-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		36,683	93,782	109,467	111,220	116,888	116,888	-	140,425	146,884	153,641
Vote 10 - Road Transport		42,811	52,408	77,943	7,200	31,700	31,700	-	15,900	16,631	17,396
Vote 11 - Environmental Protection		4,405	3,108	(454)	500	300	300	-	1,285	1,344	1,406
Vote 12 - Energy Sources		443	2,576	13,778	22,952	21,452	21,452	-	15,997	15,839	12,083
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		2,565	2,052	4,505	500	500	500	-	1,400	1,464	1,532
Capital single-year expenditure sub-total		95,926	170,007	212,244	150,893	176,379	176,379	-	187,558	195,292	199,792
Total Capital Expenditure - Vote		95,926	170,007	212,244	150,893	176,379	176,379	-	187,558	195,292	199,792
Capital Expenditure - Functional											
Governance and administration		21,823	21,561	4,934	4,001	4,355	4,355	2,912	7,897	8,260	8,640
Executive and council		494	186	320	-	27	27	-	387	405	423
Finance and administration		21,283	21,283	3,938	3,801	4,108	4,108	2,724	7,300	7,636	7,987
Internal audit		46	92	676	200	220	220	188	210	220	230
Community and public safety		8,553	14,454	2,072	4,520	1,185	1,185	508	4,655	4,869	5,093
Community and social services		7,320	7,814	379	-	-	-	-	-	-	-
Sport and recreation		960	-	-	-	-	-	-	-	-	-
Public safety		222	6,525	1,464	4,340	995	995	420	4,600	4,812	5,033
Housing		50	115	229	180	189	189	88	55	58	60
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		81,930	146,190	187,798	118,920	148,888	148,888	103,613	157,125	164,353	171,913
Planning and development		36,704	93,782	109,467	111,220	116,888	116,888	85,128	140,425	146,884	153,641
Road transport		45,226	52,408	77,943	7,200	31,700	31,700	18,194	15,900	16,631	17,396
Environmental protection		0	-	389	500	300	300	292	800	837	875
Trading services		4,554	2,831	18,283	23,452	21,952	21,952	452	17,397	17,303	13,615
Energy sources		1,902	2,599	13,778	22,952	21,452	21,452	-	15,997	15,839	12,083
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		2,652	232	4,505	500	500	500	452	1,400	1,464	1,532
Other		4,405	3,108	(843)	-	-	-	-	485	507	530
Total Capital Expenditure - Functional	3	121,266	188,144	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792
Funded by:											
National Government		61,452	123,508	130,557	93,781	103,166	103,166	80,611	114,490	119,756	125,265
Provincial Government		10,689	6,697	30,518	1,739	3,872	3,872	-	435	455	476
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov)		-	-	-	-	-	-	-	-	-	-
Department Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions		8,407	10,885	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	80,548	141,090	161,075	95,520	107,038	107,038	80,611	114,924	120,211	125,741
Borrowing	6	-	1,867	6,412	21,452	21,452	21,452	-	9,000	8,520	4,428
Internally generated funds		15,377	27,049	44,758	33,921	47,890	47,890	26,874	63,634	66,561	69,623
Total Capital Funding	7	95,926	170,007	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source

The main source of funding of the 2024/25 Capital budget of R 114.9 million is transfers recognized capital from National and provincial departments, followed by internally generated. The capital budget is aimed to facilitate service delivery where it is essential and address historical backlogs of our country.



Capital Budget (Excl. Vat)

• National Government Grants	R 114.490	million
• Provincial Government Grants	R 435	thousand
• DBSA Borrowings	R 9.000	million
• Internally generated funds	R 63.634	million
	<u>R 187.558</u>	million

3.7.2 Capital Projects

All projects identified for the priority year have been identified, have funding, the source identified and mentions the progress of the project.

These projects fall under the Technical Services Department.

Segment Desc	Total Working Budget
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	3 400 000.00
Oatlands Landfill Site_Cost	2 000 000.00
MLB OFFICES IN WARD 17	100 000.00
MUNICIPAL VEHICLE POUND IN WARD 17	6 000 004.00
PORT SHEPTONE CIVIC CENTRE UPGRADE IN WARD 18	1 000 004.00
RATIONALISATION OF OFFICE SPACE (WELLNESS CENTRE)	2 000 004.00
Repairs to Mbhele Pedestrian Bridge	2 499 996.00
PORT SHEPSTONE PARK AND BEAUTIFICATION WARD 18	800 004.00
INSTALLATION OF NEW STREET LIGHTS	1 500 000.00
INSTALLATION OF NEW SOLAR STREETLIGHTS	1 000 000.00
UPGRADE OF MAIN HARDING ROAD	6 813 100.00
Upgrade of Reynold Street	27 969 514.00
Mbayimbayi Main Road Upgrade Ward 21	999 996.00
OUTDOOR GYM FACILITIES	99 996.00
Outdoor Facilities:Tatane Sportfield	4 000 000.00
Ingwemabala Sportsfield ward 7	100 000.00
Borehole_Treasury Offices	500 000.00
Community Park in Ward 5	50 000.00
Bandlana Skills Centre Renovations in Ward 30	999 996.00
Rural Road and Stormwater Rehabilitation (Internal Funded)	9 999 996.00
Road Regravelling and Concrete Section Ward 34	2 499 996.00
Chief Road In Ward 4	1 000 004.00
MARGATE HALL RECONSTRUCTION WARD 2	7 972 180.00
ZG Hall Roof Repairs	2 000 004.00
Renovations: Izingolweni Halls	500 004.00
Mhlambunzima Hall Renovation	500 004.00
Qhinqa Sportfields Renovations	-
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	999 996.00
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	300 000.00
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 14	4 999 996.00
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	999 996.00
NKANGENI VEHICULAR BRIDGE WARD 25	3 999 996.00
Bhayiya Vehicular Bridge	1 000 004.00
Nhlangeni Vehicular Bridge	3 999 996.00
Nkandla Bridge	1 000 004.00
Nqumbela Bridge ward 7	100 000.00
Mgodlwa Bridge ward 8	100 000.00
Repairs to Nositha Pedestrian Bridge Ward 27	1 000 000.00
Construction of Municipal Asphalt Plant	800 004.00
ROADS RESEALS	200 004.00
LONJANI TO KHUMBUZA ROAD	500 000.00
Bomvini School Road	3 999 996.00
Nkanyezini Road	4 749 996.00
Mandla Mzelemu Road	6 000 004.00
Corner House Ring Road	4 999 996.00
ROADS URBAN STORMWATER	2 000 004.00
WATER TANKS	300 000.00
Hibberdene Market Stalls_ Internal Funded	1 400 000.00
RURAL ROADS URBAN STORMWATER IUDG	9 999 996.00
Road Reseals	15 000 000.00
MEMORIAL & REYNOLDS SW/STA REFURB & REPLACE SWITCHGEAR	1 500 000.00
11KV INTERCONNECTOR - MARBURG TO P.S. SUB	2 500 000.00
Energy Efficiency DSM	4 734 780.00
Electricity metre replacment_DBSA	5 000 000.00
ENERGY TOOLS AND MACHINERY	1 262 004.00
Cable Replacement	999 996.00
	170 751 570.00



Table 124: List of Capital Projects

Project Name	Original Budget 2024/25
Asset & Fleet Management Furniture and Equipment	15 000.00
Asset & Fleet Management Machinery and Equipment	10 000.00
Voice Recorder	200 000.00
ADMIN AND CORP MANAGEMENT SERVICES FURNITURE AND EQUIPME	100 000.00
Computer Equipment	60 000.00
INTERNAL AUDIT: FURNITURE AND OFFICE EQUIPMENT	30 000.00
SPG Computers	120 000.00
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	3 400 000.00
Oatlands Landfill Site Cost	2 000 000.00
MLB OFFICES IN WARD 17	100 000.00
MUNICIPAL VEHICLE POUND IN WARD 17	6 000 004.00
PORT SHEPTSONE CIVIC CENTRE UPGRADE IN WARD 18	1 000 004.00
RATIONALISATION OF OFFICE SPACE (WELLNESS CENTRE)	2 000 004.00
Repairs to Mbhele Pedestrian Bridge	2 499 996.00
PORT SHEPSTONE PARK AND BEAUTIFICATION WARD 18	800 004.00
INSTALLATION OF NEW STREET LIGHTS	1 500 000.00
INSTALLATION OF NEW SOLAR STREETLIGHTS	1 000 000.00
UPGRADE OF MAIN HARDING ROAD	6 813 100.00
Upgrade of Reynold Street	27 969 514.00
Mbayimbayi Main Road Upgrade Ward 21	999 996.00
OUTDOOR GYM FACILITIES	99 996.00
Outdoor Facilities:Tatane Sportfield	4 000 000.00
Ingwemabala Sportsfield ward 7	100 000.00
Borehole Treasury Offices	400 000.00
Community Park in Ward 5	50 000.00
Bandlana Skills Centre Renovations in Ward 30	999 996.00
Rural Road and Stormwater Rehabilitation (Internal Funded)	9 999 996.00
Road Regravelling and Concrete Section Ward 34	2 499 996.00
Chief Road In Ward 4	1 000 004.00
MARGATE HALL RECONSTRUCTION WARD 2	7 972 180.00
ZG Hall Roof Repairs	2 000 004.00
Renovations: Izingolweni Halls	500 004.00
Mhlambunzima Hall Renovation	500 004.00
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	999 996.00
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	300 000.00
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 14	4 999 996.00
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	999 996.00
NKANGENI VEHICULAR BRIDGE WARD 25	3 999 996.00
Bhayiya Vehicular Bridge	1 000 004.00
Nhlangeni Vehicular Bridge	3 999 996.00
Nkandla Bridge	1 000 004.00
KwaXaba Main Road Ward 27	100 000.00
Nqumbela Bridge ward 7	100 000.00



Mgodlwa Bridge ward 8	100 000.00
Repairs to Nositha Pedestrian Bridge Ward 27	1 000 000.00
Construction of Municipal Asphalt Plant	800 004.00
ROADS RESEALS	200 004.00
LONJANI TO KHUMBUZA ROAD	500 000.00
Bomvini School Road	3 999 996.00
Nkanyezini Road	4 749 996.00
Mandla Mzelemu Road	6 000 004.00
Corner House Ring Road	4 999 996.00
ROADS URBAN STORMWATER	2 000 004.00
WATER TANKS	300 000.00
Hibberdene Market Stalls Internal Funded	1 400 000.00
RURAL ROADS URBAN STORMWATER IUDG	9 999 996.00
BEACH FACILITIES REFUBRISHMENT	800 000.00
Control Room Software	500 000.00
CCTV Microwave linking	1 500 000.00
FIRE FIGHTING FURNITURE AND EQUIPMENT	600 000.00
INSTALLATION OF CCTV CAMERAS	2 000 000.00
REVENUE FURNITURE AND EQUIPMENT	20 000.00
EXPENDITURE FURNITURE AND EQUIPMENT	40 000.00
CFO Furniture	50 000.00
Budget and Treasury: Computer Assets	100 000.00
Budget & Reporting Furniture and Equipment	45 000.00
Traffic Computer Assets	300 000.00
Traffic - Furniture & Equipment	600 000.00
SCM Computers	100 000.00
SCM: Furniture and Office Equipment	50 000.00
STREET CLEANING MAINTENANCE FURNITURE AND EQUIPMENT	100 000.00
STREET CLEANSING COMPUTER ASSETS	300 000.00
VERGE MAINTENANCE EQUIPMENT	1 000 000.00
Road Reseals	15 000 000.00
Margate Airport Fencing	434 783.00
Self contained breathing apparatus compressor	50 000.00
LEGAL: COMPUTER AND EQUIPMENT	45 000.00
LEGAL: FURNITURE AND OFFICE EQUIPMENT	25 000.00
MEMORIAL & REYNOLDS SW/STA REFURB & REPLACE SWITCHGEAR	1 500 000.00
11kV INTERCONNECTOR - MARBURG TO P.S. SUB	2 500 000.00
Energy Efficiency DSM	4 734 780.00
Electricity metre replacment DBSA	5 000 000.00
ENERGY TOOLS AND MACHINERY	1 262 004.00
Cable Replacement	999 996.00
SPG Furniture and Equipment	127 000.00
Office Computer Equipment Technical Services	35 000.00
Furniture and Equipment Technical Services	20 000.00
TOWN PLANNING COMPUTER ASSETS	100 000.00
Techno Hub Computers	100 000.00
TechnoHub Furniture	100 000.00
TechnoHub Carport Bay	200 000.00
Techno HUB installation of Automated Gate	20 000.00
TechnoHub Inverter	150 000.00
MUNICIPAL MANAGER COMPUTER ASSETS	30 000.00
MUNICIPAL MANAGER FURNITURE AND EQUIPMENT	230 000.00
Office Buildings Solar Panels	2 000 000.00
IT Equipment	1 000 000.00
IT Equipment	3 500 004.00
	<u>187 558 357.00</u>



3.7.3 Investment Register

The municipality has an investment register, see table below: **(and see attachment 17: Investment Register)**

Table 125: Investments

KZN216 Ray Nkonyeni - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (R)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent Municipality														
Standard Bank_37852294001_1		3	3	Y	1	8.1	0	0	2023/12/31	10 472	217	—	—	10 689
Standard Bank_37852294003_2		3	3	Y	1	8.1	0	0	2023/12/31	674	14	—	—	688
Standard Bank_37852294004_3		3	3	Y	1	8.1	0	0	2023/12/31	1 119	23	—	—	1 142
Standard Bank_37852294005_4		3	3	Y	1	8.1	0	0	2023/12/31	395	7	—	—	402
Standard Bank_37852294006_5		3	3	Y	1	8.1	0	0	2023/12/31	13	0	—	—	13
Standard Bank_37852294007_6		3	3	Y	1	8.1	0	0	2023/12/31	83	1	—	—	84
Standard Bank_37852294008_7		3	3	Y	1	8.1	0	0	2023/12/31	83	1	—	—	84
Standard Bank_37852294009_8		3	3	Y	1	8.1	0	0	2023/12/31	1 586	33	—	—	1 617
Standard Bank_37852294010_9		3	3	Y	1	8.1	0	0	2023/12/31	158	3	—	—	161
Standard Bank_37852294011_10		3	3	Y	1	8.1	0	0	2023/12/31	35 797	741	—	—	36 538
Standard Bank_37852294012_11		3	3	Y	1	8.1	0	0	2023/12/31	267	6	—	—	272
Standard Bank_37852294014_12		3	3	Y	1	8.1	0	0	2023/12/31	12 098	262	—	—	12 360
Standard Bank_37852294015_13		3	3	Y	1	8.1	0	0	2023/12/31	574	12	—	—	586
Other_24873832516_14		3	3	Y	1	8.1	0	0	2023/12/31	10 915	216	—	—	11 130
Standard Bank_37852294016_15		3	3	Y	1	8	0	0	2023/12/31	54	1	—	—	55
Standard Bank_37852294017_16		3	3	Y	1	8.1	0	0	2023/12/31	12	0	—	—	12
FNBL_8222614181_17		3	3	Y	1	8.1	0	0	2023/12/31	76 849	2 009	(227 000)	258 600	110 376
FNBL_74873832518_18		3	3	Y	1	8	0	0	2023/12/31	3 757	76	—	—	3 833
NEDBANK_37861000791_19		3	3	Y	1	7.75	0	0	2023/12/31	36 239	744	—	—	36 983
—		0	0	0	0	0	0	0	0	0	0	—	—	0
—		0	0	0	0	0	0	0	0	0	0	—	—	0
—		0	0	0	0	0	0	0	0	0	0	—	—	0
—		0	0	0	0	0	0	0	0	0	0	—	—	0
—		0	0	0	0	0	0	0	0	0	0	—	—	0
Municipality sub-total										180 673	4 984	(227 000)	258 600	229 657
Bodies														
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
—		0	0	0	0	0	0	0	0	—	—	—	—	—
TOTAL INVESTMENTS AND INTEREST	1									180 673	4 984	(227 000)	258 600	229 657

Table 126: Capital Expenditure by Funding Source

The main source of funding of the 2024/25 Capital budget of R114.9 million is transfers recognized capital from National and provincial departments, followed by internally generated funds from reserves of R64 million and R 9 million from borrowings. Capital projects are group per cluster, municipal wide and departmental. Ray Nkonyeni Municipality has 7 clusters.

Order		4,403	3,100	(843)	—	—	—	—	403	301	330
Total Capital Expenditure - Functional	3	121,266	188,144	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792
Funded by:											
National Government		61,452	123,508	130,557	93,781	103,166	103,166	80,611	114,490	119,756	125,265
Provincial Government		10,689	6,697	30,518	1,739	3,872	3,872	—	435	455	476
District Municipality		—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (monetary allocations) (Nat / Prov)		—	—	—	—	—	—	—	—	—	—
Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		8,407	10,885	—	—	—	—	—	—	—	—
Transfers recognised - capital	4	80,548	141,090	161,075	95,520	107,038	107,038	80,611	114,924	120,211	125,741
Borrowing	6	—	1,867	6,412	21,452	21,452	21,452	—	9,000	8,520	4,428
Internally generated funds		15,377	27,049	44,758	33,921	47,890	47,890	26,874	63,634	66,561	69,623
Total Capital Funding	7	95,926	170,007	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792



Table 127: Summary of operating expenditure by standard classification item

Expenditure		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Employee related costs	2	431,110	444,033	455,419	483,929	483,842	483,842	398,016	497,297	520,318
Remuneration of councillors		28,366	26,249	-	31,164	40,283	40,283	34,460	34,185	35,758
Bulk purchases - electricity	2	108,129	122,720	107,470	158,320	153,320	153,320	104,788	153,550	160,613
Inventory consumed	8	10,547	13,278	-	10,499	13,038	13,038	15,518	12,982	13,579
Debt impairment	3	(28,876)	(26,108)	(1,490)	-	32,571	32,571	-	11,290	11,809
Depreciation and amortisation		100,268	94,081	94,294	104,756	110,770	110,770	72,726	107,839	112,800
Interest		12,479	20,742	-	9,958	9,960	9,960	1,463	11,818	12,362
Contracted services		190,921	229,791	211,569	273,776	283,115	283,115	205,036	227,033	237,477
Transfers and subsidies		10,275	17,262	-	13,838	14,737	14,737	40	17,133	17,952
Irrecoverable debts written off		-	-	-	-	-	-	4,663	5,000	5,230
Operational costs		135,419	142,554	162,152	156,437	171,541	171,541	133,734	171,571	179,432
Losses on disposal of Assets		2,289	(427)	-	-	-	-	(1,404)	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		1,000,928	1,084,174	1,029,414	1,242,678	1,313,177	1,313,177	969,041	1,249,698	1,307,330

Table 128: Employee Related Costs and Remuneration of Councillors

KZN216 Ray Nkonyeni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages	1	25 476	23 352	26 688	19 040	55 564	55 564	18 276	19 116	19 996
Pension and UIF Contributions		-	-	-	758	1 515	1 515	755	790	826
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 890	2 897	2 880	2 815	6 384	6 384	3 129	3 273	3 423
Housing Allowances		-	-	-	5 953	11 906	11 906	8 977	9 390	9 822
Other benefits and allowances		-	-	-	2 599	5 197	5 197	3 049	3 189	3 335
Sub Total - Councillors		28 366	26 249	29 567	31 164	80 567	80 567	34 185	35 758	37 403
% increase	4		(7.5%)	12.6%	5.4%	158.5%	-	(57.6%)	4.6%	4.6%
Senior Managers of the Municipality										
Basic Salaries and Wages	2	8 124	7 328	3 690	3 946	7 241	7 241	6 584	6 887	7 204
Pension and UIF Contributions		(0)	80	146	192	267	267	90	95	99
Medical Aid Contributions		-	72	198	230	269	269	51	53	56
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		760	866	960	1 059	2 117	2 117	913	1 101	999
Motor Vehicle Allowance		-	495	838	1 060	1 856	1 856	732	766	801
Cellphone Allowance	3	102	109	87	114	184	184	63	66	69
Housing Allowances	3	-	1 425	2 655	3 275	4 485	4 485	1 332	1 393	1 458
Other benefits and allowances	3	-	0	1	1	1	1	0	0	0
Payments in lieu of leave		-	239	327	332	520	520	21	22	23
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	76	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8 985	10 615	8 978	10 209	16 940	16 940	9 787	10 383	10 709
% increase	4		18.1%	(15.4%)	13.7%	65.9%	-	(42.2%)	6.1%	3.1%
Other Municipal Staff										
Basic Salaries and Wages		283 371	290 561	296 914	311 533	635 437	635 437	333 067	348 388	364 414
Pension and UIF Contributions		48 181	49 729	50 757	50 263	108 606	108 606	53 500	55 961	58 535
Medical Aid Contributions		18 779	19 146	20 094	20 668	43 818	43 818	21 895	22 902	23 955
Overtime		18 011	18 959	21 821	18 985	44 039	44 039	22 014	23 026	24 085
Performance Bonus		405	417	446	-	-	-	-	-	-
Motor Vehicle Allowance	3	16 999	18 564	18 911	18 975	42 335	42 335	20 003	20 923	21 885
Cellphone Allowance	3	1 115	1 035	1 021	1 007	2 094	2 094	1 047	1 095	1 145
Housing Allowances	3	3 964	3 793	4 152	4 059	6 860	6 860	2 873	3 005	3 144
Other benefits and allowances	3	4 645	4 904	5 224	6 038	10 883	10 883	5 507	5 760	6 025
Payments in lieu of leave		4 453	3 802	4 871	22 480	11 336	11 336	5 907	6 179	6 463
Long service awards		6 412	7 027	4 268	2 751	7 240	7 240	3 016	3 155	3 300
Post-retirement benefit obligations	6	15 110	14 852	17 323	16 049	35 048	35 048	17 420	18 221	19 059
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		680	629	638	912	3 047	3 047	1 263	1 321	1 381
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		422 124	433 418	446 442	473 720	950 744	950 744	487 510	509 935	533 392
% increase	4		2.7%	3.0%	6.1%	100.7%	-	(48.7%)	4.6%	4.6%
Total Parent Municipality		459 476	470 281	484 987	515 094	1 048 251	1 048 251	531 483	556 076	581 504



The budget for employee related cost and remuneration of councilor's amounts to R 531.5 million for 2024/25 financial year. Employee related cost amounts to 43% of total operating budget which is more than threshold treasury guideline of 35%-40%. An increase in employee related cost in 2024/25 versus 2023/24 is due an increment on basic salaries by CPI. The was approved to get paid on the new Task Grade, which is Grade 5 as from July 2022, so there was an amount of R9.9 million backpay in the CY. The reason why we not having the R9.9 million as the difference is, there was a period of about 5-6 months the municipality had not have the mayor, but the Acting Mayor.

3.7.4 Social and Economic Redress via Indigent Management

3.7.4.1 Free Basic Services: Basic Social Service Package

The social package assists households that are poor or face circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the Municipality's Indigent Policy and the policy is reviewed annually. The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

3.7.4.2 The Indigent Policy

The Indigent policy was adopted in 2017 and is reviewed yearly alongside the budget. (See attachment 18: Indigent Policy)

i. Purpose of the Indigent Policy

- Provides basic services to the community within the financial and administrative capacity of the municipality.
- Provides procedures and guidelines for the subsidization of basic service charges to indigent households using the equitable share allocation received from National Treasury and other budgetary provisions; and
- Ensures affordability by subsidizing tariffs calculated in terms of the municipality's tariff policy and by setting appropriate service levels in terms of the municipality's service delivery.

ii. Indigent Register

A budget of R8.3 million has been allocated for indigent support. There is an attached indigent register. (See attachment 19: Indigent Register)

ii. Extent of Indigent Support

Subsidies will be determined during the compilation of the annual budget. The source of funding of the indigent subsidy is that portion of the equitable share contribution by National Treasury and any additional provisions made by council as provided for in the annual operating budget. The subsidy will only be credited to the qualifying customer's accounts until the amount provided on the budget by the municipality has been exhausted whereupon no further credits will be made. On annual basis, the municipality reviews and amends its Indigent register.



In respect of electricity, a 100% subsidy up to 50 kWh per month will apply:

- If consumption exceeds any of the norms stated in (7) and (8) per metering period (month), the consumer will be charged normal tariffs on the quantity exceeding the above-mentioned limits,
- If a customer's consumption or use of municipal service is less than the subsidized service, the unused portion may not be accrued and the customer will not be entitled to a cash rebate in respect of the unused portion,
- Annual service charges on the indigent's account will automatically be converted to monthly instalments.

3.7.4.2.1 Indigent Management

	2022/2023	2023/2024
Number of indigents	434	484
Cost per service per indigent household per month		
Electricity (50 kWh)	R82.49	R90.32
Refuse removal	R 159.70	R 167.40

Allocation of free basic services: electricity is 50kWh per month/household. Rates 100% rebate on the billable market value. Refuse removal is 100% rebate which is R167.40 per month/household or R 1 674.00 per annum

Narrative to include indigent relief. Criteria for indigent qualification

- Gross monthly income of all occupants over twenty-one (21) years of age may not exceed, the amount approved by Council, currently being the equivalent of two (2) state pensions
- The applicant must be the full-time owner living on the property concerned, and may not own any other property, whether in or out the municipal area
- That the property's market value (per the Municipal Valuation Roll) of the household applying for indigent relief may not exceed **R380,000.00** in value
- Deliberation of applications will be done on merit and if the sole reason for an application being declined is the property value, then due consideration will be given and the matter will be escalated to the relevant council committees for decision
- The average of three months electricity consumption of the household must not exceed 300kWh per month

Challenges identified

- Communities lack information or misinformation on indigent support that is provided by the municipality.
- Unavailability of contact details or updated contact details of clients on the municipal database.
- Communities not attending forums where information on indigent support is shared.
- Verification of credibility of information supplied by indigent applicants
- Insufficient funds to cover for verification of information supplied by indigent applicants through third parties.



Measures to address inconsistencies in FBS

- Benchmarking with other municipalities with good practice on indigent support
- Improvement in communication of indigent support
- Request national government to consider and make available the funds needed in the process of verifying indigent applications.

3.7.4.2.2 Debt Category

	2021/2022	2022/2023	2023/2024
Government	R 29 563 222.67	R 33 729 089.02	R 33 001 925.32
Business and commercial	R 60 820 028.60	R 72 534 910.95	R 92 018 604.42
Households	R 253 640 382.27	R 292 289 626.02	R 362 693 861.54
Other	R 18 081 134.67	R 22 443 073.34	R 23 070 050.05

3.7.4.2.2.1 Collection rate

2021/2022	92.5%
2022/2023	88.10%
2023/2024	93%

3.7.4.2.2.2 Write offs

2023/2024	R 7,793,796
2022/2023	R 4,423,719
2021/2022	R 6,915,501

3.7.4.2.2.3 Provision for doubtful debts

2023/2024	R 118 286 524
2022/2023	R 122 099 974
2021/2022	R 89,574,637



3.7.4.2.3 Debtor's Age Analysis

2023/2022: Commercial – R82,017,782

Household- R340,105,163

Government – R55,877,930

2022/2021: Commercial – R83,920,153

Household- R194,807,349

Government – R29,565,165

2021/2020: Commercial – R73,500,941

Household – R176,395,338

Government – R25,025,182

3.7.5 Reporting Requirements

The Chief Financial Officer shall report on a monthly basis to the Finance & Budget Portfolio Committee for the month concerned.

3.7.6 Revenue Raising/Enhancement Strategy

Revenue enhancement is a process focused on the holistic improvement of the municipal business model Ray Nkonyeni Municipality has an Investment Raising/Enhancement Strategy reviewed and adopted in 2017, reviewed annually, and has since been. The strategy clearly indicates the mechanisms employed to enhance revenue. To increase or improve the collection rate from debtors is an obvious strategy to improve revenue enhancement but revenue enhancement is more than just that, it also requires other departments to identify possible options which could result in savings or additional revenue. To effectively deal with the current challenges, the municipality must plan and implement effective and integrated revenue enhancement strategies. **(See attachment 20: Revenue Enhancement Strategy)**

3.7.6.1 Sources of Revenue

i. Transfers and Grant Receipts

The municipality has various revenue sources. On the following page are the listed sources.



Table 129: Transfers and Grants

KZN216 Ray Nkonyeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands										
RECEIPTS:	1, 2									
Operating Transfers and Grants:										
National Government:		272,887	240,861	—	372,819	372,819	372,819	307,938	318,900	314,820
Local Government Equitable Share		205,948	233,153	—	285,237	285,237	285,237	302,729	308,450	309,120
Integrated National Electrification Programme Grant		—	—	—	—	—	—	—	—	—
Expanded Public Works Programme Integrated Grant		3,049	5,558	—	5,084	5,084	5,084	3,235	3,405	3,501
Local Government Financial Management Grant		2,000	1,950	—	—	—	—	1,900	1,967	2,079
Public Transport Network Grant		—	—	—	—	—	—	—	—	—
Municipal Disaster Relief Grant		—	—	—	—	—	—	—	—	—
Municipal Infrastructure Grant		—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant		—	—	—	—	—	—	55	58	60
Municipal Disaster Recovery Grant		—	—	—	82,298	82,298	82,298	—	—	—
South Africa National Accreditation System		—	—	—	—	—	—	—	—	—
Electricity Demand Side Management		—	—	—	—	—	—	—	—	—
Neighbourhood Development Partnership Grant		—	—	—	—	—	—	—	—	—
Rural Road Asset Management Systems Grant		—	—	—	—	—	—	—	—	—
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
Provincial Government:		70,432	68,008	—	15,457	15,457	15,457	16,717	17,486	18,290
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		70,432	68,008	—	15,457	15,457	15,457	16,717	17,486	18,290
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Education, Training and Development Practices SETA		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
SEDA eThekweni		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Total Operating Transfers and Grants	5	343,329	308,869	—	388,076	388,076	388,076	324,656	331,386	333,111
Capital Transfers and Grants:										
National Government:		92,529	160,468	—	107,848	107,848	107,848	131,988	137,719	144,065
Municipal Infrastructure Grant		—	—	—	—	—	—	—	—	—
Integrated National Electrification Programme Grant		4,000	8,040	—	—	—	—	—	—	—
Water Services Infrastructure Grant		—	—	—	—	—	—	—	—	—
Regional Bulk Infrastructure Grant		—	—	—	—	—	—	—	—	—
Integrated National Electrification Programme Grant		4,000	8,040	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant		—	—	—	—	—	—	5,445	5,005	5,957
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)		—	—	—	—	—	—	—	—	—
Integrated Urban Development Grant		54,509	90,131	—	88,848	88,848	88,848	85,218	90,194	94,332
Neighbourhood Development Partnership Grant		20,000	31,257	—	19,000	19,000	19,000	40,000	41,840	43,765
Rural Road Asset Management Systems Grant		—	—	—	—	—	—	—	—	—
Local Government Financial Management Grant		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Provincial Government:		8,204	11,514	—	2,000	2,000	2,000	600	628	647
Infrastructure		—	—	—	—	—	—	—	—	—
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		8,204	11,514	—	2,000	2,000	2,000	500	628	647
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
Kwazulu/Natal House of Traditional Leaders		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Education, Training and		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Total Capital Transfers and Grants	5	98,718	161,482	—	109,848	109,848	109,848	132,188	138,242	144,602
TOTAL RECEIPTS OF TRANSFERS & GRANTS		442,047	470,351	—	497,924	497,924	497,924	456,844	469,628	477,713

Reference:

Explanatory notes to Table SA18 Grants and subsidies Receipts

1. This table reflects all expected grants receipts from national, provincial and other organization.
2. National treasury and provincial treasury grants are gazette in DORA and provincial gazette.

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



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

The percentage increases of Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc.

The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions

ii. Property Rates

National Treasury's MFMA Circular No. 58 and 59 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R85 000 and R50 000 reduction on the market value of a property for residential and vacant land categories respectively, will be granted in terms of the municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents and child headed household in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons whose household income equal 2 state pensions, 4 state pensions and 6 state pensions will receive a rebate of 75%, 50% and 25 % respectively in terms of Rates policy.

In terms of the indigent policy, indigents are exempt from paying rates if the value of the property is less than R320 000.00.





Table 130: Service Tariffs by Category

KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Bona fide farmers rebate or exemption	2		-	-	-	-	-	-	-
Other rebates or exemptions			-	-	-	-	-	-	-
Water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Water usage - flat rate tariff (c/kJ)			-	-	-	-	-	-	-
Water usage - life line tariff		(describe structure)	-	-	-	-	-	-	-
Water usage - Block 1 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 2 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 3 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 4 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 5 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 6 (c/kJ)		(fill in thresholds)	-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Waste water - flat rate tariff (c/kJ)			-	-	-	-	-	-	-
Volumetric charge - Block 1 (c/kJ)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 2 (c/kJ)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 3 (c/kJ)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 4 (c/kJ)		(fill in structure)	-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	261	277	299	324	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
FBE		(how is this targeted?)	-	-	-	-	-	-	-
Life-line tariff - meter		(describe structure)	-	-	-	-	-	-	-
Life-line tariff - prepaid		(describe structure)	-	-	-	-	-	-	-
Flat rate tariff - meter (c/kWh)			-	-	-	-	-	-	-
Flat rate tariff - prepaid (c/kWh)			-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kWh)		(fill in thresholds)	-	-	11 889	12 631	13 654	1 476	-
Meter - IBT Block 2 (c/kWh)		(fill in thresholds)	-	-	15 235	16 186	17 497	189 139	-
Meter - IBT Block 3 (c/kWh)		(fill in thresholds)	-	-	20 415	21 689	23 446	253 451	-
Meter - IBT Block 4 (c/kWh)		(fill in thresholds)	-	-	24 375	25 896	27 994	302 615	-



KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates (rate in the Rand)	1								
Residential properties			0.0108	0.0114	0.0119	0.0124	0.0125	0.0132	-
Residential properties - vacant land			0.0216	0.0229	0.0239	0.0248	0.0251	0.0265	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	-
Farm properties - not used			-	-	-	-	0.0031	0.0033	-
Industrial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Business and commercial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Communal land - residential			-	-	-	-	0.0013	0.0013	-
Communal land - small holdings			-	-	-	-	0.0013	0.0013	-
Communal land - farm property			-	-	-	-	0.0013	0.0013	-
Communal land - business and commercial			-	-	-	-	0.0013	0.0013	-
Communal land - other			0.0011	0.0011	0.0012	0.0012	0.0013	0.0013	-
State-owned properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	-
Privately owned towns serviced by the owner			-	-	-	-	-	-	-
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
Property rates by usage									
Business and commercial properties			-	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Mining properties			-	-	-	-	-	-	-
Residential properties			-	-	-	-	-	-	-
Agricultural properties			-	-	-	-	-	-	-
Public benefit organisations			-	-	-	-	-	-	-
Public service purpose properties			-	-	-	-	-	-	-
Public service infrastructure properties			-	-	-	-	-	-	-
Vacant land			-	-	-	-	-	-	-
Sport Clubs and Fields (Bitou only)			-	-	-	-	-	-	-
Sectional Title Garages (Drakenstein only)			-	-	-	-	-	-	-
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			85 000	85 000	85 000	85 000	85 000	85 000	-
Indigent rebate or exemption			-	-	-	-	-	-	-
Pensioners/social grants rebate or exemption			-	-	300 000	300 000	300 000	300 000	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-

KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Meter - IBT Block 5 (c/kwh)	2	(fit in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)		(fit in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 2 (c/kwh)		(fit in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 3 (c/kwh)		(fit in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 4 (c/kwh)		(fit in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)		(fit in thresholds)	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge			-	-	59	62	65	68	-
Basic charge/fixed fee			-	-	147	154	161	170	-
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

3.7.6.2 Investment Policy

There is an adopted Investment Policy which details basis of how investments will be utilized in order to create reserves. Its objectives are aimed at gaining the optimal return of investments, without incurring undue risks, during those periods Revenue enhancement is a process focused on the holistic improvement of the municipal business model cash revenues are not needed for capital or operational purposes. **(See attachment 21: Investment Policy)**



3.7.7 Revenue Protection (Debt Management)

3.7.7.1 Tariffs

i. Sale of Electricity and Impact of Tariff Increases

Considering the Eskom increases of 12.72%, the consumer tariff had to be increased by 12.72 per cent to offset the additional bulk purchase cost from 1 July 2023. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Table 131: SA13b Service Tariffs by Category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Exemptions, reductions and rebates (Rands) (Insert lines as applicable)			22 525 449	22 449 157	5 908 394	6 174 341	6 482 953	6 839 515	6 839 515
			-	-	3 411 734	3 585 252	3 743 515	3 949 408	3 949 408
			20 098 493	-	6 754 370	7 058 317	7 411 233	7 818 851	7 818 851
			38 440 018	40 090 927	60 192 742	62 901 415	66 045 486	69 879 043	69 879 043
			22 525 449	22 449 157	5 908 394	6 174 341	6 482 953	6 839 515	6 839 515
			-	-	3 411 734	3 585 252	3 743 515	3 949 408	3 949 408
			20 098 493	-	6 754 370	7 058 317	7 411 233	7 818 851	7 818 851
			38 440 018	40 090 927	60 192 742	62 901 415	66 045 486	69 879 043	69 879 043
Water tariffs (Insert blocks as applicable)		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
Waste water tariffs (Insert blocks as applicable)		(R) in structure							
		(R) in structure							
		(R) in structure							
		(R) in structure							
		(R) in structure							
		(R) in structure							
		(R) in structure							
Electricity tariffs (Insert blocks as applicable)		(R) in thresholds	301	277	290	304	304	304	304
		(R) in thresholds	1	1	1	1	1	1	1
		(R) in thresholds	2	2	2	2	2	2	2
		(R) in thresholds	2	2	2	3	3	3	3
		(R) in thresholds	2	3	3	3	3	3	3
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							
		(R) in thresholds							

Explanatory notes to Table SA13b Service Tariffs by category

1. This table reflects the service tariffs by category provided by the municipality.
2. Exemptions, reductions, and rebates. Also provides electricity tariffs.



Table 132: Household Bills

KZN216 Ray Nkonyeni - Supporting Table SA14 Household bills											
Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Randient:											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/decrease		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/decrease		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		-	-	-	993.20	993.20	993.20	4.8%	1 040.87	1 086.67	1 135.57
Electricity: Basic levy		-	-	-	280.79	280.79	280.79	7.7%	301.77	315.05	329.23
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	138.87	138.87	138.87	4.8%	145.54	151.94	158.78
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	1 412.86	1 412.86	1 412.86	5.3%	1 488.18	1 553.66	1 623.58
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	1 412.86	1 412.86	1 412.86	5.3%	1 488.18	1 553.66	1 623.58
% increase/decrease		-	-	-	-	-	-	5.3%	5.3%	4.4%	4.5%

ii. Waste Removal and Impact of Tariff Increases

The municipality has implemented a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to solid waste are maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Currently solid waste removal is operating at a surplus.

iii. Other Tariff of Charges

Other tariff of charges such as licenses and permits, town planning, fines and other revenue have been increased by 4.9 per cent in line with circular 128 and tariff of charges is attached as annexure.

The Municipality's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

- Budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services, AND



- Budget Circular 128

3.7.7.2 Consumer Care, Credit Control and Debt Collection Policy

The aim of the policy is to provide a framework within which the municipality can exercise its executive legislative authority with regards to credit control and debt collection, In terms of write off bad debt, there is a provision that may be made in relation to service charges and other incidental charges, Collection of rates is done to fulfil certain responsibilities for rate payers to access municipal services. A detailed report is submitted to the portfolio Committee on a monthly basis giving analysis of the debt book, collections as well as incentives and impact of such processes. Over the past years the municipality experienced poor debt recovery but has since had corrective measures in place. **(See attachment 22: Debt Collection Policy).**

3.7.7.3 Debtors' Age Analysis

Below is a table detailing RNM's Debtors Age Analysis:

Table 133: Debtors Age Analysis

CONTROL DESCRIPTION	202304 (Current)	202303 (30 Days)	202302 (60 Days)	202301 (90 Days)	202212 (120 Days)	202211 (150 Days)	202210 (180 Days)	202209-202205 (21)	202204+ (Over 1 Yr Total)
Property Rates: Business and Commercial: Monthly Billing	R 9 144 991.34	R 3 777 666.78	R 2 404 911.16	R 2 172 046.08	R 1 962 417.49	R 1 788 254.69	R 1 771 001.09	R 6 368 639.65	R 41 613 394.55
Property Rates: Business and Commercial: Prior Period Corrections and Adjustments	R 2 206.46	R 2 206.46	R 2 206.46	R 2 206.46	R 2 206.46	R 2 206.46	R 2 206.46	R 11 032.30	R 414 404.14
Property Rates: Communal Land: Residential: Monthly Billing	R 13 232.20	R 13 163.31	R 13 094.47	R 13 025.61	R 12 956.73	R 12 884.29	R 13 197.63	R 53 540.96	R 771 765.03
Property Rates: Farm Properties: Other Purpose than Above: Monthly Billing	R 27 548.35	R 14 034.30	R 14 031.77	R 11 499.70	R 10 523.46	R 10 472.38	R 16 270.95	R 107 446.42	R 537 823.63
Property Rates: Industrial Properties: Monthly Billing	R 1 265 907.83	R 608 814.04	R 359 356.09	R 304 286.97	R 245 838.67	R 220 630.73	R 247 577.65	R 815 386.03	R 3 551 355.94
Property Rates: Municipal Properties: Monthly Billing	R 29 400.64	R 29 400.64	R 29 400.64	R 29 400.64	R 29 400.64	R 29 401.55	R 29 366.12	R 146 906.53	R 4 873 447.79
Property Rates: Public Benefit Organisations: Monthly Billing	R 11 746.40	R 34.00	R 34.00	R 34.00	R 34.00	R 102.76	R 228.48	R 2 690.67	R 832.65
Property Rates: Public Service Infrastructure: Monthly Billing	R 6 856.27	R 6 805.74	R 6 805.74	R 6 805.74	R 6 805.74	R 6 790.37	R 8 430.06	R 48 848.05	R 873 059.36
Property Rates: Residential Properties: Developed: Monthly Billing	R 30 968 249.89	R 14 037 375.02	R 9 257 594.66	R 7 963 317.32	R 7 090 636.79	R 6 577 487.71	R 6 385 463.99	R 22 174 800.41	R 139 760 100.89
Property Rates: Residential Properties: Developed: Interest Charge	R -	R -	R -	R -	R -	R -	R -	R -	R 5 096.09
Property Rates: Residential Properties: Developed: Debt Write-offs	R -	R -	R -	R -	R -	R -	R -	R -	R 159.54
Property Rates: Residential Properties: Vacant Land: Monthly Billing	R 3 674 114.19	R 2 538 953.67	R 2 198 506.39	R 1 917 019.82	R 1 874 892.93	R 1 690 308.45	R 1 726 102.56	R 6 653 422.73	R 56 856 876.77
Property Rates: Small Holdings: Residential Purposes: Monthly Billing	R 259.79	R 259.79	R 259.79	R 259.79	R 259.79	R 259.79	R 259.79	R 1 298.95	R 42 425.24
Property Rates: State-owned Properties: National Government: Monthly Billing	R 108 308.12	R 108 242.25	R 108 176.38	R 109 198.48	R 109 132.61	R 105 196.61	R 1 182 722.90	R 13 877 512.60	R 7 124 600.72
Property Rates: Mining Properties: Monthly Billing	R 19 515.75	R -	R -	R -	R -	R -	R -	R -	R 19 515.75
Property Rates: Agricultural Properties: Monthly Billing	R 293 233.67	R 163 231.71	R 136 608.23	R 123 717.00	R 118 889.76	R 114 087.49	R 134 005.49	R 767 031.31	R 4 744 750.83
Property Rates: Multiple Purposes: Monthly Billing	R 349 602.98	R 193 526.75	R 119 844.73	R 106 801.91	R 105 972.50	R 105 179.93	R 101 548.74	R 189 120.09	R 1 617 216.59
Electricity: Monthly Billing	R 15 663 994.79	R 5 715 889.62	R 2 190 275.05	R 1 212 018.55	R 1 041 467.19	R 1 027 715.12	R 1 224 798.56	R 3 301 753.07	R 13 525 329.91
Merchandising Jobbing and Contracts: Monthly Billing: Consumers	R 541.34	R 541.34	R 541.34	R 543.53	R 545.68	R 537.53	R 1 535.70	R 11 622.66	R 710 596.29
Merchandising Jobbing and Contracts: Interest Charge: Consumers	R -	R -	R -	R -	R -	R -	R -	R -	R 18 450.95
Property Rental Debtors: Monthly Billing: Consumers	R 144 122.70	R 70 562.18	R 37 070.61	R 35 248.37	R 33 568.81	R 42 118.60	R 105 841.85	R 409 252.04	R 1 987 536.29
Service Charges: Monthly Billing: Consumers	R 12 234.42	R 1 069 042.95	R 106 302.06	R 172 559.55	R 111 169.98	R 2 432.88	R 102 709.15	R 672 554.02	R 21 916 587.76
Waste Management: Monthly Billing	R 6 616 595.65	R 3 504 111.52	R 2 499 413.87	R 2 192 544.13	R 1 967 731.21	R 1 821 484.17	R 1 697 531.48	R 7 775 795.16	R 49 957 579.82
Waste Management: Interest Charge	R -	R -	R -	R -	R -	R -	R -	R -	R 2 662.80
Waste Management: Debt Write-off	R -	R -	R -	R -	R -	R -	R -	R -	R 712.82
Waste Water Management: Monthly Billing	R -	R -	R -	R -	R -	R -	R -	R -	R 15 297.15
Water: Monthly Billing	R 40 340.97	R 36 190.25	R 35 819.66	R 36 124.42	R 34 803.79	R 38 568.93	R 34 337.22	R 169 210.25	R 541 746.94
Water and Sanitation Service Authority: Prior Period Corrections and Adjustments	R -	R -	R -	R -	R -	R -	R -	R -	R 222.51
Market Agency: Monthly Billing: Consumers	R 380 916.72	R 171 371.30	R 111 535.90	R 91 441.45	R 80 645.40	R 72 155.63	R 65 323.19	R 218 847.84	R 1 478 659.77
Absence: Debt Write-off	R -	R -	R -	R -	R -	R -	R -	R -	R 89 977.32
Advance Payments: Consumers	R 5 627 522.49	R 3 710 359.77	R 2 071 439.75	R 1 619 743.79	R 1 286 402.19	R 1 212 221.56	R 924 113.82	R 4 224 276.94	R 8 787 623.35
TOTAL	R 63 145 997.33	R 28 342 072.85	R 17 560 349.24	R 14 880 355.73	R 13 553 501.44	R 12 463 176.40	R 13 926 345.24	R 59 593 207.16	R 344 141 731.58

3.7.8 Financial Management

3.7.8.1 Supply Chain Management

The Supply Chain Management Policy was adopted in 2022 to was reviewed in 2024. Projects appearing in the SDBIP are aligned to the procurement plan of the municipality. In terms of tender delays, the SCM does not experience that simply because there is a joint sitting which consists of BSC, BEC and the BAC with the aim of ironing out any possible issues that may hinder progress. It must be noted that the municipality has not faced any deviations in the last current financial year.

The procurement plan is informed by an adopted budget, and its processes will be approved on 31 August. SCM does make provision for the disabled to qualify for tenders **(See attachment 23: SCM Policy)**. Within the Budget and Treasury Department, there is an indication of skills shortages, however, this has been addressed by outsourcing interns.

Consultants' costs are paid according to the tariffs per contract of the awarded tender, hourly tender. MOAs are signed between financial consultants and the municipality with needs analysis which indicate shortage of capacity.

To assess primary objectives of service delivery, these are discussed both at BSC level and at top management level.



3.7.9 Assets and infrastructure

The municipality has a clear record of assets as well as a policy for implementation and maintenance, acquisitions, disposals and depreciation.

On the following page is the Asset Management Table:

Table 134: Table A9 - Asset Management

KZN216 Ray Nkonyeni - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	76 061	115 376	111 855	86 473	210 773	210 773	114 669	113 458	118 677
Roads Infrastructure		33 225	74 550	42 359	38 900	90 918	90 918	55 450	58 314	60 997
Storm water Infrastructure		3 470	4 422	12 127	3 000	26 160	26 160	12 000	12 552	13 129
Electrical Infrastructure		443	1 988	11 058	8 452	18 504	18 504	15 735	9 660	10 104
Water Supply Infrastructure		-	-	-	-	-	-	500	523	547
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		37 138	80 960	85 544	50 352	135 582	135 582	83 685	87 049	84 777
Community Facilities		15 092	2 590	15 409	7 700	22 570	22 570	1 450	1 517	1 566
Sport and Recreation Facilities		3 580	2 954	2 529	10 000	22 484	22 484	4 100	4 289	4 486
Community Assets		18 872	5 544	18 038	17 700	45 054	45 054	5 500	5 805	6 072
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		17 058	14 755	3 152	9 000	4 300	4 300	10 800	11 297	11 816
Housing		-	-	-	-	-	-	-	-	-
Other Assets		17 058	14 755	3 152	9 000	4 300	4 300	10 800	11 297	11 816
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	919	-	840	1 240	1 240	500	523	547
Intangible Assets		-	919	-	840	1 240	1 240	500	523	547
Computer Equipment		810	7 492	6 011	5 990	8 822	8 822	7 290	7 625	7 976
Furniture and Office Equipment		1 234	1 295	2 431	531	921	921	2 152	2 251	2 355
Machinery and Equipment		1 149	4 410	1 179	2 060	5 854	5 854	4 692	4 908	5 134
Transport Assets		-	-	15 500	-	9 000	9 000	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	6 748	5 474	29 502	41 659	55 276	55 276	31 207	30 027	31 409
Roads Infrastructure		6 748	1 958	19 188	17 500	20 058	20 058	14 500	15 167	15 865
Storm water Infrastructure		-	-	7 132	-	-	-	-	-	-
Electrical Infrastructure		-	587	2 720	15 500	29 000	29 000	3 500	1 046	1 094
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	389	500	600	600	800	837	875
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		6 748	2 546	29 429	33 500	49 658	49 658	18 800	17 050	17 834
Community Facilities		-	2 120	73	7 659	4 818	4 818	11 972	12 523	13 099
Sport and Recreation Facilities		-	808	-	500	800	800	-	-	-
Community Assets		-	2 928	73	8 159	5 618	5 618	11 972	12 523	13 099
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	435	455	476
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	435	455	476
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Table A9 Asset Management

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year H1 2025/26	Budget Year H2 2026/27
Total Upgrading of Existing Assets	Roads Infrastructure	6	13 117	49 157	70 867	22 761	86 710	86 710	41 683	43 600	45 806
	Storm water Infrastructure		-	17 115	52 547	14 522	59 190	59 190	35 793	37 429	39 150
	Electrical Infrastructure		-	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	2 354	-	-	20 099	20 099	2 000	2 092	2 188
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		-	19 470	52 547	14 522	79 289	79 289	37 793	39 521	41 339
	Community Facilities		11 718	29 687	18 340	6 739	7 421	7 421	3 800	3 975	4 158
	Sport and Recreation Facilities		1 314	-	-	1 000	-	-	100	105	109
	Community Assets		13 032	29 687	18 340	7 739	7 421	7 421	3 900	4 079	4 267
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		-	-	-	-	-	-	-	-	-
	Operational Buildings		85	-	-	500	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		85	-	-	500	-	-	-	-	-
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Intangible Assets		-	-	-	-	-	-	-	-	-
	Computer Equipment		-	-	-	-	-	-	-	-	-
	Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
	Machinery and Equipment		-	-	-	-	-	-	-	-	-
	Transport Assets		-	-	-	-	-	-	-	-	-
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	Mature		-	-	-	-	-	-	-	-	-
	Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	
Total Capital Expenditure	Roads Infrastructure	4	95 926	170 007	212 244	150 893	352 759	352 759	187 558	187 086	195 692
	Storm water Infrastructure		39 974	93 623	114 095	70 922	170 165	170 165	105 733	110 910	116 012
	Electrical Infrastructure		3 470	4 422	19 258	3 000	26 160	26 160	12 000	12 552	13 129
	Water Supply Infrastructure		443	2 576	13 778	23 952	47 504	47 504	19 235	10 706	11 198
	Sanitation Infrastructure		-	-	-	-	-	-	500	523	547
	Solid Waste Infrastructure		-	2 354	-	-	20 099	20 099	2 000	2 092	2 188
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	389	500	600	600	800	837	875
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		43 887	102 978	147 919	98 374	264 529	264 529	140 287	137 619	143 960
	Community Facilities		26 810	34 397	33 823	22 098	34 809	34 809	17 222	18 014	18 843
	Sport and Recreation Facilities		4 894	3 763	2 629	11 500	23 284	23 284	4 200	4 393	4 595
	Community Assets		31 704	38 160	36 452	33 898	58 093	58 093	21 422	22 408	23 438
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		-	-	-	-	-	-	-	-	-
	Operational Buildings		17 143	14 755	3 152	9 500	4 300	4 300	11 235	11 752	12 292
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		17 143	14 755	3 152	9 500	4 300	4 300	11 235	11 752	12 292
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	919	-	840	1 240	1 240	500	523	547
	Intangible Assets		-	919	-	840	1 240	1 240	500	523	547
	Computer Equipment		810	7 492	6 911	5 990	8 822	8 822	7 290	7 625	7 976
	Furniture and Office Equipment		1 234	1 295	2 431	531	921	921	2 152	2 251	2 355
	Machinery and Equipment		1 149	4 410	1 179	2 060	5 854	5 854	4 692	4 908	5 134
	Transport Assets		-	-	15 500	-	9 000	9 000	-	-	-
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	Mature		-	-	-	-	-	-	-	-	-
	Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	
TOTAL CAPITAL EXPENDITURE - Asset class			95 926	170 007	212 244	150 893	352 759	352 759	187 558	187 086	195 692



KZN216 Ray Nkonyeni - Table A9 Asset Management

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year H1 2025/26	Budget Year H2 2026/27
ASSET REGISTER SUMMARY - PPE (WOV)											
5			1 882 418	2 029 413	2 162 440	1 938 095	3 905 244	3 905 244	2 114 269	2 040 864	1 965 122
	Roads Infrastructure		679 840	745 736	829 199	699 566	1 401 971	1 401 971	780 858	730 293	675 757
	Storm water Infrastructure		55 566	59 968	79 247	57 488	136 936	136 936	89 247	99 707	104 068
	Electrical Infrastructure		86 366	90 161	103 939	108 854	214 708	214 708	120 674	117 764	123 487
	Water Supply Infrastructure		346	346	346	346	692	692	346	346	346
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		15 408	22 900	34 783	22 490	57 079	57 079	36 783	39 875	43 110
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		5 763	5 763	6 152	9 563	19 526	19 526	11 452	15 996	20 748
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		845 289	924 895	1 053 666	898 287	1 830 913	1 830 913	1 039 360	1 003 981	967 516
	Community Assets		562 796	539 509	524 214	524 282	1 019 379	1 019 379	496 656	468 032	438 090
	Heritage Assets		2 071	2 205	2 210	2 205	4 409	4 409	2 210	2 210	2 210
	Investment properties		290 226	345 006	354 869	307 811	633 622	633 622	354 869	354 869	354 869
	Other Assets		18 077	31 542	33 849	32 759	63 919	63 919	37 749	41 229	44 868
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Intangible Assets		416	857	489	1 697	4 257	4 257	153	(198)	(66)
	Computer Equipment		4 443	10 447	13 433	9 127	14 296	14 296	11 715	9 592	7 373
	Furniture and Office Equipment		5 156	5 348	6 459	4 459	8 777	8 777	7 199	7 514	7 843
	Machinery and Equipment		2 681	4 345	3 902	6 881	15 496	15 496	6 663	8 130	9 666
	Transport Assets		52 054	60 619	64 711	51 379	111 758	111 758	53 066	40 866	28 115
	Land		99 208	104 640	104 639	99 208	198 416	198 416	104 639	104 639	104 639
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WOV)											
5			1 882 418	2 029 413	2 162 440	1 938 095	3 905 244	3 905 244	2 114 269	2 040 864	1 965 122
EXPENDITURE OTHER ITEMS											
	Depreciation	7	138 498	140 350	145 156	296 476	586 654	586 654	222 918	233 172	243 898
	Repairs and Maintenance by Asset Class	3	44 148	51 638	57 865	193 951	381 604	381 604	136 900	143 198	149 785
	Roads Infrastructure		25 258	22 754	29 668	162 030	311 511	311 511	93 411	97 708	102 203
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		1 927	10 575	5 831	11 425	22 013	22 013	10 895	11 396	11 921
	Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	2 319	6 138	6 138	2 500	2 615	2 735
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		27 185	33 329	35 520	175 774	339 663	339 663	106 806	111 719	116 858
	Community Facilities		485	617	779	500	1 000	1 000	500	523	547
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
	Community Assets		485	617	779	500	1 000	1 000	500	523	547
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		-	-	-	-	-	-	-	-	-
	Operational Buildings		5 627	5 092	4 350	5 300	11 600	11 600	14 465	15 130	15 826
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		5 627	5 092	4 350	5 300	11 600	11 600	14 465	15 130	15 826
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Intangible Assets		-	-	-	-	-	-	-	-	-
	Computer Equipment		-	-	-	-	-	-	-	-	-
	Furniture and Office Equipment		166	28	13	150	-	-	150	157	164
	Machinery and Equipment		1 625	1 911	1 935	1 598	5 583	5 583	3 970	4 153	4 344
	Transport Assets		9 059	10 661	15 289	10 630	23 758	23 758	11 009	11 515	12 045
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	Mature		-	-	-	-	-	-	-	-	-
	Immature		-	-	-	-	-	-	-	-	-
	Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS											
			138 498	140 350	145 156	296 476	586 654	586 654	222 918	233 172	243 898
Renewal and upgrading of Existing Assets as % of total capex											
			20.7%	32.1%	47.3%	42.7%	40.3%	40.3%	38.9%	39.4%	39.4%
Renewal and upgrading of Existing Assets as % of depren											
			21.1%	61.6%	115.0%	62.8%	69.2%	69.2%	64.7%	81.8%	81.8%
RAM as a % of PPE & Investment Property											
			2.3%	2.5%	2.7%	10.0%	9.8%	9.8%	6.5%	7.0%	7.6%
Renewal and upgrading and RAM as a % of PPE and Investment Property											
			3.4%	5.2%	7.3%	13.4%	13.4%	13.4%	9.9%	10.6%	11.6%

Explanatory notes to Table A9 - Asset Management

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- National Treasury has recommended that municipalities should allocate at least 40 per cent of the capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. However, since there is a lack of infrastructure in the municipality. Major part of funds is injected to new capital projects, it does not meet this recommendation and funds are directed to new and existing capital asset and while 15.4% to repairs and maintenance.



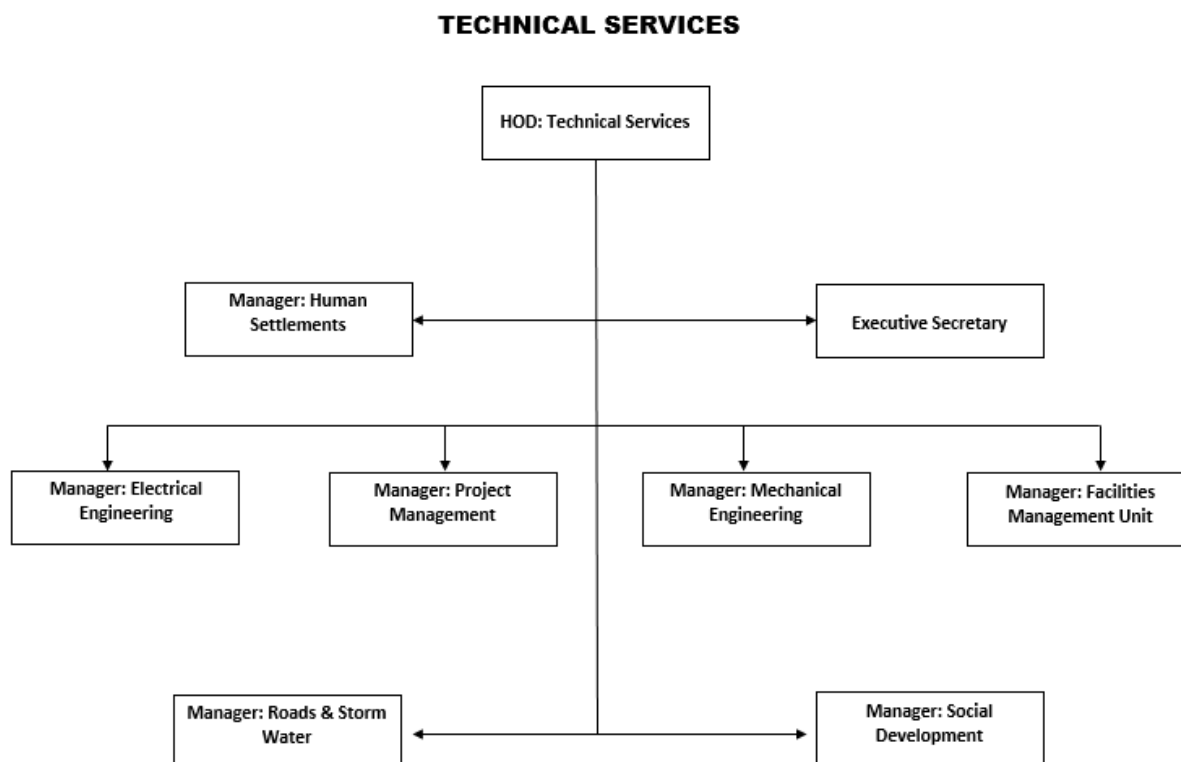
3.7.10 Repairs and Maintenance

During the compilation of the 2022/23 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance especially roads. The municipality has an infrastructure maintenance plan to ensure that assets are in good condition.

Repairs and maintenance comprise of amongst others the employee related costs, the purchase of fuel, diesel, materials for maintenance, potholes, cleaning materials and chemicals. This group of expenditure has been prioritized to ensure sustainability of the municipality's infrastructure especially potholes. Budgeted Repairs budgeted amount for 2025 amounts to R136.900 million which amounts to 10% of the operating budget and 7% against Carry Value of PPE using the latest audited Annual Financial Statements.

3.7.11 Technical Management Organogram

Illustration 24: Technical Management Organogram





3.7.12 Financial Viability/Sustainability

Table 135: Financial Ratios

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION			DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
					" R 000 "	" R 000 "	" R 000 "		
1. FINANCIAL POSITION									
					Audited AFS 2021/22	Audited AFS 2022/23	Budget Year 2024/25		
A. Asset Management/Utilisation									
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		15%	16%	13%	The Municipality is in line with the Norm range stipulated by National Treasury
					Total Operating Expenditure	1 084 085	1 146 686	1 249 698	
					Taxation Expense				
					Total Capital Expenditure	192 203	224 127	187 558	
B. Debtors Management									
1				95%		92%	90%	98%	



	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR		Gross Debtors closing balance	450 346	508 943	517 253		The Municipality is in line with the Norm range stipulated by National Treasury
					Gross Debtors opening balance	397 336	450 346	508 943		
					Bad debts written Off	4 423	7 793	5 000		
					Billed Revenue	679 419	698 675	811 450		

C. Liquidity Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		1 Month	1 Month	1 Month		The Municipality is within the Norm range stipulated by National Treasury
					Cash and cash equivalents	131 186	114 250	151 021		
					Unspent Conditional Grants	49 103	37 945	38 415		
					Overdraft					
					Short Term Investments					
					Total Annual Operational Expenditure	1 084 085	1 146 686	1 249 698		



		Disposal of Assets)								
--	--	---------------------	--	--	--	--	--	--	--	--

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		1,94	1,86	1,90		The Municipality is within the Norm range stipulated by National Treasury
					Current Assets	670 985	735 850	833 735		
					Current Liabilities	345 698	395 179	439 675		

D. Liability Management

2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		3%	2%	4%		The Municipality has not exceeded Norm range stipulated by National Treasury
					Total Debt	27 283	17 536	36 392		
					Total Operating Revenue	1 112 577	1 116 464	1 270 142		
					Operational Conditional Grants	290 411	273 091	324 656		

2. FINANCIAL PERFORMANCE

**B. Distribution Losses**

1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%		17%	17%	17%		The Municipality is above the Norm and measures to take care of electricity losses have been put in place.
					Number of units purchased and/or generated	85 614	75 124	75 124		
					Number of units sold	70 815	62 159	62 159		
2	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		43%	41%	43%		The municipality is above the norm range for employee related cost
					Employee/personnel related cost	437 108	438 568	497 297		
					Councillors Remuneration	26 248	29 567	34 185		
					Total Operating Expenditure	1 084 085	1 146 686	1 249 698		
					Taxation Expense					



3.7.13 Loans and Borrowings and Grant Dependency

The municipality currently has a loan with DBSA, the purpose of DBSA loan is to fund electricity infrastructure projects (A budget of R41.4 million has been loaned for a period of four years) – to replace, upgrade and to refurbish existing electricity network infrastructure and equipment.

The electricity infrastructure projects include:

1. Replacement of electricity meters, cables, mini-substations, and inter-switches within the electricity distribution network
2. Replacement of switchgear equipment at the Memorial and Reynolds switching stations
3. Refurbishment of Memorial and Reynolds switching stations
4. Re-instatement of 11kV interconnector between Marburg switching station and Port Shepstone substation.

Table 136: Programme/Projects Description

ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

PROJECTS TO BE INCLUDED IN RNLM BUDGET						
	Year 1	Year 2	Year 3	Totals	Year 4	Total
Electricity Meters Replacement	3,000,000	2,000,000	2,000,000	7,000,000		
Network infrastructure studies	500,000					
Electrical Cables Replacement	-	1,000,000	500,000	1,500,000		
Mini-substations Replacement	-	1,000,000	1,000,000	2,000,000		
Inter-switches (RMU) Replacement	-	1,000,000	1,000,000	2,000,000		
11kV Interconnector - Marburg to Port Shepstone Substation	-	-	-	-	14,500,000.00	
Memorial & Reynolds Sw/Sta Refurbishment & Replace Switchgear	-	3,476,000	3,476,000	6,952,000	6,952,000.00	
					-	
Totals	R 3,500,000.00	R 8,476,000.00	R 7,976,000.00	R 19,952,000.00	21,452,000.00	41,404,000.00

3.7.13.1 Borrowing Management

The municipality can afford to pay its loans as the liquidity ratios, such as the acid-test ratio, commonly known as the quick ratio, uses an organization's balance sheet data as an indicator of whether it has sufficient short-term assets to cover its short-term liabilities. The acid-test ratio disregards current assets that are difficult to quickly liquidate such as inventory. The acid-test ratio may not give a reliable picture of an organization's financial condition if the municipality has accounts receivable that take longer than usual to collect or current liabilities that are due but have no immediate payment needed. A good ratio is R1 for every R1 owed. The budgeted acid test ratio is R1.87: R1 which shows that the municipality would be able to pay its short term liabilities with its easily liquidated short term assets.



3.7.13.2 Grant Dependency Calculation

Table 137: Grant Dependency Calculation

D. Grant Dependency			
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	15% 3%
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	14% 193%
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	None	75% 74%

Table 138: Loans and Borrowings



KZN216 Ray Nkonyeni - Supporting Table SA17 Borrowing

Borrowing - Categorised by type		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality											
Annuity and Bullet Loans			-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)			-	-	-	-	-	-	-	-	-
Local registered stock			-	-	-	-	-	-	-	-	-
Instalment Credit			-	-	-	-	-	-	-	-	-
Financial Leases			-	-	-	-	-	-	-	-	-
PPP liabilities			-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier			-	-	-	-	-	-	-	-	-
Marketable Bonds			-	-	-	-	-	-	-	-	-
Non-Marketable Bonds			-	-	-	-	-	-	-	-	-
Bankers Acceptances			3,109	2,956	-	2,956	2,956	2,956	(6,085)	(23,715)	(46,640)
Financial derivatives			-	-	-	-	-	-	-	-	-
Other Securities			-	46,204	-	13,480	13,480	13,480	30,714	27,576	24,293
Municipality sub-total		1	3,109	49,160	-	16,435	16,435	16,435	24,628	3,860	(22,347)
Entities											
Annuity and Bullet Loans			-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)			-	-	-	-	-	-	-	-	-
Local registered stock			-	-	-	-	-	-	-	-	-
Instalment Credit			-	-	-	-	-	-	-	-	-
Financial Leases			-	-	-	-	-	-	-	-	-
PPP liabilities			-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier			-	-	-	-	-	-	-	-	-
Marketable Bonds			-	-	-	-	-	-	-	-	-
Non-Marketable Bonds			-	-	-	-	-	-	-	-	-
Bankers Acceptances			-	-	-	-	-	-	-	-	-
Financial derivatives			-	-	-	-	-	-	-	-	-
Other Securities			-	-	-	-	-	-	-	-	-
Entities sub-total		1	-	-	-	-	-	-	-	-	-
Total Borrowing		1	3,109	49,160	-	16,435	16,435	16,435	24,628	3,860	(22,347)
Unspent Borrowing - Categorised by type											
Parent municipality											
Long-Term Loans (annuity/reducing balance)			-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)			-	-	-	-	-	-	-	-	-
Local registered stock			-	-	-	-	-	-	-	-	-
Instalment Credit			-	-	-	-	-	-	-	-	-
Financial Leases			-	-	-	-	-	-	-	-	-
PPP liabilities			-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier			-	-	-	-	-	-	-	-	-
Marketable Bonds			-	-	-	-	-	-	-	-	-
Non-Marketable Bonds			-	-	-	-	-	-	-	-	-
Bankers Acceptances			-	-	-	-	-	-	-	-	-
Financial derivatives			-	-	-	-	-	-	-	-	-
Other Securities			-	-	-	-	-	-	-	-	-
Municipality sub-total		1	-	-	-	-	-	-	-	-	-
Entities											
Long-Term Loans (annuity/reducing balance)			-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)			-	-	-	-	-	-	-	-	-
Local registered stock			-	-	-	-	-	-	-	-	-
Instalment Credit			-	-	-	-	-	-	-	-	-
Financial Leases			-	-	-	-	-	-	-	-	-
PPP liabilities			-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier			-	-	-	-	-	-	-	-	-
Marketable Bonds			-	-	-	-	-	-	-	-	-
Non-Marketable Bonds			-	-	-	-	-	-	-	-	-
Bankers Acceptances			-	-	-	-	-	-	-	-	-
Financial derivatives			-	-	-	-	-	-	-	-	-
Other Securities			-	-	-	-	-	-	-	-	-
Entities sub-total		1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing		1	-	-	-	-	-	-	-	-	-



3.7.14 Auditor General's Opinion

- For AG opinion, refer to *Audit Report* (**See attachment 24: Audit Report**)
- For AG Corrective Action Plan (**See attachment 25: AG Corrective Plan**)

The municipality made available an action plan to ensure a clean audit, as means to avert obtaining an unqualified audit.

For effective service delivery, the municipality further puts up an additional plan called operation bounce back for reconciliation to monitor performance per department on monthly basis. The plan has a timeframe which includes details of the issue which needs to be addressed, the person responsible for that corrective action and progress status. It must be noted that this plan is not for G findings, but set up to ensure departments are on track with major issues that need immediate attention.

3.7.15 Part 2 Main Budget Tables

Total operating revenue is R 1,270 billion and increase by R 89 million over the 2024/25 MTREF.

Total operating expenditure excluding capital expenditure for the 2024/25 budget will be R 1,250 billion and overall budgeted performance is showing a surplus of R 20.444 million. The budget performance also includes non-cash item for depreciation and asset impairment to the value of R 107.8 million.

Capital expenditure for the year as per the budget amounts to R 188 million. This budget is funded through transfer's recognized capital, internal funds, and borrowings.

3.7.15.1 Annual Budget Tables

The following are the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations.



Table 139: Table A1 - Budgeted Summary

KZN216 Ray Nkonyeni - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands										
Financial Performance										
Property rates	–	–	–	509,406	509,406	509,406	508,607	532,893	557,406	583,046
Service charges	195,945	214,942	212,429	245,147	245,147	245,147	281,596	278,556	291,370	304,773
Investment revenue	3,513	5,182	–	8,511	11,275	11,275	9,783	11,916	12,484	13,037
Transfer and subsidies - Operational	288,551	257,076	(47,515)	390,026	389,742	389,742	351,447	324,656	328,401	329,975
Other own revenue	135,993	149,734	(545,947)	98,017	114,482	114,482	79,771	122,121	122,674	129,445
Total Revenue (excluding capital transfers and contributions)	624,002	626,934	(381,034)	1,251,108	1,270,052	1,270,052	1,231,204	1,270,142	1,312,314	1,360,277
Employee costs	431,110	444,033	455,419	483,929	483,842	483,842	398,016	497,297	520,318	544,101
Remuneration of councillors	28,366	26,249	–	31,164	40,283	40,283	34,460	34,185	35,758	37,403
Depreciation and amortisation	100,268	94,081	94,294	104,756	110,770	110,770	72,726	107,839	112,800	117,989
Interest	12,479	20,742	–	9,958	9,960	9,960	1,463	11,818	12,362	12,930
Inventory consumed and bulk purchases	118,677	135,998	107,470	168,819	166,358	166,358	120,306	166,532	174,192	182,205
Transfers and subsidies	10,275	17,262	–	13,838	14,737	14,737	40	17,133	17,952	18,778
Other expenditure	299,754	345,810	372,230	430,213	487,227	487,227	342,030	414,894	433,947	453,909
Total Expenditure	1,000,928	1,084,174	1,029,414	1,242,678	1,313,177	1,313,177	968,041	1,249,698	1,307,330	1,367,315
Surplus/(Deficit)	(376,926)	(457,240)	(1,410,448)	8,430	(43,125)	(43,125)	262,163	20,444	4,985	(7,038)
Transfers and subsidies - capital (monetary allocations)	92,244	158,945	–	109,848	123,093	123,093	89,036	132,163	122,164	83,468
Transfers and subsidies - capital (in-kind)	2,339	6,597	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430
Capital expenditure & funds sources										
Capital expenditure	121,266	188,144	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792
Transfers recognised - capital	80,548	141,090	161,075	95,520	107,038	107,038	80,611	114,924	120,211	125,741
Borrowing	–	1,867	6,412	21,452	21,452	21,452	–	9,000	8,520	4,428
Internally generated funds	15,377	27,049	44,758	33,921	47,890	47,890	26,874	63,634	66,561	69,623
Total sources of capital funds	95,926	170,007	212,244	150,893	176,379	176,379	107,485	187,558	195,292	199,792
Financial position										
Total current assets	367,716	375,610	260,478	645,023	609,181	609,181	377,898	833,735	921,958	997,366
Total non current assets	1,882,418	2,029,413	3,967,312	2,037,876	2,063,000	2,063,000	357,306	2,242,159	2,324,651	2,397,933
Total current liabilities	290,521	345,698	287,078	336,379	356,723	356,723	(425,536)	439,675	503,510	601,977
Total non current liabilities	127,217	191,699	90,820	158,975	158,975	158,975	(98,891)	170,711	149,943	123,736
Community wealth/Equity	1,907,021	2,115,346	–	2,188,546	2,156,484	2,156,484	(2,596,548)	2,465,507	2,593,156	2,669,586
Cash flows										
Net cash from (used) operating	870,653	376,538	1,257,890	115,523	127,273	127,273	316,418	222,488	219,453	217,158
Net cash from (used) investing	(106,497)	(184,790)	(242,572)	(168,358)	(187,898)	(187,898)	(123,814)	(161,114)	(168,525)	(176,277)
Net cash from (used) financing	(16,932)	(35,816)	(31,987)	(18,414)	(32,117)	(32,117)	(40,133)	(24,605)	(26,631)	(32,340)
Cash/cash equivalents at the year end	1,384,585	279,698	993,830	60,342	38,850	(92,741)	266,722	151,021	175,318	183,858
Cash backing/surplus reconciliation										
Cash and investments available	142,886	121,874	(28,365)	40,427	22,857	22,857	188,679	151,021	175,318	183,858
Application of cash and investments	(37,418)	(38,964)	326,167	54,081	94,304	188,822	(4,463)	(244,099)	(231,068)	(182,741)
Balance - surplus (shortfall)	180,304	160,838	(354,532)	(13,654)	(71,446)	(165,964)	193,142	395,120	406,386	366,599
Asset management										
Asset register summary (WDV)	1,882,418	2,029,413	2,162,440	1,938,095	1,952,622	1,952,622	2,114,269	2,062,989	1,996,345	
Depreciation	94,351	88,712	87,271	102,525	102,525	102,525	86,018	89,975	94,113	
Renewal and Upgrading of Existing Assets	19,865	54,631	100,389	64,420	70,993	70,993	72,990	73,628	77,014	
Repairs and Maintenance	44,148	51,638	57,885	193,951	190,802	190,802	135,600	134,516	140,703	
Free services										
Cost of Free Basic Services provided	–	–	1,079	1,067	1,067	1,067	1,345	1,407	1,472	
Revenue cost of free services provided	–	–	(74,390)	7	7	7	6	6	7	
Households below minimum service level										
Water:	0	0	0	0	0	0	0	0	0	
Sanitation/sewerage:	0	0	0	0	0	0	0	0	0	
Energy:	0	0	0	0	0	0	0	0	0	
Refuse:	0	0	0	0	0	0	0	0	0	

- Table A1 is a budget summary and provides a concise overview of the municipality's budget from all the major financial perspectives (financial performance, capital expenditure and funding sources, financial position, cash flow, MFMA funding compliance and asset management).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash, and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.



Table 140: Table A2 - Budgeted Financial Performance

KZN216 Ray Nkonyeni - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		314,978	287,451	821,236	840,943	855,049	855,049	891,408	924,221	953,324
Executive and council		267,278	233,153	260,646	285,237	285,237	285,237	302,729	308,450	309,120
Finance and administration		47,700	54,298	560,589	555,706	569,812	569,812	588,679	615,771	644,204
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		72,145	65,467	31,754	19,203	24,763	24,763	20,353	21,602	22,425
Community and social services		14,724	16,510	17,215	16,243	16,269	16,269	17,592	18,816	19,612
Sport and recreation		42	63	28	34	63	63	77	80	84
Public safety		418	86	149	150	279	279	175	184	192
Housing		56,961	48,708	14,362	2,775	8,153	8,153	2,509	2,522	2,536
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		116,722	200,492	223,166	242,674	260,756	260,756	183,592	176,704	145,695
Planning and development		87,081	157,084	166,632	113,160	130,365	130,365	131,761	122,489	88,985
Road transport		29,206	42,998	56,148	129,172	130,049	130,049	51,433	53,799	56,274
Environmental protection		435	411	386	342	342	342	398	417	436
<i>Trading services</i>		206,813	237,899	237,286	257,557	258,172	258,172	306,320	311,290	321,609
Energy sources		142,122	169,818	163,931	183,943	184,602	184,602	224,676	229,294	235,842
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		64,691	68,081	73,355	73,613	73,571	73,571	81,644	81,995	85,767
<i>Other</i>	4	7,928	1,166	565	579	653	653	632	661	692
Total Revenue - Functional	2	718,586	792,475	1,314,006	1,360,956	1,399,394	1,399,394	1,402,305	1,434,478	1,443,745
Expenditure - Functional										
<i>Governance and administration</i>		370,234	435,727	501,973	378,091	425,014	425,014	421,137	440,655	460,773
Executive and council		119,894	41,104	46,247	64,817	73,534	73,534	61,218	64,034	66,979
Finance and administration		226,057	362,428	409,888	268,751	309,921	309,921	320,759	335,660	350,948
Internal audit		24,282	32,195	45,838	44,523	41,559	41,559	39,160	40,961	42,845
<i>Community and public safety</i>		138,323	150,781	127,992	137,737	144,090	144,090	146,225	152,951	159,987
Community and social services		30,674	34,743	38,497	61,441	60,439	60,439	71,658	74,954	78,402
Sport and recreation		4,715	5,037	5,074	5,274	5,422	5,422	5,314	5,558	5,814
Public safety		35,193	50,559	53,184	52,947	58,165	58,165	55,858	58,428	61,115
Housing		67,742	60,442	31,238	18,075	20,064	20,064	13,395	14,011	14,656
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		192,766	176,277	214,547	356,280	365,985	365,985	310,086	324,350	339,270
Planning and development		36,003	43,238	41,941	45,114	51,181	51,181	74,268	77,684	81,257
Road transport		140,304	107,776	147,045	285,539	284,782	284,782	208,152	217,727	227,742
Environmental protection		16,458	25,264	25,562	25,627	30,022	30,022	27,666	28,939	30,270
<i>Trading services</i>		301,868	324,786	313,305	375,233	382,995	382,995	365,800	382,626	400,227
Energy sources		131,308	161,259	142,294	194,314	189,461	189,461	185,942	194,495	203,442
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		170,560	163,528	171,011	180,920	193,534	193,534	179,858	188,131	196,785
<i>Other</i>	4	2,447	3,015	5,789	5,850	5,606	5,606	6,451	6,748	7,058
Total Expenditure - Functional	3	1,005,637	1,090,586	1,163,606	1,253,191	1,323,690	1,323,690	1,249,698	1,307,330	1,367,315
Surplus(Deficit) for the year		(287,051)	(298,111)	150,400	107,765	75,703	75,703	152,607	127,149	76,430

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that both Electricity function and Waste management function can finance its services. As both service charges are reflecting a surplus.



- Other functions that show a deficit between revenue and expenditure are being financed from rates revenues, other revenue sources and transfers recognized operational from both National and provincial departments.

Table 141: Table A3 - Budgeted Financial Performance (Revenue and Expenditure by Vote)

KZN216 Ray Nkonyeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Revenue by Vote	1									
Vote 1 - Executive and Council		267,278	233,153	260,646	285,237	285,237	285,237	302,729	308,450	309,120
Vote 2 - Finance and Administration		47,700	54,298	560,589	555,706	569,812	569,812	588,679	615,771	644,204
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		14,317	16,175	16,766	15,767	15,793	15,793	17,095	18,286	19,030
Vote 5 - Sport and Recreation		42	63	28	34	63	63	77	80	84
Vote 6 - Public Safety		825	521	598	626	755	755	672	714	774
Vote 7 - Housing		56,961	48,708	14,362	2,775	8,153	8,153	2,509	2,522	2,536
Vote 8 - Other		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		87,081	157,084	166,632	113,160	130,365	130,365	131,761	122,489	88,985
Vote 10 - Road Transport		29,206	42,998	56,148	129,172	130,049	130,049	51,433	53,799	56,274
Vote 11 - Environmental Protection		8,363	1,577	951	921	995	995	1,031	1,078	1,128
Vote 12 - Energy Sources		142,122	169,818	163,931	183,943	184,602	184,602	224,676	229,294	235,842
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		64,691	68,081	73,355	73,613	73,571	73,571	81,644	81,995	85,767
Total Revenue by Vote	2	718,586	792,475	1,314,006	1,360,956	1,399,394	1,399,394	1,402,305	1,434,478	1,443,745
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		119,894	41,104	46,247	64,817	74,771	74,771	62,817	65,707	68,729
Vote 2 - Finance and Administration		190,788	322,283	365,002	221,501	257,735	257,735	278,126	291,066	304,302
Vote 3 - Internal Audit		59,551	72,340	90,724	91,773	92,508	92,508	80,194	83,883	87,741
Vote 4 - Community and Social Services		28,313	31,671	34,982	57,999	57,267	57,267	68,449	71,598	74,891
Vote 5 - Sport and Recreation		4,715	5,037	5,074	5,274	5,422	5,422	5,314	5,558	5,814
Vote 6 - Public Safety		37,554	53,632	56,699	56,390	61,336	61,336	59,067	61,784	64,626
Vote 7 - Housing		67,742	60,442	31,238	18,075	20,064	20,064	13,395	14,011	14,656
Vote 8 - Other		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		36,003	43,238	41,941	45,114	51,181	51,181	74,268	77,684	81,257
Vote 10 - Road Transport		140,304	107,776	147,045	285,539	284,782	284,782	208,152	217,727	227,742
Vote 11 - Environmental Protection		18,905	28,278	31,351	31,478	35,629	35,629	34,117	35,687	37,328
Vote 12 - Energy Sources		131,308	161,259	142,294	194,314	189,461	189,461	185,942	194,495	203,442
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		170,560	163,528	171,011	180,920	193,534	193,534	179,858	188,131	196,785
Total Expenditure by Vote	2	1,005,637	1,090,586	1,163,606	1,253,191	1,323,690	1,323,690	1,249,698	1,307,330	1,367,315
Surplus/(Deficit) for the year	2	(287,051)	(298,111)	150,400	107,765	75,703	75,703	152,607	127,149	76,430

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.



Table 142: Table A4 - Budgeted Financial Performance

KZN216 Ray Nkonyeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	141,263	157,558	153,095	182,436	182,436	182,436	154,101	207,222	216,754	226,724
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	54,682	57,384	59,334	62,711	62,711	62,711	127,496	71,335	74,616	78,048
Sale of Goods and Rendering of Services		64,424	60,780	-	9,571	14,824	14,824	14,061	22,615	18,590	20,574
Agency services		5,400	4,965	4,685	5,371	-	-	4,879	6,892	7,209	7,540
Interest		-	-	10,845	-	-	-	-	-	-	-
Interest earned from Receivables		4,825	5,554	34,537	6,982	8,340	8,340	6,876	8,202	8,579	8,974
Interest earned from Current and Non Current Assets		3,513	5,182	-	8,511	11,275	11,275	9,783	11,916	12,464	13,037
Dividends		-	-	23,969	-	-	-	-	-	-	-
Rent on Land		-	-	8,330	-	-	-	-	-	-	-
Rental from Fixed Assets		3,785	3,897	5,341	3,498	4,975	4,975	3,613	5,203	5,442	5,692
Licence and permits		473	269	285,417	636	637	637	510	737	771	806
Operational Revenue		3,006	1,149	29,547	1,106	1,230	1,230	836	1,091	1,141	1,193
Non-Exchange Revenue											
Property rates	2	-	-	-	509,406	509,406	509,406	508,607	532,893	557,406	583,046
Surcharges and Taxes		10	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		16,546	30,190	(455,419)	31,062	34,529	34,529	14,573	32,812	34,321	35,900
Licences or permits		5,094	7,870	(29,567)	9,628	9,628	9,628	7,332	11,956	12,506	13,081
Transfer and subsidies - Operational		288,551	257,076	(47,515)	390,026	389,742	389,742	351,447	324,656	328,401	329,975
Interest		23,401	25,602	(94,294)	30,164	30,164	30,164	26,588	32,615	34,115	35,684
Fuel Levy		-	-	(24,062)	-	-	-	-	-	-	-
Operational Revenue		-	-	(107,470)	-	-	-	-	-	-	-
Gains on disposal of Assets		-	0	(11,774)	-	652	652	-	-	-	-
Other Gains		9,029	9,459	(211,569)	-	9,503	9,503	503	-	-	-
Discontinued Operations		-	-	(14,465)	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		624,002	626,934	(381,034)	1,251,108	1,270,052	1,270,052	1,231,204	1,270,142	1,312,314	1,360,277
Expenditure											
Employee related costs	2	431,110	444,033	455,419	483,929	483,842	483,842	398,016	497,297	520,318	544,101
Remuneration of councillors		28,366	26,249	-	31,164	40,283	40,283	34,460	34,185	35,758	37,403
Bulk purchases - electricity	2	108,129	122,720	107,470	158,320	153,320	153,320	104,788	153,550	160,613	158,001
Inventory consumed	8	10,547	13,278	-	10,499	13,038	13,038	15,518	12,982	13,579	14,204
Debt impairment	3	(28,876)	(26,108)	(1,490)	-	32,571	32,571	-	11,290	11,809	12,352
Depreciation and amortisation		100,268	94,081	94,294	104,756	110,770	110,770	72,726	107,839	112,800	117,969
Interest		12,479	20,742	-	9,958	9,960	9,960	1,463	11,818	12,362	12,930
Contracted services		190,921	229,791	211,569	273,776	283,115	283,115	205,036	227,033	237,477	248,401
Transfers and subsidies		10,275	17,262	-	13,838	14,737	14,737	40	17,133	17,952	18,778
Irrecoverable debts written off		-	-	-	-	4,663	-	-	5,000	5,230	5,471
Operational costs		135,419	142,554	162,152	156,437	171,541	171,541	133,734	171,571	179,432	187,686
Losses on disposal of Assets		2,289	(427)	-	-	-	-	(1,404)	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		1,000,928	1,084,174	1,029,414	1,242,678	1,313,177	1,313,177	969,041	1,249,698	1,307,330	1,367,315
Surplus/(Deficit)		(376,926)	(457,240)	(1,410,448)	8,430	(43,125)	(43,125)	262,163	20,444	4,985	(7,038)
Transfers and subsidies - capital (monetary allocations)	6	52,244	156,945	-	109,848	123,093	123,093	89,036	132,163	122,164	83,468
Transfers and subsidies - capital (in-kind)		2,339	6,597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(282,342)	(291,699)	(1,410,448)	118,278	79,969	79,969	351,199	152,607	127,149	76,430

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)



1. Total operating revenue is R1,270 billion and total capital revenue is R 132.2 million in 2024/25
2. Total revenue for 2024/25 financial year is R1.402 billion.
3. Revenue to be generated from property rates is R 532.9 million in the 2024/25 financial year therefore remains a main funding source for the municipality.
4. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government amounts to R324.7 million. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. The municipality is not grants dependent since major part of revenue is own funding however we still must ensure that we collect every single cent that is due to us.

Table 143: Table A5 - Budgeted Capital Expenditure by Vote, Standard Classification and Funding Source

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		--	--	--	--	--	--	--	--	--	--
Vote 2 - Finance and Administration		--	--	--	--	--	--	--	--	--	--
Vote 3 - Internal Audit		--	--	--	--	--	--	--	--	--	--
Vote 4 - Community and Social Services		--	--	--	--	--	--	--	--	--	--
Vote 5 - Sport and Recreation		--	--	--	--	--	--	--	--	--	--
Vote 6 - Public Safety		--	--	--	--	--	--	--	--	--	--
Vote 7 - Housing		--	--	--	--	--	--	--	--	--	--
Vote 8 - Other		--	--	--	--	--	--	--	--	--	--
Vote 9 - Planning and Development		--	--	--	--	--	--	--	--	--	--
Vote 10 - Road Transport		--	--	--	--	--	--	--	--	--	--
Vote 11 - Environmental Protection		--	--	--	--	--	--	--	--	--	--
Vote 12 - Energy Sources		--	--	--	--	--	--	--	--	--	--
Vote 13 - Water Management		--	--	--	--	--	--	--	--	--	--
Vote 14 - Waste Water Management		--	--	--	--	--	--	--	--	--	--
Vote 15 - Waste Management		--	--	--	--	--	--	--	--	--	--
Capital multi-year expenditure sub-total	7	--	--	--	--	--	--	--	--	--	--
Single-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		333	208	320	--	54	54	--	387	455	423
Vote 2 - Finance and Administration		940	3 072	3 938	3 801	8 218	8 218	--	7 300	7 636	7 987
Vote 3 - Internal Audit		46	92	876	200	440	440	--	210	220	230
Vote 4 - Community and Social Services		7 280	8 051	379	--	--	--	--	--	--	--
Vote 5 - Sport and Recreation		189	--	--	--	--	--	--	--	--	--
Vote 6 - Public Safety		194	8 544	1 454	4 340	1 991	1 991	--	4 800	4 812	5 033
Vote 7 - Housing		38	115	229	180	379	379	--	55	58	80
Vote 8 - Other		--	--	--	--	--	--	--	--	--	--
Vote 9 - Planning and Development		36 683	93 782	109 467	111 220	233 778	233 778	--	140 425	147 198	153 980
Vote 10 - Road Transport		42 811	52 408	77 943	7 200	63 400	63 400	--	15 900	16 631	17 398
Vote 11 - Environmental Protection		4 405	3 108	(454)	500	800	800	--	1 265	1 344	1 408
Vote 12 - Energy Sources		443	2 578	13 778	22 952	42 904	42 904	--	15 907	7 310	7 055
Vote 13 - Water Management		--	--	--	--	--	--	--	--	--	--
Vote 14 - Waste Water Management		--	--	--	--	--	--	--	--	--	--
Vote 15 - Waste Management		2 585	2 052	4 505	500	1 000	1 000	--	1 400	1 454	1 532
Capital single-year expenditure sub-total		86 828	170 007	212 344	160 883	362 769	362 769	--	187 668	187 086	186 882
Total Capital Expenditure - Vote		86 828	170 007	212 344	160 883	362 769	362 769	--	187 668	187 086	186 882
Capital Expenditure - Functional											
Governance and administration		21 823	21 681	4 984	4 901	8 710	8 710	--	7 887	8 280	8 840
Executive and council		494	185	320	--	54	54	--	387	455	423
Finance and administration		21 283	21 083	3 938	3 801	8 218	8 218	--	7 300	7 636	7 987
Internal audit		46	92	876	200	440	440	--	210	220	230
Community and public safety		8 683	14 464	2 072	4 620	2 989	2 989	--	4 856	4 889	5 088
Community and social services		7 330	7 814	379	--	--	--	--	--	--	--
Sport and recreation		900	--	--	--	--	--	--	--	--	--
Public safety		222	8 525	1 454	4 340	1 991	1 991	--	4 800	4 812	5 033
Housing		30	115	229	180	379	379	--	55	58	80
Health		--	--	--	--	--	--	--	--	--	--
Economic and environmental services		81 830	146 180	187 788	118 920	287 778	287 778	--	167 125	164 988	172 341
Planning and development		36 704	93 782	109 467	111 220	233 778	233 778	--	140 425	147 198	153 980
Road transport		45 228	52 408	77 943	7 200	63 400	63 400	--	15 900	16 631	17 398
Environmental protection		0	--	389	500	800	800	--	800	837	875
Trading services		4 654	2 891	18 283	23 462	43 904	43 904	--	17 387	8 788	8 187
Energy sources		1 002	2 599	13 778	22 952	42 904	42 904	--	15 907	7 310	7 055
Water management		--	--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--	--
Waste management		2 652	232	4 505	500	1 000	1 000	--	1 400	1 454	1 532
Other		4 405	3 108	(843)	--	--	--	--	485	607	630
Total Capital Expenditure - Functional	3	121 285	188 144	212 344	160 883	362 769	362 769	--	187 668	187 086	186 882
Funded by:											
National Government		61 452	123 508	130 557	93 781	208 332	208 332	--	114 490	120 070	125 593
Provincial Government		10 689	6 697	30 518	1 739	7 743	7 743	--	435	455	476
District Municipality		--	--	--	--	--	--	--	--	--	--
Transfers and subsidies - capital (monetary allocations) (Net / Prior)		--	--	--	--	--	--	--	--	--	--
Develpment Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions		8 407	10 885	--	--	--	--	--	--	--	--
Transfers recognised - capital	4	80 648	141 088	181 076	96 520	214 078	214 078	--	114 824	120 626	128 088
Borrowing	6	--	1 887	8 412	21 452	42 904	42 904	--	9 000	--	--
Internally generated funds		15 377	27 049	44 759	33 921	95 779	95 779	--	63 824	66 561	69 623
Total Capital Funding	7	86 828	170 007	212 344	160 883	362 769	362 769	--	187 668	187 086	186 882



Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source



Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
- Single-year capital expenditure has been appropriated at R 187.887 million (Excl. VAT) for the 2024/25 financial year.
- Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
- The capital programme is funded from capital and provincial grants and transfers and internally generated funds.
- Capital Projects expenditure and funding in Table A5 have been budgeted for excluding VAT.



Table 144: Table A6 - Budgeted Financial Position

KZN216 Ray Nkonyeni - Table A6 Budgeted Financial Position

R 2020/21 to R 2026/27 - Table A: Budgetary Framework - General												
Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS												
Current assets												
Cash and cash equivalents			142 886	121 874	6 950	40 427	45 715	45 715	–	151 021	319 024	498 061
Trade and other receivables from exchange transactions	1		88 105	104 229	–	143 554	277 179	277 179	–	142 304	175 369	209 955
Receivables from non-exchange transactions	1		32 422	30 519	–	333 984	615 567	615 567	–	374 949	424 014	475 336
Current portion of non-current receivables			143	–	240 906	–	–	–	–	–	–	–
Inventory	2		2 908	7 058	7 058	2 559	22 565	22 565	7 058	11 770	18 261	25 051
VAT			98 002	108 453	5 564	121 348	243 976	243 976	–	149 223	150 952	133 715
Other current assets			3 248	3 477	–	3 151	6 301	6 301	–	4 469	4 469	4 469
Total current assets			367 716	375 610	260 478	645 023	1 211 304	1 211 304	7 058	833 735	1 092 089	1 346 588
Non current assets												
Investments			–	–	–	–	–	–	–	–	–	–
Investment property			290 225	345 006	354 869	307 811	633 622	633 622	–	354 869	354 869	354 869
Property, plant and equipment	3		1 589 705	1 681 345	1 804 872	1 726 164	3 483 712	3 483 712	–	1 884 927	1 940 159	1 956 896
Biological assets			–	–	1 804 872	–	–	–	–	–	–	–
Living and non-living resources			–	–	–	–	–	–	–	–	–	–
Heritage assets			2 071	2 205	–	2 205	4 409	4 409	–	2 210	2 210	2 210
Intangible assets			416	857	489	1 697	4 257	4 257	–	153	(198)	(66)
Trade and other receivables from exchange transactions			–	–	2 210	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions			–	–	–	–	–	–	–	–	–	–
Other non-current assets			–	–	–	–	–	–	–	–	–	–
Total non current assets			1 882 418	2 029 413	3 967 312	2 037 876	4 126 001	4 126 001	–	2 242 159	2 297 039	2 313 909
TOTAL ASSETS			2 250 134	2 405 023	4 227 790	2 682 899	5 337 305	5 337 305	7 058	3 075 894	3 389 129	3 660 498
LIABILITIES												
Current liabilities												
Bank overdraft			–	–	35 315 198.00	–	–	–	–	–	–	–
Financial liabilities			8 621	14 580	17 369	28 891	30 376	30 376	–	11 764	5 901	2 466
Consumer deposits			32 039	32 846	44 683	32 846	65 692	65 692	–	35 315	35 315	35 315
Trade and other payables from exchange transactions	4		127 667	133 406	–	112 595	316 862	316 862	–	191 777	369 230	485 699
Trade and other payables from non-exchange transactions	5		42 624	49 104	–	46 376	67 974	67 974	–	37 945	57 008	102 215
Provision			39 025	40 094	43 628	40 094	83 389	83 389	–	50 183	56 436	62 976
VAT			40 545	75 668	146 083	74 576	149 153	149 153	–	112 191	112 191	112 191
Other current liabilities			–	–	–	–	–	–	–	–	–	–
Total current liabilities			290 521	345 698	287 078	335 379	713 446	713 446	–	439 175	636 082	800 862
Non current liabilities												
Financial liabilities	6		3 109	49 160	43 628	16 435	32 871	32 871	–	24 628	(13 660)	(20 126)
Provision	7		33 114	41 487	47 192	41 487	82 974	82 974	–	47 192	47 192	47 192
Long term portion of trade payables			–	–	–	–	–	–	–	–	–	–
Other non-current liabilities			90 994	101 052	–	101 052	202 104	202 104	–	98 891	98 891	98 891
Total non current liabilities			127 217	191 699	90 820	158 975	317 949	317 949	–	170 711	132 423	125 957
TOTAL LIABILITIES			417 738	537 397	377 898	494 353	1 031 395	1 031 395	–	609 887	768 505	926 819
NET ASSETS			1 832 396	1 867 626	3 849 892	2 188 546	4 305 910	4 305 910	7 058	2 466 007	2 620 624	2 733 678
COMMUNITY WEALTH/EQUITY												
Accumulated surplus/(deficit)	8		1 907 021	2 115 346	–	2 188 546	4 312 969	4 312 969	–	2 466 007	2 620 814	2 733 701
Reserves and funds	9		–	–	–	–	–	–	–	–	–	–
Other			–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10		1 907 021	2 115 346	–	2 188 546	4 312 969	4 312 969	–	2 466 007	2 620 814	2 733 701

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice and improves understand ability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and



- Reserves

The statement of financial position shows that the municipality is financially health as assets exceeds liabilities.

Table 145: Table A7 - Budgeted Cash Flow Statement

KZN216 Ray Nkonyeni - Table A7 Budgeted Cash Flows											
Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		406,074	437,643	462,432	483,936	483,936	483,936	413,415	506,248	529,535	553,894
Service charges		200,532	212,962	232,464	232,890	232,890	232,890	223,726	274,989	287,639	300,870
Other revenue		63,997	228,121	86,694	26,628	29,263	29,263	67,603	54,408	56,911	59,529
Transfers and Subsidies - Operational	1	386,761	314,043	291,700	390,290	395,386	395,386	350,817	336,888	339,116	342,325
Transfers and Subsidies - Capital	1	92,509	159,345	184,599	109,848	109,521	109,521	146,026	132,163	138,242	144,602
Interest		-	1,520	-	8,511	11,275	11,275	8,948	44,569	46,619	48,764
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(279,220)	(977,431)	(0)	(1,131,649)	(1,130,069)	(1,130,069)	(895,574)	(1,098,797)	(1,149,342)	(1,202,211)
Interest		-	336	-	9,958	9,958	9,958	1,457	(10,818)	(11,316)	(11,836)
Transfers and Subsidies	1	-	-	-	(14,888)	(14,888)	(14,888)	-	(17,163)	(17,952)	(18,778)
NET CASH FROM/(USED) OPERATING ACTIVITIES		870,653	376,538	1,257,890	115,523	127,273	127,273	316,418	222,488	219,453	217,158
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(106,497)	(184,790)	(242,572)	(168,358)	(187,898)	(187,898)	(123,814)	(161,114)	(168,525)	(176,277)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(106,497)	(184,790)	(242,572)	(168,358)	(187,898)	(187,898)	(123,814)	(161,114)	(168,525)	(176,277)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	9,000	8,520	4,428
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		(16,932)	(35,816)	(31,987)	(18,414)	(32,117)	(32,117)	(40,133)	(33,605)	(35,151)	(36,768)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(16,932)	(35,816)	(31,987)	(18,414)	(32,117)	(32,117)	(40,133)	(24,605)	(26,631)	(32,340)
NET INCREASE/(DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	637,361	123,766	10,499	131,591	131,591	-	114,251	114,251	151,021	175,318
Cash/cash equivalents at the year end:	2	1,384,585	279,698	993,830	60,342	38,850	(92,741)	266,722	151,021	175,318	183,858

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The cash levels of the Municipality are not stabilized over the MTREF and prior years.
4. In 2024/25 the cash flow starts to turn around and improves again.
5. The 2024/25 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
6. Cash flow reflects a positive balance after defraying all the expenditure for the financial year.



Table 146: Table A8 - Cash Backed Reserves

KZN216 Ray Nkonyeni - Table A8 Cash backed reserves/accumulated surplus reconciliation

2024/25 Medium Term Revenue & Expenditure Framework											
Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	1,384,585	279,698	993,830	60,342	38,850	(92,741)	266,722	151,021	175,318	183,858
Other current investments > 90 days		(1,241,698)	(157,825)	(1,022,195)	(19,915)	(15,992)	115,599	(78,043)	-	(0)	(0)
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		142,886	121,874	(28,365)	40,427	22,857	22,857	188,679	151,021	175,318	183,858
Application of cash and investments:											
Unspent conditional transfers		42,634	49,104	37,945	47,426	34,138	34,138	-	37,945	57,008	121,278
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(52,452)	(32,785)	(35,379)	(46,619)	(47,259)	47,259	(31,774)	(37,031)	(38,760)	(40,568)
Other working capital requirements	3	(66,605)	(95,377)	278,917	13,179	65,730	65,730	-	(295,196)	(305,253)	(325,404)
Other provisions		39,025	40,094	44,683	40,094	41,694	41,694	27,311	50,183	55,936	61,953
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(37,418)	(38,964)	326,167	54,081	94,304	188,822	(4,463)	(244,099)	(231,068)	(182,741)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		180,304	160,838	(354,532)	(13,654)	(71,446)	(165,964)	193,142	395,120	406,386	366,599
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		180,304	160,838	(354,532)	(13,654)	(71,446)	(165,964)	193,142	395,120	406,386	366,599

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

- The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
- The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
- Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
- From the table for the municipality is operating at a surplus.
- Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2023/24 MTREF was funded as it reflects a positive balance in funding measurement.
- This reflects that the budget will be able to pay its expenditure for the current year and be able to pay its obligations. It is assumed that all grants will be spent 100% and if not, it is cash backed since our budget reflects a positive after all the current years expenditure paid and its liabilities.

As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFM



Table 147: Table A9 - Asset Management

KZN216 Ray Nkonyeni - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	76 061	115 376	111 855	86 473	210 773	210 773	114 669	113 458	118 677
Roads Infrastructure		33 225	74 550	42 359	38 900	90 918	90 918	55 450	58 314	60 997
Storm water Infrastructure		3 470	4 422	12 127	3 000	26 160	26 160	12 000	12 552	13 129
Electrical Infrastructure		443	1 968	11 058	8 452	18 504	18 504	15 735	9 660	10 104
Water Supply Infrastructure		-	-	-	-	-	-	500	523	547
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		37 138	80 980	65 544	50 352	135 582	135 582	83 685	81 049	84 777
Community Facilities		15 092	2 590	15 409	7 700	22 570	22 570	1 450	1 517	1 586
Sport and Recreation Facilities		3 580	2 954	2 629	10 000	22 484	22 484	4 100	4 289	4 486
Community Assets		18 672	5 544	18 038	17 700	45 054	45 054	9 550	8 805	6 072
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		17 058	14 755	3 152	9 000	4 300	4 300	10 800	11 297	11 816
Housing		-	-	-	-	-	-	-	-	-
Other Assets		17 058	14 755	3 152	9 000	4 300	4 300	10 800	11 297	11 816
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	919	-	840	1 240	1 240	500	523	547
Intangible Assets		-	919	-	840	1 240	1 240	300	523	547
Computer Equipment		810	7 452	6 911	5 990	8 622	8 622	7 290	7 625	7 976
Furniture and Office Equipment		1 234	1 295	2 431	531	921	921	2 152	2 251	2 355
Machinery and Equipment		1 149	4 410	1 179	2 060	5 654	5 654	4 692	4 908	5 134
Transport Assets		-	-	15 500	-	9 000	9 000	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	6 748	5 474	29 502	41 659	55 276	55 276	31 207	30 027	31 409
Roads Infrastructure		6 748	1 958	19 188	17 500	20 058	20 058	14 500	15 167	15 865
Storm water Infrastructure		-	-	7 132	-	-	-	-	-	-
Electrical Infrastructure		-	587	2 720	15 500	29 000	29 000	3 500	1 046	1 084
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	389	500	600	600	800	837	875
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		6 748	2 546	29 429	33 500	49 658	49 658	18 800	17 050	17 834
Community Facilities		-	2 120	73	7 659	4 818	4 818	11 972	12 523	13 099
Sport and Recreation Facilities		-	808	-	500	800	800	-	-	-
Community Assets		-	2 628	73	8 159	5 618	5 618	11 972	12 523	13 099
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	435	455	476
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	435	455	476
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Total Upgrading of Existing Assets	5	13 117	49 157	70 867	22 761	86 710	86 710	41 663	43 600	45 606
Roads Infrastructure		-	17 115	52 547	14 522	59 190	59 190	35 763	37 429	39 150
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	2 354	-	-	20 099	20 099	2 000	2 092	2 188
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	19 470	52 547	14 522	79 289	79 289	37 763	39 521	41 339
Community Facilities		11 718	29 687	18 340	6 739	7 421	7 421	3 800	3 975	4 158
Sport and Recreation Facilities		1 314	-	-	1 000	-	-	100	105	105
Community Assets		13 032	29 687	18 340	7 739	7 421	7 421	3 900	4 079	4 267
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		85	-	-	500	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		85	-	-	500	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	95 926	170 007	212 244	150 893	352 759	352 759	187 558	187 086	195 692
Roads Infrastructure		38 974	93 623	114 095	70 922	170 165	170 165	105 733	110 910	116 012
Storm water Infrastructure		3 470	4 422	19 258	3 000	26 160	26 160	12 000	12 552	13 129
Electrical Infrastructure		443	2 576	13 778	23 952	47 504	47 504	19 235	10 706	11 198
Water Supply Infrastructure		-	-	-	-	-	-	500	523	547
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	2 354	-	-	20 099	20 099	2 000	2 092	2 188
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	389	500	600	600	800	837	875
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		43 887	102 876	147 919	98 374	264 529	264 529	140 267	137 619	143 960
Community Facilities		26 810	34 397	33 823	22 098	34 809	34 809	17 222	18 014	18 843
Sport and Recreation Facilities		4 894	3 763	2 629	11 500	23 284	23 284	4 200	4 393	4 595
Community Assets		31 704	38 160	39 452	33 998	58 063	58 063	21 422	22 408	23 438
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		17 143	14 755	3 152	9 500	4 300	4 300	11 235	11 752	12 292
Housing		-	-	-	-	-	-	-	-	-
Other Assets		17 143	14 755	3 152	9 500	4 300	4 300	11 235	11 752	12 292
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	919	-	840	1 240	1 240	500	523	547
Intangible Assets		-	919	-	840	1 240	1 240	900	523	547
Computer Equipment		810	7 462	6 011	5 990	8 622	8 622	7 290	7 625	7 976
Furniture and Office Equipment		1 234	1 295	2 431	531	921	921	2 152	2 251	2 355
Machinery and Equipment		1 149	4 410	1 179	2 060	5 854	5 854	4 692	4 908	5 134
Transport Assets		-	-	15 500	-	9 000	9 000	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		95 926	170 007	212 244	150 893	352 759	352 759	187 558	187 086	195 692



KZN216 Ray Nkonyeni - Table A9 Asset Management

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27	
ASSET REGISTER SUMMARY - PPE (WDV)												
	5		1 882 418	2 029 413	2 162 440	1 938 095	3 905 244	3 905 244	2 114 269	2 040 864	1 965 122	
			Roads Infrastructure	679 840	745 736	829 199	699 566	1 401 971	1 401 971	780 858	730 293	675 757
			Storm water Infrastructure	55 566	59 968	79 247	57 468	136 936	136 936	89 247	99 707	104 068
			Electrical Infrastructure	88 366	90 161	103 939	108 854	214 708	214 708	120 674	117 764	123 487
			Water Supply Infrastructure	346	346	346	346	692	692	346	346	346
			Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
			Solid Waste Infrastructure	15 408	22 900	34 783	22 490	57 079	57 079	36 783	39 875	43 110
			Rail Infrastructure	-	-	-	-	-	-	-	-	-
			Coastal Infrastructure	5 763	5 763	6 152	9 563	19 526	19 526	11 452	15 996	20 748
			Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
			Infrastructure	845 289	924 895	1 053 666	890 267	1 830 913	1 830 913	1 039 360	1 003 891	967 516
			Community Assets	562 798	539 509	524 214	524 282	1 019 379	1 019 379	496 656	468 032	438 090
			Heritage Assets	2 071	2 205	2 210	2 205	4 409	4 409	2 210	2 210	2 210
			Investment properties	290 226	345 006	354 869	307 811	633 622	633 622	354 869	354 869	354 869
			Other Assets	18 077	31 542	33 849	32 759	63 919	63 919	37 749	41 229	44 868
			Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
			Intangible Assets	416	857	489	1 697	4 257	4 257	153	(198)	(68)
			Computer Equipment	4 443	10 447	13 433	9 127	14 296	14 296	11 715	9 592	7 373
			Furniture and Office Equipment	5 156	5 348	6 459	4 459	8 777	8 777	7 199	7 514	7 843
			Machinery and Equipment	2 681	4 345	3 902	6 881	15 496	15 496	6 663	8 130	9 666
			Transport Assets	52 054	60 619	64 711	51 379	111 758	111 758	53 056	40 866	28 115
			Land	99 208	104 640	104 639	99 208	198 416	198 416	104 639	104 639	104 639
			Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
			Living Resources	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)												
	5		1 882 418	2 029 413	2 162 440	1 938 095	3 905 244	3 905 244	2 114 269	2 040 864	1 965 122	
EXPENDITURE OTHER ITEMS												
	7		138 498	140 350	145 156	296 476	586 654	586 654	222 918	233 172	243 898	
			Depreciation	94 351	88 712	87 271	102 525	205 050	205 050	86 018	89 575	94 113
	3		Repairs and Maintenance by Asset Class	44 148	51 638	57 865	193 951	381 604	381 604	136 900	143 198	149 785
			Roads Infrastructure	25 256	22 754	29 688	162 030	311 511	311 511	93 411	97 708	102 203
			Storm water Infrastructure	-	-	-	-	-	-	-	-	-
			Electrical Infrastructure	1 927	10 575	5 831	11 425	22 013	22 013	10 895	11 396	11 921
			Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
			Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
			Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
			Rail Infrastructure	-	-	-	-	-	-	-	-	-
			Coastal Infrastructure	-	-	-	2 319	6 138	6 138	2 500	2 615	2 735
			Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
			Infrastructure	27 185	33 329	35 520	175 774	339 663	339 663	106 806	111 719	116 858
			Community Facilities	485	617	779	500	1 000	1 000	500	523	547
			Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
			Community Assets	485	617	779	500	1 000	1 000	500	523	547
			Heritage Assets	-	-	-	-	-	-	-	-	-
			Revenue Generating	-	-	-	-	-	-	-	-	-
			Non-revenue Generating	-	-	-	-	-	-	-	-	-
			Investment properties	-	-	-	-	-	-	-	-	-
			Operational Buildings	5 627	5 092	4 350	5 300	11 600	11 600	14 465	15 130	15 826
			Housing	-	-	-	-	-	-	-	-	-
			Other Assets	5 627	5 092	4 350	5 300	11 600	11 600	14 465	15 130	15 826
			Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
			Services	-	-	-	-	-	-	-	-	-
			Licences and Rights	-	-	-	-	-	-	-	-	-
			Intangible Assets	-	-	-	-	-	-	-	-	-
			Computer Equipment	-	-	-	-	-	-	-	-	-
			Furniture and Office Equipment	166	28	13	150	-	-	150	157	164
			Machinery and Equipment	1 625	1 911	1 935	1 598	5 583	5 583	3 970	4 153	4 344
			Transport Assets	9 059	10 961	15 289	10 630	23 758	23 758	11 009	11 515	12 045
			Land	-	-	-	-	-	-	-	-	-
			Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
			Mature	-	-	-	-	-	-	-	-	-
			Immature	-	-	-	-	-	-	-	-	-
			Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS												
			138 498	140 350	145 156	296 476	586 654	586 654	222 918	233 172	243 898	
Renewal and upgrading of Existing Assets as % of total capex												
			20.7%	32.1%	47.3%	42.7%	40.3%	40.3%	38.9%	39.4%	39.4%	
Renewal and upgrading of Existing Assets as % of depren												
			21.1%	61.6%	115.0%	62.8%	69.2%	69.2%	84.7%	81.8%	81.8%	
R&M as a % of PPE & Investment Property												
			2.3%	2.5%	2.7%	10.0%	9.8%	9.8%	6.5%	7.0%	7.6%	
Renewal and upgrading and R&M as a % of PPE and Investment Property												
			3.4%	5.2%	7.3%	13.4%	13.4%	13.4%	9.9%	10.6%	11.6%	

Explanatory notes to Table A9 - Asset Management

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- National Treasury has recommended that municipalities should allocate at least 40 per cent of the capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. However, since there is a lack of infrastructure in the municipality. Major part of funds is injected to new capital projects, it does not meet this recommendation and funds are directed to new and existing capital asset and while 10% to repairs and maintenance against the total operating expenditure budget.





Table 148: Table A10 - Basic Service Delivery Measurement

KZN216 Ray Nkonyeni - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets										
Water	1									
Piped water inside dwelling		3	3	3	3	3	3	3	3	3
Piped water inside yard (but not in dwelling)		1	1	1	1	1	1	1	1	1
Using public tap (at least min.service level)	2	1	1	1	1	1	1	1	1	1
Other water supply (at least min.service level)	4	1	1	1	1	1	1	1	1	1
Minimum Service Level and Above sub-total		6	6	6	6	6	6	6	6	6
Using public tap (< min.service level)	3	1	1	1	1	1	1	1	1	1
Other water supply (< min.service level)	4	1	1	1	1	1	1	1	1	1
No water supply		1	1	1	1	1	1	1	1	1
Below Minimum Service Level sub-total		3	3	3	3	3	3	3	3	3
Total number of households	5	9	9	9	9	9	9	9	9	9
Sanitation										
Flush toilet (connected to sewerage)		3	3	3	3	3	3	3	3	3
Flush toilet (with septic tank)		1	1	1	1	1	1	1	1	1
Chemical toilet		1	1	1	1	1	1	1	1	1
Pit toilet (ventilated)		1	1	1	1	1	1	1	1	1
Other toilet provisions (> min.service level)		1	1	1	1	1	1	1	1	1
Minimum Service Level and Above sub-total		7	7	7	7	7	7	7	7	7
Bucket toilet		1	1	1	1	1	1	1	1	1
Other toilet provisions (< min.service level)		1	1	1	1	1	1	1	1	1
No toilet provisions		1	1	1	1	1	1	1	1	1
Below Minimum Service Level sub-total		3	3	3	3	3	3	3	3	3
Total number of households	5	10	10	10	10	10	10	10	10	10
Energy										
Electricity (at least min.service level)		3	3	3	3	3	3	3	3	3
Electricity - prepaid (min.service level)		1	1	1	1	1	1	1	1	1
Minimum Service Level and Above sub-total		4	4	4	4	4	4	4	4	4
Electricity (< min.service level)		1	1	1	1	1	1	1	1	1
Electricity - prepaid (< min.service level)		1	1	1	1	1	1	1	1	1
Other energy sources		1	1	1	1	1	1	1	1	1
Below Minimum Service Level sub-total		3	3	3	3	3	3	3	3	3
Total number of households	5	7	7	7	7	7	7	7	7	7
Refuse										
Removed at least once a week		3	3	3	3	3	3	3	3	3
Minimum Service Level and Above sub-total		3	3	3	3	3	3	3	3	3
Removed less frequently than once a week		1	1	1	1	1	1	1	1	1
Using communal refuse dump		1	1	1	1	1	1	1	1	1
Using own refuse dump		1	1	1	1	1	1	1	1	1
Other rubbish disposal		1	1	1	1	1	1	1	1	1
No rubbish disposal		1	1	1	1	1	1	1	1	1
Below Minimum Service Level sub-total		5	5	5	5	5	5	5	5	5
Total number of households	5	8	8	8	8	8	8	8	8	8
Households receiving Free Basic Service	7									
Water (5 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Informal Settlements										
Cost of Free Basic Services provided - Formal Settlements (R000)										
Water (5 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	1 079	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R000)					1 067	2 134	2 134	1 345	1 407	1 472
Total cost of FBS provided	8	-	-	1 079	1 067	2 134	2 134	1 345	1 407	1 472
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	100 000	100 000	100 000	100 000	100 000	100 000
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	35 370	35 370	35 370	35 820	36 290	36 790
Revenue cost of subsidised services provided (R000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	6	6	6	6	6	7
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	(74 390)	-	-	-	-	-	-
Water (in excess of 8 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	1	1	1	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	-	-	(74 390)	7	7	7	6	6	7

References

Basic Service Delivery Measurement

- 1 The municipality does not provide services such as water, sanitation, energy and refuse removal.
- 2 Water and sanitation is provided by UGu District municipality, energy is supplied both by municipality and Eskom.
- 3 Refuse removal is done in urban area and the rural part of the municipality uses its own dump site.
- 4 Service delivery Non- financial information is available in the IDP document.



Assumptions used in preparation of the budget over the MTREF

Table 149: Collection and Expenditure Rates

Revenue	
Property rates	95%
Penalties and Collection Charges	95%
Electricity	95%
Refuse Removal	95%
Rental of facilities	100%
Interest earned in investment	100%
Interest earned on outstanding debts	80%
Fines	5%
Licenses and Permits	95%
Agency Fees	100%
Transfers and Grants – operational	100%
Transfers and Grants – Capital	100%
Other revenue	100%
Expenditure	
Employee related cost	100%
Remuneration of councilors	100%
Debt impairment	100%
Bulk Purchases	100%
Finance Charges	100%
Contracted services	100%
Transfers and Grants	100%
Other Expenditure	100%
Other Material	98%

3.7.16 Part 3: Supporting Documentation

3.7.16.1 Overview Of The Annual Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.





The primary aim of the Budget Steering Committee is to ensure:

- 1 that the process followed to compile the budget complies with legislation and good budget practices.
- 2 that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, considering the need to protect the financial sustainability of municipality.
- 3 That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and those the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

3.7.16.2 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2011) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule in August 2023. Key dates applicable to the process were:

July 2023– Prepare joint process plan for IDP, PMS and Budget and advertise draft IDP review;

August 2023–Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;

September 2023– Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;

October 2023 – Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;

November 2023–Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval

December 2023 – Submit budget instructions and 2022/23 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);

January 2024 - Council considers the 2023/2024 Mid-year Review and Adjustments Budget;

February 2024 – Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;

March 2024 - Tabling in Council of the draft 2023/24 IDP and 2023/24 Draft MTREF for public consultation;

April 2024 – Public consultation;

May 2024 –Finalization of the 2024/25 IDP and 2024/25 MTREF, taking into consideration comments received from the public, comments from National Treasury,



and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2024/25 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council. These are the IDP and Budget process schedule for individual municipalities and both municipalities did not deviate from processes.

3.7.16.3 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2024/25 budget, based on the approved 2023/24 Budget, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2024/25 budget, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2024/25 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

3.7.16.4 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2024/25 budget, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2024/25 budget:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e., inflation)
- Performance trends
- The approved 2023/24 adjustments budget and performance against the SDBIP





- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 89 and 91 has been taken into consideration in the planning and prioritisation process.

3.7.16.5 Community Consultation

The draft budget was published after the adoption by council on 26 March 2024.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects have been addressed, as part of the 2024/25 original budget.

3.7.16.6 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial





importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National Development Plan (NDP)
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2024/25 Budget and further planning refinements that have directly informed the compilation of the budget:



3.7.16.7 IDP Strategic Objectives

2024/25 Financial Year	
1.	Financial Viability
2.	Basic Service delivery and infrastructure
3.	Good governance and public participation
4.	Local economic Development
5.	Municipal transformation and institutional development
6.	Spatial analysis and environmental management

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2024/25 Budget has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure, and capital expenditure.



Table 150: Table SA1 - Budgeted Financial Performance

KZN216 Ray Nkonyeni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
REVENUE ITEMS:											
Non-expendable revenue for services:											
Exchange Revenue											
Total Property Rates	8	-	-	(74,360)	509,406	509,406	509,406	509,507	532,893	557,408	583,546
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPR14)		-	-	(74,360)	-	-	-	-	-	-	-
Net Property Rates		-	-	-	509,406	509,406	509,406	509,507	532,893	557,408	583,546
Exchange revenue service charges:											
Service charges - Electricity	8										
Total Service charges - Electricity		141,263	157,558	154,174	182,436	182,436	182,436	154,191	207,222	216,754	226,724
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basic Services (50 kwh per indigent household per month)		-	-	1,078	-	-	-	-	-	-	-
Net Service charges - Electricity		141,263	157,558	153,096	182,436	182,436	182,436	154,191	207,222	216,754	226,724
Service charges - Water	8										
Total Service charges - Water		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basic Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Water		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basic Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	8										
Total refuse removal revenue		54,802	57,384	59,324	63,778	63,778	63,778	63,472	72,880	78,823	78,520
Less Revenue Foregone (in excess of one removal a week to indigent households)		-	-	-	-	-	-	63,748	-	-	-
Less Cost of Free Basic Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Management		54,802	57,384	59,324	63,778	63,778	63,778	63,472	72,880	78,823	78,520
EXPENDITURE ITEMS:											
Personnel related costs:											
Basic Salaries and Wages	2	270,951	276,868	279,322	293,008	297,305	297,305	242,880	315,848	336,479	345,882
Pension and UIF Contributions		48,393	50,008	50,903	50,953	54,618	54,618	43,869	63,771	68,245	68,832
Medical Aid Contributions		18,779	19,218	20,262	20,899	22,044	22,044	17,732	21,948	22,955	24,011
Overtime		16,011	16,958	21,821	18,985	22,028	22,028	18,885	22,814	23,528	24,095
Performance Bonus		21,708	22,564	23,464	23,531	25,053	25,053	18,462	24,819	26,807	28,936
Motor Vehicle Allowance		18,969	19,058	19,748	20,035	22,096	22,096	17,172	26,735	21,889	22,886
Cellphone Allowance		1,217	1,144	1,106	1,121	1,138	1,138	885	1,110	1,181	1,214
Housing Allowances		3,964	5,218	6,867	7,354	5,673	5,673	3,894	4,205	4,369	4,501
Other benefits and allowances		4,545	4,804	5,445	6,038	5,442	5,442	4,989	5,507	5,750	6,025
Payments in lieu of leave		4,463	4,041	5,158	22,912	5,528	5,528	19,287	5,828	8,201	8,486
Long service awards		6,412	7,027	4,268	2,751	3,625	3,625	4,285	3,818	3,155	3,300
Post-retirement benefit obligations		14,867	14,554	17,103	15,452	17,343	17,343	3,888	17,239	18,831	18,861
Entertainment		-	-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-	-
Ading and post related allowance in kind benefits		980	529	-	912	1,523	1,523	1,263	1,321	1,321	1,381
Less: Employee costs reimbursed to PPE	5	431,110	444,033	455,418	483,328	483,842	483,842	396,816	497,297	526,318	544,131
Total Employee related costs	1	431,110	444,033	455,418	483,328	483,842	483,842	396,816	497,297	526,318	544,131

KZN216 Ray Nkonyeni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
REVENUE ITEMS:											
Depreciation and amortisation:											
Depreciation of Property, Plant & Equipment		34,137	38,243	36,903	102,525	102,525	102,525	72,418	86,182	88,100	93,186
Lease amortisation		213	408	366	-	-	-	309	838	874	915
Capital asset impairment		5,917	5,368	7,023	2,231	8,245	8,245	-	21,822	22,826	23,876
Total Depreciation and amortisation	1	40,267	44,019	44,292	104,756	110,770	110,770	72,726	107,839	112,800	117,986
Bulk purchases - electricity:											
Electricity bulk purchases	1	136,129	122,728	137,478	158,328	153,328	153,328	164,788	153,550	168,813	168,801
Total bulk purchases	1	136,129	122,728	137,478	158,328	153,328	153,328	164,788	153,550	168,813	168,801
Transfers and grants:											
Cash transfers and grants		2,987	8,008	-	12,018	13,121	13,121	-	17,133	15,833	18,888
Non-cash transfers and grants		7,287	11,253	-	1,825	1,618	1,618	40	-	3,019	3,112
Total transfers and grants	1	10,274	19,261	-	13,843	14,739	14,739	40	17,133	17,852	18,779
Contracted Services:											
Outsourced Services		76,081	65,528	100,686	100,407	118,578	118,578	63,280	119,889	117,224	122,818
Consultancy and Professional Services		8,949	15,957	16,827	12,270	15,442	15,442	8,903	20,778	21,732	22,732
Contractors		105,981	116,365	94,957	152,009	146,095	146,095	102,153	97,188	96,521	103,053
Total contracted services		190,911	197,850	212,470	264,686	279,115	279,115	174,336	237,855	235,477	248,603
Operational Costs:											
Collection costs		1,023	1,401	2,173	2,508	2,508	2,508	2,678	2,800	2,720	2,945
Contributions to 'other' provisions		763	-	-	-	-	-	-	-	-	-
Audit fees		4,322	4,684	3,447	4,000	5,500	5,500	5,725	5,500	5,753	6,018
Other Operational Costs		125,311	136,469	156,532	149,929	165,533	165,533	125,833	163,471	170,959	178,825
Total Operational Costs	1	131,819	142,554	162,152	156,437	173,541	173,541	134,136	171,871	179,432	187,806
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		-	-	-	45,092	47,538	47,538	37,303	52,797	55,226	57,798
Inventory Consumed (Project Maintenance)		-	-	-	186	245	245	207	450	471	492
Contracted Services		44,148	51,038	-	136,281	128,678	128,678	67,213	66,525	82,263	85,127
Operational Costs		-	-	-	14,543	14,543	14,543	12,188	15,808	16,559	17,318
Total Repairs and Maintenance Expenditure	8	44,148	51,038	-	196,002	190,904	190,904	115,927	135,600	154,519	160,735
Inventory Consumed:											
Inventory Consumed - Water		-	-	-	-	-	-	-	-	-	-
Inventory Consumed - Other		10,547	13,278	-	10,498	13,038	13,038	15,518	12,983	13,579	14,204
Total Inventory Consumed & Other Materials		10,547	13,278	-	10,498	13,038	13,038	15,518	12,983	13,579	14,204

check: - (57,886)

Explanatory notes to Table SA1 – Supporting detail to Budgeted financial performance



This is the supporting table that support the amounts of revenue by source and expenditure by source in table A4.

Table 151: Table SA2 - Matrix Financial Performance Budget

KZN216 Ray Nkonyeni - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Finance and Administration	Vote 3 - Internal Audit	Vote 4 - Community and Social Services	Vote 5 - Sport and Recreation	Vote 6 - Public Safety	Vote 7 - Housing	Vote 8 - Other	Vote 9 - Planning and Development	Vote 10 - Road Transport	Vote 11 - Environmental Protection	Vote 12 - Energy Services	Vote 13 - Waste Management	Vote 14 - Water Management	Vote 15 - Waste Management	Total
R thousand	1																
Revenue		1100	1200	1300	2100	2200	2300	2400	3000	3100	3200	3300	4100	4200	4300	4400	
Exchange Revenue													207 222				207 222
Service charges - Electricity																	
Service charges - Water																	
Service charges - Waste (Waste Management)																	
Service charges - Waste (Waste Management)																	
Service charges - Waste (Waste Management)																	
Service charges - Waste (Waste Management)																	
Agency services			4 012		190	77	147	2 214	72	4 230	1 001	395	10 910			71 335	71 335
Interest			756								5 104					249	5 992
Interest earned from Receivables			650					290	35				1 524			5 022	5 022
Interest earned from Current and Non Current Assets			11 916														11 916
Dividends																	
Rent on Land																	
Rent from Fixed Assets			2 953		648					38						1 100	5 533
Licence and permits											754						754
Operational Revenue			920						179								1 099
Non-Exchange Revenue																	
Penalty fines			332 890														332 890
Surcharge and Taxes																	
Fines, penalties and tariffs			40		14					423	32 010		311				32 812
Licence of permits										301	11 575						11 876
Transfer and subsidies - Operational		302 729	1 900		19 717											3 250	324 596
Interest			32 615														32 615
Fee/Less																	
Operational Revenue																	
Gain or disposal of Assets																	
Other Gains																	
Discontinued Operations																	
Total Revenue (including capital transfers and contributions)		302 729	686 679		17 692	77	170	2 509	632	5 043	61 433	336	219 231			81 644	1 270 142
Expenditure																	
Employee Related Costs		1 909	114 570	23 421	30 130	4 041	44 424	11 772	4 118	34 791	105 598		12 950			100 970	497 297
Remuneration of councillors		34 185															34 185
Risk purchases - electricity													153 500				153 500
Inventory purchased			716	166	505	500	505	50	50	304	1 230	10	62			8 006	10 592
Debt Impairment			11 290														11 290
Depreciation and amortisation		8 697	33 339		25 953						39 952						107 839
Interest			9 054										2 760				11 814
Contracted services		850	64 886	2 900	2 410	680	4 104	1 008	1 826	16 953	42 470	27 266	9 657			83 446	227 033
Transfers and subsidies		800	36	1 500						14 730							17 166
Irrecoverable debts written off																	5 040
Operational costs		14 782	81 904	11 329	2 589	42	3 805	475	717	9 096	21 912	370	7 214			17 254	171 541
Losses on disposal of Assets																	
Other Losses																	
Total Expenditure		91 139	302 729	39 100	71 608	5 314	55 550	13 350	6 401	54 269	269 352	27 046	190 342			175 620	1 249 092
Surplus/Deficit		241 511	287 929	(39 100)	(54 066)	(5 237)	(55 053)	(10 887)	(5 819)	(9 223)	(150 719)	(27 266)	(33 289)			(194 214)	20 044
Transfers and subsidies - capital (monetary allocation)										126 718			9 446				132 163
Transfer and subsidies - capital (in-kind)																	
Surplus/Deficit after capital transfers & contributions		241 511	287 929	(39 100)	(54 066)	(5 237)	(55 053)	(10 887)	(5 819)	(9 223)	(150 719)	(27 266)	(33 289)			(194 214)	152 007



Table 152: Table SA3 - Detail Financial Position

KZN216 Ray Nkonyeni - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
IF Statement											
ASSETS											
<u>Trade and other receivables from exchange transactions</u>											
Electricity		34,756	36,856	-	51,687	50,746	51,746	-	40,855	41,265	41,850
Water		421	951	-	696	934	934	-	1,256	1,514	1,784
Waste		53,068	62,364	-	70,423	70,346	70,346	-	78,250	90,073	84,461
Waste Water		15	15	-	15	15	15	-	15	15	15
Other trade receivables from exchange transactions		30,436	28,241	-	58,306	58,445	58,445	-	81,536	96,537	103,085
Gross: Trade and other receivables from exchange transactions		118,536	126,146	-	181,130	182,489	182,489	-	199,672	219,534	261,015
Less: Impairment for debt		(31,433)	(23,818)	-	(37,577)	(43,868)	(43,868)	-	(37,798)	(44,544)	(50,609)
Impairment for Electricity		(5,066)	(7,418)	-	(7,418)	(7,418)	(7,418)	-	(7,796)	(7,796)	(7,796)
Impairment for Water		-	-	-	-	-	-	-	-	-	-
Impairment for Waste		(20,877)	(15,447)	-	(25,750)	(25,750)	(25,750)	-	(24,990)	(24,990)	(24,990)
Impairment for Waste Water		-	-	-	-	-	-	-	-	-	-
Impairment for other trade receivables from exchange transactions		(5,448)	1,944	-	(4,411)	(10,739)	(10,739)	-	(4,862)	(11,258)	(17,822)
Total net Trade and other receivables from Exchange Transactions		86,103	102,328	-	143,554	138,620	138,620	-	161,874	175,990	210,406
<u>Receivables from non-exchange transactions</u>											
Property rates		-	(6,090)	-	371,545	371,545	371,545	-	375,835	375,183	370,317
Less: Impairment of Property rates		-	(18,746)	-	(714,430)	(142,670)	(140,670)	-	(51,284)	(56,917)	(62,894)
Net Property rates		-	(25,836)	-	257,114	228,875	230,875	-	324,551	318,266	307,423
Other receivables from non-exchange transactions		35,948	63,991	-	80,030	89,077	89,077	-	116,893	152,298	186,403
Impairment for other receivables from non-exchange transactions		(3,527)	(3,670)	-	(12,180)	(12,180)	(12,180)	-	(13,294)	(13,294)	(13,294)
Net other receivables from non-exchange transactions		32,421	60,321	-	67,850	76,897	76,897	-	103,599	139,004	173,109
Total net Receivables from non-exchange transactions		32,421	60,321	-	67,850	76,704	76,704	-	103,599	139,004	173,109
Inventory											
<u>Water</u>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
System Input Volume		-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-
Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Natural Sources		-	-	-	-	-	-	-	-	-	-
Authorized Consumption		-	-	-	-	-	-	-	-	-	-
Billed Authorized Consumption		-	-	-	-	-	-	-	-	-	-
Billed Metered Consumption		-	-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-	-
Billed Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-	-
Unbilled Authorized Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Metered Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Water Losses		-	-	-	-	-	-	-	-	-	-
Apparent losses		-	-	-	-	-	-	-	-	-	-
Unauthorized Consumption		-	-	-	-	-	-	-	-	-	-
Customer Meter Inaccuracies		-	-	-	-	-	-	-	-	-	-
Real losses		-	-	-	-	-	-	-	-	-	-
Leakage on Transmission and Distribution Mains		-	-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter		-	-	-	-	-	-	-	-	-	-
Data Transfer and Management Errors		-	-	-	-	-	-	-	-	-	-
Unrecoverable Annual Real Losses		-	-	-	-	-	-	-	-	-	-
Non-revenue Water		-	-	-	-	-	-	-	-	-	-
Closing Balance Water		-	-	-	-	-	-	-	-	-	-
Agricultural											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-	-
Consumables											
Standard Rated											
Opening Balance		33,181	43,481	56,116	56,116	56,116	56,116	56,116	56,588	62,794	69,285
Acquisitions		10,352	18,342	-	6,000	20,792	20,792	21,214	18,188	20,070	20,863
Issues		(14)	(1,702)	-	(10,496)	(13,038)	(13,038)	(15,348)	(12,882)	(13,576)	(14,254)
Adjustments		-	(15)	-	-	-	-	-	-	-	-
Write-offs		(38)	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated		43,481	58,116	56,116	51,617	63,870	63,870	54,062	62,794	69,285	75,079



KZN216 Ray Nkonyeni - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R (thousand)											
Zero Rated											
Opening Balance		(30,015)	(40,548)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues		(10,533)	(11,840)	-	-	-	-	34	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated		(40,548)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)	(51,591)
Finished Goods											
Opening Balance		(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods		(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)
Materials and Supplies											
Opening Balance		11	11	(51)	(51)	(51)	(51)	(51)	(104)	(104)	(104)
Acquisitions		-	471	-	-	-	-	30	-	-	-
Issues		-	(534)	-	-	-	-	(203)	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		11	(51)	(51)	(51)	(51)	(51)	(185)	(104)	(104)	(104)
Work-in-progress											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Materials		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress		-	-	-	-	-	-	-	-	-	-
Housing Stock											
Opening Balance		-	-	630	630	630	630	630	630	630	630
Acquisitions		-	-	-	-	-	-	-	-	-	-
Transfers		-	630	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Closing balance - Housing Stock		-	630	630	630	630	630	630	630	630	630
Land											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing balance - Land		-	-	-	-	-	-	-	-	-	-
Closing balance - Inventory & Consumables		2,906	7,098	7,098	2,598	14,812	14,812	12,945	11,779	18,261	25,061
Property, plant and equipment (PPE)											
PPE at cost/valuation (incl. finance expense)		3,270,868	3,427,315	3,598,304	3,575,329	3,586,522	3,586,522	-	3,785,142	3,937,664	4,103,052
Less: Accumulated depreciation		51,283	69,186	89,186	89,186	73,896	73,896	-	89,186	89,186	89,186
Total Property, plant and equipment (PPE)		1,730,445	1,815,135	1,864,107	1,818,231	1,818,231	1,818,231	1,818,231	1,818,231	1,818,231	1,818,231
LIABILITIES											
Current liabilities - Financial liabilities											
Short-term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		8,651	14,580	17,388	22,838	15,188	15,188	-	11,764	5,301	(225)
Total Current liabilities - Financial liabilities		8,651	14,580	17,388	22,838	15,188	15,188	-	11,764	5,301	(225)
Trade and other payables from exchange transactions											
Trade and other payables from exchange transactions		127,867	133,406	147,675	112,585	158,431	158,431	-	181,867	237,158	271,471
Other trade payables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants		42,624	48,134	37,945	47,428	34,138	34,138	-	37,945	57,008	121,278
Trade payables from Non-exchange transactions: Other		-	-	112,191	112,191	(1,551)	(1,551)	-	470	0	0
VAT		40,545	75,695	-	34,536	34,536	34,536	-	112,139	112,139	112,139
Total Trade and other payables from exchange transactions		210,936	256,177	297,611	205,548	266,365	266,365	-	342,414	406,355	504,941
Non-current liabilities - Financial liabilities											
Borrowing		3,109	48,189	43,628	16,438	16,438	16,438	-	34,628	3,860	(22,347)
Other financial liabilities		-	-	-	-	-	-	-	-	-	-
Total Non-current liabilities - Financial liabilities		3,109	48,189	43,628	16,438	16,438	16,438	-	34,628	3,860	(22,347)
Non-current liabilities - Lease terms, portion of trade payables											
Leasehold Right Purchases		-	-	-	-	-	-	-	-	-	-
Payables and Accruals - General		-	-	-	-	-	-	-	-	-	-
Water Right Purchases		-	-	-	-	-	-	-	-	-	-
Municipal Debt Fund		-	-	-	-	-	-	-	-	-	-
Provisions											
Provision for benefits		90,964	101,052	98,891	101,052	101,052	101,052	-	98,891	98,891	98,891
Provision for asset rehabilitation		12,682	18,632	26,908	18,632	18,632	18,632	-	26,908	26,908	26,908
Other		20,451	22,695	20,284	22,695	22,695	22,695	-	20,284	20,284	20,284
Total Provisions		124,108	142,379	146,083	142,379	142,379	142,379	-	146,083	146,083	146,083

KZN216 Ray Nkonyeni - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R (thousand)											
CHANGES IN NET ASSETS											
Accumulated surplus/(deficit)											
Accumulated surplus/(deficit) - opening balance		1,812,488	1,861,579	2,183,001	2,080,781	2,080,781	2,080,781	-	2,313,400	2,486,007	2,583,156
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		1,812,488	1,861,579	2,183,001	2,080,781	2,080,781	2,080,781	-	2,313,400	2,486,007	2,583,156
Surplus/(Deficit)		(262,342)	(291,896)	(1,410,449)	118,278	79,969	79,969	351	152,607	127,149	76,430
Transfers to/from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation effects		-	-	-	-	-	-	-	-	-	-
Other adjustments		(17,454)	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)		1,532,692	1,569,683	752,553	2,199,059	2,160,749	2,160,749	351,196	2,466,007	2,593,156	2,659,586
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		1,532,692	1,569,683	752,553	2,199,059	2,160,749	2,160,749	351,196	2,466,007	2,593,156	2,659,586



Table 155: Table SA6 - Reconciliation of IDP Strategic Objectives

KZN216 Ray Nkonyeni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective				Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
							Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
R thousand																
Not Assigned							A	10 719	1 775	-	-	-	-	-	-	-
To provide access to basic services							B	76 580	161 745	-	141 202	330 777	330 777	173 574	179 257	187 503
To ensure existing infrastructure is maintained and improved.							C	3 178	2 207	-	-	-	-	100	105	109
To create an enabling environment to grow businesses cooperatives and SMMEs							D	1 044	-	-	1 000	4 600	4 600	6 235	6 522	6 822
To promote skills development and training within the workplace							E	-	-	-	-	7 000	7 000	6 000	1 046	1 094
To ensure existing infrastructure is maintained and improved							F	-	1 280	-	6 952	6 904	6 904	1 500	-	-
To facilitate the provision of housing							G	4 405	3 000	-	1 739	3 478	3 478	-	-	-
To create an enabling environment to grow businesses, cooperatives and SMMEs							H	-	-	-	-	-	-	150	157	164
							I	-	-	-	-	-	-	-	-	-
							J	-	-	-	-	-	-	-	-	-
							K	-	-	-	-	-	-	-	-	-
							L	-	-	-	-	-	-	-	-	-
							M	-	-	-	-	-	-	-	-	-
							N	-	-	-	-	-	-	-	-	-
							O	-	-	-	-	-	-	-	-	-
							P	-	-	-	-	-	-	-	-	-
Allocations to other priorities							3	-	-	212 244	-	-	-	-	-	-
Total Capital Expenditure							1	95 926	170 007	212 244	150 893	352 799	352 799	187 558	187 086	195 892
References																

Table 156: Table SA7 - Measured Performance Objectives



KZN216 Ray Nkonyeni - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>	Number of Kilometers				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Number of Kilometers				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 2 - (name)	Number of storm water				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>	Number of street lights				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)	Removal of waste once a				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Insert measure/s description</i>	Rehabilitation of landfill site							100.0%	100.0%	100.0%
	number of compactors							100.0%	100.0%	100.0%
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>	Date completed							45.0%	45.0%	45.0%
	Date completed							40.0%	40.0%	40.0%
Sub-function 2 - (name)										
<i>Insert measure/s description</i>	Date completed							100.0%	100.0%	100.0%
	Date completed									
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)								100.0%	100.0%	100.0%
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

Table 157: Table SA8 - Performance Indicators



KZN216 Ray Nkonyeni - Supporting Table SA8 Performance indicators and benchmarks

2022/23 May 2023/24											
Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating	Interest & Principal Paid / Operating Expenditure	2.9%	5.0%	3.1%	2.3%	3.2%	3.0%	0.0%	3.0%	3.0%	3.0%
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing / Operating Expenditure	4.7%	9.0%	8.7%	2.3%	3.3%	3.3%	0.0%	3.0%	3.0%	3.7%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	0.0%	0.0%
Safety of Capital											
Debt Rating	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.3	1.1	0.9	1.9	1.7	1.7	—	1.9	1.7	1.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.3	1.1	0.9	1.9	1.7	1.7	—	1.9	1.7	1.7
Liquidity Ratio	Monetary Assets/Current Liabilities	0.8	0.7	0.0	0.5	0.5	0.5	—	0.7	0.8	0.9
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	233.0%	236.0%	327.1%	281.4%	275.7%	275.7%	0.0%	259.4%	263.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		233.0%	236.0%	327.1%	281.4%	275.7%	275.7%	0.0%	259.4%	263.6%	262.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	87.0%	78.3%	-95.4%	61.2%	59.7%	59.7%	0.0%	70.1%	72.2%	72.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
Creditors to Cash and Investments		9.2%	47.7%	14.9%	188.6%	407.6%	-170.8%	0.0%	162.0%	369.3%	710.3%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	—	—	—	—	—	—	—	—	—	—
	% Volume (units purchased and generated less units sold)/units purchased and generated	—	—	—	—	—	—	—	—	—	—
		—	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Water Volumes -System Input	Bulk Purchase	—	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Water treatment works	—	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Natural sources	—	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Total Volume Losses (kL)	—	—	—	—	—	—	—	—	—	—
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	—	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	69.1%	70.6%	-119.5%	38.7%	38.1%	38.1%	0.0%	39.2%	39.6%	40.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	73.0%	75.0%	-127.3%	41.2%	41.3%	41.3%	0.0%	41.8%	42.4%	42.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.1%	8.2%	-15.2%	15.5%	15.0%	15.0%	0.0%	10.8%	10.9%	11.0%
Finance charges & Depreciation	FCSD/(Total Revenue - capital revenue)	18.1%	18.3%	-24.7%	9.2%	9.5%	9.5%	0.0%	9.4%	9.5%	9.6%
IDP regulation financial viability indicators											
I. Debt coverage	Total Operating Revenue - Operating Grants/Debt service payments due within financial year	18.7	19.5	(13.7)	14.4	29.3	—	—	28.7	28.3	27.3
II.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	50.2%	52.0%	5.8%	178.1%	189.7%	189.7%	0.0%	174.0%	187.0%	190.5%
III. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	21.1	3.9	14.8	0.7	0.4	(1.1)	—	1.4	1.2	0.8

References:

Table 158: Table SA10 - Funding Measurements



KZN216 Ray Nkonyeni Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures												
Cash/stock equivalents at the year end - R'000	18/1B	1	1 384 565	270 696	903 630	80 342	77 860	(185 483)	—	118 367	90 666	66 375
Cash + investments at the year end - R'000	18/1B	2	182 304	180 636	356 232	(13 654)	(142 862)	(331 428)	—	367 150	443 536	516 602
Cash year end/monthly employee/casualty payments	18/1B	3	21.1	3.9	14.8	0.7	0.4	(1.1)	—	1.4	1.2	0.8
Surplus/Deficit excluding depreciation effects: R'000	18/1	4	(282 342)	(291 660)	(1 410 448)	118 276	159 937	159 937	—	152 807	127 149	76 430
Service charges rev % change - macro OPI% target exclusive	18/1B(2)	5	N/A	3.7%	(7.2%)	349.2%	94.0%	(5.0%)	(106.0%)	(52.2%)	(1.4%)	(1.4%)
Cash receipts % of Ratepayer & Other revenue	18/1B(2)	6	101.0%	169.8%	(54.0%)	20.8%	20.8%	20.8%	0.0%	94.2%	94.7%	94.9%
Cash investment expense as % of total billable revenue	18/1B(2)	7	(14.7%)	(12.1%)	(0.7%)	0.0%	4.3%	4.3%	0.0%	1.4%	1.4%	1.4%
Capital payments % of capital expenditure	18/1C(10)	8	87.8%	98.2%	114.3%	111.8%	106.5%	106.5%	0.0%	85.9%	90.1%	90.1%
Borrowing receipts % of capital expenditure (excl. transfers)	18/1C	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18/1B	10	—	—	—	—	—	—	—	100.0%	0.0%	0.0%
Current consumer debtors % change - inc/(dec)	18/1B	11	N/A	11.7%	78.8%	96.2%	86.9%	0.0%	(100.0%)	0.0%	15.9%	14.3%
Long term receivables % change - inc/(dec)	18/1B	12	N/A	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RMA % of Property Plant & Equipment	20/1(A)	13	2.3%	2.5%	2.7%	10.0%	9.8%	9.8%	0.5%	7.0%	7.5%	0.0%
Asset renewal % of capital budget	20/1(A)	14	5.9%	2.9%	13.9%	27.8%	15.7%	15.7%	0.0%	16.9%	16.1%	16.1%
References:												
1. Positive cash balances indicative of minimum compliance - subject to 2												
2. Deduct cash and investment applications (defined) from cash balances												
3. Indicative of sufficient liquidity to meet average monthly operating payments												
4. Indicative of funded operational requirements												
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
6. Realistic average cash collection forecasts as % of annual billed revenue												
7. Realistic average increase in debt impairment (doubtful debt) provision												
8. Indicative of planned capital expenditure level & cash payment timing												
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing												
10. Substantiation of National/Provincial allocations included in budget												
11. Indicative of realistic current arrears debtors collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
12. Indicative of realistic long term arrears debtors collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection												
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - obtained capital plan) - functioning assets revenue protection												
Supporting indicators												
% Incr total service charges (incl prop rates)	18/1B		0.0%	9.7%	(1.3%)	255.2%	100.0%	0.0%	(100.0%)	(44.0%)	4.6%	4.6%
% Incr Property Tax	18/1B		0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	(100.0%)	(41.7%)	4.6%	4.6%
% Incr Service charges - Electricity	18/1B		0.0%	11.5%	(2.8%)	19.2%	100.0%	0.0%	(100.0%)	(43.2%)	4.6%	4.6%
% Incr Service charges - Water	18/1B		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Incr Service charges - Waste Water Management	18/1B		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Incr Service charges - Waste Management	18/1B		0.0%	4.0%	3.4%	5.7%	100.0%	0.0%	(100.0%)	(43.1%)	4.6%	4.6%
% Incr in Sale of Goods and Rendering of Services	18/1B		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18/1B		195 945	214 942	212 429	754 553	1 509 107	1 509 107	—	811 449	848 775	887 819
Service charges	18/1B		195 945	214 942	212 429	754 553	1 509 107	1 509 107	—	811 449	848 775	887 819
Property rates	18/1B		—	—	—	509 406	1 018 612	1 018 612	—	522 963	557 408	583 046
Service charges - electricity revenue	18/1B		141 283	157 558	153 005	182 438	364 872	364 872	—	207 222	216 754	229 724
Service charges - water revenue	18/1B		—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	18/1B		—	—	—	—	—	—	—	—	—	—
Service charges - refuse removal	18/1B		54 662	37 384	59 334	62 711	125 423	125 423	—	71 335	74 615	78 048
Agency services	18/1B		5 400	4 965	4 898	5 371	—	—	—	—	—	7 540
Capital expenditure excluding capital grant funding	18/1B		40 717	47 054	51 199	55 373	138 063	138 063	—	72 634	89 591	90 423
Cash receipts from ratepayers	18/1B		670 803	878 725	781 501	743 453	1 492 178	1 492 178	—	835 945	874 085	914 293
Ratepayer & Other revenue	18/1B		418 541	517 532	(1 447 834)	3 371 112	7 185 101	7 185 101	—	887 551	923 313	969 914
Change in consumer debtors (current and non-current)	18/1B		N/A	14 077	108 368	234 432	415 209	—	(90 748)	517 253	82 130	65 008
Operating and Capital Grant Revenue	18/1B		380 795	418 021	(47 515)	499 874	1 025 871	1 025 871	—	458 819	450 595	413 443
Capital expenditure - total	20/1(A)		121 296	186 144	212 344	150 893	352 759	352 759	—	187 598	187 089	195 692
Capital expenditure - renewals	20/1(A)		5 748	5 474	29 502	41 859	55 278	55 278	—	31 207	30 027	31 406
Supporting benchmarks												
Growth outline maximum			5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OPI outline			4.3%	3.0%	4.8%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY			—	—	—	—	—	—	—	307 939	—	—
DoRA capital grants total MFY			—	—	—	—	—	—	—	131 863	—	—
Provincial operating grants			—	—	—	—	—	—	—	18 717	—	—
Provincial capital grants			—	—	—	—	—	—	—	300	—	—
District Municipality grants			—	—	—	—	—	—	—	—	—	—
Total gazetted advised national, provincial and district grants			—	—	—	—	—	—	—	458 819	—	—
Average annual collection rate (arrears inclusive)			—	—	—	—	—	—	—	—	—	—
DoRA operating												
List operating grants			—	—	—	—	—	—	—	—	—	—
Expandable Share			—	—	—	—	—	—	—	302 739	308 450	309 120
Expanded Public Works Programme Integrated Grant			—	—	—	—	—	—	—	3 255	—	—
Local Government Financial Management Grant			—	—	—	—	—	—	—	1 900	2 000	2 000
Public Transport Network Grant			—	—	—	—	—	—	—	—	—	—
Municipal Disaster Relief Grant			—	—	—	—	—	—	—	—	—	—
Municipal Infrastructure Grant			—	—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant			—	—	—	—	—	—	—	55	50	—
Municipal Disaster Recovery Grant			—	—	—	—	—	—	—	—	—	—
South Africa National Accreditation System			—	—	—	—	—	—	—	—	—	—
Electricity Demand Side Management			—	—	—	—	—	—	—	—	—	—
Neighbourhood Development Partnership Grant			—	—	—	—	—	—	—	—	—	—
Rural Road Asset Management Systems Grant			—	—	—	—	—	—	—	—	—	—
Other transfers/grants (insert description)			—	—	—	—	—	—	—	—	—	—
Capacity Building and Other			—	—	—	—	—	—	—	—	—	—
Specify (Add grant description)			—	—	—	—	—	—	—	18 717	17 901	18 655
Education, Training and Development Practices SETA			—	—	—	—	—	—	—	—	—	—
SEDA eThekweni			—	—	—	—	—	—	—	—	—	—
Other transfers/grants (insert description)			—	—	—	—	—	—	—	—	—	—
			—	—	—	—	—	—	—	824 868	828 401	828 875
DoRA capital												
List capital grants			—	—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant			—	—	—	—	—	—	—	5 445	4 650	—
Integrated National Electrification Programme Grant			—	—	—	—	—	—	—	—	—	—
Municipal Infrastructure Grant			—	—	—	—	—	—	—	—	—	—
Neighbourhood Development Partnership Grant			—	—	—	—	—	—	—	40 000	41 139	1 000



Total Operating Revenue		624 002	626 934	(381 034)	1 251 108	2 540 105	2 540 105	—	1 270 142	1 312 314	1 360 277
Total Operating Expenditure		1 000 928	1 084 174	1 029 414	1 342 678	2 626 355	2 626 355	—	1 249 698	1 307 330	1 367 315
Operating Performance Surplus/(Deficit)		(376 926)	(457 240)	(1 410 448)	9 430	(86 250)	(86 250)	—	20 444	4 985	(7 038)
Cash and Cash Equivalents (30 June 2012)									118 367		
Revenue											
% Increase in Total Operating Revenue			0.5%	(100.8%)	(425.3%)	103.0%	0.0%	(100.0%)	(50.0%)	3.3%	3.7%
% Increase in Property Rates Revenue			0.0%	0.0%	0.0%	100.0%	0.0%	(100.0%)	0.0%	4.6%	4.6%
% Increase in Electricity Revenue			11.5%	(0.8%)	10.2%	100.0%	0.0%	(100.0%)	(43.0%)	4.6%	4.6%
% Increase in Property Rates & Services Charges			0.7%	(1.2%)	255.2%	100.0%	0.0%	(100.0%)	(45.0%)	4.6%	4.6%
Expenditure											
% Increase in Total Operating Expenditure			0.0%	8.3%	(5.1%)	20.7%	111.3%	0.0%	(100.0%)	(50.4%)	4.6%
% Increase in Employee Costs			0.0%	3.0%	2.8%	8.3%	100.0%	0.0%	(100.0%)	(46.6%)	4.6%
% Increase in Electricity Bulk Purchases			0.0%	13.5%	(12.4%)	47.3%	93.7%	0.0%	(100.0%)	(45.0%)	4.6%
Average Cost Per Budgeted Employee Position (Remuneration)		0	384776.9090	50027432.75	447254.5015	0	120900532.3	0	459000.3124	0	58012513.5
Average Cost Per Councillor (Remuneration)		0	0	0	432835.5590	0	1118070.833	0	474795.3333	0	519482.2778
R&M % of PPE		2.3%	2.5%	2.7%	10.0%	9.8%	9.8%	0.5%	8.5%	7.0%	7.0%
Asset Renewal and R&M as a % of PPE		3.4%	3.2%	7.3%	13.4%	13.4%	13.4%	9.9%	9.9%	10.0%	11.0%
Debt Impairment % of Total Statable Revenue		(14.7%)	(12.1%)	(0.7%)	0.0%	4.3%	4.3%	0.0%	1.4%	1.4%	1.4%
Capital Revenue											
Internally Funded & Other (R000)		15 377	27 049	44 758	33 921	95 779	95 779	—	63 654	66 501	69 023
Borrowing (R000)		—	1 807	6 412	21 452	42 904	42 904	—	9 000	—	—
Grant Funding and Other (R000)		80 546	141 090	161 075	95 520	214 078	214 078	—	114 924	120 525	135 050
Internally Generated funds % of Non Grant Funding		100.0%	93.5%	87.5%	81.3%	62.1%	62.1%	0.0%	87.0%	100.0%	100.0%
Borrowing % of Non Grant Funding		0.0%	6.5%	12.5%	38.7%	30.9%	30.9%	0.0%	12.4%	0.0%	0.0%
Grant Funding % of Total Funding		84.0%	83.0%	75.0%	83.3%	60.7%	60.7%	0.0%	61.3%	64.4%	64.4%
Capital Expenditure											
Total Capital Programme (R000)		121 266	186 144	212 944	150 893	352 759	352 759	—	187 558	187 085	195 602
Asset Renewal		19 665	54 631	100 389	64 420	141 985	141 985	—	72 860	73 628	77 014
Asset Renewal % of Total Capital Expenditure		20.7%	29.1%	47.3%	42.7%	40.3%	40.3%	0.0%	38.9%	39.4%	39.4%
Cash											
Cash Receipts % of Rate Payer & Other		161.0%	169.8%	(54.0%)	20.8%	20.8%	20.8%	0.0%	94.2%	94.7%	94.0%
Cash Coverage Ratio		0	0	0	0	0	0	—	0	0	0
Borrowing											
Most recent Credit Rating									0		
Capital Charges to Operating		2.0%	5.2%	3.1%	2.3%	3.2%	3.2%	0.0%	3.6%	3.6%	3.6%
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	0.0%	0.0%
Reserves											
Uncommitted reserves after application of cash and investments		180 304	180 838	(354 532)	(13 654)	(142 892)	(331 928)	—	395 150	442 538	516 692
Free Services											
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
Free Services as a % of Operating Revenue (excl operational transfers)		0.0%	0.0%	22.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance											
Total Operating Revenue		624 002	626 934	(381 034)	1 251 108	2 540 105	2 540 105	—	1 270 142	1 312 314	1 360 277
Total Operating Expenditure		1 000 928	1 084 174	1 029 414	1 342 678	2 626 355	2 626 355	—	1 249 698	1 307 330	1 367 315
Surplus/(Deficit) Budgeted Operating Statement		(376 926)	(457 240)	(1 410 448)	9 430	(86 250)	(86 250)	—	20 444	4 985	(7 038)
Surplus/(Deficit) Considering Reserves and Cash Backing		180 304	180 838	(354 532)	(13 654)	(142 892)	(331 928)	—	395 150	442 538	516 692
MTREF Funded (1) / Unfunded (0)	15	1	1	0	0	0	0	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✗	✗	✗	✗	✓	✓	✓	✓



Table 159: Table SA11 - Property Rates Summary

KZN216 Ray Nkonyeni - Supporting Table SA11 Property rates summary

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Valuation:	1									
Date of valuation:		-	-	-	-	-	-	-	-	-
Financial year valuation used		-	-	-	-	-	-	-	-	-
Municipal by-laws s6 in place? (Y/N)	2	-	-	-	-	-	-	-	-	-
Municipal/assistant valuer appointed? (Y/N)		-	-	-	-	-	-	-	-	-
Municipal partnership s38 used? (Y/N)		-	-	-	-	-	-	-	-	-
No. of assistant valuers (FTE)	3	-	14	14	14	14	14	14	14	14
No. of data collectors (FTE)	3	-	7	7	7	7	7	7	7	7
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	-	7	7	7	7	7	7	7	7
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		-	-	-	-	-	-	-	-	-
Implementation time of new valuation roll (mths)		-	-	-	-	-	-	-	-	-
No. of properties	5	-	41 339	41 339	42 213	46 401	46 401	46 401	46 401	46 401
No. of sectional title values	5	-	-	-	-	13 845	13 845	13 845	13 845	13 845
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	1	1	1	6	6	6	6	6
No. of valuation roll amendments		-	3	3	3	-	-	-	-	-
No. of objections by rate payers		-	13	13	13	-	-	-	-	-
No. of appeals by rate payers		-	1	1	1	81	81	81	81	81
No. of successful objections	8	-	4	4	12	1 363	1 363	1 363	1 363	1 363
No. of successful objections > 10%	8	-	4	4	1	442	442	442	442	442
Supplementary valuation		-	-	-	793 658 000	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	0	0	0	0	0	0	0	0
Municipality owned property value (Rm)		-	0	0	0	0	0	0	0	0
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		-	-	-	0	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	0	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	0	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	0	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	0	-	-	-	-	-
Total valuation reductions:		-	-	-	0	-	-	-	-	-
Total value used for rating (Rm)	5	-	-	-	-	-	-	-	-	-
Total land value (Rm)	5	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5									
Differential rates used? (Y/N)										
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)	7									
Special rating areas (R'000)										
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
Total rebates, exemptions, discounts, discounts (R'000)		-	-	-	-	-	-	-	-	-

References:





Table 160: Table SA12a - Property Rates by Category

KZN216 Ray Nkonyeni - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2023/24												
Valuation:												
No. of properties	5	33 801	1 646	152	–	1 673	1 673	1 673	1 673	1 673	1 673	–
No. of sectional title property values	–	13 845	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations	6	6	6	6	6	6	6	6	6	6	6	–
Supplementary valuation (Rm)	7 500	28 788 947	2 206 988	377 472	–	3 235 564	3 235 564	3 235 564	3 235 564	3 235 564	3 235 564	–
No. of valuation roll amendments	–	3	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers	–	1	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers	–	1	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised	–	1	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)	–	–	–	–	–	–	–	–	–	–	–	–
Frequency of valuation (select)	–	6	0	0	0	0	0	0	0	0	0	0
Method of valuation used (select)	–	6	0	0	0	0	0	0	0	0	0	0
Base of valuation (select)	–	0	0	0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)	–	0	1	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	–	0	0	0	0	0	0	0	0	0	0	0
Flat rate used? (Y/N)	–	0	0	0	0	0	0	0	0	0	0	0
Is balance rated by uniform rate/variable rate?	–	0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)	–	–	–	–	–	974	974	974	974	974	974	–
Valuation reductions-nature reserves/peri (Rm)	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)	–	471	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)	–	–	–	288	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	3 757	1 219	–	–	–	–	–	–	–	–	–
Total valuation reductions:												
Total value used for rating (Rm)	6	8	30 312	2 201	383	–	3 213	3 213	3 213	3 213	3 213	–
Total land value (Rm)	6	0	650	14	7	–	1	1	1	1	1	–
Total value of improvements (Rm)	6	–	1 144	9	13	–	0	0	0	0	0	–
Total market value (Rm)	6	8	30 312	2 201	383	–	3 235	3 235	3 235	3 235	3 235	–
Rating:												
Average rate	3	0.022868	0.011434	0.002858	0.002858	–	0.002858	0.002858	0.002858	0.002858	0.002858	–
Rate revenue budget (R '000)	–	191	299 650	2 827	1 104	–	12 968	12 968	12 968	12 968	12 968	–
Rate revenue expected to collect (R'000)	–	172	284 668	2 686	1 049	–	12 968	12 968	12 968	12 968	12 968	–
Expected cash collection rate (%)	4	100.0%	95.0%	95.0%	95.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%
Special rating areas (R'000)	–	–	3 200	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)	–	–	5 908	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)	–	–	–	3 412	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)	–	–	60 193	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates, exemptions, discounts (R'000)												

Referendum



Table 161: Table SA12b - Property Rates by Category

KZN216 Ray Nkonyeni - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Budget Year 2024/25												
Valuation:												
No. of properties		1 327	395	5	33 801	1 646	152	-	1 673	1 673	1 673	1 673
No. of sectional title property values		-	-	-	13 845	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	6	-	-	-	-	-	-	-
Supplementary valuation (Rm)		4 486 960	728 248	7 500	28 788 947	2 206 988	377 472	-	3 235 564	3 235 564	3 235 564	3 235 564
No. of valuation roll amendments		-	-	-	3	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	1	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	1	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	1	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		0	0	0	6	0	0	0	0	0	0	0
Frequency of valuation (select)		0	0	0	6	0	0	0	0	0	0	0
Method of valuation used (select)		0	0	0	0	0	0	0	0	0	0	0
Base of valuation (select)		0	0	0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)		0	0	0	0	2	0	0	0	0	0	0
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0	0	0
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0	0	0
Is balance rated by uniform rate/variable rate?		0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	3 235	3 235	3 235	3 235
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	600	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	288	-	-	-	-	-
Valuation reductions-other (Rm)	2	39	-	-	4 132	1 219	-	-	-	-	-	-
Total valuation reductions:												
Total value used for rating (Rm)	6	4 544	725	8	30 312	2 201	383	-	3 235	3 235	3 235	3 235
Total land value (Rm)	6	100	34	0	650	14	7	-	1	1	1	1
Total value of improvements (Rm)	6	196	17	-	1 144	9	13	-	0	0	0	0
Total market value (Rm)	6	4 544	725	8	30 312	2 201	383	-	3 235	3 235	3 235	3 235
Rating:												
Average rate	3	0.020313	0.020313	0.023898	0.011949	0.002987	-	-	0.002987	0.002987	0.002987	0.002987
Rate revenue budget (R'000)		81 605	14 735	199	313 135	2 954	1 154	-	456	456	456	456
Rate revenue expected to collect (R'000)		77 525	14 735	199	297 478	2 807	1 096	-	456	456	456	456
Expected cash collection rate (%)	4	95.0%	100.0%	100.0%	95.0%	95.0%	95.0%	0.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)		-	-	-	3 344	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	6 174	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	3 565	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		7 058	-	-	62 901	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptions, discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-



Table 162: Table SA13a - Service Tariffs by Category

KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates (rate in the Rand)	1								
Residential properties			0.0108	0.0114	0.0119	0.0124	0.0125	0.0132	-
Residential properties - vacant land			0.0216	0.0229	0.0239	0.0248	0.0251	0.0265	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	-
Farm properties - not used			-	-	-	-	0.0031	0.0033	-
Industrial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Business and commercial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Communal land - residential			-	-	-	-	0.0013	0.0013	-
Communal land - small holdings			-	-	-	-	0.0013	0.0013	-
Communal land - farm property			-	-	-	-	0.0013	0.0013	-
Communal land - business and commercial			-	-	-	-	0.0013	0.0013	-
Communal land - other			0.0011	0.0011	0.0012	0.0012	0.0013	0.0013	-
State-owned properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	-
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	-
Privately owned towns serviced by the owner			-	-	-	-	-	-	-
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
Property rates by usage									
Business and commercial properties			-	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Mining properties			-	-	-	-	-	-	-
Residential properties			-	-	-	-	-	-	-
Agricultural properties			-	-	-	-	-	-	-
Public benefit organisations			-	-	-	-	-	-	-
Public service purpose properties			-	-	-	-	-	-	-
Public service infrastructure properties			-	-	-	-	-	-	-
Vacant land			-	-	-	-	-	-	-
Sport Clubs and Fields (Bitou only)			-	-	-	-	-	-	-
Sectional Title Garages (Drakenstein only)			-	-	-	-	-	-	-
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			85 000	85 000	85 000	85 000	85 000	85 000	-
Indigent rebate or exemption			-	-	-	-	-	-	-
Pensioners/social grants rebate or exemption			-	-	300 000	300 000	300 000	300 000	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Bona fide farmers rebate or exemption	2		-	-	-	-	-	-	-
Other rebates or exemptions			-	-	-	-	-	-	-
Water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Water usage - flat rate tariff (c/l)			-	-	-	-	-	-	-
Water usage - life line tariff		(describe structure)	-	-	-	-	-	-	-
Water usage - Block 1 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 2 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 3 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 4 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 5 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 6 (c/l)		(fill in thresholds)	-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Waste water - flat rate tariff (c/l)			-	-	-	-	-	-	-
Volumetric charge - Block 1 (c/l)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 2 (c/l)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 3 (c/l)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 4 (c/l)		(fill in structure)	-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	261	277	299	324	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
FBE		(how is this targeted?)	-	-	-	-	-	-	-
Life-line tariff - meter		(describe structure)	-	-	-	-	-	-	-
Life-line tariff - prepaid		(describe structure)	-	-	-	-	-	-	-
Flat rate tariff - meter (c/kwh)			-	-	-	-	-	-	-
Flat rate tariff - prepaid (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kwh)		(fill in thresholds)	-	-	11 889	12 631	13 654	14 76	-
Meter - IBT Block 2 (c/kwh)		(fill in thresholds)	-	-	15 235	16 186	17 497	189 139	-
Meter - IBT Block 3 (c/kwh)		(fill in thresholds)	-	-	20 415	21 689	23 446	253 451	-
Meter - IBT Block 4 (c/kwh)		(fill in thresholds)	-	-	24 375	25 896	27 994	302 615	-



KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Meter - IBT Block 5 (c/kwh)	2	(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 2 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 3 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge			-	-	59	62	65	68	-
Basic charge/fixd fee			-	-	147	154	161	170	-
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

Table 163: Table SA14 - Household Bills

KZN216 Ray Nkonyeni - Supporting Table SA14 Household bills

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/decrease											
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/decrease											
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		-	-	-	993.20	993.20	993.20	4.8%	1,040.87	1,086.57	1,135.57
Electricity: Basic levy		-	-	-	280.79	280.79	280.79	7.7%	301.77	315.05	329.23
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	138.87	138.87	138.87	4.8%	145.54	151.94	158.78
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	1,412.86	1,412.86	1,412.86	5.3%	1,488.18	1,553.66	1,623.58
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	1,412.86	1,412.86	1,412.86	5.3%	1,488.18	1,553.66	1,623.58
% increase/decrease					-	-	-		5.3%	4.4%	4.5%

Table 164: Table SA16 - Investments



Table 165: Table SA17 - Borrowings

KZN216 Ray Nkonyeni - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Parent municipality										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		3,109	2,956	-	2,956	2,956	2,956	(6,085)	(23,715)	(46,640)
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	46,204	-	13,480	13,480	13,480	30,714	27,576	24,293
Municipality sub-total	1	3,109	49,160	-	16,435	16,435	16,435	24,628	3,860	(22,347)
Entities										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	3,109	49,160	-	16,435	16,435	16,435	24,628	3,860	(22,347)



Table 166: Table SA18 - Transfers and Grants Receipts

KZN216 Ray Nkonyeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		272,897	240,861	—	372,819	372,819	372,819	307,939	313,900	314,820
Local Government: Equitable Share		256,948	233,153	—	285,237	285,237	285,237	302,729	306,450	309,120
Integrated National Electrification Programme Grant		—	—	—	—	—	—	—	—	—
Expanded Public Works Programme Integrated Grant		3,940	5,558	—	5,084	5,084	5,084	3,255	3,405	3,561
Local Government Financial Management Grant		2,000	1,950	—	—	—	—	1,900	1,987	2,079
Public Transport Network Grant		—	—	—	—	—	—	—	—	—
Municipal Disaster Relief Grant		—	—	—	—	—	—	—	—	—
Municipal Infrastructure Grant		—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant		—	—	—	—	—	—	55	58	60
Municipal Disaster Recovery Grant		—	—	—	82,296	82,296	82,296	—	—	—
South Africa National Accreditation System		—	—	—	—	—	—	—	—	—
Electricity Demand Side Management		—	—	—	—	—	—	—	—	—
Neighbourhood Development Partnership Grant		—	—	—	—	—	—	—	—	—
Rural Road Asset Management Systems Grant		—	—	—	—	—	—	—	—	—
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
Provincial Government:		70,432	66,028	—	15,457	15,457	15,457	15,717	17,486	18,290
Capacity Building and Other		70,432	66,028	—	15,457	15,457	15,457	15,717	17,486	18,290
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Education, Training and Development Practices SETA		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
SEDA eThekweni		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Total Operating Transfers and Grants	5	343,329	306,887	—	388,076	388,076	388,076	324,656	331,386	333,111
Capital Transfers and Grants										
National Government:		82,526	150,468	—	107,848	107,848	107,848	131,883	137,719	144,065
Municipal Infrastructure Grant		4,000	8,040	—	—	—	—	—	—	—
Integrated National Electrification Programme Grant		—	—	—	—	—	—	—	—	—
Water Services Infrastructure Grant		—	—	—	—	—	—	—	—	—
Regional Bulk Infrastructure Grant		4,000	8,040	—	—	—	—	—	—	—
Integrated National Electrification Programme Grant		—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant		—	4,000	—	—	—	—	5,445	5,595	5,957
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)		—	—	—	—	—	—	—	—	—
Integrated Urban Development Grant		54,509	90,131	—	86,848	86,848	86,848	85,218	90,184	94,332
Neighbourhood Development Partnership Grant		20,000	31,257	—	19,000	19,000	19,000	40,000	41,840	43,765
Rural Road Asset Management Systems Grant		—	—	—	—	—	—	—	—	—
Local Government Financial Management Grant		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Provincial Government:		6,204	11,514	—	2,000	2,000	2,000	500	523	547
Infrastructure		6,204	11,514	—	2,000	2,000	2,000	500	523	547
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
KwaZulu/Natal House of Traditional Leaders		—	—	—	—	—	—	—	—	—
Specify (Add grant description)		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Education, Training and		—	—	—	—	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Total Capital Transfers and Grants	5	86,716	161,482	—	109,848	109,848	109,848	132,183	138,242	144,602
TOTAL RECEIPTS OF TRANSFERS & GRANTS		442,041	470,170	—	497,924	497,924	497,924	456,839	469,628	477,712

Explanatory notes to Table SA18 Grants and subsidies Receipts



1. This table reflects all expected grants receipts from national, provincial and other organization.
2. National treasury and provincial treasury grants are gazette in DORA and provincial gazette.



Table 167: Table SA19 - Grants and Subsidies Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants:										
National Government:		270,887	244,861	-	374,686	374,285	374,285	307,889	310,500	311,320
Local Government Equitable Share		200,948	233,153	-	285,237	285,237	285,237	300,729	308,450	309,120
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		3,940	5,558	-	5,084	4,800	4,800	3,255	-	-
Local Government Financial Management Grant		-	1,950	-	1,950	1,950	1,950	1,900	2,000	2,000
Public Transport Network Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	4,000	-	-	-	-	55	50	-
Municipal Disaster Recovery Grant		-	-	-	82,298	82,298	82,298	-	-	-
South Africa National Accreditation System		-	-	-	-	-	-	-	-	-
Electricity Demand Side Management		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
Provincial Government:		70,701	88,958	-	15,457	15,457	15,457	16,717	17,901	18,855
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		70,701	88,958	-	15,457	15,457	15,457	16,717	17,901	18,855
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert desc)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
SEDA eThekweni		-	-	-	-	-	-	-	-	-
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		341,588	332,720	-	380,028	389,742	389,742	324,606	328,401	329,975
Capital expenditure of Transfers and Grants:										
National Government:		88,835	158,136	-	107,648	119,294	119,294	121,863	121,119	82,376
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		8,455	8,101	-	-	327	327	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		8,455	8,101	-	-	327	327	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	5,445	4,950	-
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		64,509	90,860	-	88,848	88,848	88,848	86,218	75,030	81,376
Neighbourhood Development Partnership Grant		5,415	45,044	-	19,000	20,793	20,793	40,000	41,139	1,000
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert desc)		-	-	-	-	-	-	-	-	-
Provincial Government:		12,862	966	-	2,000	4,452	4,452	500	1,045	1,092
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		12,862	966	-	2,000	4,452	4,452	500	1,045	1,092
		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert desc)		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
KwaZulu/Natal House of Traditional Leaders		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert desc)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Education, Training and		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert desc)		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants:		99,487	159,132	-	109,648	123,746	123,746	132,163	122,164	83,488
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		441,085	471,852	-	489,674	513,488	513,488	456,819	450,565	413,443

References



Table 168: Table SA20 - Reconciliation of Transfers, Grants Receipts and Unspent Funds

KZN216 Ray Nkonyeni - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	87,382	87,382	87,382	5,210	5,450	5,700
Repayment of grants		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	87,382	87,382	87,382	5,210	5,450	5,700
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	15,457	15,457	15,457	16,717	17,486	18,290
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	15,457	15,457	15,457	16,717	17,486	18,290
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	102,839	102,839	102,839	21,927	22,936	23,991
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	107,848	107,848	107,848	131,663	137,719	144,055
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	107,848	107,848	107,848	131,663	137,719	144,055
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	2,000	2,000	2,000	500	523	547
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	2,000	2,000	2,000	500	523	547
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	109,848	109,848	109,848	132,163	138,242	144,602
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	212,687	212,687	212,687	154,090	161,178	168,592

The municipality had two rollover grant approvals for the 2023/24 financial year. R2.4 million was approved for the small-town rehabilitation grant for the construction of Hibberdene market stalls and R1.2 million was approved for the Neighborhood Development Partnership Grant for the upgrade of Main Harding Road.





Table 169: Table SA21 - Grants and Subsidy made by the Municipality

KZN216 Ray Nkonyeni - Supporting Table SA21 Transfers and grants made by the municipality										
Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year 2025/26
R thousand										
Cash Transfers to other municipalities										
Municipal Entities	1	2,074	-	-	-	-	-	-	-	-
Unspecified		-	-	-	10,168	11,421	11,421	-	13,433	13,318
Creative Events		-	-	-	1,600	1,200	1,200	-	2,000	2,188
Total Cash Transfers To Municipalities:		2,074	-	-	11,768	12,621	12,621	-	15,433	15,410
Cash Transfers to Entities/Other External Mechanisms										
Departmental Agencies and Accounts	2	-	-	-	-	-	-	-	-	-
Small Enterprise Development Agency		-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Emis'		-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State										
Provincial Government	3	-	-	-	-	-	-	-	-	-
Product		-	-	-	-	-	-	-	1,200	-
Higher Education SA (HESA)		-	-	-	250	500	500	-	500	523
Total Cash Transfers To Other Organs Of State:		-	-	-	250	500	500	-	1,700	523
Cash Transfers to Organisations										
Free State Development Corporation		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Private Enterprises		913	1,077	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		913	1,077	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals										
Disaster Management Fund		-	-	-	-	-	-	-	-	-
Bursaries (Non-Employee)		-	-	-	-	-	-	-	-	-
Skill Development and Training		-	-	-	-	-	-	-	-	-
Households		-	4,932	-	-	-	-	-	-	-
Learning, Training Support Material		-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	4,932	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	2,987	6,009	-	12,018	13,121	13,121	-	17,133	15,933
Non-Cash Transfers to other municipalities										
South Africa Local Government Association (SALGA)	1	-	-	-	50	50	50	-	-	31
Unspecified		-	-	-	670	466	466	-	-	837
Clothing Provided		-	-	-	400	400	400	-	-	418
Total Non-Cash Transfers To Municipalities:		-	-	-	1,120	916	916	-	-	1,287
Non-Cash Transfers to Entities/Other External Mechanisms										
Departmental Agencies and Accounts	2	8	-	-	-	-	-	-	-	-
Small Enterprise Development Agency		-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Emis'		8	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State										
Provincial Government	3	-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Households		3,640	5,626	-	-	-	-	20	-	-
Total Non-Cash Transfers To Other Organs Of State:		3,640	5,626	-	-	-	-	20	-	-
Non-Cash Grants to Organisations										
Specify (Add grant description)	4	-	-	-	-	-	-	-	-	-
Political Parties		-	-	-	700	700	700	-	-	732
Private Enterprises		-	-	-	-	-	-	-	-	766
Total Non-Cash Grants To Organisations		-	-	-	700	700	700	-	-	732
Groups of Individuals										
Disaster Management Fund	5	-	-	-	-	-	-	-	-	-
Bursaries (Non-Employee)		-	-	-	-	-	-	-	-	-
Skill Development and Training		-	-	-	-	-	-	-	-	-
Households		3,640	5,626	-	-	-	-	20	-	-
Learning, Training Support Material		-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		3,640	5,626	-	-	-	-	20	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		7,287	11,253	-	1,820	1,616	1,616	40	-	2,019
TOTAL TRANSFERS AND GRANTS	6	10,275	17,282	-	13,838	14,737	14,737	40	17,133	17,952
References:										

References



Table 170: Table SA22 - Councilors and Staff Benefits

KZN216 Ray Nkonyeni - Supporting Table SA22 Summary councilor and staff benefits

Summary of Employee and Councilor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages	1	25,476	23,352	26,888	19,040	27,782	27,782	18,276	19,116	19,996
Pension and UIF Contributions		-	-	-	758	758	758	755	790	826
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2,890	2,897	2,880	2,815	3,192	3,192	3,129	3,273	3,423
Housing Allowances		-	-	-	5,953	5,953	5,953	8,977	9,390	9,822
Other benefits and allowances		-	-	-	2,599	2,599	2,599	3,049	3,189	3,335
Sub Total - Councillors		28,366	26,249	29,567	31,164	40,283	40,283	34,185	35,758	37,403
% increase	4		(7.5%)	12.6%	5.4%	29.3%	-	(15.1%)	4.6%	4.6%
Senior Managers of the Municipality										
Basic Salaries and Wages	2	8,124	7,328	3,890	3,946	3,621	3,621	6,584	6,887	7,204
Pension and UIF Contributions		(0)	80	146	192	133	133	90	95	99
Medical Aid Contributions		-	72	198	230	134	134	51	53	56
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		760	866	960	1,059	1,059	1,059	913	1,101	999
Motor Vehicle Allowance	3	-	495	838	1,060	928	928	732	766	801
Cellphone Allowance	3	102	109	87	114	92	92	63	66	69
Housing Allowances	3	-	1,425	2,655	3,275	2,243	2,243	1,332	1,393	1,458
Other benefits and allowances	3	-	0	1	1	1	1	0	0	0
Payments in lieu of leave	3	-	239	327	332	260	260	21	22	23
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	76	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8,985	10,615	8,978	10,209	8,470	8,470	9,787	10,383	10,709
% increase	4		18.1%	(15.4%)	13.7%	(17.0%)	-	15.6%	6.1%	3.1%
Other Municipal Staff										
Basic Salaries and Wages		283,371	290,561	296,914	311,533	317,719	317,719	333,067	348,388	364,414
Pension and UIF Contributions		48,181	49,729	50,757	50,263	54,303	54,303	53,500	55,961	58,535
Medical Aid Contributions		18,779	19,146	20,084	20,668	21,909	21,909	21,895	22,902	23,955
Overtime		18,011	18,859	21,821	18,985	22,020	22,020	22,014	23,026	24,085
Performance Bonus		405	417	446	-	-	-	-	-	-
Motor Vehicle Allowance	3	16,999	18,564	18,911	18,975	21,168	21,168	20,003	20,923	21,885
Cellphone Allowance	3	1,115	1,035	1,021	1,007	1,047	1,047	1,047	1,095	1,145
Housing Allowances	3	3,964	3,793	4,152	4,059	3,430	3,430	2,873	3,005	3,144
Other benefits and allowances	3	4,645	4,904	5,224	6,038	5,441	5,441	5,507	5,760	6,025
Payments in lieu of leave		4,453	3,802	4,871	22,480	5,668	5,668	5,907	6,179	6,463
Long service awards		6,412	7,027	4,268	2,751	3,620	3,620	3,016	3,155	3,300
Post-retirement benefit obligations	6	15,110	14,852	17,323	16,049	17,524	17,524	17,420	18,221	19,059
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Acting and post related allowance		680	629	638	912	1,523	1,523	1,263	1,321	1,381
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		422,124	433,418	446,442	473,720	475,372	475,372	487,510	509,935	533,392
% increase	4		2.7%	3.0%	6.1%	0.3%	-	2.6%	4.6%	4.6%
Total Parent Municipality		459,476	470,281	484,987	515,094	524,125	524,125	531,483	556,076	581,504
			2.4%	3.1%	6.2%	1.8%	-	1.4%	4.6%	4.6%
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-

Explanatory notes to Table SA22 Councilors and Staff Benefits

1. The remuneration of councilors and staff are as per the councilor's upper limit approved by the MEC and staff as per SALGA respectively.





Table 171: Table SA24 - Summary of Personnel

KZN216 Ray Nkonyeni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2022/23			Current Year 2023/24			Budget Year 2024/25		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		72	—	72	72	—	72	72	—	72
Board Members of municipal entities	4	—	—	—	—	—	—	—	—	—
Municipal employees	5	—	—	—	—	—	—	—	—	—
Municipal Manager and Senior Managers	3	8	—	8	8	—	8	8	—	8
Other Managers	7	40	40	—	40	40	—	40	40	—
Professionals		11	11	—	11	11	—	11	11	—
Finance		—	—	—	—	—	—	—	—	—
Spatial/town planning		5	5	—	5	5	—	5	5	—
Information Technology		—	—	—	—	—	—	—	—	—
Roads		—	—	—	—	—	—	—	—	—
Electricity		1	1	—	1	1	—	1	1	—
Water		—	—	—	—	—	—	—	—	—
Sanitation		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Other		5	5	—	5	5	—	5	5	—
Technicians		43	43	—	43	43	—	43	43	—
Finance		1	1	—	1	1	—	1	1	—
Spatial/town planning		6	6	—	6	6	—	6	6	—
Information Technology		6	6	—	6	6	—	6	6	—
Roads		2	2	—	2	2	—	2	2	—
Electricity		9	9	—	9	9	—	9	9	—
Water		—	—	—	—	—	—	—	—	—
Sanitation		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Other		19	19	—	19	19	—	19	19	—
Clerks (Clerical and administrative)		551	551	—	551	551	—	551	551	—
Service and sales workers		—	—	—	—	—	—	—	—	—
Skilled agricultural and fishery workers		—	—	—	—	—	—	—	—	—
Craft and related trades		—	—	—	—	—	—	—	—	—
Plant and Machine Operators		122	122	—	122	122	—	122	122	—
Elementary Occupations		307	307	—	307	307	—	307	307	—
TOTAL PERSONNEL NUMBERS	9	1,154	1,074	80	1,154	1,074	80	1,154	1,074	80
% increase		—	—	—	—	—	—	—	—	—
Total municipal employees headcount	6, 10	—	—	—	—	—	—	—	—	—
Finance personnel headcount	8, 10	—	—	—	—	—	—	—	—	—
Human Resources personnel headcount	8, 10	—	—	—	—	—	—	—	—	—

Table 172: Table SA25 - Monthly Revenue and Expenditure



KZN216 Ray Nkonyeni - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year H1 2025/26	Budget Year H2 2026/27
R thousand																
Revenue																
Exchange Revenue																
Service charges - Electricity		17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	207,222	216,754	226,734
Service charges - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management		6,365	12,841	6,365	6,410	6,455	6,431	6,430	6,427	6,430	6,430	367	367	71,336	74,616	78,048
Sale of Goods and Rendering of Services		1,673	1,673	2,309	1,673	1,673	2,309	1,673	1,673	2,309	1,673	2,309	2,309	22,615	18,590	20,574
Agency services		574	574	574	574	574	574	574	574	574	574	574	574	6,892	7,209	7,540
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		663	663	663	663	663	663	663	663	663	663	663	663	8,202	8,579	8,974
Interest earned from Current and Non Current Assets		993	993	993	993	993	993	993	993	993	993	993	993	11,916	12,464	13,037
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		434	434	434	434	434	434	434	434	434	434	434	434	5,203	5,442	5,692
Licence and permits		61	61	61	61	61	61	61	61	61	61	61	61	737	771	806
Operational Revenue		91	91	91	91	91	91	91	91	91	91	91	91	1,091	1,141	1,193
Non-Exchange Revenue																
Property rates		48,445	96,890	48,445	48,445	48,445	48,445	48,445	48,445	48,445	48,445	48,445	-	(0)	532,893	557,406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	32,812	34,321	35,900
Licences or permits		996	996	996	996	996	996	996	996	996	996	996	996	11,956	12,506	13,081
Transfers and subsidies - Operational		125,413	2,176	276	276	16,993	100,747	276	276	76,396	276	276	276	324,656	328,401	329,975
Interest		2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	32,615	34,115	35,684
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations																
Total Revenue (excluding capital transfers and control)		209,449	140,132	83,965	83,357	100,119	184,485	83,377	83,374	160,133	83,377	28,869	29,505	1,279,142	1,312,314	1,360,277
Expenditure																
Employee related costs		40,105	40,105	40,105	40,105	42,827	40,099	40,105	40,399	40,105	40,105	53,130	40,105	497,297	520,318	544,101
Remuneration of councillors		2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	34,185	35,758	37,403
Bulk purchases - electricity		12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	153,550	160,613	168,001
Inventory consumed		1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	12,982	13,579	14,204
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	11,290	11,809	12,352
Depreciation and amortisation		7,168	7,168	7,168	7,168	7,168	7,168	7,168	7,168	7,168	7,168	7,168	7,168	28,990	112,800	117,989
Interest		754	754	1,476	754	754	1,453	754	754	1,431	754	1,422	754	11,918	12,362	12,930
Contracted services		20,819	20,969	21,394	20,819	20,796	21,071	20,796	20,796	21,491	20,796	8,155	9,130	227,033	237,477	248,401
Transfers and subsidies		496	496	1,046	496	4,129	1,046	496	496	6,396	496	496	1,046	17,133	17,952	18,778
Irrecoverable debts written off		417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,230	5,471
Operational costs		14,302	14,302	15,463	14,302	14,392	15,220	14,402	15,989	14,602	11,645	12,461	12,461	171,571	179,432	187,656
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		100,580	101,130	103,992	101,070	107,463	103,398	101,058	101,352	109,921	101,258	97,520	120,618	1,249,998	1,307,330	1,367,315
Surplus/(Deficit)		108,869	39,002	(20,026)	(17,713)	(7,344)	81,087	(17,681)	(17,977)	50,212	(17,881)	(68,650)	(91,113)	29,444	4,985	(7,038)
Transfers and subsidies - capital (monetary allocations)		(11,472)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	(10,972)	253,354	132,163	122,164
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,468
Surplus/(Deficit) after capital transfers & contributions		96,997	28,030	(30,998)	(28,685)	(18,256)	70,115	(28,653)	(28,949)	39,240	(28,853)	(79,622)	162,241	152,607	127,149	76,430
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		96,997	28,030	(30,998)	(28,685)	(18,256)	70,115	(28,653)	(28,949)	39,240	(28,853)	(79,622)	162,241	152,607	127,149	76,430
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		96,997	28,030	(30,998)	(28,685)	(18,256)	70,115	(28,653)	(28,949)	39,240	(28,853)	(79,622)	162,241	152,607	127,149	76,430
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	96,997	28,030	(30,998)	(28,685)	(18,256)	70,115	(28,653)	(28,949)	39,240	(28,853)	(79,622)	162,241	152,607	127,149	76,430
References:																

Table 173: Table SA26 - Budgeted Monthly Revenue and Expenditure



KZN216 Ray Nkonyeni - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description		Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote																	
Vote 1 - Executive and Council			126,137	-	-	-	-	100,471	-	-	76,120	-	-	(0)	302,729	308,450	309,120
Vote 2 - Finance and Administration			52,935	103,280	52,935	52,935	52,935	52,935	52,935	52,935	52,935	52,935	4,491	4,491	588,679	615,771	644,204
Vote 3 - Internal Audit			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services			73	73	73	73	16,790	73	73	73	73	73	73	(424)	17,095	18,286	19,030
Vote 5 - Sport and Recreation			6	6	6	6	6	6	6	6	6	6	6	6	77	80	84
Vote 6 - Public Safety			15	15	15	15	15	15	15	15	15	15	15	512	672	714	774
Vote 7 - Housing			25	25	578	25	25	578	25	25	578	25	25	578	2,509	2,522	2,536
Vote 8 - Other			53	53	53	53	53	53	53	53	53	53	53	(579)	-	-	-
Vote 9 - Planning and Development			11,411	10,911	10,993	10,911	10,911	10,993	10,911	10,911	10,993	10,911	10,911	10,993	131,761	122,489	88,985
Vote 10 - Road Transport			4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	51,433	53,799	56,274
Vote 11 - Environmental Protection			33	33	33	33	33	33	33	33	33	33	33	665	1,031	1,078	1,128
Vote 12 - Energy Sources			18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	224,676	229,294	235,842
Vote 13 - Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management			7,224	13,700	7,241	7,269	7,314	7,290	7,289	7,287	7,289	7,289	1,226	1,226	81,644	81,995	85,767
Total Revenue by Vote			220,921	151,104	94,937	94,329	111,091	195,457	94,348	94,346	171,105	94,348	39,841	40,477	1,402,305	1,434,478	1,443,745
Expenditure by Vote to be appropriated																	
Vote 1 - Executive and Council			5,086	5,086	5,086	5,076	5,086	5,086	5,086	5,086	5,086	5,086	5,281	6,685	62,817	65,707	68,729
Vote 2 - Finance and Administration			23,359	23,509	23,953	23,459	24,104	23,459	23,459	23,459	23,459	23,659	31,947	10,298	278,126	291,066	304,302
Vote 3 - Internal Audit			3,257	3,257	3,257	3,257	3,337	3,257	3,257	3,257	3,257	3,257	3,257	44,290	80,194	83,883	87,741
Vote 4 - Community and Social Services			6,020	6,020	6,020	6,020	6,254	6,020	6,020	6,020	6,020	6,020	5,610	2,402	68,449	71,598	74,891
Vote 5 - Sport and Recreation			458	458	458	458	524	458	458	458	458	458	335	335	5,314	5,558	5,814
Vote 6 - Public Safety			4,779	4,779	4,779	4,779	4,799	4,779	4,779	4,779	4,779	4,779	4,023	7,232	59,067	61,784	64,626
Vote 7 - Housing			1,127	1,127	1,127	1,127	1,154	1,105	1,105	1,105	1,105	1,105	1,105	1,105	13,395	14,011	14,656
Vote 8 - Other			507	507	599	507	507	599	507	507	599	507	507	(5,852)	-	-	-
Vote 9 - Planning and Development			4,817	4,817	6,365	4,817	8,546	6,365	4,817	4,817	12,910	4,817	4,817	6,365	74,268	77,684	81,257
Vote 10 - Road Transport			17,406	17,406	17,406	17,406	18,026	17,406	17,406	17,699	17,406	17,406	16,591	16,591	208,152	217,727	227,742
Vote 11 - Environmental Protection			2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	-	6,451	34,117	35,687	37,328
Vote 12 - Energy Sources			15,256	15,256	16,032	15,256	15,307	15,955	15,256	15,256	15,932	15,256	15,256	15,924	185,942	194,495	203,442
Vote 13 - Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management			16,142	16,142	16,142	16,142	16,993	16,142	16,142	16,142	16,142	16,142	8,792	8,792	179,858	188,131	196,785
Total Expenditure by Vote			100,980	101,130	103,992	101,070	107,403	103,398	101,058	101,352	109,921	101,258	97,520	120,618	1,249,698	1,307,330	1,367,315
Surplus/(Deficit) before assoc.			119,941	49,974	(9,054)	(6,741)	3,688	92,059	(6,709)	(7,005)	61,184	(6,909)	(57,678)	(80,141)	152,607	127,149	76,430
Income Tax			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1		119,941	49,974	(9,054)	(6,741)	3,688	92,059	(6,709)	(7,005)	61,184	(6,909)	(57,678)	(80,141)	152,607	127,149	76,430

References

1. Council Minutes meet annually with Annual Financial Performance



Table 174: Table SA27 - Budgeted Monthly Revenue and Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand																
Revenue - Functional																
Governance and administration		179,073	103,280	52,935	52,935	52,935	153,407	52,935	52,935	129,056	52,935	4,491	4,491	891,408	924,221	953,324
Executive and council		126,137	-	-	-	-	100,471	-	-	76,120	-	-	(0)	302,729	308,450	309,120
Finance and administration		52,935	103,280	52,935	52,935	52,935	52,935	52,935	52,935	52,935	52,935	4,491	4,491	586,679	615,771	644,204
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		119	119	672	119	16,836	672	119	119	672	119	119	672	20,353	21,602	22,425
Community and social services		73	73	73	73	16,790	73	73	73	73	73	73	73	17,592	18,816	19,612
Sport and recreation		6	6	6	6	6	6	6	6	6	6	6	6	77	80	84
Public safety		15	15	15	15	15	15	15	15	15	15	15	15	175	184	192
Housing		25	25	578	25	25	578	25	25	578	25	25	578	2,509	2,522	2,536
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		15,730	15,230	15,313	15,230	15,230	15,313	15,230	15,230	15,313	15,230	15,230	15,313	183,592	176,704	145,695
Planning and development		11,411	10,911	10,993	10,911	10,911	10,993	10,911	10,911	10,993	10,911	10,911	10,993	131,761	122,489	88,985
Road transport		4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	51,433	53,799	56,274
Environmental protection		33	33	33	33	33	33	33	33	33	33	33	33	398	417	436
Trading services		25,947	32,423	25,964	25,992	26,037	26,013	26,012	26,010	26,012	26,012	19,949	19,949	306,320	311,290	321,609
Energy sources		18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	18,723	224,676	229,294	235,842
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		7,224	13,700	7,241	7,269	7,314	7,290	7,289	7,287	7,289	7,289	1,226	1,226	81,644	81,995	85,767
Other		53	53	53	53	53	53	53	53	53	53	53	53	632	661	692
Total Revenue - Functional		220,921	151,104	94,937	94,929	111,091	195,457	94,348	94,346	171,105	94,348	39,841	40,477	1,402,305	1,434,478	1,443,745
Expenditure - Functional																
Governance and administration		31,702	31,852	32,296	31,792	32,527	31,802	31,802	31,802	31,802	32,002	40,484	61,273	421,137	440,655	460,773
Executive and council		5,086	5,086	5,086	5,076	5,086	5,086	5,086	5,086	5,086	5,086	5,281	5,086	61,218	64,034	66,979
Finance and administration		23,359	23,509	23,953	23,459	24,104	23,459	23,459	23,459	23,459	23,659	31,947	52,931	320,759	335,660	350,948
Internal audit		3,257	3,257	3,257	3,257	3,337	3,257	3,257	3,257	3,257	3,257	3,257	3,257	39,160	40,961	42,845
Community and public safety		12,384	12,384	12,384	12,384	12,730	12,362	12,362	12,362	12,362	12,362	11,073	11,073	146,225	152,951	159,987
Community and social services		6,020	6,020	6,020	6,020	6,254	6,020	6,020	6,020	6,020	6,020	5,610	5,610	71,658	74,954	78,402
Sport and recreation		458	458	458	458	524	458	458	458	458	458	335	335	5,314	5,558	5,814
Public safety		4,779	4,779	4,779	4,779	4,799	4,779	4,779	4,779	4,779	4,779	4,023	4,023	55,858	56,428	61,115
Housing		1,127	1,127	1,127	1,127	1,154	1,105	1,105	1,105	1,105	1,105	1,105	1,105	13,395	14,011	14,656
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		24,989	24,989	26,537	24,989	29,338	26,537	24,989	25,283	33,082	24,989	21,408	22,956	310,086	324,350	339,270
Planning and development		4,817	4,817	6,365	4,817	8,546	6,365	4,817	4,817	12,910	4,817	4,817	6,365	74,268	77,684	81,257
Road transport		17,406	17,406	17,406	17,406	18,025	17,406	17,406	17,699	17,406	17,406	16,591	16,591	208,152	217,727	227,742
Environmental protection		2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	2,767	-	-	27,666	28,939	30,270
Trading services		31,398	31,398	32,174	31,398	32,300	32,097	31,398	31,398	32,075	31,398	24,048	24,716	365,800	382,626	400,227
Energy sources		15,256	15,256	16,032	15,256	15,307	15,955	15,256	15,256	15,932	15,256	15,256	15,924	185,942	194,495	203,442
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		16,142	16,142	16,142	16,142	16,993	16,142	16,142	16,142	16,142	16,142	8,792	8,792	179,858	188,131	196,785
Other		507	507	599	507	507	599	507	507	599	507	507	599	6,451	6,748	7,058
Total Expenditure - Functional		100,980	101,130	103,992	101,070	107,403	103,398	101,058	101,352	109,921	101,258	97,520	120,618	1,249,698	1,307,330	1,367,315
Surplus/(Deficit) before assoc.		119,941	49,974	(9,054)	(6,741)	3,688	92,059	(6,709)	(7,005)	61,184	(6,909)	(57,678)	(80,141)	152,607	127,149	76,430
Intercompany/(Parent subsidiary transactions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	119,941	49,974	(9,054)	(6,741)	3,688	92,059	(6,709)	(7,005)	61,184	(6,909)	(57,678)	(80,141)	152,607	127,149	76,430
References																



Table 175: Table SA28 - Budgeted Monthly Capital Expenditure (Municipal Vote)

KZN216 Ray Nkonyeni - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Executive and Council		11	11	11	11	41	126	11	11	126	11	11	11	367	405	423
Vote 2 - Finance and Administration		563	463	563	753	923	563	663	563	563	563	563	562	7,300	7,636	7,987
Vote 3 - Internal Audit		10	10	10	10	10	100	10	10	10	10	10	10	210	220	230
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		383	383	383	383	383	383	383	383	383	383	383	383	4,600	4,812	5,033
Vote 7 - Housing		-	-	-	-	55	-	-	-	-	-	-	-	55	58	60
Vote 8 - Other		36	36	49	36	36	49	36	36	49	36	36	(436)	-	-	-
Vote 9 - Planning and Development		11,226	12,126	11,769	11,626	11,926	11,769	11,626	11,769	11,626	11,769	11,796	11,539	140,425	146,884	153,641
Vote 10 - Road Transport		950	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	950	15,900	16,631	17,396
Vote 11 - Environmental Protection		67	67	67	67	67	67	67	67	67	67	67	551	1,285	1,344	1,406
Vote 12 - Energy Sources		583	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	583	15,997	15,839	12,083
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		125	125	125	125	125	125	125	125	125	125	75	75	1,400	1,464	1,532
Capital single-year expenditure sub-total	2	13,954	16,104	15,859	15,894	16,449	16,064	15,804	15,704	15,974	15,704	15,824	14,229	187,558	195,292	199,792
Total Capital Expenditure	2	13,954	16,104	15,859	15,894	16,449	16,064	15,804	15,704	15,974	15,704	15,824	14,229	187,558	195,292	199,792



Table 176: Table SA29 - Budgeted Monthly Capital Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		583	483	583	773	973	788	683	583	698	583	583	583	7,897	8,260	8,640
Executive and council		11	11	11	11	41	125	11	11	125	11	11	11	367	405	423
Finance and administration		563	463	563	753	923	563	663	563	563	563	563	562	7,300	7,636	7,987
Internal audit		10	10	10	10	10	100	10	10	10	10	10	10	210	220	230
Community and public safety		383	383	383	383	438	383	383	383	383	383	383	383	4,655	4,869	5,093
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		383	383	383	383	383	383	383	383	383	383	383	383	4,600	4,812	5,033
Housing		-	-	-	-	55	-	-	-	-	-	-	-	55	58	60
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		12,243	13,593	13,235	13,093	13,393	13,235	13,093	13,093	13,235	13,093	13,263	12,555	157,125	164,353	171,913
Planning and development		11,226	12,126	11,769	11,626	11,926	11,769	11,626	11,626	11,769	11,626	11,796	11,539	140,425	146,884	153,641
Road transport		950	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	950	15,900	16,631	17,396
Environmental protection		67	67	67	67	67	67	67	67	67	67	67	67	800	837	875
Trading services		708	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,558	658	17,397	17,303	13,615
Energy sources		583	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	583	15,997	15,839	12,083
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		125	125	125	125	125	125	125	125	125	125	75	75	1,400	1,464	1,532
Other		36	36	49	36	36	49	36	36	49	36	36	49	485	507	530
Total Capital Expenditure - Functional	2	13,954	16,104	15,859	15,894	16,449	16,064	15,804	15,704	15,974	15,704	15,824	14,229	187,558	195,292	199,792
Funded by:																
National Government		9,379	9,579	9,579	9,579	9,579	9,579	9,579	9,579	9,579	9,579	9,549	9,349	114,490	119,756	125,265
Provincial Government		36	36	36	36	36	36	36	36	36	36	36	36	435	455	476
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from other municipalities (municipal allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		9,415	9,615	9,615	9,615	9,615	9,615	9,615	9,615	9,615	9,615	9,585	9,385	114,924	120,211	125,741
Borrowing		-	900	900	900	900	900	900	900	900	900	900	-	9,000	8,520	4,428
Internally generated funds		4,538	5,588	5,343	5,378	5,933	5,548	5,288	5,188	5,458	5,188	5,338	4,843	63,634	66,561	69,623
Total Capital Funding		13,954	16,104	15,859	15,894	16,449	16,064	15,804	15,704	15,974	15,704	15,824	14,229	187,558	195,292	199,792

References

Table 177: Table SA30 - Budgeted Monthly Cash Flow



KZN216 Ray Nkonyeni - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts by Source															
Property rates	–	39,109	79,044	39,109	39,109	39,109	39,109	39,109	39,109	39,109	39,109	39,109	78,219	505,048	539,535
Service charges - electricity revenue	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	17,268	207,222	218,754
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	5,240	5,240	10,131	5,240	5,240	5,240	5,240	5,240	5,240	5,240	5,240	5,240	67,768	70,885	74,148
Rental of facilities and equipment	434	434	434	434	434	434	434	434	434	434	434	434	5,203	5,442	5,692
Interest earned - external investments	993	993	993	993	993	993	993	993	993	993	993	993	11,919	12,454	13,037
Interest earned - outstanding debtors	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	32,653	34,155	35,726
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	137	137	137	137	137	137	137	137	137	137	137	137	1,641	1,718	1,795
Licences and permits	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	12,563	13,277	13,886
Agency services	574	574	574	574	574	574	574	574	574	574	574	574	6,892	7,209	7,540
Transfers and Subsidies - Operational	126,972	4,990	1,388	835	17,552	102,945	835	835	77,500	835	835	1,388	326,666	330,118	342,325
Other revenue	2,304	2,304	2,387	2,304	2,304	2,387	2,304	2,304	2,387	2,304	2,304	2,387	27,980	29,287	30,614
Cash Receipts by Source	161,791	74,788	118,136	76,873	87,880	172,886	76,873	76,873	147,428	76,873	76,873	110,418	1,217,108	1,258,820	1,308,582
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	28,739	30,612	–	–	28,739	13,333	–	–	30,739	–	–	0	132,163	138,342	144,802
Transfers and subsidies - capital (monetary allocations) (Net / Prov. Deparm. Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/financing	–	–	9,000	–	–	–	–	–	–	–	–	–	9,000	8,520	4,428
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	186,440	105,410	122,136	76,873	116,129	186,189	76,873	76,873	178,168	76,873	76,873	110,418	1,356,268	1,406,665	1,464,411
Cash Payments by Type															
Employee related costs	40,475	40,475	40,475	40,475	43,197	40,475	40,475	40,769	40,475	40,475	53,431	40,412	501,008	524,680	548,815
Remuneration of councillors	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	34,185	35,738	37,403
Interest	1	1	472	1	450	1	450	1	427	1	442	1	10,818	11,318	11,828
Bulk purchases - electricity	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	12,796	153,550	160,813	168,001
Acquisitions - water & other inventory	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	19,188	20,070	20,993
Contracted services	20,344	20,344	20,344	20,344	20,344	20,344	20,344	20,344	20,344	20,344	8,720	9,420	221,033	231,201	241,639
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	511	511	511	511	4,144	511	511	2,911	5,511	511	511	511	17,163	17,652	18,778
Other expenditure	14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	12,045	12,045	189,235	177,020	185,182
Cash Payments by Type	82,848	80,099	80,915	82,848	86,304	80,388	82,848	85,843	88,078	88,149	91,851	89,089	1,128,778	1,178,608	1,232,828
Other Cash Flows/Payments by Type															
Capital assets	13,334	13,334	13,334	13,334	14,049	13,404	13,404	13,334	13,334	13,334	13,334	13,334	161,114	168,525	176,277
Repayment of borrowing	2,638	2,638	3,090	2,638	2,638	3,118	2,638	2,638	3,141	2,638	2,638	3,149	33,805	35,151	36,798
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	108,821	106,071	110,348	108,121	116,991	106,941	108,021	111,815	114,861	108,121	107,822	106,577	1,321,487	1,382,284	1,445,911
NET INCREASE/DECREASE IN CASH HELD	77,619	(6,861)	11,788	(36,448)	199	78,258	(36,948)	(40,942)	63,318	(36,448)	(37,249)	4,842	98,796	24,287	8,540
Cash/cash equivalents at the month/year begin	114,251	197,711	188,120	126,200	161,424	187,590	237,848	190,500	158,258	217,816	183,438	146,119	114,251	197,021	175,318
Cash/cash equivalents at the month/year end	191,771	186,120	199,908	161,452	161,590	237,848	190,500	158,258	221,876	183,438	144,179	151,021	151,021	175,318	183,858

Reference



Table 178: Table SA34a - Capital Expenditure on New Assets by Asset Class

KZN218 Ray Nkonyeni - Supporting Table SA34a Capital expenditure on new assets by asset class

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year H1 2025/26	Budget Year H2 2025/27
Capital expenditure on new assets by Asset Class/Structure											
Infrastructure			37,138	80,960	88,544	50,352	67,791	67,791	83,585	89,265	88,877
Roads Infrastructure			33,228	74,960	82,369	38,300	45,453	45,453	55,450	58,351	58,955
Roads			22,338	35,702	28,581	18,600	25,513	25,513	35,450	37,081	38,706
Road Structures			10,287	38,707	17,773	20,100	15,941	15,941	20,000	20,000	21,860
Road Furniture			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Storm water Infrastructure			3,470	4,422	12,177	3,000	13,080	13,080	12,000	12,582	13,125
Drainage Collection			3,470	4,422	12,177	3,000	13,080	13,080	12,000	12,582	13,125
Storm water Conveyance			-	-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			443	1,388	11,055	6,452	9,252	9,252	15,735	18,180	14,520
Power Plants			-	-	-	-	-	-	-	-	-
HV Substations			-	-	-	-	-	-	-	-	-
HV Switching Station			-	-	-	-	-	-	-	-	-
HV Transmission Conductor			-	-	-	-	-	-	-	-	-
MV Substations			443	708	1,109	-	-	-	-	-	-
MV Switching Stations			-	1,388	1,905	7,452	3,452	3,452	1,500	4,500	4,425
MV Networks			-	-	-	-	-	-	-	-	-
LV Networks			-	-	7,943	1,000	5,800	5,800	14,235	13,880	10,104
Capital Spends			-	-	-	-	-	-	-	-	-
Water Supply Infrastructure			-	-	-	-	-	-	400	500	547
Dams and Weirs			-	-	-	-	-	-	-	-	-
Boreholes			-	-	-	-	-	-	400	500	547
Reservoirs			-	-	-	-	-	-	-	-	-
Pump Stations			-	-	-	-	-	-	-	-	-
Water Treatment Works			-	-	-	-	-	-	-	-	-
Bulk Mains			-	-	-	-	-	-	-	-	-
Distribution			-	-	-	-	-	-	-	-	-
Distribution Points			-	-	-	-	-	-	-	-	-
PIVY Stations			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Sanitation Infrastructure			-	-	-	-	-	-	-	-	-
Pump Station			-	-	-	-	-	-	-	-	-
Relocation			-	-	-	-	-	-	-	-	-
Waste Water Treatment Works			-	-	-	-	-	-	-	-	-
Outfall Sewers			-	-	-	-	-	-	-	-	-
Toilet Facilities			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure			-	-	-	-	-	-	-	-	-
Landfill Sites			-	-	-	-	-	-	-	-	-
Waste Transfer Stations			-	-	-	-	-	-	-	-	-
Waste Processing Facilities			-	-	-	-	-	-	-	-	-
Waste Drop-off Points			-	-	-	-	-	-	-	-	-
Waste Separation Facilities			-	-	-	-	-	-	-	-	-
Electricity Generation Facilities			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Rail Lines			-	-	-	-	-	-	-	-	-
Rail Structures			-	-	-	-	-	-	-	-	-
Rail Furniture			-	-	-	-	-	-	-	-	-
Drainage Collection			-	-	-	-	-	-	-	-	-
Storm water Conveyance			-	-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-	-
MV Substations			-	-	-	-	-	-	-	-	-
LV Networks			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Sand Pumps			-	-	-	-	-	-	-	-	-
Piers			-	-	-	-	-	-	-	-	-
Revetments			-	-	-	-	-	-	-	-	-
Promenades			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Data Centres			-	-	-	-	-	-	-	-	-
Core Layers			-	-	-	-	-	-	-	-	-
Distribution Layers			-	-	-	-	-	-	-	-	-
Capital Spends			-	-	-	-	-	-	-	-	-



KZN218 Ray Nkonyeni - Supporting Table SA34a Capital expenditure on new assets by asset class

Description		Ref	2020/21	2021/22	2022/23	Current Year 2025/26			2024/25 Medium Term Revenue & Expenditure Framework			
Revised			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year 11 2025/26	Budget Year 12 2026/27	
Capital expenditure on new assets by Asset Classification class												
Community Assets			18,572	5,564	18,038	17,798	22,537	22,537	5,550	5,356	5,272	
Community Facilities			15,330	2,580	15,400	7,700	11,285	11,285	1,450	1,517	1,580	
Halls			11,005	1,400	11,256	5,700	6,352	6,352	-	-	-	
Centres			-	-	-	-	-	-	-	-	-	
Clinics			-	-	-	-	-	-	-	-	-	
ClinicoCare Centres			-	-	-	-	-	-	-	-	-	
FirstAid/Rescue Stations			-	-	-	-	-	-	-	-	-	
Testing Stations			-	-	-	-	-	-	-	-	-	
Museums			-	-	-	-	-	-	-	-	-	
Galleries			-	-	-	-	-	-	-	-	-	
Theatres			-	-	-	-	-	-	-	-	-	
Libraries			-	-	-	-	-	-	-	-	-	
Cemeteries/Crematoria			-	334	-	-	-	-	-	-	-	
Police			-	-	-	-	-	-	-	-	-	
Parks			-	-	-	2,000	2,000	2,000	50	52	55	
Public Open Space			-	-	-	-	-	-	-	-	-	
Nature Reserves			-	-	-	-	-	-	-	-	-	
Public Abolition Facilities			-	-	-	-	-	-	-	-	-	
Markets			-	-	-	-	-	-	-	-	-	
Stalls			-	880	4,111	-	2,132	2,132	1,400	1,454	1,520	
Abolition			-	-	-	-	-	-	-	-	-	
Airports			-	-	-	-	-	-	-	-	-	
Taxi Rank/Bus Terminals			4,007	-	-	-	-	-	-	-	-	
Capital Spares			-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities			3,580	2,964	2,629	10,000	11,242	11,242	4,100	4,288	4,400	
Indoor Facilities			-	-	-	-	-	-	-	-	-	
Outdoor Facilities			3,580	2,964	2,629	10,000	11,242	11,242	4,100	4,288	4,400	
Capital Spares			-	-	-	-	-	-	-	-	-	
Heritage assets			-	-	-	-	-	-	-	-	-	
Monuments			-	-	-	-	-	-	-	-	-	
Historic Buildings			-	-	-	-	-	-	-	-	-	
Works of Art			-	-	-	-	-	-	-	-	-	
Conservation Areas			-	-	-	-	-	-	-	-	-	
Other Heritage			-	-	-	-	-	-	-	-	-	
Investment properties			-	-	-	-	-	-	-	-	-	
Revenue Generating			-	-	-	-	-	-	-	-	-	
Improved Property			-	-	-	-	-	-	-	-	-	
Unimproved Property			-	-	-	-	-	-	-	-	-	
Non-revenue Generating			-	-	-	-	-	-	-	-	-	
Improved Property			-	-	-	-	-	-	-	-	-	
Unimproved Property			-	-	-	-	-	-	-	-	-	
Other assets			17,096	14,756	3,152	8,000	2,150	2,150	10,000	11,257	11,816	
Operational Buildings			17,096	14,756	3,152	8,000	2,150	2,150	10,000	11,257	11,816	
Municipal Offices			7,900	3,950	1,357	7,500	950	950	6,400	6,594	7,332	
Pay/Employee Points			-	-	-	-	-	-	-	-	-	
Building Plan Offices			-	-	-	-	-	-	-	-	-	
Workshops			8,407	10,886	-	-	-	-	800	837	875	
Yards			-	300	-	-	-	-	200	209	219	
Stores			-	-	-	-	-	-	-	-	-	
Laboratories			-	-	-	-	-	-	-	-	-	
Training Centres			-	-	-	-	-	-	-	-	-	
Manufacturing Plant			-	-	-	-	-	-	-	-	-	
Depots			1,571	-	1,795	1,500	1,200	1,200	3,400	3,556	3,720	
Capital Spares			-	-	-	-	-	-	-	-	-	
Housing			-	-	-	-	-	-	-	-	-	
Self-Housing			-	-	-	-	-	-	-	-	-	
Social Housing			-	-	-	-	-	-	-	-	-	
Capital Spares			-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-	
Intangible Assets			-	810	-	840	620	620	500	523	547	
Service Marks			-	-	-	-	-	-	-	-	-	
Licences and Rights			-	810	-	840	620	620	500	523	547	
Water Rights			-	-	-	-	-	-	-	-	-	
Software Licences			-	-	-	-	-	-	-	-	-	
Gold Waste Licences			-	-	-	-	-	-	-	-	-	
Computer Software and Applications			-	810	-	840	620	620	500	523	547	
Local Settlement Software Applications			-	-	-	-	-	-	-	-	-	
Unpatented			-	-	-	-	-	-	-	-	-	
Computer Equipment			810	7,402	6,011	5,880	4,411	4,411	7,290	7,525	7,575	
Computer Equipment			810	7,402	6,011	5,880	4,411	4,411	7,290	7,525	7,575	
Furniture and Office Equipment			1,204	1,285	2,431	531	460	460	2,152	2,251	2,355	
Furniture and Office Equipment			1,204	1,285	2,431	531	460	460	2,152	2,251	2,355	
Machinery and Equipment			1,148	4,410	1,179	2,060	2,527	2,527	4,652	4,908	5,104	
Machinery and Equipment			1,148	4,410	1,179	2,060	2,527	2,527	4,652	4,908	5,104	
Transport Assets			-	-	15,500	-	4,500	4,500	-	-	-	
Transport Assets			-	-	15,500	-	4,500	4,500	-	-	-	
Land			-	-	-	-	-	-	-	-	-	
Land			-	-	-	-	-	-	-	-	-	
Zoos, Marine and Non-Biological Animals			-	-	-	-	-	-	-	-	-	
Zoos, Marine and Non-Biological Animals			-	-	-	-	-	-	-	-	-	
Other resources			-	-	-	-	-	-	-	-	-	
Nature			-	-	-	-	-	-	-	-	-	
Polluting and Protection			-	-	-	-	-	-	-	-	-	
Zoning/plants and animals			-	-	-	-	-	-	-	-	-	
Innate			-	-	-	-	-	-	-	-	-	
Polluting and Protection			-	-	-	-	-	-	-	-	-	
Zoning/plants and animals			-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on new assets			1	78,961	115,276	111,855	96,472	105,366	105,366	114,559	121,865	122,777



Table 179: Table SA34b - Capital Expenditure on Renewal of Existing Assets by Class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		6,748	2,546	29,429	32,500	24,828	24,828	18,900	17,850	17,854
Roads Infrastructure		6,748	1,958	19,186	17,500	10,029	18,229	14,600	15,167	15,865
Roads		5,438	402	12,825	17,000	9,802	9,802	13,600	14,121	14,771
Road Structures		1,310	1,558	6,364	500	427	427	1,000	1,046	1,094
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	7,132	-	-	-	-	-	-
Drainage Collection		-	-	7,132	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	587	2,720	15,500	14,500	14,500	3,500	1,046	1,094
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	14,500	14,500	14,500	2,500	-	-
HV Substations		-	587	1,896	-	-	-	-	-	-
HV Switching Stations		-	-	-	-	-	-	-	-	-
HV Networks		-	-	925	1,000	-	-	1,000	1,046	1,094
L/V Networks		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Poles		-	-	-	-	-	-	-	-	-
RTV Stations		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Refuse Station		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outlet Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Station		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
L/V Networks		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	389	500	300	300	805	857	875
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	389	500	300	300	805	857	875
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Cable Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spans		-	-	-	-	-	-	-	-	-
Community Assets		-	2,928	73	8,159	2,408	2,408	11,872	12,523	13,099
Community Facilities		-	2,120	73	7,659	2,408	2,408	11,872	12,523	13,099
Halls		-	2,120	73	7,659	2,408	2,408	10,872	11,477	12,025
Centres		-	-	-	-	-	-	1,000	1,046	1,094
Clubs		-	-	-	-	-	-	-	-	-
Clinical/Care Centres		-	-	-	-	-	-	-	-	-
First Aid/Ambulance Stations		-	-	-	-	-	-	-	-	-
Training Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Commemorative/Ornamental		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Toilet Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		485	617	779	500	500	500	500	523	547
Community Facilities		485	617	779	500	500	500	500	523	547
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		131	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		354	617	779	500	500	500	500	523	547
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		5,627	5,092	4,350	5,300	5,800	5,800	13,165	13,770	14,404
Operational Buildings		5,627	5,092	4,350	5,300	5,800	5,800	13,165	13,770	14,404
Municipal Offices		5,530	4,976	3,276	4,600	5,100	5,100	12,515	13,091	13,693
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		97	116	1,074	700	700	700	650	680	711
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2025/27
Repairs and maintenance expenditure by Asset Class/Sub-class											
Staff Housing			-	-	-	-	-	-	-	-	-
Social Housing			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Intangible Assets			-	-	-	-	-	-	-	-	-
Services			-	-	-	-	-	-	-	-	-
Licences and Rights			-	-	-	-	-	-	-	-	-
Water Rights			-	-	-	-	-	-	-	-	-
Effluent Licences			-	-	-	-	-	-	-	-	-
Solid Waste Licences			-	-	-	-	-	-	-	-	-
Computer Software and Applications			-	-	-	-	-	-	-	-	-
Local Settlement Software Applications			-	-	-	-	-	-	-	-	-
Unspecified			-	-	-	-	-	-	-	-	-
Computer Equipment			-	-	-	-	-	-	-	-	-
Computer Equipment			-	-	-	-	-	-	-	-	-
Furniture and Office Equipment			166	28	13	150	-	-	150	157	164
Furniture and Office Equipment			166	28	13	150	-	-	150	157	164
Machinery and Equipment			1,625	1,911	1,935	1,598	2,792	2,792	3,970	4,153	4,344
Machinery and Equipment			1,625	1,911	1,935	1,598	2,792	2,792	3,970	4,153	4,344
Transport Assets			9,059	10,661	15,289	10,630	11,879	11,879	11,009	11,515	12,045
Transport Assets			9,059	10,661	15,289	10,630	11,879	11,879	11,009	11,515	12,045
Land			-	-	-	-	-	-	-	-	-
Land			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Living resources			-	-	-	-	-	-	-	-	-
Mature			-	-	-	-	-	-	-	-	-
Policing and Protection			-	-	-	-	-	-	-	-	-
Zoological plants and animals			-	-	-	-	-	-	-	-	-
Immature			-	-	-	-	-	-	-	-	-
Policing and Protection			-	-	-	-	-	-	-	-	-
Zoological plants and animals			-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1		44,148	51,638	57,885	193,951	190,802	190,802	135,600	134,516	140,703
R&M as a % of PPE & Investment Property			2.3%	2.5%	2.7%	10.0%	9.8%	9.8%	6.4%	6.5%	7.1%
R&M as % Operating Expenditure			4.4%	4.8%	5.6%	15.6%	14.5%	14.5%	14.0%	10.8%	10.8%
References											

1. Total Repairs and Maintenance Expenditure for Asset Classes used separately to total repairs and maintenance expenditure on Table 34c



Table 180: Table SA34d - Depreciation by Asset Class

KZN216 Ray Nkonyeni - Supporting Table SA34d Depreciation by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Depreciation by Asset Class/Sub-class	1									
Infrastructure		58,169	47,578	42,938	61,050	61,050	61,050	36,952	38,551	40,429
Roads Infrastructure		58,169	47,578	42,938	49,080	49,080	49,080	36,952	38,551	40,429
Roads		58,169	47,578	42,938	49,080	49,080	49,080	36,952	38,551	40,429
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	2,520	2,520	2,520	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	2,520	2,520	2,520	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	5,040	5,040	5,040	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	5,040	5,040	5,040	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	4,410	4,410	4,410	-	-	-
Landfill Sites		-	-	-	4,410	4,410	4,410	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



KZN216 Ray Nkonyeni - Supporting Table SA34d Depreciation by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Depreciation by Asset Class/Sub-class										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		25,006	26,716	28,216	21,945	21,945	21,945	28,893	30,222	31,612
Community Facilities		25,006	26,716	28,216	21,945	21,945	21,945	28,893	30,222	31,612
Halls		25,006	26,716	28,216	18,769	18,769	18,769	28,893	30,222	31,612
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	3,176	3,176	3,176	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	6,930	6,930	6,930	-	-	-
Operational Buildings		-	-	-	6,930	6,930	6,930	-	-	-
Municipal Offices		-	-	-	6,930	6,930	6,930	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-



Table 181: Table SA35 - Future Financial Implications

KZN216 Ray Nkonyeni - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Mayor and Council		-	-	-				
Vote 2 - Finance and Administration		3.075	2.155	2.252				
Vote 3 - Internal Audit		185	193	202				
Vote 4 - Community and Social Services		200	-	-				
Vote 5 - Sport and Recreation		-	-	-				
Vote 6 - Public Safety		5.440	5.575	5.826				
Vote 7 - Housing		273	284	297				
Vote 8 - Health		-	-	-				
Vote 9 - Planning and Development		102.452	81.987	84.037				
Vote 10 - Road Transport		55.006	46.459	48.500				
Vote 11 - Environment Protection		-	-	-				
Vote 12 - Energy Sources		15.348	1.487	6.950				
Vote 13 - Other		-	-	-				
Vote 14 - Waste Water Management		-	-	-				
Vote 15 - Waste Management		1.804	1.362	1.423				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		183.783	139.502	149.488	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Mayor and Council								
Vote 2 - Finance and Administration								
Vote 3 - Internal Audit								
Vote 4 - Community and Social Services								
Vote 5 - Sport and Recreation								
Vote 6 - Public Safety								
Vote 7 - Housing								
Vote 8 - Health								
Vote 9 - Planning and Development								
Vote 10 - Road Transport								
Vote 11 - Environment Protection								
Vote 12 - Energy Sources								
Vote 13 - Other								
Vote 14 - Waste Water Management								
Vote 15 - Waste Management								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		183.783	139.502	149.488	-	-	-	-

Table 182: Table SA36 - List of Capital Projects

Project Management - Reporting Table B-03B (Unaudited Capital Budget)													2022 Section		New Section 5 Projects																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
Function	Project Description	Project Number	Type	2022 Section Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000



3.7.16.8 Legislation Compliance Status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

- **In year reporting**

Reporting to National Treasury in electronic format was fully complied with monthly. Section 71 reporting to the Executive Mayor (within 10 working days).

- **Internship programme**

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department, of the five interns four have been appointed permanently. The remaining two are still under the training and municipality has an obligation to replace the vacant positions of the three interns.

- **Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

- **Audit Committee**

An Audit Committee is shared with other municipalities within the district and is fully functional.

- **Service Delivery and Budget Implementation Plan**

The detailed 2024/25 Final SDBIP document is being compiled and shall be tabulated to Council at the end of June 2024.

- **Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements



3.7.17 Key Findings

Summary on spending on staff salaries and wages, July 2022-June 2023: Employee related costs are the largest proportion of operating expenditure, due to a number of vacant posts that need to be filled. The normal range for this indicator should be between 25% and 40% and it must be indicated that the municipality stands at 38%, which is moderate. This must be guarded as the costs should not grow as large as it will threaten the sustainability of operating budget, however, spending on Contractor Services, July 2022-June 2023 is 20% which is higher than operational expenditure. The municipality has cut down extensively on costs, meaning cost containment measures are implemented, some expenditures are lower as compared to the previous years.

Budget related policies are being implemented.

Debt management: The municipality over the past 5 years, implemented a policy dealing with debt collection etc. Repairs and maintenance % has been increased. There is a decrease of the indigent support.

3.7.18 Financial Viability SWOT Analysis

Table 183: Financial Viability SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> -83% of income generated internal and sources being rates, electricity and refuse income grant funding -Clean Audit in the last Financial year -Annual financial statements developed internal -Robust PMS System 	<ul style="list-style-type: none"> -Collection is not always 100% -Ageing infrastructure resulting in disgruntled ratepayers who are threatening to withhold rates which is the Municipality's main source of income ---Amendments of the AFS which resulted in the none achievement of clean audit
Opportunities	Threats
<ul style="list-style-type: none"> -Being one of the most financial stable Municipalities in KZN and South Africa Introduction of the case ware reporting system which will assist in addressing the issue of quality of AFS 	<ul style="list-style-type: none"> -Ratepayers threatening to withhold rates -Irregularities within the procurement prices - Fixed asset register system have some weaknesses -Poor fleet management -Non planning for future replacement of capital items



SECTION D: MUNICIPAL VISION, GOALS AND OBJECTIVES

4.1 Vision

“By 2036 Ray Nkonyeni Municipality will be a prime tourist-friendly; economically diversified and smart Municipality with equitable access to opportunities and services in a safe and healthy environment”

4.2 Mission

“The Municipality is committed to create an enabling environment for the establishment of agricultural; maritime; leading tourism and industrial hubs to create business and employment opportunities for sustainable development and improved quality of lives through shared vision; smart service delivery solutions and collaboration with stakeholders”

4.3 Strategic Objectives

Ray Nkonyeni Municipality held its Strategic Planning Session in February 2022 for the new generation. The RNM Council and officials deliberated on the formulation of the Municipality's new goals and strategic objectives.

Below are the municipality's adopted the strategies and objectives :

1. Municipal Transformation and Organisational Development

- i. To foster effective and efficient Inter-Governmental Relations (IGR);
- ii. To ensure on-going human resource development;
- iii. To attract and retain skilled employees;
- iv. To be an innovative organisation with improved performance.

2. Basic Service Delivery and Infrastructure

- i. To ensure existing infrastructure is maintained and improved;
- ii. To provide access to basic services;
- iii. To extend the provision of basic services and infrastructure to rural areas;
- iv. To improve delivery of capital projects through investment in infrastructure development;
- v. To facilitate the provision of housing.



3. Local Economic Development

- i. To grow the economy of the municipality through investment attraction and tourism development;
- ii. To create an enabling environment to grow businesses, cooperatives and SMMEs;
- iii. To drive job creation initiatives;
- iv. To promote township and rural development through nodal developments especially for commerce and industries;
- v. To promote sustainable livelihoods and enhance the fight against poverty;
- vi. To facilitate participation of youth and previously disadvantaged individuals in the economy.

4. Good Governance and Public Participation

- i. To promote a culture of participatory democracy;
- ii. To develop and review organisational policies to be in line with current national and provincial agenda;
- iii. To develop an ethical organisation which is fraud and corruption free;
- iv. To promote and uphold principles of good governance and legal compliance;
- v. To ensure a safe and crime free municipality;
- vi. To promote human rights and social upliftment of vulnerable groups and address moral regeneration need;
- vii. To promote and safeguard the municipal brand.

5. Municipal Financial Viability and Management

- i. To ensure efficient and effective management of council assets and properties;
- ii. To improve revenue, cost reduction and management of debt;
- iii. To ensure expenditure on long-term capital infrastructure project plans.

6. Cross Cutting Issues

- i. To create sustainable and resilient settlements;
- ii. To promote and enhance planned development and land administration;
- iii. To promote green economy.

4.4 Long Term Vision

Ray Nkonyeni Municipality adopted its long term vision, Vision 2036 in 2019 (**See attachment 2: RNM Vision 2036**). The strategy is a product of indepth process through engagements with



various stakeholders, a study that is evidence based, and assisted in developing strategic goals for the municipality. The strategy is aimed at 5 year terms, which currently it is its second term.

The municipality's 20 year growth strategic growth development strategy is based upon the current economic development trajectory of the municipality and the economic and social importance of the municipality and district. In the strategy, a high scenario growth path was presented which includes;

- Poverty gap
- Unemployment down below 10%
- Huge growth of middle class
- Sustainable human settlements
- South Coast tourism booming
- Crime low
- Youth are empowered to lead



SECTION E: IMPLEMENTATION PLAN

5.1 Capital Investment Framework

Ray Nkonyeni Municipality is classified as an Intermediate City Municipality (ICM) by Cogta. This therefore means, the municipality no longer uses MIG, which is a 5 year capital programme, as a source of funding, but uses the Integrated Urban Development Grant(IUDG) which uses a three-year capital programme that is aligned with a 10-year CEF. In this regard, Ray Nkonyeni Municipality has prepared a three-year capital programme in line with the IUDG. The purpose of the IUDG is to provide funding for investment in infrastructure for the poor and to promote increased access to municipal-owned sources of capital finance in order to increase funding for public investment economic infrastructure. It is also aimed at ensuring that public investments are spatially aligned to promote the sound management of the asset delivered.



Table 184: Capital Investment Framework



PROJECTS	2024/2025 BUDGET	DOE INEP	NATIONAL TREASURY	IUDG	INTERNAL	2025/2026 PROPOSED BUDGET	NATIONAL TREASURY	IUDG	INTERNAL	2026/2027 PROPOSED BUDGET	IUDG	INTERNAL	PROJECT STATUS
CLUSTER 1 (WARDS 30, 31, 32, 33, 34, 35, and 36)													
LONJANI TO KHUMBUZA ROAD WARD 30	3 600 000			3 600 000		3 000 000		3 000 000		0	0		PROJECT UNDER CONSTRUCTION
BHAYIYA VEHICLE BRIDGE - WARD 33	2 000 000			2 000 000		2 000 000		2 000 000		4 880 901	4 880 901		PROJECT FINAL DESIGN STAGES, TO BE ADVERTISED IN APRIL 2024
BOMVINI SCHOOL ROAD - WARD 35	4 000 000			4 000 000		3 000 000		3 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, TENDER CLOSED 10 OCTOBER 2023, CURRENTLY UNDER EVALUATION STAGE
ROAD REGRAVELLING AND CONCRETE SECTIONS - WARD 34	2 500 000			2 500 000		3 000 000		3 000 000		2 119 099	2 119 099		PROJECT SCOPING UNDERWAY, THE PROJECT REPLACES MZENZE ROAD AND BRIDGE
MHLABUNZIMA HALL RENOVATIONS - WARD 34	500 000			500 000									SCOPING FOR THE PROJECT UNDERWAY, TO BE ADVERTISED IN APRIL 2024



QHINQA SPORTSFIELD RENOVATIONS (ESDAKENI) - WARD 30	1 000 000			1 000 000									PROJECT CONSULTANT HAS BEEN APPOINTED, PROJECT SCOPING UNDERWAY
IZINGOLWENI HALL RENOVATIONS	500 000				500 000								PROJECT CONSULTANT HAS BEEN APPOINTED, PROJECT SCOPING UNDERWAY
	14 100 000	0	0	13 600 000	500 000	11 000 000	0	11 000 000	0	12 000 000	12 000 000		
CLUSTER 2 (WARDS 7, 8, 9, and 29)													
REPAIRS TO MBHELE PEDESTRIAN BRIDGE - WARD 29	2 500 000			2 500 000		1 000 000		1 000 000		1 000 000	1 000 000		PROJECT HAS BEEN RE- ADVERTISED AND IS NOW ON TENDER EVALUATION STAGE
NHLANJENI VEHICULAR BRIDGE - WARD 9	4 000 000			4 000 000		1 000 000		1 000 000		5 000 000	5 000 000		PROJECT TENDER HAS BEEN ADVERTISED, CLOSING 19 APRIL 2024
BHAZABHAZA VILLAGE EXTENSION	1 453 043	1 453 043											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE,



- ELECTRIFICATION WARD 8													CONSTRUCTION TO START IN JULY 2024
	7 953 043	1 453 043	0	6 500 000	0	3 500 000	0	3 500 000	0	6 000 000	6 000 000		
CLUSTER 3 (WARDS 1, 2, 6, 10, 11 and 19)													
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	500 000			500 000		0		0		0	0		PROJECT HAS BEEN AWARDED, SITE HANDLED-OVER TO THE CONTRACTOR
NKANYEZINI ROAD - WARD 10	4 000 000			4 000 000		5 000 000		5 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 10 NOVEMBER 2023, EVALUATIONS UNDERWAY
MANDLA MZELEMU ROAD - WARD 11	5 000 000			5 000 000		3 000 000		3 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 6 NOVEMBER 2023, EVALUATIONS UNDERWAY
RECONSTRUCTION OF MARGATE HALL - WARD 6	6 972 174			6 972 174		8 000 000		8 000 000		1 000 000	1 000 000		PROJECT TENDER CLOSED ON 21 AUGUST 2023, CURRENTLY ON TENDER EVALUATION STAGE



OUTLANDS LANDFILL SITE (CELL 4C) PHASE 2&3	3 000 000				3 000 000	10 000 000			10 000 000	0		0	PROJECT ON CONSTRUCTION STAGE FOR CELL 4C PHASE1
NCUKENI ELECTRIFICATION - WARD 1	858 261	858 261											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
	20 330 435	858 261	0	16 472 174	3 000 000	26 000 000		16 000 000		11 000 000	11 000 000		
CLUSTER 4 (Wards 3, 5, 25, 26, 27 and 28)													
COMMUNITY PARK IN WARD 5	300 000			300 000		0		0					PROJECT UNDER CONSTRUCTION
CORNER HOUSE RING ROAD - WARD 27	4 000 000			4 000 000		5 000 000		5 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 7 NOVEMBER 2023, UNDER EVALUATION STAGE
NKANGENI VEHICULAR BRIDGE (Ward 25)	4 000 000			4 000 000		5 000 000		5 000 000		1 000 000	1 000 000		PROJECT AWARDED, SITE TO BE HANDED TO THE CONTRACTOR BEGINNING OF MARCH 2024
ZG HALL ROOF REPAIRS - WARD 28	2 000 000			2 000 000		500 000		500 000		0	0		PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD



REPAIRS TO NOSITHA PEDESTRIAN BRIDGE- WARD 27	1 000 000			1 000 000									PROJECT CONSULTANT TO BE APPOINTED FOR DESIGN REVIEW AND PROJECT MANAGEMENT
	11 300 000	0	0	11 300 000	0	13 500 000		13 500 000	0	13 000 000	13 000 000	0	
CLUSTER 5 (Wards 21, 22, 23, and 24)													
TATANE SPORTSFIELD - WARD 23 (NOW WARD 21)	3 000 000			3 000 000		3 000 000		3 000 000		1 000 000	1 000 000		PROJECT ON TENDER EVALUATION STAGE, PENDING AWARD
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	1 000 000			1 000 000		1 000 000		1 000 000		0	0		CONTRACTOR TERMINATED, PROJECT TO BE RE-ADVERTISED IN APRIL 2024
MBAYIMBAYI MAIN ROAD IN WARD 21	1 000 000			1 000 000									PROJECT CONSULTANT APPOINTED, PENDING SCOPING



													AND PRELIMINARY DESIGNS
JERUSALEMA VILLAGE ELECTRIFICATION - WARD 22	4 291 304	4 291 304											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
	9 291 304	4 291 304	0	5 000 000	0	4 000 000		4 000 000		0	1 000 000		
CLUSTER 6 (Wards 4, 17, 18 and 20)													
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	300 000			300 000		0		0		0	0		PROJECT UNDER CONSTRUCTION
MUNICIPAL VEHICLE POUND IN WARD 17	5 000 000				5 000 000	5 000 000			5 000 000	5 000 000		5 000 000	PROJECT HAS BEEN AWARDED, PENDING SITE HANDOVER TO THE CONTRACTOR
MLB OFFICES IN WARD 17	300 000				300 000	10 000 000			10 000 000	2 000 000		2 000 000	PROJECT PENDING THE APPROVAL OF BUILDING PLANS
PORT SHEPTSONE CIVIC CENTRE UPGRADE IN WARD 18	2 000 000				2 000 000	0			0				PROJECT ON FINAL DESIGN STAGE, TO BE ADVERTISED IN MAY 2024
UPGRADING OF REYNOLD STREET - WARD 18	34 782 610		34 782 610			2 043 478	2 043 478			#REF!			PROJECT PENDING APPROVAL BY NATIONAL TREASURY



													FOR IMPLEMENTATION
CHIEF ROAD IN WARD 4	2 000 000			2 000 000									PROJECT CONSULTANT APPOINTED, PENDING PROJECT SCOPING
BHOYIBHOYI ELECTRIFICATION - WARD 20	3 415 652	3 415 652											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
PORT SHEPTSONE BEAUTIFICATION AND PARK- R102	800 000			800 000	0								NEW PROJECT, PENDING THE APPOINTMENT OF AN ARCHITECT FOR CONCEPT DESIGN
	48 598 262	3 415 652	34 782 610	3 100 000	7 300 000	17 043 478	2 043 478	0	15 000 000	#REF!	0	7 000 000	
CLUSTER 7 (Wards 12, 13, 14, 15 and 16)													
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 15	4 000 000			4 000 000		3 000 000		3 000 000		1 500 000	1 500 000		PROJECT AWARDED, SITE HANDOVER TO THE CONTRACTOR
NKANDLA BRIDGE - WARD 14	2 000 000			2 000 000									PROJECT CONSULTANT HAS BEEN APPOINTED BUSY WITH



													PRELIMINARY DESIGNS
	6 000 000	0	0	6 000 000	0	3 000 000		3 000 000		1 500 000	1 500 000		
MUNICIPAL WIDE PROJECTS													
ROADS RESEALS	500 000			500 000		4 000 000		4 000 000		5 190 435	5 190 435		RESEALS TO BE IMPLEMENTED FROM JANUARY 2025
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	3 000 000				3 000 000	1 500 000			1 500 000	5 000 000		5 000 000	PROJECT ON TENDER EVALUATION STAGE
RURAL ROAD AND STORMWATER REHABILITATION (IUDG)	20 000 000			10 000 000	10 000 000	8 000 000		8 000 000		9 000 000	9 000 000		2023/24 SCOPE OF WORK COMPLETED AND 2024/24 SCOPE TO START IN JULY 2024
OUTDOOR GYM FACILITIES	100 000				100 000	0		0		0	0		PROJECT NEW TENDER SPECIFICATION FINALISED
INSTALLATION OF NEW STREET LIGHTS	1 500 000			1 500 000		1 000 000		1 000 000		1 000 000	1 000 000		PROJECT SCOPING CURRENTLY UNDERWAY, CONTRACT ALREADY IN PLACE



INSTALLATION OF NEW SOLAR STREET LIGHTS	1 000 000			1 000 000									CONTRACT IN PLACE AND PROJECT TO BE IMPLEMENTED FROM JULY 2024
INSTALLATION OF WATER TANKS WITHIN MUNICIPAL OFFICES	300 000				300 000	0			0	0		0	PROJECT TO BE IMPLEMENTED IN THE NEXT FINANCIAL YEAR
RATIONALISATION OF OFFICE SPACE (WELLNESS CENTRE)	2 000 000				2 000 000	1 000 000			1 000 000	0		0	PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD
URBAN ROAD AND STORMWATER REHABILITATION	2 500 000				2 500 000								PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD
ENVIRONMENTAL STUDIES FOR CAPITAL PROJECTS	500 000				500 000								DEPARTMENT BUSY WITH TENDER SPECIFICATIONS
CONSTRUCTION OF MUNICIPAL ASPHALT PLANT	800 000				800 000								NEW PROJECT, PENDING THE APPOINTMENT OF AN ENGINEER FOR CONCEPT DESIGN
	32 200 000	0	0	13 000 000	19 200 000	15 500 000	0	13 000 000	2 500 000	20 190 435	15 190 435	5 000 000	
TOTAL CLUSTER CAPITAL (EXCL VAT)	149 773 045	10 018 261	34 782 610	74 972 174	30 000 000	93 543 478		64 000 000	17 500 000		59 690 435	12 000 000	



VAT @ 15%	22 465 957	1 502 739	5 217 391	11 245 826	4 500 000	14 031 522	-	9 600 000	2 625 000				
TOTAL CAPITAL BUDGET	172 239 001	11 521 000	40 000 001	86 218 000	34 500 000	107 575 000	0	73 600 000	20 125 000		59 690 435	12 000 000	
	14 100 000	0	0	13 600 000	500 000	11 000 000	0	11 000 000	0	12 000 000	12 000 000		
CLUSTER 2 (WARDS 7, 8, 9, and 29)													
REPAIRS TO MBHELE PEDESTRIAN BRIDGE - WARD 29	2 500 000			2 500 000		1 000 000		1 000 000		1 000 000	1 000 000		PROJECT HAS BEEN RE- ADVERTISED AND IS NOW ON TENDER EVALUATION STAGE
NHLANJENI VEHICULAR BRIDGE - WARD 9	4 000 000			4 000 000		1 000 000		1 000 000		5 000 000	5 000 000		PROJECT TENDER HAS BEEN ADVERTISED, CLOSING 19 APRIL 2024
BHAZABHAZA VILLAGE EXTENSION - ELECTRIFICATION WARD 8	1 453 043	1 453 043											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
	7 953 043	1 453 043	0	6 500 000	0	3 500 000	0	3 500 000	0	6 000 000	6 000 000		



CLUSTER 3 (WARDS 1, 2, 6, 10, 11 and 19)

PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	500 000			500 000		0		0		0	0		PROJECT HAS BEEN AWARDED, SITE HANDLED-OVER TO THE CONTRACTOR
NKANYEZINI ROAD - WARD 10	4 000 000			4 000 000		5 000 000		5 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 10 NOVEMBER 2023, EVALUATIONS UNDERWAY
MANDLA MZELEMU ROAD - WARD 11	5 000 000			5 000 000		3 000 000		3 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 6 NOVEMBER 2023, EVALUATIONS UNDERWAY
RECONSTRUCTION OF MARGATE HALL - WARD 6	6 972 174			6 972 174		8 000 000		8 000 000		1 000 000	1 000 000		PROJECT TENDER CLOSED ON 21 AUGUST 2023, CURRENTLY ON TENDER EVALUATION STAGE
OUTLANDS LANDFILL SITE (CELL 4C) PHASE 2&3	3 000 000				3 000 000	10 000 000			10 000 000	0		0	PROJECT ON CONSTRUCTION STAGE FOR CELL 4C PHASE1
NCUKENI ELECTRIFICATION - WARD 1	858 261	858 261											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE,



													CONSTRUCTION TO START IN JULY 2024
	20 330 435	858 261	0	16 472 174	3 000 000	26 000 000		16 000 000		11 000 000	11 000 000		
CLUSTER 4 (Wards 3, 5, 25, 26, 27 and 28)													
COMMUNITY PARK IN WARD 5	300 000			300 000		0		0					PROJECT UNDER CONSTRUCTION
CORNER HOUSE RING ROAD - WARD 27	4 000 000			4 000 000		5 000 000		5 000 000		5 000 000	5 000 000		PROJECT ON TENDER STAGE, CLOSED 7 NOVEMBER 2023, UNDER EVALUATION STAGE
NKANGENI VEHICULAR BRIDGE (Ward 25)	4 000 000			4 000 000		5 000 000		5 000 000		1 000 000	1 000 000		PROJECT AWARDED, SITE TO BE HANDED TO THE CONTRACTOR BEGINNING OF MARCH 2024
ZG HALL ROOF REPAIRS - WARD 28	2 000 000			2 000 000		500 000		500 000		0	0		PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD
REPAIRS TO NOSITHA PEDESTRIAN BRIDGE- WARD 27	1 000 000			1 000 000									PROJECT CONSULTANT TO BE APPOINTED FOR DESIGN REVIEW AND PROJECT MANAGEMENT



	11 300 000	0	0	11 300 000	0	13 500 000		13 500 000	0	13 000 000	13 000 000	0	
CLUSTER 5 (Wards 21, 22, 23, and 24)													
TATANE SPORTSFIELD - WARD 23 (NOW WARD 21)	3 000 000			3 000 000		3 000 000		3 000 000		1 000 000	1 000 000		PROJECT ON TENDER EVALUATION STAGE, PENDING AWARD
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	1 000 000			1 000 000		1 000 000		1 000 000		0	0		CONTRACTOR TERMINATED, PROJECT TO BE RE-ADVERTISED IN APRIL 2024
MBAYIMBAYI MAIN ROAD IN WARD 21	1 000 000			1 000 000									PROJECT CONSULTANT APPOINTED, PENDING SCOPING AND PRELIMINARY DESIGNS
JERUSALEMA VILLAGE ELECTRIFICATION - WARD 22	4 291 304	4 291 304											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
	9 291 304	4 291 304	0	5 000 000	0	4 000 000		4 000 000		0	1 000 000		



CLUSTER 6 (Wards 4, 17, 18 and 20)

MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	300 000			300 000		0		0		0	0		PROJECT UNDER CONSTRUCTION
MUNICIPAL VEHICLE POUND IN WARD 17	5 000 000				5 000 000	5 000 000			5 000 000	5 000 000		5 000 000	PROJECT HAS BEEN AWARDED, PENDING SITE HANDOVER TO THE CONTRACTOR
MLB OFFICES IN WARD 17	300 000				300 000	10 000 000			10 000 000	2 000 000		2 000 000	PROJECT PENDING THE APPROVAL OF BUILDING PLANS
PORT SHEPTSONE CIVIC CENTRE UPGRADE IN WARD 18	2 000 000				2 000 000	0			0				PROJECT ON FINAL DESIGN STAGE, TO BE ADVERTISED IN MAY 2024
UPGRADING OF REYNOLD STREET - WARD 18	34 782 610		34 782 610			2 043 478	2 043 478			#REF!			PROJECT PENDING APPROVAL BY NATIONAL TREASURY FOR IMPLEMENTATION
CHIEF ROAD IN WARD 4	2 000 000			2 000 000									PROJECT CONSULTANT APPOINTED, PENDING PROJECT SCOPING
BHOYIBHOYI ELECTRIFICATION - WARD 20	3 415 652	3 415 652											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE,



													CONSTRUCTION TO START IN JULY 2024
PORT SHEPTSONE BEAUTIFICATION AND PARK- R102	800 000			800 000	0								NEW PROJECT, PENDING THE APPOINTMENT OF AN ARCHITECT FOR CONCEPT DESIGN
	48 598 262	3 415 652	34 782 610	3 100 000	7 300 000	17 043 478	2 043 478	0	15 000 000	#REF!	0	7 000 000	
CLUSTER 7 (Wards 12, 13, 14, 15 and 16)													
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 15	4 000 000			4 000 000		3 000 000		3 000 000		1 500 000	1 500 000		PROJECT AWARDED, SITE HANDOVER TO THE CONTRACTOR
NKANDLA BRIDGE - WARD 14	2 000 000			2 000 000									PROJECT CONSULTANT HAS BEEN APPOINTED BUSY WITH PRELIMINARY DESIGNS
	6 000 000	0	0	6 000 000	0	3 000 000		3 000 000		1 500 000	1 500 000		
MUNICIPAL WIDE PROJECTS													



ROADS RESEALS	500 000			500 000		4 000 000		4 000 000		5 190 435	5 190 435		RESEALS TO BE IMPLEMENTED FROM JANUARY 2025
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	3 000 000				3 000 000	1 500 000			1 500 000	5 000 000		5 000 000	PROJECT ON TENDER EVALUATION STAGE
RURAL ROAD AND STORMWATER REHABILITATION (IUDG)	20 000 000			10 000 000	10 000 000	8 000 000		8 000 000		9 000 000	9 000 000		2023/24 SCOPE OF WORK COMPLETED AND 2024/24 SCOPE TO START IN JULY 2024
OUTDOOR GYM FACILITIES	100 000				100 000	0		0		0	0		PROJECT NEW TENDER SPECIFICATION FINALISED
INSTALLATION OF NEW STREET LIGHTS	1 500 000			1 500 000		1 000 000		1 000 000		1 000 000	1 000 000		PROJECT SCOPING CURRENTLY UNDERWAY, CONTRACT ALREADY IN PLACE
INSTALLATION OF NEW SOLAR STREET LIGHTS	1 000 000			1 000 000									CONTRACT IN PLACE AND PROJECT TO BE IMPLEMENTED FROM JULY 2024
INSTALLATION OF WATER TANKS WITHIN MUNICIPAL OFFICES	300 000				300 000	0		0		0		0	PROJECT TO BE IMPLEMENTED IN THE NEXT FINANCIAL YEAR



RATIONALISATION OF OFFICE SPACE (WELLNESS CENTRE)	2 000 000				2 000 000	1 000 000			1 000 000	0		0	PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD
URBAN ROAD AND STORMWATER REHABILITATION	2 500 000				2 500 000								PROJECT ON TENDER EVALUATION STAGE, PENDING THE AWARD
ENVIRONMENTAL STUDIES FOR CAPITAL PROJECTS	500 000				500 000								DEPARTMENT BUSY WITH TENDER SPECIFICATIONS
CONSTRUCTION OF MUNICIPAL ASPHALT PLANT	800 000				800 000								NEW PROJECT, PENDING THE APPOINTMENT OF AN ENGINEER FOR CONCEPT DESIGN
	32 200 000	0	0	13 000 000	19 200 000	15 500 000	0	13 000 000	2 500 000	20 190 435	15 190 435	5 000 000	
TOTAL CLUSTER CAPITAL (EXCL VAT)	149 773 045	10 018 261	34 782 610	74 972 174	30 000 000	93 543 478		64 000 000	17 500 000	#REF!	59 690 435	12 000 000	
VAT @ 15%	22 465 957	502 739	5 217 391	11 245 826	4 500 000	14 031 522	-	9 600 000	2 625 000	#REF!			
TOTAL CAPITAL BUDGET	172 239 001	11 521 000	40 000 001	86 218 000	34 500 000	107 575 000	0	73 600 000	20 125 000	#REF!	59 690 435	12 000 000	
MUNICIPAL VEHICLE POUND IN WARD 17	5 000 000				5 000 000	5 000 000			5 000 000	5 000 000		5 000 000	PROJECT HAS BEEN AWARDED, PENDING



													SITE HANDOVER TO THE CONTRACTOR
MLB OFFICES IN WARD 17	300 000				300 000	10 000 000			10 000 000	2 000 000		2 000 000	PROJECT PENDING THE APPROVAL OF BUILDING PLANS
PORT SHEPSTONE CIVIC CENTRE UPGRADE IN WARD 18	2 000 000				2 000 000	0			0				PROJECT ON FINAL DESIGN STAGE, TO BE ADVERTISED IN MAY 2024
UPGRADING OF REYNOLD STREET - WARD 18	34 782 610		34 782 610			2 043 478	2 043 478			#REF!			PROJECT PENDING APPROVAL BY NATIONAL TREASURY FOR IMPLEMENTATION
CHIEF ROAD IN WARD 4	2 000 000			2 000 000									PROJECT CONSULTANT APPOINTED, PENDING PROJECT SCOPING
BHOYIBHOYI ELECTRIFICATION - WARD 20	3 415 652	3 415 652											PROJECT DESIGNS ALREADY APPROVED BY ESKOM, THERE IS A PANEL IN PLACE, CONSTRUCTION TO START IN JULY 2024
PORT SHEPSTONE BEAUTIFICATION AND PARK- R102	800 000			800 000	0								NEW PROJECT, PENDING THE APPOINTMENT OF AN ARCHITECT FOR CONCEPT DESIGN



	48 598 262	3 415 652	34 782 610	3 100 000	7 300 000	17 043 478	2 043 478	0	15 000 000	#REF!	0	7 000 000	
CLUSTER 7 (Wards 12, 13, 14, 15 and 16)													
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 15	4 000 000			4 000 000		3 000 000		3 000 000		1 500 000	1 500 000		PROJECT AWARDED, SITE HANDOVER TO THE CONTRACTOR
NKANDLA BRIDGE - WARD 14	2 000 000			2 000 000									PROJECT CONSULTANT HAS BEEN APPOINTED BUSY WITH PRELIMINARY DESIGNS
	6 000 000	0	0	6 000 000	0	3 000 000		3 000 000		1 500 000	1 500 000		
MUNICIPAL WIDE PROJECTS													
ROADS RESEALS	500 000			500 000		4 000 000		4 000 000		5 190 435	5 190 435		RESEALS TO BE IMPLEMENTED FROM JANUARY 2025
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	3 000 000				3 000 000	1 500 000			1 500 000	5 000 000		5 000 000	PROJECT ON TENDER EVALUATION STAGE



5.2 Implementation Plan

Table 185: Implementation Plan



SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Project/program	Key Challenge	Objective ref.	Objective	Strategies	Performance Indicator	Baseline	5 Yr Targets					Budget (R) (' 000)	MSCOA Ref.:	Source	Responsibility in municipality
							Yr1 2024/25	Yr2 2025/26	Yr3 2026/27	Yr4 2027/28	Yr5 2028/29				
Roads															
Roads	Poor Roads Condition	2.1	Upgrading and Rehabilitation of Roads	To ensure existing infrastructure is maintained and improved	km No.	32	5,5	6	6.5	7	7	223 615 362,79	Capital: Infrastructure: Existing: Renewal: Roads Infrastructure: Roads	IUDG and NDPG	Technical Services
			Roads reseal		Km no.	32	5.5	6	6.6	7	7	60 000 000		Internal	
			Storm water maintenance		M	100 000	2000	2000	2000	2000	2000	30 000 000			
			Grading of roads		Km no.	2500	500	500	500	500	500	26 500 000			
			Road marking & signs		M no	40 000	8000	8000	8000	8000	8000	12 500 000			
Project	Key challenge	Obj. Ref	Objective	Strategies	Performance Indicator	baseline	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Budget	MSCOA Ref.:	Source	Respo.
Bridges															
	Limited connectivity between communities	2.4	Construction of Bridges	To improve delivery of capital projects through investment in infrastructure development	Number	12	2	3	3	4	2	53 527 298,95	Capital: Infrastructure: New: Roads Infrastructure: Road Structures	IUDG	Technical Services
	Key cha.	Objective ref.	objective	strategies	Performance indicator		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Budget	MSCOA Ref.	Source	Respo.



Public facilities															
	Poor State of Public Facilities	2.4	Construction of Public Facilities	To improve delivery of capital projects through investment in infrastructure development	Number	13	2	2	3	2	3	67 374 993,40	Capital:Non-infrastructure:Existing:Renewal:Community Assets:Community Facilities	IUDG	Technical Services
Project	Key cha.	Obj, ref	Objective	Strategies	Performance Indicator	baseline	Yr 1	Yr 2	Yr 3	Yr4	Yr 5	Budget	MSCOA REF	Source	Respo.
Energy															
	Energy demand	2.2	Installation of Streetlights	. To provide access to basic services	Number	600	100	120	120	120	140	19 300 000,00	Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	IUDG	Technical Services
	Assistance to elderly people not affording to pay for electricity		Provide electricity connections to poor households		Number	534	107	133	105	90	99	24 037 000,00	Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	INEP	Technical Services
Energy efficiency demand side management programme	Humanity disadvantages to access electricity		To provide access to basic services		No.	2153	1045	1108	-	-	-	10 500,000	Capital: infrastructure: Existing: Retrofitting of public lighting	DMRE	Technical Services
Free basic electricity (FBE) programme	Electricity supply demand in the country		To provide access to basic services		No.	102 000	20 400	20 400	20 400	20 400	20 400	16 709 867	Indigent support	Internal Funds	Technical Services



Free basic alternative electricity (FBAE) Programme	Electricity losses		To provide access to basic services		No.	43 980	8796	8796	8796	8796	8796	17 378 262	Capital: Supply of stove, gel and lights to communities	Internal Funds	Technical Services
Alternation Energy/ Renewable energy solar PV energy generation power plant	Edging electrical infrastructure		To provide access to basic services		No.	1						827 302 346	Capital: Infrastructure		Technical Services
Smart meters replacement programme	Monitoring and control of electricity supply network		To provide access to basic services		No.	2500	300	400	550	600	650	13 924 890	Capital: Infrastructure	DBSA	Technical Services
Electricity medium-voltage (MV) infrastructure upgrades and replacement	Demand on electricity distribution due to new developments		To provide access to basic services		No.	115	23	23	23	23	23	205 550 000	Capital	DBSA	Technical Services
Centralized network control Centre	Strengthening electricity distribution to Port Shepstone CBD and surrounding residential area		To provide access to basic services		No.	1						46 563 341	Capital: Infrastructure	DBSA	Technical Services



New Substation for Ray Nkonyeni Municipality	Improve maintenance on traffic lighting		To provide access to basic services		No.	1						264 162 922	Capital: infrastructure	DBSA	Technical Services
11 KV Interconnector between Marburg and Port Shepstone	Improve maintenance on high mast lighting		To provide access to basic services		No.	1						14 500 000	Capital: Infrastructure	DBSA	Technical Services
Traffic lights infrastructure upgrades & refurbishments	Inadequate Public Lighting		To provide access to basic services		No.	40	8	8	8	8	8	8 076 436	Capital: Infrastructure	Internal Funds	Technical Services
High masts lights infrastructure upgrades & refurbishments			To provide access to basic services		No.	135	27	27	27	27	27	5 135 232	Capital: Infrastructure	Internal Funds	Technical Services
Energy	Households without Electricity		Installation of Streetlights		No.	600	100	120	120	120	140	19 300 000,00	Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	IUDG	Technical Services
			Provide electricity connections to poor households		No.	534	107	133	105	90	99	24 037 000,00	Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	INEP	Technical Services



Grid-tied solar PV systems (with inverters) for municipal buildings	Provision of alternative power supply to improve service delivery				No.	505	120	115	100	90	80		Capital		
Project	Key cha.	Obj. ref	Objective	Strategy	Performance Indicator	baseline	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Budget	MSCOA FEF	Source	Respo.
Economic Infrastructure	Poor or no economic Infrastructure	3.2	Construction of Economic Infrastructure	To create an enabling environment to grow businesses, cooperatives and SMMEs	No.	5	1	1	1	1	1	19 865 315,20	Capital:Non-infrastructure:New: Other Assets: Operational Buildings	Internal Funds	Technical Services
Project	Key cha.	Obj. ref	Objective	Strategy	Performance Indicator	Baseline	Yr 1	Yr2	Yr3	Yr4	Yr5	Budget	MSCOA Ref,	Source	Respo.
Waste minimisation & collection															
Refuse collection	Illegal dumping	2.2	To provide access to basic services	To provide access to basic services	Number	2500 0	25000	2500 0	2500 0	2500 0	25000	7 000 000.00	Operational:	Internal Funds	Community Services
Maintenance and Establishment of Gardens	High level of carbon footprint and less aesthetic look of RNM				Number	12	12	12	12	12	12	550 000.00	Operational:	Internal Funds	Community Services
Education campaigns conducted with schools	Lack of waste education and lack of		To reduce the climate change impact and ensure strategic		Number	12	12	12	12	12	12	200 000.00	Operational:	Internal Funds	Community Services



and communities	behavioural change on waste management practices		points are beautified												
Implementation of recycling project/programms	Limited airspace at the Landfill site and advocating for good waste practices		to create sustainable and resilient settlements		Number	1500	1500	1500	1500	1500	1500	100 000.00	Operational:	Internal Funds	Community Services
Provision of a waste disposal site	Illegal dumping		to create sustainable and resilient settlements		Number	4	4	4	4	4	4	7000000	Operational:	Internal Funds	Community Services
Clearing of private vacant plots	Lack of maintenance of private owned plots resulting in poor environmental health and less resilient settlements		to create sustainable and resilient settlements		Number	200	200	200	200	200	200	1950000	Operational:	Internal Funds	Community Services
Project	Key Challenge		to create sustainable and resilient settlements		Performance Indicator	Baseline	Yr1	Yr2	Yr3	Yr4	Yr5	Budget	MSCOA Ref	Source	Respo
Human settlement		Obj. ref	Objective	Strategy											
Rural Housing Programme	Lack of formal	2.5		To undertake human	Number of housing	1000	200	200	200	200	200			Human Settlement	



Informal Settlement Upgrading	shelter in terms of housing needs of citizens.		To facilitate the provision of housing	settlement planning and facilitate the delivery of housing opportunities.	opportunities provided	250	100	100	0	0	50	R288 450 000	National Human Settlement Development Grant	Grant Funding	Technical Services Department
Title Deed Restoration Programme						550	0	50	100	200	200				
Emergency Housing Programme						419	50	100	100	80	80				
Integrated Residential Development Programme /Green field Programme						50	0	0	0	0	50				
Rectification programme						149	0	20	29	50	50				



5.3 SIPS

Table 186: SIPS

No.	PROJECT	LOCATION	KEY CHALLENGE	SPLUMA PRINCIPLE	PGDS GOALS	IDP STRATEGIC OBJECTIVES	PROGRAMMES	PROPOSED SDF STRATEGY	NSSD STRATEGIC PRIORITY	PERFORMANCE INDICATOR
S2: CORRIDOR DEVELOPMENT										
1.1	Port Shepstone Taxi Rank	Port Shepstone	Lack of Integrated Transport Hub in the Municipality.	Spatial Sustainability/ Spatial Efficiency	Goal 4	To promote and enhance development planning, spatial planning and land use management	SIP 2	Create a hierarchy of integrated public transport services related to the accessibility grid.	Strategic Priority 1	Completed and functional Integrated Taxi Rank
S3: NODAL DEVELOPMENT SERVICES CENTRES										
	N/A									
S4: CONTINUUM OF SUSTAINABLE HUMAN SETTLEMENTS										
2.1	Rural Housing Development	Hlomendlini/ Vukuzithathe/ KwaMthimude/ KwaXolo/ KwaMadlala/KwaNzimakwe	Backlog in Service Delivery	Spatial Sustainability	Goal 3	To improve access to adequate shelter in the form of sustainable human settlements	Breaking New Ground	Redress existing imbalances in the distribution of different types of residential development, and avoid creating new imbalances.	Strategic Priority 4	Number of housing units completed
2.2	Slum Clearance Projects	Lousiane / Mkholombe / Masinenge/						Transform townships and informal settlements into economically and socially integrated neighbourhoods		



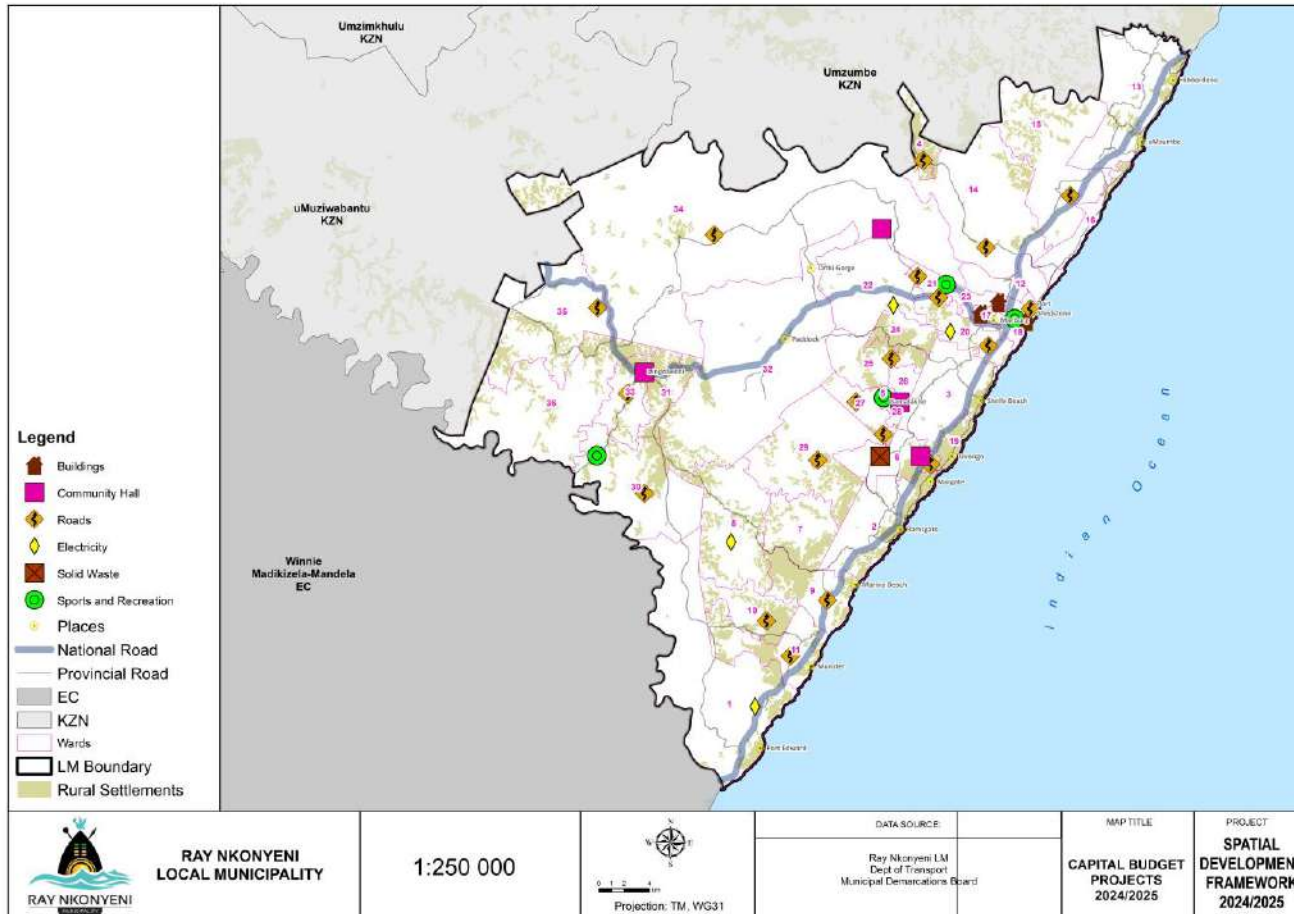
2.3	Urban Housing Projects	KwaNzimakwe/ Gamalakhe/ Bhobhoyi/ Merlewood						Encourage public/private partnerships to develop integrated human settlements and diversify housing delivery.		
S5:PROTECTION OF AGRICULTURAL LAND										
3.1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S6: SERVICE AND SOCIAL INFRASTRUCTURE										
4.1.	Water and Stormwater Services and Management		Backlog in Service Delivery	Spatial Sustainability/ Spatial Justice	Goal 4	To address infrastructure backlogs and extend access to basic services	SIP 6, 18	Ensure that new urban development is supported by appropriate basic infrastructure and services	Strategic Priority 4	Completed Water Supply and Stormwater Projects
4.2.	Electrification Projects	Rural and urban Ward 30,31,33,34,35,36					SIP 6, 8, 9 &10		Strategic Priority 3	Completed Electricity Projects and Infrastructure
4.3	Community Halls	Ward 8, 36								Constructed Community Halls
S7: UNLOCKING ECONOMIC POTENTIAL										
5.1	Port Shepstone Technology Hub	Shelly Beach	Unsustainable Economic Growth	Spatial Efficiency/ Spatial Justice/ Spatial Sustainability	Goal 1 & 7	To promote strategic and transformative release of land to foster inclusive economic development	SIP 2	Encourage area specialisation and the development of a diverse, mutually supportive system of economic areas	Strategic Priority 1	Fully developed Technology hub.
5.2	Upgrade of Margate Airport and Runway	Margate								Upgraded Airport Runway
S8: SUSTAINABLE INTEGRATED SPATIAL PLANNING SYSTEM										



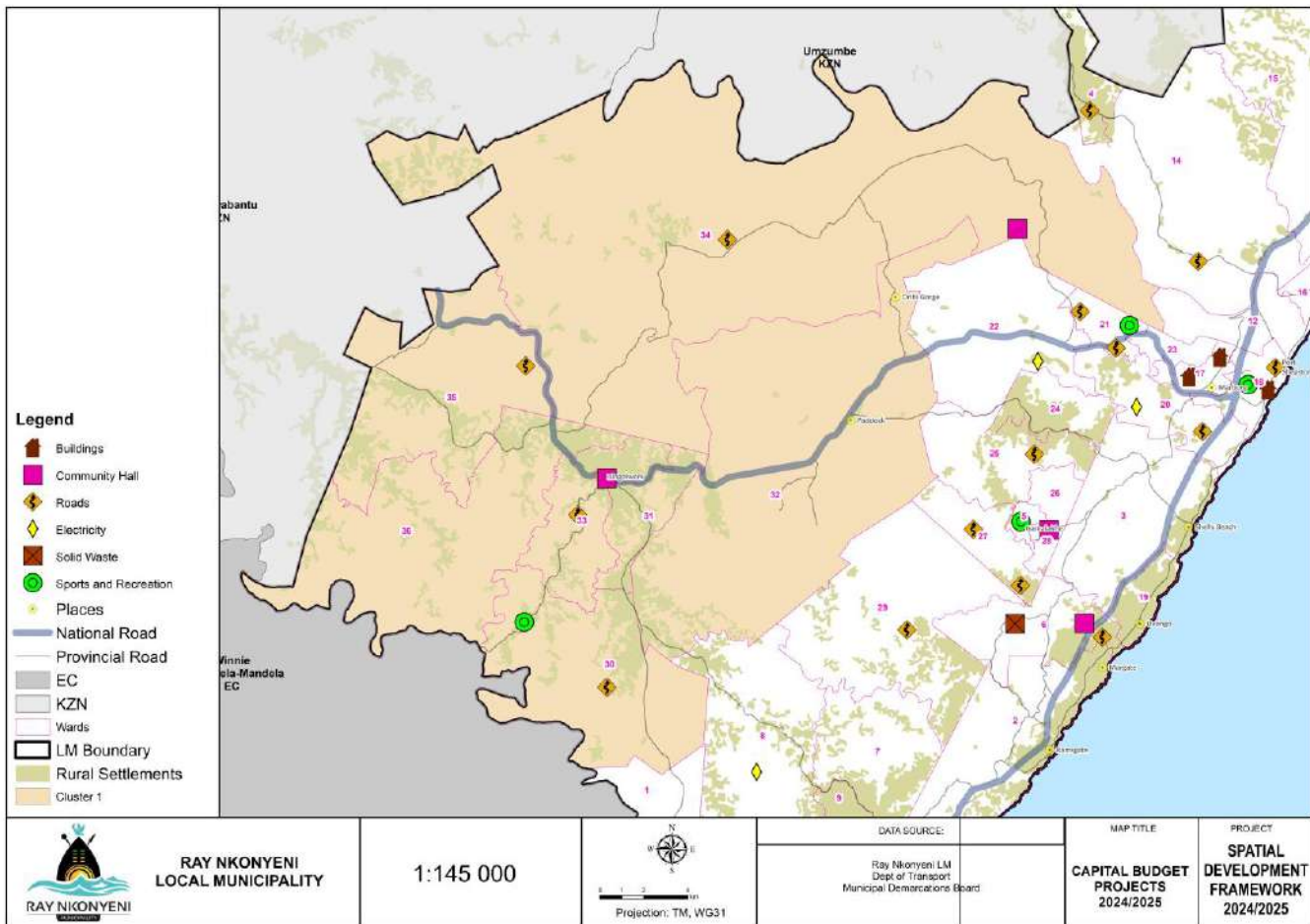
6.1	SPLUMA Implementation appointment and gazetting	Entire Municipality	Inadequate regulatory policies to direct development in the Municipality	Good Administration/ Spatial Equity	Goal 6 & 7	To promote and uphold principles of transparency, accountability, good governance and legal compliance	SIP 7	Facilitate urban development and direct the phasing of urban growth through deliberate and integrated use of planning, infrastructure provision, and the regulatory and fiscal authority of all spheres of government.	Strategic Priority 1	Completed regulatory plans which have been adopted by Council.
6.2	Creche database in Ray Nkonyeni Municipality									
6.3	Seapark/South port Corridor Plan									
6.4	SDF Reviewed									
6.5	Murchison Rural Node									



Map 81: CIF Map 1 – Consolidated CIF Projects

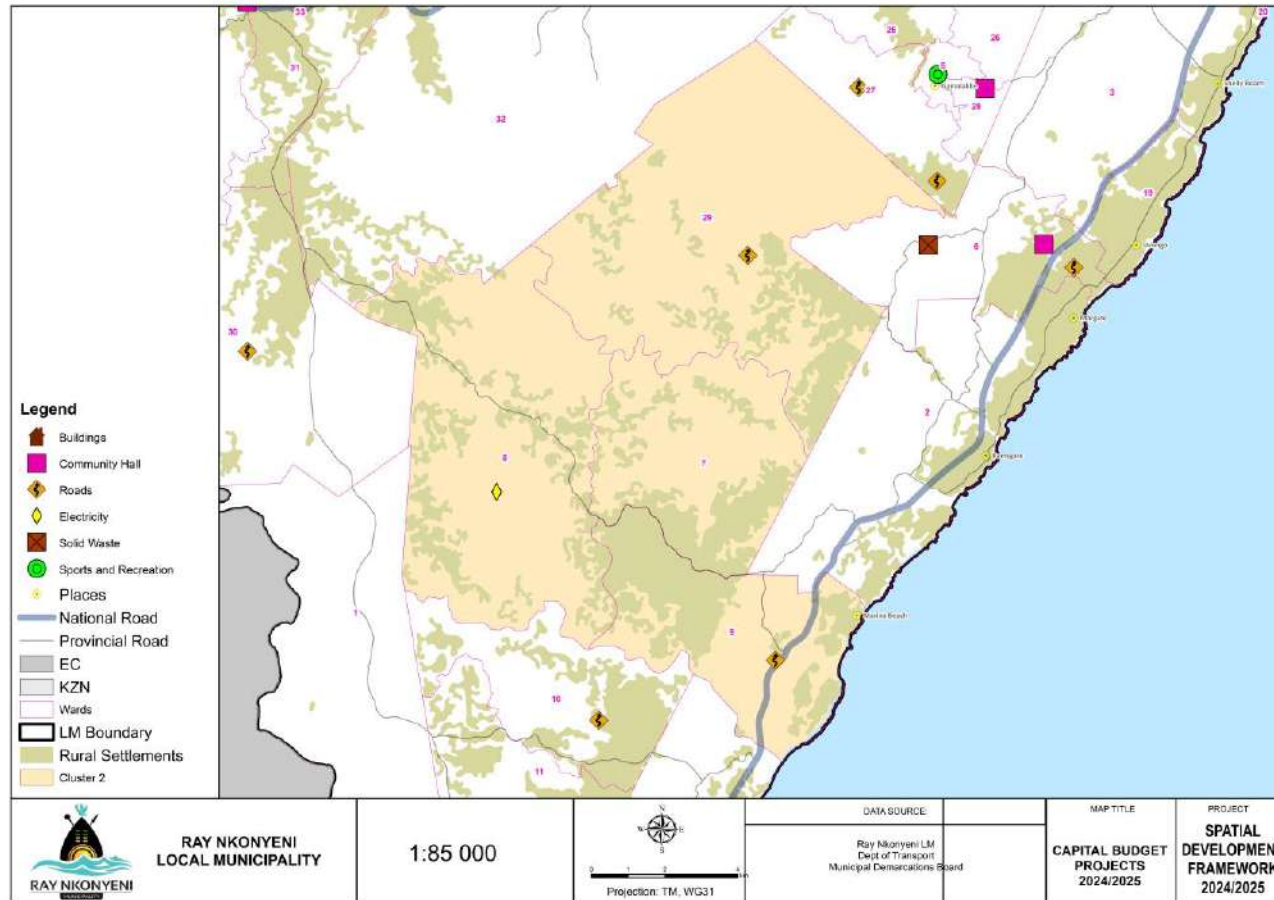


Map 82: Cluster 1



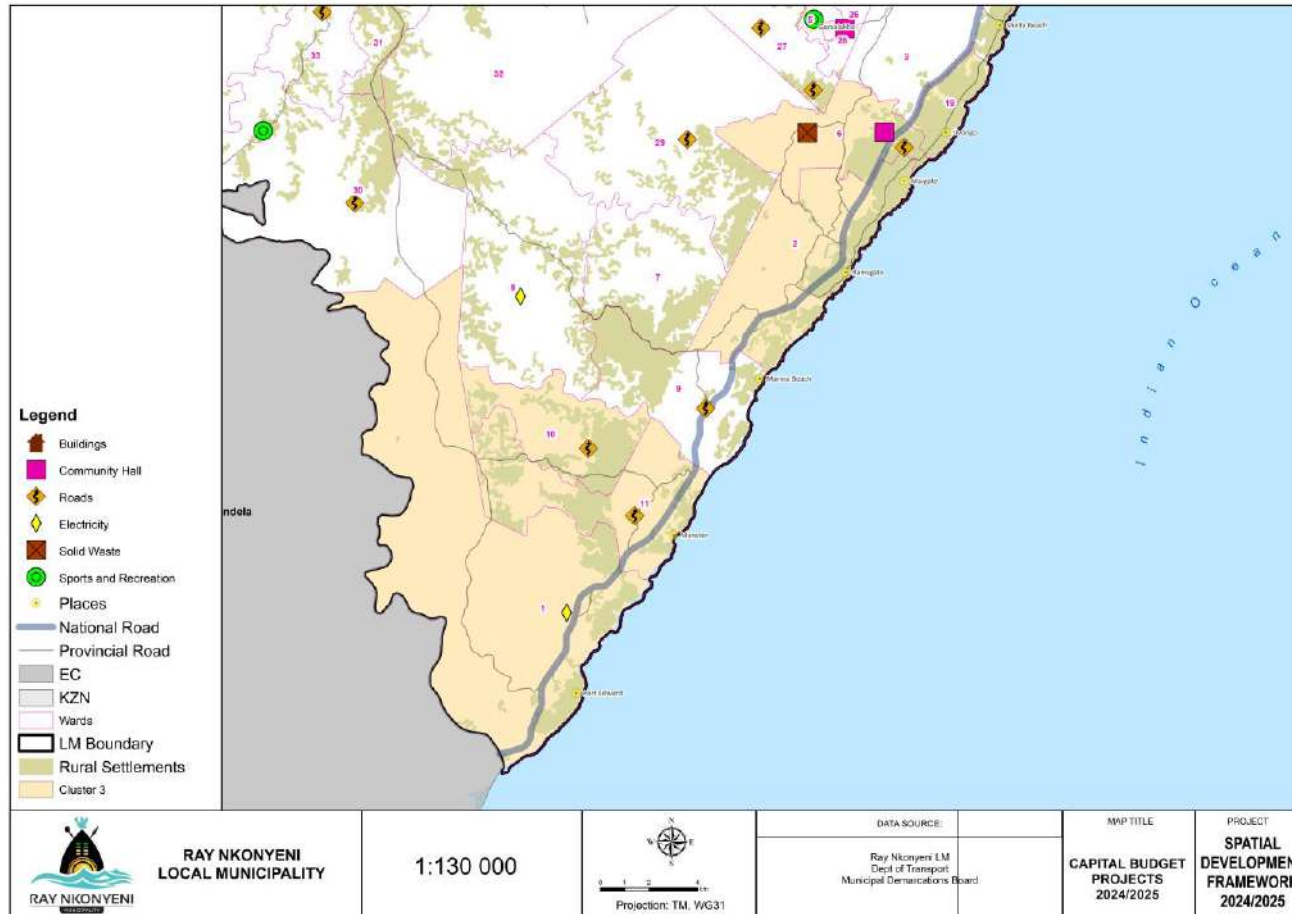


Map 83: Cluster 2



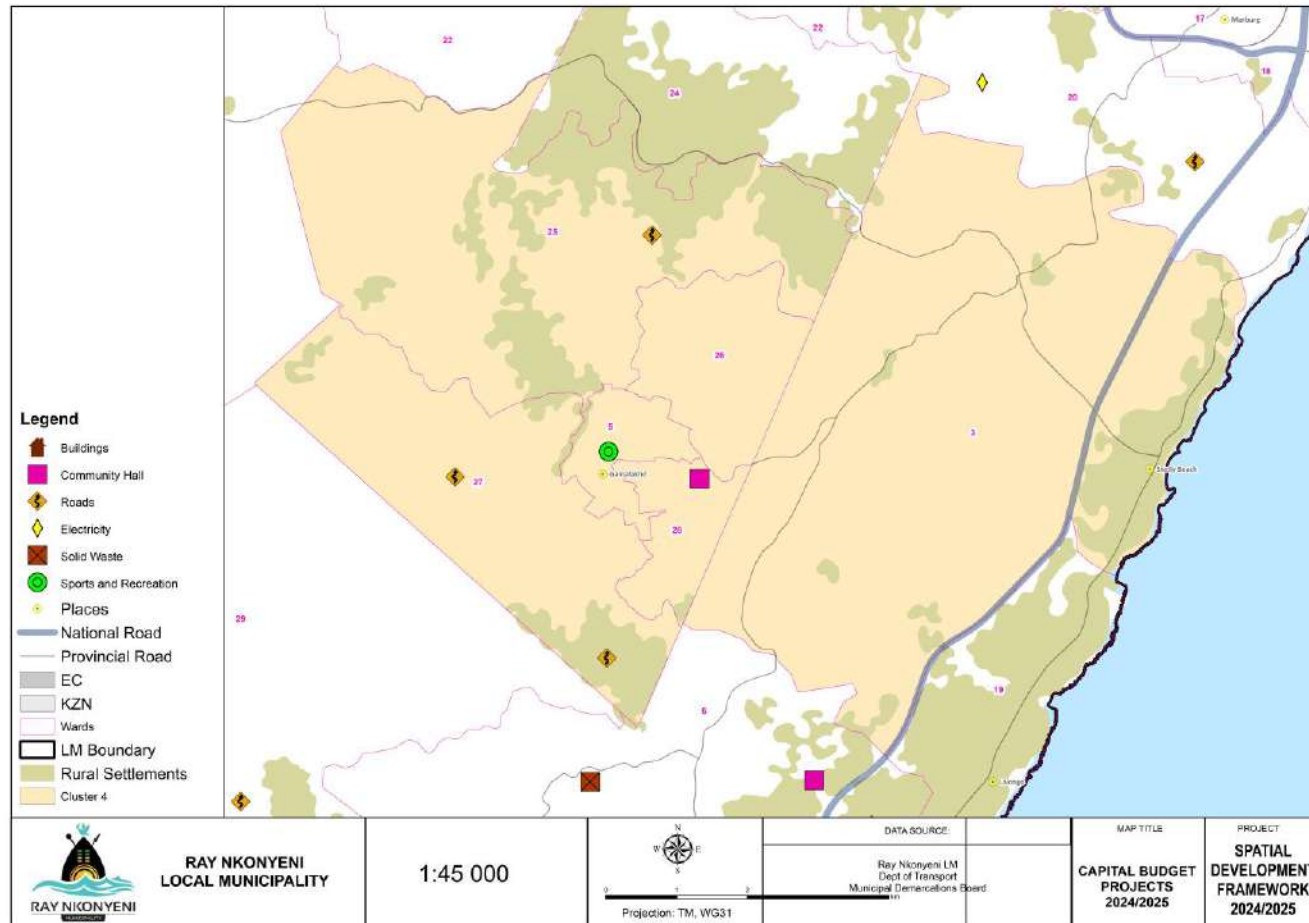


Map 84: Cluster 3



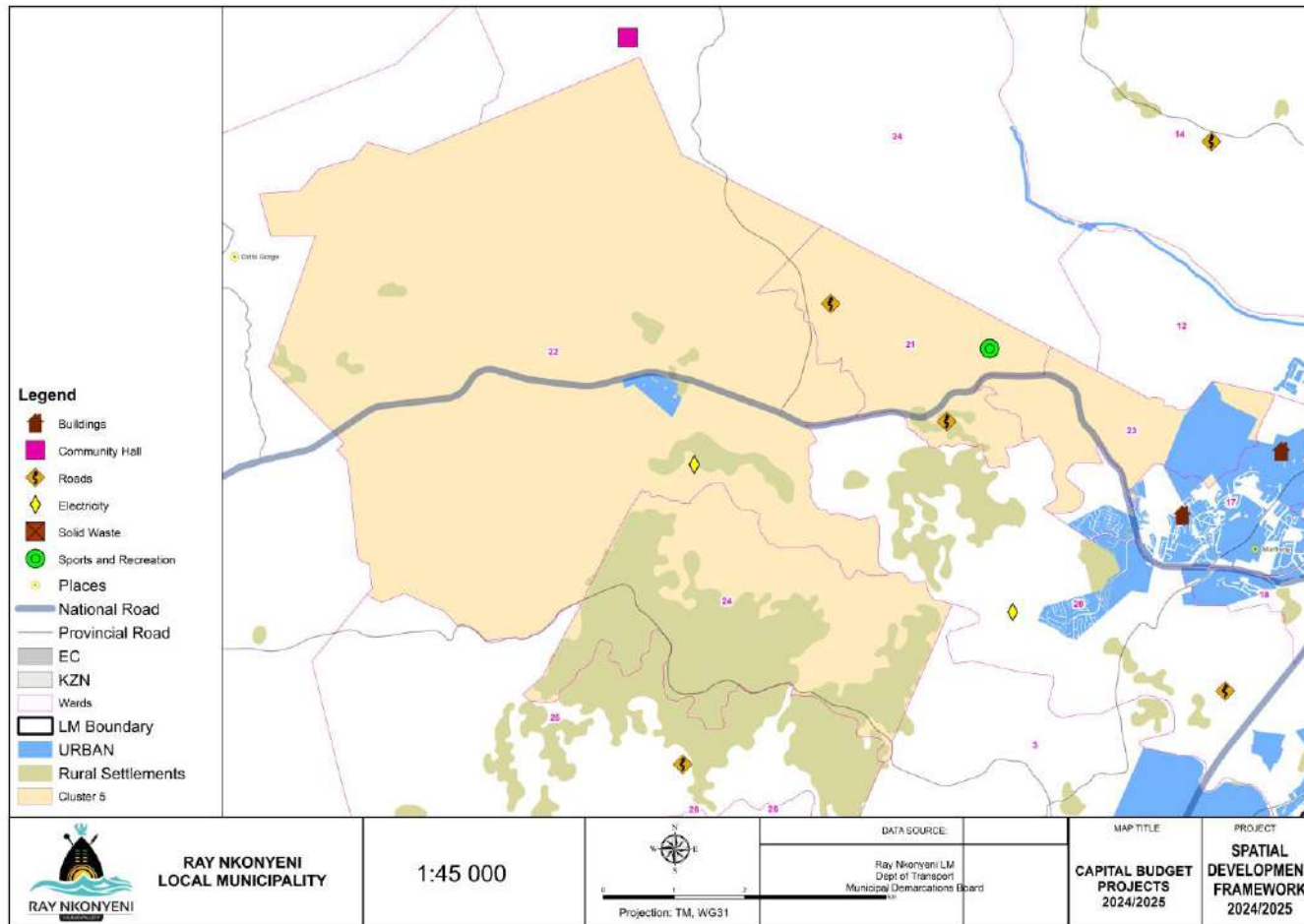


Map 85: Cluster 4



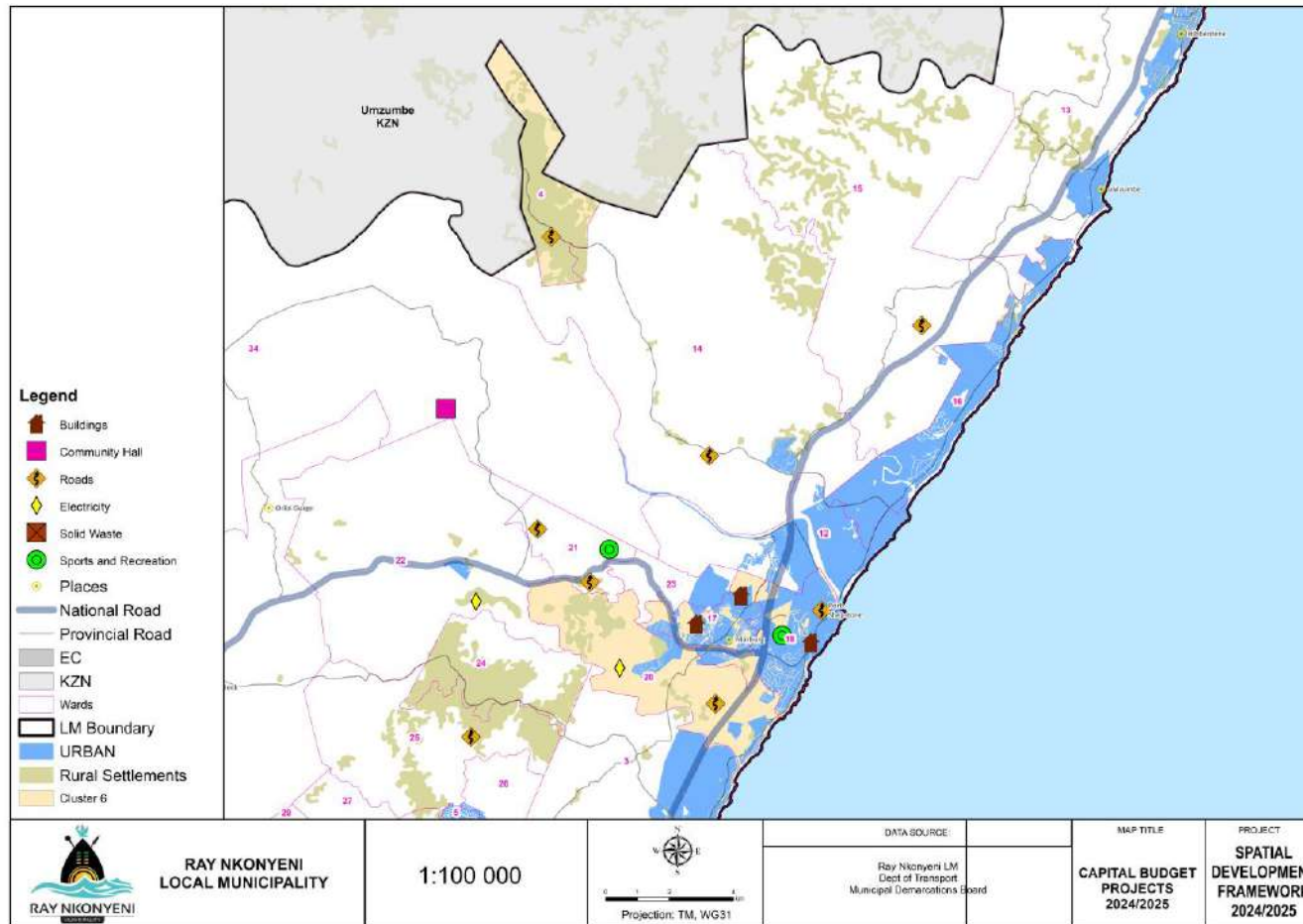


Map 86: Cluster 5



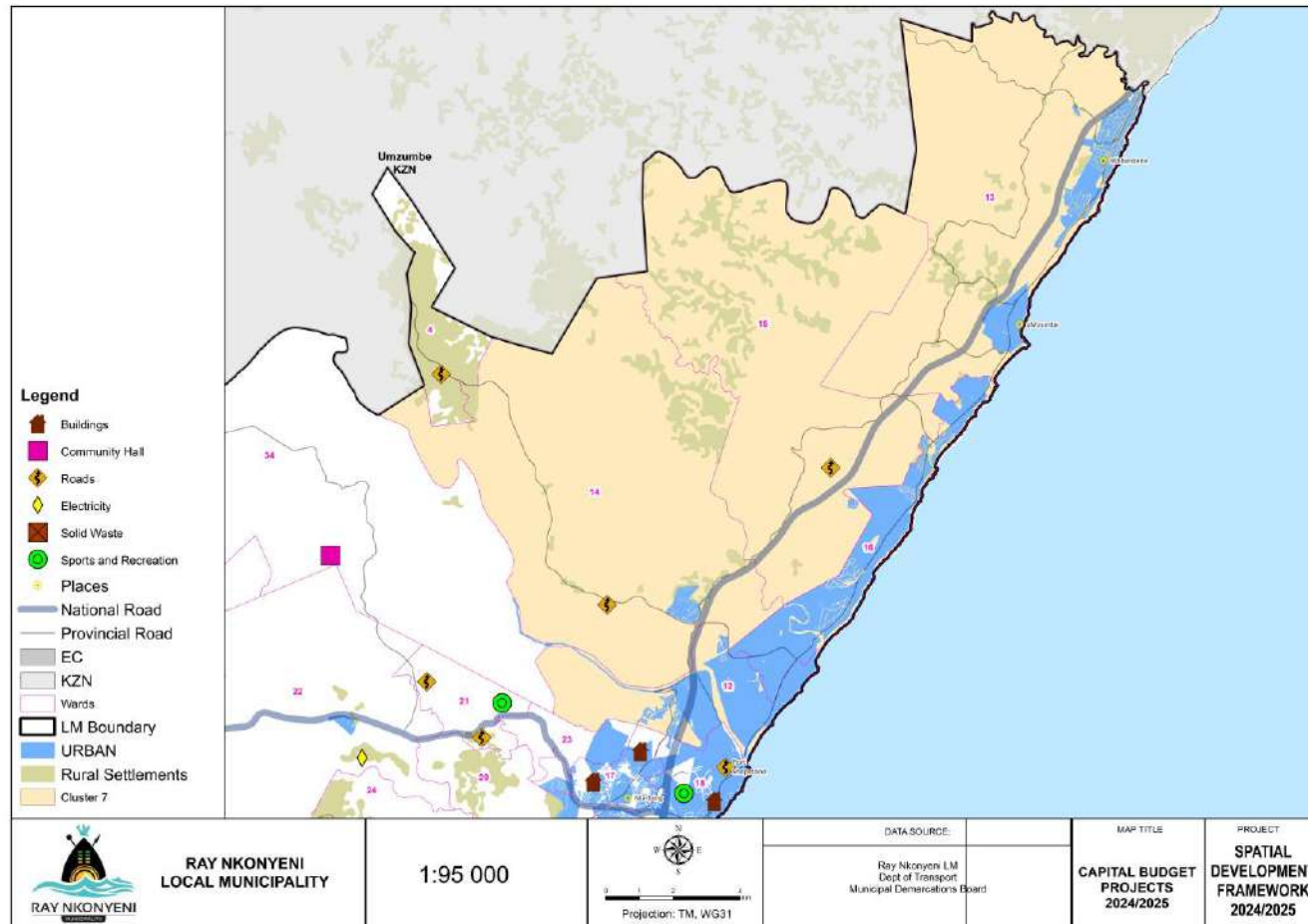


Map 87: Cluster 6





Map 88: Cluster 7





5.4 One Plan One Budget

Section 214(1) of the Constitution requires that every year a Division of Revenue Act determine the equitable division of nationally raised revenue between national government, the nine provinces and 257 municipalities. This process takes into account the powers and functions assigned to each sphere, fosters transparency and is at the heart of constitutional cooperative governance.

In order for a One Plan One Budget to be effective, Provincial Treasury has published transfers to municipalities in terms of Section 30(2) of the Division of Revenue Act, 2020. For this to be effective, Ray Nkonyeni Municipality has aligned with sector departments to close the gaps in terms of projects entailed in the National Treasury and Provincial Treasury.

Below is a list of budgeted projects for Ugu District:



Table 187: UGU Budgeted Programmes

PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION & PHASE	OBJECTIVES	ALIGN: IDP, 1PLAN, D GDP PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/S	RESP. ORG./DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
Resuscitation And Development of Integrated Passenger and Freight Rail Service, and resuscitation of tourism rail line. Double Track, Electrified/ Energy Driven Including High Speed. (Passenger And Freight)	The Railway Line between Durban and Port Shepstone is vital important to the proposed Industrial Development in Ugu district. The rehabilitation and its maintenance remain the primary responsibility of Transnet. Network includes PRASA and Transnet. Metro Rail from Durban to Kelscottburgh-Park Rynie. There is a PRASA proposal to develop a south coast rail corridor which will cover KZN, Eastern Cape and Western Cape. This is subject to a feasibility to be done.	To improve the efficiency of the production and distribution of products and services to, within and out the district through the development of double track, electrified/energy driven high speed passenger and freight rail. To link industrial nodes/hubs and parks to ports, airport cargo and economic areas in KZN.	YES	District-wide across all LMs: RNM, Umuziwabantu, Umzumbi and Umdoni	Long-Term with medium term sections			Not fully <u>ascertained</u>		Transnet Prasa DOT Provincial and Local Government	GM: EDES & Manager Development Planning			Illovo River Bridge damaged, <u>vandalised</u> and stolen equipment. Repairs estimated to take 24 months. The development will coincide with industrial parks <u>etc.</u> <u>development</u>
Port And Harbour Development: Small Craft Harbour and Commercial Port Hibberdene, Port Shepstone, Port Edward	Hibberdene Small Craft <u>Harbour</u> Development & Port Shepstone and Port Edward. Hibberdene commercial port? Key linkage to rail to industrial nodes hubs and parks	To improve the efficiency of the production and movement/distribution of goods and services to and from the Ugu District (commercial port) To <u>maximise</u> the oceans economy opportunities.	YES	District-wide benefits: Although located in RNM.	Long to medium term development	Unsolicited Bids		Hibberdene Small Craft <u>harbour</u> Estimated: R0.7 <u>billion</u> Port Shepstone Beachfront R180 million		National Ports Authority for Commercial port Dept Public Works (small craft <u>harbour</u>) Dept Agriculture, forestry and	GM EDES and Manager Planning.			Unsolicited Bids for two small <u>craft harbours</u> , and other PWD Initiatives District and LM not necessarily involved in.



PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION & PHASE	OBJECTIVES	ALIGN: IDP, 1PLAN, D GDP, PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/S	RESP. ORG./DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
		To maximise the tourism potential offered through small craft backlog developments.								fisheries (operations) Provincial and Local Govt				
Margate Airport and Aerotropolis	RNM Municipal Owned Airport	To develop this airport into a regional Airport and to develop the surrounds, including piloting various smart city initiatives.	YES	District-wide benefits although based in: RNM,	Medium Term	Phase One Complete		R285 Million		RNM, National, Provincial and Local Govt,	RNM Snr Manager GM EDES and Manager Dev Planning			Resource Constraints linked to various operational requirements.
Smart Circular Economy Waste Management	Initial Conceptualisation Alternative to current linear take-make-dispose economic model to a reducing waste to a minimum by reusing, repairing, refurbishing, and recycling existing materials and products. Wastewater of Ugu within context of spillages, add value to contribute to economic growth and transformation.	To implement circular economy waste management To add value to waste water in order to benefit economic activities and reduce harm to the environment. (minimize waste generation, sep at source, direct waste streams to various ways of using and treating waste as a resource)	YES	District-wide: RNM, Umuziwabantu, Umzombe and Umdoni	Medium to Long Term			Not yet quantified.		National, Provincial and Local Govt	GM EDES and Manager Dev Planning			Funds needed to do feasibility, plan and pilot.
Renewable Energy	Feasibility with identified RE type per area above threshold for viability been identified.	To set targets to progress towards usage of alternative, sustainable energy sources.	YES	District-wide: RNM, Umuziwabantu, Umzombe and Umdoni				Being Finalised		National, Provincial and Local Govt, Eskom	GM EDES Manager Dev Planning			From feasibility need to package read for investors: need funding to do so.
Smart Connectivity Broadband and	Various initiatives but not consolidated for an integrated approach.	Connected inhabitants in the district.	YES	District-wide: RNM, Umuziwabantu,				Pockets in LMs done.		National, Provincial, Local Government	Deidre and Zekhethelo			Funding for Packaging and investment



PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION & PHASE	OBJECTIVES	ALIGN: IDP, 1PLAN, D GDP PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/S	RESP. ORG./DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
Connectivity Roll Out	Pockets within LMs. Need for consolidated, integrated approach.			Umzumbe and Umdoni										
Bulk Water Infrastructure St Helens Rock Upgrade & Umzimkhulu permanent berm	Phase II Prelim design & BP prep stage. Bulk Water Permanent Concrete Salt Containment Berm & Upgrade of St Helens Rock Raw Water Abstraction, Pump Station and Bulk Pipelines (Phase 2). Various Funding Sources Need to align.	Reliable Provision of Water to standard.	YES	RNM, Umzumbe						National, Provincial, Local Government	Deidre and Zekethelo			
Bulk Water Infrastructure Umthanyuma Upgrade	Phase 2. Prelim design and BP Prep. Upgrading of Raw Water abstraction, pumpstation, bulk pipelines, water treatment works & off-channel storage dam. Various Funding Sources Need to align.	Reliable Provision of Water to standard.	YES	RNM						National, Provincial, Local Government	Deidre and Zekethelo			
Bulk Water Infrastructure Harding-Weza Bulk Regional Scheme	Preliminary Design & BP Prep Stage. Construction of Weza Dam, Weza WTW, bulk pipelines, pumpstations and storage.	Reliable Provision of Water to standard.	YES	RNM						National, Provincial, Local Government	Deidre and Zekethelo			



PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION & PHASE	OBJECTIVES	ALIGN: IDP, 1PLAN, DGDG PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/S	RESP. ORG./DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
	Various Funding Sources Need to align.													
Bulk Sanitation Upgrade	Prelim Design & BP Prep Stage Various Funding Sources Need to align.	Sound, sustainable wastewater management.	YES	RNM						National, Provincial, Local Government	Deidre and Zekhethelo			
Bulk Sanitation Upgrade	Prelim Design & BP Prep Stage Various Funding Sources Need to align.	Sound, sustainable wastewater management.	YES	RNM						National, Provincial, Local Government	Deidre and Zekhethelo			
Waterborne Upgrade	Prelim Design & BP Prep Stage Various Funding Sources Need to align.	Do away with conservancy tanks, to waterborne sanitation.	YES	RNM						National, Provincial, Local Government	Deidre and Zekhethelo			
Waterborne Upgrade	Prelim Design & BP Prep Stage Various Funding Sources Need to align.	Do away with conservancy tanks, to waterborne sanitation.	YES	RNM						National, Provincial, Local Government	Deidre and Zekhethelo			
Industrial Parks Revitalisation and Development	One Per LM: Different types of industrial parks either revitalise or develop with private sector. Linkage to Rail, Road, Airport and Port Proposed Developments.	To enable efficient and effective value-add manufacturing through revitalizing and/or developing industrial parks linked to transport	YES	District-wide: RNM, Umuziwabantu, Umzumbi and Umdoni						National, Provincial, Local Government	Deidre and Zekhethelo			Funding for Packaging for Investors



PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION & PHASE	OBJECTIVES	ALIGN: IDP, 1PLAN, DGDG PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/S	RESP. ORG./DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
Turton Beach Development Framework	Beach Development, formalization of undeveloped coastal strip.	Capitalize on the Tourism Economy & activities associated Beach Dev.	YES	Umzumb Local Municipality, Hibberdene	0 – 48 months			R280 million	Private Public (EDTEA, DPT Tourism)	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Council Adopted Plan & Projects. Need Funding to implement
KwaRungoshe Local Area Plan	Rural Development & innovative programme (alternative energy farms, game reserves, agro-processing plants)	Addressing past spatial imbalance, bringing services closer to communities, creating vibrant rural economy	YES	Umzumb LM, Highlets	0 – 48 months			R150 million	Private public (LIMA, DAFF)	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Council Adopted Plan & Projects. Need Funding to implement
KwaMosi Local Area Plan	Rural Development & innovative programme implementation (Tourism, recycle stations)	Addressing past spatial imbalance, bringing services closer to communities, creating vibrant rural economy	YES	Umzumb LM, Highlets	0 – 48 months			R120 million	Private public (EDTEA, Tourism,	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Council Adopted Plan & Projects. Need Funding to implement
St Faiths Town Development	Town Establishment (Commercial / social & Residential)	Development of a regional Node	YES	Umzumb LM,	0 – 48 months			R220 million	Private public (DBSA, National Treasury	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Precinct Plan & Land acquisition in progress (Letters of interest received from private sector)
Mehlonyameya Town Development	Town Establishment (Commercial / social & Residential)	Development of a regional Node	YES	Umzumb LM,	0 – 48 months			R120 million	Private public (DBSA, National Treasury, EDTEA	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Precinct Plan and land acquisition in progress
Turton Corridor	Tourism Development, Crafters markets, cultural activities (Streets Marketing/ sales)	Improved rural economy, attract tourism on locally made products		Umzumb LM	0 – 52 months			R140 million	Private public (DOT, EDTEA)	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	Market Stalls Establishment Plan in progress & Corridor Plan still at concept stage
Makazi Mountain & Mavuleni Tourism sites, Umzumb River Trails	Adventure Tourism facility	Infuse Rural Tourism with Adventure tourism, Mount Lift viewpoints, hacking trails		Umzumb LM				R250 million	Private / Public (DPT Tourism,	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	MOU between potential funders in progress
Turton Town Development	Land acquisitions & development of Town Centre	Formalize Town		Umzumb LM Hibberdene				R400 million	Private / Public	Umzumb LM	Mr VI Sibiya & Mr SE Nxele	X	X	MOU between LM & Landowners in progress



PROJECT DETAILS				SPATIAL LOCATION	TIMEFRAME			BUDGET		RESPONSIBILITY				COMMENT
NAME	DESCRIPTION	OBJECTIVES	ALIGN: IDP, 1PLAN, DGDG PGDP	MUNICIPALITY & TOWN	DURATION	START DATE/ PLANNED START DATE	END DATE/ PLANNED END DATE	TOTAL BUDGET	BUDGET SOURCE/ \$	RESP. ORG. /DEPT.	RESP. PERSON / CONTACT	IMPLEMENTER AGENT / FUNDER / INVESTOR		COMMENT/ PROGRESS
												PRIVATE	PUBLIC	
Techno-hub	This is part of its endeavors to facilitate the unlocking of the economic and social value of its local economy. It is an initiative that will include Companies devoted to commercial applications of technology.			Ray Nkonyeni Local Municipality -Port Shepstone				R61000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
Oatlands Landfill Site	Creation of additional airspace for waste management. Exploration of generation of alternative and renewable energy from Landfill Site			Ray Nkonyeni Local Municipality -Port Shepstone				R65000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
Port Shepstone Beachfront Redevelopment	Mixed-use beachfront development with both public & private investment - prominent public art features, craft centres , water features, beach hotel & apartments.			Ray Nkonyeni Local Municipality -Port Shepstone				R180000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
uMzimkhulu Coastal River Park	River Park with promenade, picnic facilities, braai facilities, etc.			Ray Nkonyeni Local Municipality -Port Shepstone				R75000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
Port Shepstone Government Complex	Development of a One-Stop Shop Government Precinct in Port Shepstone			Ray Nkonyeni Local Municipality -Port Shepstone				R500000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				



St Michaels to Margate Promenade	Development of Beachfront Promenade with walking, running pathways, aesthetic lighting, parking areas, restaurants & public open space			Ray Nkonyeni Local Municipality -Margate				R91000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
South Coast Regional Conferencing Center	Conference facility to attract investment events & business tourism.			Ray Nkonyeni Local Municipality				R150000000.00		Ray Nkonyeni Local Municipality- Department of Development Planning Services				
Establishment of Special Economic Zone				Ray Nkonyeni Local Municipality						Ray Nkonyeni Local Municipality- Department of Development Planning Services				



SECTION F: FINANCIAL PLAN

6.1 Financial Plan

Executive Summary

The application of sound financial management principles for the compilation of the Ray Nkonyeni Local Municipality's Budget is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainability, economically and equitably to all communities. Ray Nkonyeni Municipality's business and 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 programs to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

6.1.1 Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected.
- Cash-backed accumulated funds from previous years' surpluses not Committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17(2).
- Achievement of this requirement in totality effectively means that a Council has surplus in its budget by ensuring that a budgeted outflow does not exceed planned inflows.
- Under old budget, formats income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive. New budgeting and accounting formats demand that the budgeted Statement of Financial Performance, the Budgeted Statement of Financial Position, and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability.

6.1.2 A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;



- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore, the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.



SECTION G: ANNUAL OPERATIONAL PLAN(SDBIP)

7.1 SDBIP

The municipality has developed its SDBIP to fulfil both the requirements of the Municipal Systems Act and the Municipal Finance management Act. In this section the policy framework for performance management system is summarized and the final draft 2024/2025 SDBIP and complete policy framework attached as an annexure,

The municipality has attached its Draft SDBIP (**See attachment 4: SDBIP**)



SECTION H: ORGANIZATIONAL PERFORMANCE MANAGEMENT FRAMEWORK

8.1 Introduction

This chapter provides indicators under each focus area that an IDP must respond to. Importantly, this analysis to strategic programmes and project development, it also presents a discussion about the importance of linking planning, budgeting, and implementation, monitoring and reporting. It also outlines a process to be followed to ensure proper linkage of these processes to ensure effective implementation.

The Municipal Planning and Performance Management Regulations stipulate that a municipality's Organisational Performance Management System (OPMS) 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. In line with the said legal requirement this framework should be seen as a policy document that will set out:

The requirements that the Ray Nkonyeni Municipality's OPMS will need to fulfil:

- The principles that must inform its development and subsequent implementation
- The preferred performance management model of the Municipality
- The process by which the system will work
- The delegation of responsibilities for different roles in the process and
- A plan for the implementation of the system

8.2 The Legislative Framework for Performance Management

The major OPMS policy instruments are the 1998 White Paper on Local Government supported by the Batho Pele principles encompassed in the White Paper on the Transformation of Public Service Delivery (1997). These policies were given legal stature through the adoption of the Municipal Systems Act in 2000 (Act 32 of 2000).

The Municipal System Act requires all municipalities to:

- Develop a performance management system
- Set targets and monitor and review the performance of the Municipality based on indicators linked to their Integrated Development Plan (IDP)
- Publish an annual performance report on performance of the Municipality forming part of its annual report as per the Municipal Finance Management Act (MFMA).
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government
- Conduct, on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor-General



- Involve the community in setting indicators and targets and reviewing municipal performance

The Minister responsible for local government published the Municipal Planning and Performance Management Regulations (2001) in terms of the Municipal Systems Act setting out in detail the requirements for a municipal OPMS. The Regulations also contain the general indicators prescribed by the Minister responsible for local government. In 2006 the Minister published a further set of Regulations dealing with Performance Management for Municipal Managers and Managers Directly Accountable to Municipal Managers.

It is also important to note that the MFMA contains various important provisions related to municipal performance management. For instance, the MFMA requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with service delivery targets and performance indicators;

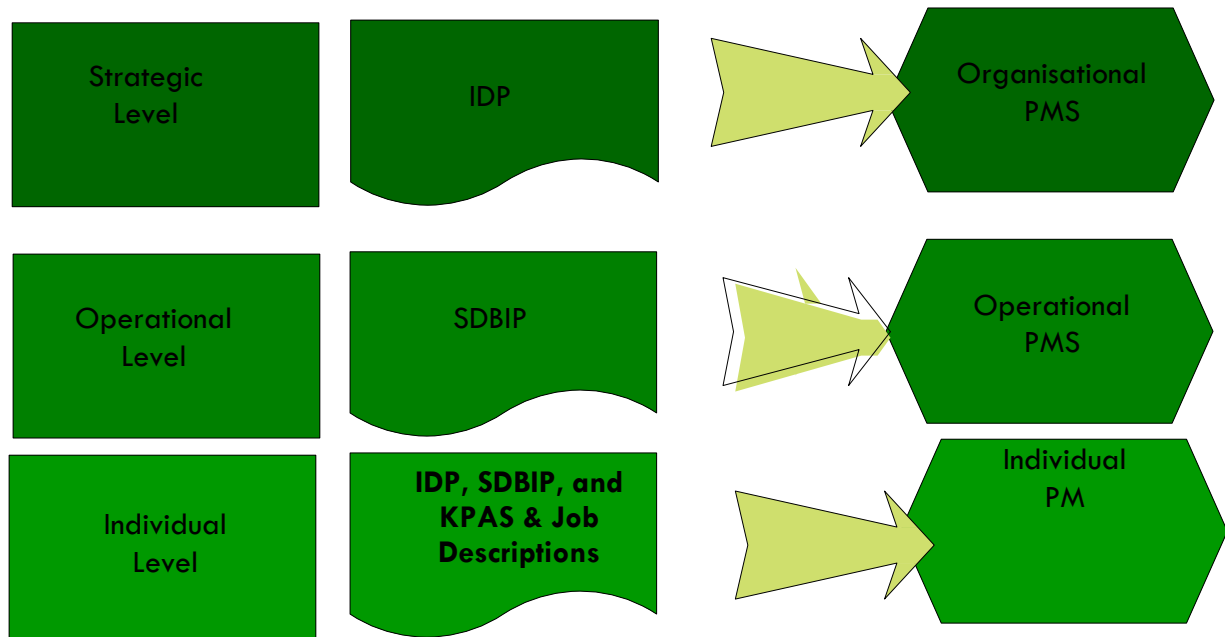
Provision is also made for this at departmental level in a circular issued by the National Treasury. Whilst considering and approving the annual budget the Municipality must also set measurable performance targets for each revenue source and vote. Finally, the Municipality must compile an annual report, which must include a performance report compiled in terms of the Systems Act.

8.2.1 Managing And Measuring Performance At Various Levels

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



Illustration 25: Strategic (Organisational) Performance linked to the integrated development plan (IDP) of a municipality



Objectives of the Municipality's Performance Management System as indicated in the previous section, the Municipality's OPMS is the primary mechanism to monitor, review and improve the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. The system should fulfil the following objectives:

- i. 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.

8.2.2 Support Municipal Oversight

The performance management system should support oversight by the Council and community over the performance of the Executive Committee and Municipal Administration.

Facilitate learning and improvement.

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

Provide early warning signals.

It is important that the system ensures decision-makers are timeously informed of performance related risks, so that they can facilitate intervention where necessary.

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

8.2.3 Performance Reporting and Review

The next two stages in the process of performance management, namely that of performance reporting and performance review, will be dealt with together. This section is further divided into three sub-sections dealing with the requirements for 'in-year reviews' annual reporting and reviews and lastly a summary of the various reporting requirements.

8.2.4 In-year Performance Reporting and Review

The submission of the scorecard to the Executive Committee for consideration and review of the performance of the Municipality as a whole is the next step in the process. The first such report is a major milestone in the implementation of any OPMS and it marks the beginning of what should become a regular event, namely using the performance report as a tool to assess and review the Municipality's performance and to make important political and management decisions on how the municipality can improve its performance.

As indicated earlier it is recommended that the organisational scorecard be submitted to the Executive Committee for consideration and review on a quarterly basis. The reporting should therefore take place in October (for the period July to end of September) January (for the period October to the end of December), April (for the period January to end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per Section 72 of the MFMA. This Section determines that the must, by 25 January of each year, assess the performance of the municipality and report to the Executive Committee via the Mayor on, inter alia, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP.

Performance review is the process whereby the leadership of an organisation, after the performance of the organisation has been measured and reported to it, reviews the results and decides on appropriate action to be taken. The Executive Committee, when reviewing the organisational score card submitted to it, will have to ensure that the targets committed to in the score card have been met, and where they have not, that satisfactory and sufficient reasons for this have been provided by senior management and that the sufficient and appropriate corrective action has been proposed to address the reasons for poor performance. If satisfied with the corrective action as proposed these must be adopted as formal resolutions of Council and must be minuted and actioned accordingly.

Section 44 (4) of the Municipal Structures Act 1998 (Act 117 of 1998) as amended requires that the Executive Committee must report to Council on all its decisions taken. The outcome of the quarterly performance reviews by the Executive Committee must, in line with this requirement, be reported to the full Council for it to perform its oversight function over the performance of the Municipal Executive and Administration. In doing so Council must review the decisions taken and resolve whether it is satisfied with the corrective action adopted by



the Executive Committee. If they are not then the Executive Committee recommendation must be amended accordingly and the amendments minuted and actioned.

8.2.5 Annual Performance Reporting and Review

A comprehensive report on the performance of the Municipality also needs to be compiled on an annual basis. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary the MFMA requires that: All municipalities for each financial year compile an annual report which report must include the municipal performance report

The annual report be tabled within seven months after the end of the financial year. The annual report be made public immediately after it has been tabled and that the local community be invited to submit representations thereon. The municipal Council considers the annual report within nine months of the end of the financial year and adopts an oversight report containing the Council's comments on the annual report. The oversight report as adopted be made public. The annual report as tabled and the Council's oversight report be forwarded to the Auditor-General, the Provincial Treasury and the Department responsible for local government in the Province. The annual report as tabled and the Council's oversight report be submitted to the Provincial legislature.

It is important to note that the municipal performance report of a municipality is only one element of the annual report. To ensure that the annual report compilation, tabling and review process is completed in time to inform the next cycle of performance planning in accordance with the IDP compilation/review process, it is recommended that the annual performance report be compiled and completed as soon after the end of each financial year as possible but ideally not later than two months after financial-year end.

The oversight report to be adopted provides the opportunity for the full Council to review the performance of the Municipality in line with its oversight role. The requirement that the annual report, once tabled, and the oversight report be made public also provides a mechanism for the general public to review the performance of the Municipality in line with the community's oversight role.

In order to facilitate the oversight process it is recommended that a municipal oversight committee be established consisting of a selected number of Councillors not serving on the Executive Committee. Council should also consider in line with oversight best practice that the chairperson of the oversight committee be a member of an opposition party.

The oversight committee will be responsible for the detailed analysis and review of the annual report and the drafting of the oversight report. In doing so the committee must establish mechanisms to receive and review representations made by the public on the annual report and also seek inputs from other and Council portfolio committees. Such mechanisms could involve all or any combination of the following:

- Producing a user-friendly citizens' report in addition to the annual report for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.
- Using of various forms of media including radio, newspapers and billboards to convey the annual report.
- Inviting the public to submit comments on the annual report via



- Telephone, fax and email.
- Holding public hearings in a variety of locations to obtain their input on the annual report.
- Making use of existing structures such as ward and/or development committees to disseminate the annual report and invite comments.
- Debating the annual report at a meeting of the IDP Representative Forum
- Hosting a number of public meetings or road-shows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public are invited to comment.
- Posting the annual report on the council website and inviting input
- Conducting Customer Satisfactory Surveys on annual basis as means of community consultation and involvement.

It is further proposed that the oversight committee functions as a MPAC. As such the committee must examine the performance of the municipality.

8.2.6 Reporting requirements

The following table, based on the legislative framework for performance management and this OPMS framework, provides a summary of the various performance reporting deadlines which apply to the Municipality:

Table 188: OPMS Framework

Report	Frequency	Submitted for consideration and/ or review to	Remarks	Responsibility
SDBIP's	Quarterly	Executive Committee	Refer to MFMA Circular 13 of National Treasury	MM
Monthly budget Statements	Monthly	Mayor (in consultation with Exco)	Refer to sections 71 and 54 of the MFMA	CFO
Organisational Scorecard	Quarterly	Executive Committee and then in terms of an Exco report to full Council	OPMS framework (see section above)	MM
Implementation of the budget and financial state of affairs of the Municipality	Quarterly	Council	Refer to section 52 of the MFMA	CFO



SDBIP mid-year budget and performance assessment	Annually during January of each year	Mayor (in consultation with Exco)	Refer to sections 72 and 54 of the MFMA	MM / CFO
Performance report (including Customer Satisfactory Surveys)	Annually	Council	Refer to section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report	MM
Annual report	Annually	Council	Refer to chapter 12 of the MFMA	MM



SECTION H.3: BACK TO BASICS

The municipality has a dedicated official (Manager Performance Monitoring and Evaluation) who ensures that the monthly reports as well as the quarterly reports as per the requirement are compiled, analysed and sent to both Province and National timeously. These reports are further reported during the SDBIP sessions and if there are findings made, the responsible Head of Department ensures that corrective measures are designed to address those issues.

Our National Development Plan makes it clear that meeting our transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialize. The Goal is to improve the functioning of municipalities to better serve communities by getting the basics right, as per the NDP and through the B2B Programme. It is therefore important to understand where we are, where we could be and what needs to be done to improve performance. Back to Basics Programme recognizes that the core services that local government provides is about our Constitution and Bill of Rights. The country's vision of developmental local government was that it would be the building block on which the reconstruction and development of our country and society was built, a place in which the citizens of our country could engage in a meaningful and direct way with the institutions of the state.

The transformation of the local government sector remains a priority for the current administration. The goal of the Back to Basics Programme is to improve the functioning of municipalities to better serve communities by getting the basics right. It aims to achieve the developmental state of local government and ensure that each sphere of government commits itself to address the challenges faced by local government.

The programme recognizes that we need to do things differently if we want different solutions. It argues that we must change our paradigm to focus on serving the people rather than the extractive elites. To be noted is that the programme draws from the National Development Plan.



5 pillars of the Back to Basics approach which are principles for action are depicted below:

Illustration 26: Back to Basics Pillars



RNM's response: The municipality aims at aligning with the Back to Basics program and pillars by:

- **Training and awareness of Ward committee members, about the program**
- **Holding of public feedback session with Councilors or Mayor , report back to the public**
- **Training of staff and councilors**
- **Continuing of sound financial management and strengthen it, within the municipality**
- **Continuing with the efficient structure of War rooms and Operation Sukuma Sakhe**
- **Continuing with the roll out of essential government services**

The municipality has a dedicated official (Manager Performance Monitoring and Evaluation) who ensures that the monthly reports as well as the quarterly reports as per the requirement are compiled, analysed and sent to both Province and National timeously. These reports are further reported during the SDBIP sessions and if there are findings made, the responsible Head of Department ensures that corrective measures are designed to address those issues.