

NEWCASTLE LOCAL MUNICIPALITY

4TH GENERATION INTEGRATED DEVELOPMENT PLAN (2017/18 – 2021/22)



By 2035, Newcastle will be a Resilient and Economically Vibrant City, Promoting Service Excellence to its Citizens
May 2017

CONTENTS

1. INTRODUCTION.	13
1.1. PURPOSE OF THE IDP.	13
1.2. BACKGROUND TO NEWCASTLE MUNICIPALITY.	14
1.3. OBJECTIVES OF THE INTEGRATED DEVELOPMENT PLAN.	18
1.4. THE FRAMEWORK OF THE INTEGRATED DEVELOPMENT PLAN.	18
1.5. APPROACH.	19
1.5.1. Public Participation.	20
1.5.2. Integrated Development Planning Activities and Timeframes (2017/18).	22
1.5.3. PROCESS PLAN FOR THE COMMUNITY CONSULTATION ON THE IDP/BUDGET (ROADSHOW) 2017. 36	
1.6. IDP/BUDGET/PMS PROCESS PLAN FOR THE 2017/18 MTREF.	37
1.6.1. Process for the development of the Integrated Development Plan (2017/18).	37
1.6.2. Participation of Government Sector Departments.	39
1.6.3. Alignment with the District Family of Municipalities.	39
1.7. KEY DEVELOPMENT CHALLENGES.	40
1.7.1. Service Delivery and Infrastructure.	40
1.7.2. Municipal Transformation and Organisational Development.	41
1.7.3. Local Economic Development.	41
1.7.4. Financial Viability and Management.	42
1.7.5. Good Governance and Public Participation.	42
1.7.6. Cross-cutting issues.	43
1.8. STRATEGY TOWARDS ORGANISATIONAL DEVELOPMENT.	45
1.8.1. Long Term Vision and Mission.	45
1.8.2. Development Strategy.	46
1.9. PERFORMANCE MEASURES.	47
1.9.1. Intended Impact.	47
1.9.2. Performance Management System.	47
2. POLICY AND DEVELOPMENT PRINCIPLES.	51
2.1. NATIONAL POLICY FRAMEWORK.	51
2.1.1. National Development Plan.	51
2.1.2. 14 National Outcomes.	53
2.1.3. Local Government Outcome 9.	54
2.1.4. Strategic Infrastructure Project (SIP).	54
2.1.5. State of the Nation Address (SONA) 2017.	55
2.1.6. Integrated Urban Development Framework.	58
2.2. PROVINCIAL POLICY FRAMEWORK.	62
2.2.1. KwaZulu-Natal Provincial Growth and Development Strategy/Plan (2016).	62

2.2.2. Amajuba District Growth and Development Plan.	68
2.2.3. State of the Province the Address (SOPA) 2017.	69
2.2.4. State of the Town Address (SOTA) 2017.....	73
2.2.5. 17 Sustainable Development Goals.	75
2.2.6. Operation Sukuma Sakhe.	77
2.2.7. Youth Development Strategy.	80
2.2.7.1. NATIONAL YOUTH POLICY (2020).	80
2.2.7.2. YOUTH ENTERPRISE DEVELOPMENT STRATEGY (2013- 2023).	81
2.2.7.3. INTEGRATED YOUTH DEVELOPMENT STRATEGY.	82
2.2.8. Batho Pele Principles.	82
2.2.9. Back to Basics.	84
1.1.1. Hierarchy of Plans.....	89
3. STATUS QUO ANALYSIS.....	93
3.1. DEMOGRAPHIC PROFILE.	93
3.1.1. Population Size and Growth Patterns.	93
3.1.2. Household Size.	94
3.1.3. Age Structure.	95
3.1.4. Gender Distribution.	96
3.1.5. HIV/Aids.	96
3.2. SOCIO-ECONOMIC PROFILE.....	97
3.2.1. Education Profile.....	97
3.2.2. Population Distribution by Ward.	98
3.2.3. Household Expenditure.....	101
3.2.4. Employment and Unemployment.	102
3.2.5. Economically Active Population.	105
3.2.6. Human Development Index.	106
3.2.7. Dependency Ratio.	108
3.2.8. Poverty Levels.	108
3.3. CROSS CUTTING ISSUES.	108
3.3.1. LAND-USE AND OWNERSHIP	111
3.3.2. Status of Land Reform Programme.....	112
3.3.3. RESTRUCTURING FRONTIERS OF THE SPATIAL INEQUITY.....	115
3.3.4. Spatial Equity.....	115
3.3.5. Spatial Efficiency.....	117
3.3.6. Spatial Sustainability	118
3.3.7. TRANSPORTATION AND MOVEMENTS IN AND AROUND THE TOWN	119
3.3.8. PUBLIC INFRASTRUCTURE INVESTMENT	120
3.3.9. IMPACT OF URBANISATION.....	120

3.3.10.	RURAL REGION	122
3.3.11.	LAND USE MANAGEMENT OBJECTIVES.....	122
3.3.12.	Newcastle Integrated Traffic and Transportation Planning.....	124
3.3.13.	Settlement Pattern.....	131
3.3.14.	Impact of Post-Apartheid Spatial Planning.	136
3.3.15.	Spatial Trends and patterns.	141
3.3.16.	Land Reform Programme and Rural Development.....	142
3.3.17.	SWOT Analysis (Spatial Analysis).....	145
3.3.18.	NATURAL ENVIRONMENT.....	146
3.3.19.	Water Quality.....	148
3.3.20.	Groundwater.....	150
3.3.21.	Biodiversity Assessment.	151
3.3.22.	SWOT Analysis: Natural Environment.....	159
3.3.23.	DISASTER MANAGEMENT.....	160
3.3.24.	CONSOLIDATED NEWCASTLE SPATIAL DEVELOPMENT FRAMEWORK.....	166
3.1.	MUNICIPAL TRANSFORMATION AND ORGANATIONAL DEVELOPMENT	169
3.1.1.	MUNICIPAL TRANSFORMATION.....	169
3.1.2.	ORGANISATIONAL DEVELOPMENT	169
3.1.3.	Powers and Functions.....	170
3.2.	SERVICE DELIVERY AND INFRASTRUCTURE ASSESSMENT	186
3.2.1.	General Access to basic Services	186
3.2.2.	Water	191
3.2.3.	THE NEED FOR A NEW RAW WATER SOURCE	194
3.2.4.	Sanitation	198
3.2.5.	Electricity and Power Supply	200
3.2.6.	Roads, Stormwater and Public Transport.....	203
3.2.7.	Solid Waste Management	207
3.2.8.	Solid Waste Management	207
3.2.9.	Education Facilities	211
3.2.10.	Health Institutions	212
3.2.11.	Sports facilities.....	213
3.2.12.	Police Stations	214
3.2.13.	Libraries	214
3.2.14.	Community Halls	215
3.2.15.	Cemeteries	215
3.2.16.	HUMAN SETTLEMENTS.....	216
3.6.	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT	230
3.6.1.	SOCIAL DEVELOPMENT	230

3.6.2.	SPOKEN LANGUAGES.....	231
3.6.3.	BLINDNESS AS A DISABILITY	232
3.6.4.	COMMUNICATION IMPAIRED AS A DISABILITY	233
3.6.5.	DEAFNESS AS A DISABILITY.....	234
3.6.6.	WALKING AND/OR CLIMBING STAIRS AS A DISABILITY	235
3.6.7.	REMEMBERING/CONCENTRATING AS A DISABILITY.....	236
3.6.8.	SELF-CARE AS A DISABILITY	237
3.6.9.	MIGRATION PATTERNS	238
3.6.10.	CHILD-HEADED HOUSEHOLDS.	240
3.6.11.	LOCAL ECONOMIC DEVELOPMENT	241
	Gross Value Added	241
2.	Development of the contractor programme	252
3.	Establishment of the construction incubator	252
3.6.12.	NEWCASTLE AIRPORT TECHNO-HUB.....	263
3.6.13.	NEWCASTLE MUNICIPALITY EPWP.....	265
3.6.14.	SWOT Analysis: Local Economic and Social Development.....	268
3.7.	GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	269
3.7.1.	GOOD GOVERNANCE.	270
3.7.2.	Land Use Management.....	279
3.7.3.	PUBLIC PARTICIPATION.	281
3.7.4.	SWOT Analysis: Good Governance and Public Participation	322
3.8.	FINANCIAL VIABILITY AND MANAGEMEN	324
3.8.1.	CAPITAL BUDGET EXPENDITURE OVER 3 YEARS.....	324
3.8.2.	MUNICIPAL FINANCIAL PERFORMANCE	324
3.8.3.	FINANCIAL MANAGEMENT POLICIES	331
3.8.4.	GRANT FUNDING AND DEPENDENCY ON GRANTS VERSUS OWN INCOME	332
3.8.5.	INDIGENT SUPPORT.....	333
3.8.6.	MUNICIPAL CONSUMER DEBT POSITION.....	334
3.8.7.	SUPPLY CHAIN MANAGEMENT (SCM).....	335
3.8.8.	MUNICIPAL INFRASTRUCTURE AND ASSET MAINTENANCE (Q&M)	336
3.8.9.	MUNICIPALITY CREDIT RATING.....	337
3.8.10.	EMPLOYEE RELATED COSTS (INCLUDING COUNCILLOR ALLOWANCES)	339
3.8.11.	CURRENT AND PLANNED BORROWINGS	340
3.8.12.	AUDITOR GENERAL'S OPINION.....	341
3.8.13.	SWOT ANALYSIS: FINANCIAL VIABILITY AND MANAGEMENT	346
1.2.	KEY CHALLENGES.	347
3.8.14.	Service Delivery and Infrastructure.....	347
3.8.15.	Municipal Transformation and Organisational Development.....	348

3.8.16.	Local Economic Development.	348
3.8.17.	Financial Viability and Management.....	349
3.8.18.	Good Governance and Public Participation.	350
3.8.19.	Cross-cutting issues.	351
3.9.	DEVELOPMENT TRENDS AND PATTERNS.....	354
3.9.1.	Regional Role and Significance of Newcastle.	354
3.9.2.	Urbanisation – SUSTAINABLE HUMAN SETTLEMENTS.....	354
3.9.3.	Roads and Stormwater.	355
3.9.4.	Inefficient Spatial Structuring.	355
3.9.5.	Economic Stagnation.	356
3.9.6.	Poor Access to Social Facilities.	357
3.9.7.	Infrastructure Backlog.	357
3.9.8.	Poor Quality of the Environment.	358
3.9.9.	Financial Management and Accounting.	358
3.9.10.	High Rate of Poverty.	359
3.9.11.	Impact of HIV and AIDS.	359
3.9.12.	Debt Management.	360
3.9.13.	Lack of Financial discipline.	360
3.9.14.	Skills.....	361
3.10.	KEY ISSUES BY KPA'S.....	362
3.11.	COMMUNITY BASED PLANNING 2017	363
4.	DEVELOPMENT STRATEGY.	374
4.1.	VISION, MISSION.	374
4.2.	PRIORITY DEVELOPMENT ISSUES.	375
4.3.	IDP STRATEGIC OBJECTIVES.	376
4.3.1.	INSTITUTIONAL TRANSFORMATION AND CORPORATE DEVELOPMENT.....	376
4.3.2.	GOVERNANCE AND PUBLIC PARTICIPATION.	Error! Bookmark not defined.
4.3.3.	FINANCIAL VIABILITY AND MANAGEMENT.	Error! Bookmark not defined.
4.3.4.	BASIC SERVICE DELIVERY (INFRASTRUCTURE DEVELOPMENT).	Error! Bookmark not defined.
4.3.5.	LOCAL ECONOMIC DEVELOPMENT.	Error! Bookmark not defined.
4.3.6.	CROSS CUTTING ISSUES.	376
5.	IMPLEMENTATION PLAN.....	394
5.1.	THREE YEAR INVESTMENT PROGRAMME.....	394
5.1.1.	CAPITAL INVESTMENT PLAN.	394
5.1.2.	CAPITAL PROJECTS.	395
5.5.1.1.	COMMITTED AND NEW PROJECTS.	Error! Bookmark not defined.
5.1.3.	OPERATIONS AND MAINTENANCEEC (O&M).	Error! Bookmark not defined.

5.1.4.	CAPITAL PROJECTS FROM SECTOR DEPARTMENTS.	413
5.5.1.2.	DEPARTMENT OF EDUCATION.	413
5.5.1.3.	DEPARTMENT OF TRANSPORT.....	418
5.5.1.4.	DEPARTMENT OF PUBLIC WORKS.....	420
5.5.1.5.	ESKOM.	431
6.	ANNUAL IMPLEMENTATION PLAN.	433
5.5.2.	Operational budget estimates.	433
5.5.3.	Financial Position	433
5.5.4.	Liabilities	436
5.5.5.	Financial Ratios	438
5.5.6.	Conclusion	442
7.	ANNUAL IMPLEMENTATION PLAN.	444
7.1.	ORGANIZATIONAL SCORECARD.	444
7.2.	IDP, BUDGET AND PMS INTEGRATION THROUGH THE SDBIP.	465
7.2.1.	Organisational Performance Management System (PMS).	465
7.2.1.1.1.	RATIONALE OF PERFORMANCE MANAGEMENT.	465
7.2.1.1.2.	OBJECTIVES OF THE PERFORMANCE MANAGEMENT SYSTEM.....	466
7.2.1.1.3.	GUIDING PRINCIPLES OF THE PERFORMANCE MANGEMENT SYSTEM.....	466
7.2.1.1.4.	IMPLEMENTATION OF THE SCORECARD.	466
7.2.1.1.5.	DEVELOPING THE SCORECARD AND OUTLINING THE CONCEPT.	466
7.2.1.1.6.	IMPLEMENTATION OF THE PMS.....	467
7.2.1.1.7.	EMPLOYEE PERFORMANCE MANAGEMENT.	469
7.2.2.	Annual Performance Report (2015/16).....	471
7.2.2.1.1.	LESSONS LEARNT IN 2015/16.....	471
7.2.2.1.2.	ORGANASATIONAL SCORE-CARD 2015/16 ANALYSIS.	474
7.2.2.1.3.	2015/16 KPA PERFORMANCE.	475
7.2.3.	Service Delivery Budget Implementation Plan (2015/16).....	476
7.2.4.	Performance of the Capital Programme (2015/16).....	476
7.2.5.	Financial Performance (2015/16).	478
7.2.5.1.1.	FINANCIAL PERFORMANCE AGAINST IDP KEY PERFORMANCE AREAS.....	478
7.2.5.1.2.	FINANCIAL PERFORMANCE BY DEPARTMENT/VOTE.	478
8.	SECTOR PLANS.	480
8.1.	NEWCASTLE LOCAL MUNICIPALITY SECTOR PLANS.	480

LIST OF FIGURES.

Figure 1: Location of Newcastle within the KwaZulu-Natal Province.....	14
Figure 2: Location of Newcastle with Amajuba District Municipality.	15
Figure 3: Diagrammatic overview of the NLM IDP Process.	19
Figure 4: PGDS Strategic Framework.	Error! Bookmark not defined.
Figure 5: Population Growth in Amajuba District.	94
Figure 6: Population Distribution by Age.....	95
Figure 7: Population Distribution by Gender.	96
Figure 8: Population distribution by ward.	99
Figure 9: Annual Household Income.....	100
Figure 10: Household Expenditure.	101
Figure 11: Sub-category Contribution to Total Expenditure (2010).	102
Figure 12: Human Development Index.	107
Figure 13: Dependency Ratio [Per 100 {15 - 64}].	108
Figure 14: Organogram of the Office of the Municipal Manager.....	172
Figure 15: Household Services.....	186
Figure 16: Sources of Energy for Cooking.....	187
Figure 17: Level of Access to Water (Stats SA Census Data 2011).....	188
Figure 18: Capacity of Water Infrastructure.....	190
Figure 19: Access to Sanitation.....	190
Figure 20: Public Facilities.....	212
Figure 21: Races existing within Newcastle in the year 2011.	230
Figure 22: Spoken languages.....	232
Figure 23: Blindness as a disability.....	233
Figure 24: Communication impaired as a disability.....	233
Figure 25: Waking or climbing stairs as a disability.....	235
Figure 26: Difficulties with concentrating/remembering.....	236
Figure 27: Difficulties with self-care.	237
<i>Figure 21 GVA for Newcastle over a Ten Year Period</i>	241
Figure 28: Gross Value Added (GVA) - Current Prices (R000).....	241
<i>Figure 22 Economic Sector Contribution to Gross Value Added</i>	243
Figure 30: Distribution of Manufacturing GVA (Newcastle 2010) Error! Bookmark not defined.	
Figure 31: Overall coordination of EPWP within NLM.	267

LISTOF TABLES

Table 1: Newcastle Municipality's strategic alignment with the Back to Basics Key Focus Areas.	86
Table 2: Population Growth and Density.	93
Table 3: Number of households within Newcastle.	94
Table 4: The rate of literacy within Newcastle.	98
Table 5: Number of indigents by ward.	101
Table 6: Employment status by Gender in Newcastle.	103
Table 7: Total employment in Newcastle (Formal & Informal).	104
Table 8: Employment in Newcastle by Broad Economic Sectors (9 sectors).	104
Table 9: Level of Education for Formal Sector Employees.	106
Table 10: People Living in Poverty.	108
Table 11: Vision, Strategy and Objective of the NLM ITTP.	129
Table 12: Stakeholders including responsibilities for the fire risk.	163
Table 13: Mitigation and Prevention actions.	164
Table 14: Staff Breakdown by Gender.	Error! Bookmark not defined.
Table 15: Core/Primary Functions.	170
Table 16: Non-core Powers and Functions.	171
Table 17: Staff Complement by Function.	174
Table 18: Council Approved Policy.	Error! Bookmark not defined.
Table 19: List of Capital Projects planned/implemented from the 2014 - 2017.	Error! Bookmark not defined.
Table 20: The benefits of the planned capital projects.	Error! Bookmark not defined.
Table 21: Report of the Auditor-General to the KwaZulu-Natal Provincial Legislature and the Council on Newcastle Municipality.	Error! Bookmark not defined.
Table 22: Additional audit findings including management response.	Error! Bookmark not defined.
Table 23: Level of Access to Piped Water.	187
Table 24: Access to Water by Electoral Wards.	188
Table 25: Access to Sanitation by Electoral Wards.	191
Table 26: Demand Forecast	192
Table 27: NLM Water Demand Zones.	195
Table 28: Water Loss Reduction Program.	198
Table 29: Access to energy for Cooking.	201
Table 30: Access to energy for Heating.	201
Table 31: Access to energy for Lighting.	201
Table 32: Taxi Ranks	Error! Bookmark not defined.
Table 33: Refuse disposal for households in Newcastle.	207
Table 34: Planning Standards for Educational Facilities	211
Table 35: Planning Standards for Health Facilities.	213
Table 37: Housing projects under implementation.	220
Table 39: Spoken languages within Newcastle.	231
Table 40: Blindness as a disability within Newcastle.	232
Table 41: Communication impaired as a disability within Newcastle.	233
Table 42: Deafness as a disability.	234
Table 43: Walking and/or climbing stairs as a disability.	235
Table 44: Remembering/concentrating as a disability.	236
Table 45: Self-care as a disability.	237
Table 46: Immigration to Newcastle from different provinces.	239
Table 47: Migration to Newcastle from different provinces.	239

Table 48: Child-headed households. 240

Table 49: Formal Employment within Newcastle by Industry .. **Error! Bookmark not defined.**

Table 50: Summary of the district's strategic clusters. 247

Table 51: NLM's measurable objectives with their baselines and targets. **Error! Bookmark not defined.**

Table 52: Types of informal activities occurring in Newcastle. **Error! Bookmark not defined.**

Table 55: Programme and Project Development. **Error! Bookmark not defined.**

Table 61: Portfolio Committees 274

Table 62: Newcastle Municipality Risk Register. **Error! Bookmark not defined.**

Table 63: Ward Committee Database of Ward Committee. 283

LIST OF MAPS

Map 6: NLM Existing Road Network Classification.	126
Map 7: NLM Proposed Road Network Classification.	127
Map 8: Proposed Road Classification.....	Error! Bookmark not defined.
Map 9: Newcastle Municipality Land Use Pattern (Source: NLM Final SDF 2016/17)....	Error! Bookmark not defined.
Map 10: NLM Urban Open Space System (Source: NLM Final SDF 2016/17).	Error! Bookmark not defined.
Map 11: NLM Urban Edge (Source: NLM Final SDF 2016/17).	Error! Bookmark not defined.
Map 12: NLM Development Prohibition (Source: NLM Final SDF 2016/17).	Error! Bookmark not defined.
Map 13: Newcastle Municipality Capital Projects (Source: NLM Final SDF 2016/17).	202
Map 14: Newcastle Municipality Capital Projects 1 - Technical Services (Source: NLM Final SDF 2014/15).....	205
Map 15: Newcastle Municipality Capital Projects 2 - Technical Services (Source: NLM Final SDF 2014/15).....	206
Map 16: Prioritized Restructuring Zones 2 and 3.....	225
Map 17: Newcastle Municipality Economic Development (Source: NLM Final SDF 2016/17).	262
Map 18: The current site where the Airport is situated.....	264
Map 19: Techno-hub development plan.	264

LIST OF ABBREVIATIONS:-

ADM	-	Amajuba District Municipality
CBP	-	Community Based Plan
IDP	-	Integrated Development Plan
KZN	-	KwaZulu-Natal
NLM	-	Newcastle Local Municipality
MSA, 2000	-	Municipal Systems Act, 2000 (Act No. 32 of 2000)
MSA, 1998	-	Municipal Structures Act, 1998 (Act No. 117 of 1998)



**SECTION 1:
EXECUTIVE SUMMARY.**

1. INTRODUCTION.

1.1. PURPOSE OF THE IDP.

Plans are prepared not as an end in themselves, but rather as a means to an end. Likewise this Integrated Development Plan is assembled in an integrated way involving a variety of stakeholders to ensure that proposals and strategies are implemented. It is meant to be a tool towards the attainment of the municipality's vision by 2035 and also as a foundation for incremental development of the city and all areas falling within the municipality's area of jurisdiction for the benefit of present and future generations. It also means that to achieve the above, those who bear the responsibility to oversee and implement this plan, have a huge responsibility to ensure that with the requisite resources being provided, the proposals will be implemented over the duration of the plan period with tangible results for the development of the municipality.

During the past few decades, the planning community realised that in order to control the destiny of the built environment, given the dynamics of a changing political, economic and technological environment, more structured and formalised planning is required. Due to this, municipalities within South Africa adopted **Integrated Development Planning** as a tool essential for effective planning and development.

The Forum for Effective Planning and Development (1998) defined Integrated Development Planning as follows:-

“A **participatory approach** to integrate economic, sectoral, spatial, social, institutional, environmental and fiscal strategies in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population in a manner that provides sustainable growth, equity and the empowerment of the poor and the marginalised.”

The value of integrated development planning for municipalities is embedded in the formulation of focused plans that are based on community development priorities. This approach is meant to assist in curbing wasteful expenditure and perpetual spending patterns. The adoption of a business orientated approach is not intended at running the municipality like a profit-bound organisation, but rather to ensure that scarce resources are allocated and spent effectively.

According to Chapter 5, Section 25 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), “municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality.” Newcastle Municipality's 4th Generation IDP seeks to outline a development agenda for the municipality for the period 2017 to 2022. It informs the budget and also tries by all means to respond to the aspirations and needs of the community of Newcastle. It is a

document that sets the level of economic growth for the city through the identification of economic opportunities and areas of potential investment.

1.2. BACKGROUND TO NEWCASTLE MUNICIPALITY.



Figure 1: Location of Newcastle within the KwaZulu-Natal Province.

According to the recent Community Survey (2016) conducted by Statistics SA, Newcastle Local Municipality (KZN252) remains the highest contributor in terms of population growth within Amajuba District Municipality. As of 2016, the population of Newcastle is recorded at 389 117 people, thus marking a 7,1 % increase (25 881 people) over a 5-year period from the year 2011 (363 236 people). This means that on average, Newcastle has experienced a 1,42% annual growth rate, which translates to 5 176 people per year. Newcastle has also experienced a significant increase in the total youth proportion of the population. In terms of the wider KwaZulu-Natal Province, Newcastle ranks 2nd as the local municipality with the highest number of people when compared to other local municipalities, with the highest being the Msunduzi Local Municipality. The population of Newcastle is spread unevenly over 34 wards as per the outcomes of the recent delimitation process by the Demarcation Board, marking a 3 wards increase.

Furthermore, there has been a 7% increase (6 075) in the number of households within Newcastle from 84 272 in 2011 to 90 347 in 2016, with the average household size remaining constant at 4.3 people per dwelling unit. In relation to other local municipalities within the KwaZulu-Natal Province, in the year 2011, Newcastle Local Municipality was ranked 3rd after the Msunduzi and uMhlathuze Local Municipalities respectively. However, recent statistical figures reveal that Newcastle Local Municipality has dropped to 4th place after the Msunduzi, uMhlathuze, and KwaDukuza Local Municipalities respectively. In terms of the 2nd and 3rd ranked local municipalities, the reason for growth in the number of households without any significant growth in the population thereof may be attributed to a general decrease in the

average household size thereof, from 3,9 to 3,6 people, and 3,3 to 3,0 people per household respectively.

Traditionally, the town of Newcastle started off as Post-Halt Number 2 on the journey between Durban (then Port Natal) and the Zuid-Afrikaansche Republiek (Transvaal) and Johannesburg. It was strategically positioned in the year 1854, by the Surveyor General of the Natal Colony, Dr. P. C. Sutherland. The city was later known as the Waterfall River Township because of the Ncandu River and, in 1864, the town of Newcastle was founded on the site becoming the fourth settlement to be established in Natal after Durban, Weenen and Pietermaritzburg. Newcastle was named after the British Colonial Secretary, the Duke of Newcastle and, in 1873 Newcastle became a separate electoral division. In the year 1876, the Fort Amiel was built as a barrier against the Zulus, Fort Amiel now being embraced as one of the significant national heritage sites.

In 1897, a sandstone construction of the town hall started and it was completed two years later in 1899. The town hall was constructed in commemoration of Queen Victoria's diamond, the '60th Jubilee.' The town was also used as a depot by the British during the First and Second Boer War. It also functioned as a major transport junction and a popular stopover for wagons and post chaises during the late 19th century. Newcastle also served as an arena when the British preparation work for the Pretoria Convention of 1881 was done. In 1890, the first train arrived in Newcastle and in the year 1891, Newcastle was declared a district with its own administrative unit. The discovery of coal reserves brought a new era of prosperity and the planning of several ambitious building projects.



Figure 2: Location of Newcastle with Amajuba District Municipality.

Newcastle Local Municipality is one of the three local municipalities that make up Amajuba District Municipality, with the others being Dannhauser and eMadlangeni Local Municipalities. It is located on the North-Western of the KwaZulu-Natal Province and borders onto Free State and Mpumalanga Provinces to the West and North respectively. The local municipalities of eMadlangeni and Dannhauser Local Municipalities are located along the Eastern and Southern boundaries of Newcastle. Spatially Newcastle covers an area of approximately 1 854km² in extent. A high majority of the people (80%) within Newcastle resides within the Newcastle East area, which is predominantly township and semi-rural areas characterised by a general lack of adequate infrastructure.

The boundaries of Newcastle Local Municipality were delineated in terms of the Municipal Demarcation Act, 1998 (Act No. 27 of 1998), and takes in account population movement trends, regional economic patterns and the current land use pattern. Currently Newcastle has 34 wards and out of these wards, wards 1, 6, 7, and 30 fall under the custodianship of the Tribal Authorities (Inkosi u-Khathide and Inkosi u-Hadebe) held in trust on behalf of the Ingonyama Trust Board, in terms of the KwaZulu-Natal Ingonyama Trust Act, 1994 (Act No. 3KZ of 1994). As mentioned above, the population is spread unevenly amongst 34 wards with the majority of the population residing in the Newcastle-East area. The boundaries are not just administrative, but are also intended towards the promotions of social cohesion and economic development that's mindful to environmental sustainability, whilst at the same time strengthening the existing regionally significant economic and functional linkages.

Newcastle Local Municipality is well placed to benefit from regional economic growth given its strategic location at the nexus of major tourism, logistics, farming and industrial routes, and as the seat of government in KwaZulu-Natal Province. It is located halfway between Johannesburg and the harbours of Durban and Richards Bay, hence contributing to the export of manufactured goods and supply to the large Gauteng market. Newcastle is also endowed with good access infrastructure to the areas mentioned above, and such includes quality road and railway networks. The town is situated on the national rail route between the Durban Container Terminal and City Deep in the Gauteng Province, and has within its confines, a major rail exchange terminal, supporting railway stations and extensive goods conversion/warehousing facilities.

The city's local authority has jurisdiction over the surrounding maize, livestock and dairy farms including the industrial areas such as Karbochem, Mittal Steel South Africa (previously ISPAT/ISCOR), and the textile service industry. In addition, the city is also well endowed with coal reserves hence opportunities for coal mining within the area. Arcelor Mittal produces over 105 million tons of steel products annually. Although the Arcelor Mittal steelworks and the Karbochem synthetic rubber plant dominate the Newcastle industrial portfolio, there is a wide range of manufacturing undertakings sharing in the success of the region. Newcastle has welcomed many Chinese and Taiwanese into the region with the addition of over a hundred textile factories.

During the year 2002, the chrome chemical plant was completed in Newcastle which comes as a clear reflection of the city's industrial future. The joint venture project between Karbochem and the German specialist manufacturing giant LANXESS has made Newcastle the largest producer of chrome chemical in Africa. The company announced an investment of €40 million (almost R600 million) in 2012 towards the construction of a CO₂ plant at its site. Mittal Steel also completed a R400 million project to rebuild one of its coke batteries. Other large operations include a diamond cutting works, various heavy engineering companies, steel reinforcement and slagment cement factories.

The Blackrock Casino and Entertainment Hotel provides much entertainment to Newcastle and the surrounding areas. The Newcastle Mall which was constructed by Zen Prop as a R500 million investment, is found adjacent to the Black Rockcasino and Entertainment Hotel, and it serves as a one-stop shopping destination for the wider region of Northern KwaZulu-Natal. Current and planned urban developments within Newcastle entail the new multi-storey Civic Centre, the 80 million expansion of the Victoria Mall, the Meadowlands Estate in Madadeni (residential estate), major extensions and upgrade of the Madadeni Hospital (Northern KwaZulu-Natal Regional Hospital), a R100 million upgrade of the Madadeni Police Station, the Vulintaba Estate, more development at the corner of Allen street along the Trim Park, the new Audi dealership next to Newcastle Mall (Aquaranf), Spar at corner Allen and Memel Road, planned Mercedes-Benz and dealership next to the Newcastle Mall (Aquarand), the development of the Heartlands Dry Port next to the train station, and the possible extension of the Newcastle Airport (Newcastle Airport Techno-hub). From the 1880s, Newcastle experienced rapid economic growth. Today Newcastle has the largest concentration of industry in the North-Western KwaZulu-Natal region.

There has been a 23.04% decline in the level of unemployment within Newcastle, from 87 619 (60.48%) in 2001 to 37 686 (37.44%) in 2011. In terms of unemployment by gender, the highest concentration is amongst the female population. With regards to formal employment by sector within Newcastle Municipality, trade/retail is the highest employer of the population at 8 888 as of July 2012, followed by Government services at 18 324. Government services as an employment sector is closely followed by manufacturing at 6 419, and subsequently finance at 5 375. As of 2013 the GDP of Newcastle was recorded as occupying 80.20% of the total GDP (0.7%) generated by Amajuba District within the KwaZulu-Natal Province. In terms of the Human Development Index (HDI – the composite measure of life expectancy, education, and income used to measure human development), Newcastle is currently sitting at 0.57 which is deemed by the United Nations Development Programme as being medium human development index. The Gini Coefficient (the measure of inequalities) in Newcastle assumes a municipality working towards addressing inequalities. In the year 2002 inequality was estimated at 0.65 and in 2012 it was estimated to be 0.62 hence marking a move towards perfect equality. Regarding the levels of poverty, Newcastle has also experienced a decrease from 56.0% in 2002, 51.0% in 2006 and 44,4% in 2012. The annual income per capita of Newcastle Municipality is currently sitting at 29 264 thus meaning that the majority of individuals within Newcastle earn R2 438,66 per month hence falling above the global poverty line of \$1,25 per day based on the dollar – rand exchange rate.

1.3. OBJECTIVES OF THE INTEGRATED DEVELOPMENT PLAN.

The Newcastle Municipality's Integrated Development Plan adopts a long term planning horizon, but also presents a short-to-medium term strategic agenda and a detailed five year programme commencing in the 2016/2017 financial year and ending in 2021/2022 financial year. This period coincides with the term of office of the incumbent Council and aligns with the budget cycle. The IDP is prepared in accordance with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and the associated regulations. Below is an abstract of the aforementioned act.

The IDP is intended to serve as a strategic guide for public sector investment and development generally. It is based on the issues articulated by all stakeholders and is informed by the national and provincial development imperatives. The objectives of Newcastle Municipality's IDP are as follows:-

- To guide decision making in respect of service delivery and public sector investment;
- To inform budgets and service delivery programs of various government departments and service agencies;
- To coordinate the activities of various service delivery agencies within Newcastle Municipality's area of jurisdiction;
- To engage communities and other key interested and affected parties in municipal affairs, particularly the continuous integrated development process; and
- To position the municipality to make a meaningful contribution towards meeting the district and provincial development targets and priorities.

Section 25 (1) of the Municipal Systems Act, 2000 (Act No. 32 of 2000):-

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

- a) *Links integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- b) *Aligns the resources and capacity of the municipality with the implementation of the plan;*
- c) *Complies with the provisions of this Chapter; and*
- d) *Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.*

1.4. THE FRAMEWORK OF THE INTEGRATED DEVELOPMENT PLAN.

Newcastle Local Municipality's IDP is presented in four main sections which is in line with Section 26 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) which prescribes the key components of an IDP, and an emphasis on development outcomes. The objectives of the IDP are as follows:-

- To give an outline of the key development needs and trends based on an analysis of the current level of development (**Situational Analysis**).

- A strategic framework which outlines Council’s long term vision with specific emphasis on the municipality’s most critical strategic objectives, actions plans and strategies (**Development Strategies**).
- A capital program which entails a one year program, a three year program aligned to the Medium-Term Expenditure Framework and the Five Year Plan (**Capital Investment Projects**).
- An implementation framework which includes sector plans, more specifically the financial plan, the spatial development framework, the organizational performance management system and an organizational transformation and institutional development plan (**Integration**).

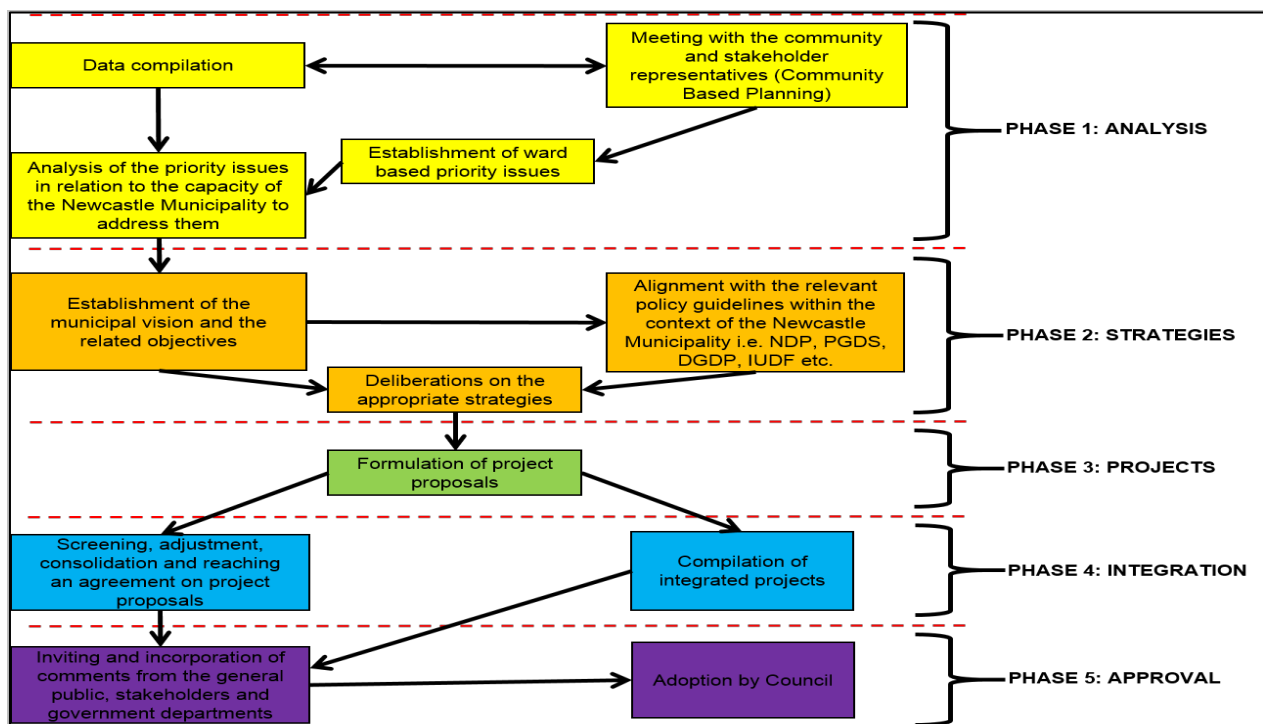


Figure 3: Diagrammatic overview of the NLM IDP Process.

The IDP informs the Medium-Term Expenditure Framework (MTEF), and guides the annual budget process. Furthermore, Chapter 4, Section 21(1) of the Municipal Finance Management Act, 2003 (MFMA No. 56 of 2003) requires a municipality to align and sustain a close functional link between its IDP and the budget.

1.5. APPROACH.

The approach adopted in developing the IDP for the 2017/18 financial year strongly conforms to the guidelines prepared by the Department of Co-Operative Governance and Traditional Affairs (COGTA) as set out in the Revised KZN IDP Framework Guide dated 12 February 2013. The guide pack advocates for a process that is integrated, sustainable, issue-driven, people-centred, practical and action oriented.

1.5.1.Public Participation.

The IDP preparation process involved extensive stakeholder engagements as required in terms of the MSA, 2000 (Act No. 32 of 2000). An IDP Steering Committee structure was developed and various meetings were convened with the participation of strategic personnel who are municipal technocrats in order to discuss pertinent issues particularly related to the strategic direction to be taken for the 4th Generation IDP. Furthermore, an IDP Representative Forum was established with the intension being to have continuous participation from interest groups who represent the views of the public in relation to municipal planning. Most importantly, the IDP preparation process was initiated through a series of Community Based Planning (CBP) meetings which were held at ward level as a means to ensure grassroot level planning. The main purpose of the CBP exercise was to direct municipal planning efforts and resources thereof towards the achievement of sustainable livelihoods at ward level, in line with the 17 Sustainable Development Goals. The participants to the CBP activity were as follows:-

- Councillor;
- Ward Committees;
- NGOs;
- NPOs;
- Organized youth;
- Religious groups;
- Arts and cultural groups;
- Sport and recreation groups;
- Crime prevention groups;
- Traditional healers;
- Traditional authorities;
- Municipal officials; and
- Government sector departments.

Through the CBP, we were able to establish the community priority needs which then set foundation for municipal resource allocation. The comments raised by the members of the public during the various constituency meetings also provided valuable input that also fed into the process. Moving forward, the review of the IDP will also follow somewhat of a similar procedure inclusive of the review of the CBP annually. The following entails a schedule of the key activities that will be undertaken towards reviewing the IDP:-

- Strategic review of the NLM IDP (2016/17) in line with the comments from the MEC: COGTA;
- Strategic review of outdated sector plans;
- Improved alignment between the IDP/Budget and PMS;
- Strategic review of the NLM SDF (2016/17) in line with the comments from the MEC: COGTA;
- Review of the three year financial plan;

- Development of the SDBIP; and
- Preparation of the IDP.

1.5.2. Integrated Development Planning Activities and Timeframes (2017/18).

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET	Administration - Municipality and Entity	Budget Review Activities
JULY. 2016	<ul style="list-style-type: none"> ▪ Preparation of the Draft IDP/Budget and PMS Process Plan. ▪ Engagement with the Budget Office, PMS and the Town Planning Directorate for alignment purposes. ▪ Tabling of the Draft IDP Process Plan to MANCO for comments. ▪ Submission of Draft Process Plan to COGTA. 	<ul style="list-style-type: none"> • Completion of the process plan in line with the approved SDBIP for 2016/17 financial year. 	<ul style="list-style-type: none"> • Submission of performance reports for previous quarter/month by the 10th. • Signing of new performance contracts for Section 54 and 56/57 Managers and submission to EXCO (Section 69 of the MFMA and Section 57 of the MSA). • Roll out of the approved SDBIP. • Draft Performance Reports 2015/16 to Internal Audit within 25 days of end of quarter departments. 	<ul style="list-style-type: none"> ▪ Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process MFMA s 53 ▪ Planning includes review of the previous years' budget process and completion of the Budget Evaluation Checklist 	<ul style="list-style-type: none"> ▪ Accounting officers and senior officials of municipality and entities begin planning for next three-year budget MFMA s 68, 77 ▪ Accounting officers and senior officials of municipality and entities review options and contracts for service delivery MSA s 76-81 	<ul style="list-style-type: none"> ▪ Approve and announce new budget schedule and set up committees and forums. ▪ Consultation on performance and changing needs.
AUGUST. 2016	<ul style="list-style-type: none"> ▪ Advertising of the Draft Process Plan for public comments in line with the legislative 	<ul style="list-style-type: none"> ▪ Desktop analysis in view of 5 year plan (4th Generation SDF) of the SDF as per 	<ul style="list-style-type: none"> ▪ Submission of performance reports for previous month by the 10th. 	<ul style="list-style-type: none"> ▪ Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling 	<ul style="list-style-type: none"> ▪ Accounting Officer to submit AFS to Auditor-General [Due by 	<ul style="list-style-type: none"> ▪ Consultation on performance and changing needs. ▪ Review performance and financial position.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<ul style="list-style-type: none"> ▪ requirements (MSA No. 32 of 2000). ▪ IDP preparation process initiated. ▪ Review of comments received on the 2016/17 Final IDP Review document. ▪ Tabling of comments to relevant line department for feedback and provision of information. ▪ Self-assessment to identify gaps in the IDP process. ▪ Final IDP Process Plan tabled at EXCO and Council for approval. 	<p>the requirements of SPLUMA.</p>	<ul style="list-style-type: none"> ▪ Draft Performance Reports 2015/16 to Internal Audit within 25 days of end of quarter departments. ▪ Quarterly Audit Committee meeting (for the last quarter of 15/16) MFMA Sect 166 & MPPR Reg. 14(3)(a) (Annual Performance Report and Draft Annual Report 2015/16). ▪ Evaluation Panel meeting (for evaluation of Sect 57 Managers final assessments) MPPR Reg. 14(3)(b). ▪ Submission of Annual Performance Report to Auditor-General. 	<ul style="list-style-type: none"> ▪ and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMA s 21,22, 23; MSA s 34, Ch 4 as amended ▪ Mayor establishes committees and consultation forums for the budget process 	<p>31 August, MFMA Sec 126(1)(a)]</p> <ul style="list-style-type: none"> ▪ IDP Review Process. 	<ul style="list-style-type: none"> ▪ Review external mechanisms. ▪ Start Planning for next three years.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
SEPT. 2016	<ul style="list-style-type: none"> Advertisement of the Final IDP Process Plan in order to meet AG audit requirements. Submission of Final Process Plan to COGTA. Integration of new information from the Spatial Development Framework. Continuous: Updating and review of the strategic elements of the IDP in light 	<ul style="list-style-type: none"> Respond to MEC Letter on SDF comments. Alignment of all Local Area Development Planning (LADP) to the IDP Process Plan. Finalise sector plan alignment. Finalise desktop analysis. 1st PSC Meeting. 	<ul style="list-style-type: none"> Submission of Draft Annual Report to Auditor-General Monitoring and Evaluation session on capital program. Monthly progress report on performance to EXCO (Capital). 	<ul style="list-style-type: none"> Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans 	<ul style="list-style-type: none"> Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engages with Provincial and National sector 	<ul style="list-style-type: none"> Update policies, priorities and objectives. Determine revenue projections and policies.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<ul style="list-style-type: none"> of the new focus of Council. Attend to issues identified in line with the Newcastle Municipality's Back to Basics Programme. Continuous: Incorporation of responses and information received from departments in line with the tabled comments. 	<ul style="list-style-type: none"> Review of Boundaries of nodes and corridors. Presentation to planning forum. District and cross-border alignment on – on-going till December 2016. 	<ul style="list-style-type: none"> Submission of performance reports for previous quarter/month by 10th. Departments to submit Q1 performance reports with Portfolio of Evidence. Sect 57 Managers' quarterly 	<ul style="list-style-type: none"> Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials 	<ul style="list-style-type: none"> departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc.) 	<ul style="list-style-type: none"> Determine revenue projections and policies. Engagement with sector departments, share and evaluate plans, national policies, MTBPS. Draft initial allocations to functions. Draft initial changes to IDP.
OCT. 2016	<ul style="list-style-type: none"> Continuous: Updating and review of the strategic elements of the IDP in light of the new focus of Council. Continuous: Incorporation of responses and information received from departments in line with the tabled comments. 	<ul style="list-style-type: none"> Review of Boundaries of nodes and corridors. Presentation to planning forum. District and cross-border alignment on – on-going till December 2016. 	<ul style="list-style-type: none"> Submission of performance reports for previous quarter/month by 10th. Departments to submit Q1 performance reports with Portfolio of Evidence. Sect 57 Managers' quarterly 	<ul style="list-style-type: none"> Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials 	<ul style="list-style-type: none"> Determine revenue projections and policies. Engagement with sector departments, share and evaluate plans, national policies, MTBPS. Draft initial allocations to functions. Draft initial changes to IDP. 	

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<ul style="list-style-type: none"> Strategic Planning Workshop for the review/development of a Municipal Vision, Mission, Strategic Objectives and Strategies per KPA. 		<ul style="list-style-type: none"> assessments (for first quarter of 16/17). Quarterly progress report on performance to EXCO. Submission of Q1 Performance Report to Internal Audit within 25 days of end of quarter. Audit Committee Meeting to consider Q1 Performance Report. 			
NOV. 2016	<ul style="list-style-type: none"> First IDP RF Meeting to present the Final Process Plan (2017/18). Continuous: Updating and review of the strategic elements of the IDP in light of the new focus of Council. 	<ul style="list-style-type: none"> 2nd PSC Meeting. First IDP RF Meeting to present the Final Process Plan (2017/18). Incorporation of the Scheme, capturing of Scheme information as required by SPLUMA. 	<ul style="list-style-type: none"> Submission of performance reports for previous quarter/month by 10th. Develop PMS Templates for 2017/18 based on review of IDP Strategies. Quarterly progress report 		<ul style="list-style-type: none"> Accounting officer reviews and drafts initial changes to IDP MSA s 34 Auditor-General to return audit report [Due by 30 November, MFMA 126(4)] 	<ul style="list-style-type: none"> Draft initial changes to IDP. Consolidation of budgets and plans. Executive determines strategic choices for next three years.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<ul style="list-style-type: none"> Identification of IDP priority projects. Project alignment within the municipal departments. Continuous: <ul style="list-style-type: none"> Incorporation of responses and information received from departments in line with the tabled comments. 	<ul style="list-style-type: none"> Finalization of the district and cross border alignment process. 	<ul style="list-style-type: none"> on performance to EXCO. Audit Committee Meeting to consider Q1 Performance Report. Evaluation Panel Meeting (for evaluation of Section 57 Managers final assessments MPPR Reg. 14(3)(b). 	<ul style="list-style-type: none"> Council finalises tariff (rates and service charges) policies for next financial year MSA s 74, 75 	<ul style="list-style-type: none"> Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements 	<ul style="list-style-type: none"> Executive determines strategic choices for next three years. Finalise tariff policies.
DEC. 2016	<ul style="list-style-type: none"> Departments to comment on the reviewed Municipal Strategies, Objectives, KPA's, KPI's and targets. Continuous: <ul style="list-style-type: none"> Identification of IDP priority projects. Project alignment between the DM and LM's. Continuous: <ul style="list-style-type: none"> Incorporation of 	<ul style="list-style-type: none"> Finalization of the district and cross border alignment process. 	<ul style="list-style-type: none"> Submission of performance reports for previous quarter/month by 10th. Compile annual report for 15/16 (MFMA Sect 121) for tabling Council in January. Quarterly progress report on performance to EXCO. 	<ul style="list-style-type: none"> Council finalises tariff (rates and service charges) policies for next financial year MSA s 74, 75 	<ul style="list-style-type: none"> Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements 	<ul style="list-style-type: none"> Executive determines strategic choices for next three years. Finalise tariff policies.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<p>responses and information received from departments in line with the tabled comments.</p>		<ul style="list-style-type: none"> ▪ Circulate Q2/Mid-Year Performance Assessment 2016/17 reporting templates to departments. ▪ Final Draft of Annual Report circulated for internal comment (To include AG Report). 			
JAN. 2017	<ul style="list-style-type: none"> ▪ Continuous: Updating and review of the strategic elements of the IDP in light of the new focus of Council. ▪ Continuous: Incorporation of responses and information received from departments in line with the tabled comments. ▪ Initiation of the Community Based Planning (CBP) Process 	<ul style="list-style-type: none"> ▪ Commence with the sector department alignment process – on-going till March 2017. ▪ Incorporation of the Community Based Planning (CBP) Report into the SDF. 	<ul style="list-style-type: none"> ▪ Submission of performance reports for previous quarter/month by 10th. ▪ Departments to submit Q2/Mid-year performance information by 10 Jan 2017. ▪ Submit Mid-year performance assessment to Mayor/EXCO by no later than 25th January 2017 (Unaudited). 	<ul style="list-style-type: none"> ▪ Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year MFMA s 87(1) 	<ul style="list-style-type: none"> ▪ Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) MFMA s 36 	<ul style="list-style-type: none"> ▪ Prepare detailed budgets and plans for the next three years.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
FEB. 2017	<ul style="list-style-type: none"> Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Continuous: Identification of IDP priority projects. Packaging of projects to inform the budget (MTEF). Complete the project finalization process. Continuous: Incorporation of responses and information received from departments in line with the tabled comments. 	<ul style="list-style-type: none"> Alignment of the Draft Budget and Capital Investment Framework with the SDF. Finalization of the Capital Investment Framework and Implementation Plan. 	<ul style="list-style-type: none"> Mayor tables annual report for 13/14 MFMA Sect 127(2) to full Council by 31 Jan 2017. Submission of performance reports for previous quarter/month by 10th. Make public annual report and invite community inputs into report (MFMA Sect 127 & MSA Sect 21a). Submit annual report to AG, Provincial & COGTA (MFMA Sect 127). Sect 57 Managers' quarterly assessments (for second quarter of 16/17). 	<ul style="list-style-type: none"> Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity MFMA s 87(2) 	<ul style="list-style-type: none"> Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Accounting officer to notify relevant municipalities of projected allocations for next three budget 	<ul style="list-style-type: none"> Prepare detailed budgets and plans for the next three years. Executive adopts budget and plans and changes to IDP.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
	<ul style="list-style-type: none"> Conduct IDP/Budget strategic workshop. 		<ul style="list-style-type: none"> Draft PMS 2017/18 for internal consultation and budget input from IDP and budget. 		<ul style="list-style-type: none"> years 120 days prior to start of budget year MFMA s 37(2) 	
MARCH. 2017	<ul style="list-style-type: none"> Second IDP RF Meeting Finalization of Municipal Strategies, Objectives, KPA's, KPI's and targets. Initiate preparation of Capital Investment Plan. Initiate preparation of Financial Plan. Conclusion of Sector Plans initiated in the 2016/17 financial year and integration into the Draft IDP Review document. Submission of the Draft IDP document to COGTA. 	<ul style="list-style-type: none"> Finalization of Local Area Development Planning. 3rd PSC Meeting. 	<ul style="list-style-type: none"> Council to consider and adopt an oversight report [Due by 31 March 2017 MFMA Sec 129(1)]. Set performance objectives for revenue for each budget vote (MFMA Sect 17). Quarterly progress report on performance to EXCO. Audit Committee Meeting to consider Q2/Mid-Year Report. Section 57 Managers' quarterly assessments (for 	<ul style="list-style-type: none"> Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of month MFMA s 87(2) Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year MFMA s 16, 22, 23, 87; MSA s 34 	<ul style="list-style-type: none"> Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed MFMA s 22 & 37; MSA Ch 4 as amended Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March MFMA s 42 	<ul style="list-style-type: none"> Mayor tables budget, resolutions, plans and changes to IDP at least 90 days before the start of the financial year.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
			<ul style="list-style-type: none"> ▪ second quarter of 16/17). ▪ Finalise Draft OPMS (including SDBIPS) 2017/18 to be included in IDP and Budget. ▪ Circulate Q3 performance reporting template to departments. 			

APRIL. 2017						
<ul style="list-style-type: none"> Advertising of the Draft IDP document for public comments (21 days). Incorporation of DORA information into the Final IDP document. Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets. Identify departmental allocations from Municipality's Own Funds. Consultation with Portfolio Councilors to identify projects to which Own Funds will be allocated to. Preparation of Capital Investment Plan. Preparation of Financial Plan. Conclusion of Sector Plans 	<ul style="list-style-type: none"> Finalization of the sector department alignment process. Advertisement of the Draft SDF in the press for public comments. Finalize Capital Investment Framework. 	<ul style="list-style-type: none"> Public Consultation on Draft PMS as part of IDP/Budget roadshows. Departments to submit Q3 performance information by 10th of April. Quarterly progress report on performance to EXCO. Publicise Oversight Report [Due by April MFMA Sec 129(3)]. Submit Annual Report to Provincial Legislature/MEC Local Government [Due by April MFMA Sec 132(2)]. Quarterly Audit Committee meeting (for third quarter of 13/14) MFMA Sect 166 & MPPR Reg. 14(3)(a). 	<ul style="list-style-type: none"> Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc. MFMA s 21 Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 	<ul style="list-style-type: none"> Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature. 	<ul style="list-style-type: none"> Consultation with National and Provincial Treasuries and finalise sector plans, water and sanitation, electricity, etc. Public hearings on the Budget, Council Debate on Budget and Plans. Public hearings on the Budget, Council Debate on Budget and Plans. Council adopts budget, resolutions, capital implementation plans, objectives and changes in IDP. 	

	<p>initiated within the 2016/17 financial year and integration into the Final IDP Review document.</p> <ul style="list-style-type: none"> Public participation process launched through a series of public hearings on the IDP and Budget. Continuous: Preparation of the departmental business plans linked to the IDP strategies, KPI's and targets. 		<ul style="list-style-type: none"> Public Consultation process on Draft PMS together with IDP and Budget. 	<p>days before start of budget year.</p> <p>MFMA s 23, 24; MSA Ch 4 as amended</p> <ul style="list-style-type: none"> Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality <p>MFMA s 87.</p>		
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MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
MAY . 2017	<ul style="list-style-type: none"> Third IDP RF meeting to consider the amendments to the Final IDP document. EXCO recommends adoption of the Final IDP to Council. Council workshop on the IDP. Adoption of the Final IDP by Council. Submission of Final IDP to COGTA. Advertisement of the Final IDP document in line with the legislative requirement (MSA No. 32 of 2000). 	<ul style="list-style-type: none"> IDP RF meeting to deliberate on changes to the SDF. EXCO recommends adoption of the SDF with IDP to Council. Adoption of the SDF by Council. 	<ul style="list-style-type: none"> Community input into organisation KPIs and targets. Departments to revise PMS based on community input if applicable. Approval of OPMS 2017/18 with IDP and Budget. Quarterly progress report on performance to EXCO. Quarterly Audit Committee meeting (for third quarter of 13/14) MFMA Section 166 & Circulate templates for Q4/Annual Performance Report and Draft Annual Report 2016/17. Section 57 Managers' Quarterly 	<ul style="list-style-type: none"> Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote 30 days before start of budget year MFMA s 16, 24, 26, 53 Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with sect 57(2) of the MSA. Mayor to 	<ul style="list-style-type: none"> Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. MFMA s 69; MSA s 57 Accounting officers of municipality and entities publishes adopted budget and plans MFMA s 75, 87 	<ul style="list-style-type: none"> Publish budget and plans. Finalise performance contracts and delegation.
JUNE. 2017						

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
			<ul style="list-style-type: none"> ▪ Performance Assessments. ▪ Quarterly progress report on performance to EXCO. ▪ Approval of SDBIP within 28 days of approval of budget. 	<ul style="list-style-type: none"> ▪ ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. ▪ MFMA s 53; MSA s 38-45, 57(2) ▪ Council must finalise a system of delegations. ▪ MFMA s 59, 79, 82; MSA s 59-65 		

1.5.3.PROCESS PLAN FOR THE COMMUNITY CONSULTATION ON THE IDP/BUDGET (ROADSHOW) 2017.

DATE AND TIME	STAKEHOLDER	VENUE
26 April 2017 (Wednesday) 10H00	Ward Committees, IDP Representative Forum, IGR Technical Task Team, Traditional Healers, Youth Structures, Women and Men's Forum, Interfaith, Minister's Association, NGOs and FBOs	Richview Hall
02 May 2017 (Tuesday) 09H00	Wards: 20, 22, and 23	Mbalenhle Higher Primary School Grounds
02 May 2017 (Tuesday) 17H00	All Business Chambers, Organised Business, Farmers Association, and Traditional Leadership	EXCO Room
03 May 2017 (Wednesday) 09H00	Wards: 14, part of 28, and 31	Dedangifunde School Field
03 May 2017 (Wednesday) 14H00	Wards: 2, 3, 4, 5, and 25	Fairleigh Hall
04 May 2017 (Tuesday) 14H00	Ward 1	Charlestown
05 May 2017 (Friday) 10H00	Wards: 7, part of 30, 6, and 33	Dickshalt Community Hall
05 May 2017 (Wednesday) 15H00	Ward 21	Vezubuhle Sports Ground
06 May 2017 (Saturday) 11H00	Wards: 12, 15, 16, and 18	Mzamo Sports Ground
08 May 2017 (Monday) 09H00	Wards: 11, 13, 17, part of 30, and part of 32	Osizweni Stadium
08 May 2017 (Monday) 14H00	Wards: part of 7, 8, 9, 10, and part of 32	Osizweni Cricket Oval
09 May 2017 (Tuesday) 10H00	Wards: 24, 26, part of 27, and 28	Madadeni Community Hall
09 May 2017 (Tuesday) 14H00	Wards: 34	S. V. Zulu School: KwaMathukuza Sportsfield
10 May 2017 (Wednesday) 10H00	Wards: 19, 27, and 29	Cathulani Sports Ground
11 May 2017 (Thursday) 10H00	H39	H39 Open Field

1.6. IDP/BUDGET/PMS PROCESS PLAN FOR THE 2017/18 MTREF.

1.6.1. Process for the development of the Integrated Development Plan (2017/18).

EVENTS	DATES	RESPONSIBILITY
Submission of Draft IDP Review (2016/17) to COGTA	30 March 2016	Municipal Manager/Director IDP
Draft IDP Assessment feedback and alignment session	06 – 22 April 2016	COGTA/Director IDP
EXCO/Council approval/adoption of Final IDP	31 May 2016	Municipal Manager/Director IDP
Posting of Final IDP document on Official Municipal Website	05 June 2016	Director IDP
Submission of Final IDP to COGTA	10 June 2016	Municipal Manager/Director IDP
EXCO to approve Draft Process Plan.	19 July 2016	Municipal Manager/Director IDP
Joint meeting for IDP, Budget and PMS for process alignment purposes.	12 July 2016	Municipal Manager/Director IDP
- MEC Panel assess reviewed IDPs based on IDP Assessment Criteria, based on 6 KPAs. - Fill-out of criteria templates. - Finalise scores per KPA.	18 – 22 July 2016	COGTA
Submission of the Draft Process Plan to COGTA.	29 July 2016	Municipal Manager/Director IDP
Forward letters to MEC for signature	01 – 05 August 2016	COGTA
Forward MEC report to MEC for signature	01 – 05 August 2016	COGTA
Local Government Elections	03 August 2016	IEC
Forward signed MEC letters to Mayors	15 August 2016	COGTA
IDP-SC to deliberate on Final IDP Process Plan.	08/22 August 2016	Municipal Manager/Director IDP
Final Process Plan to EXCO/Council for approval.	23 August 2016	Municipal Manager/Director IDP
Posting of Final IDP Process Plan on the Municipal website.	28 August 2016	Municipal Manager/Director IDP
Submission of Final IDP Process Plan to COGTA.	02 September 2016	Municipal Manager/Director IDP
Advertisement of the Final IDP Process Plan to members of the public.	08 September 2016	Municipal Manager/Director IDP
Ward Committee Elections	29 October 2016 – 06 November 2016	Municipal Manager/Director IDP
IPD Alignment Sessions	01 – 21 November 2016	COGTA/Director IDP
First IDP Representative Forum <ul style="list-style-type: none"> ▪ Presentation of the Process Plan. ▪ The provision of feedback on the <i>status quo</i> and strategic framework components of the IDP. ▪ Deliberation on the comments received on the Final IDP (2015/16). ▪ Comprehensive analysis of the 2016 Ward Delimitation process. 	18 November 2016	Municipal Manager/Director IDP

<ul style="list-style-type: none"> ▪ Comprehensive analysis of the 2016 Community Survey. 		
Inauguration of Ward Committees	24 November 2016	Municipal Manager/Director IDP
Obtain Sector Departmental Input.	January 2017	Municipal Manager/Director IDP
IDP Stakeholders meeting	February 2017	COGTA/Director IDP
IDP Progress Report to IDP-SC.	16 February 2017	Municipal Manager/Director IDP
Strategic Workshop for IDP/Budget.	20 – 24 February 2017	Municipal Manager/Director IDP
Second IDP Representative Forum <ul style="list-style-type: none"> ▪ Presentation of the draft IDP and Budget and PMS ahead of the public participation process. ▪ Prioritized Projects and Programs. ▪ Sector Plans Progress and finalization i.e. WSDP & Disaster. ▪ Draft PMS 2015/16. 	09 March 2017	Municipal Manager/Director IDP
EXCO approval of Draft IDP.	28 March 2017	Municipal Manager/Director IDP
Council approval of Draft IDP	29 March 2017	Municipal Manager/Director IDP
Posting of Draft IDP document on Official Municipal Website	05 April 2017	Director IDP
Submission of Draft IDP to COGTA.	07 April 2017	Municipal Manager/Director IDP
21 Days Advertising period for public comments.	06 April - 27 April 2017	Municipal Manager/Director IDP
IDP/ Budget Roadshows.	April 2017/ May 2017	Municipal Manager/Director IDP
IDP-SC to deliberate on the Final IDP document.	09 May 2017	Municipal Manager/Director IDP
Final IDP Representative Forum for adoption. <ul style="list-style-type: none"> ▪ Feedback on comments received during the 21 day advert period on the Budget and IDP as well as the public participation process and suggested ways of addressing these issues. ▪ Recommendations by the IDP RF for adoption of the IDP by Council. 	11 May 2017	Municipal Manager/Director IDP
EXCO to recommend IDP approval by Council.	23 May 2017	Municipal Manager/Director IDP
Special Council meeting to adopt the final IDP document for the 2016/17 financial year.	25 May 2017	Municipal Manager/Director IDP
Placing of Final IDP document on Official Municipal Website	31 May 2017	Director IDP
Advertising of Final IDP document to the public	1 June 2017	Director IDP
Submission of Final IDP Document to COGTA.	2 June 2017	Director IDP
Submission of Draft SDBIP to EXCO within 14 days of approval of the budget.	14 June 2017	Municipal Manager/Manager – M&E
Approval of SDBIP within 28 days of approval of the budget	28 June 2017	Municipal Manager/Manager – M&E

1.6.2.Participation of Government Sector Departments.

In general, sector integrated planning is very weak within the South African Local Government sphere as municipalities are not getting recognition as development overseers within their respective areas of jurisdiction. Currently there is no effective legislation that makes it compulsory for all sector departments to align their budgets with municipal budgets and allocate resources using the prioritization list available from municipalities through consultations with communities.

However, Newcastle Local Municipality has investigated an alternative mechanism which has brought sector departments to be fully involved in the IDP process. The mechanism adopted was to engage sector departments on a one-on-one basis in order to deal with specific issues affecting the municipality. Sector departments have also fully participated on the IDP Representative Forums held by the municipality. As a result, the municipality has enjoyed working with the following departments and their participation has made significant improvements towards service delivery:-

- Department of Transport;
- Department of Co-Operative Governance and Traditional Affairs (COGTA);
- Department of Social Development;
- ESKOM;
- Department of Public Works;
- Department of Health;
- Department of Economic Development and Tourism;
- Department of Arts and Culture (Library and Museum sections); and
- Department of Human Settlements.

1.6.3.Alignment with the District Family of Municipalities.

Various meetings were also held with the district family of municipalities to align the IDPs and these include the District Area Planning and Development Forum, the District Public Participation Forum, and the ADM IDP Steering Committee in naming just a few. The following is an indication of some of the key alignment issues addressed to date:-

- The IDPs of the Amajuba family are focusing on the outcome based IDP approach thereby align with the Key Performance Areas developed by national government.
- Both the SONA and SOPA have been incorporated into the IDPs.
- Outcome 9 has been incorporated into the IDPs there by giving emphasis to good governance and sustainable human settlements (Outcome 8).
- The PGDP has been incorporated as part of improving the alignment between the province and local government.
- The DGDP has been incorporated as a means to improve alignment between the district and local government.

- The IDPs have given emphasis to the Sukuma Sakhe Program and its associated impact on communities – the fight against poverty through job creation.
- The IDP has also taken cognisance of the 8 Millennium Development Goals as signed in the Millennium Declaration by 189 World Leaders in the Millennium Summit (2000).
- Furthermore, the issues raised at COP 17 on climate change have also been incorporated. These include the implementation of solar energies and smart and conventional meters on new housing developments.
- The new settlement patterns will consider floodlines and the introduction of disaster management centres.

1.7. KEY DEVELOPMENT CHALLENGES.

Although the NLM has made significant progress in addressing service backlogs and promoting development within its area of jurisdiction, there are still a number of key development challenges that face the municipal area and its people. These are discussed briefly and categorised according to the national key performance areas below.

1.7.1. Service Delivery and Infrastructure.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Huge backlogs in the delivery of basic services (electricity, water, sanitation) within the Newcastle-East area (Johnstown, Blauwbosch and Cavan), Madadeni and Osizweni townships as well as the surrounding rural settlements located within the vicinity of the Ubuhlebomzinyathi area.	<ul style="list-style-type: none"> - Improved roll-out of projects towards basic service delivery particularly within the Madadeni, Osizweni and the JBC area including the surrounding rural settlements. - Develop Comprehensive Infrastructure Master Plan. - Construction of a new raw water source in order to improve access to potable water. - Upgrade wastewater collection and treatment facilities
Challenges with the maintenance and development of basic road and storm-water infrastructure particularly within the Newcastle-East area.	<ul style="list-style-type: none"> - Roads and Stormwater Master Plan. - Improved roll-out of capital program towards basic road infrastructure particular within the Newcastle-East area.
Poor condition of public facilities and a general lack of the required tools and equipment for effective delivery of the related services. i.e. schools, clinics, community halls, early childhood education centers, the library etc.	<ul style="list-style-type: none"> - Improve access to public facilities through refurbishment of the related infrastructure. - Introduction of new technology in order to improve access .i.e. outdoor gym equipment, ICT systems within libraries etc.
A huge housing backlog due to a large number of people in Newcastle residing in informal settlements, backyard shacks and poorly developed traditional housing structures. The low cost housing need in Newcastle is currently estimated at 74 991 units with	<ul style="list-style-type: none"> - Improved roll-out of the housing program in order to meet the housing demand. - Introduction of Community Residential Units (CRUs).

DEVELOPMENT CHALLENGES	RECOMMENDATION
the majority concentrated mainly in the Newcastle-East area.	<ul style="list-style-type: none"> - Provision of affordable housing opportunities for middle income to address the gap in the market. - Servicing of sites for people to build their own homes.

1.7.2. Municipal Transformation and Organisational Development.

Over the last few years, Newcastle Municipality has gone through a process of fundamental transformation as an organisation with the intention of developing sufficient organisational capacity for an effective performance of municipal functions. As such, a new organogram was developed and is currently being implemented. The majority of critical positions, particularly those of Strategic Executive Managers and Directors have been filled. Management committees have been restructured and new systems and procedures introduced. The new challenges facing the organisation are none other than those of a learning and growing organisation and include issues such as gender equity, cascading down the organisational culture down the hierarchy, horizontal integration of development programmes, etc.

1.7.3. Local Economic Development.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Over the last few decades, the economy of Newcastle Municipality experienced variable trends marked, in all, by shifts from one sector to the other and a general decline in both output and performance thereof.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Review of the NLM LED Strategy. - Development of bulk services and economic zones.
There has been a general decline in coal mining activity with Newcastle and the same applies for agricultural activity. This has led to the shedding of jobs hence increasing the levels of unemployment within Newcastle.	<ul style="list-style-type: none"> - Promotion of coal mining activity through the NLMs Revenue Enhancement Strategy. - Conservation of agriculturally valuable land. - Provision of support to SMME development particularly towards agrarian reform.
General decline in the manufacturing sector due to structural changes coupled with the poor performance of global financial markets.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry.
Unemployment, poverty and inequality fuelled by the concentration of employment opportunities in and around the Newcastle CBD.	<ul style="list-style-type: none"> - Improved roll-out of the LED program. - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area.
Vacancy of the Madadeni Industrial Centre due to its inability to attract investments.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry. - Skills training and development.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Concentration of private investments within the nodes of Newcastle-West (primary CBD node) and Newcastle-South (regional node), with minor investments to the nodes within the Newcastle-East area (Madadeni, Blaauwbosch, Osizweni). This has implications on the community's transportation economics through increased costs in order to access the related services within these few nodes.	<ul style="list-style-type: none"> - Development of relationships between industry and SETAs and other tertiary training institutions. - Fast-track JBC Urban Hub Precinct Plan to attract public investment, funding and private, community investment to unlock social and economic potential of the area - Revitalization of township economy - Continued rejuvenation and/or transformation of the Madadeni and Osizweni CBDs through urban renewal programs.

1.7.4.Financial Viability and Management.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Inadequate revenue collection systems within the municipality.	<ul style="list-style-type: none"> - Introduction of new technology towards improving revenue collection .i.e. water smart meters, prepaid electricity. - Strategic support and assistance to industry.
Low recovery of amounts owed for rendering of municipal services from consumer debtors.	<ul style="list-style-type: none"> - Outstanding accounts with no queries to be forwarded to the respective consumers for making the necessary payment arrangements. - Indigent verification. - Capacitating of staff and field workers.
Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts.	<ul style="list-style-type: none"> - Appointment of field workers. - Investigate the possible use of a service provider for meter reading as compared to performing the function in-house.
Lack of advice to Council on revenue enhancement mechanisms.	<ul style="list-style-type: none"> - Updated financial plan. - Capacity building towards revenue enhancement and the related mechanisms.

1.7.5.Good Governance and Public Participation.

The Newcastle Municipality is a developmental local government structure that is committed to working with citizens and organised interest groups to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. This assertion complements the right of communities to participate in the decisions that affect development in their respective areas, and a corresponding duty on the municipality to encourage community participation in matters of local governance. The Municipality achieves this goal mainly through Ward Committee structures and a variety of other measures designed to foster open, transparent and consultative municipal governance.

However, the functionality and effectiveness of the ward committees remains a major challenge. Some of these are not unique to Newcastle Municipality as they relate to the design of the ward committee system as well as the procedures for their operation. As such, they are systemic in nature and should be addressed as part of government programmes to deepen democracy. Synergistic relations should also be strengthened with the business community, farmers associations, organised labour and other stakeholders.

1.7.6. Cross-cutting issues.

DEVELOPMENT CHALLENGES	RECOMMENDATION
<p>The town serves as an administrative and economic hub for the North-Western part of KwaZulu-Natal, including the whole of Amajuba District and some of the surrounding areas in the Ubhlebomzinyathi District and the Mpumalanga Province. However the key question raised relates to whether or not NLM is developed with sufficient infrastructure including adequate capacity to play its role as a sub-regional economic hub.</p>	<ul style="list-style-type: none"> - Infrastructure Master Plan. - Absorption and retainment of highly skilled personnel within NLM.
<p>There's been a rapid increase in the rate of urbanization in Newcastle resulting in the development of settlements along P483, in particular, linear settlements such as KwaMathukuza, JBC towards the Khathide area. Rapid urbanization bring with it many problems and places huge demands on the need for land, municipal services, housing, transportation and employment.</p>	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction. - Establishment of service delivery centers. - Sustainable human settlements.
<p>NLM can broadly be defined as a region exhibiting a legacy of poor apartheid planning through an inefficient spatial pattern. This includes the low-density urban sprawl which is fuelled in the Newcastle-West area by anti-city values of suburbia that promotes large plots as an image of good urban living, a cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighborhood unit or super block, and the separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively homogenous blobs of different uses tied together by high speed transport routes.</p>	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction. - Development of community residential units (CRUs) in order to achieve higher densities within the urban areas.
<p>Poor quality of the environment manifested in the form of deteriorating water quality, poor air quality, poor waste disposal and collection thereof, and a general lack of open spaces within NLM.</p>	<ul style="list-style-type: none"> - Development of a climate change strategy. - Environmental awareness campaigns. - Development of positively performing open spaces. - Air quality management. - Water conservation awareness campaigns. - Planting of trees.
	<ul style="list-style-type: none"> - Improved roll-out of the LED program.

DEVELOPMENT CHALLENGES	RECOMMENDATION
High levels of poverty attributed to general low levels of income and skilled labour.	<ul style="list-style-type: none"> - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area. - Skills training and development.
Disparities regarding residential densities within the municipality. Higher densities are found closer to established nodes as well as informal settlements. Subsequently the lower densities are found on the peri-urban areas located within the urban edge and other rural nodes beyond the urban edge. This has resulted in a disintegrated spatial pattern characterized by uniform, irregular, random and concentrated residential densities at specific areas.	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction.
Lack of sufficient GIS data pertaining to the environment.	<ul style="list-style-type: none"> - Improved alignment with environmental management custodians such as KZN Wildlife as well as the World Wildlife Fund in order to align and streamline priorities towards improved environmental management and also data sharing. - Finalization of the environmental management framework.
The NLM waste disposal site is nearing the end its carrying capacity hence its lifespan.	<ul style="list-style-type: none"> - Establishment of a new landfill site.

1.8. STRATEGY TOWARDS ORGANISATIONAL DEVELOPMENT.

1.8.1. Long Term Vision and Mission.

Newcastle Municipality's long-term development vision was formulated within the context of the national and provincial vision statements as outlined in the National Development Plan (NDP) and the Provincial Growth and Development Strategy (PGDS). It reflects a joint commitment by the local leadership, municipal administration and the local communities to make Newcastle a better place and improve the quality of life for those who work and/or live in NLM.

The vision is based on the following overarching principles:-

- Sustainability.
- Integrated development.
- Equitable access to basic services and public facilities.
- Efficient and effective delivery of services.

VISION 2035:-

“BY 2035, NEWCASTLE WILL BE A RESILIENT AND ECONOMICALLY VIBRANT CITY, PROMOTING SERVICE EXCELLENCE TO ITS CITIZENS.”

MISSION:-

“NEWCASTLE LOCAL MUNICIPALITY TOGETHER WITH ITS CITIZENRY, COMMITS TO REALIZE ITS VISION THROUGH INNOVATIVE SERVICE EXCELLENCE, ACCELERATED SERVICE DELIVERY, SUSTAINABLE INFRASTRUCTURE DEVELOPMENT, PROMOTING SOCIO-ECONOMIC DEVELOPMENT AND SPATIAL INTEGRATION.”

PRIORITY DEVELOPMENT ISSUES:-

- Sound Financial Management/Viability.
- Improved access to basic service delivery (i.e. water, sanitation, electricity, housing, waste removal).
- Local Economic Development (eradication of poverty and unemployment).
- Improved quality of roads and stormwater infrastructure (including sidewalks).
- Environmental sustainability (environmental conservation/management).
- Accelerated Municipal Transformation and Corporate Development.
- Improved access to public facilities (including educational facilities – provincial mandate).
- Improved community safety.
- Improved access to basic health services (NB: provincial mandate).
- Improved access to land (including Land Reform).

1.8.2. Development Strategy.

The development strategy is based on a long-term vision, but acknowledges the significance of issues that need to be addressed in the short-to-medium term. As such, the municipality has formulated development goals that seek to address the challenges facing the institution currently and reposition the area in a developmental path as follows:-

- To develop Newcastle as a service and industrial hub.
- To eradicate all forms of poverty and destitution/indigence.
- To be an example of service and governance excellence.
- To improve the quality of life.
- To achieve environmental sustainability.
- To promote gender equality and empowerment.

In the short-to-medium term, the municipality will initiate projects with clear targets and outputs towards the attainment of these goals. It will accelerate delivery of services and gradually consolidate outcomes so as to attain the desired future situation.

Particular focus will be paid to the following key areas of strategic intervention:-

- ***Spatial integration and environmental sustainability:*** Particular focus will be paid on the development and implementation of systems and procedures for effective land use and environmental management.
- ***Local economic development:*** The municipality has a responsibility to create a climate conducive for the flourishing of both public and private sector investments. As such, the municipality is committed to working with other government agencies and departments to deliver state of the art economic infrastructure that will facilitate development of effective service to the business sector.
- ***Service delivery and infrastructure development:*** The NLM is the sphere of government that is closest to the communities. This bestows a huge responsibility to deliver services where the municipality is directly responsible and coordinate the delivery of services that fall outside the constitutional obligations of the municipality.
- ***Municipal transformation and organisational development:*** The attainment of development goals as outlined above requires the municipality to establish effective systems and procedures for both municipal administration and local governance. This includes attracting and retaining well trained, experienced and committed employees.
- ***Financial viability and management:*** Funds will be a critical input in the process towards the attainment of the abovementioned goals. Due to such, it is critically important to ensure that the municipality is able to generate sufficient funds to be able to deliver services and facilitate development. Also important is the ability to account for the use and disbursements of public funds.

- **Good governance and public participation:** The municipality is committed to putting in place systems and procedures for accountable local governance. This includes oversight responsibilities, auditing function, risk management, etc. Members of the public will be kept informed and engaged in all municipal affairs.

1.9. PERFORMANCE MEASURES.

1.9.1.Intended Impact.

Everything that NLM does should be done to impact as much as possible on the social and economic development of the area. In particular, the municipality will strive to provide services that meet the basic needs of the poor in their communities in a cost-effective and affordable manner. This can be achieved in two ways:-

- The NLM will provide some relief for the poor. Through Government policy, NLM is to provide a free basic amount of services for water and electricity to households that do not have access to these services. NLM will also promote social development through arts and culture, the provision of recreational and community facilities, and the delivery of social welfare services.
- NLM will work in partnership with local businesses to improve job creation and investment. It is not the role of NLM to create jobs but it will take active steps to improve the conditions for the creation of employment opportunities in the area. This includes preferential procurement of services.
- As a developmental local government, NLM will provide leadership to all those who have a role to play in achieving local prosperity and IDP is a critical tool in this regard.
- Municipal Councils such as the NLM play a central role in promoting local democracy. In addition to representing community interests within Council, Councillors will ensure that citizens and community groups are involved in the design and delivery of municipal programmes (Community Based Planning). Ward Committees and community consultation are important ways of achieving greater involvement.
- The municipality will also provide support to individual and community initiatives, and direct them to benefit the area as a whole. The involvement of youth organisations in this regard is of particular importance.

1.9.2.Performance Management System.

The performance management system is a tool to monitor progress regarding municipal service delivery. It enables the municipality to focus on priorities within an increasingly complex and diverse set of demands and to direct resource allocations and institutional systems to a new set of development objectives. Newcastle Municipality's performance management system was developed in line with Chapter

6 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) which requires local government to:-

- Develop a performance management system.
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP).
- Publish an annual report on performance management for the Councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.
- Conduct an internal audit on performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

Newcastle Municipality's Organisational Performance Management System monitors the implementation of the IDP, and provides for corrective measures where there is insufficient progress. The PMS is based on a policy framework and covers the whole organisation. The framework caters for the development, implementation and roll-out of performance management within the Newcastle Municipality. This includes the alignment of the PMS process to that of the IDP and budget as is required in terms of the Local Government: Municipal Finance Management Act (Act No. 56 of 2003). The following are some of the key aspects of this system:-

- Performance contracts which include performance plans for all section 57 employees.
- Service Delivery and Budget Implementation Plan.
- Organizational Scorecard.
- Annual report.
- Quarterly performance reviews.

The objectives of Newcastle Municipality's Organizational Performance Management System are as follows:-

- Facilitate increased accountability;
- Facilitate learning and improvement;
- Provide early warning signals; and
- Facilitate decision-making.

Performance management may be defined as a strategic process to management (or system of management) which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continually monitor, periodically measure and review the performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. Regulations 7 of the Performance Management Regulations (2001) requires every municipality to develop a performance management system (PMS). In addition, Regulation 13 of the Performance Management Regulations requires that the

municipality must, after consultation with the community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and targets set by it.



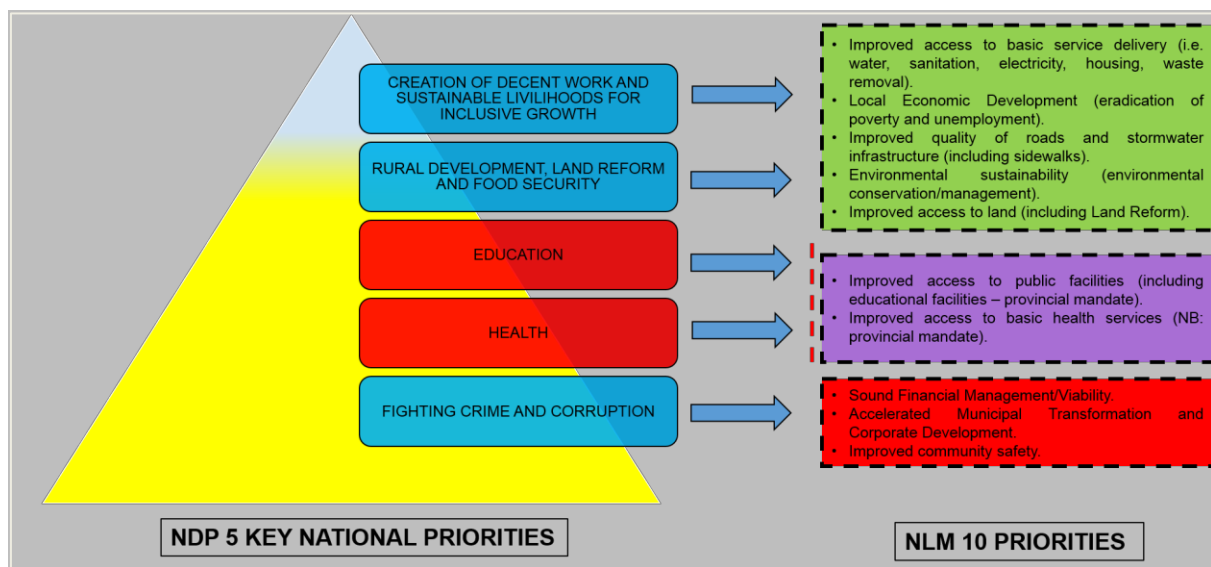
**SECTION 2:
POLICY AND DEVELOPMENT
PRINCIPLES.**

2. POLICY AND DEVELOPMENT PRINCIPLES.

Planning and development in NLM occurs within the national, provincial, and district policy framework, and provides for the implementation of the priorities as outlined in these documents.

2.1. NATIONAL POLICY FRAMEWORK.

2.1.1. National Development Plan.



The national development vision is outlined in various national policy documents, and consolidated in the National Development Plan (NDP). The National Development Plan is presented in 15 chapters, addresses the major thematic areas facing the country in detail, and outlines a national development strategy. It focuses on the critical capabilities needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence: failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities. As such, the NDP sets out clear objectives and targets as follows:-

- The unemployment rate should fall from 24.9% in June 2012 to 14% by 2020 and to 6% by 2030. This requires an additional 11 million jobs. Total employment should rise from 13 million to 24 million.
- The public works programme should be broadened thus to expand and cover 2 million fulltime equivalent jobs by 2020.

- The labour force participation rate should rise from 54% to 65%. The cost of living for the poor households should be reduced together with the cost of doing business through microeconomic reforms.
- The proportion of people with access to the electricity grid should rise to at least 90% by 2030, with non-grid options available for the rest.
- A comprehensive management strategy to be developed including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- To create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017).
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.

The National Development Plan requires local government to play a meaningful and active role in ensuring the implementation of the vision 2030. The plan compels local government to be service delivery oriented in ensuring that the following is achieved:-

- A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- Create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017).
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.
- Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, support to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.
- A strong and efficient spatial planning system, well integrated across the spheres of government.
- Upgrade of all informal settlements on suitable, well located land by 2030.
- More people living closer to their places of work and better quality public transportation.
- More jobs in or closer to dense, urban townships.
- Develop a strategy for densification of cities and resource allocation to promote better located human settlements.
- By 2030, people living in South Africa should feel safe and have no fear of crime. They should feel safe at home, at school and at work, and they are to enjoy an

active community life free of fear. Women are to walk freely in the street and the children play safely outside.

The aim of the Plan was to respond quickly to South African's aspirations and ensure that inclusive economic growth is the main agenda for development.

2.1.2.14 National Outcomes.

The IDP adopts an outcome based approach in line with the national government priorities and the associated 14 outcomes (refer to Box 2 below). Early in the National Cabinet, adopted were twelve outcome areas that collectively address the main strategic priorities of government. Subsequently, two new outcomes were introduced making it 14 national outcome areas aimed at addressing government priorities. The strategic objective of the outcome based approach is to improve service delivery across all spheres of government and to introduce a systematic planning, monitoring and evaluation process.

High level Negotiated Service Delivery Agreements (NSDA) based

on these outcomes have been concluded between the President and national ministers. The National Outcome Nine (9) commits the Minister of Cooperative Governance and Traditional Affairs to develop a local government system which is responsive, accountable, effective, and efficient. In line with Outcome 9 (refer to Box 3), Newcastle Municipality's IDP responds directly to issues facing the area and its communities with the aim of rendering local government services efficiently and effectively.

However, the municipality will also contribute directly and indirectly to the attainment of other outcomes, particularly those dealing with economic development, infrastructure development, rural development and environmental management. Therefore, alignment with the relevant sector frameworks and programmes across the spheres of government is critical.

Box 2: 14 National Outcomes

1. An improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All South Africans should be safe and feel safe.
4. Decent employment through inclusive growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable, sustainable rural communities with food security for all.
8. Sustainable human settlements and an improved quality of household life.
9. **A responsive, accountable, effective and efficient local government system.**
10. Environmental assets and natural resources that are well protected and enhanced.
11. A better Africa and a better world as a result of South Africa's contributions to global relations.
12. An efficient and development-oriented public service and an empowered, fair and inclusive citizenship.
13. An inclusive and responsive social protection system.
14. Transforming society and uniting the country.

2.1.3. Local Government Outcome 9.

As an effort to focus government initiatives and manage public expectations, the national government has adopted an Outcome Based Approach. Based on the Medium Term Strategic Framework (MTSF), 14 outcomes have been identified (refer to Box 2). Outcome 9 deals with local government and affects Newcastle Municipality directly. It moves from a premise that local government is a key part of the reconstruction and development effort in South Africa, and that aims of democratizing society and growing the economy inclusively can only be realized through a responsive, accountable, effective, and efficient local government system that is part of a developmental state. The government has identified the following Outputs for Outcome 9:-

- 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.

2.1.4. Strategic Infrastructure Project (SIP).

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

The plan is based on an objective assessment of the infrastructure gaps through spatial mapping which analyses future population growth, projected economic growth and areas of the country which are not served with water, electricity, roads, sanitation and communication. Based on this work, seventeen Strategic Infrastructure Projects (SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces. Each SIP comprise of a large number of specific infrastructure components and programmes.

Among the 17 projects are the initiatives to improve the movement of goods through the Durban-Free State-Gauteng logistics and industrial corridor by prioritising a range of rail and port improvements, supported significantly by a R300-billion investment programme by Transnet over the coming seven years. One of the rail links targeted for upgrading runs through Newcastle and is the main Durban Johannesburg link.

Subsequent to this is the upgrade and expansion of the N11 road linking the city of EThekweni in Durban, via Newcastle to Johannesburg and Mpumalanga Province. These infrastructure programs are meant to boost the economy of the country in order to achieve the vision 2030. In conclusion, Newcastle has also been identified as one of the Industrial hubs with particular emphasis on the manufacturing sector which is textile and chemicals.

2.1.5.State of the Nation Address (SONA) 2017.

In the recent State of the Nation Address held on the occasion of the Joint Sitting of Parliament in Cape Town, the President outlined national government priorities for the year 2017. He briefly explained the current scenario in terms of South Africa's economic outlook, highlighting the 0,5% growth rate experienced in 2016, and a projection of 1.3% economic growth rate in 2017. The president noted that the economy of SA is not growing fast enough to fuel much need employment opportunities specifically for the unemployed youth. Due to such, there has been a shifted focus towards few key areas of the Nine-Point-Plan which are intended at addressing the issue of unemployment and these are as follows:-

- Industrialisation;
- Mining and beneficiation;
- Agriculture and agro-processing;
- Energy;
- Small, medium and micro enterprises (SMMEs);
- Managing workplace conflict;
- Attracting investments;
- Growing the oceans economy;
- Tourism;
- Science and technology;
- Water and sanitation infrastructure;
- Transport infrastructure; and
- The roll of the broadband.

The president reflected on the success stories of the past term which included, amongst other things, the avoidance of the credit ratings downgrade, achievement of stability within the labour market, an agreement on the national minimum wage, extension of basic service provision, investment on renewable energy sources, provision of bulk water supply to support economic growth, curbing of waterlosses through the War on Leaks programme, Accelerated Schools Infrastructure Delivery Initiative, InvestSA towards enhancing business establishments in SA, the prioritisation of maths and science, the Square Kilometre Array (SKA) telescope and the MeerKAT telescope, Job creation in the Northern Cape, SANRAL and the upgrading of Moloto Road and Railway line through the cooperation agreement with the People's Republic of China (PRC) which will include the construction of the Moloto

Rail Development Corridor, Operation Phakisa Big Fast Methodology, 13% increase in SA's tourism industry, the Extended Public Works Programme (EPWP) and the alleviation of poverty, environmental programmes towards youth employment, the Department of Social Development's initiative towards the construction of Public Treatment Centres towards drug abuse, and the National Health Insurance (NHI) flagship project towards universal health coverage.

The president then outlined the key priorities for the year ahead and these are as follows:-

- Radical socio-economic transformation through economic emancipation;
- Gender equality within the conomy;
- Big contractors and the 30% subcontracting to smaller companies;
- Department of Economic Development and the ammendment of the Competition Act, 1998 (Act 89 of 1998).
- Department of Human Settlements and the Draft Property Practitioners Bill;
- Fast tracking the issuing of title deeds to beneficiaries of housing projects funded by the capital subsidy;
- Black Industrialists Programme;
- Department of Public Works and the R100 million property maintenance project;
- Introduction of policies aimed at broadening the participation of black people and SMMEs, inlcuding those owned by women and the youth, specifically within the information and communications technology sector;
- Lowering the cost of data;
- Review of the Mining Charter towards maximising state benefitiation in the mineral rights, and also de-racialisation of the ownership of the mining industry;
- Presentation of the Mining Company of South Arfica Bill to the Cabinet and Parliament;
- Finalisation of the Minerals and Pertoleum Resources Development Amendment Bill;
- Fast tracking Land Reform through the review of the Expropriation Act, 1975 (Act No. 63 of 1975), and the Restitution of Land Rights Amendment Act, 2014 (Act No. 15 of 2014);
- Implementation of the Strengthening the Relative Rights if People Working the Land programme (50-50 programmes);
- Support to black smallholder farms towards commercialisation;
- Industrial Development Corporation and the Land Bank's provision of funds to distressed farmers towards ensuring they manage their credit facilities, including support with soft loans;
- Mainstreaming of women empowerment in all government programmes;
- Prioritisation of women's access to economic opportunities and, in particular, to busness financing and credit;
- Provision of funds for students whose combined family income is less than R600 000 per annum;

- Review of the current NFSAS threshold (R122 000);
- Fight against crime through increasing visibility in policing, tactical response teams, national intervention units, establishment of specialised units, focus on drug-related crimes, tax violence and firearms, the enhanced utilisation of investigative aids such as forensic leads, utilisation of the DNA database in the identification of suspects;
- Fight against corruption;

At a macroeconomic perspective, the president mentioned a number of strategic partnership with both local and foreign countries towards unlock the industrial output of South Africa, hence an increase GDP. The president mentioned the intension of fast track the implementation of the SADC Industrial Strategy, and the integration agenda through the implementation of the SADC-COMESA-Easrt African Free Trade Area. Furthermore, he mentioned the Economic Partnership Agreement which came into effect in September 2016, which is aimed towards providing new market opportunities for South African products (99% of all South African products to have preferential market access in the EU). This means that about 96% of all South African products will have access to the EU market without being subjected to customs duties or quantitative restrictions. Another such strategy towards promoting South African trade is the South African Customs Mercosur Preferential Trade Agreement which provides preferential access to over 1 000 tarrif lines. The president further elaborated on the BRICS partnership specifically in relation to export of South African agricultural products such as pulses, mangos, pork and beef to China and India.

Newcastle commits itself to achieving the priorities of government at local level through working with citizens to improve their lives. Through the introduction of efficient LED Strategies, NLM will foster the creation of employment opportunities and SMME development within its jurisdictional area. The conservation of water and energy is of crucial importance hence NLM is committed to the creation of awareness at household level in order improve the efficient use of water and electricity. Furthermore, through the improvement of infrastructure within the jurisdictional area, a conducive environment for both domestic and international private investors will be created. NLM realises that an effective Land Use Management System is vital for the conservation of valuable agricultural land. Thus we commit ourselves to the development of an efficient Land Use Management Scheme in order to facilitate Land Reform and Agrarian Reform. Regarding government's policy on Back to Basics, NLM shall continue to deliver an efficient level of services to its communities and also strive to reach out to the areas which were previously marginalised in order to breach the gap on the basic service backlogs.

2.1.6. Integrated Urban Development Framework.

The Integrated Urban Development Framework is designed to unlock the development synergy that comes from coordinated investments in people and places and aims to guide the development of an inclusive, resilient and liveable urban settlements, while directly addressing conditions and challenges facing South Africa's cities and towns. This it does through a new approach to urban investment by the developmental state, which in turn guides the private sector and households in line with its vision which is as follows:-

“Liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive and globally competitive, where residents actively participate in urban life.”

Due to a variety of cities and towns in South Africa with differentiated attributes that influence the respective roles they play and the requirements thereof, the vision has to be interpreted and pursued in differentiated and locally relevant ways and this may be done through the introduction of the following 4 strategic goals:-

- **Access:** to ensure people have access to social and economic services, opportunities and choices.
- **Growth:** to harness urban dynamism for inclusive, sustainable economic growth and development.
- **Governance:** to enhance the capacity of the state and its citizens to work together to achieve social integration.
- **Spatial Transformation:** to forge new special forms in settlement. Transport, social and economic areas.

The 4 strategic goals mentioned above inform the priority objectives of the eight levers and these eight levers are premised on an understanding that:-

- 1) Spatial Planning forms the basis for achieving integrated urban development, which follows a specific sequence of urban policy actions;
- 2) Integrated transport that informs;
- 3) Targeted investments into integrated human settlements, underpinned by;
- 4) Integrated infrastructure network systems and;
- 5) Efficient land governance, which all together can trigger;
- 6) Economic diversification and inclusion;
- 7) Empowered communities, which in turn will demand; and
- 8) Deep governance reform to enable and sustain all of the above.

The following entails the Integrated Urban Development Frameworks 8 policy levers aimed towards addressing the structural drivers that will promote that current scenario of cities and towns:-

- **Policy Level 1:** Integrated Spatial Planning.
- **Policy Level 2:** Integrated Transport and Mobility.
- **Policy Level 3:** Integrated and Sustainable Human Settlements.
- **Policy Level 4:** Integrated Urban Infrastructure.
- **Policy Level 5:** Efficient Land Governance and Management.
- **Policy Level 6:** Inclusive Economic Development.
- **Policy Level 7:** Empowered Active Communities.
- **Policy Level 8:** Effective Urban Governance.

POLICY LEVERS	LONG-TERM STRATEGIC PRIORITIES	SHORT-TERM STRATEGIC PRIORITIES
Policy Level 1: Integrated Spatial Planning.	<ul style="list-style-type: none"> • Support and strengthen capacity to implement SPLUMA. • Improve integrated planning and management. • Maximise existing IGR structures as a mechanism for planning coordination. • Ensure greater involvement by Premiers and MECs. • Strengthen intergovernmental and long-term planning. 	<ul style="list-style-type: none"> • Expand the instruments for spatial intervention.
Policy Level 2: Integrated Transport and Mobility.	<ul style="list-style-type: none"> • Clarify roles and responsibilities (institutional arrangements). • Strengthen and integrate public transport modes. • Identify core public transport nodes and corridors. • Develop and operational subsidisation policy. 	<ul style="list-style-type: none"> • Monitoring and review of policies as required.
Policy Level 3: Integrated and Sustainable Human Settlements:-	<ul style="list-style-type: none"> • Finalise the Human Settlements White Paper. • Accelerate the upgrading of informal settlements. • Priorities the regeneration of the inner cities. • Provide more housing options. • Finalise the devolution of the housing function. • Promote densification, including supporting backyarding in townships and low-cost housing neighbourhoods. • Redevelop townships. • Develop a national policy on inclusionary housing. 	<ul style="list-style-type: none"> • Monitoring and review of policies as required.
Policy Level 4: Integrated Urban Infrastructure.	<ul style="list-style-type: none"> • Institutionalise municipal long-term infrastructure planning. • Consolidate and coordinate infrastructure funding. • Strengthen partnerships and intergovernmental planning. • Develop infrastructure as a bridge between rural and urban areas. 	<ul style="list-style-type: none"> • Initiation of plans for the second phase of long-term social and economic infrastructure development and the diversification of South Africa's economic base.

POLICY LEVERS	LONG-TERM STRATEGIC PRIORITIES	SHORT-TERM STRATEGIC PRIORITIES
<p>Policy Lever 5: Efficient land governance and management.</p>	<ul style="list-style-type: none"> • Simplify land-use planning and management. • Rethink the role of the Housing Development Agency (HAD). • Speed up land tenure. • Promote land value capture. • Consolidate and simplify the legislation governing the disposal of state land. • Ensure legislative concepts are applied consistently. • Address impacts of Traditional Authority areas within predominantly urban municipalities. • Improve municipal access to land owned by the state and SOEs. • Improve intergovernmental relations for the acquisition and transfer of state land. 	<ul style="list-style-type: none"> • Address the fragmentation in public land information.
<p>Policy Lever 6: Inclusive Economic Development.</p>	<ul style="list-style-type: none"> • Strengthen the economic role of municipalities. • Strengthen municipal institutional capacity in economic development. • Strengthen support for small and medium sized towns. • Support municipalities in building and using economic intelligence. • Initiate shared economic development strategies for cities and towns. • Strengthen roles and leverage partnerships with other economic stakeholders. • Improve relations between municipal councils and traditional authorities. • Create the local conditions for supporting enterprise development and growth. • Progressively improve inclusive economic infrastructure and services. • Support community-based enterprises and work. • Support livelihoods as a core principle of inclusive urban management. 	<ul style="list-style-type: none"> • Build distinctive strengths and extend/link regional economic value chains.
<p>Policy Lever 7: Empowered Active Communities.</p>	<ul style="list-style-type: none"> • Complete the National Framework on Participatory Governance. • Develop models for civic education. • Establish and maintain public participation forums at various levels. 	<ul style="list-style-type: none"> • Innovative Neighbourhood Empowerment.

POLICY LEVERS	LONG-TERM STRATEGIC PRIORITIES	SHORT-TERM STRATEGIC PRIORITIES
	<ul style="list-style-type: none"> • Build institutional capacity to engage. • Explore co-production mechanisms for finding solutions to local government services. • Develop a social media strategy. • Explore service delivery mechanisms for other social services. 	
Policy Lever 8: Effective Urban Governance	<ul style="list-style-type: none"> • Promote a stronger positioning of metro government. • Strengthen intergovernmental and long-term planning and budgeting. • Improve fiscal management to meet the demands of urban growth. • Streamlining of national monitoring of municipal performance. 	<ul style="list-style-type: none"> • Establishment of a National Statutory Council

As a means to uphold the policy levers of the Integrated Urban Development Framework, Newcastle Municipality is committed to achieving IUDF's long and short-term strategic priorities at a local level through various measures such as integrated spatial planning through effective land use management systems and the development of the wall-to-wall scheme, the development of the integrated traffic and transportation plan, planning for the provision of sustainable human settlements, the delivery of a capital programme towards the development of infrastructure, and upholding local economic development through related programmes such as the Annual Newcastle Small Business Week. NLM's priorities and strategies are aimed at developing sustainable human settlements, improving spatial integration, and generating wealth and creating sustainable jobs. NLM promotes good governance by promoting a culture of public representation through its effective ward committee system. Newcastle's urban centers are multi-functional nodes, with strong transportation hubs incorporating a variety of land use activities such as commercial, retail, cultural and residential. The CBD provides employment for a large percentage of the population and links suburban and township populations through a transportation network. The CBD is also an important source of regional economic growth, and makes significant contributions to the GDP of the Amajuba District family of municipalities.

2.2. PROVINCIAL POLICY FRAMEWORK.

2.2.1. KwaZulu-Natal Provincial Growth and Development Strategy/Plan (2016).

KwaZulu-Natal Province's development vision is outlined in the latest version of the Provincial Growth and Development Strategy (PGDS) which reads as follows:-

“By 2035 KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the World.”

The KZN-PGDS is a primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2035. It provides the province with a rational strategic framework for accelerated and shared economic growth through catalytic and development orientated interventions, with comprehensive and equitable spatial development initiatives aimed at putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. The PGDS asserts the beautiful Province of KwaZulu-Natal as the gateway to Africa and the world, and thus aims to build this gateway by growing the economy for the continued development and improvement of the quality of life of all the people living in the Province, whilst ensuring that those currently marginalised have broader socio-economic opportunities.

In the first generation of the KZN-PGDS (2011), particular focus was given to the provision of sustainable infrastructure and services, restoring natural resources, improving public sector leadership, delivery and accountability, resilience, innovation and adaptability. The new KZN-PGDS (2016) has identified as the biggest challenge, the continued social and economic exclusion of millions of South Africans, reflected in high levels of poverty and inequality. Therefore the focus for the KZN-PGDS (2016) will be on unlocking an expanded, sustainable and spatially balanced economic base. This will entail job creation that is labour intensive hence accommodating the marginalised sector of the population. Furthermore, the approach will also entail a prioritisation towards improved education outcomes and skills development that is responsive to workplace demands.

The KZN-PGDS (2016) has identified structural constraints to growth within KZN and these are as follows:-

- Increasing unemployment, inequality and poverty.
- Weak demand due to intense international competition.
- Insufficient skills development and training.
- Weak partnerships between economic actors and stakeholders.
- A decrease in output within the agriculture and the manufacturing sector.
- Youth, women, and rural inhabitants' inability to fully participate in the economy.

- Adaptation to climate change.

Significant milestones need to be achieved in order to address inherited social and spatial inequities that continue to inhibit the creation of safe, healthy and sustainable living environments. Municipalities need to be institutionally empowered with the requisite organisational capabilities and human resource competencies to bring life to Vision 2035.

The KZN-PGDS identifies 7 strategic goals and 30 strategic objectives designed to move the KwaZulu-Natal Province progressively towards the attainment of the 2035 development vision. These goals and objectives are as relevant to the Newcastle Municipality as they are for the KwaZulu-Natal Province, despite some not being direct functions of local government. In order to realise Vision 2035, the following long-term goals have been identified to guide policy-making, programme prioritisation and resource allocation:-

NO.	STRATEGIC GOAL	NO.	STRATEGIC OBJECTIVE
1.	INCLUSIVE ECONOMIC GROWTH	1.1.	Develop and promote the agricultural potential of KZN
		1.2.	Enhance sectoral development through trade investment and business retention
		1.3.	Enhance spatial economic development
		1.4.	Improve the efficiency, innovation and variety of government-led job creation programmes
		1.5.	Promote SMME and entrepreneurial development
		1.6.	Enhance the knowledge economy
2.	HUMAN RESOURCE DEVELOPMENT	2.1.	Improve early childhood development, primary and secondary education
		2.2.	Support skills development to economic growth
		2.3.	Enhance youth and adult skills development and life-long learning
3.	HUMAN AND COMMUNITY DEVELOPMENT	3.1.	Eradicate poverty and improve social welfare services
		3.2.	Enhance the health of communities and citizens
		3.3.	Safeguard and enhance sustainable livelihoods and food security
		3.4.	Promote sustainable human settlements
		3.5.	Enhance safety and security
		3.6.	Advance social cohesion and social capital
		3.7.	Promote youth, gender and disability advocacy and the advancement of women
4.	INFRASTRUCTURE DEVELOPMENT	4.1.	Development of seaports and airports
		4.2.	Develop road and rail networks
		4.3.	Develop ICT infrastructure

NO.	STRATEGIC GOAL	NO.	STRATEGIC OBJECTIVE
		4.4.	Ensure availability and sustainable management of water and sanitation for all
		4.5.	Ensure access to affordable, reliable, sustainable and modern energy for all
		4.6.	Enhance KZN waste management capacity
5.	ENVIRONMENTAL SUSTAINABILITY	5.1.	Enhance the resilience of ecosystem services
		5.2.	Expand the application of green technologies
		5.3.	Adapt and respond to climate change.
6.	GOVERNANCE AND POLICY	6.1.	Strengthen policy, strategy coordination and IGR
		6.2.	Build government capacity
		6.3.	Eradicate fraud and corruption
		6.4.	Promote participative, facilitative and accountable governance
7.	SPATIAL EQUITY	7.1.	Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities
		7.2.	Ensure integrated land management across the Province, ensuring equitable access to goods and services, attracting social and financial investment

For the 2016 KZN-PGDS to deliver on shared growth and integrated, sustainable development through its interventions, all spheres of government must commit to the following:-

- (a) The incorporation of the strategic goals and objectives in their priorities and programmes; effective participation in the institutional implementation framework;
- (b) The implementation of catalytic projects and interventions;
- (c) The provision and allocation of the required support and resources; and
- (d) The reporting of progress.

The KZN-PGDS (2016) is implemented through the KZN-PGDP (2016) which provides a platform for departmental, sectoral and stakeholder annual performance planning, thus guiding the allocation of resources. The main focus of the KZN-PGDP is to drive the implementation of the KZN-PGDS 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. The immediate focus of the KZN-PGDS (2016), in terms of the timeframes, is target 2020.

Spatial representation and/or implementation of the KZN-PGDP is made possible through the KwaZulu-Natal Provincial Spatial Development Framework (KZN-PGDS 2016) which aims to strengthen linkages between the three spheres of government for

optimising the returns on public investment to the benefit of affected communities and industries. The envisaged spatial vision for KwaZulu-Natal may be summarised as follows:-

“Optimal and responsible utilisation of human and environmental resources, building on addressing need and maximising opportunities towards greater spatial equity and sustainability in development.”

In order to achieve the spatial vision, as a starting point, the KZN-PGDS (2016) has employed the concept of spatial sustainability which includes Environmental Integrity, Social Equity, and Economic Efficiency, and the following principles are applicable:-

- Sustainable communities;
- Economic potential;
- Environmental Planning;
- Sustainable rural livelihoods;
- Spatial concentration and urban development;
- Local self-sufficiency;
- Coordinated implementation;
- Accessibility; and
- Balanced development.

The following entails the KZN-PESDF's general spatial intentions of the KZN-PGDS, and the guiding principles which should, ideally, be pursued within all levels of spatial planning, at district and local level, in order to ensure alignment with the provincial development strategy:-

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
<p>Environmental Sensitivity and Resilience: These are identified conservation corridors which are also areas of environmental significance to the sustainable development of the entire province.</p>	<p>The area west of the Newcastle CBD, up along the municipal boundary towards the north, has been identified as being part of the Protected Areas Expansion Strategy, with small pockets of either Landscape Corridors/Forest Wilderness Area/Ezemvelo Protected Areas/Private Nature Reserves.</p>
<p>Priority Social Intervention Areas: These are areas identified as being in need of some form of social intervention based on an analysis of the applicable social dimensions.</p>	<p>The majority of the area west of the Newcastle CBD has been identified as having a Medium-to-Low Need for social intervention, with just a small pocket being identified as having a Medium-to-High Need for social intervention. Furthermore, up north towards the municipal boundary, there are areas which have been identified as having a Medium Need for social intervention. Pockets of High, Medium-to-High, and Medium Need for social intervention have</p>

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
	been identified in the area that is east of Newcastle CBD (i.e. black township area which is previously disadvantaged and predominantly dominated by black inhabitants).
<p>Priority Areas of Economic Activity and Potential: Based on the current economic activities in the KZN Province, these are areas derived from the performance of the lead sectors of the KZN economy, augmented by areas with further development potential as identified in competitive assessments of the Metro and districts in the KZN Province.</p>	<p>The majority of the area west of the Newcastle CBD has been identified as Priority Agriculture, with small pockets being identified as Tourism. The area that is immediately within the vicinity of the Newcastle CBD has been identified as Economic Value Adding Areas, whereas the majority of the Newcastle east area is identified as having very small pockets of Potential Agriculture. Up north, along the N11 route, the area has been identified for Tourism, and small pockets with Mining Rights.</p>
<p>Levels of accessibility to public and private sector services: These are areas where accessibility to public and private sector services are proving to be a restriction to the development of a particular area. These are used as a reference point to determine priority of government intervention.</p>	<p>In terms of the urban accessibility index, the majority of Newcastle is regarded as 1.25 to 2 hours regarding the efficiency in accessing both the public and private sector services.</p>
<p>Provincial Nodes in relation to Priority Interventions: This entails the nodes as identified within the KZN-PSEDS (KwaZulu-Natal Provincial Spatial Economic Development Strategy).</p>	<p>Newcastle has been identified as KZN-PSEDS Node No. 2, with the majority of the area being identified as having potential to be an Agricultural Service Area. There are also areas within Newcastle which were identified as Protected Areas and also Landscape Corridors mainly significant for tourism development.</p>
<p>Composite Provincial Spatial Development Framework: This entails a combined spatial representation of certain components that are of economic significance to the KZN Province.</p>	<p>Newcastle municipality has been identified as being along a Secondary Corridor, the N11 National Route. As mentioned within the section that covers Priority Areas of Economic Activity and Potential, the area within the vicinity of the Newcastle CBD has been identified as an Economic Value Adding Area. We have also been identified as KwaZulu-Natal's Secondary Node, which is basically an urban centre with good existing economic development and the potential for growth and services to the regional economy. Furthermore, the are pockets of areas which have been identified as being part of either a Protected Area/Landscape Corridors/Protected Areas</p>

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
	Expansion Strategy. The majority of the area east of the Newcastle CBD has been identified as an Agricultural Service Area.

In light of the above, it is worth stating that the agricultural sector is key in order to address poverty within the province of KwaZulu-Natal since most of the areas are currently experiencing high levels of poverty, more specifically within rural areas. The agricultural sector's contribution towards the provincial economy is minimal, but has the potential to increase if its full potential is realised. The commercial agricultural sector is the major employer within major municipalities and forms the economic anchor of such municipalities. Subsistence agriculture is regarded as the most important source of sustenance for a majority of rural households. The challenge towards reducing unemployment and poverty may be addressed through a transformation of commercial agriculture and an improvement to the linkages between the first economy commercial agriculture and the second economy subsistence agriculture in order to develop subsistence agriculture into small-scale commercial agriculture.

Agrarian Reform, coupled with effective Land Reform, both are identified as key instruments towards achieving agricultural development. The first round of the KZN-PGDP identified Newcastle as having high agricultural potential. The implications thereof to local government is the need to develop strategies towards developing agricultural potential within Newcastle, with emphasis being placed on the need to release concealed potential which mostly exists in the Ingonyama Trust Lands. Furthermore, there is a need to provide support through expediting of the land reform initiatives in the KZN Province. The agricultural potential may further be boosted through unleashing the potential of the Ingonyama Trust Land through improved communication and alignment of local government initiatives with those of the Tribal Authority.

The potential for industrial development in KwaZulu-Natal is anchored by the nodes of eThekweni and Umhlathuze. The corridors between these two nodes and extending up to Howick from the primary zone of industrial development in the province are also realised as areas with potential for industrial development. The cities of Newcastle, Ladysmith and Port Shepstone serve as important secondary nodes of industrial development potential to support economic growth and job creation. In terms of tourism, the areas of national tourism potential within KZN are the Southern Zululand and Dolphin Coast, the Elephant Coast and surrounds, the greater Pietermaritzburg and Durban region, and the Drakensburg region. The following entails a list of the tourism products that are of provincial significance:-

- Arts and crafts routes in Midlands Meander and Albert Falls Amble;

- Durban, South-coast and North-coast Beach Tourism linked to cultural tourism in the interior Drakenberg region;
- Greater St. Lucia and surrounding big five reserves;
- Zulu Heriateg and Cultural Trail; and
- Battlefields Route.

An analysis of the economic contribution within the various sectors in the districts of the KZN province indicate that, with the exception of two districts, the service sector (i.e. government services) is the largest contributor to district economies. The service sector is in fact the largest sector in the provincial economy, contributing 52,8% to GDP. The sector comprises of the following:-

- Wholesale/trade;
- Transport/storage;
- Communication;
- Real estate;
- Business services;
- Community/social/personal services; and
- Government services.

The strategy of the PGDS builds on the concept of developing a comprehensive network of centres throughout the province which will support the delivery of services. Services delivered will be determined by various nodes according to the hierarchy of places. In identifying the hierarchy of places, existing service centres are strengthened, and new or emerging service centres are developed. Also supported is the principle of shared service centres in the smaller rural centres across the KZN province. It is envisaged that in time growth and development in these rural service centres may lead to the realisation of further economic development and activity, justifying additional government investment in the three sectors already discussed. Newcastle is identified as having High Economic Potential, and has the ability to perform as a shared service centre for the surrounding more rural settlements within the region. Newcastle has well-developed retail and trade sector, well-developed transportation and the related infrastructure, access to community services and social services, and well-developed business and government services. Newcastle is also regarded as a place where the development of all the four major sectors of the economy have been identified i.e. Agriculture, Tourism, Industry and Services sector. In simple terms, Newcastle is has multi-sectoral economic potential.

2.2.2.Amajuba District Growth and Development Plan.

The development vision of the Amajuba District is further detailed with the recently developed Amajuba District Growth and Development Plan which is essentially an attempt to cascade the development vision of the KZN PGDP into action. The main objectives of the plan are as follows:-

- To establish and outline a long term vision and direction for the development in the district (vision 2030);
- To provide an overarching and coordinated framework for planning and development initiatives within each of the local municipalities and across municipal boundaries;
- To provide a spatial context and justification for priority interventions;
- To guide resource allocations of various spheres of government, service delivery agencies and private sector working within the district;
- To develop the institutional arrangement for an effective implementation of the Amajuba DGDP and the KZN PGDS;
- To align and integrate departmental strategic plans at a district level;
- To facilitate commitment of resources (human, financial, etc.) towards the implementation of strategic objectives, catalytic initiatives and other district priorities.

The Amajuba DGDP will achieve its objectives through 7 Strategic Goals directly aligned to the KZN PGDP. The ADM 7 Strategic Goals are as follows:-

	GOALS	INTERVENTION
1.	Job Creation	Expanded provincial economic output and employment.
2.	Human Resource Development	The human resource capacity of the province is adequate, relevant and responsive to growth and development needs.
3.	Human and Community Development	Poverty and inequality in Amajuba is reduced.
4.	Strategic Infrastructure	Strategic infrastructure provides for the social and economic growth and development needs in Amajuba District.
5.	Environmental Sustainability	Reduced global greenhouse gas emissions and create social ecological capacity to climate change.
6.	Governance and Policy	The population of Amajuba is satisfied with the levels of government service delivery.
7.	Spatial Equity	Increased spatial access to goods and services in Amajuba

As per the KZN PDGP, the Amajuba DGDP's Strategic Goals and the 24 Strategic Objectives are aimed towards the attainment of the 2030 development vision. The goals and objectives of the Amajuba DGDP are relevant and applicable to the Newcastle Local Municipality. However, some do not fall within the ambit and functions of NLM. Nonetheless NLM fully commits itself to the execution and coordination of the Amajuba DGDP Strategic Goals and Objectives thereof, particularly those falling within its functions.

2.2.3.State of the Province the Address (SOPA) 2017.

The speech by the Honourable Premier of KwaZulu-Natal, Mr. T. W. Mchunu was a reiteration of the objectives echoed in the State of the Nation Address by South Africa's National President, Mr. Jacob Zuma. Sighted amongst the challenges faced in the previous year were the international geo-political developments that have caused uncertainty which has, as a result, led to an economic downturn that affected South Africa. This was further propelled by the recent drought and high unemployment within the country. The Premier sighted globalisation of KwaZulu-Natal (the integration of the provincial economy into the world economic system) and the Brexit as other causes of economic uncertainty within the KwaZulu-Natal Province, having implications thereof on trade and investment ties with traditional overseas markets, hence impeding upon job creation and aggravating unemployment. Despite the challenges that accrue due to the close integration of the KwaZulu-Natal Province with the global economic system, the teleconference between the President of South Africa, Mr. Jacob Zuma, and the President of the United State of America, Mr. Donald Trump, was sighted as a boost towards investor confidence. This is based on the commitment between the two presidents which is to strengthen bilateral relations between RSA and USA.

The Honourable Premier of KwaZulu-Natal went on to further elaborate on the global economic outlook which affected South Africa and KZN specifically, stating that KZN's contribution to the GDP has contracted by 0.16% in the 3rd quarter of 2016 (this includes manufacturing which experienced a 3.1% contraction). The outlook for the next financial year is also forecasted as not being very good as economists anticipate a 1.8% economic growth rate (national average forecast of economic growth = 1.6%). Due to economic uncertainty, the KZN Province has experienced challenges in sustaining and retaining existing jobs, and also to grow the job market and reduce unemployment (KZN unemployment rate = 23.7 in 2017 – an improvement from 27.1 in 2016). As a result it has become increasingly difficult to market development and investment opportunities in the KZN province. This means that government will have to enhance its poverty relief programmes and ensure the provision of indigent support to a growing share of the population, ofcourse against the backdrop of a shrinking budget.

The Premier went on to elaborate on the current state of water specifically highlighting the good rainfall that has been received by the province of KwaZulu-Natal. "The current levels of the dams in KZN is still 13% below what it was in the corresponding period last year" (Department of Water and Sanitation). The drought has impacted negatively on a number of socio-economic factors including the commercial demand for water, human access to potable water, drinking water for livestock and game farms, crop production and food security, as well as the state of the environment in general. This has led to a 6.3% decrease in the number of households directly involved in agriculture over the period 2011 to 2016, hence leading to urbanisation. Efforts have thus been made to counteract the current predicament and these include the drilling of boreholes in critical hotspots, installation of mobile packaged plants in areas most

severely affected, acquisition of mobile water tankers to augment distribution, as well as the establishment of off-channel water storage to augment raw water supply. The Department of Water and Sanitation has further reprioritised a further R700 million in the year 2016/17 and this is towards drought intervention, which is an addition to the R503 million made available in the year 2015/16. However there is still more work to be done in creating awareness towards water conservation.

Also highlighted was the progress made over the previous financial year, acknowledging the contributions made by collective government, business, labour, civil society and key stakeholders/partners. The review of the Provincial Growth and Development Strategy (PGDS) in 2016 was mentioned as one of the achievements of the previous year. The review of the PGDS also entailed the review of the vision 2030 to 2035 and it now reads as follows:-

“A prosperous Province, with a healthy, secure and skilled population, living in dignity and harmony, and acting as a gateway to Africa and the World.”

The KZN-PGDS sets out clear targets for 2020, 2025, 2030 and 2035 which is supported by a range of Catalytic Projects with short-term deliverables. The PGDS informed the development of the Provincial Growth and Development Plan which is intended to inform resource allocation in government, business, labour and civil society. The progress made towards improving basic education was also mentioned as one of the successes in the previous year, and this is specifically in relation to the provision of access to primary and secondary education. This also entails an increase in the rate of participation of children aged between 4 and 5 in Grade R to more than 70%. The Premier also mentioned that in addition to the national student financial support programme, the KZN province has also awarded more than R1.5 billion worth of bursaries to needy students. Over the years there has also been an appointment of 5000 graduates within internship programmes for various government departments costing government more than R100 million.

Regarding the social dimensions of development engulfing the existence of the inhabitants of KZN, the Premier expressed his views on the subject matter and asserts that social cohesion and moral regeneration is imperative for nation building. Due to such, a decision has been undertaken to rollout an integrated twin-programme of social cohesion and moral regeneration, which will focus on the reconstruction of the soul, healing the wounds and rebuilding community fibre. The moral regeneration programme will involve the mobilization of civil society, in the form of religious and traditional teachings, which are all intended to create a better human being and a humane society. The Premier also elaborated on the planned Social Cohesion Summit which is meant to be a build up towards Freedom Day. The Summit will involve civil society, academics and other key stakeholders and focus will mainly be on debates around how best can we celebrate our heroes – Black, White, Coloured, Indian – who fought against Apartheid domination. The outcome from the gathering

will be an Integrated Social Cohesion Strategy which will guide other programmes on social cohesion. Another programme mentioned was that of the replacement of old names for new ones, an initiative which seeks to honour those who laid down their lives to further the cause of liberating the people of South Africa from the jaws of Apartheid. The names include O.R Tambo, Queen Nandi, King Dinizulu, Cecilia Makiwane, Inkosi Albert Luthuli, Chris Hani, Yusuf Dadoo, Helen Joseph, Lilian Ngoyi, Nelson Mandela, Steve Biko, George Mukhari, Charlotte Maxeke, and Fatima Meer amongst others.

In relation to crime and corruption, the Premier raised his concern that the issue does not create a conducive environment for businesses to thrive due to the associated risks and losses. The symbiotic relationship between crime and violence coupled with appalling socio-economic conditions is proving to be a serious predicament within the province of KwaZulu-Natal. The prevailing socio-economic conditions that are characterised by poverty are regarded as the major contributor to crime and violence. These are further exacerbated by widespread social ills such as substance abuse, gender-based violence, and teenage pregnancy. The proliferation of young drug addicts, no known as Amaphara, in our society is a serious threat to social stability. A joint effort is required in order to come up with plausible interventions to these issues, and this requires the participation of business leaders, churches, religious bodies, and community organisations including the revival of the Council Against Crime.

Regarding the issue of land, the Premier asserts that more has to be done by the state in order to ensure successful implementation of the Land Reform Programme. The Land Restitution Programme has also been observed as being slow, which may be attributed to the constraints of the fiscus and budget available to support the land claim project. The other significant constraint has been long and protracted land disposal and acquisition negotiations, to the detriment of both existing and future land owners. This has also has a serious debilitating effect on the agricultural sector and food security. The Premier further stated that one particular area where quicker progress must be made is in relation to the issuing of deeds to beneficiaries in the Land Tenure Programme.

Regarding in-house capacity of provincial government to deliver on the promised development initiatives,, the Premier further voiced his concerns in relation to the deep routed challenges that jeopardise set objectives. This has been observed in the annual audit outcomes, as well as the outcomes of the Annual Management Performance Assessment Tool (MPAT) assessment results. The Premier stated that “from now, onwards, HODs have been warned by the Provincial Executive Council that there will be punitive actions for any non-compliance with legislation or procedures.” The over reliance on specialist service providers and consultants by government was also noted as one of the areas that need intervention, with the objective being the ultimate elimination of such as in-house capacity is beefed up. Sustained focus is also required in order to improve intergovernmental relations

between various spheres and institutions of government in the KwaZulu-Natal Province. Government can only be effective in delivering on the needs of our people if it is served by professional, dedicated and loyal officials who take pride in their work and are committed to eradicate all forms of corruption. In order to ensure effective and efficient government administration towards the provision of meaningful services, it is necessary that government within the province ensures the implementation of the latest amendment of the Public Service Regulations, which were promulgated specifically in order to curb fraud and corruption.

It is by now a well stated fact that freedom without the financial means to enjoy this freedom, is a false and hollow sense of freedom. Due to such, it is imperative to embark upon a process of Radical Economic Transformation as a drive to address the persevering triple challenges of poverty, unemployment and inequality. In the view of the Premier, more needs to be done to alter and accelerate economic growth in KZN, so as to boost demand from the labour-intensive sectors, to protect existing employment and to create new quality jobs. This will assist tackle the issue of poverty through meaningful job creation. Job creation remains central to achieving our objectives of inclusive growth, radical structural economic transformation, distributing the benefits of growth more widely and consequently reducing dependency on the welfare system, by broadening economic participation. The pattern and pace of economic growth needs to be adjusted and accelerated. There is a need for improved investments through a joint collaboration between the private and the public sector. As the province with the second largest contribution to the national economy, we need to ensure that the call for radical economic transformation does not only remain a slogan, but that it should find practical expression in our government and private sector programmes.

In summary, the State of the Province Address clearly sets out the vision of government towards the development of the KZN Province, with focus being around addressing the identified priority intervention areas.

2.2.4.State of the Town Address (SOTA) 2017.

On his first State of the Town Address as the newly elected Mayor of the Newcastle Local Municipality, His Worship, the Mayor Cllr E. M. Nkosi raised his concerns regarding the current operations of the Newcastle Municipality in relation to the delivery of meaningful services. The concerns were largely in relation to, but not limited to the cutting of grass, even stating that he is keeping his hair and beard until the municipality is able to cut the grass to the satisfaction of the people in Newcastle. He went on to elaborate on other challenges which are faced by the new administration inclusive of the current state of municipal finances, aging infrastructure, poor access to water and sanitation, issues relating to rural electrification, provision of sustainable human settlements for the inhabitants of Newcastle.

His Worship, the Mayor of Newcastle, Cllr. E. M. Nkosi went on to elaborate on the various interventions that have been implemented to circumvent the unpleasant financial situation of the municipality through collective efforts from the national, provincial and local government in order to ensure an improved quality of life for the inhabitants of the Newcastle Local Municipality. Amongst other things, the Mayor mentioned projects on the tarring of roads hence restoring dignity, provision of water and sanitation in times of a water crisis due to climate change, provision of rural electrification, provision of housing through the implementation of housing projects such as Siyahlala Housing Project, the Osizweni Section E Phase III Project, the Emawozeni Brownfield Housing Project, the H39 Housing Project, and the Charlestown Housing Project. He also mentioned capital investments on municipal assets that are enjoyed by the public inclusive of the libraries, halls and heritage facilities, and also investments made on the acquisition of assets that will aid the municipality in the efficient and effective delivery of basic services.

Moving forward the Mayor mentioned the introduction of youth development and job creation initiatives by the municipality in order to curb the high unemployment rate amongst the youth of Newcastle. The municipality has taken a radical position towards youth development and economic transformation through a shift of focus on youth entrepreneurial development, and the improvement of government and private sector linkages in order to stimulate economic growth and foreign direct investment. The Mayor revealed to the audience Council's intentions to open a youth help desk by the NYDA in order to assist towards youth and entrepreneurial development.

The Mayor went on to provide an outline of the draft budget for the 2017/18 financial year, inclusive of the projected income and expenditure of the municipality on both operations and capital projects. The municipality is expecting to generate an operational revenue of about R1.3 billion on the sale of electricity and water, sewer charges, refuse removal and from property rates. Other funds shall be sourced from grants and subsidies which collectively will contribute about R340 million. Other funds will be sourced from traffic fines and the rental of municipal facilities, mainly municipal flats and houses. About R17 million will be generated from the sundry revenue of the municipality.

The Mayor informed the audience of the current process which is taking place pertaining to the cleaning of the indigent register by identifying those who can afford and those who cannot afford to pay. This is an attempt towards counteracting the budget deficit and improving the payment factor of the municipality on the rendering of municipal services. The draft budget by the Mayor indicated that major expenditure will be on bulk purchases for water and electricity. R92 million is projected to fund indigent subsidies and, free water has been reduced from 12kl to 6kl per household per month. An indication was also made on the increases on rates and services with property rates increasing by 7%, electricity by 1.88%, water by 7%, refuse removal by 7%, in naming just a few. Furthermore, the Mayor outlined the capital expenditure budget

with roads and infrastructure improvements being R88 million, water and sanitation – R120 million, the roll out of electricity – R9 million, extension of the Newcastle Library – R5 million, and the construction of a new library in Charlestown – R10 million.

2.2.5.17 Sustainable Development Goals.

During the year 2000, 189 leaders of different nations committed themselves to rid the world from famine, drought, wars, plagues, poverty and many forms of deprivations that have been haunting the global society for years. The United Nations Development Programme (UNDP) has been one of the leading working towards achieving the 8 MDGs through the funding of projects within more than 170 countries and territories. Tremendous progress has been made since the offsetting of the goals in the year 2000, hunger has been cut in half, extreme poverty went down almost by half, more children are going to school, and there are less child fatalities, in just naming a few. South Africa, on the other hand, has been a willing signatory of the 8 Millennium Development Goals even before they were introduced globally, and this has been through the alignment of a vision that was expressed and supported by millions of South Africans in the form of the 1955 Freedom Charter. Though not articulated in the same manner, the achievement of the 8 Millennium Development Goals has always been an integral part of the Freedom Charter, and a building block towards addressing the challenges that are mainly due to the poor planning mechanisms of the Apartheid government. 15 years later the signatory countries want to improve on the successes of the over the years, hence going further in addressing perennial issues.

The new set of goals, the Sustainable Development Goals (SDGs), aim to end poverty and hunger by 2030. World leaders, taking into cognisance the relationship between people and the planet, have set goals for the land, the oceans and the waterways. The 17 SDGs are based on common consensus, and an aspiration towards a future where everybody has enough food, and can work, and can sustain their livelihoods living at more than \$1.25 a day. The new 17 Sustainable Development Goals are as follows:-

	SDG	OBJECTIVE
1.	No poverty	To end poverty in all its forms everywhere
2.	Zero hunger	To end hunger, achieve food security and improve nutrition and promote sustainable agriculture
3.	Good health and well-being	Ensure healthy lives and promote well-being for all at all ages
4.	Quality education	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
5.	Gender equality	Achieve gender equality and empower all women and girls
6.	Clean water and sanitation	Ensure availability and sustainable management of water and sanitation for all

7.	Affordable and clean energy	Ensure access to affordable, reliable sustainable and modern energy for all
8.	Decent work and economic growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9.	Industry, innovation and infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10.	Reduced inequalities	Reduce inequality within and among countries
11.	Sustainable cities and communities	Make cities and human settlements inclusive, safe, resilient and sustainable
12.	Responsible consumption and production	Ensure sustainable consumption and production patterns
13.	Climate action	Take urgent action to combat climate change and its impacts
14.	Life below water	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.
15.	Life on land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16.	Peace, justice and strong institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17.	Partnerships for the goals	Strengthening the means of implementation and revitalise the global partnership for sustainable development

In South Africa there still exists enormous pressures for the achievement of the 17SDGs. Though efforts have been made towards halving extreme poverty, there is still persistence of high inequalities. Efforts have also been made towards improving the levels of education within the country through the provision of access to an efficient and high quality education system that is results-driven. And thus South Africa managed to achieve the goal of universal primary education before the targeted date of 2015.

Since 1994, South Africa has been recognised internationally for its relatively good performance in terms of common measures on gender equality. However, gender based violence still remains of particular concern which means decisively dealing with this issues is of particular importance in order to achieve the goal pertaining to the equality and the empowerment of women. According to the Millennium Development Goals Country Report 2013, the target regarding the ratio of literate females to literate males was achieved at 1:1. Therefore the processes already in motion should be maintained as there is still a long way to go in order to achieve gender equality. Significant efforts have also been made to improve the health system in order to reduce child mortality and improve maternal health including the fight against HIV/AIDS. The level of childhood mortality is reflective of a country's health status in general and the health status of the children in the country. There has been improved

immunisation for children under the age of 1 hence contributing to the decrease in the child mortality rate.

The creation of awareness campaigns towards the fight against the HIV/AIDS pandemic has also given some positive results. In 2012 South African had the largest population of people living with HIV/AIDS which was estimated at 5.6 million. However, the percentage of HIV prevalence among the population aged between 15 – 24 years has declining significantly over the years, from 10.3% in 2005 to 7.3% in 2012. This is a positive sign towards reaching the goal of combating HIV/AIDS despite the prevalence of some challenges. Fundamental to the nature of NLM is the development of sustainable human settlements and the conservation of the environment thereof. Through strict land use measures and the mainstreaming of development, the significance natural habitats is realised. South Africa accounts for 65% of the carbon emissions in Africa and thus the sustainability of the natural forests is of concern. Like most other countries, South Africa is also vulnerable and exposed to the impacts of climate change and variability due to the socio-economic and environmental context. Therefore, key mitigation programmes have been identified including the promotion of the use of clean energy resources. Such measures will also aid thus to decrease the rate of Ozone depletion. Within NLM there has been improvement regarding the provision of access to water and also the provision of improved access to sanitation.

2.2.6.Operation Sukuma Sakhe.

The Special Programmes (SP) Unit aims to redress previous imbalances, create equal opportunities, and promote accessibility, transparency and accountability of target groups development programmes. It comprises of cross-cutting issues, of which a blind eye cannot be turned as far as service delivery is concerned. Both the political and administrative wings have a critical role to play in the effectiveness of this psychologically tuned mandate.

NOTE: The Unit: Special Programmes goes deeper than any other project/programme in that through behavioral change, and this change calls for the transformation in cognitive and social stimuli. It has been evident that development is not just about providing shelter, roads etc., but also about the psychological well-being of the community. Children, youth, senior citizen, and people living with disabilities, men and women must have a voice in governance.

The municipality is at the stage whereby it acknowledges that people are different yet the same. In no way can the municipality implement service delivery in isolation of the local democracy. Newcastle Municipality has launched the Provincial Sukuma Sakhe program at ward 9 as an attempt to declare war against poverty and social challenges facing the community of Newcastle. Operation Sukuma Sakhe Programme (formerly

known as the Flagship Programme) seeks to institute food security, fight disease, in particular HIV, AIDS and TB, and poverty, to empower women and youth, and to instil behavioural change amongst the citizens of the province. The formulation of this 3rd Generation IDP has adopted the principles of Operation Sukuma Sakhe Program thereby establishing partnerships with the local community and getting involved into War Rooms.

Operation Sukuma Sakhe has a 'whole of Government approach' as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government, therefore delivery of services is required through partnership with community, stakeholders and government. Newcastle Municipality has ensured that all 310 ward committees together with ward councillors do participate in this program through formation of war rooms at ward level.

Operation Sukuma Sakhe is a continuous interaction between Government and the community to come together to achieve the 14 National Outcomes. The program encourages the social mobilization where communities have a role, as well as delivery of government services in a more integrated way. The Government has structured programs which need to get as deep as to the level of the people they are serving. This is at ward level, translating to all 31 wards and all households within the Newcastle area of jurisdiction. The KwaZulu Natal provincial government humbly accepts that it cannot achieve this alone, but needs community's hands in building this nation together.

The following provincial departments have been prominent in spearheading the Operation Sukuma Sakhe program in Newcastle Municipality. These include:-

- Department of Health;
- Department of Education;
- Department of Sports and Recreation;
- Department of Social Development;
- Office of Premier; and
- Co-Operative Governance and Traditional Affairs through Community Development Workers (CDWs).

FORUM	PROGRAMME	HIGHLIGHT
Disability Forum	Education and Skills Development	Training and handover of reading aides for visually impaired people. Computer and Administration Skills programme for disabled people. The placement of disabled people in various institutions for experiential learning.
	Sports and Recreation	Disability Sports Day The high participation of disabled people in sports The inclusion on mental health in disability programmes

FORUM	PROGRAMME	HIGHLIGHT
	Health and Social Wellbeing	Door to Door Campaign at KwaMathukuza Assistance rendered to the community in educating about rights of disabled people
	Economic Participation	The construction and handover of a Centre for disabled people in Osizweni
PLWHIV Forum	Health and Social Wellbeing	Participation on Newcastle Forum at the Provincial Candle light Ceremony. High turn out of people during HCT campaigns, especially amongst populations at risk
	Education and Skills Development	Ward Aid Committee and PLWHIV training programme The workshop attempted to up skill community agents in attending to community issues and escalating them to relevant sector departments. The workshop also played an important role helping the different community stakeholders to consolidate their efforts in terms of sharing programmes and information.
Children's Forum	Safety and Security	School violence became a huge area on concern last year This violence resulted in not only deaths but, the displacement of perpetrators and psychological scarring of fellow learners and the community at large The cause can be attributed to various factors such as bullying, substance abuse, negligence and lack of parental control Community Awareness Programmes in War-rooms, community meetings, schools, churches and the media helped in shifting the focus back to the psychosocial needs of children
OSS		The top war room at KZN, ward 24, came from Amajuba District in our Local Municipality
		Amajuba District is one of the leaders in the monthly submissions to the Office of the Premier
		Amajuba District is also leading in the launching of the Fora
		Mpumalanga benchmarked in our District in seeing how the War room works by visiting ward 1 at Charlestown
Gender: Men		Men's month celebration at Madadeni Community Hall where the hall was full to its capacity and also attended by the District Mayor
		EPWP Programme that is employing the widows
		Gender Based Violence march at Newcastle CBD that took the attention of many people
		Poverty alleviation Programmes for the For a members organized by Special Programmes together with LED
Gender: Women		Women's Day Celebration that is including women from other departments Poverty alleviation Programmes for the For a members organized by Special Programmes together with LED Honouring of women working in Dangerous zones
SENIOR CITIZENS	Golden games.	Promotion of healthy living. Commemorating heritage day as senior citizens.
	Senior citizens heritage day.	
	Meeting with the senior living in Madadeni	

FORUM	PROGRAMME	HIGHLIGHT
	hosted by Asisindeisizwe.	Tackling issues that senior citizens are faced with and also the promotion of healthy living.
	Year-end function	Showing appreciating of working well together throughout the year and promoting healthy living.

2.2.7. Youth Development Strategy.

Since the advent of democracy in 1994, many efforts have been steered towards the promotion of sustainable youth development over the years. However, in spite of all that has been done to counteract and redress the wrongs of the past and current trials confronting the youth, it is evident that youth development is still not a priority in the South African development endeavors. A review on youth development particularly from Stats SA indicates that a vast majority of unemployment in Newcastle is amongst young people between the ages of 18 and 35 years. There are many frustrations confronting young people today besides adequate access to quality employment, and these range from free tertiary education, successful entrepreneurial growth and development and the scourge of HIV/AIDS, alcohol and drug abuse. These issues spiral down further exacerbating social ills such as violence, abuse, prostitution and crime, all of which are escalating at an alarming rate.

Through engagements with citizens and stakeholders, the Newcastle Local Municipality was able to determine such challenges during the Community Based Planning activity. Such were also raised during the Mayoral Budget Roadshows for 2017/18. The issues raised have implications on the importance of investing in young people in terms of equipping them with the necessary skills to increase their creative and productive capacity, and also to assist them to lead a meaningful life. The battle towards sustainable youth development necessitates the development of strategies and operations with the following policy framework:-

2.2.7.1. NATIONAL YOUTH POLICY (2020).

The policy outlines interventions to enable optimal development of young people, both as individuals and as members of South African society towards the enhancement of their capabilities hence a transformation of the economy and the country. The objectives of the aforementioned policy towards 2020 are as follows:-

1. Consolidate and integrate youth development into the mainstream of government policies, programmes and the national budget.
2. Strengthen the capacity of key youth development institutions and ensure integration and coordination in the delivery of youth services.
3. Build the capacity of young people to enable them to take charge of their own well-being by building their assets and realizing their potential.
4. Strengthen a culture of patriotic citizenship among young people and to help them become responsible adults who care for their families and communities.
5. Foster a sense of national cohesion, while acknowledging the country's diversity, and teach a spirit of patriotism by encouraging visible and active participation in different youth initiatives, projects and nation-building activities.

Furthermore the National Youth Policy outlines the following proposals towards youth development and empowerment:-

1. Economic participation and transformation.
2. Education, Skills and Second Chances.
3. Healthcare and combating substance abuse.
4. Nation-Building and Social Cohesion.
5. Effective and responsive youth development institutions

2.2.7.2. YOUTH ENTERPRISE DEVELOPMENT STRATEGY (2013- 2023).

The YEDS intends to provide support for young entrepreneurs with an objective of creating and managing sustainable and efficient businesses capable of providing decent permanent jobs and employment growth. These interventions include mentorship and coaching, youth business incubation, business infrastructure support, linkages to procurement opportunities, youth entrepreneurship awards, youth entrepreneurship promotion and awareness, youth special projects and sector-specific enterprise creation, national youth service programme, and the youth entrepreneurship collateral fund. In pursuit for sustainable youth enterprise development, the YEDS is underpinned by these principles:-

- Principle 1: Youth Enterprise Development and Entrepreneurship is a Shared Responsibility.
- Principle 2: Participatory and Collaborative Approach.

- Principle 3: Human Rights and Diversity.
- Principle 4: Responsiveness and Relevance.
- Principle 5: Accountability.
- Principle 6: Youth as a Target Group.
- Principle 7: Transparency.

2.2.7.3. INTEGRATED YOUTH DEVELOPMENT STRATEGY.

The IYDS was developed to be a holistic and integrated strategy which should respond to all socio-economic needs of young people in South Africa. The strategy seeks to facilitate and coordinate the implementation of youth development programmes and policy comprising the National Youth Policy, National Youth Development Agency Act (No. 54 of 2008), as well as the National Youth Development Policy Framework amongst others. The IYDS pursues the following objectives:-

- To promote a uniform approach by all organs of state, the private sector and civil society organizations;
- To facilitate endeavors aimed at job creation and economic freedom for the youth;
- To outline parameters within which youth development programmes can be implemented;
- To initiate strategic anchor projects to benefit youth from disadvantaged backgrounds (rural, disabled, and young women) and guide programming for other stakeholders including private and civic society sectors;
- To provide a monitoring and evaluation framework and system which will enable coordinated nationwide reporting of youth development programmes implementation in all sectors.

2.2.8. Batho Pele Principles.

The White Paper on Local Government advocates for a developmental Local Government, which is Local Government that is committed to working together with its citizens and groups within its communities to find sustainable solutions to meet their social, economic and material needs with the purpose of improving their general welfare as well as their standard of living. The constitution sets out the objectives of local government which are as follows:-

- Provision of a democratic and accountable government;

- Provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and a healthy environment; and
- Encourage the involvement of communities and community organisation in the matters of the municipality.

The Newcastle Local Municipality is not exempted from the common challenges of local government and is characterized, in some areas, by services backlogs, high unemployment, and poverty stricken households. Sincere commitment towards radical transformation and unbiased delivery of services is required in order to counteract the anomalies inherited from apartheid planning, and also to bridge the existing gap between the rich and the poor which is represented through inefficient spatial integration in Newcastle. NLM is devoted to working together with its citizens and to be customer-oriented which is an endeavor to fast track development taking into cognisance the need for social cohesion, economic development, environmental sustainability and institutional development. The municipality's commitment to raising the standard of service delivery and transformation into an organisation that is development orientated, efficient, effective and professionally ethical emerges from Batho Pele. The municipality aspires to always uphold and implement the principles of Batho Pele and ensure the following:-

- a) Service Standards: To inform the communities within Newcastle about the level and quality of service they will receive hence creating awareness of what to expect.
- b) Access: to ensure all Newcastle citizens have equal access to services which they are entitled to.
- c) Courtesy: To treat residents as customers.
- d) Information: To always publicise relevant information about our programmes and services.
- e) Openness: To inform the people of Newcastle about the operations of the municipality.
- f) Transparency: To be transparent and honest about what we will be able to deliver.
- g) Redress: To offer our people an apology and give them a sympathetic and positive response if they are unhappy with the manner in which services are being rendered.

h) Value for money: To always provide services in an economical and efficient manner.

2.2.9.Back to Basics.

Local government is the sphere of government which is closest to the people. It is also the gateway to service delivery and the platform where most citizens get to interface and interact with government. The vision of a developmental local government system was that it would be the building block on which the reconstruction and development of the country and society was to be built. It was also a place in which the citizens of South Africa could engage in a meaningful and direct way with the institutions of the state. A number of issues related to governance within the local sphere have emanated over the years hence necessitating efforts that support, educate and where needed, enforce implementation. In light of the issues related to the local sphere of government, the transformation of the government sectors thereof remains a priority.

According to the National Development Plan, achieving South Africa's transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy economically-sustainable areas where citizens and people can work, live and socialize. Therefore, it is vital to understand where South Africa is, where the country could be and what needs to be done in order to achieve the developmental vision of the country. The goal of Government is to improve the functioning of municipalities in order to effectively render meaningful basic services to communities by getting the basics right. Since the decentralized system of local government was put in place in 1995, as enshrined in the country's Constitution (i.e. as a 'distinctive, interdependent and interrelated' sphere of government), much has been achieved towards building local government. National Government has provided support to the system of local government through the development of world-class local government legislation and policy, supported by a transparent system of intergovernmental grants that enable municipalities to perform their roles. Furthermore, a wall to wall system of municipalities has been developed for the sole purpose of integrating communities that were previously divided by the apartheid regime. The Local Government White Paper put forward a vision of local government as a key component of the developmental state, and in pursuit of that vision, services have been progressively extended to more citizens than ever before.

His Excellency, President Jacob Zuma, in his State of the Nation Address delivered on the 17th of June 2014, articulated Government's concerns regarding improvements needed at local government level. As part of Government's plan of action to revitalize local government, President Jacob Zuma stated that "South African municipalities are built on a firm foundation, built over the last 20 years of democracy. We have evaluated all our municipalities. We have inspected their financial management, how

they work within legislative processes as well as their ability to roll out projects and to address capacity constraints. We have also looked at how they respond to service delivery protests. There have been many successes in many municipalities. However, we face a number of challenges.”

Therefore, against the backdrop of the statement by His Excellency - President Jacob Zuma, the Ministry of Cooperative Governance and Traditional Affairs is pursuing the Back to Basics Approach in order to address the challenges that are faced by local government, and also to strengthen municipalities and instill a sense of urgency towards improving the lives of citizens. The Back to Basics Approach is premised on the recent review of all the 278 municipalities within South Africa, which established three groups of municipalities namely the Top Group, the Middle Group, and the Lower Group. In terms of the Back to Basics Approach, clear benchmarks are set and these are directed towards increasing performance in Government’s efforts to ensure that all municipalities perform these basic functions without compromise.

Furthermore, the Back to Basics Approach is of significance because it also supports a transformation agenda which is premised on the need to ensure functional municipalities as outlined by the Minister of Cooperative Governance and Traditional Affairs in his 2014 Budget Vote. The approach is informed by the Constitution, legislation and programmes that are intended at streamlining a new agenda aimed at changing Government’s approach and strategic orientation especially at a local level towards serving the people whilst ensuring service delivery.

As part of Government’s efforts to recognize and adequately reward good performance and ensure sufficient consequences for under-performance, the Department of Cooperative Governance (DCoG) has developed a set of indicators to be reported on a monthly basis as per the pillars of the Back to Basics Approach. These indicators will functions thus to measure whether Newcastle Municipality is performing in terms of the basics and these are as follows:-

- Putting people first;
- Delivering basic services;
- Good governance;
- Sound financial management; and
- Building capable local government institutions.

According to circular No. 47 of 2014 from the Department of Cooperative Governance and Traditional Affairs (COGTA), Newcastle Municipality is obliged to furnish the Minister of COGTA with information on a monthly basis in order to assist in the analysis of the state of local governance within South Africa, and also to afford COGTA the opportunity to make an informed assessment in order to be able to support and intervene where needed.

Table 1: Newcastle Municipality's strategic alignment with the Back to Basics Key Focus Areas.

Back to Basics Focus Area	NLM Strategic Objective	NLM Strategy	NLM Key Performance Indicator	Responsibility
Service Delivery and Infrastructure	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality's Jurisdictional Area.	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Number of households with access to drinkable water.	SED: Technical Services
			Number of households with access to sanitation.	
		To promote water conservation and environmental awareness.	Annual review of the WSDP.	
			Number of awareness campaigns to promote water conservation and environmental awareness.	
			Reduction of losses by 2% per annum for NRW.	
			Approved business plans for rural and urban areas.	
	To ensure provision and maintenance of safe roads and effective storm-water infrastructure.	To develop and implement the Roads and Storm-Water Infrastructure Plan	Square meters of sidewalks paved.	
			Kilometres of roads released.	
	To ensure access to electricity and other forms of energy where applicable.	To provide electricity within the Newcastle Municipality Licensed Areas.	Number of solar geysers installed.	
		To improve the electricity network in the Newcastle Licensed Areas.	Number of households with access to electricity.	
	To provide and ensure a safe and healthy environment.	To keep Newcastle Municipality Area clean.	Implementation of Maintenance Plan.	
			Implementation of Communication Plan.	
		Implementation of the Waste Management Strategy in line with relevant legislation.	% of backlogs addressed.	
Number of registered landfill/waste disposal sites.				
		% of complains addressed within 24 hours.		

Back to Basics Focus Area	NLM Strategic Objective	NLM Strategy	NLM Key Performance Indicator	Responsibility
Good Governance and Public Participation.	To ensure good governance through openness and, transparency and accountability in the organisation.	To strengthen executive support services.	Reviewed and adopted IDP	Office of the MM
			Compliance with record keeping checklist.	
			Number of MANCO meetings convened.	
		To develop and implement an effective Performance Management System.	Annual review of PMS Policy.	
			Annual Performance Report submitted to the Auditor General.	
			Quarterly performance reports submitted to Internal Audit within 25 days of end of quarter.	
	To maintain and implement an effective Risk Management System.	Quarterly reports on implementation of management action plan.		
		Number of anti-fraud and corruption facilitated.		
		Quarterly reports on implementation of AG Action Plan to Audit Committee.		
	To provide an effective legal support system.	To improve both internal and external communication.	Develop and maintain applicable legislation database.	
Annual review of Public Participation Policy.				
Number of training interventions of Ward Committees.				
Annual Mayoral IDP/Budget/PMS Roadshows.				
Financial Viability and Management.	To ensure sound financial and fiscal	To ensure compliance with financial reporting	Compliance with MFMA reporting	SED: Budget and Treasury Office

Back to Basics Focus Area	NLM Strategic Objective	NLM Strategy	NLM Key Performance Indicator	Responsibility	
	management and good governance.	in terms of relevant legislation.	obligations as per MFMA calendar.		
		To ensure compliance with budget planning and implementation	Approved adjustment budget and approved final budget.		
Institutional Development/ Capacity.	To ensure the optimal institutional structure to render effective and efficient services aligned to the IDP.	To provide efficient and effective general administrative support services.	Average turnaround time for filling of vacancies.	SED: Cooperate Services	
		Implementation and review of the organogram with adequate capacity.	% of critical posts filled as identified and approved by Municipal Manager (as budgeted).		
			Compliance with submission of employment equity Report.		
			Number of people from employment equity target groups.		
	To ensure productive and competent human capital.	To facilitate human resource development.	Successful submission of the WSP to LGSETA.		Number of policies developed and reviewed.

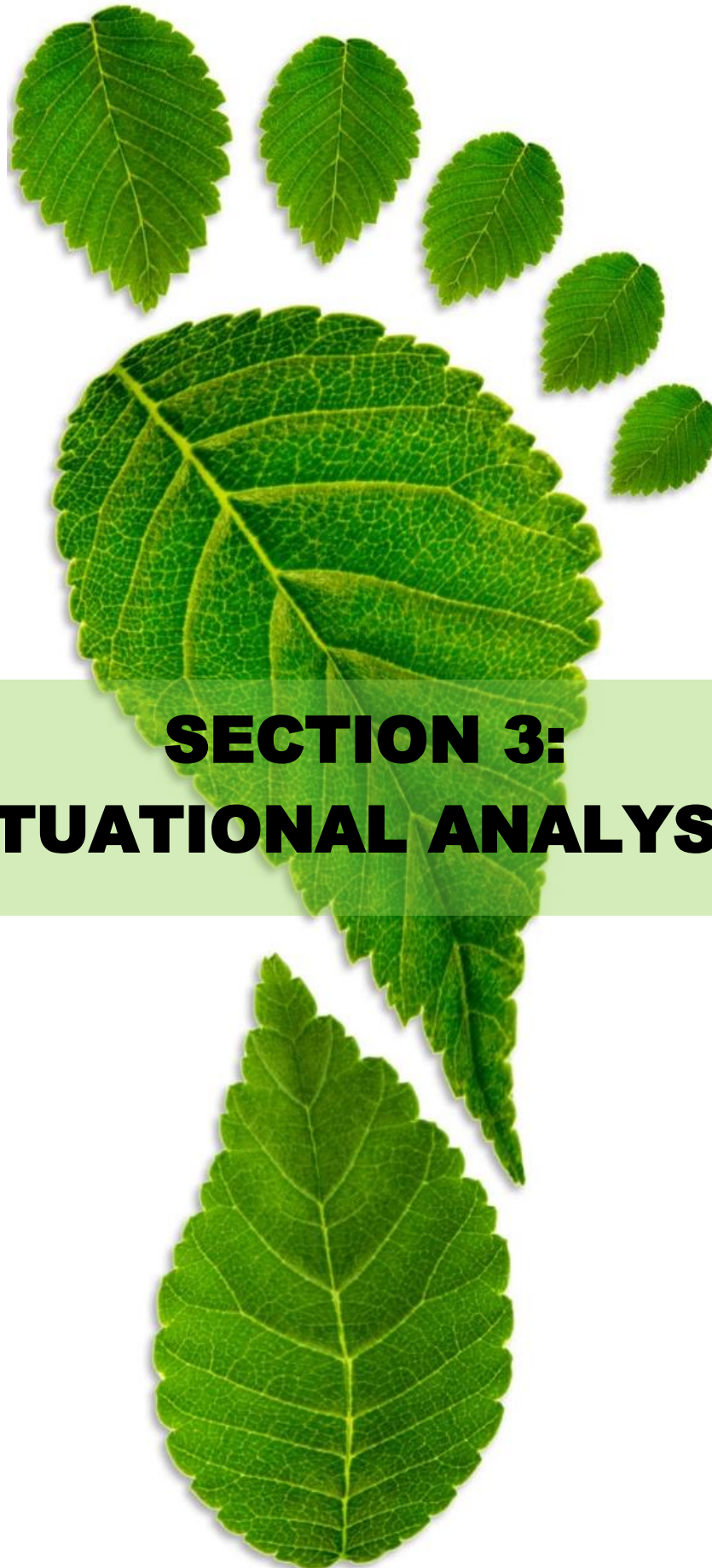
1.1.1. Hierarchy of Plans.

5 KEY NATIONAL PRIORITIES	NATIONAL OUTCOME 9 & OUTPUTS	KZN PGDP 7 STRATEGIC GOALS	ADM DGGP 7 STRATEGIC GOALS	NLM IDP STRATEGIC OBJECTIVES
Creation of decent work and sustainable livelihoods for inclusive growth	Output 3: Implementation of the Community Work Programme	Goal 1: Inclusive Economic Growth	Goal 1: Expanded Provincial economic output	To facilitate economic development that will result in sustainable job creation.
		Goal 2: Human Resource Development	Goal 2: The human resource capacity of the province is adequate, relevant	To ensure the optimal institutional structure to render effective and efficient services aligned to the IDP. To ensure productive and competent human capital. To ensure efficient administrative support services.
Rural development, land reform and food security for inclusive growth	Output 2: Improving access to basic services	Goal 4: Strategic Infrastructure	Goal 4: Strategic infrastructure that provides for the social and economic growth and development needs of Amajuba District.	To ensure the provision and maintenance of safe roads and effective storm-water infrastructure.
				To ensure access to electricity and other forms of energy where possible.
				To provide and ensure a healthy and safe environment.
		Goal 3: Human and Community Development	Goal 3: Poverty and inequality in Amajuba is reduced	To respond to the needs of vulnerable groups. Youth Development and Women Empowerment.

5 KEY NATIONAL PRIORITIES	NATIONAL OUTCOME 9 & OUTPUTS	KZN PGDP 7 STRATEGIC GOALS	ADM DGDP 7 STRATEGIC GOALS	NLM IDP STRATEGIC OBJECTIVES
				<p>To facilitate the provision of houses in line with the national and provincial norms and standards.</p> <p>To improve access to basic services.</p> <p>To create Human Settlements that are economically viable, aesthetically pleasant, habitable and vibrant.</p> <p>To ensure efficient management of community facilities.</p>
		Goal 5: Environmental Sustainability	Goal 5: Reduced global greenhouse gas emissions and create social-ecological capacity to adapt to climate change	<p>To promote sustainable development and environmental awareness.</p>
Education	Output 5: Deepen democracy through a refined Ward Committee model	Goal 2: Human Resource Development	Goal 2: The human resource capacity of the province is adequate, relevant	<p>To ensure productive and competent human capital.</p> <p>To ensure efficient administrative support services.</p> <p>To respond to the needs of vulnerable groups.</p>
Health	Outcome 4: Actions supportive of the human settlement outcome	Goal 3: Human and Community Development	Goal 3: Poverty and inequality in Amajuba is reduced	To manage the effect of HIV/AIDS within the jurisdiction of Newcastle Municipality.
	Output 1: Implement a differentiated approach to municipal financing, planning and support	Goal 6: Governance and Policy	Goal 6: The population of Amajuba is satisfied with the level of government service delivery	To ensure good governance through openness, transparency and accountability in the organization.
Fighting crime and corruption	Output 6: Administrative and financial capability	Goal 6: Governance and Policy	Goal 6: The population of Amajuba is satisfied with the	To ensure good governance through openness, transparency

5 KEY NATIONAL PRIORITIES	NATIONAL OUTCOME 9 & OUTPUTS	KZN PGDP 7 STRATEGIC GOALS	ADM DGDP 7 STRATEGIC GOALS	NLM IDP STRATEGIC OBJECTIVES
	Output 7: Single window of coordination		level of government service delivery	and accountability in the organization.
			To keep the communities and stakeholders informed and involved in all municipal affairs.	
	Goal 6: Governance and Policy	Goal 6: The population of Amajuba is satisfied with the level of government service delivery	To ensure an effect internal audit function.	
	Goal 7: Spatial Equity	Goal 7: Increased spatial access to goods and services in Amajuba	To promote spatial restructuring and integration.	





**SECTION 3:
SITUATIONAL ANALYSIS.**

3. STATUS QUO ANALYSIS.

Future development within NLM should respond directly to the development trends, patterns, needs and aspirations of those who live and/or work within the area. It must be relevant to the local context while also contributing to the attainment of the provincial and national development imperatives. This section provides a detailed analysis of the current development situation within NLM. It is structured substantially in accordance with the Key Performance Areas (KPA), but also considers issues that are pertinent to Newcastle Municipality. The national KPA's are as follows:-

- Social and Local Economic Development.
- Basic Service Delivery
- Financial Viability and Management.
- Municipal Transformation and Institutional Development
- Good Governance and Public Participation
- Spatial planning and Environment.

3.1. DEMOGRAPHIC PROFILE.

3.1.1. Population Size and Growth Patterns.

The official government figures reflected in the 2011 census data estimates the total population of the NLM to 363 236 people. This marks a net population increase of 0.87% per annum between 2001 and 2011. It is noted that between 1996 and 2001, population increased by 2.93% per annum.

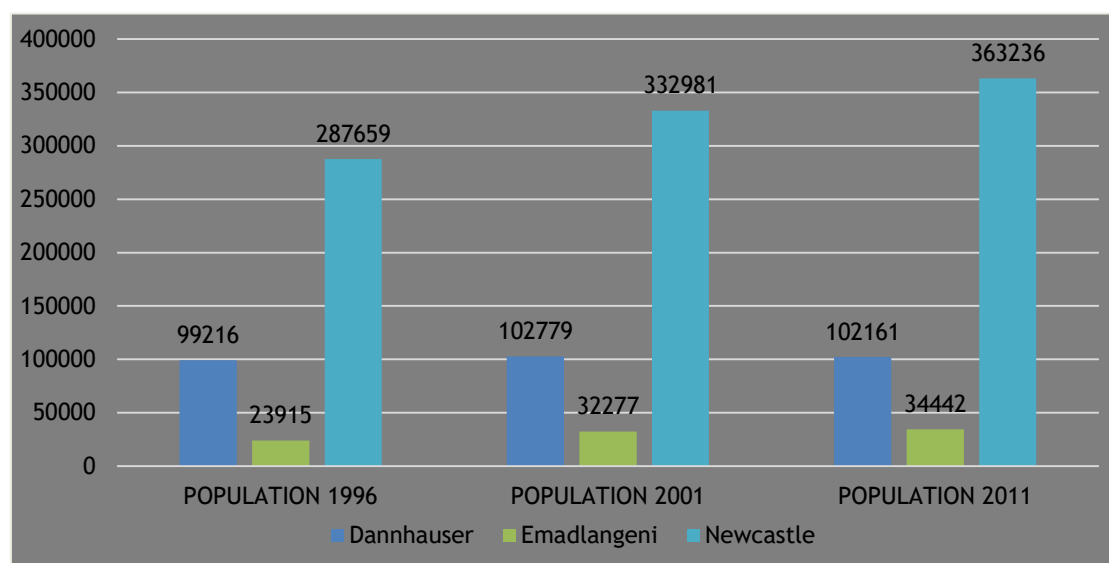
Table 2: Population Growth and Density.

District	Population Size	% Share of KZN Population	% Share of Amajuba Population	Area in Square km	Population Density (ppl/km ²)
KwaZulu-Natal	10 267 299			93 378	110.8
Amajuba	499 839	4.9		6 921	72.9
Newcastle	363 236	3.5	72.7	1 689	197.7
Emadlangeni	34 440	0.3	6.9	3 714	18.3
Dannhauser	102 162	1.0	20.4	1 518	67.5

Source: Stats SA, 2011 Census Data.

This trend is characteristic of the whole district with municipalities such as Dannhauser recording a negative growth rate between 2001 and 2011. Population growth rate in Newcastle is above district average of 0.66% making Newcastle the fastest growing municipality in the district in terms of population. Newcastle accounts for 73% of the district population, 20% and 7% for Dannhauser and Emadlangeni Municipality respectively.

Figure 4: Population Growth in Amajuba District.



Source: Stats SA, 2011 Census Data.

As indicated in Figure 2 and 3 above, population growth rate in Newcastle is in an upward trajectory with the majority of the growth occurring mainly in the Eastern areas – around the Madadeni and Osizweni Townships. These are largely underdeveloped areas occupied mainly by low income and poor communities. The current population movement patterns in the region suggest that the urbanization phenomenon continues with factors such as natural growth rate, breakdown in extended families and in-migration being the main drivers of growth. In-migration arises mainly from perceived urban opportunities and prospects for a better life, poor access to services and lack of employment opportunities in the rural hinterland and general decline in employment opportunities in the agricultural sector. Over the last ten years, Newcastle's agricultural region has registered a net decline in both production and employment opportunities.

3.1.2. Household Size.

Similarly, Newcastle accounts for the majority (84 270) households found within Amajuba District. This is consistent with the population distribution which suggests that the majority of the population within the district resides in Newcastle Municipality. Average household size is 4.3 people which suggest a slight decline in average household size from the one recorded in the year 2001.

Table 3: Number of households within Newcastle.

DISTRIBUTION OF HOUSEHOLDS BY MUNICIPALITIES	NUMBER OF HOUSEHOLDS		AVERAGE HOUSEHOLD SIZE		FEMALE HEADED HOUSEHOLDS %	
	2001	2011	2001	2011	2001	2011
Newcastle	71 164	84 270	4.6	4.3	45.1	47.5
Emadlangeni	6 187	6 252	4.8	5.5	32.2	38.8
Dannhauser	19 320	20 439	5.3	5.0	48.6	50.7

Amajuba	96 670	110 963	4.8	4.5	44.9	47.6
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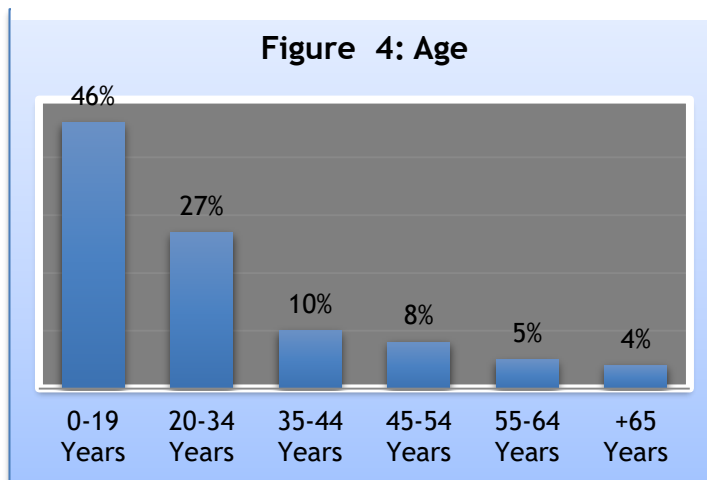
Source: Stats SA, 2011 Census Data.

The number of households headed by women has increased from 45.1% in 2001 to 47.5% in 2011 in line with the district average of 47.6%. This read together with the relative decline in population growth rate suggests an increasing level of circular migration coupled with an increasing breakdown in extended and compounded households.

3.1.3. Age Structure.

Newcastle's population is relatively young with 46% of the population being younger than 19 years of age, while the age group between 20 and 34 years accounting for 27% of the population. Collectively the youth in Newcastle (0 – 34 years) makes up 71% of the total population, and this places immense pressure on the provision of educational facilities, social welfare, health services and the stimulation of the economy to provide job opportunities and economic development. The immigration of the youth and economically active population implies an increasing need for both recreational and educational facilities and places more pressure on the need for employment opportunities.

Figure 5: Population Distribution by Age.

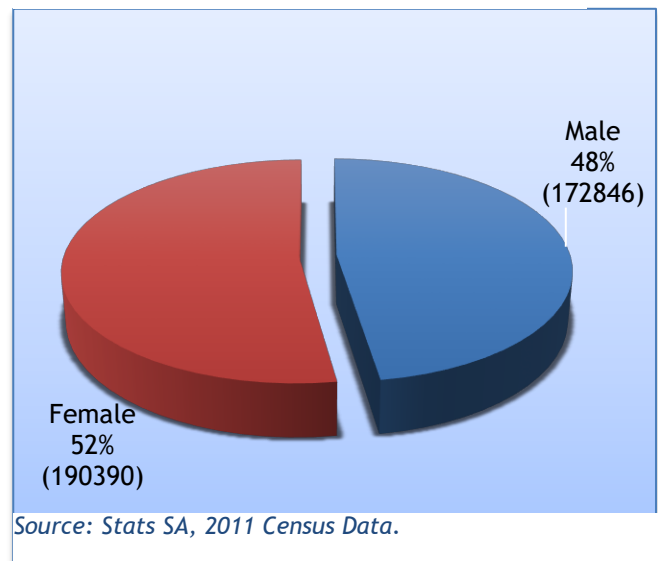


Source: Stats SA, 2011 Census Data.

3.1.4. Gender Distribution.

Regarding gender distribution within the Newcastle Municipal area, 52% of the total population is female while males account for the remaining 48%. This gender distribution conforms to the National norm. Thus the need for programmes specifically targeted towards gender equity are of critical importance. In response to this, the Newcastle Municipality has prioritized gender issues as part of its Special Programmes. Specific projects and programmes aligned to the National Program should be developed and rolled out in line with the municipal program of action.

Figure 6: Population Distribution by Gender.



3.1.5. HIV/Aids.

The HIV and AIDS pandemic has had a profound impact on both the quality of life of communities and families and on the economy. A number of initiatives have been implemented through the National Department of Health to combat the current epidemic, however major challenges still remain. Within Newcastle, the number of HIV positive persons has increased at an average annual growth rate of 2.9% during the period 2000 - 2010, bringing the percentage of the population with HIV to almost 17% of the total population. The number of AIDS related deaths has increased at an average annual growth rate of 8.7% during the period 2000 – 2010, with AIDS deaths accounting for about 62% of total deaths in the municipality. This highlights the severity of the current situation and the need for interventions that target and attempt to address these HIV/AIDS challenges.

The above Growth Trajectory Map above depicts the desired population movement trends within Newcastle. This also entails the desired spatial responses to urbanization which envisions population movement from the Newcastle West and Newcastle East areas towards the Southern boundary of Newcastle, just before Kilbarchan. This is based on the proximity of this area to economic opportunities in the form of the surrounding Industrial Area and the Newcastle CBD. This places pressure on Council to provide a variety of housing typologies such as social housing, CRUs, and rental housing stock around the Newcastle CBD. With the general population close to places of employment opportunity, it will decrease reliance on public transportation hence introducing new modes of mobility such as walking and cycling that will ultimately result in a decrease in the levels of greenhouse gas emissions.

3.2. SOCIO-ECONOMIC PROFILE.

3.2.1. Education Profile.

Since from the year 2001, significant progress has been made with regards to the education profile of Newcastle. In terms of the total number of people who did not have any formal education, it has declined drastically from 11.33% (37 738) in 2001 to 4.75% (17 270) in 2011. In terms of gender, the situation remains unchanged. In 2001 the highest concentration of illiteracy within Newcastle was amongst the female population at 54.58% (20 598) as compared to the male population at 45.42% (17 140). In the year 2011 the highest concentration of illiteracy is amongst the female population at 59.21% (10 149) as compared to the male population at 40.49% (7 121). This implies that illiteracy levels are increasing amongst the female population whilst they decrease amongst the male population. The illiteracy gap in terms of gender remains at 3028 females more than the males.

In terms of the number of people with access to primary education as the highest level of education (Grade 0 – Grade 9), there has been a decreased since 2001. In 2001 the number of people who had access to primary education as the highest level of education constituted 52.08% (173 404) of the total population. This decreased in the year 2011 to 40.11% (145 730). In terms of the people with secondary education (Grade 10 – Grade 12) as the highest level of education, Newcastle has shown some progress. In the year 2001 the number of people with secondary education as the highest level of education constituted 27.99% (93 229) of the total population. This increased in the year 2011 to 35.66% (129 522).

There has been a drastic increase in the number of people with access to tertiary education as the highest level of education from the period 2001 to 2011. In 2001 the number of people who had access to tertiary education as the highest level of education constituted 1.81% (6 040) of the total population whereas in 2011 they constitute 3.35% (12 177) of the total population. In basic terms, the amount has double from what it was in the year 2001. In terms of the number of people with access to higher post graduate

education as the highest level of education, we have also seen an increase. In 2001 the number of people with access to higher post graduate education as the highest level of education constituted 3.15% (10 497) of the total population whereas in 2011 this increased to 4.05% thus marking a 0.9% increase at a growth rate of 0.09% increase annually. However, it is envisaged that the figure pertaining to the number of people with access to higher education as the highest level of education could rise drastically if some tertiary institutions were introduced within the confines of the Newcastle Municipality. This would also aid in the provision of employment opportunities and help in retaining highly qualified labour within Newcastle.

Table 4: The rate of literacy within Newcastle.

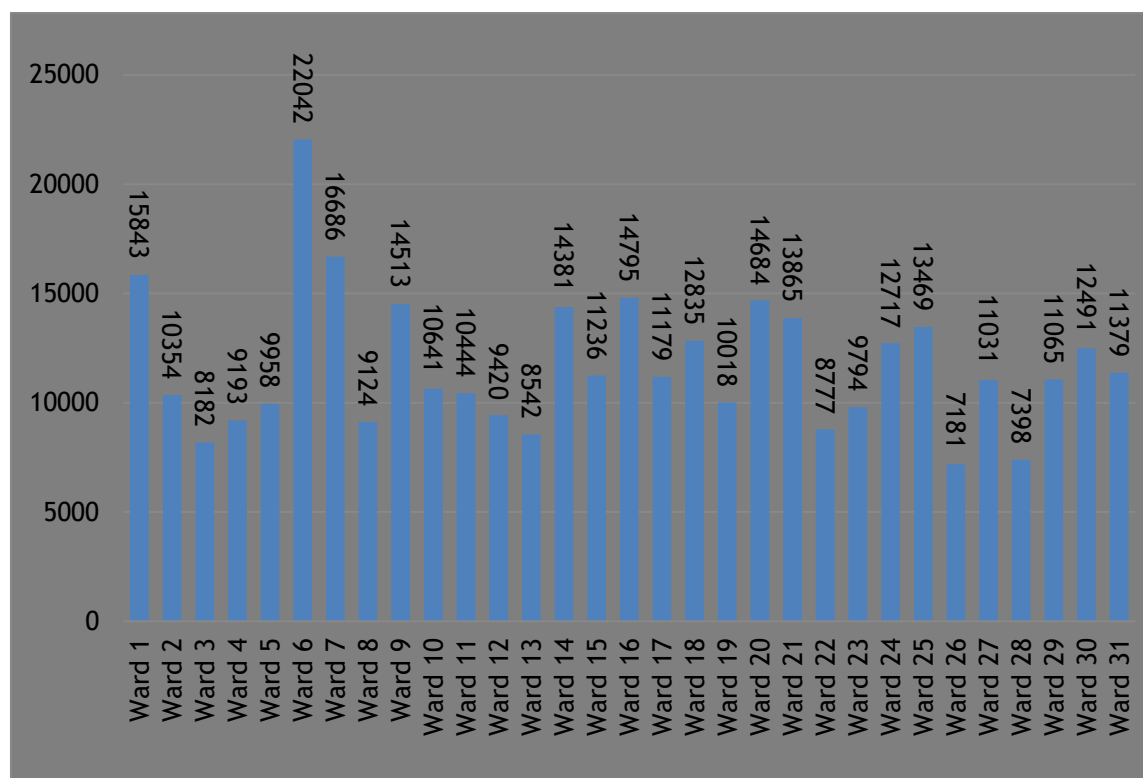
	2001			2011		
	Male	Female	Grand Total	Male	Female	Grand Total
Grade 0	-	-	-	6 736	6 418	13 154
Grade 1 / Sub A	7 664	7 192	14 856	5 942	5 937	11 878
Grade 2 / Sub B	5 424	5 419	10 843	5 715	6 284	11 999
Grade 3 / Std 1/ABET 1Kha Ri Gude;SANLI	6 939	7 300	14 239	5 553	6 121	11 674
Grade 4 / Std 2	7 683	8 262	15 945	6 486	6 912	13 397
Grade 5 / Std 3/ABET 2	7 355	7 865	15 221	6 061	6 679	12 740
Grade 6 / Std 4	7 307	8 424	15 731	6 279	6 708	12 987
Grade 7 / Std 5/ ABET 3	9 387	11 009	20 396	7 606	8 577	16 183
Grade 8 / Std 6 / Form 1	10 829	12 345	23 174	10 597	11 851	22 448
Grade 9 / Std 7 / Form 2/ ABET 4	9 003	10 603	19 603	9 117	10 153	19 270
Grade 10 / Std 8 / Form 3	12 247	14 761	27 009	13 355	15 138	28 493
Grade 11 / Std 9 / Form 4	9 001	10 819	19 820	12 996	15 241	28 237
Grade 12 / Std 10 / Form 5	21 924	24 476	46 400	34 279	38 513	72 792
NTC I / N1/ NIC/ V Level 2	-	-	-	515	495	1 011
NTC II / N2/ NIC/ V Level 3	-	-	-	575	390	965
NTC III / N3/ NIC/ V Level 4	-	-	-	709	417	1 126
N4 / NTC 4	-	-	-	732	491	1 223
N5 /NTC 5	-	-	-	469	337	806
N6 / NTC 6	-	-	-	576	360	936
Certificate with less than Grade 12 / Std 10	500	482	981	237	262	499
Diploma with less than Grade 12 / Std 10	242	328	570	185	288	473
Certificate with Grade 12 / Std 10	2 298	2 191	4 489	2 312	2 826	5 138
Diploma with Grade 12 / Std 10	2 753	4 472	7 225	2 158	2 966	5 124
Higher Diploma	-	-	-	1 515	2 192	3 707
Post Higher Diploma Masters; Doctoral Diploma	-	-	-	301	329	630
Bachelors Degree	862	917	1 779	1 041	1 349	2 390
Bachelors Degree and Post graduate Diploma	398	408	806	397	424	822
Honours degree	204	200	404	421	601	1 022
Higher Degree Masters / PhD	187	96	283	298	209	508
Other	-	-	-	267	256	523
No schooling	17 140	20 598	37 738	7 121	10 149	17 270
Unspecified	-	-	-	-	-	-
Not applicable	17 786	17 681	35 467	22 298	21 514	43 812
Grand Total:	157 134	175 847	332 982	172 846	190 390	363 236

Source: Stats SA, 2011 Census Data.

3.2.2. Population Distribution by Ward.

The population is spread unevenly amongst thirty one (31) municipal wards, with ward 6 being the most populated ward followed by ward 7 and ward 1. The main settlement areas that are found in ward 6 include Jobstown, the New Dicks Halt area, and the Masondeza area. Ward 7 comprises of the Manzana area, Inverness and parts of the Madadeni Township. Ward 1 is rural in nature with settlements such as Kilbarchan, Ingagane, Clavis and farmlands with different rural settlements.

Figure 7: Population distribution by ward.



Source: Stats SA, 2011 Census Data.

The recent ward delimitation process which was conducted by the Municipal Demarcation Board in line with the requirements of the Local Government: Municipal Structures Act (Act No. 117 of 1998), saw an increase in the number of wards within Newcastle with an additional 3 wards, namely ward 32, ward 33, and ward 34. The location of the new wards is within the following areas, however not covering the whole, rather only parts of the area, in spatial terms:-

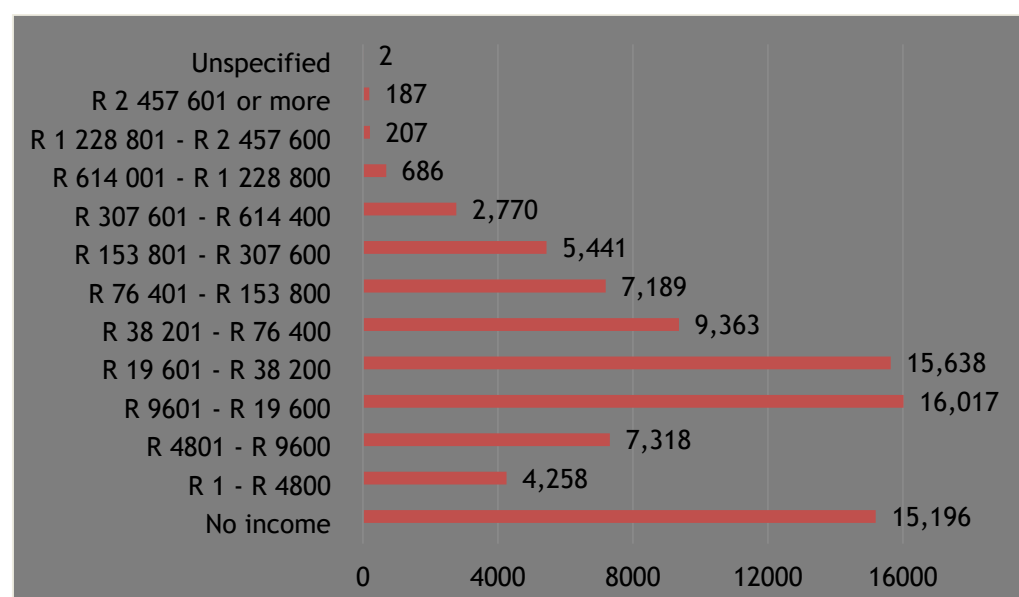
- Ward 32: Osizweni A, Osizweni E, Osizweni F;
- Ward 33: Manzana.
- Ward 34: Newcastle Central, Newcastle CBD, Riverside Industrial, Newcastle Industrial, KwaMathukuza.

The increase in the number of wards necessitates an increase in the number of Councillors to a number which is to be determined by the MEC. The increase also necessitates an increase in the number of Ward Committees from the current 310 to 340. An increase in the number of Councillors and Ward Committees necessitates an

increase in the allocation of funds towards remuneration. Ward delimitation does not affect the population of Newcastle, however it will affect the population within the affected wards in that it has either increased or decreased head counts within certain wards. Furthermore, the ward delimitation process has also affected the size of the wards in spatial terms, either expansion or contraction.

The increase in the number of wards within Newcastle Municipality is a sign of positive growth towards a city status. The challenges encountered during the process are merely issues around the projected power struggles for political administration from a public perspective. From a municipal perspective, the ward delimitation process will not affect the delivery of municipal services within the different wards (business as usual). However, the process will play a significant role in terms of deepening local democracy and also improve local governance.

Figure 8: Annual Household Income.



Source: Stats SA, 2011 Census Data.

Newcastle Municipality has a generally low income population with a large number of people living in abject income poverty as they do not have a reliable source of income. The majority of the income earners are those who earn between R9 601 – R19 600 per annum (16 017 people) closely followed by those who earn between R19 601 – 38 200 per annum (15 638 people). Dependence on grant funding such as social welfare grants and pensions is also relatively high. As indicated in figure 6 above, the level of representation drops sharply as income brackets increases. As a result, the levels of affordability are generally low while dependency on social grants is high. 22 000 people applied to be registered on the indigent list for the municipality in 2010 and, as of July 2014 the figure had dropped drastically to 18 415, marking a 16.3% decrease. However, based on figures from the 'Summary of Registered Indigent Account Holders' (July 2014 – June 2015), as of January 2015, there has been a slight increase in the list

to 18 973, marking an increase by 13.3%. The wards with the highest concentration of indigents are represented on the table below:-

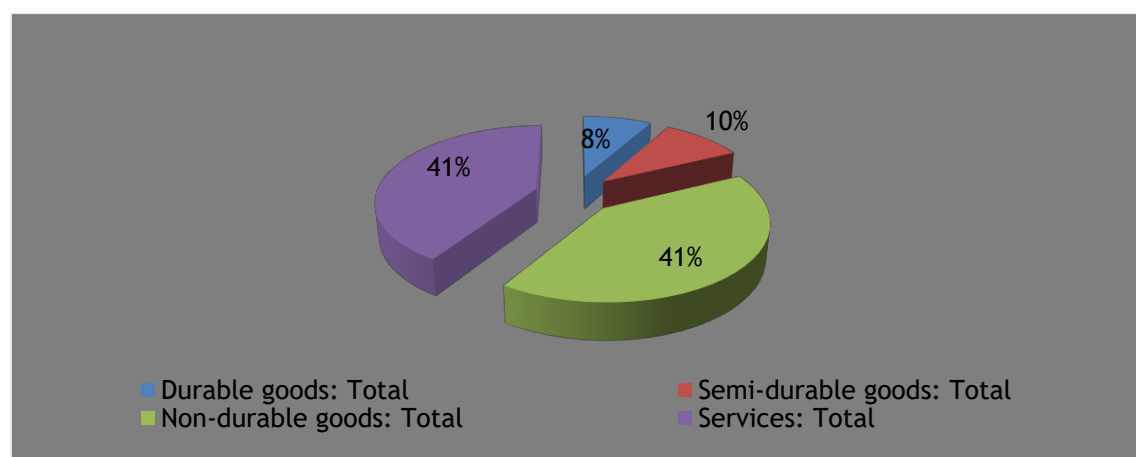
Table 5: Number of indigents by ward.

WARD	NO. OF INDIGENTS
WARD 20	1 501
WARD 14	1 286
WARD 9	1 270
WARD 10	1 239
WARD 17	1 119
WARD 11	1 047
WARD 24	1 023
TOTAL:	8 485

3.2.3. Household Expenditure.

The total household income in 2010 was approximately R7.8 billion in Newcastle, of which 69.2% is remuneration (R5.4 billion) and 30.8% is unearned income (R2.4 billion). Of the total household income, 93.7% is household expenditure (7.3 billion), which consists of the purchase of goods and services. Savings were negative in 2010 suggesting that an additional R250 million worth of credit is being utilised in addition to total expenditure. The graph below displays the breakdown of expenditure into the major purchase categories.

Figure 9: Household Expenditure.

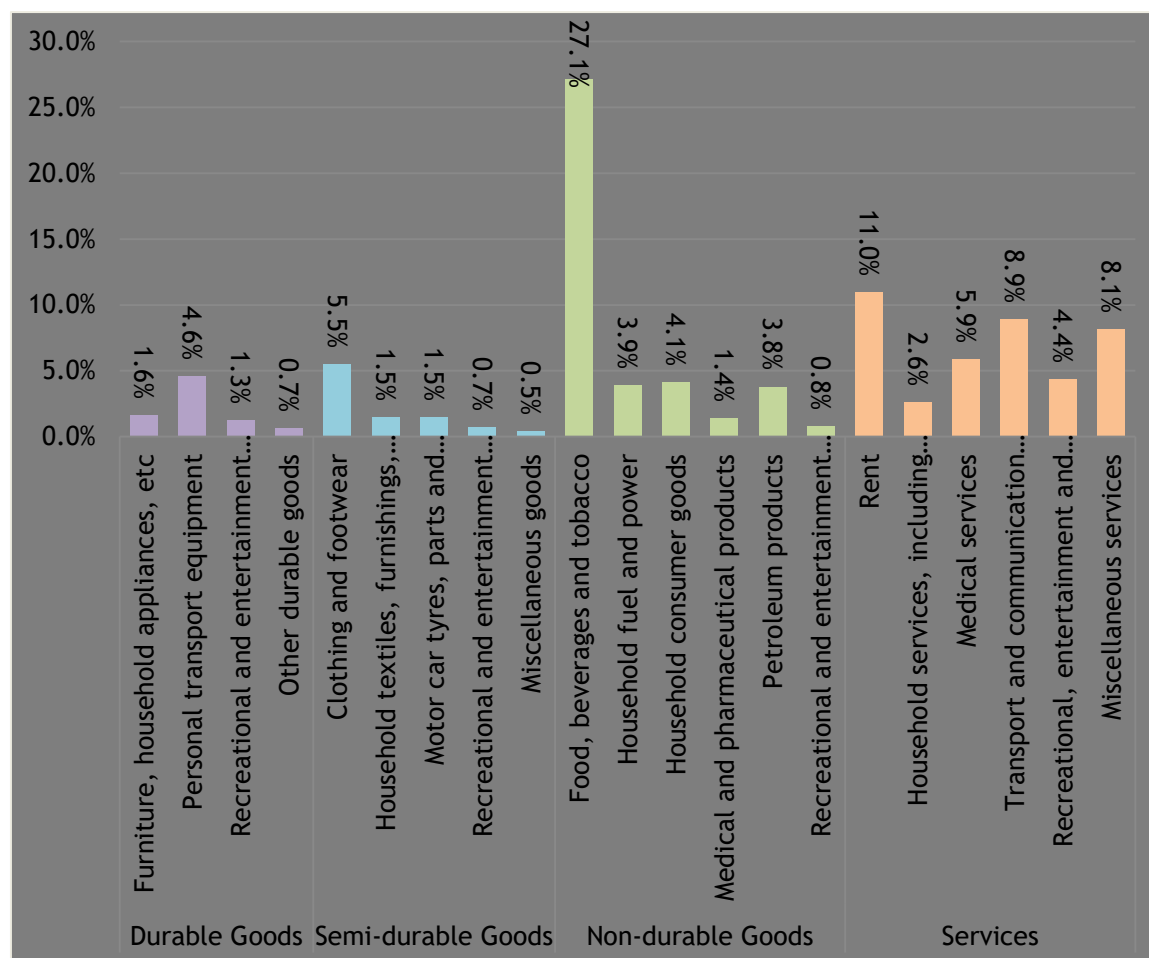


Source: Urban-Econ calculations based on Quantec Data (2012).

The largest sub-category of expenditure is food, beverages and tobacco which collectively contributes just over 27% to the total expenditure within Newcastle. This is followed by rental (11%), transport and communication (8.9%), miscellaneous goods

(8.1%), medical services (5.9%), and clothing and footwear (5.5%). This indicates that a large portion of expenditure is being used for basic necessity items such as food and clothing, as well as rent, transport and communication, with little left over for items such as household furnishings, transport equipment, recreation and entertainment, as well as luxury items.

Figure 10: Sub-category Contribution to Total Expenditure (2010).



Source: Urban-Econ calculations based on Quantec Data (2012).

3.2.4. Employment and Unemployment.

3.2.4.1. Unemployment Rate.

In terms of the unemployment rate within Newcastle, based on the figures presented on Table 5 below (Stats SA 2001 Census Data), in the year 2001 the number of people illegible to work constituted 43.51% (144 885) of the total population. From the total number of people who were illegible to work, only a mere 39.52% (57 266) were employed and the rest of the 60.48% (87 619) were unemployed. The unemployed people within Newcastle were ranging from the seasonal workers who were presently unemployed, and individuals who could not find work.

Regarding the unemployment rate within Newcastle for the year 2011, the number of people who were illegible to work constituted 27.71% (100 654) of the total population. From the total number of people who were illegible to work, only 62.56% (62 968) were employed and the rest of the 37.44% (37 686) were unemployed. In terms of gender, in 2001 the highest concentration of the unemployed was amongst the female population (42 750) as compares to the male population (36 985) and in 2011 it still remains highest amongst the female population (20 129) as compared to the male population (17 557). In general, the decrease in the unemployment rate means progress has been made with within Newcastle from 60.48% in 2001 to 37.44% in 2011.

Table 6: Employment status by Gender in Newcastle.

	2001			2011		
	Male	Female	Grand Total	Male	Female	Grand Total
Employed	28 384	28 882	57 266	32 504	30 464	62 968
Unemployed	31 340	36 168	67 508	17 557	20 129	37 686
Scholar or student	22 455	20 622	43 077	-	-	-
Discouraged work-seeker	-	-	-	7 617	9 405	17 021
Home-maker or housewife	276	7 884	8 160	-	-	-
Pensioner or retired person/too old to work	3 845	6 155	9 639	-	-	-
Unable to work due to illness or disability	3 025	2 801	5 826	-	-	-
Seasonal worker not working presently	586	523	1 109	-	-	-
Does not choose to work	1 922	2 756	4 678	-	-	-
Could not find work	5 059	6 059	11 118	-	-	-
Other not economically active	-	-	-	50 405	61 820	112 225
Age less than 15 years	-	-	-	-	-	-
Not applicable	-	-	-	64 763	68 573	133 335
Grand Total	96 533	111 850	208 383	172 846	190 390	363 236

Source: Stats SA, 2001 – 2011 Census Data.

However, an analysis of the unemployment rate using the official expanded definition of unemployment reveals a slightly different picture. The average rate of unemployment in Newcastle Municipality is low compared to the Amajuba District, but higher than the provincial average of 21.7% and 22.4% among the females and males respectively.

3.2.4.2. Employment Rate.

As of 2014, Newcastle Municipality accounts for 71.7% of both formal and informal employment within the Amajuba District Municipality (refer to Table 9). Since 2004 Newcastle's average contribution towards formal and informal employment within ADM has been 71,2% which thus means the contribution thereof is seating above average. The figures confirm the role of Newcastle as the main economic hub within the district that provides a variety of employment opportunities, both formal and informal. Also worth noting is the fact the percentage for total employment within Newcastle has remained higher than that of ADM's contribution within KZN which is characterized by a contracting trend.

Table 7: Total employment in Newcastle (Formal & Informal).

	KwaZulu-Natal	Amajuba DM	Newcastle	Emadlangeni	Dannhauser
Total Employment (Formal & Informal)					
2004	2 157 565	94 757	67 396	15 826	11 534
2005	2 230 816	96 464	68 472	16 184	11 808
2006	2 330 572	99 311	70 367	16 675	12 269
2007	2 413 021	100 993	71 536	16 819	12 639
2008	2 442 434	99 842	70 881	16 324	12 637
2009	2 416 239	96 017	68 317	15 431	12 269
2010	2 378 090	91 871	65 514	14 556	11 801
2011	2 358 272	88 884	63 518	13 913	11 452
2012	2 378 376	91 331	65 427	14 173	11 731
2013	2 416 117	93 950	67 340	14 524	12 086
2014	2 441 360	95 902	68 835	14 751	12 315

Source: KZN Treasury (Global Insight).

3.2.4.3. Formal Employment by Industry.

There is a higher percentage of semi-skilled labourers as compared to skilled labourers within Newcastle. This is based on observations made on the observation made on the literacy levels within Newcastle. A combined 7,4%% of the population within Newcastle may be deemed as skilled based on the percentage of people with tertiary and higher post graduate education as the highest level of education. 35,6 of the population may be semi-skilled based on the percentage of secondary education as the highest level of education. The graph below depicts the distribution of those employed in the formal economy based on analysis made on broad economic sectors within Newcastle.

Table 8: Employment in Newcastle by Broad Economic Sectors (9 sectors).

	KwaZulu-Natal	Amajuba DM	Newcastle	Emadlangeni	Dannhauser
Formal Sector Employment					
Number of formally employed people in Broad Economic Sectors (9 sectors)					
1 Agriculture	91 759	3 016	1 542	839	635
2 Mining	10 394	751	512	136	102
3 Manufacturing	289 046	8 787	6 617	1 293	877
4 Electricity	10 411	611	439	66	106
5 Construction	132 778	4 141	2 814	551	776
6 Trade	329 222	13 292	10 215	1 748	1 329
7 Transport	118 180	3 004	2 048	350	606
8 Finance	299 270	7 665	5 631	1 064	970
9 Community services	492 107	26 858	20 424	3 648	2 786
Households	216 148	6 418	3 785	1 503	1 131
Total	1 989 315	74 543	54 028	11 199	9 317

Source: KZN Treasury (Global Insight).

Collectively the primary sectors of Newcastle's economy (agriculture and mining) both contribute 3.8% to total formal employment within Newcastle. Of concern is the

diminishing growth of formal employment within the agriculture sector due to a decrease in the levels of precipitation. The manufacturing sector, the sector that once made a significant contribution towards formal employment within Newcastle, contributes 12.2% to total formal employment (6 617 people). The manufacturing sector has also experienced negative growth trends largely attributed to the current global financial outlook. These trends are alarming as they highlight the decline in employment within the primary and secondary sectors, two of the sectors that form the foundation of the economy. Innovative measures by government are required in order to ensure that the agricultural and manufacturing sectors are rejuvenated to absorb more labour and stimulate economic activity.

The trading sector (including wholesale & retail trade, catering & accommodation) is amongst the largest formal employment sectors with 18.9% of formal employment. The only other economic sector which is higher than the trading sector is the community services sector and it contributes 37.8% towards total employment within Newcastle. The finance sector contributes 10.4%, while the community, whereas the construction and the transport sector collectively contribute 8.9% towards formal employment.

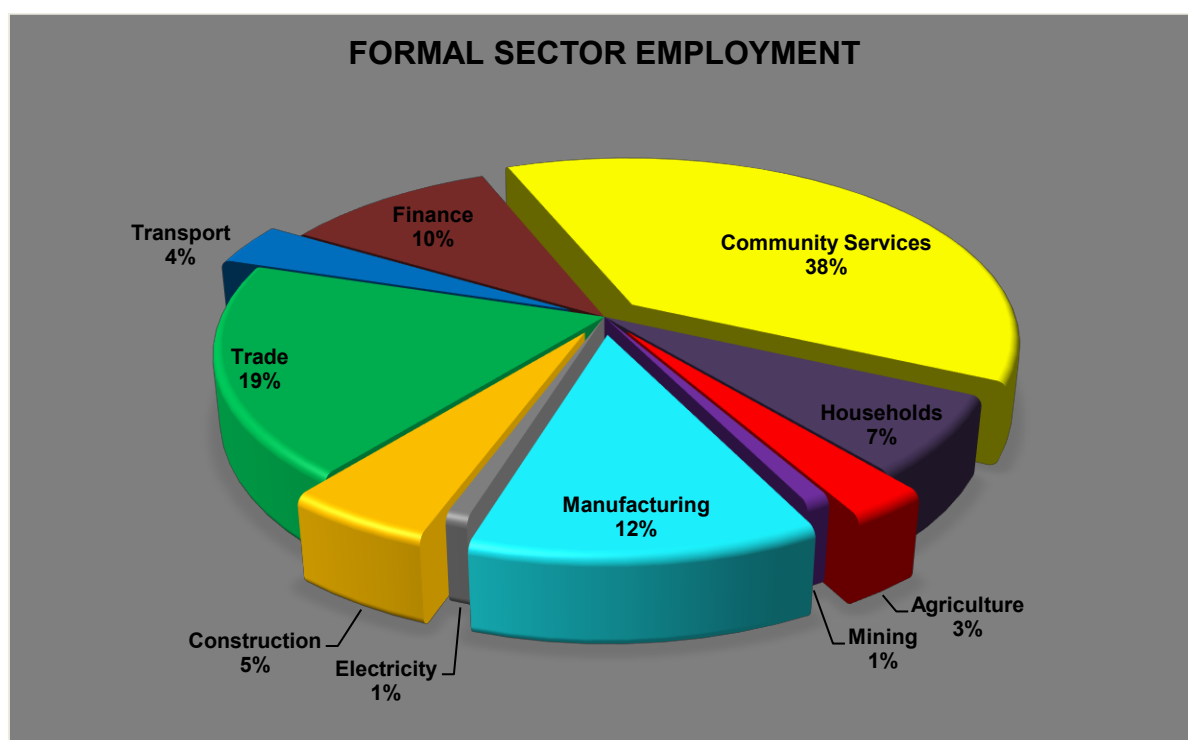


Chart 1: Formal sector employment within Newcastle.

3.2.5. Economically Active Population.

Of the total population of Newcastle, 61% are within the working age bracket (16 - 64 years). Approximately 55% of those within the working age bracket are not-economically active. In terms of the strict definition of unemployment (those who are unemployed, and have given up looking for employment), 29.2% of the labour force

(those willing and able to work) are classified as unemployed. This is in line with the district unemployment rate of 29.7%, yet higher than the provincial average of 23.2%. Of those employed, 79.7% are employed within the formal market, while the remaining 20.3% are employed in the informal market. The table below displays the level of skill of those employed in the formal employment market.

Table 9: Level of Education for Formal Sector Employees.

Level of Education	No. of People
Grade 0	91
Grade 1 / Sub A	204
Grade 2 / Sub B	390
Grade 3 / Std 1 / ABET 1Kha Ri Guide; SANLI	398
Grade 4 / Std 2	568
Grade 5 / Std 3 / ABET 2	580
Grade 6 / Std 4	664
Grade 7 / Std 5 / ABET 3	1 179
Grade 8 / Std 6 / Form 1	1 946
Grade 9 / Std 7 / Form 2 / ABET 4	1 733
Grade 10 / Std 8 / Form 3	3 612
Grade 11 / Std 9 / Form 4	3 747
Grade 12 / Std 10 / Form 5	18 227
NTC I / N1 / NIC / V Level 2	140
NTC II / N2 / NIC / V Level 3	162
NTC III / N3 / NIC / V Level 4	315
N4 / NTC 4	312
N5 / NTC 5	221
N6 / NTC 6	374
Certificate with less than Grade 12 / Std 10	149
Diploma with less than Grade 12 / Std 10	256
Certificate with Grade 12 / Std 10	1 936
Diploma with Grade 12 / Std 10	3 104
Higher Diploma	2 396
Post Higher Diploma Masters; Doctoral Diploma	397
Bachelors Degree	1 696
Bachelors Degree and Post Graduate Diploma	563
Honours Degree	753
Higher Degree Masters / PhD	338
Other	205
No Schooling	1 153
Unspecified	0
Not Applicable	0

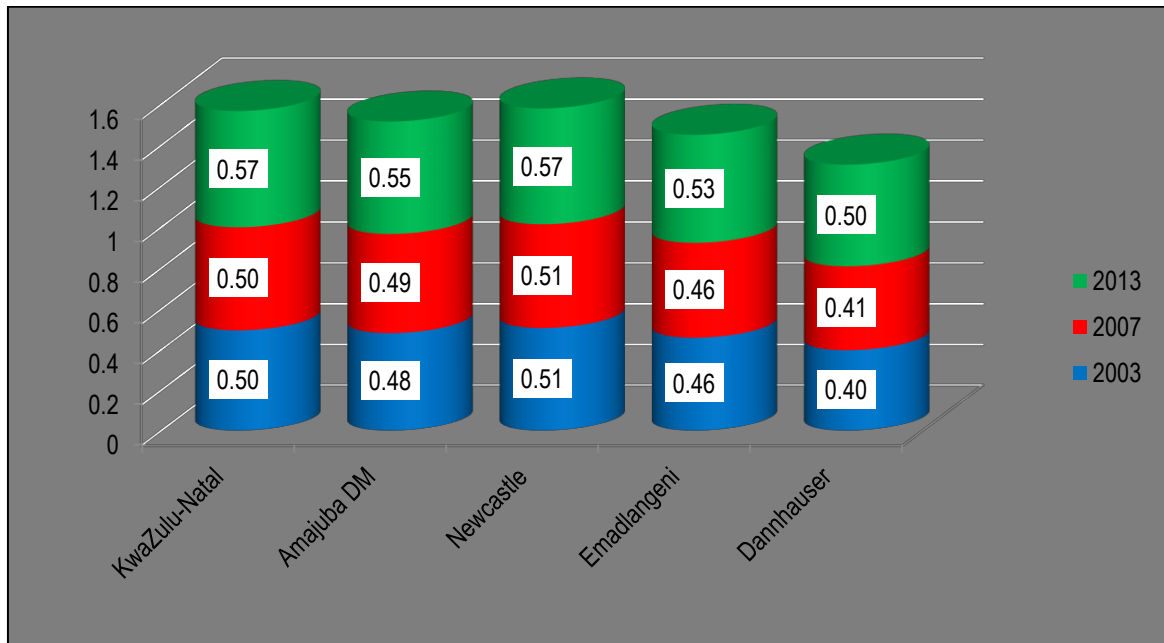
Source: Stats SA – 2011 Census Data.

3.2.6. Human Development Index.

The Human Development Index (HDI) for Newcastle has improved significantly since 1996 (refer to table 12). This is symbolised by the net decrease in representation of people living in poverty from 45% in 1996 and 2001 down to 39% in 2007. This is, however, below the provincial average of 33% in urban areas. Most of the poverty-

stricken households of Newcastle are located in the East as well as within the areas that under Traditional Authority. The urbanized population is generally better off than the rural communities with regards to the affordability levels. The rural communities' level of access to basic service is significantly low hence resulting in major challenges. The provision of sustainable basic and essential services to these communities has proven to be one of the greatest challenges of the Newcastle Municipality, and innovative service delivery options are encouraged.

Figure 11: Human Development Index.

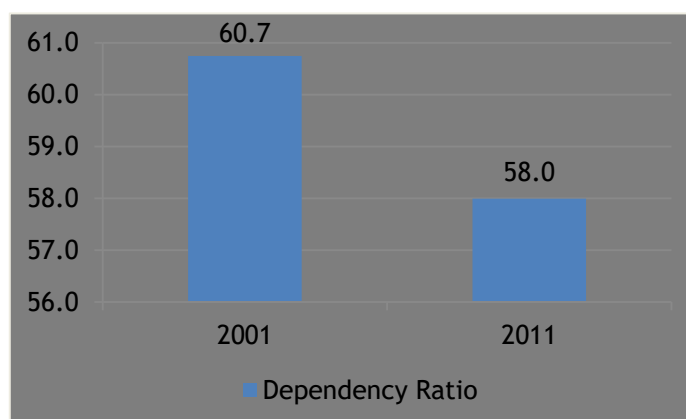


Source: Global Insight.

3.2.7. Dependency Ratio.

The dependency ratio indicates the number of young people (under 16 years) and older people (above 64 years) who depend on people of working age (16 – 64 years) for the livelihoods. As indicated on Figure 9, the dependency ratio in Newcastle has declined from 60.7% in 2001 down to 58% in 2011.

Figure 12: Dependency Ratio [Per 100 {15 - 64}].



3.2.8. Poverty Levels.

The table below compares the number of people living in abject poverty within Newcastle Municipality with that of KwaZulu-Natal, Amajuba District and other local municipalities within the district. Newcastle Municipality has the least (44.4%) number of people living in poverty within Amajuba District which has an average of 50.9%. The provincial average is 45.7%. 72.1% of the population in Dannhauser Municipality is living under poverty.

Table 10: People Living in Poverty.

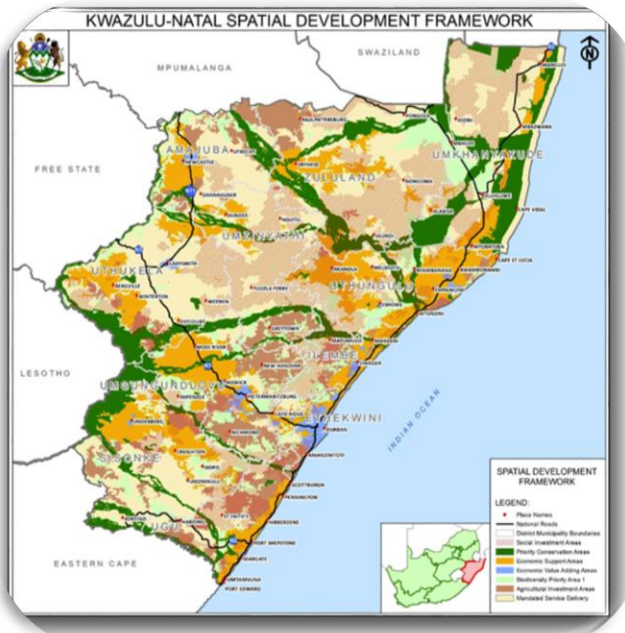
Districts	2002		2006		2012	
	People living in poverty	Percentage of people living in poverty	People living in poverty	Percentage of people living in poverty	People living in poverty	Percentage of people living in poverty
KwaZulu-Natal	5 586 644	58.1%	5 224 176	52.8%	4 729 241	45.7%
Amajuba	301 878	64.4%	287 427	59.4%	256 987	50.9%
Newcastle	170 620	56.0%	162 113	51.0%	148 150	44.4%
Emadlangeni	43 787	69.1%	43 273	64.6%	34 941	51.3%
Dannhauser	87 471	86.8%	82 041	82.6%	73 896	72.1%

Source: Global Insight.

3.3. **CROSS CUTTING ISSUES.**

Newcastle Municipality, an aspirant 'Inclusive City' is a town established as KZN 252 in terms of the Municipal Demarcation Act (Act No. 87 of 1998) and is the main economic hub amongst the family of four municipalities known as Amajuba District Municipality. Newcastle Municipality is located on the north western border of the KZN, 36 km away from Memel in Free State Province and 100 km away from Ermelo in Mpumalanga Province.

Newcastle's space economy is dominated by wholesale, retail and trade at 14% of the local GDP, whilst the least economic contributor is the mining sector at 1%. It's 1854 km² geography begins at Bosworth rural area, south of N11 and spreads to the eastern and western region merely to conclude with Charlestown on the North of National Road N11. The economy of this 'aspirant city' is simply a reflection of the state of affairs prevailing in the country, where the economy is not performing, businesses are closing down, even the steel markets are on the downward spiral. Below is the spatial representation of the Newcastle area



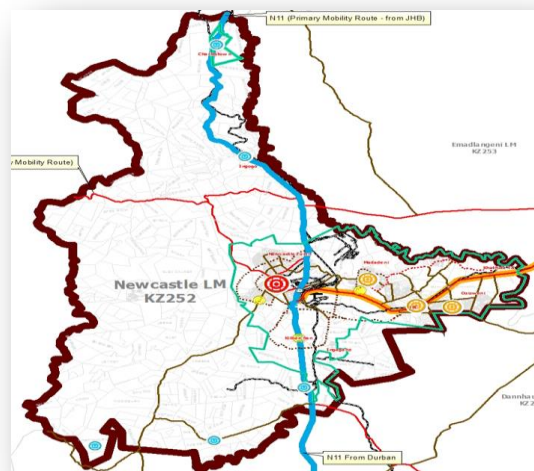
This chapter will give a sense of the following intricate items:

- If land as a scarce resource is used efficiently and productively in the area and who the owners of land equity are;
- Strides that the municipality has made in restructuring its geography and frontiers of spatial inequality;
- If public investment on infrastructure development is spent on the strategic areas to leverage and stimulate the private investment and if the infrastructure capabilities can counter urbanisation which seemingly is intensifying;
- Pressed areas requiring engineering and design solutions to unlock rapid development;
- The extent to which preservation of irreplaceable resources are cascaded to tangible projects beyond an academia;

3.3.1. LAND-USE AND OWNERSHIP

One of the core principles of SDF, is to achieve spatial equity either by way of distribution of land in a fair manner and redress approach or in the formation of sustainable human settlements, it therefore becomes judicious to look at the land split in the municipal region from the perspective of ownership.

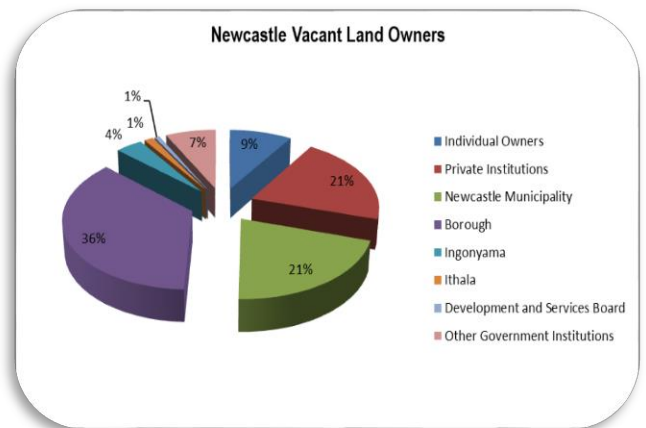
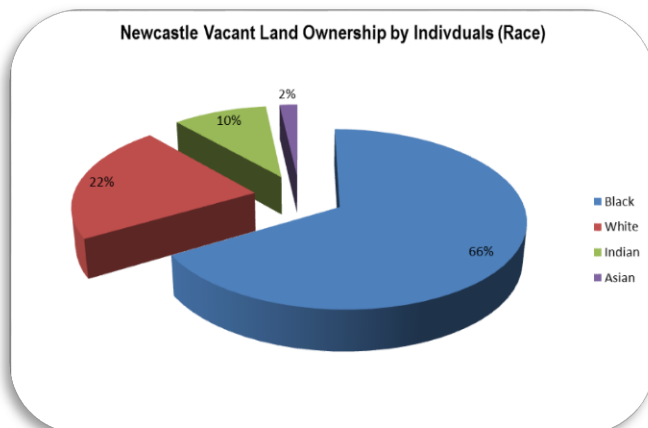
The topic of 'land' is quite a sensitive and delicate one in this developmental Country and at the center of it, is the historical baggage of how it was acquired from the time of 'Koi San' to land dispositions during formation of 'Bantu' homelands. Newcastle area appear to be mirroring the same agenda prevailing national wide. The vast expanse of land is owned by commercial farmers and located west of the municipal area with small pockets of land located on the immediate vicinity of the built-up area, see the map below.



Spaces such as the CBD and the industrial area are generally productive and able to endure all kinds of storms. The current industrial area is 95% developed and plans for the expansion are underway. These plans have been boosted by the recent funding received abroad for development of the airport and the techno hub.

In the quest of reversing the gains of apartheid planning, the municipality commissioned the research with primary intent to establish who therefore owns the vacant pieces of land. Below are diagrams showing who the owners of the vacant pockets of land. It further breaks the distribution down by race and essentially it is this research that the municipality will utilize in its endeavor to achieve spatial equity. The interesting fact

about this statistics is that majority of the privately owned vacant land (at 36%) is in the hands of the adult black males who have not reached retirement, between the ages of 39& 79 years to be precise. The inference of this research is that, the middle aged group is the one that must be pumping investment into the area to bridge the gap of spatial equity. And therefore, their socioeconomic status in this context becomes key. It begs the question of whether they are fiscally liquid to take this municipality to new heights and rewrite hostilities of history associated with the black life.

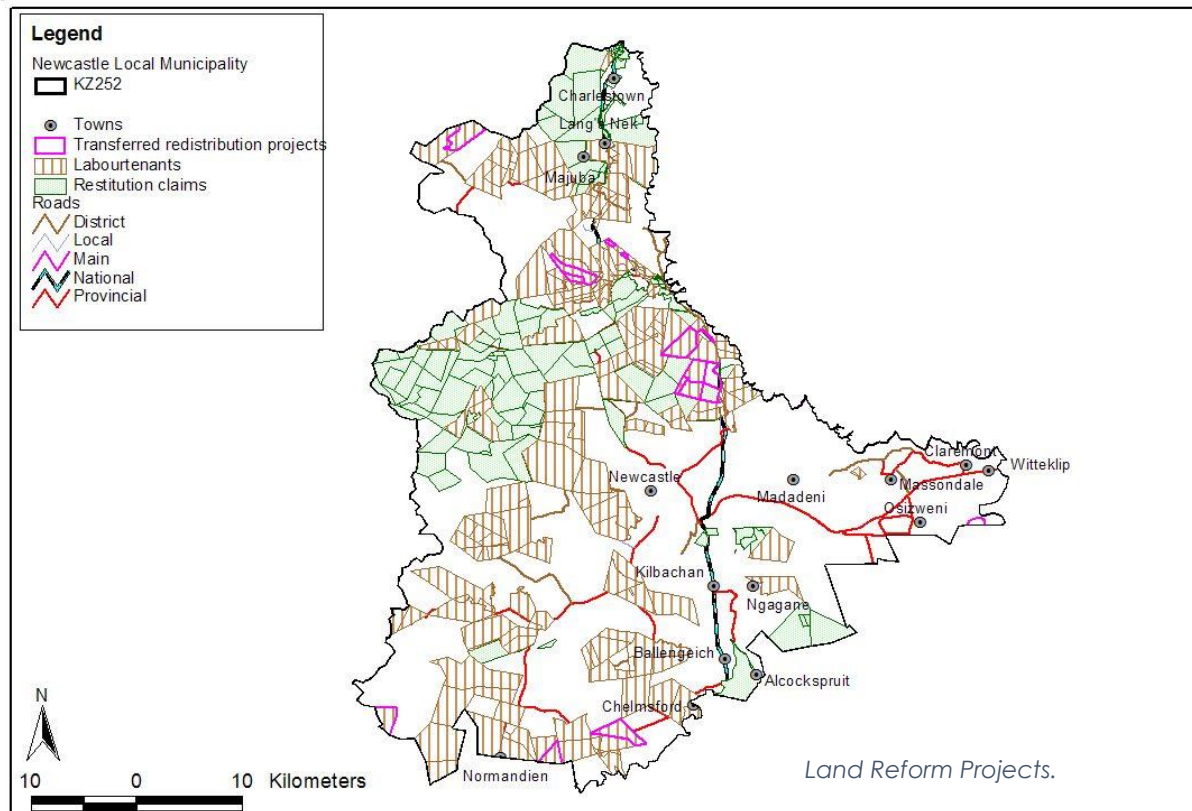


It is without a doubts that matters such location of these land parcels may be subjective from the people expected to invest and that the municipality is selling prime land to the lucrative investors. It is important to strive for a balance when land distribution or redistributions thereof is assumed. Growth and expansion of the town yield rapidly when land ownership is intertwined with economical ability to invest on available markets. It reduces the risk of stagnation of land ownership and prospecting for too long. In other words the intention is not to own land as a valuable asset and reduce productivity thereof, as is the case in most of the land reform projects.

3.3.2. Status of Land Reform Programme.

According to the Amajuba District Municipality Area Based Plan, the Department of Rural Development and Land Reform is implementing the following projects within Newcastle Municipality:-

- Land Redistribution (LRAD): There are 15 completed land restitution projects where 5,097ha of land has been transferred to 283 households (1456 individuals).
- Land Restitution: There are 130 claims on farms in the Newcastle area, totalling 53,000ha. Of this, 34 claims have been settled, making up 12,700ha.
- Tenure Security (Labour Tenants): There are tenure security claims on 99 farms, making up a total area of 973ha.



The Amajuba District Municipality Area Based Plan further notes that 73,212ha of land has been transferred under the land reform programme. An application of the 30% target suggests that 109,447ha is required in order to bring the programme in Newcastle in line with the national targets.

As indicated on the Map above, the programme will have significant economic and spatial impact in the area. Strategies should be devised to integrate the programme into the service delivery and economic development programme of the municipality. Careful management and support to beneficiaries is necessary to sustain the production potential of land in the area.

3.3.2.1. Land Tenure Upgrading.

The need for land tenure upgrading in the NLM affects four types of communities, namely:-

- People who hold Deeds of Grant to land;
- People who require their title deeds to be adjusted;
- Tenants in the JBC area; and
- Farm dwellers.

❖ Ubuhlebomzinyathi.

There is a small amount of pockets of land being traditionally held within the jurisdiction of Ubuhlebomzinyathi Community Authority should also be considered for land tenure upgrading. These include Khathide, Dicks, Mndozo, etc. At present, these communities enjoy beneficial occupation rights protected in terms of the Interim Protection of Informal Land Rights (IPILRA). These areas require careful management as they are fast deteriorating into urban slums.

❖ **AmaHlubi Settlement.**

The land occupied by AmaHlubi Community in the vicinity of Drycut Cemetery should be investigated as it may fall outside the proclaimed area of Ubuhlebomzinyathi Community Authority. The land has been subject of a court case between Ingonyama Trust and AmaHlubi Traditional Council. Other areas that require attention in terms of tenure security are the settlements located to the north of the Osizweni Township and the JBC area.

❖ **Labour Tenant Claims.**

As indicated on the Map above, a number of labour tenant claims were registered against various farms within the Newcastle Municipality Area. The process towards the resolution of these claims has been sluggish. It is critically important for the municipality to follow this process closely as it may result in the establishment of small isolated settlements. Through the rural development strategy is required to guide this process and ensure that settlements do not encroach onto agricultural land in an uncontrolled manner.

❖ **Land Restitution.**

A number of land restitution claims were lodged against various properties in the Newcastle Area. The majority of these are large in size and ranges with complexities. Charlestown, which involves dairy farming, timber plantations, crop production and livestock farming, has been resolved successfully with the community obtaining access to more than 10 000ha of good agricultural land. The challenge is now to develop the farms, sustain productivity and create employment opportunities. The process towards the resolution of the other land claims such as Ingogo is progressing slowly. In view of the size of these claims and potential for agricultural development, it is critically important for Newcastle Municipality to ensure that they are integrated into the economic and service delivery programmes of the municipality.

❖ **Impact of the land Reform programme.**

As indicated on the map above, the land reform programme has a significant spatial impact in the area such as the following:

- The loss of productive agricultural land to residential development, resulting in reduced contributions by agriculture to the local economy and loss of job creation opportunities.
- Land reform resulting on the loss of productive agricultural land. If operations on productive land are unsustainable, this will “virtually destroy the agricultural sector, result in massive unemployment and poverty and a loss of food security.”
- Provision of adequate water supplies. An adequate and sustainable supply of water is critical to the long term development of agriculture. Threats includes climate change, invasive alien plants and pollution.

3.3.3. RESTRUCTURING FRONTIERS OF THE SPATIAL INEQUITY

South African cities and towns spatial character was shaped by apartheid planning based on segregation along race and class lines. Newcastle is no exception to this national phenomenon, where Madadeni, JBC area, Osizweni, etc were developed 15 km away from affluent urban residential neighbourhoods. In this fractured and inefficient spatial structure, poor communities are situated away from job and economic opportunities, and excluded from the social fabric of the town. Therefore, as the epicenter of our desirable spatial pattern is a concept of smart planning driven by the trends of modern urbanism and cultural diversity.

From a planning point of view, we desire the city harnessed by the following principles which serve as the bedrock of this aspired model and inclusive city. These tools at the center of restructuring this undesirable built form left and a constant reminder of how fragile the democracy really is.

- Spatial Equity
- Spatial Efficiency
- And sustainability and resilience

3.3.4. Spatial Equity

The primary intent for spatial equity is to reverse the systematic approach to access and land distribution based on racial and class lines. The main responsibility of spatial equity is to ensure that all land users have the opportunity to utilise well suited and available land to address their basic needs and requirements for sustaining livelihoods and pursue prosperity. Equity in relation to spatial planning is achieved through the following elements:-

- Provision, upgrading and maintenance of key distribution routes.
- Promotion of economic activities in closer proximity to the unemployed;
- Clustering of social and community facilities at more accessible points.
- Promotion of private sector investment in disadvantaged areas.
- Spatial focus of resources to redress inequalities in services standards and quality of life.

The municipality has crystallised the above mentioned factors through its programme of revitalising the so called 'black townships' such as the Madadeni and Osizweni. Its programme of action is regarded as (Madadeni, Blaaubosch and Osizweni) commonly known as MBO development, which is a blue print for investment in these areas. This is where at least 80% of the population resides, yet embroiled with unacceptable levels of inequality.

The following are some of the key structural elements of the MBO complex:-

- Explosive low density sprawls in the form of informal and traditional settlements that have developed within the MBO area. Some of this occurs on privately owned land in the JBC complex. The direction of this development is not controlled, but accommodates people who either cannot afford formal housing in legally designated areas or who seek location closer to the urban opportunities while wanting to maintain a rural lifestyle.
- Loose character of the urban fabric epitomised by the single storey house on a plot type of development. Nearby housing projects have reproduced the same type of settlements albeit with lower level of services. High space standards applied in the provision of public facilities also contribute to the loose character of the urban fabric.
- Urban rural interface as the outer boundaries of the area adjoins onto agricultural land and rural settlements located on Ingonyama Trust land.
- Inwardly oriented discreet pockets of mono-functional developments operating in isolation. Creating separation of different land uses, particularly between residential, commercial and industrial areas;
- The net effect of this situation is an inefficient disintegrated spatial system, characterised by an enormous amount of movement between the Node and surrounding areas and especially between the Newcastle CBD and the JBC complex on a daily basis.

There are multiple projects being undertaken by different funders in MBO area, from the municipality's own revenue, to private sector investment and all driven by the notion spatial equity. The Blaaubosch area alone has a range of projects transcending to the neighbouring vicinity being the Johnstown and Cavan areas, otherwise referred to as JBC, a median of Madadeni and Osizweni townships located in the Newcastle Eastern area. People in this area are settled on unstructured farm land which has gradually urbanized over time.

Due to its organic spatial pattern, the settlement is deprived of municipal basic services such as piped water on each property and sanitation network. It is defined by unstructured and malfunctioning movement patterns. And whilst this yield the character of the area, the indigenous knowledge demonstrated by owners of the residents during land allocation is somewhat admirable. They have due regard for connecting different parts of the settlement, either for motorised transportation or those walking on foot. In short, there has been realization of the grid layout planning.

The JBC area by all accounts, seem to be what planning principles purport namely with regards to the following:

- Its central location unveils advancement of the so desired integration of fragmented settlement patterns. At the peak of the JBC area, the geographical borders evident

today, will be no more in future. Madadeni and Osizweni will be integrated through the JBC node;

- The population densities at...per hector in the area, present an opportunity to enhance this even further and achieve the desirable thresholds;
- Social facilities will be clustered in identified and suitable localities to allow their optimization both from the maintenance and usability perspective;
- It is conveniently traversed by the provincial road, P483, to the west. It is noted with fascination that P483 Road has transcended from being the mobility corridor to a development corridor over the recent years. This road used to serve as mobility of goods and services between Newcastle area and the broader northern region, Including Vryheid and the likes;
- Bulk infrastructure is currently located in the close proximity and currently servicing the likes of Madadeni and Osizweni townships;
- As such the JBC area through various innovations to enhance the area, it has been approved as one of the mega housing projects in the country, with an estimated 14 000 households and 70 000 people in the near future. This population accounts for Madadeni and Osizweni combined;

3.3.5. Spatial Efficiency

Spatial efficiency is achieved through the use of limited resources to maximise the development potential. Efficient and strategic spatial planning should ensure the co-ordination and the resolution of conflicts between competing activities, while strengthening market access and unlocking development opportunities crucial for economic growth.

1. Provision, upgrading and maintenance of **key distribution routes**.
2. **Infill planning** is required to make the delivery of services more cost effective.
3. **Stimulation of economic districts and nodes** to promote sufficient market thresholds.
4. **Planning around bulk capacities** to ensure more cost effective developments.
5. Promotion of **economic opportunities in close proximity to residential functions** (where sustainable).
6. Integration of diverse and complementary land uses to allow ease of movement of goods, services and people.

Smart cities require that development proceed in an intelligent manner where land use activities are concentrated within a manageable span of control from the infrastructure point of view. In other words serviced areas should seek to maximize development

where all vacant tracks of land have been developed adequately, otherwise referred to as infill development.

The Siyahlala low income housing development is symbolic of the genius approach towards smart planning the Municipality bolsters about. This settlement was designed with primary objective to promote and maximize use of urban land. It is located approximately 4 km from the Central Business District and 7 km from the Riverside industrial area and bordered by well-developed infrastructure in the Lennoxton residential area (former Indian area). Generally the Lennoxton areas was built closer to the mine which closed down decades ago. Therefore, the prominence of undevelopable land classified as 'undermined areas' are found on this part of the town and nowhere else within the municipal area. Although green spaces are encouraged on these undermined areas.

The ground breaking concept which the municipality has been able to achieve through recent endeavors, is to establish and locate the new settlements closer to businesses. Often times, the phenomenon of building settlements closer to existing business opportunities becomes an academic exercise, but in Newcastle this concept was tested through development of Siyahlala and the likes.

Construction in this township has commenced and for the first time since invading the land, the residents are now enjoying benefits of living in the formalised urban area. The community will receive title deeds and gain the dignity of owning property in South Africa. They will also be able to advance their livelihoods and potentially pursue start up businesses wherein their houses are used as collateral for loans.

It does not end there for these residents, but planning, human settlements, urban renewal and technical services departments are working towards improving connectivity and integration between areas. The extension of the Albert Wessels Drive is key to successfully creating a link and integration between Siyahlala and the industrial area. It will minimize the travelling time to the industrial area by approximately 10 minutes and associated costs of public transport. Development of this road will further open up the opportunities of developing the Equarand area, North of Siyahlala.

Clearly the municipality is accelerating its ability to transform the Newcastle Municipality to a smart city and the urban linkages between different parts of the towns are evident of this spatial transformation. These linkages enhance the interdependency existent in the space economy.

Movement and transport feature as an enabling element to foster linkages with the region. Hard infrastructure such as roads and the means of movement be it road, rail or foot movement are centre to the extent of mobility of the municipal inhabitants. Efficiency becomes a relevant aspect of movement which needs to be considered in the spatial framework for Newcastle in an attempt to integrate the municipal and regional space.

3.3.6. Spatial Sustainability

On the other hand, the spatial sustainability implies to a sense of balance, between the key activities found on land. A continued balance between economic development, social development and environmental development should be sought in all development actions. The following becomes critical to the sustainable agenda:

1. Plan service standards in line with **economic and environmental affordability**.
2. **Conservation and maintenance** of infrastructure and resources are better than replacement.
3. **Fragmented spatial structure causes sprawl** and should be countered.
4. Planning should promote the **sustainable use of resources**, rather than exclusion of use.
5. Improved **land management measures** to control potential conflicts are required.

One of the weaknesses the municipality is currently battling with, is the establishment of the environmental departments to supervise and pursue the environmental agenda 21. The dramatic changes on the weather patterns puts emphasis on the governments to intensify its fiscal allocation to protect life, habitats and infrastructure. Thus far the relationship between the municipality and the Economic Development, Tourism and Environmental Affairs have matured due to appreciation of one's weaknesses and that better more can be achieved.

3.3.7. TRANSPORTATION AND MOVEMENTS IN AND AROUND THE TOWN

Local Access and Movement.

With regards to internal movement, a number of prominent routes can be identified. Firstly, there is a strong movement of people between Madadeni and Osizweni. Secondly, a strong movement exists between the western and the eastern region along the MR483. Thirdly, a movement pattern exists is found between the Newcastle CBD on to other smaller settlements, such as Memel to the West and Ingogo, Charlestown and Volksrust to the North. These movements are strengthened by the roads the municipality and department of transport has invested in.

Regional Access and Movement.

Newcastle Municipality enjoys relatively good access at a national and regional scale. North-South linkages are facilitated by the N11 and East-West linkages by the P483 and R34. The N11 is a primary movement and mobility corridor. It runs in a North-South direction from the N2 in Ermelo to the N3 in Ladysmith through Newcastle Town thus making the area highly accessible and well connected to the national, provincial and regional road network.

Although the SDF identifies this route as a primary corridor, access to it is governed in terms of the South African National Roads Agency Limited (SANRAL) regulations. This includes limitations imposed on the number and location of direct access points and location of uses, which may be viewed as having potential to interrupt traffic flows.

Secondary corridors include the R34 which runs East from Newcastle to Utrecht and beyond to Vryheid and Richards Bay, and West to Memel and Vrede as well as the R621 linking to Dannhauser. These routes all originate from the CBD. The Madadeni-Osizweni section of the road to Utrecht (MR483) has been identified as a mixed-use corridor and is to be developed with nodes of services and economic opportunities. Regional access routes are subject to the rules and regulations of the Department of Transport.

3.3.8. PUBLIC INFRASTRUCTURE INVESTMENT

This is one area which the municipality is still battling to advance at an accelerated pace. It is not the only problem for the municipality but the government in general. However, funding such as the Municipal Infrastructure Grants (MIG) and Neighbourhood Development Programmes (NDP) have brought the much needed relief to municipalities. The capital infrastructure programme appended to this IDP sheds more detail on this.

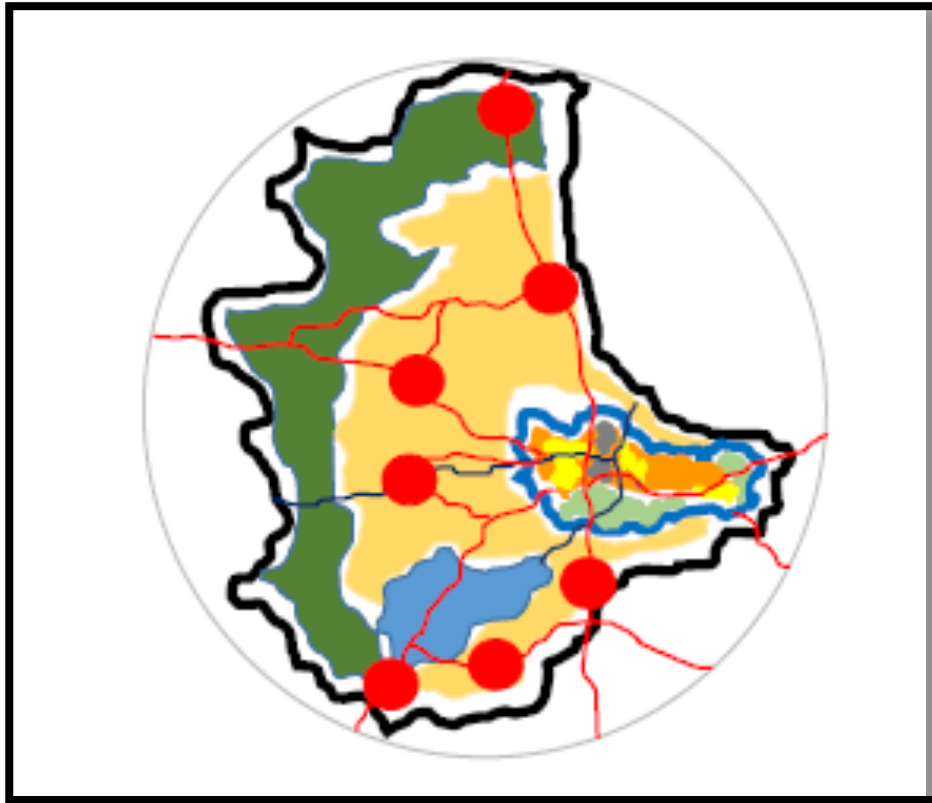
The greatest concentration of the infrastructure expenditure has been in the eastern region, where basic services have been an aspiration and private investment remained a pipe dream. However, the investment being pumped in the JBC block will make the area to function better especially if complemented with its economic hubs integrating both commercialization and industrialization. This area has an added advantage in that the Theku mall is in existence and will likely attract other types of commercial activities within the node. Its location is prime and enjoys better linkages with the immediate area. Intertwined with this concept is the necessity to bring industries closer to territories of labour force to avert high proportions of expenditure on transportation.

3.3.9. IMPACT OF URBANISATION

The paradigm of planning is quite interesting that where formal townships have been established efforts to intensify and densify development becomes an essential agenda. Whilst on the other hand the organic rural areas which seemed like symbolism of cultural identity and ethnicity are now under natural transformation. There is new proliferation of estate like mansions emerging supported by the green infrastructure, such as boreholes, sonar systems and slugging sewer systems. In brief areas such as Disks, Manzana, etc located on the periphery of the peri-urban areas are gradually becoming urbanized. Invariably this requires the municipality to formalise and upgrade the services around the area. Below is the diagram reflecting the area (enclosed with blue

line) which is highly becoming urbanized and where sizable public expenditure is required to support the urban demands.

Then the question becomes do these owners of the new estates/ mansions want these



services given that, they already enjoy water through boreholes, electricity for lighting and heating through the solar system and lastly the sanitation through the **dislaging** process. The only municipal service they are not accustomed to namely the tarred roads and collection of refuse. And that precisely, makes them not to be liable for municipal rates and other related taxes.



So it has a knock-on effect on the municipal system, as it means it's a potential loss on revenue. As can be seen above, the proliferation of the new mansions which along P483 development corridor.

3.3.10. RURAL REGION

Newcastle's Rural Region covers mostly areas that falls outside the urban edge such as Normandien, Botha's Pass, Ingogo and Bosworth, etc. Furthermore, there are settlements on the periphery of the urban edge which are considered to be rural, these include the areas of Dicks, Mndozo, Drycut and Soul City. The level of services in these areas are minimal compared to most of the areas within the urban edge. The term 'rural' is ambiguous and used in a multiplicity of ways, implying that the concept is not easy to define.

Typically, the current urban form within the municipal area comprises of a range of settlements from a highly urbanised, the JBC block currently undergoing urbanisation, the organic to the most rural settlements in the JBC to extensive commercial farmlands with small isolated farm-dweller settlements. The JBC block in its current state is a transitional area from being organically rural to peri-urban.

Here it should be emphasised that past-apartheid policies had a profound impact on the structure and functionality of Newcastle Municipality. Its fragmented communities, marginalised their economic activities and undermined their participation in the economy. It located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development.

The remainder of Rural Newcastle is largely dominated by expansive commercial farmland, which is used mainly for livestock farming and crop production. Some of the farms are affected by land reform, particularly land restitution and labour tenant programs that may lead to the creation of new settlements and erosion of agricultural land. However, there are a few established settlements on commercial farmlands already. These include smaller rural settlements such as Ingogo. Other rural settlements are located within Ubuhlebonzinyathi Traditional Authority area and include settlements that generally fall within the traditional leadership of AmaHlubi in the Drycut area and Khathide along the northern boundary of Osizweni.

The Rural Development Strategy seeks to achieve an equitable socio-economic enabling environment for sustainable development of rural communities. This vision shall be achieved by increasing access to services through the provision of physical infrastructure and social services. The RSDR has a diverse land ownership composition with the majority of land being privately owned.

The rural region is also receiving great attention from the municipality although not at the same scale as with the rest of the urban and peri-urban areas. The municipality is rolling out projects such as pit latrine toilet and has identified others such as solar gysers as part of the green energy drive.

3.3.11. LAND USE MANAGEMENT OBJECTIVES

At this juncture we have constructed spatial analysis of the municipality which then stimulates the discussion about how concretisation and translation of the objectives illustrated at the beginning of this chapter to activities implementable on a day-to-day basis. Such can only be achieved through Land Use Management which deals with fine granes of implementing Council's vision. Therefore, Land Use Management through the existing Planning Scheme developed during the phase of PDA and completed in terms of Spluma ought to purpote the following:

NORMATIVE PRINCIPLES	PROCEDURAL PRINCIPLES
<ul style="list-style-type: none"> • Environmental and economic sustainability • Equality and equity • Efficiency • Integrated development • Harmony in terms of land use relationships • Quality environments • Certainty 	<ul style="list-style-type: none"> • Fair and good governance • Cooperative governance • Participation • Strategic links • Capacity building • Use of local and indigenous knowledge • Access to information

It is expected that the SDF will be rationalised through the implementation of these guidelines.

3.3.12. Newcastle Integrated Traffic and Transportation Planning

The development of Newcastle has necessitated the evaluation of the road and transportation network in terms of its ability to cater for the demand (present and future). The NLM ITTP entails a 10 year evaluation (2015 – 2025) of the impact of future developments on the existing road network with the aim being to have a better understanding of the road network and the identification of gaps that may occur.

3.3.12.1. Analysis of the existing road network.

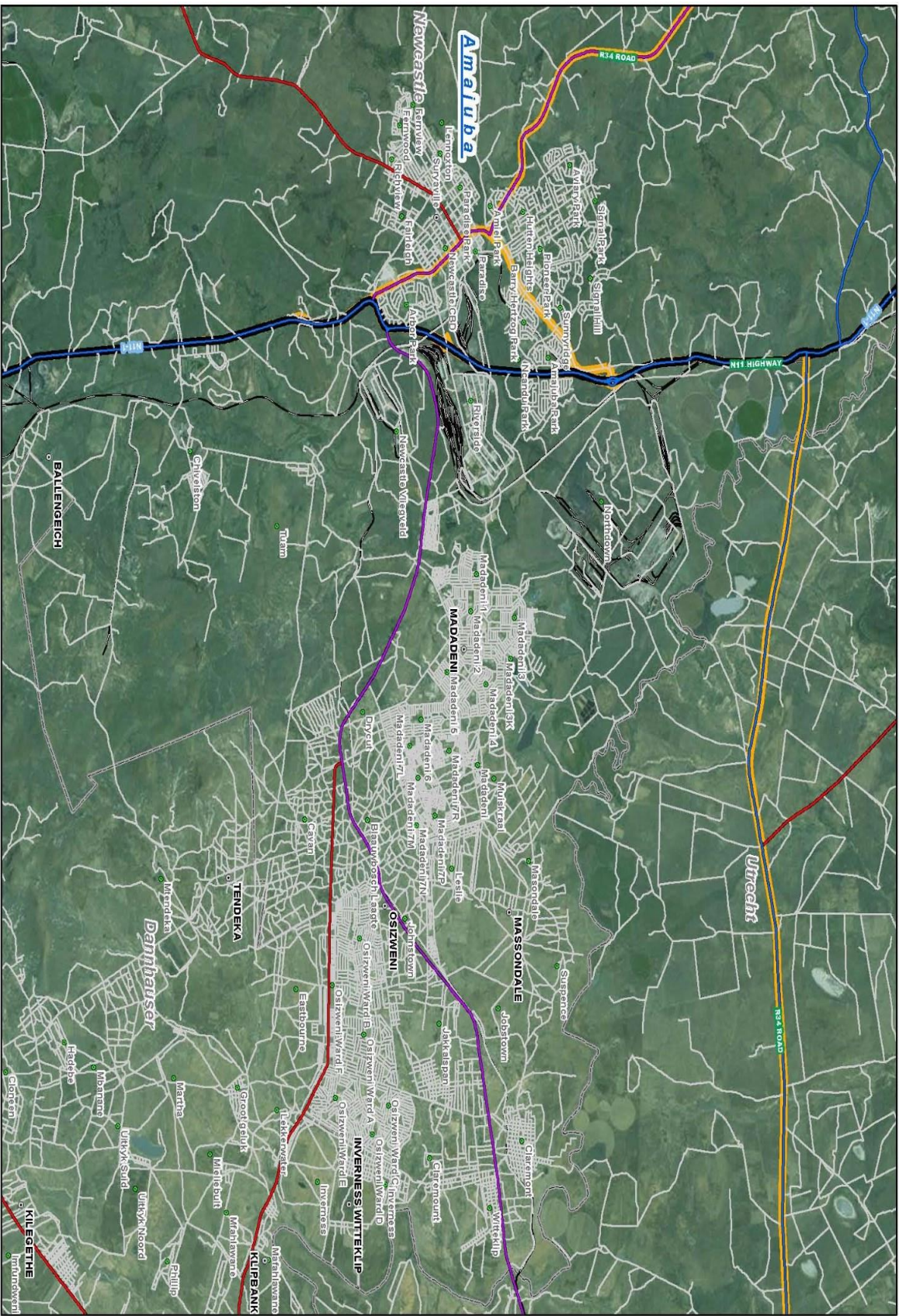
Upon a detailed analysis of the existing road network through the use of secondary data obtained from the KZN DOT – Provincial Road Network, it was deduced that the existing road network can be broken down into the following categories:-

- CLASS 1: N11 – The main trunk road that passes through the Newcastle study area and provides linkages between major city centres including Durban and Johannesburg. The existing road is characterised with high traffic volumes which is made up of a high percentage of heavy vehicles.
- CLASS 2: P483 – The main road is currently predominantly used as a public transport route from the MBO complex to the Newcastle CBD. The existing road is under immense pressure and it is envisaged that, if development in Newcastle continues at the current rate, it will not be able to accommodate any addition of vehicles in the future.
- CLASS 3: R34, Steildrif 21, Scott Street/Boundary Street – R34 is an existing road that provides linkages to areas such as Memel and Standerton. Access to this route is gained via the Newcastle CBD, which usually results in traffic congestions during the peak season hence delayed travel times. Scott Street/Boundary Street is an existing road that partially runs through a residential area south of the Newcastle CBD. The road provides linkages to areas such as Cecelia and Normandien.

From the evaluation it surfaced that the existing road classification of Newcastle does not provide sufficient high class roads necessary for accommodating high volumes of public transportation and privately owned vehicles. This hinders future growth of the area as it impacts negatively regarding the ability to unlock land for future development. There is a need for a new road classification that takes into cognisance the hinderance of urban sprawl. Furthermore, from the evaluation it also surfaced that there are planned development initiatives in Newcastle, particularly around the MBO complex. Therefore these developments form the baseline for forecasting the transportation demand within Newcastle. The challenges related to the development of an integrated land and transportation network may be attributed to poor apartheid planning. The following table entails the road network proposals and amendments:-

EXISTING ROAD NETWORK	NETWORK PROPOSALS AND AMMENDMENTS	PROPOSED ROAD CLASSIFICATION
–	N11 Realignment	CLASS 1
–	Ladysmith Drive	–
–	Main Road (P483)	CLASS 2
–	Proposed Secondary Activity Spine	CLASS 2
–	Proposed Road East of Airport Industrial	CLASS 3
–	Link Road	–
Link Road East	–	CLASS 2
Link Road West	–	CLASS 3
Steildrief 21	–	CLASS 3
–	Proposed Road 3	CLASS 3
–	Proposed Road Development in Fairleigh, Fernwood and Paradise	–
–	Madadeni CBD	–
–	Northern Activity Spine	CLASS 2
–	Jobstown Road Development	CLASS 3
–	Madadeni Ring Road	CLASS 3
–	Northern, JBC and Osizweni Proposed Roads	CLASS 3

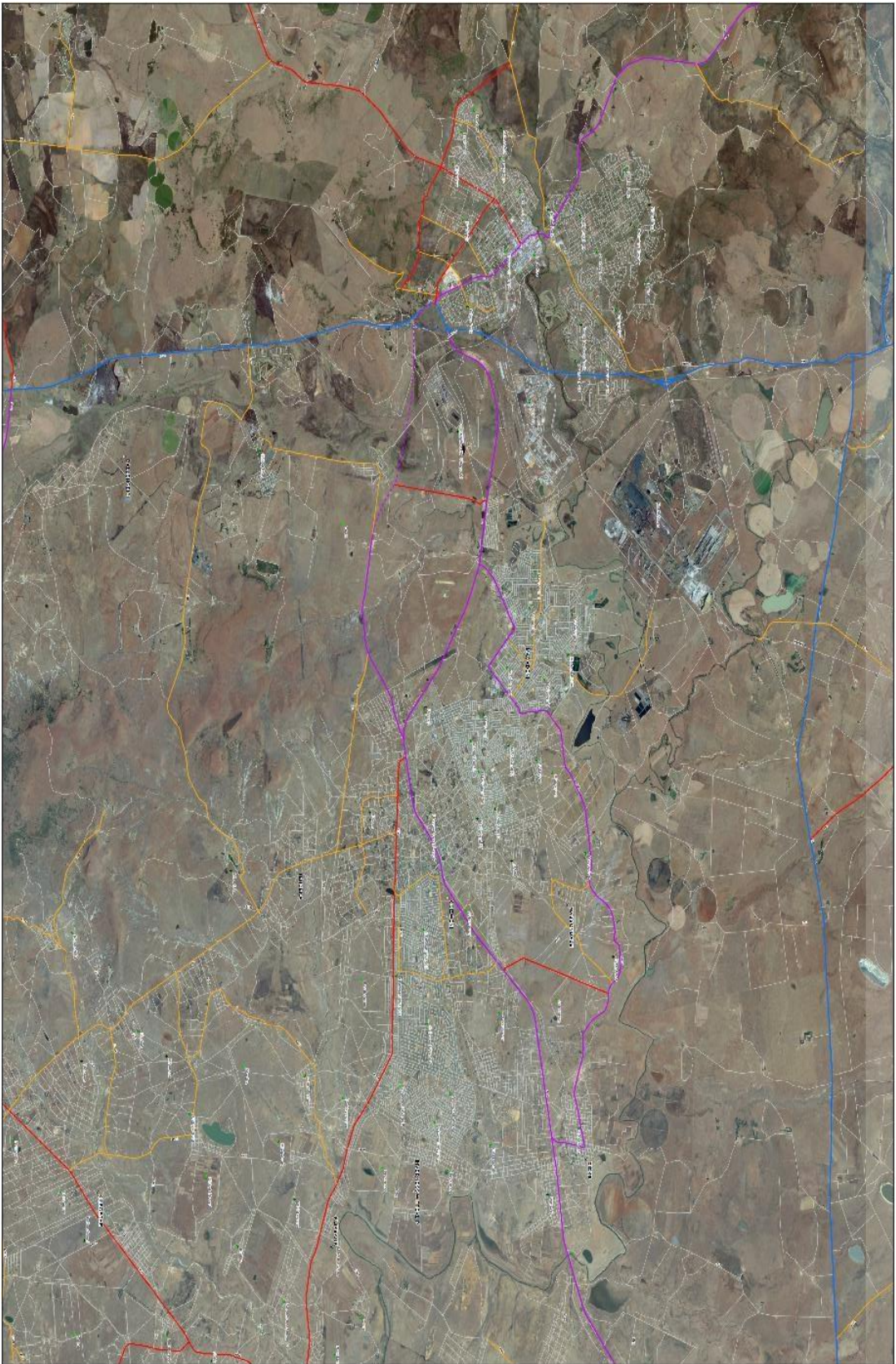
The ammendment and proposed introduction of new routes works hand in hand with the upgrading of the aforementioned intersection points. Therefore it is recemmonded that all ammendments and proposals be implemented within the 10 year time line as failure to do so may hinder growth of the municipality. It should also be noted that the implementation through construction of the Proposed Secondary Activity Spine and Northern Activity Spine is of vital importance to the proposed road network and it it thus recommended that these be prioritised as they have the potential to be alternative routes for public transportation hence unlocking land for development and easing traffic congestion between the two commercial hubs, MBO complex and Newcastle CBD.



Map 1: NLM Existing Road Network Classification.

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

<p>Legend</p> <ul style="list-style-type: none"> Towns Communities <p>RISFSA Classification</p> <ul style="list-style-type: none"> Class 1 Class 2 Class 3 Other National Roads Provincial Roads Railways Local Municipality Danhauser Newcastle Utrecht Amajuba Umsinyathi Zululand KZN DC Local Municipality 	<p>CLIENT</p> <p>THE SOUTH AFRICAN NATIONAL ROADS AGENCY</p> <p>CONSULTING ENGINEERS:</p> <p>SMCIC</p> <p>2181 CHURCH STREET SUNNYDALE 2009</p> <p>TEL: 021 271 8881 FAX: 021 271 8882 WWW.SMCIC.COM</p> <p>DATE CREATED: 25/10/2011</p> <p>DRAWN BY: ANDREW WAGNONE</p> <p>CHECKED BY: ANDREW WAGNONE</p> <p>DRAWING NO: DMI0506.A.R.NMWC-003</p>	<p>PROJECT</p> <p>DEVELOPMENT OF THE NEWCASTLE INTEGRATED TRANSPORT AND TRANSPORTATION PLAN</p> <p>DRAWING DESCRIPTION:</p> <p>NEWCASTLE LOCAL MUNICIPALITY RISFSA CLASSIFICATION</p>
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Map 2: NLM Proposed Road Network Classification.

<p>Legend</p> <ul style="list-style-type: none"> Towns Communities RISFSA Classification Class 1 Class 1 Proposed Class 2 Class 2 Proposed Class 3 Class 4 Other 	<p>CLIENT:</p>  <p>NEWCASTLE LOCAL MUNICIPALITY</p>	<p>CONSULTING ENGINEERS:</p>  <p>211 E. DEWEES 10011 WILSON STREET SANDHURST 7130 TEL: 011 811 9900 FAX: 011 811 9901 EMAIL: SAIE@SAIE.CO.ZA</p>	<p>PROJECT:</p> <p>DEVELOPMENT OF THE NEWCASTLE LOCAL MUNICIPALITY TRANSPORTATION PLAN</p>	<p>DRAWING DESCRIPTION:</p> <p>NEWCASTLE LOCAL MUNICIPALITY RISFSA CLASSIFICATION</p>	<p>DATE: 2017-07-27</p> <p>SCALE: 1:10000</p> <p>PROJECT NO.: DM/0056-AM-NWC- RISFSA-0001-REV1</p> <p>DRAWING NO.:</p>
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Low and high density residential development, urban sprawl, commercial ribbon developments and some major developments in the form of shopping centres have taken place within NLM. However, this growth comes with a number of developmental challenges such as capacity problems at intersections, capacity problems on major roads, and public transport challenges. It is also worth noting that there are plans to introduce a fast train service between Johannesburg and Durban. The route is to pass through Newcastle and will thus have implications on transportation facilities requirements and/or infrastructure. Furthermore, according to the New Growth Path, NLM is earmarked for an inland dry port which is identified as a Strategic Infrastructure Project (SIP2). Therefore, there is a need to ensure that NLM's movement network enhances the spatial configuration for the present and future development areas. The transportation systems must function efficiently for the envisaged development of Newcastle to be achieved.

Table 11: Vision, Strategy and Objective of the NLM ITTP.

	OBJECTIVE	KEY STRATEGY
Planning	To develop and implement roads infrastructure plan	Plan, develop and manage a sustainable and cost effective road infrastructure plan
		Development of financial plan for expenditures and funding
		Development and managing of a sustainable road asset management plan
		Development of a financial budget for cost effective implementation
Operation and maintenance	To ensure the provision and maintenance of safe roads	Data collection surveys to assist implementation of plan
		Development of accurate service standards
		Maintain existing road surfaces Maintain street pavements
		Repair dangerous potholes
		Repair road signs
		Development of financial budget
Service and infrastructure	Development of roads with in the MBO complex	Surface gravel roads and develop sidewalks within the MBO complex
		Development of new facilities as well as existing informal facilities
		Refurbishment of existing facilities
		Development of PT laybys within the MBO complex, this includes shelter and seating
Service and infrastructure	Development of PT facilities and PT stops and shelters	Development of safe sidewalks, pedestrian crossings, street lights and signage
		Develop and implement surveys for October road safety month
Service and infrastructure	Ensure pedestrian safety	

The following entails network proposals and amendments that have been reviewed:-

- N11 Re-alignment;
- Ladysmith Drive;
- Proposed intersection of Main Road P483 and Secondary Activity Spine;
- Karbochem Road and Proposed Secondary Activity Spine;
- Karbochem South Access;
- Proposed Road East of Airport Industrial;
- Link Road;
- Proposed Road Development in Fairleigh, Fernwood and Paradise;
- Madadeni CBD;
- Northern Activity Spine;
- Jobstown Road Development;
- Hans Coetzee Road;
- Madadeni Ring Road; and
- Madadeni, JBC and Osizweni Proposed Roads.

The proposed road classification will need to provide optimal functionality for a long period of time.

The proposed road classification has been analysed for implementation within a 10 year period. However it should be noted that the proposed road classification will have positive long term effects on the Newcastle Municipality. An exact timeline will be largely dependent on developments that have taken place within the study area. The implementation and construction of the Proposed Secondary Activity Spine and Northern Activity Spine are the most vital parts of the proposed network hierarchy as they provide alternative transport routes, unlocking land and calming traffic between the two major hubs namely the MBO complex and Newcastle CBD.

The existing road network does not allow for future growth of the Newcastle Municipality. This is due to the lack of transportation routes that are available hindering travel to areas which can be unlocked for future economic growth. Newcastle Municipality is earmarked for an inland dry port, this will bring about a change within the municipality catapulting it as a leading industrial area within South Africa. However the viability of this is widely dependant on transportation as it will be one of the major driving forces in achieving this status. A lack of implementation and construction will limit and hinder the growth of the municipality until such time that the viability of the entire proposed road network hierarchy is compromised.

It should be noted that before proposed plans are considered, all parties involved will need to be consulted. These include the national bodies i.e. SANRAL, provincial and local bodies, the transportation authority, town planning and finance.

3.3.13. Settlement Pattern.

The settlement pattern in NLM has largely followed access routes thus forming an economic system with definite interdependencies between and among various elements. However, it has also been highly influenced by the past apartheid planning and segregationist policies. The current settlement pattern reflects a continuum of settlements from a highly urban Newcastle town through to peri-urban settlements in the JBC and extensive commercial farmlands with small isolated farm-dweller settlements.

The urban component of the NLM comprises of three distinct sections, namely:-

- Newcastle West;
- A central Industrial Area; and
- Madadeni and Osizweni to the East.

An urban edge has been determined around this entire complex and it is proposed that all future urban development takes place within these confines thus to integrate, density and diversify it as well as to limit the loss of high yield agricultural land.

3.3.13.1. Newcastle West.

The CBD is located in Newcastle West on the Southern side of the confluence of the Ncandu and Jordan Rivers. Newcastle West is predominantly residential with the Northern section being the most affluent. Ribbon development runs South-Eastwards from the CBD along the R34 and includes a new shopping centre, restaurants, garage and car showroom, hotels and lodges, amongst other things. The Northern portion of Newcastle West also accommodates the show-grounds, Monte Vista Casino and Conference Centre, a golf course and a technical college.

Immediately South of the CBD are the original residential areas of the town also laid out in the same gridiron-street pattern and home to the Newcastle Private Hospital and Newcastle Provincial Hospital. The police station and a number of home offices which have spread outwards from the CBD are also found South of the CBD. South-West of the CBD are further residential suburbs.

Newcastle CBD is currently going through a process of spatial transformation. This involves three main processes, namely:-

- Decentralisation of commercial and office space;
- Redevelopment; and
- Expansion of the town area.

Decentralisation of commercial and office space occurs in the form of nodular development at both Eastern and Western entrances/gateways into Newcastle CBD. Newcastle West development includes a number of service industries, a community commercial centre, hotels and a number of associated developments. The area is earmarked for further commercial development.

Rights were granted for the development of a regional shopping centre next to the new Casino and the Newcastle Mall has since taken root and is in operation. A new office complex has also been developed in the area while infrastructure has been laid for mixed land use development. Other developments expected in this node in the near future include motor-showrooms, restaurants, etc. Redevelopment on the other hand, involves the refurbishment of buildings vacant or under-utilised, because of economic downturn and relocation of offices to the new office node. This process also includes the transformation of office use, particularly professional offices, into residential areas that are adjacent to the CBD. A number of dwelling units have been granted office use rights or are being used as offices.

Newcastle Municipality has accordingly developed strategic responses to these trends. These include the Newcastle West Precinct Plan, the CBD Development Plan and the Newcastle South Spatial Development Plan (SDP). The latter provides for a range of residential land uses, including mixed land use and commercial nodes. The net effect of these plans is the extension of the town's built-up area, shifting of the urban edge and opening of new interface zones. In view of its strategic location in

Northern KwaZulu-Natal, Newcastle is likely to remain a regional service centre unchallenged by other nearby towns in the foreseeable future. Its market threshold is relatively secure, but its economic and social vitality remains dependent on the state of its regional hinterland. The CBD itself has remained relatively stable.

3.3.13.2. Central Industrial Area.

East of the CBD lies large industrial areas, the N11 and Iscor facility, as well as an airfield and landfill site. It is also the location of Amcor Dam and Recreational facility. The area occupies approximately 516ha of land zoned for industrial use, of which only a small portion is developed. While the area accounts for a significant amount of employment opportunities in the NLM, it historically developed as a buffer strip between the former white only areas in the Newcastle West and the former black only townships of Madadeni and Osizweni.

The Western Service Delivery Region (WSDR) covers the areas of Newcastle West within the Urban Edge, these would be the Newcastle Central Business District (CBD), the Newcastle West suburbs and the airport industrial area. These areas are covered under the Newcastle scheme. The zooming into the WSDR will give more detailed land use guidelines and highlight priority investment and development areas and will also act as a guide to decision-makers and investors. A number of intervention areas for the WSDR have been identified where the intention is that the entire Service Delivery Region be covered in the long term by the municipal hierarchy of plans. Intervention areas for the WSDR include:-

- Newcastle West Intervention Area;
- Newcastle South Intervention Area;
- Newcastle Industrial Intervention Area; and
- KIB Intervention Area.

3.3.13.3. MBO Complex.

MBO is located along P483 and comprises of the townships of Madadeni and Osizweni, and the JBC area. Madadeni and Osizweni were laid out in the 1970s on the basis of a Master Plan developed in 1975, and reviewed in June 1985. The plan was based on the dominant planning doctrine and highly influenced by the political regime. It gave rise to a compact linear urban form with a rectilinear road network based on 3 to 4 km grid spacing of major arterials. The JBC area, which joins the Madadeni and Osizweni areas, has a more peri-urban character, consisting mainly of informal settlements. This area developed as a result of “shack farming” thus transforming the area from agriculture into an urban slum, with no formal planning. This has given rise to a complex set of land legal issues including title adjustment, beneficial occupation rights, tenancy and freehold ownership rights.

The MBO complex is characterised by a poor condition of services and a general lack of amenity and pleasant appearance. This robs the area of private sector investment

and perpetuates dependency on the Newcastle city centre. Urban renewal programmes being initiated in the MBO complex will result in the upgrade of the public realm and improve the quality of life of the previously disadvantaged. It will also promote both public and private sector investment in the area. Access to public facilities and a safe environment are the other important aspects of quality of life that should be addressed in these areas

3.3.13.4. Rural Settlements.

The rural component of the municipality is dominated by expansive commercial farmland, which is used mainly for livestock farming and crop production. Some of the farms are affected by the land reform program, particularly the land restitution and labour tenancy program that may lead to the creation of new settlements and erosion of agricultural land.

However, there are few established settlements on commercial farmlands. These settlements include smaller rural settlements such as Charlestown and Ingogo. Charlestown provides basic services and functions to the surrounding agricultural areas and is identified as a tertiary node in the SDF, together with Lennoxton. Ingogo, on the other hand, is a purely rural settlement based on its low population numbers, and is classified as a rural node, as is Leokop.

Other rural settlements are located within the Ubuhlebonzinyathi Community Authority area and include the settlements that generally fall within the traditional leadership of AmaHlubi in the Drycut area and Khathide along the northern boundary of the NLM.

WARD 1	WARD 6	WARD 7
<ul style="list-style-type: none"> - Botha's Pass. - Brinkshoop. - Charlestown. - Ngogo. - Majuba Forest. - Normandien. - Wykom. 	<ul style="list-style-type: none"> - Claremont. - Jakkalspan. - Jobstown. - Masondale. 	<ul style="list-style-type: none"> - Manzana. - Mndozo.
WARD 12	WARD 15	WARD 16
<ul style="list-style-type: none"> - Jonhstown, divided into various sections:- <ul style="list-style-type: none"> o Johnstown-Bhareni. o Johnstown-Dindela. o Johnstown-Leslie. o Johnstwon-Phesheya kodonga. 	<ul style="list-style-type: none"> - Blaauwboschelaagte. - Cavan. - Mahalbhomi. 	<ul style="list-style-type: none"> - Blaauwboschlaagte. - Dry Cut.

WARD 18	WARD 31
- Blaauwboschlaagte.	- Riversmeet. - Suspense. - Soul City.

3.3.13.5. Former Mining Areas.

A number of settlements are also located in the south-eastern portion of NLM. These settlements are scattered throughout the area and are mainly as a result of mining activity, which is concentrated along a mining belt that runs from the centre of the municipal area towards the south east. The mines have stimulated the development of numerous smaller settlements, such as Kilbarchan, Ingagane and Ballengeich. It has however impacted negatively on the spatial structure of the Municipal area by preventing development of an integrated urban structure. Higher standards of housing and access to infrastructure are found in these formal settlements. The settlement pattern can mainly be ascribed to the mining activities and the Ingagane power station in the area, which caused discrete pockets of settlements. These are mostly around or close to mining activities. Some of the mining activities have however been downscaled or closed down.

3.3.14. Impact of Post-Apartheid Spatial Planning.

Past apartheid policies had a profound impact on the structure and functionality of the Newcastle Municipality. The policies fragmented communities, marginalised their economic activities and undermined their participation in the economy. They located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development. Spatial fragmentation was implemented to effectively separate the urban complex of Newcastle-West and the former dormitory suburbs of Madadeni and Osizweni. These two areas are situated at least between 15km and 35km from Newcastle central business district (CBD) in line with apartheid spatial engineering. Spatial fragmentation, referring to separate blobs of development with no linkages, has the potential to undermine the role of Newcastle in its regional context and impact negatively on its ability to perform its functions effectively and efficiently.

3.3.14.1. URBAN RENEWAL

It is generally known fact that development in most South African towns has been spatially segregated and bears the hallmarks of inequity and inequality. In like manner, the Newcastle town scape is characterised by unequal development. It is for this reason that following presidential pronouncements, Newcastle has committed itself to championing and driving an urban/rural regeneration initiative to correct these inadequacies and development imbalances.

Madadeni and Osizweni are the two main townships located within Newcastle Municipality area of jurisdiction. The area, generally referred to as the MBO (Madadeni, Blaauwbosch and Osizweni areas) is the main focus of urban renewal initiatives by the municipality. To this extent, a regeneration framework has been developed as a means to provide guidance, coordination and alignment of sectoral activities to facilitate development of MBO complex. A prominent area that lies

interposed between the two settlements is the Blaaubosch, Johnstown and Cavan and genuinely deserves regenerative interventions.

The methodology followed towards the regeneration initiative, is through a multi-stakeholder, multi-sectoral approach in order to ensure that each and every stakeholder finds a presence, plays a role and implements, facilitates or makes happen that which falls within their respective mandates. In a nutshell, government departments, communities, parastatals, non-governmental organisations, the municipality, the private sector, etc become key role-players who should find visibility and an active presence in this most paramount initiative. It would be noteworthy that regeneration/renewal of areas of underdevelopment as implied above, involves doing many things, i.e projects or programmes that cut across multiple disciplines. Some become localised interventions while others take the form of programmes/projects with a wider sphere of influence geographically.

The IDP of this municipality will seek to ensure that the following are undertaken through the urban renewal programme:

- ☛ Improvement in the Quality of the Living Environment: this key performance area deals with strategies to improve the quality of the environment. It includes, amongst others, the creation of sustainable human settlements, strategies for conservation, environmental health, rehabilitation and reclaim of degraded areas, air quality, water resource management, waste management.
- ☛ Access to Public Services and Amenities includes strategies for road maintenance, ensuring adequate and reliable bulk resources for all services over next 20 year period site and service strategies, etc.
- ☛ Decentralisation of public services by various sectors by way of bringing them closer to the people. This includes both the public and public sectors.
- ☛ Functional Local Economy: this KPA identifies strategies for recycling programmes, encouragement of home enterprises, mixed activity Economic Opportunity Zones, multi modal transport interchanges at major nodes, secondary residential property market, land tenure upgrading as part of all housing projects, etc.
- ☛ Linkages and Integration: Strategies of importance are inter-neighbourhood linkages, extension of new road linkages towards improved integration, Investment Promotion Office dealing with specifically the former township areas (now economic opportunity zones).
- ☛ Implementation/review and management of the Urban Renewal Strategies towards practical implementation of urban regeneration interventions.
- ☛ Facilitating implementation of special development projects. Develop and maintain working partnerships with key national and provincial departments, the private sector, and external organizations. Identification and mobilization of resources within the municipality, national and provincial government, private sector and external partnerships.
- ☛ Coordinate the activities of municipal departments, national departments, the private sector, local communities and other stakeholders to ensure alignment of functions.
- ☛ To ensure an alignment of programmes and special projects with the IDP and sector plans, provincial and national development programmes and strategies.
- ☛ Identify the desired urban development interventions and manage implementation of programmes and projects.

JBC ECONOMIC HUB

Essentially the JBC block will function better if complemented with its economic hubs integrating both commercialization and industrialization. This area has an added advantage in that the Theku mall is in existence and will likely attract other types of commercial activities within the node. Its location is prime and enjoys better linkages with the immediate area.

Intertwined with this concept is the necessity to bring industries closer to territories of labour force to avert high proportions of expenditure on transportation. The JBC Urban Hub has been identified as a catalyst for the development of the greater JBC complex including neighbouring Osizweni, Madadeni and the adjoining rural areas. It is expected that investment will be made at the hub to enable the private, public and other sectors to invest therein and this has been shown by the funding commitment by the Neighbourhood Development Programme of National Treasury. The design for the hub has begun and soon projects will be identified for implementation. Implementation of the proposed projects calls for line function departments, sector departments, the community and others to participate.

CLOSURE OF THE BLAaubOSCH MINE

The municipality is confronted by a situation where it has to close a mine where there is illegal mining whose livelihoods are dependent on it but with great exposure to injury and death. The Department of Mineral Resources has a mandate to close and rehabilitate the mine. This mine is a huge environmental hazard to the informal miners who subsist on the sand and coal resources on the site and old Mzamo High School site. The rehabilitation of the mine is dependent on other projects being undertaken before the actual rehabilitation takes place.

In order that the Blaaubosch Mine Rehabilitation is implemented, relocation of the 85 households and Relocation of Mzamo High School must first take place. Construction of the Brick Manufacturing Factory must be completed before work on Rehabilitation commences so that those working and dependent on the mine can continue to have a source of income. The Blaaubosch Mine will be closed only when the Brickmaking Factory has been constructed and has become operational. This will have to happen without further delay.

OSIZWENI ECONOMIC HUB

Osizweni area has fairly planned settlement structure with few pockets of informally settled areas. Formalising these areas will enable the municipality to start collecting due rates and other municipal taxes. The CBD for Osizweni area is one of those areas in need of revitalisation and new prominent anchor shops. It is one of the functional areas in the part of the town and with few design interventions its sense of place will be enhanced. Some interventions have already begun at the centre.

3.3.14.2. UPGRADING AND FORMALISATION OF THE JBC AREA

The JBC Framework identifies six development units or precincts, and recommends that these form the basis of a housing development program in the area. Layout plans and development applications have already been packaged for some of these precincts. It further suggests the following initiatives for the area:

- ☞ Effective environmental management.
- ☞ Provision of bulk engineering services, particularly waterborne sewerage.

- ☛ Upgrading of main transport networks and the associated public transport networks. This includes walkways and pavements.
- ☛ Promoting local economic development through the development of a new town centre in the area.
- ☛ Introducing an effective land use management system.

It further acknowledges the importance of P483 as the primary development corridor running through the area, and a number of mixed use strips (activity streets). It also suggests at least three development nodes with the major node being the proposed JBC Town Centre.

PROPOSED DEVELOPMENT OF A UNIVERSITY IN NEWCASTLE

Possible sites have been identified for the development of a university in Newcastle. The preferred site lies at the intersection Albert Wessels and N11 Road. Newcastle occupies a strategic location in northern Kwazulu Natal and easily qualifies for a capital status in this part of the province not only due to its locational characteristics but also by virtue of its population size which is the third largest in the province. The development of a university in Newcastle would promote spatial equity in access to university education which is currently not accessible in the northern part of the province as compared to the midlands, eastern and southern parts of the province. As the sphere of influence of a higher order educational institution of this magnitude is huge, the proposed university would resolve spatial inequity in accessing university education in the province including southern parts of Mpumalanga province and eastern parts of the Free State province.

Experiences from elsewhere (locally and abroad) reveal that a university is a huge growth engine that promotes and catalyses or causes other developments/investment to happen with immense benefits for the town. Businesses associated with the up-stream and down-stream linkages with a university would be retained, some would expand and there would be an attraction to locate in the town. Such businesses could be stationery shops, clothing, food and supermarkets, transport, accommodation, etc. Universities are by their very nature centres for development as centres for knowledge through the power of research. It is expected that the university would contribute immensely to the development of the town and surrounding region through academic innovative knowledge systems. These could range from commercial, industrial, social, environmental, etc as pathways towards systemic interactions. Newcastle's knowledge economy is the typical basic education and limited tertiary education. A higher order educational institution would transform Newcastle and the region through research in a variety of sectors ranging from industry, commerce, agriculture, environment etc. depending on the curricula offered. There has been a depression in energy generation through coal whereas coal remains in abundance in the area hence knowledge might prove essential in revitalising such depressed economic sectors.

Development of the university at the preferred location would change the land use nexus with associated businesses strategically locating in spaces that maximise accessibility to the institution. The town planning department would be faced with dealing with applications for development for land uses taking advantage of the university's location either for face-to-face contact or accessibility. An influx of academics translates into demands for the conveniences enjoyed in cities with a large presence of academic institutions among which is decent accommodation. Existing developments might have to undergo upgrades while undeveloped or

underdevelopment land could be subjected to pressure for development. In other words, localities around the site for the university would undergo dramatic spatial development with huge economic benefits. The proposed university in Newcastle has been included as a catalytic project in the KZN Infrastructure Master Plan for successful implementation of the KZN Provincial Growth and Development Plan.

2.5 EASTERN REGION (MADADENI, BLAAUBOCH& OSIZWENI- MBO)

The existing spatial structure remnant of the apartheid planning identity of the CBD is characterised with delapidation, poor maintainance, ineffective movement patterns, secluded spaces compromising safety of the territory, etc. A township regeneration study was undertaken to give effect to the much desired revitalisation, which becomes nothing but an illusion if private the sector investment is not evident. It is through that private sector investment that other departments such as National Treasury through neighbourhood development grant programme (NDGP) amongst other potential funders.

The recent landing of the Boxer shopping centre to the south eastern corner is anticipated to boost the CBD. More plans are underway, although still on the infancy stages to avail land for the development of the CBD. The plan is to acquire privately owned land and consolidate it with land to be acquired from Council to develop a big shopping centre. Necessary infrastructure service to support this development will have to be developed in advance.

The recently developed municipal taxi rank which has not been used following complexion has to be operationalized in the near future. It discouraging from the municipality's point of view to note that, a trend of turning these taxi ranks to a dysfunctional island by the very same people consulted prior development of the same. It reveals new kinds of ungovernability of the taxi industry whom in their self-seeking pursuit deprive the communities of the enhanced facilities for the black majority. There is only so much the municipality can do to stimulate a positive reaction from the relevant association to operationalize the taxi rank

2.5.2. Ingonyama Trust Land

Large tracks of developable land owned by the Ingonyama Trust have become prone to land invasion require a better strategy to avert the spread of informal settlement which has begun. The municipality has since learnt that plans in the form of planning schemes for their large tracks of developable land are being prepared by the institution. Preparation of these plans is encouraging as it prompts the process of synergizing the planning exercise between the two institutions (municipality and Ingonyama Trust).

Paired with the residential development, is the authorised shopping centre at the intersection of P483 andRoad. Development rights, although issued in 2009, the proposed mall is yet to take off. On the same vein the municipality is processing another application at the intersection of Nelson Mandela and ...Roads for a convenience shopping centre development. This proposed center is estimated to be 5000 m² in extent, therefore, it's impact to the existing Madadeni CBD will be minor and inconsequential.

2.5.3. Hospital Precinct This corridor will be defined together with its nodes including

2.5.6. JBC ECONOMIC HUB

Essentially the JBC block will function better if complemented with its economic hubs integrating both commercialization and industrialization. This area has an added advantage in that the Theku mall is in existence and will likely attract other types of commercial activities within the node. It's location is prime and enjoys better linkages with the immediate area.

Intertwined with this concept is the necessity to bring industries closer to territories of labour force to avert high proportions of expenditure on transportation

Figure: Proposed Urban Design for the JBC Hub

2.5.7. CLOSURE OF THE MINE

The municipality is confronted by a catch 21 situation where illegal miners whose livelihood's depend on this illegal mine. The state of this mine goes against principles of sustainable development and is a danger to both property and life.

2.5.8. OSIZWENI ECONOMIC HUB

Osizweni area has fairly structured settlements with few pockets of land in a structured form but informal. Formalising these areas will enable the municipality to start collecting due rates and other municipal taxes. The CBD for Osizweni area is one those areas in need of revitalisation and new prominent anchor shops. It is one of the functional areas in the part of the town and with few design interventions its sense of place will be enhanced.

3.3.15. Spatial Trends and patterns.

The urban part of Newcastle Local Municipality is characterized by a highly inefficient and fractured spatial pattern inherited from the apartheid past. Historically, the town of Newcastle was divided along racial (now class lines), with the poorer communities situated away from job and economic opportunities, and excluded from the social fabric of the town. The main residential areas for the poor – Madadeni, Osizweni and JBC area located approximately 20 to 35km from the CBD.

The following are some of the key structural elements of the MBO complex:-

- Explosive low density sprawls in the form of informal and traditional settlements that have developed within the MBO area. Some of this occurs on privately owned land in the JBC complex. The direction of this development is not controlled, but accommodates people who either cannot afford formal housing in legally designated areas or who seek location closer to the urban opportunities while wanting to maintain a rural lifestyle.1975.
- Loose character of the urban fabric epitomised by the single storey house on a plot type of development. Nearby housing projects have reproduced the same type of settlements albeit with lower level of services. High space standards applied in the provision of public facilities also contribute to the loose character of the urban fabric.
- Urban rural interface as the outer boundaries of the area adjoins onto agricultural land and rural settlements located on Ingonyama Trust land.

- Inwardly oriented discreet pockets of mono-functional developments operating in isolation. Creating separation of different land uses, particularly between residential, commercial and industrial areas.

The net effect of this situation is an inefficient disintegrated spatial system, characterised by an enormous amount of movement between the Node and surrounding areas and especially between the Newcastle CBD and the JBC complex on a daily basis.

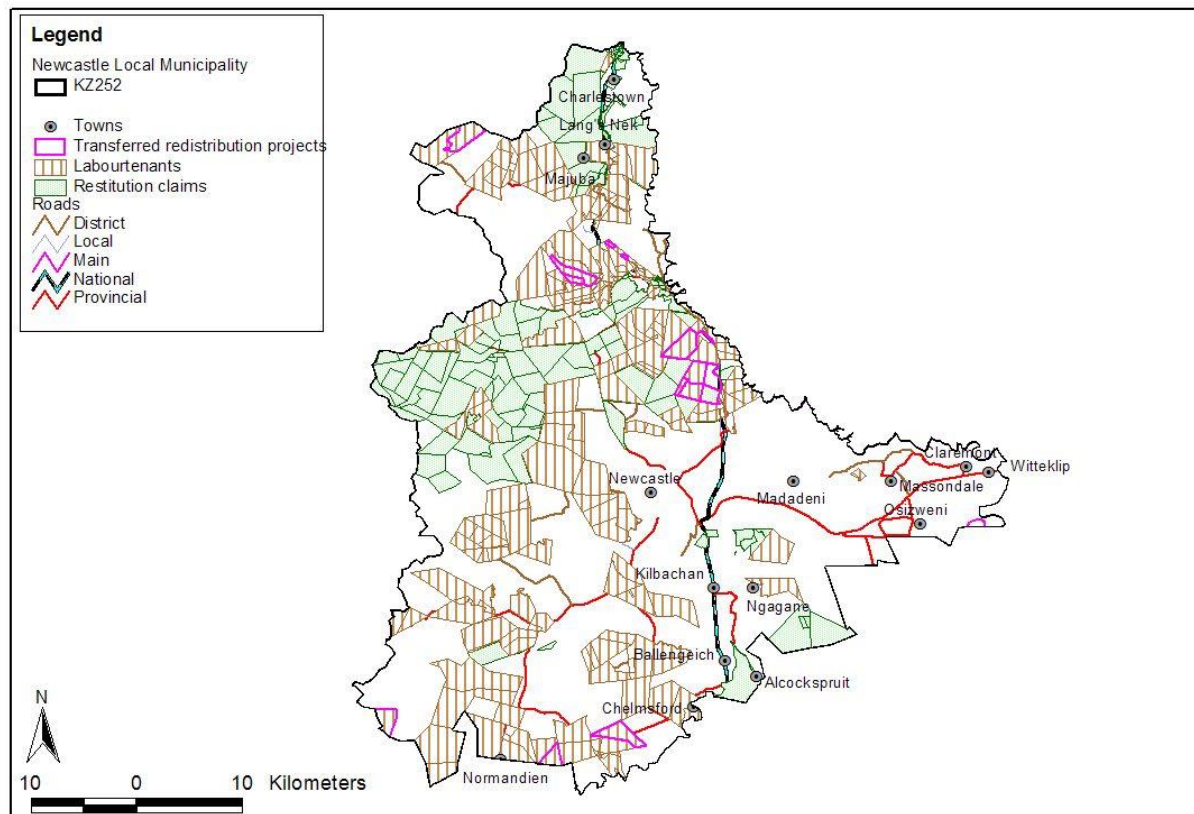
3.3.16. Land Reform Programme and Rural Development.

The Newcastle Area has long been grappling with the land issues and has been involved in the implementation of the land reform since its inception. Land issues in the area cover both urban and rural areas, and cuts across the various elements of the land reform programme. Despite this, the area still lacks a common and coordinated vision for land and agrarian reform. Attempts by the Department of Rural Development and Land Reform, in association with Amajuba District to develop an Area Based Plan dealing comprehensively with the land issues in the area has not made any significant impact in this regard.

3.3.16.1. Status of Land Reform Programme.

According to the Amajuba District Municipality Area Based Plan, the Department of Rural Development and Land Reform is implementing the following projects within Newcastle Municipality:-

- **Land Redistribution (LRAD):** There are 15 completed land restitution projects where 5,097ha of land has been transferred to 283 households (1456 individuals).
- **Land Restitution:** There are 130 claims on farms in the Newcastle area, totalling 53,000ha. Of this, 34 claims have been settled, making up 12,700ha.
- **Tenure Security (Labour Tenants):** There are tenure security claims on 99 farms, making up a total area of 973ha.



The Amajuba District Municipality Area Based Plan further notes that 73,212ha of land has been transferred under the land reform programme. An application of the 30% target suggests that 109,447ha is required in order to bring the programme in Newcastle in line with the national targets.

As indicated on the Map (figure 5) above, the programme will have significant economic and spatial impact in the area. Strategies should be devised to integrate the programme into the service delivery and economic development programme of the municipality. Careful management and support to beneficiaries is necessary to sustain the production potential of land in the area.

3.3.16.2. Land Tenure Upgrading.

The need for land tenure upgrading in the NLM affects four types of communities, namely:-

- People who hold Deeds of Grant to land;
- People who require their title deeds to be adjusted;
- Tenants in the JBC area; and
- Farm dwellers.

3.3.16.3. Madadeni and Osizweni Townships.

The title upgrading process undertaken as part of the Extended Discount Benefit Scheme involving areas where people held their properties through Deeds of Grant (e.g. Madadeni and Osizweni Townships) has virtually been completed.

3.3.16.4. JBC and Charlestown.

Similarly, substantial progress has been made with the title adjustment process involving land owners in the JBC and Charlestown areas. The completion of this exercise is critical to unlocking privately owned land in these areas for the development of sustainable human settlements. In fact, a comprehensive scheme which involved the provincial Department of Human Settlements and the national Department of Rural Development and Land Reform should be initiated as part of the Urban Renewal Programme to deal with the land issues in the JBC and Charlestown areas. This includes people who occupy the area as tenants whose land tenure remains insecure.

3.3.16.5. Ubuhlebomzinyathi.

Communities occupying the area that falls under the jurisdiction of Ubuhlebomzinyathi Community Authority should also be considered for land tenure upgrading. These include Khathide, Dicks, Mndozo, etc. At present, these communities enjoy beneficial occupation rights protected in terms of the Interim Protection of Informal Land Rights (IPILRA). These areas require careful management as they are fast deteriorating into urban slums. Densities are increasing and accounts for some of the huge urban service backlogs in the NLM.

3.3.16.6. AmaHlubi Settlement.

The land occupied by AmaHlubi Community in the vicinity of Drycut Cemetery should be investigated as it may fall outside the proclaimed area of Ubuhlebomzinyathi Community Authority. The land has been subject of a court case between Ingonyama Trust and AmaHlubi Traditional Council. Other areas that require attention in terms of tenure security are the settlements located to the north of the Osizweni Township and the JBC area.

3.3.16.7. Labour Tenant Claims.

As indicated on the Map above, a number of labour tenant claims were registered against various farms within the Newcastle Municipality Area. The process towards the resolution of these claims has been frustratingly slow. It is critically important for the municipality to follow this process closely as it may result in the establishment of small isolated settlements. A rural development strategy is required to guide this process and ensure that settlements do not encroach onto agricultural land in an uncontrolled manner.

3.3.16.8. Land Restitution.

A number of land restitution claims were lodged against various properties in the Newcastle Area. The majority of these are large in size and ranges with complexities. Charlestown, which involves dairy farming, timber plantations, crop production and livestock farming, has been resolved successfully with the community obtaining access to more than 10 000ha of good agricultural land. The challenge is now to develop the farms, sustain productivity and create employment opportunities. The process towards the resolution of the other land claims such as Ingogo is progressing slowly. In view of the size of these claims and potential for agricultural development, it is critically important for Newcastle Municipality to ensure that they are integrated into the economic and service delivery programmes of the municipality.

3.3.16.9. Impact of the land Reform programme.

As indicated on figure 5 above, the land reform programme has a significant spatial impact in the area. Other impacts are as follows:-

- **The loss of productive agricultural land to residential development**, resulting in reduced contributions by agriculture to the local economy and loss of job creation opportunities.
- **Land reform resulting on the loss of productive agricultural land.** If operations on productive land are unsustainable, this will “virtually destroy the agricultural sector, result in massive unemployment and poverty and a loss of food security.”
- **Provision of adequate water supplies.** An adequate and sustainable supply of water is critical to the long term development of agriculture. Threats includes climate change, invasive alien plants and pollution.

3.3.17. SWOT Analysis (Spatial Analysis).

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Newcastle is a city that is resilient and adaptive. ▪ It is organized around mobility and development corridors with a complete transportation network (road, rail, and air). ▪ It is anchored by its natural resources which make it unique and desirable with good potential agricultural land. ▪ The N11 route bisects the Eastern and Western halves of the municipal urban area. The road is also used as an alternative route from Durban to Gauteng. 	<ul style="list-style-type: none"> ▪ Higher densities are found close to established nodes. ▪ Urban sprawl leads to Infrastructure backlogs and new informal settlements mushrooming. ▪ A fragmented spatial structure with limited future spatial growth options which lead to shortage of residential land. ▪ Industrial sector stagnated with very few new industrial developments. ▪ Poor management of open spaces and large tracks of undermined areas that cannot be utilized within the built-up areas.

<ul style="list-style-type: none"> ▪ It is the anchor city within the Northern Natal region and 2nd order node in KZN. ▪ It is located on the boundaries of Free State and Mpumalanga provinces which allow for capital to be spent in Newcastle Municipal area. 	<ul style="list-style-type: none"> ▪ Poor accessibility due to mobility function of corridors being compromised and undefined, road network towards MBO areas as well, while the railway lines and airport has been underutilized.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ Clustering of social and community facilities around development nodes and corridors including Service Delivery Centres which in turn contribute to land use and transportation integration. ▪ Tourism is growing and drawing tourist investment to the town. ▪ Mining, a growing demand on resources such as coal. ▪ The road infrastructure, railway lines and airport which provide connectivity. ▪ Informal sector can become a long term economic reality while private investment is also on the increase. ▪ Open spaces with densification potential 	<ul style="list-style-type: none"> ▪ Private investment patterns remain in nodes of Newcastle west and a general decline in investment. ▪ Natural Environment is experiencing a lack of environmental assessment. ▪ Urbanisation made it difficult to formalize settlements which are time consuming. ▪ Lack of personnel and resources, issue of unregistered planners. ▪ Unplanned Informal Settlements and developments creeping onto natural resources and neighbouring municipalities. ▪ Urban decay in major nodes.

3.3.18. NATURAL ENVIRONMENT.

3.3.18.1. Terrain.

The terrain of NLM is relatively flat even though the area is characterised by some mountainous terrain running from the North along the Western boundary. Elevation is the lowest in the Eastern portion of the municipality, with scattered small hills and rolling landscapes in the centre. Elevations above sea level range from 1160.04m above sea level in the flat terrain in the east to 2228.53m above sea level in the mountainous terrain.

The most concentrated urban development and industry are located on relatively flat terrain. This generally refers to the urban complex of Newcastle town and MBO complex and the industrial area located in between. The elevated relief towards the West refers to the Drakensburg range and the Amajuba Mountain to the North.

3.3.18.2. Geology.

The subsurface geology has a great influence on the terrain of Newcastle including the soil and vegetation cover which are essential to the conditions of development. It is also the source of minerals that form the characteristics of the area. The geological structure of NLM features four kinds of rock formations which include the following:-

- **Carboniferous age sandstone of the Vryheid Formation** – This is basically the oldest geological formation present in NLM and is mostly prevalent in the Newcastle East Area.
- **Jurassic Age Dolerite** – The youngest geological formation present in the area and mostly prevalent in the Newcastle West Area.
- Permian age mudstone and sandstone of the Emakwezini Formation – Which occurs more towards the Newcastle West Boundary.
- **Permian/carboniferous age shale of the Volkrust Formation** – Pockets of this formation occurs within the Newcastle West Area and most of the surrounding areas of Charlestown.

Furthermore, the mineral potential of NLM is also closely related to the geological systems of the area. The minerals within the area contribute to the economic value of Newcastle. The Klip River coal field, the most economically important of the KwaZulu-Natal coal fields occurs North-South along the N11 and more towards the Newcastle East Area. In simple terms, Newcastle lies North of the coal fields and there is potential for the exploitation of such coal resources. The following entails the minerals resources that occur in the area:-

- **Torbonite** – Prevalence of this form of coal is found immediately West of Newcastle.
- **Iron Oxide (FeO)** – This is the mostly illegally exploited form of coal and it is concentrated within the MBO area. Due to such, there remains limited potential for attracting investments as there are minimal reserves left.
- **Bauxite (Al)** – Four bauxite deposits occur to the West of N11 and South of the Newcastle CBD. A South African Geological Survey concluded that exploitation was unlikely due to the sites being too widely located hence too expensive to process efficiently.
- **Aggregate** – There is abundance of dolerite and sandstone deposits in the area which thus provides ideal sources of aggregate for construction and other purposes.
- **Sand** – Sand is mostly found along river courses due to the disintegration of the parent rock. Newcastle is endowed with adequate quaternary deposits along streams and river courses (i.e. the Buffalo River and the Ngagane River) and these can be mined to use for building purposes.
- **Brick Clay** – The shales of the Vryheid Formation provide excellent raw material for high quality clay bricks. Such soft rock deposits occur at or near the surface thus making them much easier to mine through open cast methods.

3.3.18.3. Catchments.

Newcastle is located in the catchment of the Ngagane River with Ncandu River being one of the major tributaries. The Ngagane River flows into the Buffalo River which is one of the major rivers in the Thukela Water Management Area (TWMA). The Thukela basin has strategic water importance which thus makes it a significant in terms of water supply.

Five main catchments areas form part of NLM. This includes the larger Buffalo River catchment, which ultimately forms part of the Tugela River system. These include:-

- The Ngagane River where it meets the Ncandu River (Ngagane Catchment);
- The Ncandu River where it meets the Ngagane River (Ncandu Catchment);
- The Ngagane River where it meets the Buffalo River (Additional Ngagane Catchment, which includes the upstream Ncandu and Ngagane River Catchments);
- The Buffalo River at its confluence with the Ngagane River (Buffalo Catchment); and
- The Buffalo River to where it intersects with the Newcastle LM boundary (Additional Buffalo Catchment, which includes the upstream Ngagane and Ncandu River Catchments).

Two significant dams were identified within the study area, namely that of the Chelmsford Dam, also known as the Ntshingwayo Dam, located to the South of Newcastle within the Ngagane River catchment, and the Zaaihoek Dam located to the North-East of Newcastle within the Buffalo River catchment. In addition to this, two significant wetland systems were identified, namely the Wakkerstroom Wetland located just outside Wakkerstroom and the Boshoffsvlei Wetland located to the North-East of Newcastle Town. It should be noted that legislation dictates (as per the National Water Act No. 36 of 1998) that wetland areas are protected and therefore development within 30 metres of the wetland is prohibited.

The total flow and Mean Annual Runoff (MAR) per quaternary catchment located within the study area and above-mentioned catchments is expected to exit the Buffalo River at the South-Eastern boundary of the NLM boundary. The majority of water abstracted (85%) is used for irrigation. The total area registered for irrigation is equal to 55 124ha within the NLM. The total water abstracted compared to that which is available (as per the MAR) is equal to 10.5%.

3.3.19. Water Quality.

3.3.19.1. Sources of Water Contamination.

The land cover indicates that a large expanse of the municipality is natural grassland with isolated thickets, natural forest, agriculture and forestry. Urban settlement is

centred around the town of Newcastle, which is sited across the boundaries of the Buffalo-Ngagane, Buffalo Local Municipality and the Ngagane catchments. The residential land use comprises informal land use as well as well-established medium to low cost housing.

Noxious industry is primarily situated within the Ngagane Catchment and the Additional Buffalo River Catchment where it intersects with the NLM. The industry comprises of ore beneficiation, power stations, steel manufacturing and chemical manufacturing. Mining is largely inactive in the area and isolated in the Ngagane and Buffalo Local Municipality catchments.

The potential contaminants associated with the non-point source land-use in NLM are limited given the extensive natural grassland. The isolated nature of agriculture practises, which could have impacts such as excessive nutrient loading and suspended particles, is not considered to be significant other than in the Buffalo River. Industrial land use is likely to be the significant impact on water quality in the region. The potential contaminants include:-

- Heavy metals;
- Particulate matter;
- Organic contaminants;
- Soluble salts which translates into low oxygen levels;
- High turbidity;
- Increased levels of tropic sensitivity; and
- Elevated toxicity of water.

Furthermore, the issue of Acid Mine Drainage in the Ballengeigh area deserves the urgent intervention of authorities and a concerted effort involving relevant parties. This is noted as a possible source of both surface and ground water pollution both now and in years to come. The resultant impact is the applicability of water for agricultural, domestic and ecological use. Increased water treatment costs would also be realised to facilitate potable water.

3.3.19.2. Quality of Water.

The DWA results within NLM indicate good water quality; however the quality of the river water is impacted upon by poorly performing WWTW or urban run-off with total coliforms and faecal coliforms. The industrial impact is not evident and seems to manifest through fluctuating levels of chemicals such as Fe, Mn, TDS and sulphate. This assessment of water quality is based on the current water quality data. However, following discussions with DWA and based on the potential contaminant sources, it is suspected that the impact may be more pronounced should additional variables be analysed especially along reaches of the Ngagane River.

The Ngagane River experiences the majority of the industrial impact with several noxious industries located within this catchment. Monitoring data from DWA suggests that an impact is occurring at sampling site 188866 (immediately downstream of Siltech operations). This is evident from TDS values deviating from upstream results and is likely associated with increased sulphate (494mg/l) content of the river from the ash dump or colliery yard in that area. These levels decrease downstream to an average of 235mg/l downstream of Arcelor Mittal Steel. The sulphate and TDS levels increase again following the confluence with the Ncandu River suggesting an impact, from either the Ncandu River, or a point source on the Ngagane River in this area.

3.3.20. Groundwater.

Groundwater quality is generally moderate to poor and often exceeding Class 1 of the Kempster Classification and this renders this resource mostly suitable for short-term use without sophisticated and costly treatment. There are a number of contributing factors to poor water quality, and based on the determinants exceeding Class1, the more probable sources are:-

- Poor or low rates of recharge;
- Mining activities, particularly coal mining;
- Local industry; and
- Farming activities.

Based on first order harvest potential calculations, groundwater has the potential to service the whole of the NLM basic water needs, and thus should be considered a valuable resource. Areas of particular sensitivity entail all the existing groundwater resources in relation to the potential yield they may deliver. Geological structures (faults, dykes and lineaments) that may act as preferential groundwater flow paths, and areas of high potential production and zones of potential recharge are also amongst area of particular sensitivity. Groundwater quality is typically moderate to poor, however, treatment may be required and costs to purify determinants (calcium, iron, and manganese) requiring treatment are typically manageable.

Sources of increased quantities of particular determinants have not been established with any conviction. However, major sources of concern are mining activities, heavy industry, and urban areas which have a high probability of altering pristine groundwater conditions in a significant manner. It is evident that there are instances of very significant groundwater supply potential when located in geo-hydrological favourable locations, and this figure is potentially inflated. Data deficiencies are a concern and meaningful statistical analysis is restricted. A full and comprehensive hydro-census study should be implemented for the whole of the Local Municipality.

3.3.21. Biodiversity Assessment.

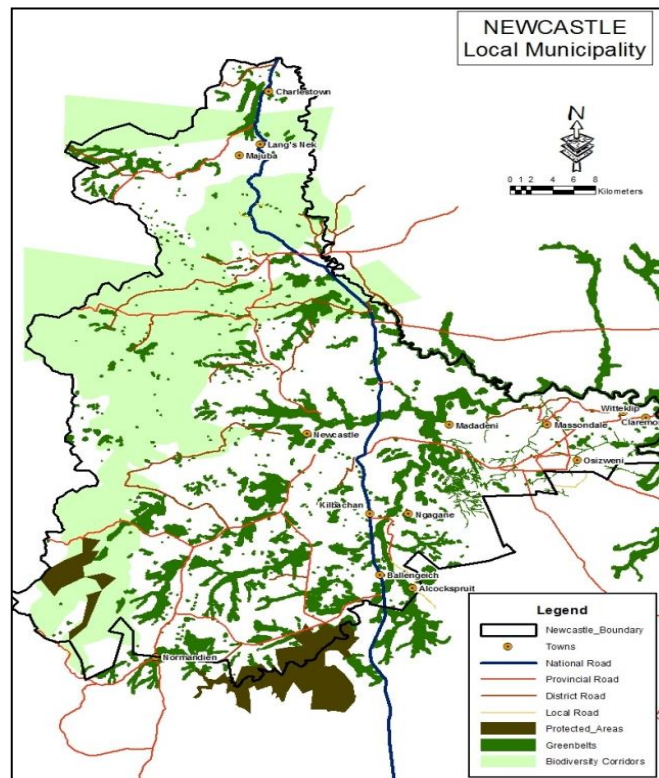
3.3.21.1. Status of vegetation.

Transformed land is mostly associated with cultivation, mining, urban and dense rural development, and the spread of alien trees. Although many of the 'natural' areas have been degraded to some extent, these could be classified as untransformed, i.e. the loss of biodiversity was likely to be minimal. In all, approximately 50% of the area could be classified as transformed.

Land that has been transformed is likely to have lost a large number of plant species, as well as most of the larger mammals that previously occurred in the area. Conversely the man-made irrigation dams and the wetlands that feed them might still contain a significant number of species, including some of high conservation significance. The wetlands are also likely to be important corridors for dispersal of many water-dependent species. With regards to the terrestrial component, it is highly likely that the transformed land is no longer functional as a corridor.

The most apparent typologies of land cover within Newcastle are as follows:-

Map 6: Biodiversity Corridor.



- **Grassland** – Most of the Western area in Newcastle is covered by grassland thus representing a larger percentage of the area's natural open space.
- **Commercial Agricultures** – Agricultures is the second largest land cover, dominated by dry-land cropping. The concentration of agricultural use patterns is mostly in the South of Newcastle.
- **Settlements** – The third largest land cover in Newcastle is that of the settlements, both urban and rural, and they occur mostly in the West, Central and Eastern parts of Newcastle. These patterns are mostly associated with high levels of landscape fragmentation and degradation thereof.
- **Plantations** – Commercial timber plantations have changed the landscape in the Western parts of the area and in the area around Hilda in the North of Newcastle.
- **Dense Bush** – This is mostly land cover that includes natural bush and invasive plant species.
- **Mining and Quarries** – Such land cover is arranged in a scattered pattern of mining and quarrying activities.

3.3.21.2. BIODIVERSITY CORRIDORS.

Aerial images were examined for assessing important ecological corridors, which are required for facilitating migration of fauna and flora in the long term. Emphasis was placed on untransformed land that spanned three or more of the Mucina & Rutherford (2006) vegetation types (The assumption in this exercise was that vegetation in good condition would have high floral diversity, thus having the potential to function as corridors and to support high faunal diversity).

While it was evident from the study that a number of areas with high levels of transformation were compromised as functional corridors, there were some contiguous stretches of vegetation that appeared to be viable. These spanned three or more vegetation types and were considered a priority for further investigation.

The only North-South axis that represented a viable corridor was along the Western boundary, but was confined to one vegetation type, namely the Low Escarpment Moist. This area has maintained a relatively untransformed vegetation condition due to the high elevations of between 200 m and 1800 m above sea level, and relatively inaccessible terrain.

The assumption was that East-West orientation of corridors was likely to be more effective, as this would encompass a significant portion of the topographic diversity and resultantly, water catchments and habitat diversity. In the case of both the recommended corridors, altitude ranged from about 2100 metres above sea level in the West to 1500 metres in the East, over a distance of under 15 km.

3.3.21.3. SUITABLE LAND FOR AGRICULTURE.

The agricultural categories listed below entail the distribution of agricultural land within NLM. Such categories are also a representation of the ability of an area to produce food under the application of recommended practices on a sustainable basis:-

- **Category A – Irreplaceable Land:** This category of land is regarded as **high to very high potential agricultural land** hence necessitating its conservation strictly for agricultural use in order to ensure national food security. Within KZN in general, this category of land cover is limited which thus means there is a need for the introduction of efforts directly focused on retaining such land for food production. Land in Category A has no or very few limitations to agricultural production and can support intensive arable cropping systems. Such land also contains “unique agricultural land” which is essentially land that may be used for producing specific high-value crops. This type of land is important for agriculture due to a specific combination of factors such as location, climate and/or soil properties that make it highly suited for a specific crop when managed with specific farming or conservation methods. Most of the area West of Newcastle, specifically along the boundary, is endowed with Category A agricultural land.

- Category B – Threatened Land: Category B is regarded as **moderate to high potential agricultural land**. It is also of a scarce nature within the wider KZN hence necessitating its conservation. Land within this category has produce sustainably in the long term with few limitations to agricultural production. Concentration of Category B agricultural land is also mostly West of Newcastle.
- Category C – Primary agricultural land: Such land is regarded as land with **moderate to low agricultural potential**, on which significant interventions will be required to achieve viable and sustainable food production even though agriculture is still the majority land use in the rural landscape. Such land is limited in terms of annual arable land and thus may be used for purposes to support livestock production i.e. grazing land. The conservation of Category C land is of crucial importance in order to ensure the conservation of higher potential agricultural land categories through acting as a buffer. The concentration of Category C land in NLM is found immediately West of Newcastle’s urban edge with grazing being the predominant land use.
- Category D – Secondary agricultural land use: This form of land is regarded as land with **low agricultural potential** and it requires severe interventions in order to enable sustainable agricultural production such as terracing, contours, high levels of fertility correction etc. There is minimal amounts of such land within Newcastle and it can be found further South of the Madadeni residential township, and upper North towards Amajuba forest.
- Category E – Mixed land use: Such land is regarded as land with **limited to no potential for agricultural production**. However, such land may be applicable to conservation due to its tourism status depending on its location. Such land in Newcastle is largely concentrated around and/or within the urban edge.

3.3.21.4. AIR QUALITY.

A study has been conducted with purpose of assessing the air quality in order to determine the sensitivity of the airshed, the pollution sources of the area and the sensitive receptors. The 'airshed' is the geographic area or a region within which an air pollution problem is largely contained due to the combined effect of the topography and local atmospheric conditions. According to the Environmental Management Framework for NLM (2015), the following is noted:-

- Newcastle's central business district is situated in the valley and suffers from poor dispersion conditions during the winter months. As a result, the city suffers short-term pollution episodes. Lower lying areas that are affected include commercial, residential and industrial land uses.
- Current air pollution sources of concern:
 - Industrial activities (criteria pollutants and others);
 - Waste facilities (dust);
 - Off-site agriculture (dust, herbicides and pesticides); and
 - Transport routes (criteria pollutants).

The ambient air quality of Newcastle is slowly deteriorating to insignificance and interventions are drastically needed in order to improve the quality of the air. This may also be largely due to the current landfill site which has reached the saturation level. The poor planning measures that accrue to the apartheid government were characterised by the prioritisation of land for industrial development in close proximity to where air quality impacts are likely to be greatest. In simple terms, the proximity of industrial areas to the settlements is alarming. According to the National Framework for Air Quality (2012), in 2007, the air quality rating of Newcastle was classified as potentially poor. This rating basically meant that air quality may be poor at varying instances and therefore rendering the area a priority for support in terms of air quality management.

Based on the Environmental Management Framework for NLM (2015), Newcastle may either be Class 3 Air Quality Area (Alert Area) or a Class 4 Air Quality Area (Transitional Compliant Area). The following is applicable to Class 3 and Class 4 areas respectively:-

- Class 3 Air Quality Area (Alert Area): Newcastle is an area that is Section 24 compliant whereby there's no harm to health or well-being of the citizens due to the air quality. It is also an area where ambient air quality remains within the standards, but sustained air quality management interventions is required in order to, at least, maintain or improve this situation.
- Class 4 Air Quality (Transitional Compliant Area): Air Quality is not Section 24 compliant meaning there's possible harm to health and well-being of the citizens of Newcastle. This type of air quality is applicable in areas whereby ambient air quality represents a possible threat to health and well-being and requires immediate and sustained air quality management interventions to, at least, bring there are into compliance with the standards within agreed time frames.

However, improved monitoring measures have been implemented within Newcastle in order to specifically determine the classification of Air Quality within Newcastle and these entail a broad and coordinated framework that uses modern monitoring instruments including a monitoring station in Newcastle. The Amajuba District Municipality is currently in the process of preparing an Air Quality Management Plan for the District. This initiative will include a comprehensive source inventory of emission data, meteorological data and supplementary data to inform constraints and opportunities of air quality in Newcastle.

3.3.21.5. CLIMATE CHANGE.

The following entails different climate change definitions with the common factor between the various definitions relating to ‘changes in the temperature of the earth’s surface’:-

- **National Climate Change Response White Paper:** “Ongoing trends of changes in the earth’s general weather conditions as a result of an average rise in temperature of the earth’s surface often referred to as global warming.”
- **IPCC Working Group II Assessment Report V:** “A change in the state of the climate that can be identified by changes in the mean and/or the variability of its properties, and that persists for an extended period, typically decades or longer.”
- **United Nations Framework Convention on Climate Change (UNFCCC):** “A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.”

Climate change is caused by both natural and human activities even though human activities are regarded as the biggest perpetrators of the phenomenon. Climate change variability due to natural causes entails changes in solar radiation, earth’s orbit around the sun, changes in volcanic activity, regional patterns of climate variability, cyclical changes in the solar radiation, natural carbon cycle processes, greenhouse effect, and volcanic eruptions (short-term effect on climate change). Climate change variability due to human activities entails burning of fossil fuels (domestic and commercial) which results in increases in the amount of greenhouse gases within the atmosphere i.e. water vapour, carbon dioxide (CO₂ – 50%), Methane (CH₄ – 18%), Nitrous Oxide (N₂O – 6%), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF₆). Furthermore, aerosols, land use changes and development thereof (deforestation), and agricultural activity (overgrazing) also contribute to climate change.

The increased concentration of greenhouse gases within the atmosphere enhances the greenhouse gas effect and the process of climate change is described below:-

- Step 1: Sunlight passes through the atmosphere and warms the earth’s surface.
- Step 2: Infrared radiation (IR) is given off by the earth.
- Step 3: Most of the infrared radiation (IR) escapes to outer space allowing the earth to cool.

- Step 4: Some of the infrared radiation (IR) is trapped by gases in the air (including CO₂) thus keeping earth warm enough to sustain life.
- Step 5: An increased concentration of infrared radiation (IR) trapped by the gases offsets the 'enhanced greenhouse effect' causing the surface to heat up even more.

3.3.21.6. IMPACTS OF CLIMATE CHANGE.

Climate change impacts entail the negative marked effects of climate change to the overall environment and these are as follows:-

- Higher maximum temperatures (more hot days and heat waves);
- Lower minimum temperatures (fewer cold days and cold waves);
- Higher intensity precipitation separated by longer intervals (hurricanes and floods);
- Increased summer drying resulting in droughts;
- Higher wind speeds;
- Increased flooding due to the El Nini effect;
- Sea level rise;
- Loss of ecosystems and species biodiversity;
- Decreasing agricultural activity hence threatening food security;
- Damage to infrastructure (i.e. Roads); and
- Increased rate of extinction for many habitats and species.

3.3.21.7. MITIGATING CLIMATE CHANGE.

Climate change mitigation entails efforts towards reducing or preventing human emission of greenhouse gases (GHGs) and these are as follows:-

- Introduction of new technologies;
 - ☞ Changing consumer behaviour through climate change awareness initiatives;
 - ☞ Integrated transportation systems (i.e. Bus Rapid Transit system (BRT), revival of the rail system for the movement of both passenger and goods);
 - ☞ Introduction of pedestrian walkways and/or bicycle lanes;
 - ☞ Conservation of natural carbon sinks i.e. forests;
 - ☞ Introduction of new carbon sinks through green agricultural initiatives and the planting of trees;
 - ☞ Introduction of mitigation policies from a municipal perspective i.e. air quality bylaws;
 - ☞ Use of low-carbon energy sources i.e. renewable energy, nuclear energy;
 - ☞ Improved insulation of buildings; and
 - ☞ Climate change infrastructural engineering.

3.3.21.8. CLIMATE CHANGE ADAPTATION.

Climate change adaptation refers to the anticipation of adverse effects of climate change and taking the appropriate action to prevent or minimise the damage they can cause, or taking advantage of any opportunities that may arise, if any, and the following entails some of the adaptation measures:-

- ☞ Use of scarce water resources more efficiently at household level through innovative water storage and conservation techniques;

- ☞ Adapting building architecture to future climate conditions including extreme weather conditions;
- ☞ Building flood defences and raising the levels of watercourses;
- ☞ Development of crops that are drought-resilient through advanced agricultural techniques;
- ☞ Conservation and protection of ecologically significant corridors in order to promote species migration;
- ☞ Providing communities with information that will inform profound decision-making at household level;
- ☞ Planting of forestry that is more resilient to storms and veld fires;
- ☞ Development of waste recycling centres and the creation of value from waste;
- ☞ Expanded rain-water harvesting; and
- ☞ Soil-erosion control including soil protection through the planting of trees and shrubs.

3.3.21.9. VULNERABILITY TO CLIMATE CHANGE.

Climate change vulnerability is basically a function of the character, magnitude and rate of climate variation to which an area is exposed, including its sensitivity, and adaptive capacity and below is a list of some vulnerabilities to climate change:-

- ☞ Insufficient coping strategies with regards to disaster management;
- ☞ Poor quality of the health facilities;
- ☞ Lack of information within the communities;
- ☞ Poor communication mechanisms;
- ☞ Informal settlements built on flood planes;
- ☞ Poor stormwater management system; and
- ☞ Low productivity of agricultural land coupled with poor knowledge of agricultural systems, particularly within indigenous people.

3.3.21.10. CLIMATE CHANGE in NEWCASTLE

The majority of rainfall within Newcastle falls during summer within the October and March period. Peak rainfall falls within the November and January period. The winters are very cold and dry and they fall within the April and September period. The Mean Annual Evaporation within the area is approximately 1 452mm with the periods October to April having an Average Evaporation of 140mm. The Mean Monthly Precipitation is approximately 874mm with the periods November to March having an Average Monthly Precipitation of 128mm. In general, the distribution of rain and temperature is highly influenced by the height above sea level. Within Newcastle, the highest rainfall occurs within the Newcastle-West area where altitudes are high and this area is also characteris/ed by cold temperatures. We experience a decrease in the amount of rainfall received as we move towards the Newcastle-East area where there's also higher temperatures.

Based on the 2007 SAWS data, the maximum hourly average temperature recorded was 34.9 °C (February and March 2007) and the minimum temperature recorded was -4.1 °C

(May 2007) with the average temperature for the area being 17.6 °C. Due to global warming and the changes in the climate thereof, resulting in changes in the local patterns of climate variability. The Environmental Management Framework Report (2015) states that climate change projections for this region indicated wetter than average conditions with higher average conditions with higher average annual and summer rainfall and fewer days with low flow and an increased occurrence of extremes of dry and wet spells.

With regards to flooding, historical records have shown that extreme flood events have occurred in Newcastle at regular intervals throughout the last century. Such floods have had an impact on the land uses, the communities and the environment. The Ncandu and the Ngagane Rivers have regularly burst their banks due to the high levels of precipitation. It is thus safe to say that the occurrence of such events shall persist within the future with the severity of such extreme events likely becoming more noticeable in the future primarily based on an increase in population growth and spatial development.

Another issue of great concern which might also result in the possible exacerbation of the effects of climate change is the degradation of the natural habitat. The natural systems such as floodplains and wetlands are in continuous threat from the illegal settlements that develop in such features. This is not only an issue to the natural environment but it is also a hazard to the well-being of the communities that reside in such areas as some illegally settle on floodplains.

3.3.21.11. NEWCASTLE CLIMATE CHANGE STRATEGIC INTERVENTIONS.

- ☞ Development of the Environmental Management Framework.
- ☞ Development of the Air Quality Study.
- ☞ Implementation of the Integrated Waste Management Plan.
- ☞ Water Conservation and Demand Management (including awareness campaigns).
- ☞ Development of a recycling centre (garden refuse drop-off centre).
- ☞ Effective Land Use Management System for conservation and protection of areas of ecological significance.
- ☞ Introduction of outdoor gym equipment within active public open spaces (children play parks).
- ☞ Electrification of rural settlements in order to reduce reliance on the burning of fossil fuel (i.e. coal).
- ☞ Introduction of water and electricity smart meters in order to reduce the rate of water and energy consumption within households.

3.3.21.12. PRIORITY MANAGEMENT AREAS.

The condition of biodiversity in the Newcastle Municipality relative to the provincial ecological statistics suggests that almost 50% (approximately 42%) of the provincial vegetation type referred to as Low Escarpment Moist Grassland is located within the Newcastle Municipality. Although this vegetation type is relatively untransformed (20% transformation) in the municipality and is therefore least threatened, the fact that it houses a large percentage of the provincial vegetation type confers high management significance

for this area of biodiversity. The analysis also indicates that the endemic Northern KwaZulu-Natal Moist Grassland, the near endemic Income Sandy Grassland, and the Northern Zululand Sourveld are significantly transformed in the municipality and thus all three vegetation types are recommended as critically endangered in the municipality. The biodiversity analysis results need to be translated into management areas on the ground and management actions. The key vegetation areas that are threatened are the Northern KwaZulu-Natal Moist Grassland, KwaZulu-Natal Highland Thornveld, and the Income Sandy Grassland.

3.3.22. SWOT Analysis: Natural Environment

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Clusters of forests along Western cliff of plateau region. • Agriculture contributes significantly to the LED, household income and food security. • Mining is a major contributor to GDP, LED income. • Large wetland areas with tourism potential. • Baseline Water Quality is relatively good. • Beautiful landscapes of scenic significance. • Climate conditions favourable for agric-hub. • Large water catchment area. • Direct involvement of KZN Dept. of Agricultural and Environmental affairs in the agricultural sector. • Good system of open spaces. 	<ul style="list-style-type: none"> • Large Scale of alien infestation. • Most abandoned coal mines are high risk areas. • Waste treatment infrastructure is under pressure and needs upgrading. • Landfill facility needs better management and rehabilitation. • Some residential zones have developed in close proximity where air quality impacts are likely to be greatest. • Lack of environmental education. • Lack of qualified environmental planners dealing with environmental issues. • Lack of air quality study
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Eradicating alien plants and creating job opportunities at the same time. • Rehabilitation of degraded land in MBO area. • Investigate, rehabilitate and revert mining areas to alternative land uses. • Establishing biodiversity conservation corridors along Western highland plateau region. 	<ul style="list-style-type: none"> • Large scale loss of biodiversity. • Settlement, industrialization & mining threaten biodiversity. • Loss of good agricultural land to settlement, mining & industry. • Mining impacts on water quality. • Need for new landfill site. • Illegal mines pose a health and safety risk.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Improve infrastructure to address infrastructure backlogs which might impact negatively on the environment. • Formalization and upgrading informal settlements. • Relocation of settlements located in high risk areas such as floodplains. • Opportunities for small and emerging farmers. 	<ul style="list-style-type: none"> • Informal and illegal dumping sites. • Poor agricultural practises in some instances.

3.3.23. DISASTER MANAGEMENT.

Like most other areas within the lovely KwaZulu-Natal Province, Newcastle is also prone to a wide range of natural and man-made risks and hazards that, in some instances, may result in disasters. These mainly include floods and fires which occur during any part of the year usually resulting in serious damages, costs, loss of life and/or property, infrastructure and economic livelihoods. NLM's Disaster Management Plan has been developed through close engagements with the established stakeholders in the form of the Disaster Management Advisory Forum. The plan outlines the basic concepts and principles related to disaster management, as well as common hazards and risks, and roles and responsibilities of all stakeholders involved in disaster risk reduction. The main focus of the plan is towards disaster risk reduction, and it is currently being prepared in line with the requirements of the Disaster Management Act (Act No. 57 of 2002) which seeks to provide a uniform and multi-disciplinary approach in the management of disaster incidents in the province with specific emphasis on prevention, mitigation, preparedness and rapid response.

Intrinsic to the development of an efficient and effective disaster management plan are programmes and strategies towards disaster risk reduction which entail awareness campaigns, risk assessments, improving institutional reduction arrangements and poverty reduction plans, training programmes and research. The recommended response systems include early warning signals, regional response units and food security monitoring. The Disaster Management Advisory Forum is of critical importance for the development and implementation of an efficient Disaster Management Plan which plays a big role thus to ensure inclusivity and collective ownership of responsibility in line with the spirit of cooperative governance. The plan shall be used as a tool by departments, institutions and/or organizations through the alignment of their development plans with the Disaster Management Plan. This will be done by the plan through the following:-

- ☞ Identification of specific risks and hazards.
- ☞ Identification of measures for the reduction of disaster risks.
- ☞ Outlining of the roles and responsibilities in the management of disaster incidents.

The Honourable Mayor of Newcastle is the custodian of the Disaster Management Plan and is responsible, through supporting departments, especially **Community Services: Fire and Disaster Management**, to regularly review and update the plan. The overall

vision of the plan is “Towards cutting-edge disaster risk management for safer and resilient Newcastle communities.” The plan will also contain a disaster risk profile of the Newcastle Local Municipality thus to identify potential areas.

The NLM Disaster Management Plan was developed in line with the requirements from the Disaster Risk Management legislation. As mentioned, the development thereof was guided by the NLM Disaster Management Advisory Forum which was established on the 12th of February 2013, sitting quarterly in line with the National and Provincial legislation. Discussed in the forums are issues such as disaster risk profiling, the objectives towards the KPAs, the related budget requirements, an analysis on climate change, mitigation and adaptation initiatives etc. These were crucial for the development of a comprehensive Disaster Management Plan that functions to give a true reflection of the Disaster Management conditions in Newcastle including the state of readiness.

3.3.23.1. INSTITUTIONAL ARRANGEMENTS.

Newcastle Municipality’s Disaster Management Advisory Forum was established to satisfy the recommendations as stated in the Disaster Management Act (Act No. 57 of 2002); National Disaster Management Framework of 2005 as well as the Policy Framework for Disaster Risk Management. However, there is still non-existence of the Disaster Management Inter-Departmental Committee and this is attributed to a general lack of understanding and application of the relevant legislation.

Below is the composition of the Newcastle Fire and Rescue Services Stations and personnel:

STATION	FIRE MANAGEMENT	FIRE FIGHTERS	CONTROL ROOM
Newcastle	1x Acting Chief Fire Officer.	X24 Fire Fighters.	4x Control Room Operators.
	1x Divisional Officer.		
	1x Station Officer.		
	1x Control Room Supervisor.		
Madadeni	1x Acting Station Officer.	11x Fire Fighters.	
Osizweni	1x Station Officer.	13 Fire Fighters.	

NLM is part of the Amajuba District Fire Technical Task Team which normally holds meeting for strategic planning twice a year. NLM has also established formidable relations with NGO’s, CBO’s, Government and Private Sector stakeholders comprising Farmers Associations, Arcelor Mittal, Karbo-Chem, etc.

The table below shows a list of Priority Risks/Hazards within NLM jurisdictional areas and these surfaced during the intensive engagements with relevant stakeholders:-

DRAFT RISK PRIORITIZATION				
HAZARD	EXPOSURE	SEVERITY	PROBABILITY	ACTIONS NEEDED
Fires.	Continuous.	Moderate.	Definitely.	Risk Reduction Interventions.
Motor Vehicle Accidents (MVA).	Continuous.	Moderate.	Definitely.	Effective Law Enforcement.
Floods.	Seasonal.	Moderate.	Definitely.	Preparedness Planning.
Hail Storm.	Seasonal.	Insignificant.	Definitely.	Preparedness Planning.
Illegal Mining.	Continuous.	Extreme.	Likely.	Risk Reduction Intervention.
Air Pollution.	Continuous.	Moderate.	Likely.	Preparedness Planning.

Water Pollution.	Continuous.	Extreme.	Likely.	Risk Reduction Intervention.
Snow.	Occasional.	Insignificant.	Unlikely.	Preparedness Planning.
Drought.	Occasional.	Moderate.	Likely.	Preparedness Planning.
Aircraft Accidents.	Seldom.	Extreme.	Likely.	Preparedness Planning.
Cholera.	Continuous.	Extreme.	Likely.	Risk Reduction Intervention.
Food Poisoning.	Continuous.	Moderate.	Likely.	Preparedness Planning.
Swine Flu.	Seldom.	Moderate.	Likely.	Preparedness Planning.
Anthrax.	Seldom.	Insignificant.	Unlikely.	Preparedness Planning.
Rabies.	Seldom.	Moderate.	Unlikely.	Preparedness Planning.

Below is a list of programmes and projects towards disaster risk reduction.

NAME OF PROJECT	BUDGET	TARGETED AREAS	DATE
Installation of Electricity: Taxi Rank.	R 26 000,00	Taxi Rank.	2015/16
Access Control.	R 1 400 000,00	Municipal Building and Taxi Rank.	2015/16
Pool Safety Equipment.	R 80 000,00	All Municipal Swimming Pools.	2015/16
Establishment of Animal Pound.	R 235 000,00	Stray animal around NLM	2015/16
Road Traffic Signs.	R 300 000,00	P483, Asiphephe Drive	2015/16
Fire and Rescue Equipment	R 300 00,00	All MVA's and Fire Related incidents.	2015/16
Roads and Storm-water Projects.	R 12 00 000, 00	Ward 11, 13, 20, 28	2015/16
Widening of Asiphephe Road	R 6 000 000,00	Ward 20	2015/16
Osizweni E&F	R 4 500 000,00	Ward 28	2015/16
Provision of basic sanitation services to Charlestown.	R 5 000 000,00	Ward 1	2015/16
Provision of basic sanitation services to Ingogo.	R 5 000 000,00	Ingogo	2015/16
Blaauwbosch water project.	R 6 000 000,00	Ward 25	2015/16
H39 Housing Project Bulk Infrastructure	R 6 000 000,00	H39	2015/16
Guttenberg Storm-water	R 2 000 000,00	Riverside Industrial	2015/16
Water Pump	R 30 000,00	All Municipality	2015/16
Refurbishment of KwaMathukuza Sewerage Pump Station.	No funds indicated	No areas shown	No date shown.
Electrical Upgrade to Newcastle No. 1 Sewer Pump Station.	R 800 000,00	-	2016/17
Madadeni NO.2 Sewer Pump Station Upgrade	R 300 000,00	Madadeni	2015/16
Rehabilitation of Dongas	R 1 600 000,00		2015/16 2016/17 2017/18
Water Storage Tanks	R 50 000,00		2015/16 2016/17 2017/18
Street Lighting Mast	R 5 00 000,00		2015/16 2016/17 2017/18

Furthermore, the Warning Strategy has also been developed with the implementation composed of the Departmental Head of the Newcastle Disaster Management, NLM Public Relations Officer, Emergency Communication Centre, and the NLM Communications Officer. The strategy also makes room for Education, Training, Public Awareness and Research through either one of the following measures:-

- ☛ Public awareness campaigns;
- ☛ Continuous community Based Awareness Campaigns that involve relevant stakeholders;

- ☞ The NLM's Disaster Management HOD has the responsibility to commission disaster related scientific studies and should focus on risk assessment and scientific input towards risk assessment within the municipality; and
- ☞ Political and administrative buy-in is required for effective and efficient management.

The following table entails NLM Disaster Management Funding Mobilization Strategy:-

ITEM	VOTE NUMBER	BUDGET ALLOCATION
Emergency Services (Disaster Management)	020260020242	2015/2016 = R 1 033 815.00
		2016/2017 = R 1 094 842.00
		2017/2018 = R 1 098 342.00

3.3.23.2. CONTINGENCY PLAN: FIRES.

The contingency plan for fires entails contingency arrangements in relation to the aforementioned risk. It also entails a collection of information and inputs received from different stakeholders. The potential and historically proven causes and consequences of the identified risk are as follows:-

Causes:

- ☞ Human error/negligence;
- ☞ Lack of capacity and wareness regarding fire risk;
- ☞ Misuse of flammable liquids such as paraffin;
- ☞ Conflict and/or alcohol;
- ☞ Illegal connection of electricity;
- ☞ High density of residential dwellings, formal and informal strucutres;
- ☞ Challenges with response due to ineffective communication (such as the fact that no toll-free number exists for the fire department) and blocking of roads by residents placing furniture on the streets when a fire occurs;
- ☞ Highly flammable building materials and households content (wood, cardbord and plastic);
- ☞ Lack of water reticulation for fire-fighting purposes (fire hydrants);
- ☞ Lack of insufficient fire breaks;
- ☞ Lightning;
- ☞ Lack of maintenance of equipment; and
- ☞ Unskilled personnel operating specialised equipment.

Consequences:

- ☞ Loss of life and property;
- ☞ Impact on the economy;
- ☞ Loss of jobs.

Table 12: Stakeholders including responsibilities for the fire risk.

STAKEHOLDER	PRIMARY ROLES AND RESPONSIBILITIES
Executive Committee	Executive Committee declares a state of disaster and receives and considers reports with regard to disaster risk management.
Municipal Manager	Municipal Manager is overall responsible for governance in the Municipality, including effective disaster risk management.

Head : Disaster Management Function through Director : Community Safety	The Disaster Management Functions are overall disaster risk management and coordination, as per Section 44 of the Disaster Management Act. Each Municipal Department will complete its own disaster management plans, to be incorporated into the Municipality's Municipal Disaster Management Plan.
Fire and Emergency Services	Assist with disaster risk reduction, implementation and co-operation.
Disaster Management Volunteers	The formal, trained volunteer unit assist Disaster Management in their functions.
The residents and communities affected	Assist with disaster risk reduction and cooperation.
Ward Councillors	The Ward Councillors assist with community liaison within their Wards.
Community Leaders	Community Leaders assist with community liaison.
Non-Governmental Organisations (NGOs) and Community Based Organisations (CBOs)	The NGOs and CBOs assists with disaster risk reduction and co-operation.
Private Sector and Industry	Assist with disaster risk reduction and cooperation.
Department of Health Care	Assisting with prevention/mitigation, response and recovery actions. Treating and transporting of patients.
Corporate Services	Assisting with administration and legal advice.
Financial Services	Funding

The following table entails mitigation/prevention activities relevant to the reduction of the identified disaster risk and are to be co-ordinated, monitored and evaluated by the Newcastle Municipality.

Table 13: Mitigation and Prevention actions.

ACTION	LEAD/ RESPONSIBLE AGENT/STAKEHOLDER
Residential related fires. Awareness programmes	Disaster Management Centre & Fire Services
Veld fires. Awareness programme in and around open spaces, fire breaks administered	Disaster Management Centre & Fire Services
Early fire risk predictions. Early warning of high fire risk places & times, based on weather and vegetation/field condition	Disaster Management Centre & Fire Services
Survey of industries (for fire and hazardous materials risks); associated updating of hazard severity map; compilation of hazardous materials register/database, indicating the location and contents of facilities spatially and in database format; Stakeholder meetings to confirm and refine the findings. Integrated register/database	Disaster Management Centre & Fire Services
All industries ensuring that their staff is well trained, motivated and equipped.	Industries

All industries ensure that all equipment, especially equipment that could cause an industrial fire, is well maintained.	Industries
Constant review and monitoring of industries safety procedures and plans.	Disaster Management Centre & Fire Services

Effective communication has been identified as being one of the most important components of effective contingency planning. Due to such, the following standard communication arrangements and generic procedures are to be implemented and these are as follows:-

- ☛ Each stakeholder's communication, dispatching and other procedural arrangements are governed by its functional role and its related standard operating procedures;
- ☛ The generic communication and implementation flow processes relating to disaster response as depicted in the Generic Flow Chart of the Contingency Plan for Fires;
- ☛ The common definition of an incident as a the actual potential for the occurrence of a disastrous event, i.e a major road accident.
- ☛ A common understanding of Standard Operating Procedures/Protocols as those procedures and actions to be implemented by stakeholders for response and recovery relating to the incident and include Field Operating Guides.

The Contingency Plan also provides for important aspects of Disaster Risk Reduction including, but not limited to, the Response and Recovery Standard Operating Procedures, the Generic Flow Chart, and the Communication arrangements (i.e. communication with members to report to the Emergency Call Centre by means of the a telephone, cell-phone, radio, and by verbal report).

The following table entails Risk Mitigation and Prevention Projects to be completed by the relevant stakeholders:-

PROJECT	RESPONSIBLE ORGANISATION	TARGET DATE	ESTIMATED BUDGET	CAPACITY / RESOURCES
Residential related fires; Awareness programmes	Head: Disaster Management and Fire Safety; Fire Services	Winter season but sustainable throughout the year (e.g. arson, electric faults, negligence lightning cause fires	R1 000 000,00 allocated for 2015/2016. Annual budget provided for DM.	Sixteen additional fire-fighters has been appointed as at 01/04/2015. Madadeni Fire Sub-station completed.
Veld fires. Awareness programme in and around open spaces, fire breaks administered	Head : Disaster Management and Fire Safety; Fire Services	Winter season but sustainable throughout the year (e.g. arson, electric faults, negligence lightning cause fires	Above budget shared according to needs	
Survey of industries (for fire and hazardous materials risks); associated updating of hazard severity	Head : Disaster Management and Fire Safety; Fire Services	Winter season but sustainable throughout the year (e.g. arson, electric faults, negligence lightning cause fires	Above budget shared according to needs	Extremely limited capacity but continuous inspections as per SOP

map; Compilation of hazardous materials register /database				
Carry out intensive fire safety inspections to ensure businesses have fire equipment and that staff are well trained to use such equipment.	Head : Disaster Management and Fire Safety; Fire Services	Winter season but sustainable throughout the year (e.g. arson, electric faults, negligence lightning cause fires	Above budget shared according to needs	Extremely limited capacity but continuous inspections as per SOP
Constant review and monitoring of industries safety procedures and plans		Winter season but sustainable throughout the year (e.g. arson, electric faults, negligence lightning cause fires	Above budget shared according to needs	Disaster Management sits quarterly. Various organizations e.g. FPA

3.3.24. CONSOLIDATED NEWCASTLE SPATIAL DEVELOPMENT FRAMEWORK

The SDF is based on four interrelated, spatial starting points, which together give overall direction to the future spatial form and development of the city of Newcastle.

3.3.24.1. Newcastle a city that is resilient and adaptive

Newcastle's prosperity will be determined by how well it adapts to change within and without. It will constantly have to balance the provision of basic needs, social services and utilities; the stimulation of economic development and employment creation; and the management of city growth and protection of environmental resources, energy and water supply constraints, and climate change.

In addition, the City will need to compete nationally and globally for investment in order to increase growth, and turn around local poverty. It will constantly have to balance the provision of basic needs, social services and utilities; the stimulation of economic development and employment creation; and the management of city growth and protection of environmental resources (including the built and infrastructural environments).

Spatially, Newcastle must be flexible and able to adapt rapidly to changes in the pace of development, and to shifts in the demand for industrial, commercial and residential property. It will need to be both proactive and precautionary in the way it prepares for the

impacts of climate change, depleting oil reserves and natural water resources, and the widening gap between rich and poor.

3.3.24.2. Newcastle a city within a region

Newcastle should not become a regional city, which absorbs all the surrounding towns in its growth path. The diverse identities, functions and growth opportunities of the towns and rural settlements surrounding Newcastle, such as Utrecht, Memel, Normandien, Dannhauser and Charlestown, need to be preserved, and their functional interrelationships recognized, respected and enhanced.

It is important to understand that the future of Newcastle and its neighbours are interdependent. Coordinated planning, budgeting and management of the region's infrastructural development and water, energy and biodiversity resources are critical. In addition, greater coordination is required to enhance the region's tourism assets, and for the economic positioning of the cities and towns in relation to each other, as well as collectively within a national and global context.

3.3.24.3. Newcastle a city anchored by its natural assets

Newcastle's natural resources are what make Newcastle a unique and desirable place in which to live, work and invest. Because people derive benefits from the natural environment in a number of direct and indirect ways, it follows that these natural anchors should play an important role in shaping where and how the city develops. Therefore systematic conservation planning should aim to efficiently identify an effective network of persistent and sustainable high priority biodiversity areas, whilst simultaneously, supporting local ecosystems and ecological infrastructure which in turn will have spin-offs for the entire Newcastle. This development must respect the presence, role and function of these natural anchors, and should make the most of the possible benefits residents and visitors could derive from them.

3.3.24.4. Newcastle a city organized around development corridors

Successful modern cities are those that:

- A. Offer an adequate and exciting range of opportunities, facilities, services and amenities that are as far as possible accessible by foot, bicycle, bus and car (in that order of priority); and
- B. Provide the businesses and industries that drive the city's economy with a different kind of accessibility, namely easy access to goods and services, facilities that enable economic activity and the easy movement of goods.

With our ever-increasing resource constraints and insecurities, it follows that the public and private sector should collectively focus and coordinate their efforts to build a city that has these vital attributes.

For this reason, the SDF proposes that development in Newcastle is focused on a series of activity development corridors. These corridors are systems of mutually reinforcing

elements, supported by coordinated infrastructure investments. The SDF also strive to be aligned with national corridors such as identified in the National Growth and Development Plan (SP2).

Activity development corridors:

- A. offer easy access to goods, services and people;
- B. are well served by facilities for pedestrians, cyclists, road-based and rail-based public transport facilities;
- C. offer a vibrant mix of land uses (residential, commercial, industrial and/or recreational);
- D. are reinforced by a road network that ranges from national to local roads, to facilitate ease of movement; and
- E. are 5-10 minutes from most people's homes.

These development corridors already exist in Newcastle, although some are more prominent than others. Logical extensions to these corridors are proposed as the focus for the managed growth of the city. The SDF also strive to be aligned with national corridors such as identified in the National Development Plan.

3.1. MUNICIPAL TRANSFORMATION AND ORGANATIONAL DEVELOPMENT

3.1.1. MUNICIPAL TRANSFORMATION

3.1.1.1. EMPLOYMENT EQUITY

Newcastle Municipality developed its 5 year Employment Equity Plan in 2012 and it lapsed. The Municipality is in a process to develop another five year plan that will continue to champion employment equity and to make sure that affirmative action is achieved. The plan will also ensure that qualified designated groups are appointed, to achieve a diverse workforce broadly representative of the citizen. Table 8 below indicates the distribution of staff according to gender and occupation level in the organogram.

Table 14: Staff Breakdown by Gender.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management and Senior Management	29	0	3	4	16	0	4	4	36	24	60
Professionally qualified and experienced specialists and mid-management	84	4	9	10	55	2	7	12	107	76	183
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	100	4	20	13	58	6	10	15	137	89	226
Semi-skilled and discretionary decision making	330	8	20	4	158	0	12	15	362	185	547
Unskilled and defined decision making	254	1	2	1	142	1	0	0	258	143	401
TOTAL PERMANENT	797	17	54	32	429	9	33	44	900	517	1417
Temporary employees	130	3	5	3	106	1	7	10	141	124	265
GRAND TOTAL	927	20	59	35	535	10	40	56	1041	641	1682

The NLM has a total staff complement of 1682 people. 1417 of these are permanent while only 265 are temporary employees. The management (section 57 employees) comprises of three males and one female. This indicates a need for the transformation of this layer of management to include females and where possible the disabled as well. **The gender composition for Post Level 1 – 3 is as follows:-**

- 25 African Males and 9 African females.
- 2 Indian Males and 2 Indian females.
- 0 Coloured Male and 0 coloured female.
- 3 White Males and 3 white females.

3.1.2. ORGANISATIONAL DEVELOPMENT

3.1.2.1. Powers and Functions

The powers and functions of the Newcastle Municipality are derived from Chapter 7 of the Constitution of the Republic of South Africa and a range of local government legislation such as the Municipal Systems Act, Municipal Structures Act and Municipal Finance Management Act. The powers and functions of capacity building are derived from section 67 of the Municipal Systems Act, Skills Development Act and Skills Development Levies Act. The Municipal Manager has delegated the powers and functions of capacity building in the Newcastle Municipality to the Human Resources Development Unit which is tasked with the following:-

- Handle and account on all education, training and development projects in the Newcastle Municipality.
- Monitoring and reporting on all education, training and development matters.
- Identify human resources development needs and align with organizational objectives.
- Provide expert advice on education, training and development.
- Promote and facilitate human resource development.
- Deal with in-service training programmes.
- Programming and scheduling of training.
- Present training programmes and evaluate the state of training.
- Implement the skills development Act No. 97 of 1998.
- Give advice and assistance to supervisors on training functions.
- Funding line function courses.
- Advise management on training and development matters.
- Render a succession planning and career pathing service.
- Administer Adult Education and Training (AET).
- Administer learnership and internship programmes.
- Administer study assistance for employees.
- Provide induction.
- Administration of the bursary scheme.
- design the organizational structures
- facilitate development of job profiles
- coordinate and conduct job evaluation
- facilitate change management interventions
- conduct and coordinate business process re-engineering investigations

3.1.3. Powers and Functions

The following Local Government Powers and Functions as authorized to Newcastle Municipality were separated into core and non-core functions. Further allocation of powers and functions is elaborated on under institutional arrangements section.

Table 15: Core/Primary Functions.

Core/Primary		Capacity to implement (MDB)	Proposed intervention
Schedule 4 Part B	Building Regulations	Yes	None
	Electricity and Gas Reticulation	Yes	None
	Fire Fighting Services	Yes	None
	Municipal Planning	Yes	None
	Storm water Management systems in Built up areas	Yes	None
	Water and Sanitation Services	Yes	Await recommendations from MEC on intervention
Schedule 5 Part B	Cemeteries	Yes	None
	Cleansing	Yes	None
	Municipal Roads	Yes	None
	Refuse Removal, refuse dumps and solid waste disposal	Yes	None
	Street lighting	Yes	None
	Traffic and parking	Yes	None

Table 16: Non-core Powers and Functions.

Schedule 4 Part B	Non-core /Secondary Functions		COMMENT FROM MDB(District Wide)
	COMMENT FROM MDB(District Wide)	Schedule 5 Part B	
Air Pollution	None	Beaches and Amusement Facilities	Not or being poorly performed
Child Care facilities	Not or being poorly performed	Billboards and the display of advertisements in public places	None
Municipal Airports	Not or being poorly performed	Control of undertakings that sell liquor to the public	Not or being poorly performed
Municipal Health Services	None	Facilities for the accommodation, care and burial of animals	Not or being poorly performed
Municipal Public Transport	Not or being poorly performed None	Fencing and fences	None
Municipal Public Works	None	Licensing of dogs	Not or being poorly performed
Pontoons, ferries, jetties etc	Not or being poorly performed	Licensing and control of undertakings that sell food to the public	Not or being poorly performed
Trading Regulations	Not or being poorly performed	Markets	Not or being poorly performed
Local Tourism	Being poorly performed	Municipal Abattoirs	Not or being poorly performed
		Noise Pollution	Not or being poorly performed
		Pounds	Not or being poorly performed
		Public Places	None
		Street Trading	None
		Control of public nuisances	None
		Local Sports facilities	None

Schedule 4 Part B	Non-core /Secondary Functions		COMMENT FROM MDB(District Wide)
	COMMENT FROM MDB(District Wide)	Schedule 5 Part B	
		Municipal parks and recreation	None
		Funeral parlours and crematoria	None

Newcastle Municipality has developed sufficient in-house capacity to perform all the core functions. None core functions are performed with the assistance of various government departments and other service delivery agencies e.g. Eskom. There is a need to initiate the process of clarifying roles and responsibilities of all internal and external stakeholders in respect of Powers and Functions at all levels. This has accordingly been prioritised in the NNTAS.

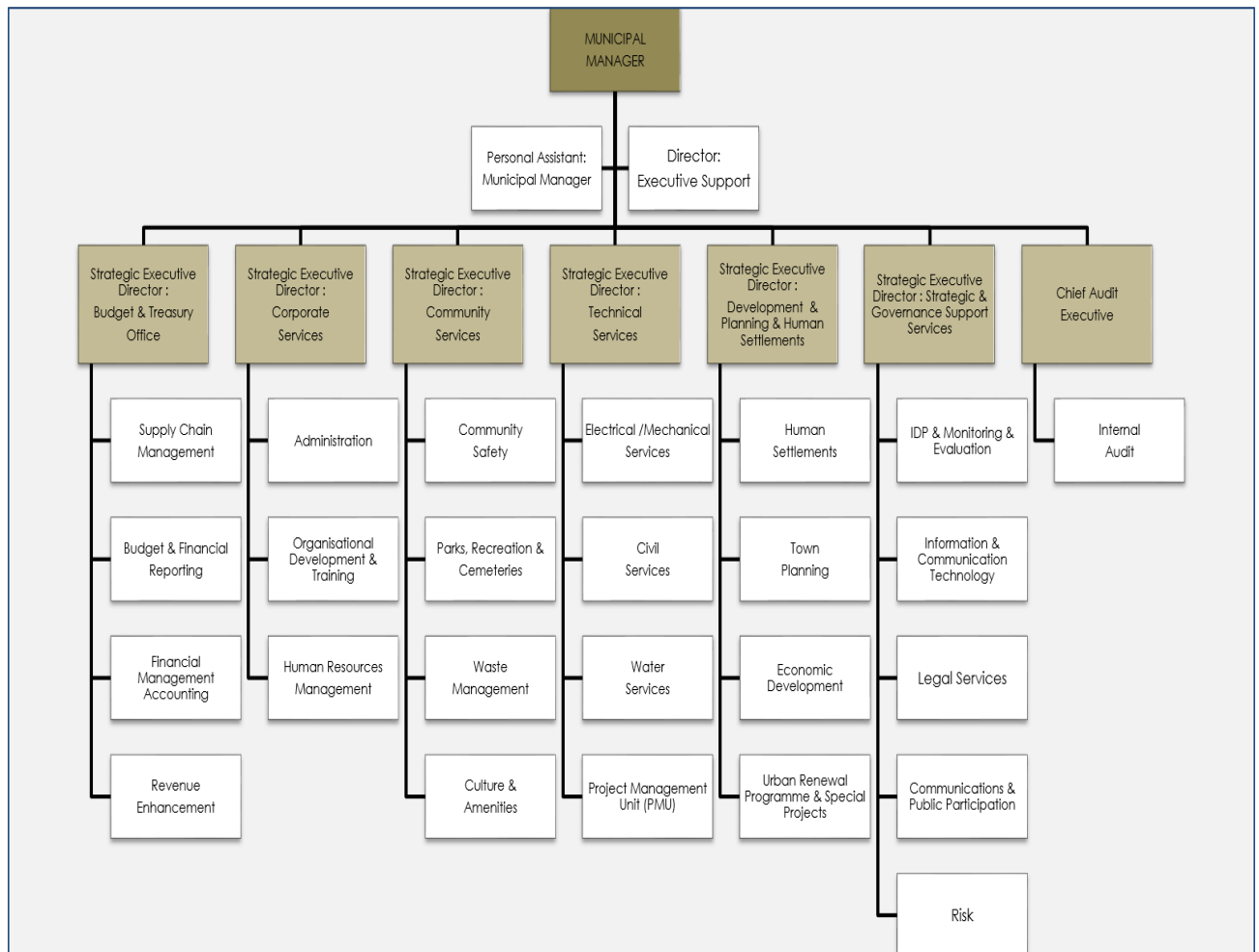
In order to maximise administrative and operational efficiency, all powers subject to section 32 of the Local Government: Municipal Structures Act 1998, not otherwise delegated, have been delegated to the Executive Committee excluding the following:-

- ☞ Approval of an Integrated Development Plan;
- ☞ Passing of by-laws;
- ☞ Approval of budgets;
- ☞ Imposition of rates and other taxes, levies and duties; and
- ☞ Raising of loans.

In respect of the water and sanitation service – this service is rendered through a Water services provider (uThukela Water Pty Ltd) with the Municipality serving as the Water Services Authority. The Amajuba District function being performed by the municipality is the Environmental Health Function and arrangements regarding the transfer of the function to the District are in progress.

3.1.3.1. Organogram

Figure 13: Organogram of the Office of the Municipal Manager.



The revised organogram illustrated above was approved by Council in the year 2015 and it makes provision for a Municipal Manager, and 7 departments under each Strategic Executive Director (SED). IDP falls under the SED for Strategic and Governance Support together with other departments including Monitoring and Evaluation, Information and Communication Technology, Legal Services, Communications and Public Participation, and Risk Management. The revised organogram is structured for effective delivery of municipal services and support to governance structures. The Council has made a provision for the filling of vacant critical positions through budget allocations starting with senior positions. Consequently, the process of filling vacant positions for SEDs and senior management is currently underway, and will also see the absorption of women in senior positions including the Strategic Executive Director positions. However, challenges are being experienced with regards to scarce skills in most of the municipal departments due to staff losses. However, the municipality has recruited a number of interns, a move supported by the DBSA as part of the Skills Development Program.

The organogram makes provision for Environmental Planners within the Department of Development Planning and Human Settlements. Funds have been made available to fill all the critical positions including the Environmentalists. This department has a huge role to play in ensuring that the municipality plans while taking the environment into

consideration and promotes sustainable development within the city. The Environmental Management (Waste Management) Services exists within the Department of Community Services. This department renders services of ensuring that the city remains clean at all times and promotes a sustainable living environment.

As a result, Newcastle Municipality has continuously placed itself on the map by achieving various accolades, ranging from the best Mayor, most innovative technology (going paperless), cleanest town in the Province for three consecutive times and second Nationally and most recently the Govan Mbeki Award, Level 2 Accreditation.

The new organogram promotes the practice of good governance and maximizes the exercise of economic, political and administrative authority to manage the affairs and development needs of communities within Newcastle. The new structure makes provision for a new strategic position with the aim of enhancing efficiency with attention not only given to recruiting the right caliber of employees and managers but also on developing current staff members which will enable the municipality to produce and deliver services in an effective and efficient manner.

3.1.3.2. Staff Break-down

As of 2016, the Municipality had a staff compliment of 1682 people, servicing areas of Newcastle, Madadeni, Osizweni, Blaauwbosch, Ngagane, Kilbarchan, and Charlestown. The ideal total for the establishment should be 2000. However, the micro structure is being reviewed as part the organisational restructuring process, and the staff complement could therefore increase to meet the service delivery challenges as highlighted in this IDP.

Table 17: Staff Complement by Function.

DEPARTMENT	NO. OF EMPLOYEES	MALES	FEMALES
Municipal Manager and Mayor's office	44	17	27
Corporate Services - Administration and Human Resources	85	24	61
Community Services - Culture & Amenities and Protection / Community Services	799	533	266
Development & Planning - Town Planning, Housing & Land and Economic Development	82	44	38
Technical Services - Civil Services and Electrical / Mechanical Services	554	423	131
Financial Services	118	44	74

The composition of senior management broadly reflects the demographic composition of Newcastle Municipality. One of the recently appointed SEDs is a female, which brings the female compliment of senior management to ten (10).

3.1.3.3. Workplace Skills Plan

Human Resources Division (HRD) has been successful in rolling out Education, Training and Development programmes as per the Workplace Skills Plan. Employees from all Departments have been sent to different capacity development interventions which are geared at addressing the skills gaps identified by their respective departments and to capacitate employees to perform their functions effectively, efficiently and economically. The following represents some of the education, training and development programmes that have been rolled out by the Human Resources Development Unit in an effort to support capacity building initiatives and in its execution of the Workplace Skills Plan (WSP):

- Master's in Public Administration (MPA)
- Firefighters training
- Engineering studies
- Business Studies
- Artisan Development Programme (Electricians, Plumbers, Welders, Diesel Mechanic & Carpentry)
- Adult Education & Training (AET)
- Recognition of Prior Learning (RPL)
- Driver Development Programme
- Metropolitan & Traffic Policing Diploma
- Wastewater treatment process programme (NQF Level 1, 2, 3, 4)
- HIV/AIDS/ OHS/ First Aid Course

These capacity building programmes were aimed at skilling and multi-skilling municipal employees to enable them to be competent and efficient in executing their duties in relation to service delivery.

The Education, Training and Development programmes are executed through the following mechanisms, the Determination of Training Needs, Study Assistance, Bursary Scheme for Municipal Employees, Mayoral Bursary Scheme and learnerships. The Education, Training and development initiatives are funded through internal funding and external funding which includes grants from different setas but in particular LGSETA. This training forms the bulk of all training that gets arranged.

Education, training and development programmes are not limited to council employees but involves councillors, Ward Committees members and the community at large. Through our in-house Internship and In-Service Training Programmes HRD assist the youth of Newcastle to acquire work intergrated experience relevant to acquire their qualifications and work experience for graduates.

HRD supported by LGSETA through discretionary grant is in the process of offering the community skills programmes and learnership opportunities on the following areas:

- Community house building
- bricklaying
- Plumbing

- Welding
- Animal production
- Plant production

3.1.3.4. **Human Resource Policies**

The following Human Resource policies and strategies are in place at the Newcastle Municipality:-

- ☞ Macro Structure – Restructuring Plan;
- ☞ Micro Structure – in progress;
- ☞ Human Resources Policy;
- ☞ Recruitment Policy;
- ☞ Overtime Policy;
- ☞ Subsistence and Travelling Policy;
- ☞ Cell Phone Policy;
- ☞ Sexual Harassment Policy;
- ☞ HIV/AIDS Policy; and
- ☞ Employee Assistance Programme.

3.1.3.5. **List of all the council adopted policy**

The following table illustrates the list of all the Council adopted policy of the Newcastle Local Municipality:-

Table 18: Council Approved Policy.

NAME OF POLICY	DATE OF APPROVAL
Leave policy guidelines	2016
Homeowners allowance guidelines	2016
Acting Allowance Policy	01 September 2014
Overtime Policy	27 August 2008
Recruitment and Selection Policy	03 April 2002
Employee Assistance Programme Policy	25 July 2007
Newcastle Municipality Framework for Performance Management	March 2015
HIV/AIDS Workplace Policy	25 July 2007
Sexual Harassment Policy	30 April 2003
Smoking Policy	10 May 2005

Strike Management	June 2007
Acting Appointments Policy	29 September 2010

3.1.3.6. **INFORMATION TECHNOLOGY**

Information Technology has become an important component of NLM in the quest to improve and transform the lives of communities, and to assist and enable other departments within the Municipality to render a quality service to stakeholders and the public at large.

Below are a couple of activities that have taken place since IT was incorporated into the NLM and the future they hold:-

- ☛ **Network Infrastructure:** A data network ensures that the systems at the revenue collection points are always live. Rate payers do not have to be turned away because systems are offline and thereby causing them great inconvenience. This also results in poor cash inflows for the Municipality. NLM is committed to providing a stable and reliable network infrastructure for effective and efficient service delivery.
- ☛ **E-Government:** e-Government refers to the use of ICTs to render services to the community. NLM is embarking on transforming the way we provide services to our citizens, business and employees through an implementation of a number of electronic self-service initiatives. The process has begun with the implementation of the Newcastle Customer Care Portal; an online self-service channel that allows citizens to view and pay for their utility accounts. The portal will be enhanced to include payment of any municipal fines, gravesite information, online forms for the application of services, and electronic tender system for the purchase and submission of some tenders. The NLM will also pilot an SMS reporting channel that will be utilized in the fight against water leaks, as well as other service delivery issues affecting our community. The pilot project is funded by the Belgian Development Agency, to research whether the implementation of technology has any impact on the delivery of services. For the employees, the municipality is currently rolling out Employee Self-Service system that will allow municipal employees to access and update their details online, check their payslips, and apply for and/or approve leave.
- ☛ **Municipal Integrated Call Centre:** Currently, NLM does not have a single interface for access to all municipal services. This call centre will be a once-off stop for citizens to get information regarding their building plans, report burst pipes, request services, etc.
- ☛ **Customer Relations Management (CRM):** The CRM system will complement the call centre and allow call centre agents to log customer issues, generate a reference number and allocate the calls to relevant departments. The CRM system will also function as a reporting tool for the municipality to assess whether issues are being

attended to within the approved timelines and that escalations are also addressed timeously.

As a way to bridge the digital divide in Newcastle, NLM will be introducing participation mechanisms to enhance communication, accountability, responsiveness, transparency and provide for active citizenship. This will be done through the provision of basic ICT Maturity e-governance services such as SMS alerts of council meetings, standing committees etc., ICT enabled customer satisfaction surveys, the provision of online payment of rates, utilities, traffic fines etc., SMS alerts for accounts due and service disruption warnings, electronic newsletter for the community. Successful implementation of this phase will see more of such e-governance services being offered to the community. In the future, the municipality plans to take advantage of the National Broadband Policy of South Africa which will guide NLM to ensure that all places in and around Newcastle have internet connectivity. Broadband infrastructure is central in achieving the goal of digital inclusion, enabling universal, sustainable, ubiquitous and affordable access to ICTs by all, and providing sustainable connectivity and access to remote and marginalized areas within the NLM.

3.1.3.7. ICT POLICY FRAMEWORK

As a measure thus to ensure effective and efficient management of ICT resources and processes, NLM has recently developed a Municipal Corporate Governance of Information and Communication Technology Policy. In turn, this will aid the municipality in achieving the municipal goals and objectives. The main purpose of the policy is to align ICT functions to the organizational goals, minimise the risk ICT introduces and ensure that there is value in the investments made in ICT.

The view of the Newcastle Municipality is that ICT should be governed and managed at all levels within an organizational structure and this is also supported by internationally accepted good practice and standards. With regards to municipal operations, the policy places a very specific responsibility on the Council and Management within NLM in order to ensure that the decision making process for ICT remains transparent. Such measures enable the municipality to align the delivery of ICT services with the municipality's Integrated Development Plan's strategic goals.

ICT Governance is implemented in two different layers namely:-

Corporate Governance of ICT – the governance of ICT through structures, policies and processes;

- In terms of Corporate Governance of ICT, the current and future use of ICT is directed and controlled.

Governance of ICT – through Standard Operating Procedures.

- In terms of Governance of ICT, used are the individual processes and procedures which ensure the compliance of the ICT environment based on pre-agreed set of principles.

The main purpose of the Municipal Corporate Governance ICT Policy is to institutionalise the Corporate Governance of ICT as an integral part of corporate governance within the Newcastle Municipality. This Municipal Corporate Governance ICT Policy provides the Municipal Council and Management with a set of principles and practices that must be complied with, together with an implementation approach to be utilised for implementation of ICT Governance.

The objectives of this Corporate Governance of ICT Policy for Newcastle Municipality seek to achieve the following:-

- ☛ Institutionalise a Corporate Governance of ICT Policy that is consistent with the Corporate Governance Frameworks of the Municipality;
- ☛ Aligning the ICT strategic goals and objectives with the Municipality's strategic goals and objectives;
- ☛ Ensuring that optimum Municipal value is realised from ICT-related investment, services and assets;
- ☛ Ensuring that Municipal and ICT-related risks do not exceed the Municipality's risk appetite and risk tolerance;
- ☛ Ensuring that ICT-related resource needs are met in an optimal manner by proving the organisational structure, capacity and capability;
- ☛ Ensuring that the communication with stakeholders is transparent, relevant and timely; and
- ☛ Ensuring transparency of performance and conformance and driving the achievement of strategic goals through monitoring and evaluation.

The following practices outlined in the table below have been assigned to specific designated municipal structures and officials in order to achieve the objectives and principles contained in this Municipal Corporate Governance of ICT Policy:-

Practice No.	Practices Description
1.	<p>The Municipal Council must:</p> <p>Provide political leadership and strategic direction through:</p> <ul style="list-style-type: none"> a) Determining policy and providing oversight; b) Take an interest in the Corporate Governance of ICT to the extent necessary to ensure that a properly established and functioning Corporate Governance of ICT system is in place in the municipality to leverage ICT as an enabler the municipal IDP; c) Assist the Municipal Manager to deal with intergovernmental, political and other ICT-related Municipal issues beyond their direct control and influence; and d) Ensure that the municipality's organisational structure makes provision for the Corporate Governance of ICT.
2.	<p>The Municipal Manager must:</p> <ul style="list-style-type: none"> a) Provide strategic leadership and management of ICT; b) Ensure alignment of the ICT strategic plan with the municipal IDP;

Practice No.	Practices Description
	<ul style="list-style-type: none"> c) Ensure that the Corporate Governance of ICT is placed on the municipality's strategic agenda; d) Ensure that the Corporate Governance of ICT Policy, charter and related policies for the institutionalisation of the Corporate Governance of ICT are developed and implemented by management; e) Determine the delegation of authority, personal responsibilities and accountability to the Management with regards to the Corporate Governance of ICT; f) Ensure the realisation of municipality-wide value through ICT service delivery and management of Municipal and ICT-related risks; g) Ensure that appropriate ICT capability and capacity are provided and a suitably qualified and experienced Governance Champion is designated; h) Ensure that appropriate ICT capacity and capability are provided and that a designated official at a Management level takes accountability for the Management of ICT in the municipality; and i) Ensure the monitoring and evaluation of the effectiveness of the Corporate Governance of ICT system e.g. ICT steering committee.
3.	<p>The Municipal ICT Steering Committee, Risk and Audit Committee must Assist the Municipal Manager in carrying out his/her Corporate Governance of ICT accountabilities and responsibilities.</p>
4.	<p>Management must ensure:</p> <ul style="list-style-type: none"> a) ICT strategic goals are aligned with the municipality's Municipal strategic goals and support the municipal processes; and b) Municipal-related ICT strategic goals are cascaded throughout the municipality for implementation and are reported on.

The following entails a list of the benefits that may be realised through effectively implementing and maintaining the Corporate Governance of ICT:-

- ✔ Establishment of ICT as a strategic enabler in a municipality;
- ✔ Improved achievement of municipal integrated development plans;
- ✔ Improved effective service delivery through ICT-enabled access to municipal information and services;
- ✔ Improved ICT enablement of a municipality;
- ✔ Improved stakeholder communication;
- ✔ Improved delivery of ICT quality services;
- ✔ Improved trust between the municipality and the community through the use of ICT;
- ✔ Lower costs (for ICT functions and ICT dependent functions);
- ✔ Increased alignment of ICT investment towards municipal integrated development plans;
- ✔ Improved return on ICT investments;
- ✔ ICT risks managed in line with the ICT priorities and risk appetite of the municipality;

- ☞ Appropriate security measures to protect both the municipality and the information of its employees;
- ☞ Improved management of municipal-related ICT projects;
- ☞ Improved management of information as ICT is prioritised on the same level as other resources in municipalities;
- ☞ ICT pro-actively recognises potential efficiencies and guides municipalities in timeous adoption of appropriate technology;
- ☞ Improved ICT ability and agility to adapt to changing circumstances; and
- ☞ ICT executed in line with legislative and regulatory requirements.

3.1.3.8. COMMUNICATION STRATEGY.

The purpose of the Communication Strategy is to provide a record of the service delivery activities of Newcastle Municipality and to effectively communicate achievements made to the community of Newcastle, including the relevant stakeholders. Developmental local government, as that sphere of government closest to the people, seeks to forge a partnership between government and the citizens for effective service delivery. Communication therefore becomes of paramount importance to the work of local government and has a significant impact on the manner with which local residents judge their local Council. According to research findings well informed residents are more likely to be satisfied with Council services and to be supportive of it work. Furthermore, people are unlikely to participate actively in the developmental agenda unless they have information, are given access to information from their local Council via a range of media options, and are provided with opportunities created by their Council. Research findings also show that there's a direct link between good internal communication and the high performance and motivation of staff thus meaning communication is vital to the successful implementation of the Council's vision and mission. The Newcastle Municipality Communication Strategy provides a framework for communication to all the audience of Newcastle Municipality, as guided by Section 18(1) of the Local Government Municipal Systems Act (Act No. 32 of 2000).

Mission: To promote, enhance public awareness, and the understanding of municipal programmes, services and achievements. Research has proven that communication has, in modern times, become a fundamental tool used by organizations to remain in touch with their clientele. And so through the Communication Strategy, the municipality is attempting to keep in touch with its community.

COMMUNICATION OBJECTIVES	ACTIONS BY THE MUNICIPALITY
Fulfil the constitutional and legal mandate and obligation of deepening democracy.	Promote development and clearer channels of communication in the municipality.
Forging and maintaining improved links between the municipality and sector departments and other important	To establish a more interactive local governance structure which will speed up service delivery.

stakeholders and promotion of intergovernmental relations.	
Maintaining good relations with media by forging good relations all the time.	To create and project a more transparent organization.
Publicizing Newcastle Municipality's Program of Action in line with the District, Provincial and National programs of action.	To forge a partnership between the municipality and its stakeholders for effective service delivery and economic development.
	Contributing to the progressive realisation of the fundamental rights contained in the constitution.
Communicating the achievements and challenges of the municipality with regards to service delivery as advised by the Mayor.	Good Governance through the promotion of the corporate identity and image of Newcastle Municipality and ensure compliance.
Informing communities of the available economic opportunities in the municipality to enhance local economic development.	Empowering citizens through effective profiling of the municipality, its services and projects through the promotion of the municipality's skills development programme the community.
Branding of Newcastle Municipality as a destination for tourism, leisure, business and residence, and marketing of the municipal area.	To promote and market the opportunities which exist within the municipality.

The following entails some of the communication challenges as identified by the relevant specialists within the Department of Communications:-

- ☞ Getting buy-in from Civil Society Organizations, staff, media and political principals;
- ☞ Reaching all communities through conventional communication methods;
- ☞ Communicating mainly in IsiZulu;
- ☞ Creating ownership by various stakeholders;
- ☞ Mobilising resources;
- ☞ The municipality does not have editorial control over news reports;
- ☞ The message of the municipality does not get the same amount of coverage;
- ☞ Challenges with consolidating the manner in which information needs to be disseminated internally by regularly updating the internet and developing an intranet;
- ☞ Increasing advertising, purchasing quarterly radio slots to report on the progress and the status of the municipality;
- ☞ Challenges with the geographic positioning of the various communities;
- ☞ Challenges around shaping the public perception with regards government operations towards service delivery.

The Communication Strategy also entails a Phased Communications Programme including the timeframe and associated budget requirements. Phase 1 has to do with the adoption

of the strategy by municipal Council thereby giving guidance to Phase 2, the launch of the strategy. Phase 3 entails the implementation plan and the associated timeframe and these are as follows:-

OUTPUT	ACTIVITIES	METHOD	TIMEFRAME	BUDGET
Internal Communication.	Publish programme articles in an online staff newsletters.	Write article about the programme and its various projects.	Monthly.	Nil
	Website page.	Regularly bring up to date the information on the intra/internet.		Nil
	Bulk e-mails.	Sending out e-mails to all staff members.	As required.	Nil
	Notice boards.		As required.	Nil
Communicating and Marketing the Council externally.	Develop and implement communication plans for Council programmes.		As required.	Nil
	Develop materials for information dissemination.	Distribute through the Call Centre, municipal offices and events, imbizos.	On regular basis.	
	Website.	Regularly update and develop new information on intra/internet.	On regular basis.	
	Adverts.	Place ads in print and radio to inform the public of municipal programme.	As per the Communication Plans.	
	Publications.	Use 'Newcastle News', newsletter and Annual Report.	Quarterly, Annually	
Media.	Sent out media statements on various issues.		As required	Nil

OUTPUT	ACTIVITIES	METHOD	TIMEFRAME	BUDGET
	Media Monitoring	Cordinate media responses to media articles	On regular basis	Nil
	Radio interviews	Interviews on regional current affairs and programme.	As required	
	Roadshows	Mayoral roadshows to communities	As required	

In the spirit of being a transparent organization, the municipality should not seek to prevent people from speaking to the media but should give clear guidance on areas for comments. The primary spokespeople would be the Mayor and then the Municipal Manager. Municipal employees are not allowed to speak to the press without authority from either the Mayor or the Municipal Manager. Below is the arrangement of spokespeople for the Newcastle Municipality:-

ENTITY	RESPONSIBILITIES
Mayor	All aspects of Council policy programs.
	Matters of policy yet to be adopted/enacted.
	All political comment must come from the Mayor.
	Is essentially the key person for all public participation, unless he delegates otherwise.
Municipal Manager	Any area of the municipal administration.
	Matters of policy yet to be adopted/enacted.
	Information around any legal processes the Newcastle might be engaged in.
ENTITY	RESPONSIBILITES – Comment through the Mayor and/or the Municipal Manager
EXCO Members	All aspects of Council policy and programs in their portfolio.
	May be delegated spokespersons on an issue by the Mayor.
Speaker	All comments relating to Council “housekeeping” must come from the Speaker.
Councillors	Comment on all activities in their respective wards excluding policy related matters which are still to be adopted/enacted.
Departmental Heads	Any area of business in their department.
	May be delegated spokespersons in an issue by the MM.
	On all aspects of their service areas.
	Queries from journalists will be referred to Departmental Heads for comment/clarification/information. Comments will then go out in the name of the Departmental Head unless if the Head decides

	otherwise. Departmental Heads will therefore be responsible for comments made by departmental staff.
Municipal Spokesperson of Communications Director	Co-ordination of media communication
	Media conferences
	Media statements and handling media queries
	Writing of the Mayor's speech.

3.1.3.9. **SWOT Analysis: Municipal Transformation and Organisational Development**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Capacity to perform most of the critical municipal functions. ▪ Effective systems and procedures including various management policies. ▪ Low vacancy rate especially among senior management posts and other critical posts. ▪ Advanced and integrated information management system. ▪ Good relationship between staff, management and councillors. ▪ Committed and dedicated staff. ▪ Organizational culture based on hard work and dedication. 	<ul style="list-style-type: none"> ▪ Dominance of males in senior management. ▪ Representation of women and the disabled in total staff complement. ▪ Weak knowledge management and institutional memory systems. ▪ Lack of consequence management ▪ No filling of positions due to lack of budget
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ Government funded staff training programmes. ▪ Continuous staff training and development. ▪ Local government support from COGTA and Treasury. ▪ Municipal turnaround strategy. 	<ul style="list-style-type: none"> ▪ Constant changes in legislation and national policy. ▪ Withdrawal of government programmes for staff training and development. ▪ Changes in the formula for the allocation of government grants including equitable share. ▪ High professional staff turnover

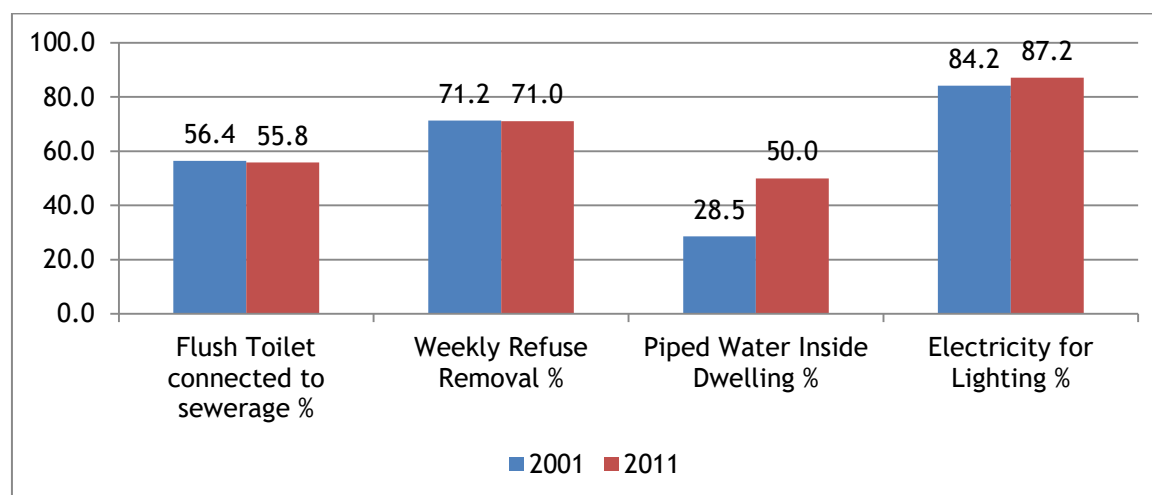
3.2. SERVICE DELIVERY AND INFRASTRUCTURE ASSESSMENT

NLM is one of the few local municipalities that have the responsibility to plan, provide and regulate infrastructure development throughout its area of jurisdiction. This includes both bulk infrastructure development and reticulation.

3.2.1. General Access to basic Services

As indicated on Figure 12 below, access to basic household services in Newcastle Municipality has improved substantially since 2001 with more people (50% as opposed to 28.5% in 2001) having piped water inside their dwellings, and 87.2% having electricity for lighting marking an increase from 84.2% in 2001. The situation with regards to sewer connection and refuse removal remains largely unchanged reflecting the impact of population growth.

Figure 14: Household Services.

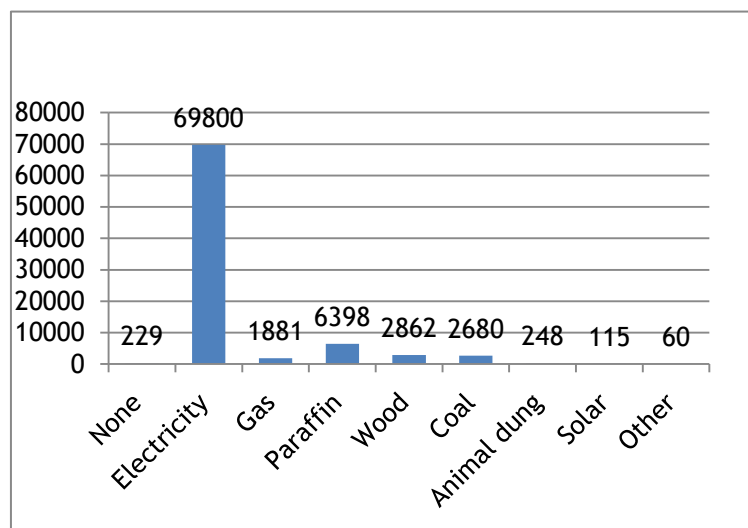


Source: Stats SA, 2011

However, the standard and level of service differs significantly among areas reflecting the impact of the past apartheid policies. The JBC area and the surrounding settlements are characterised by severe service backlogs and underdevelopment.

3.2.1.1.1. Sources of Energy

Figure 15: Sources of Energy for Cooking.



settlements and areas that were settled after the electrification of the settlement.

The municipality, with the assistance of Eskom, has made substantial progress with the provision of electricity throughout its area of jurisdiction. 69 800 and 73 449 households are using electricity for cooking and lighting respectively. The number of people using sources of energy such as paraffin, wood, gas, coal, etc. has declined substantially. However, there are few areas where lack of services have been reported. These include informal

3.2.1.1.2. Access to Water

Water supply infrastructure in Newcastle Municipality varies between areas reflecting the impact of fragmented spatial development and urban bias of the past planning and development practices. Newcastle town is generally well provided with water while a few households in Madadeni and Osizweni Townships are experiencing shortages in this regard. According to the Newcastle Municipality Water Services Develop Plan (2013/14), there are four categories of settlements serviced with water within the municipal jurisdictional area and these are as follows:-

- ☛ Urban – Formal towns within the vicinity of urban cores;
- ☛ Urban – Former residential township areas;
- ☛ Urban – Informal settlements (squatter camps); and
- ☛ Rural – Small villages with a population less than 5000.

Severe backlogs have been reported in rural settlements where the level of backlog is high. The high backlogs are mostly concentrated in Ward 1 where there is a moderate percentage of households with inadequate water services. A review of the 2011 Stats SA Census Data reveals that 50% of the population has water inside their dwelling units. However, a significant number of people (more than 35%) still obtain water beyond a 200m radius in the form of communal stand pipes. People who do not have access to piped water account for only 4% of the total population.

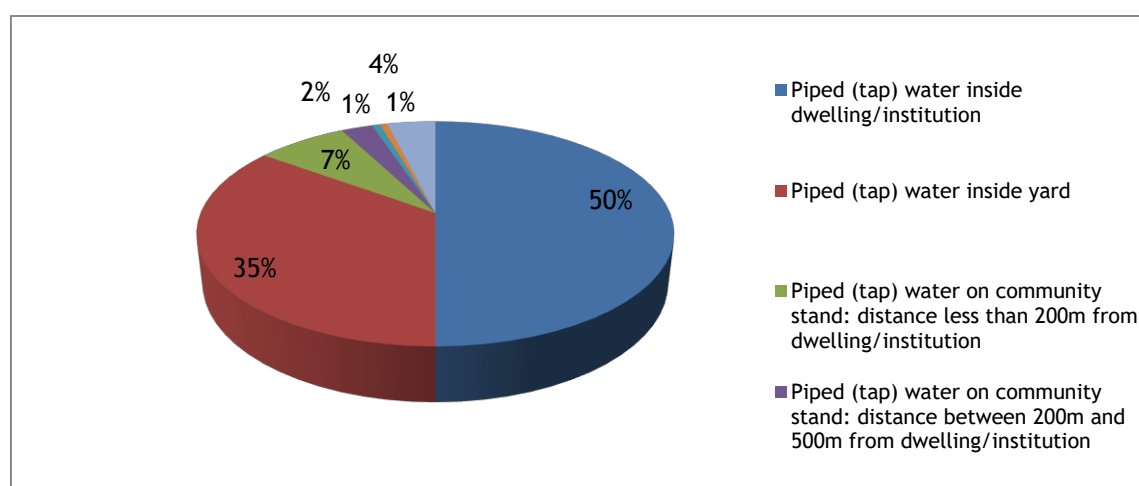
Table 19: Level of Access to Piped Water.

ACCESS TO PIPED WATER	NO. OF HH
Piped (tap) water inside dwelling/institution	42 126
Piped (tap) water inside yard	29 508
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	6 159
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	2 142

Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	562
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	485
No access to piped (tap) water	3 290
Unspecified	-
Not applicable	-
GRAND TOTAL:	84 272

Source: Stats SA, 2011

Figure 16: Level of Access to Water (Stats SA Census Data 2011).



The Newcastle Municipality, in line with National policy on FBW, makes budgetary provision of 12kl per household for indigent families, funded through the Equitable Share. The recently updated Water Services Development Plan (2013/14) indicates that there has been a reduction of 18% in water backlogs between the year 2002 and 2010 with an existing water service backlog of 24%. Breakdown of the level of access to water by municipal wards is indicated on the table below:-

Table 20: Access to Water by Electoral Wards.

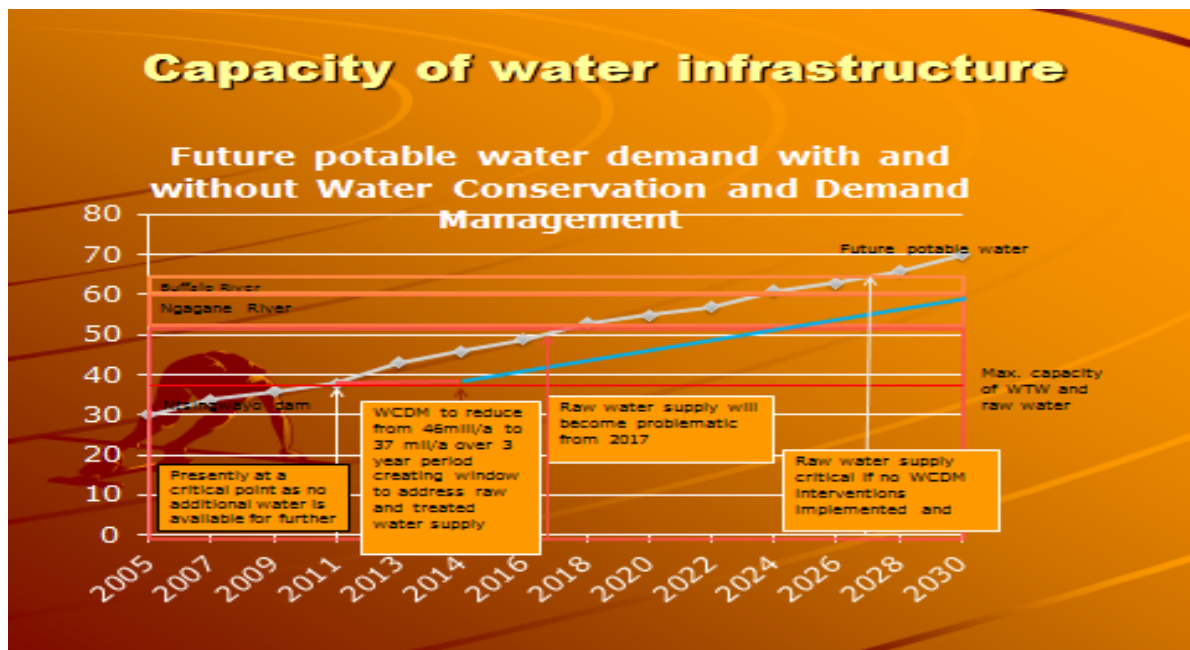
Source of water	Regional/local water scheme (operated by municipality or other water services provider)	Borehole	Spring	Rain water tank	Dam/pool/stagnant water	River/stream	Water vendor	Water tanker	Other
Municipal Wards	851	933	452	93	94	258	20	341	87
Ward 1	3 242	6	1	2	1	1	5	5	20
Ward 2	2 294	16	1	3	9	12	8	7	34
Ward 3	2 789	6	-	7	3	1	8	13	9
Ward 4	2 873	7	1	1	3	1	6	4	8
Ward 5	3 821	82	11	29	5	7	55	552	249
Ward 6	3 216	32	2	15	6	5	20	93	239
Ward 7	1 765	17	-	1	2	-	5	49	22
Ward 8	3 632	11	-	3	-	-	4	5	70
Ward 9	2 108	2	-	1	1	-	5	7	38
Ward 10	2 436	8	4	1	4	-	12	4	32

Source of water	Regional/local water scheme (operated by municipality or other water services provider)	Borehole	Spring	Rain water tank	Dam/pool/stagnant water	River/stream	Water vendor	Water tanker	Other
Ward 11	1 701	31	7	2	1	-	7	14	68
Ward 12	1 667	3	3	1	-	-	2	7	6
Ward 13	3 287	13	5	2	2	-	-	89	214
Ward 14	1 444	216	27	5	12	4	13	280	212
Ward 15	2 613	117	2	7	2	-	5	17	345
Ward 16	2 368	8	-	-	-	-	25	1	7
Ward 17	2 148	99	-	1	-	-	20	29	277
Ward 18	2 215	21	7	1	6	1	2	230	22
Ward 19	3 705	41	1	4	-	-	12	11	17
Ward 20	2 583	118	5	76	2	12	17	149	136
Ward 21	1 949	1	-	2	-	-	5	4	1
Ward 22	1 800	7	-	2	-	-	11	112	9
Ward 23	2 906	25	2	1	2	-	3	4	17
Ward 24	3 382	301	1	2	-	5	6	-	13
Ward 25	1 601	4	-	1	1	-	2	1	8
Ward 26	2 453	6	-	-	2	-	5	1	14
Ward 27	1 633	2	5	1	4	1	1	7	8
Ward 28	2 497	2	-	2	1	-	8	17	8
Ward 29	2 576	13	2	7	5	1	5	87	24
Ward 30	2 171	87	4	1	1	2	9	270	81
Ward 31	75 725	2 235	545	278	169	312	305	2 411	2 292
Grand Total	75 725	2 235	545	278	169	312	305	2 411	2 292

Source: Stats SA, 2011

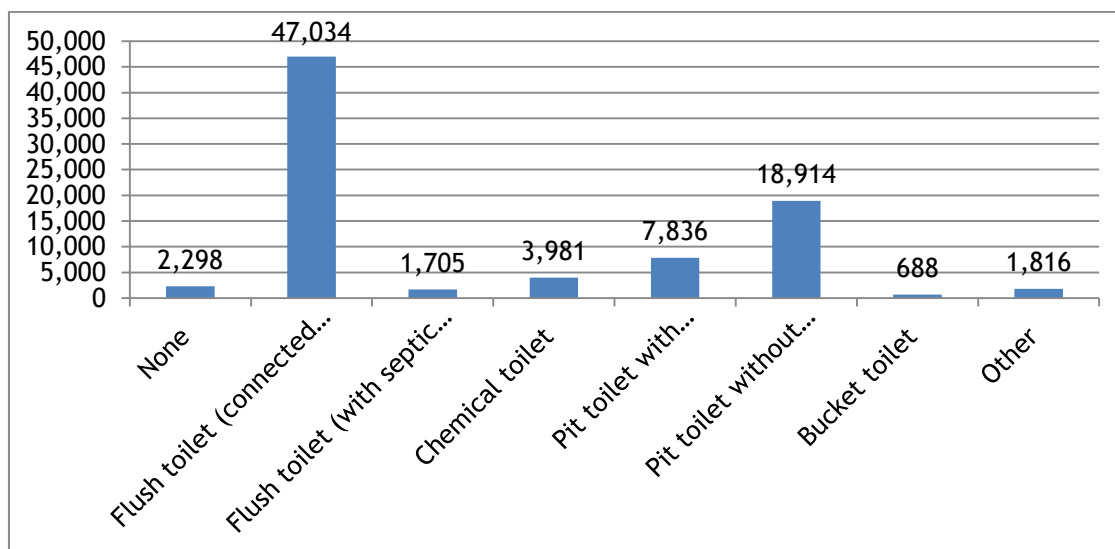
The graph below illustrates the demand for water and indicates the crisis that might face NLM is water issues are not given priority within LM.

Figure 17: Capacity of Water Infrastructure



3.2.1.2. Access to Sanitation

Figure 18: Access to Sanitation



Source: Stats SA, 2011

Similarly, the peri-urban and rural areas such as the JBC and rural settlements in the Khathide and AmaHlubi communities are characterised by high sanitation backlogs. The JBC node has no sewerage reticulation in place. The residents rely on over 15 000 ventilated improved pit (VIP) latrines. Most of the VIPs are full and the Municipality spends about R1.0 million every month in de-sludging the VIPs. Plans are underway to formalize Blaauwbosch and considerable sewage flows are expected once the waterborne sewerage system is connected. A breakdown of the level of access to sanitation by

municipal wards is indicated in the table below. 688 people said to be on the bucket system is a cause for concern and will be attendant to with immediate effect.

Table 21: Access to Sanitation by Electoral Wards

MUNICIPAL WARDS	NONE	FLUSH TOILET (CONNECTED TO SEWERAGE SYSTEM)	FLUSH TOILET (WITH SEPTIC TANK)	CHEMICAL TOILET	PIT TOILET WITH VENTILATION (VIP)	PIT TOILET WITHOUT VENTILATION	BUCKET TOILET	OTHER
Ward 1	168	456	343	87	136	1777	36	124
Ward 2	2	3259	14	-	2	-	2	2
Ward 3	19	2339	2	-	10	6	1	6
Ward 4	-	2802	9	-	15	4	-	5
Ward 5	2	2888	3	-	3	2	-	7
Ward 6	440	28	23	583	1577	1993	22	145
Ward 7	329	804	38	170	1151	891	241	4
Ward 8	21	1673	99	4	53	2	4	7
Ward 9	337	1917	52	128	702	546	10	32
Ward 10	62	2075	19	-	2	1	1	2
Ward 11	18	1649	42	283	9	122	7	372
Ward 12	42	17	12	21	21	1580	2	137
Ward 13	7	1505	1	6	5	148	10	7
Ward 14	14	75	13	422	1180	1851	42	15
Ward 15	85	7	5	35	44	1868	7	163
Ward 16	156	18	12	28	91	2659	19	127
Ward 17	17	2169	17	1	3	138	28	37
Ward 18	65	333	49	160	143	1691	18	117
Ward 19	31	1006	20	559	253	617	3	17
Ward 20	68	3253	201	17	9	17	168	58
Ward 21	24	1970	240	127	88	620	4	25
Ward 22	2	1878	53	2	-	-	22	3
Ward 23	1	1608	270	2	1	12	6	39
Ward 24	17	2864	19	1	21	2	3	34
Ward 25	120	2444	10	4	14	1040	5	73
Ward 26	11	1600	2	-	-	1	-	3
Ward 27	6	1651	19	139	481	6	6	173
Ward 28	5	1643	10	1	2	-	-	-
Ward 29	36	1325	71	186	675	230	3	8
Ward 30	78	1724	18	118	328	383	13	57
Ward 31	115	54	18	897	817	707	3	16
Grand Total	2298	47034	1705	3981	7836	18914	688	1816

Source: Stats SA, 2011

3.2.2. Water

3.2.2.1. Planning for Water Services Delivery

Although the NLM developed and adopted a Water Services Development Plan in 2009, last review (2013/14) due to the new requirement from DWS for a web based WSDP. NLM is in the process of developing module 1 of the web-Based WSDP. The main crises at NLM was failure to develop a Water and Sanitation Master Plan which has resulted adhoc planning for water infrastructure development in the WSDP. The WSDP and various other strategic documents identify a number of critical issues. These range from issues of service backlogs through the capacity of the existing infrastructure to the sustainability of

the infrastructure into the future. Critical issues that require attention in this regard include the following:-

- ☛ Developing a Water and Sanitation Master Plan
- ☛ Annual review of the Web based WSDP for long term plan to guide investment in water infrastructure in the short to long term.
- ☛ Maintenance of the existing infrastructure.
- ☛ Funding for maintenance and new water infrastructure projects.

3.2.2.2. Raw Water Sources

The supply of raw water within the NLM is as follows:-

- ☛ The Buffalo River Abstraction Works through a 32km long 800mm diameter steel pipe to the Ngagane Water Purification Works. The average supply is 10 MI/day;
- ☛ The Ngagane River Abstraction Works through a 1.5km long 600mm concrete lined steel pipe, which supplies an average of 20 MI/day; and
- ☛ The Ntshingwayo Dam through two pipes, an 800 mm concrete pipe which is 18km long and a 700mm diameter steel pipe which is 13km long. Both of these supply a combined total of 92 MI/day.

Ntshingwayo Dam, situated on the Ngagane River, has a storage capacity of 194 million m³. The dam was raised during 1982 and cannot be augmented further to increase the system yield. An excess firm yield of 21 million m³/a (57MI/d) is available at Ntshingwayo Dam for further allocation to Newcastle which should be sufficient until 2017 at the present demand without any water conservation and water demand management initiatives being implemented. If these initiatives are implemented, this horizon could extend to 2023.

However, the current available yield from the Ntshingwayo Dam is not sufficient to support a major irrigation-based agricultural development. As such, water augmentation in the upper Buffalo system would be required in the time horizon 2015 – 2025 without any agricultural development because of the growth in the domestic and industrial demand within Newcastle. Therefore, the proposed Ncandu River Dam is not just the only viable option for increasing the system yield in order to support agricultural development, but it is also the only viable option to ensure continued economic growth for the Newcastle industrial and commercial sector beyond 2015 – 2030.

Table 10 below indicates the expected peak demand for the next 25 years with the expected shortfalls.

Table 22: Demand Forecast

Year	Peak demand (MI/day)	Supply			Total	Surplus (shortage) (MI/day)
		Ntshingwayo Dam	Ngagane river	Buffalo river		
2011	104	70	18	15	103	(1MI/day)
2014	128	70	18	15	103	(25MI/day)
2020	153	70	18	15	103	(50MI/day)
2025	167	70	18	15	103	(64MI/day)
2030	190	70	18	15	103	(87MI/day)

2035	213	70	18	15	103	(110MI/day)
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From the table above it is evident that the bulk raw water supply is creating a bottleneck resulting in the plant not being able to meet the demand. Noting that, the installation of a new supply line will take at least 3 years at which time the expected shortfall will be in the order of 25MI/day. Therefore it is evident that the situation is in dire need of an intervention. This could be a conservative figure as the supply line to Utrecht is completed. New bulk infrastructure is being provided to supply water to a planned development called Viljoen Park. The Stafford Hill area, comprising of 8000 households, is also to be provided with water borne sanitation and plans are being finalised to commence a 3 phased high density development for JBC.

3.2.2.3. Potable Water Treatment Facilities

During February 2013, Newcastle was awarded with a **BLUE DROP** water status (quality) accolade. The town of Newcastle has three WTWs with two plants having recently been decommissioned. The Ngagane WTW is the only plant that is currently operational, and which is supplying treated water to the area. The Ngagane Water Treatment Works is located next to the Ngagane River on the south-eastern side of Newcastle and is operated by uThukela Water (Pty) Ltd on behalf of Newcastle Municipality. The total peak hydraulic design capacity of the Ngagane WTW is 105 MI/d. The average annual flow rate of the WTW is estimated to be 103.3 MI/d.

The average annual capacity of the water treatment works is not sufficient to meet the future water requirements (from 2012). An overall score of 95% is required to achieve a blue drop status. During 2010, UThukela Water achieved a score of 97%.

3.2.2.4. Water Supply and Reticulation

Six pumping mains supply purified water to two bulk storage reservoirs, the Braakfontein and Hilldrop reservoirs. A combination of a 600mm diameter steel pipe, 375mm diameter asbestos cement pipe and 600 mm diameter GRP pipe supply the 78MI Braakfontein reservoirs. The 29MI Hilldrop Reservoirs are supplied through a 700mm steel pipe and 375mm asbestos cement pipe. Water from the Braakfontein reservoirs then feeds the following:-

- ☛ Stafford Hill and Madadeni through a combination of various pipe sizes ranging from 800mm diameter to 200mm diameter;
- ☛ 6MI Blaauwbosch reservoir that in turn feeds Blaauwbosch;
- ☛ The Waterval Reservoir and Ngagane; and
- ☛ Osizweni Township through a 3.85km long 450mm diameter AC pipe. The pipeline splits into two lines, one serves the 6MI reservoir at Blaauwbosch and the other serves the 2MI tower at Osizweni.

The Hilldrop reservoirs feed the Newcastle CBD, the suburbs and industrial areas. The JBO Node is fed from the Braakfontein reservoirs. The average consumption for the whole of Newcastle is estimated at 75MI/day. The consumption figures from the Braakfontein

reservoirs are about 46Ml/day. The Braakfontein reservoirs therefore have adequate capacity for future expansion. The total unaccounted for water is very high and averages about 36%. Once this is addressed, additional capacity can be realized.

The increase in demand for the townships of Madadeni, Osizweni, Stafford Hill and Blaauwbosch including the Newcastle West area is necessitating the need for an additional 20Ml reservoir at the Hill drop reservoir site including an additional 45Ml reservoir for the Braakfontein reservoir site.

3.2.2.5. The Condition of Water Infrastructure

The infrastructure in Newcastle East is in a fairly good condition which is more than what can be said about the condition of water infrastructure in the Newcastle West area which is mainly the CBD and surrounding suburbs. The area has aging asbestos networks which are resulting in high maintenance costs. The estimated capital investment required for this is in the order of R500 million rand. Investigations also need to be carried out in how to improve the pressure management in the Arbour Park, Lennoxton areas where low pressures are being experienced.

A new pumping main from Ngagane Plant to Braakfontein Reservoirs is needed. The existing two lines do have sufficient capacity for the medium term but require maintenance and to decommission one line to carryout repairs will result in inadequate supply owing to the insufficient storage capacity at Braakfontein reservoirs.

3.2.2.6. Water Losses

A preliminary assessment of the level of water use efficiency and the level of Non-Revenue Water (NRW) in the Newcastle Water Supply Scheme area indicated that the total system losses are high. It was estimated that the total Non-Revenue Water (NRW) in the supply area is a staggering 65%. The main areas of concern are Madadeni and Osizweni where water losses mainly from onsite leaks are resulting in losses of at least 26Ml/day. The average consumption per household in Madadeni is 44.6kl per month with almost zero payment and no credit control interventions. The situation is not any different in Osizweni where the total number of households is in the order of 27,200. An amount of R24 million has been approved by MIG to reduce the non-revenue water in Madadeni although a R150 million will be required to complete the programme. The programme will include the repair of private leaks and install flow regulators to each household in Madadeni and Osizweni thereby creating an additional 26Ml per day allowing a window period for the construction of the raw water supply line from Ntshingwayo dam to the Ngagane WTW and simultaneously increasing the capacity of the Ngagane WTW's. Without these interventions there will be insufficient water to supply for any new developments.

3.2.3. THE NEED FOR A NEW RAW WATER SOURCE

UThukela water developed a raw water bulk Master plan that has several options for water supply from 2019 and beyond 2030. Private enterprises are proposing Ncandu dam which also is ok. The current spatial development of NLM will determine its current demand for

water supply. Growth and development will increase the demand for water supply in the future. Amongst other things the factors that will contribute to the growth in demand are as follows:-

- ☞ Population growth;
- ☞ Economic Growth;
- ☞ Spatial development;
- ☞ Increased level of service; and
- ☞ Development of new wet industries.

3.2.3.1. WATER DEMANDS ZONES

According to the table below, Newcastle is divided into 5 demand zones and these are essential for greater clarity and insight as well as modelling accuracy. The demand zones are specifically identified through a combination of parameters such as:-

- ☞ Topography;
- ☞ Sewage and storm water drainage areas;
- ☞ Existing water and sewer infrastructure;
- ☞ Current spatial development profile; and
- ☞ Development potential.

Based on the table below, Newcastle Central has the highest residential demand for water at 64 489 (57.88%), followed by Newcastle East at 23 951 (21.49%) and Town at 18 948 (17.00%). In terms of the non-residential buildings, Town has the highest concentration of water demand at 1 272 (74.03%).

Table 23: NLM Water Demand Zones.

ZONE NUMBER	DEMAND ZONE NAME	RESIDENTIAL DWELLING	NON-RESIDENTIAL BUILDINGS
1.	TOWN	18 948	1 272
2.	CENTRAL	64 489	291
3.	EAST	23 951	17
4.	NORTH	1 747	113
5.	SOUTH	2 269	25
TOTAL:		111 402	1 718

Source: Ncandu Dam Affordability Study (2014).

3.2.3.2. RELIABILITY OF EXISTING RAW WATER SOURCES

In terms of the existing water sources, it is important to note the following:-

- ☞ The yield of Ntshingwayo Dam has probably declined to the point where all allocated water rights cannot be exercised. This is due to silting-up of the dam, which thus continue to reduce the yield of the dam. Furthermore, the sluices of the dam are also reducing the dam's ability to reach maximum fill capacity of 90% hence further reducing the yield of the dam. In short, Ntshingwayo Dam has been operating in a stressed state for some time, despite average rainfalls within the catchment.

- Both the Ngagane and Buffalo rivers have run dry on a regular basis in the past decade. This has hampered upon NLM's ability to abstract its full allocation of water from these sources, which has exacerbated the existing water supply shortages.

3.2.3.3. NCANDU DAM

It is assumed that the raw water and WTW losses should fall between 7.5% and 12.5% of the treated water supplied. This implies that the raw water supply required should be 10% or more on average than the demand to be supplied from the WTW. This loss is to allow for losses on the raw water supply system (scouring of pipelines, leaks, pipe breaks etc.) and the operational losses experienced at the WTW (backwashing of filters, de-sludging, cleaning of reservoirs etc.) The proposed Ncandu Dam, in conjunction with the current water sources, would ensure sufficient water for Newcastle for the foreseeable future, even if no water loss reduction program is implemented. The implementation of the water loss reduction program would achieve the reduction of recoverable losses by 70%, however, in a period of 10 years.

Table 24: Water Loss Reduction Program.

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Period Reduction	-	5%	5%	10%	15%	15%	15%	10%	10%	10%	5%
Cum Reduction	-	5%	10%	20%	35%	50%	65%	75%	85%	95%	100%

Source: Ncandu Dam Affordability Study (2014).

The table above depicts the average daily water demands that will be the resultant of successfully implementing the Water Loss Reduction Program. With the implementation of a loss reduction program, the existing sources would begin to become sufficient by 2018 and would then require supplementing by 2028. However, this is based on the expected scenario which is totally different from the High Demand Scenario whereby the existing resources are insufficient even with the implementation of a water loss reduction program. In light of the above it is therefore vividly clear that there is an urgent need for obtaining an additional water source in order to supplement the current sources of water. The provision of Ncandu Dam would ensure sufficient water for Newcastle well beyond 2034 with the implementation of the water loss program.

3.2.4. Sanitation

NLM face a number of challenges with regard to sanitation. One of the main problems is the need for a sewer master plan, which will enable the municipality to plan for future developments including addressing the backlogs in basic sanitation services. Other areas of concern are the lack of adequate sewer systems for 13 481 households that do not have waterborne sanitation. This need is especially evident in the MBO area.

3.2.4.1. Condition of existing infrastructure

The absence of a Sewer Master plan does not allow for effective forward planning with regards to the impact of new developments and future areas to be provided with water borne sanitation. The new areas to be developed include Blaauwbosch and Viljoen Park. Stafford Hill has been provided with sewer reticulation where 8,000 existing VIP toilets are to be converted to flush toilets. Madadeni has water borne sanitation for all 15,000 households although the structures of 5,000 households are dilapidated and flush into the old conservancy tank system with the overflow of the tank connected to the sewer connection.

In many cases the contents of the tank is exposed and a health hazard. The existing networks are in a fairly good condition with infiltration into the groundwater not seen as a problem. The reticulation in the higher income areas such as Aviary Hill is operating at full capacity as the density of the area increases, exceeding the maximum design flows of the networks. Investigations revealed that there were two properties in Lennoxton being serviced by the old bucket system. Septic tanks have since been provided for these properties.

3.2.4.2. Waste Water Treatment Works

The waste water and sewage from the Newcastle Municipality is currently treated at three major plants:

- ☛ **Newcastle (KwaMathukuza) Waste Water Treatment Plant:** The works currently serves the Newcastle Central Business District, the industrial and surrounding areas. The works has a design capacity of 25 MI/day and is currently running at 20 MI/day Average Dry Weather Flow. The Works have a spare capacity of 5 MI/day and will serve future housing developments at Viljoen Park and Tuam Farm.
- ☛ **Osizweni Waste Water Treatment Plant:** The Works' catchment is the greater Osizweni Township and the surroundings. The current capacity of the Works is 14 MI/day and the current hydraulic loading is 15 MI/day. The Works is currently running at capacity in terms of hydraulic loading, but the biological loading is below design capacity.
- ☛ **Madadeni Waste Water Treatment Works:** The catchment area for Madadeni WWTW is the Madadeni Township, Ithala Industrial area, and the surrounding areas.

The design hydraulic loading is 12 MI/day. The Works are currently operating at 15MI/day. However, during the wet season, the flows peak at between 25MI/day to 30MI/day due to high infiltration. Plans are underway to increase the hydraulic capacity to 35MI/day. The project is scheduled for 2010. It is envisaged that future flows from Blaauwbosch, Johnstown and Cavan will be directed to Madadeni WWTW.

3.2.5. Electricity and Power Supply

3.2.5.1. Sources of energy

Eskom supplies in the order of 125,000 KVA per month. An alternative energy source is provided by International Power South Africa (IPSA) from gas turbines. IPSA has resumed operations at its cogeneration plant at Newcastle. The 18MW combined heat and power plant is now supplying electricity to the national grid under a medium-term power purchase agreement with Eskom dated 26 August 2010. IPSA has successfully restarted operations at its cogeneration plant at Newcastle, following a final agreement on a gas supply contract with Spring Lights Gas. According to ESKOM, there is limited capacity in the Newcastle East to accommodate the planned housing and commercial development.

3.2.5.2. Reticulation

The municipality manages the electricity networks for the Newcastle West area (the CBD and surrounding suburbs). The outlying townships and rural areas are supplied by Eskom. The electricity backlog in NLM is estimated at 11.3%. In terms of electricity issues, the need to investigate pre-paid electricity in Newcastle license area is highlighted. Electricity metering and billing also needs to be addressed and is a priority for the municipality, as this will ensure the accuracy of consumer accounts. There is no electricity master plan and therefore long term planning is not in place from a capacity point of view. Electricity losses are currently estimated at 9%. Currently, Eskom is undertaking a study which will indicate the energy capacity required for NLM if we are to pursue with future developments. In addition, the Newcastle Municipality is investigating the viability of installing solar system in Normandien and some parts of Ingogo (portions where MV lines are far from houses). These areas were identified for non-grid electricity due to their locations and extreme high cost of building electrical infrastructure. The Department of Energy is keen to fund these projects.

The municipality sells about 93.5% of the bulk electricity that is purchased from Eskom while 6.5% run at a loss. In order to remedy the situation the municipality has begun with the auditing of electricity meters and the process is estimated to be completed by end of June 2012. Hence, the issue of smart-meters is envisaged as a catalytic solution into this electricity loss challenges. However, it must be noted that the installation of smart-meters will cost the NLM an estimated amount of 80 million. In an attempt to address electricity backlogs, there are a number of ongoing electrification projects in the municipality. There are also a number of housing development projects where the project is implemented by the local municipality but are situated in the ESKOM area of supply. As such, close coordination and cooperation between these two entities are required. There are plans underway to take over the Eskom licensed areas in the East such as Madadeni and Osizweni in order to increase the revenue for the municipality. Provisions for capacity challenges are being addressed through the revised organogram in order to establish a new electricity department separated from Technical Services.

3.2.5.3. Free Basic Electricity

Another challenge is the roll out of Free Basic Electricity within the ESKOM license area, which is problematic due to systems compatibility with both electricity providers. Further to this, maintenance, upgrade and rehabilitation of electricity infrastructure through the ring-fencing of the function for the transfer to RED's, is identified as an important issue.

In terms of national government mandate, NLM is meant to provide 50Kw of free basic electricity to indigent households including areas licensed under Eskom. Currently, there are people registered as indigents who qualify for free basic electricity. This cost the municipality the estimated amount of over R5 million per annum. There is a number of on-going electrification projects in the municipality especially in rural areas. These include Bosworth at about 379 households, Drycut which is about 573 households, Roypoint at about 100 households and Charlestown at about 115 households.

Table 25: Access to energy for Cooking.

	No. of Households
Electricity	69800
Gas	1881
Paraffin	6398
Wood	2862
Coal	2680
Animal dung	248
Solar	115
Other	60
None	229
Unspecified	-
Not applicable	-
Grand Total	84272

Source: Stats SA, 2011

Table 26: Access to energy for Heating.

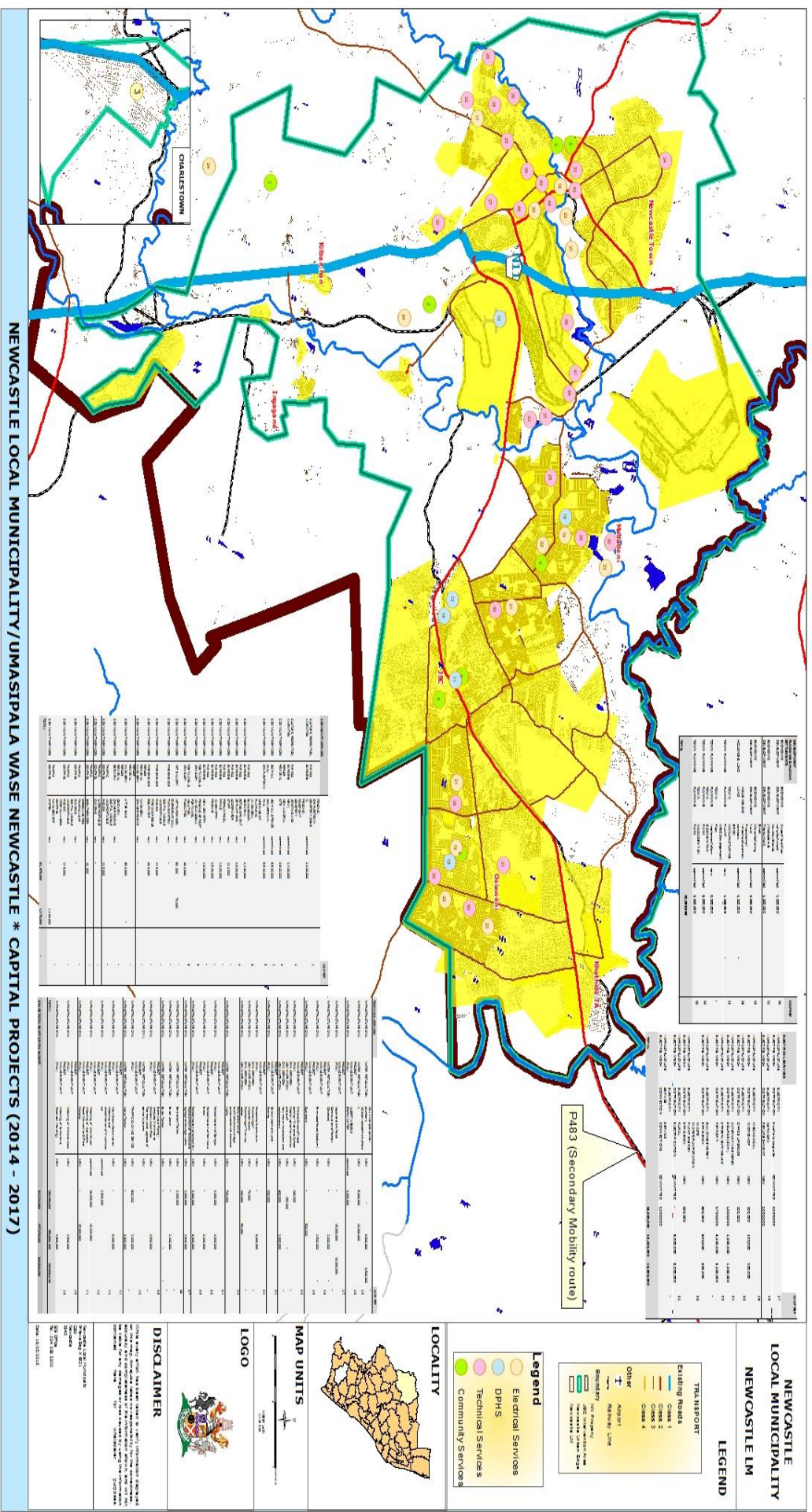
	No. of Households
Electricity	57864
Gas	1624
Paraffin	2663
Wood	4463
Coal	7392
Animal dung	420
Solar	131
Other	13
None	9701
Unspecified	-
Not applicable	-
Grand Total	84272

Source: Stats SA, 2

Table 27: Access to energy for Lighting.

	No. of Households
Electricity	73449
Gas	402
Paraffin	629
Candles (not a valid option)	9343
Solar	147
None	302
Unspecified	-
Not applicable	-
Grand Total	84272

Source: Stats SA, 2011



Map 3: Newcastle Municipality Capital Projects (Source: NLM Final SDF 2016/17).

The map above is depicting the capital projects that were initiated by the Department: Electrical Services in the 2014/15 financial year. The projects include, amongst other things, projects towards rural electrification, upgrading of the current level of electricity provision in some settlements such as Siyahlala La, the provision of street lighting, and also service connections. In terms the rural electrification projects, the beneficiaries are the Roypoint Settlement, and the Amajuba Forest in naming just a few. A number of wards are to receive street lighting LED retrofits and these include wards in both Madadeni and Osizweni such as ward 9 and ward 28.

3.2.6. Roads, Stormwater and Public Transport

3.2.6.1. Roads

The total road network in the Newcastle east and west is 1119 KM of which 570 are tarred and 549 are unpaved. The internal streets network in the rural areas are predominantly dirt ridden and are therefore generally in a bad state, particularly during the rainy season. Most of these roads are poorly maintained and thus limiting transport due to deteriorating roads. In an attempt to address this, the municipality has intensified their roads programs over the past 5 years, which addresses primary and secondary roads. In order to ensure that the various classes are maintained at the required standard it is necessary for the network to be inspected at regular intervals. The desirable re-gravelling frequency is every 5 years. One of the aims of this management plan is to ensure that the surface of all unpaved roads as per the road classification and the levels of service are maintained in a condition that provides all weather access. The re-gravelling programme has a substantial funding gap with a frequency of 1 years and only the most needed road will be included in the gravel re-gravelling programme.

The IDP also indicates that the operational budget has not significantly increased during this time to ensure minor maintenance through grading and storm-water clearance. The MBO is a priority area for road upgrading.

3.2.6.2. Stormwater

There is no storm water master plan resulting in *ad hoc* projects being identified where complaints are received. The maintenance of the road drainage system includes such work as cleaning out and repairing culverts, excavating inlet and outlet drains, table drains, mitre drains, batter drains and flushing subsoil drains. With the recent floods in the Newcastle area, problems have been experienced in the CBD area where concrete pipes are collapsing owing to fatigue from aging and heavy traffic loads. Victoria Mall area has been identified as a problem area as flooding of private property is occurring at various low points. Storm water damage to the environment is receiving little attention with soil erosion progressing unabated in certain area. Similarly, MBO has been identified as a priority for storm water development and upgrading given the lack of service in this area.

3.2.6.3. Public Transport

The majority of public transport facilities in the Newcastle Municipality area is informal and requires serious upgrading. Table 12 below provides a summary of the state of the existing public transport facilities audited in Newcastle.

Table 28: Taxi Ranks

FACILITY NAME – TAXI RANKS.	STATUS	OWNERSHIP	LOCATION
Osizweni Formal Taxi Rank	Formal	Municipal	Off Street
Makhanya Informal Taxi Rank	Informal	Municipal	On street
Top Rank Informal Taxi Rank	Informal	Municipal	On street
9 Mile Informal Taxi Rank	Informal	Municipal	Off Street
Moyomuhle Informal Taxi Rank	Informal	Municipal	Off Street
Madadeni Sec 4&5 Informal Taxi Rank	Informal	Municipal	Off Street
Madadeni Shoprite Checkers Informal Taxi Rank	Formal	Municipal	Off Street
Madadeni Court Informal Taxi Rank	Informal	Municipal	Off Street
Newcastle Formal Taxi Rank	Formal	Municipal	Off Street
Charlestown Informal Minibus-Taxi Rank	Informal	Municipal	Off Street
Ingogo Informal Minibus-Taxi Rank	Informal	Municipal	Off Street
Macadam Informal Bus Rank	Informal	Municipal	Off Street
Newcastle Formal Bus Rank	Formal	Municipal	Off Street

57% (203,9km) of roads in Newcastle being utilised by the public transport industry is unsurfaced. The highest number of vehicles in Amajuba is on the N11 south of Newcastle with high traffic volumes on the main provincial road P483 between Newcastle, Madadeni and Osizweni. The N11 between the P204 (turn-off to Dannhauser) and Newcastle carries in excess of 10 000 vehicles per day while the P483 carries between 5 000 and 10 000 vehicles per day. Specific recommendations regarding upgrading of facilities, development of transport corridors etc. to meet the demand of public transport is highlighted in the PTP.

The Newcastle municipality also owns a 6 km railway line which is currently being leased to NPC cement and Karbochem.

3.2.7. Solid Waste Management

3.2.8. Solid Waste Management

3.2.8.1. CURRENT WASTE GENERATION

The Integrated Waste Management Plan (IWMP) of the Newcastle Municipality has been recently developed and is essential for the management of municipal solid waste (MSW). During the year 2004, a survey of landfill sites which was conducted by SiVEST from the Amajuba District Municipality, on behalf of the Provincial Planning and Development Commission, estimated that approximately 4 460 tons of waste was being disposed-off to the landfill every month making it approximately 53 520 tons/year based on estimates provided by NLM.

The IWMP from the Amajuba District Municipality (2003) estimates that approximately 103.3 tons and 79.6 tons of waste were generated from the Newcastle West and Newcastle East areas respectively per day for the year 2005. This implies a total of 182.9 tons per day for the combined area which is approximately 66 785.5 tons for the whole of 2005. Capita Waste Projections are used in order to quantify the amount of waste generated within Newcastle Municipality.

In terms of the KZN Department of Agriculture and Environmental Affairs, the following rates regarding the amount of waste generated within the Newcastle Municipality have been assumed:-

- Very poor areas (farm lands) – 0.03kg/person/day;
- Middle income – 0.35kg/person/day; and
- Middle to high income – 0.61kg/person/day.

With regards to the segments of the population that are designated as institutions, an average waste generation rate of 0.35kg/person/day is assumed.

3.2.8.2. CURRENT WASTE COLLECTION

Based on the figures presented on *Table 20* below, it is notable that a high majority of households within the Newcastle's jurisdictional area (71.04%) have their refuse being removed by the local authority/private company at least once a week. This is followed by households who are in possession of their own refuse dump and they constitute 23.21% of the total number of households. A very low percentage (3.91%) of the total number of households within Newcastle does not have access to rubbish disposal.

Table 29: Refuse disposal for households in Newcastle.

Type of service	No. of Households	%
Removed by local authority/private company at least once a week	59 868	71.04%
Removed by local authority/private company less often	321	0.38%
Communal refuse dump	775	0.92%
Own refuse dump	19 564	23.21%
No rubbish disposal	3 300	3.91%
Other	444	0.54%
Unspecified	-	-

Not applicable	-	-
Grand Total:	84 272	100%

Source: Stats SA, 2011

3.2.8.3. Landfill Site

The refuse removal service caters for Newcastle West and Madadeni/Osizweni area. The majority of the households in Newcastle (71.04%) have access to refuse removal by the local authority/private company at least once a week which may be deemed as adequate refuse removal services. About 24.5% of the total number of households within Newcastle have access to inadequate levels of refuse removal services which ranges from households with only access to communal dumps, those that have access to their own refuse dump, and those that have their refuse being removed by the local authority less often. 3.91% of the total number of households have no access to any form of refuse removal what-so-ever. It is projected that per day waste generation will increase to 123.9 tons in the Newcastle West area and 97 tons in the Newcastle East area in 2015. The projected growth is linked to the projected population growth, and emphasises a need for environmentally friendly waste management practices.

The Newcastle Waste Disposal Site (WDS) is nearing the end of its lifespan and the process for developing a new disposal site is well underway with operations on the current waste disposal site projected to close in the year 2017. The current waste disposal site has been in operation since the year 1971 even though the operating permit was obtained in 1994. According to the permit, the site is a Class 2 disposal site.

The current waste disposal site accepts the following waste streams:-

- ☞ Domestic waste;
- ☞ Garden waste;
- ☞ Construction waste; and
- ☞ Commercial waste.

Commercial waste includes the waste that is generated by retail outlets and other related establishments. The waste disposal site also accepts hazardous waste discarded as part of the general waste stream in the form of oil cans from petrol stations, batteries, weedkillers etc. However, relatively small quantities thereof and their co-disposal with general waste reduces their concentration and consequently their significance.

In terms of the operation of the waste disposal site, the trench method is used whereby waste is deposited in large excavations for landfill purposes. Daily cover material of 150mm is spread over the waste and compacted according to the motivation report for the operating permit application. Each cell is covered with a 1 meter depth of soil after it is filled with waste.

There is no formal pipework for leachate collection within each cell. Polluted and unpolluted stormwater runoff is collected in a cut of trench downstream of the waste

pile. The cut off trench is unlined, and flows to a retention pond at the southern end of the site. The pond is not fenced off and is also unlined. Unpolluted stormwater emanating upstream of the site is collected via the road drainage system and does not flow onto the site. Three existing groundwater monitoring boreholes were present on the site. Two are operational whereas one is not functional.

Waste Stream Analysis

The data from the waste stream analysis of the Newcastle Waste Disposal Site produce data that could be used to generate a waste of this incoming MSW stream that was captured. It is acknowledged and accepted that some variability or inconsistency in the results is expected due to the duration of sampling, number of samples and seasonal variation, however with the limited time and resources.

Consumption habit of high income groups include the purchasing of pre-prepared, packaged, take away and convenience foods producing more packaging wastes such as paper, plastic and glass which all contribute considerably to the recyclable fraction of both rural and urban waste stream. Waste Stream Analysis for Newcastle demonstrated that yes the percentage was the highest of recyclables among the high income however there was not much difference between all income groups.

Proportions of biogenic waste across all residential/household waste streams were consistent as well with their biogenic waste. The High income generating 35%, the middle income generating 30% and the low income generating 28%.

The recyclable metal consisting of beverage cans and perishable cans stemmed from the low income group having a percentage of 10%, middle income 5% and high income that of 7%. A large percentage of beverage cans are recovered from the waste disposal site by informal recyclers on site.

Airspace Requirements /Compaction Density Report

Using the waste disposal information available for the landfill, a project of the airspace requirements were calculated from 2015.

The projections were based on a waste disposal growth rate of 2% as indicated by the population growth rates.

The results are tabulated in the Table 1.1 below

Table1.1: Projected airspace requirement for the existing Newcastle WDS

	Historical Waste Disposal Quantity (tonnes/annum)	Airspace Requirement (m ³ /annum)	Projected Airspace Requirements (m ³ / annum)			
			2016	2017	2018	2019
2% year on	68.900	114.833	117.130	119.473	121.862	124.299

year growth						
Cumulative volumes from June 2015		68.326	187.798	309.660	433.960	

The above calculation is based on the following assumptions:

- The waste received at the landfill site, that 20% is pre-compacted on the truck and 80% is not compacted.
- The waste that in not compacted holds a waste density =0.15 tonnes/m³ and received pre-compacted waste density = 0.4 tonnes/m³
- Waste to be compacted to 0.6 tonnes/m³ when placed in the landfill cells, by compacting with a steel wheeled compactor which is on site.

Maximum Rate of Deposition

Projection is terms of the Population figures

2010	2015	2020	
445 319	454 225	463 309	1.9 % growth rate

The maximum rate of deposition, MRD pf waste after 3 years is calculated as follows:
Initial Rate of Deposition (IRD)

$$\text{MRD} = (\text{IRD}) (1 + d)^t$$

$$\text{MRD} = 265 \text{ T/day} \times (1 + 0.02)^3$$

$$\text{MRD} = 281.2 \text{ T/day}$$

Therefore the size classification for the Newcastle Landfill site is Medium (M)

IRD based on average waste per capita figures

$$\text{IRD} = (\text{Estimated Waste Generation}) \times (1 + \text{pop.growth rate})^{4\text{years}}$$

$$\text{IRD} = (176.17) \times (1 + 0.02)^4$$

$$\text{IRD} = 176.17 \times 1.0824$$

$$\text{IRD} = 190.7 \text{ T/day}$$

IRD based on Municipal Records

$$\text{IRD} = ((\text{Municipal volume} \times \% \text{ un- compacted}) \times \text{un-compact density} + ((\text{municipal volume} \times \% \text{ partially compacted}) \times \text{compact density}))$$

$$\text{IRD} = ((1325 \text{ m}^3 \times 80\%) \times 0.5 \text{ T/m}^3) + ((1325 \text{ m}^3 \times 20\%) \times 0.40 \text{ T/m}^3)$$

$$\text{IRD} = 265 \text{ T/day}$$

3.2.8.4. Illegal Dumping

The result of illegal dumping affects the other service sectors, as the illegally dumped waste blocks up storm water drains/manholes, which in turn results in damages to road infrastructure as water builds up at low points and causes flooding.

The existing vehicle fleet managing waste of the municipality is satisfactory except for the vehicle used for the clearing of illegal waste which is old and has high maintenance costs. There is a need for law enforcement with regards to the illegal dumping and enforcement of bylaws.

1.5.1.5 Future Waste Projects

Through co-operatives and the Local Economic Development Department, the waste tyre pyrolysis plant with a guaranteed feedstock of 30 tons of waste tyres per day is conclusively a viable project for pyrolysis.

The establishment of a Materials Recovery Facility and encouraging more waste recycles processing plants will reduce the amount of waste entering the landfill site thereby increasing the lifespan of the site

The Development of the New Landfill Site is one of the most crucial developments within the municipality considering that the existing site is fast reaching its design capacity.

A feasibility study for other waste to energy opportunities should be undertaken.

3.2.9. Education Facilities

Access to education facilities seems to be generally good. The municipality is developed with about 118 schools including both primary and secondary schools. This can be broken down further as follows:

- ☛ 10 combined schools;
- ☛ 12 junior primary schools;
- ☛ 7 senior primary schools;
- ☛ 55 primary schools;
- ☛ 34 secondary schools.

The average size of schools, taking into consideration the amount of the population of a school going age, is 995. Planning standards for education facilities reveal that in terms of threshold, NLM should have between 90 and 120 primary schools to accommodate the population size. There is thus a need for additional primary schools.

Table 30: Planning Standards for Educational Facilities

Facility	Catchment population	Distance & Walking time	Location factors	Teacher/children ratio
Primary schools	3 000-4000	1.5km of 30min	Walking distance-1.5km	1:40
Secondary schools	6 000-10 000	5km	Located on public transport route	1:40

Source: Provincial Planning & Development Commission

The application of planning standards in respect of secondary schools indicates that between 36 and 60 secondary schools are needed. The number of schools in the area seems to be adequate, but the quality of each facility and the teacher pupil ratios are important aspects which must be borne in mind for future planning and development in the area.

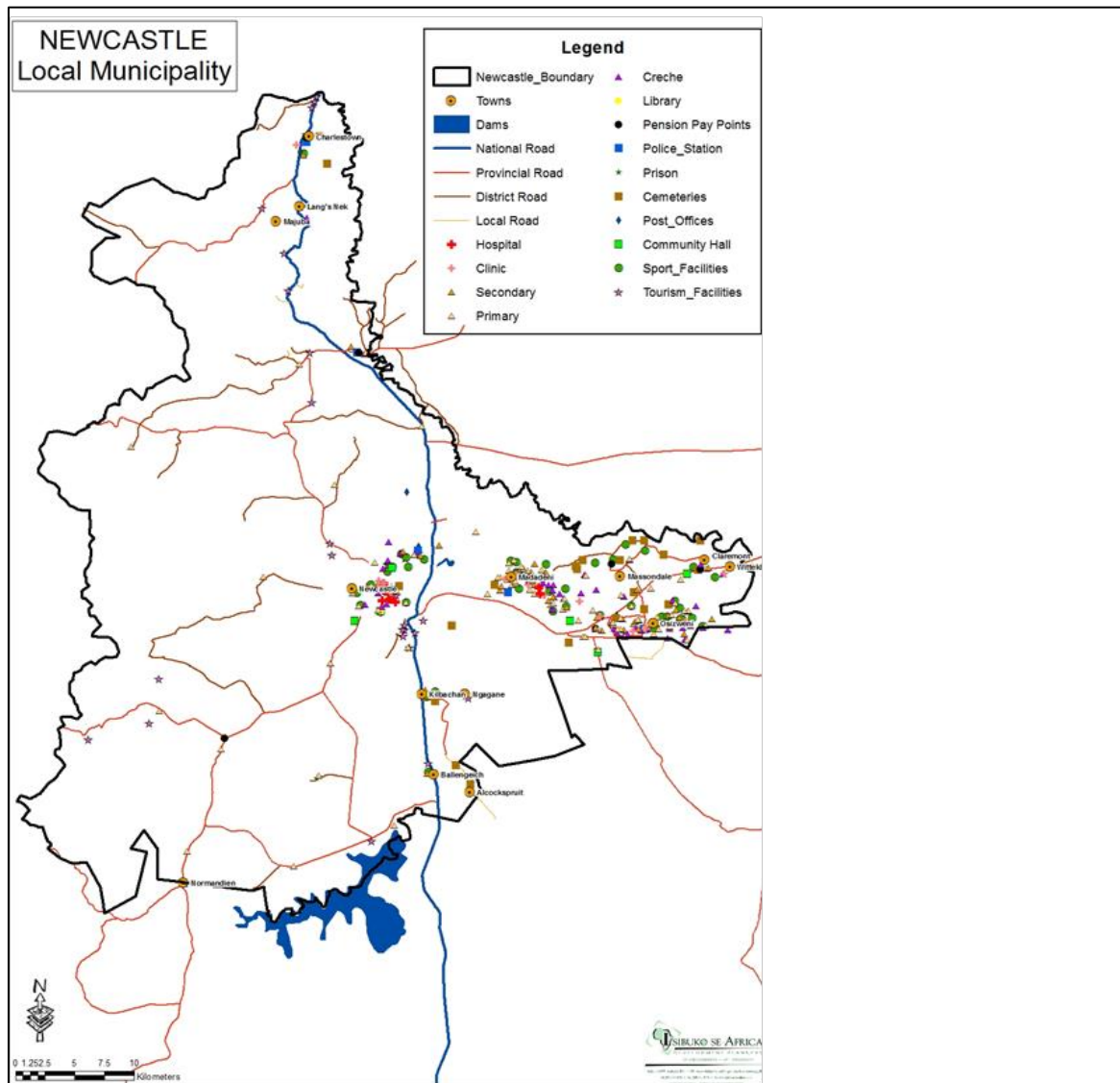
Tertiary education facilities include the old Madadeni College of Education (which is now used as a College for Further Education and Training), the Majuba FET (Newtech Campus), Majuba College FET, and Majuba FETC (MTC Campus).

There are approximately 48 early childhood educational facilities within NLM, which is spread throughout the municipal area. The crèches in the area operate from either a dedicated facility, community facility or a home.

3.2.10. Health Institutions

There are approximately twelve mobile clinics that serve the municipality and 10 permanent clinics. The backlog is mainly in the Newcastle East where the majority of the population lives. At least two hospitals are found within Newcastle Municipality. One is located in town while the other is in Madadeni Township. While Madadeni Hospital serves the district function, Newcastle Hospital is classified as a Provincial Hospital and provides service to the whole of Amajuba District and the surrounding areas.

Figure 19: Public Facilities.



Emergency Rescue Services (EMRS) is located in Madadeni. The Newcastle Private Hospital is the only private hospital within the municipal area.

Table 31: Planning Standards for Health Facilities.

Facility	Catchment population	Distance & Walking time	Location factors
Mobile clinic	<5 000	1km / 20min	Located on public transport routes and near taxi and bus ranks and shops.
Clinic	Small: 5 000-10 000 Large: 30 000-50 000	1km / 20min	
Community health centre	70 000-100 000		
Hospital	10 000-80 000	2km(40min) / 5km	

Source: Provincial Planning & Development Commission.

3.2.11. Sports facilities

Newcastle municipality has a total of 4 sports complexes, namely Paradise Playgrounds, Phelandaba Playgrounds, Fairleigh and Amajuba Sports Complex. In

addition, there is the K.R. Rumelin Stadium, 18 sports fields and the Newcastle Swimming Pool. Newcastle East, particularly JBC and the surrounding settlements are poorly provided with sports facilities. Urban renewal programme in the JBC, and infrastructure upgrading in the MBO areas should prioritise the provision of adequate sports facilities. Parks and play lots should also be prioritised in these areas. The age structure of the population and the dominance of the youth support this assertion.

The municipality is in the process to revamp the Phelandaba sport field thereby providing a range of sporting codes including the soccer field, race track for athletics, volley ball and netball. This project has begun with the development of a swimming pool which will cater for the residents of Madadeni and surrounding areas. The same project will be done in Osizweni in the future years. It is anticipated that these kinds of projects will assist in attracting the youth into the sport while building the healthy communities.

3.2.12. Police Stations

There are seven permanent police stations in NLM and one satellite station. Services offered range from child protection, serving the community and domestic violence. Newcastle has four libraries, located in its area of jurisdiction, namely the Newcastle Public library, Osizweni, Madadeni and Fairleigh. Newcastle Municipality participates in crime policing forums through the Office of the Speaker. The NLM is in the process of installing the CCV cameras to the CBD, industrial areas, and suburbs and in the townships of Madadeni and Osizweni in order to fight against crime. Special attention is given to hot spot crime zones identified by the SAPS through the installation of high mast lights. These include Eskom licensed areas in the townships and rural areas. The objective is to have a free crime municipality whereby all residents enjoy their lives without fear or intimidation.

3.2.13. Libraries

A main library is located in town while satellite libraries are found in outlying areas such as Madadeni and Osizweni. Provision of libraries in the Newcastle East should be prioritised given the structure of the population and lack of such facilities in the area. Newcastle Municipality has a challenge of maintaining the CBD as a main administrative centre thereby catering sufficient facilities. A need has been identified to expand the main library or developed a cultural precinct which includes a theatre, museum and library next to the civic centre. Satellite libraries are also considered as a priority for the municipality especially in the rural areas like Charlestown and JBC area. The plans and consultation with the Department of Arts and Culture are underway in order to secure funding for these projects.

Amajuba FET is currently exhibiting positive signs of growth hence posing a challenge to the municipality in terms of the provision of a fully established library centre around

the Madadeni area and a satellite library in the Newcastle West area which will specifically cater for engineering and science needs. The proposed 2 libraries will assist thus to decrease the transportation costs for the students of the Amajuba FET.

3.2.14. Community Halls

The municipal area has a total number of nine community halls. Two of these are administered by the district municipality, while the other seven are administered by NLM, namely;

- ☞ Madadeni Community Hall;
- ☞ Osizweni Community Hall;
- ☞ Charlestown Community Hall;
- ☞ Richview Community Hall;
- ☞ Fairleigh Community Hall;
- ☞ Newcastle Farmers Hall; and
- ☞ Newcastle Town Hall.

There is a need for additional about 16 halls based on the size and geographic spread of the population. At the moment the majority of the ward Councillors are using the tents to convene their public meetings. This is not financially viable as the price for the hiring of tents is becoming exorbitant. Development of multi-use community facilities which may serve as pension-pay-points, indoor sports facility and place of assembly should be investigated. In view of the above, Newcastle Municipality is investing R14 million towards the construction of Blaauwbosch Multi-purpose Centre/Service Delivery Centre (SDC).

3.2.15. Cemeteries

Access to burial facilities is one of the key challenges facing the Newcastle Municipality. There are 27 cemeteries (8 formal or registered and 19 informal burial sites). Registered cemeteries include 3 cemeteries in Charlestown, Roy Point cemetery, Cavan, (Drycut), Newcastle cemetery, Osizweni and Madadeni cemeteries. One of the unregistered cemeteries is Ngagane cemetery to the south of the Newcastle town. However, only two formal cemeteries are in operation, namely RoyPoint and Drycut cemeteries.

Although Drycut Cemetery was properly planned and laid out, it appears that the plan has not been followed. As a result, some graves are located in environmentally sensitive areas, and the facility remains poorly developed. This facility is currently the main cemetery that services the eastern parts of the NLM.

Similarly, the Roy Point Cemetery which serves as a regional facility for the whole of Newcastle and beyond is also fast approaching capacity clearly indicating a need for the identification and development of anew cemetery for the area. Cemeteries in

Madadeni and Osizweni have been closed due to unfavourable geological conditions (high water table), as a result the municipality has undertaken the extension of the Roy Point cemetery through the relevant processes.

In response to the above cemetery challenges, the Newcastle Municipality commissioned an investigation of identifying new suitable sites for cemeteries. The project was initially set to be completed by September 2012 and the planning exercise was to begin with the implementation of the Environmental Impact Assessment (EIA), and other processes.

3.2.16. HUMAN SETTLEMENTS

According to the Vancouver Declaration (1976), 'Human Settlements' are 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." The physical elements entail the following:-

- Improved access to shelter (a house);
- Improved access to basic services;
- Upgrading of land tenure rights;
- Improved access to social facilities and services;
- Affirmation of the integrity and dignity of the settlement beneficiaries;
- Actions towards unlocking the economic development potential of the settlement; and
- Improved access to amenities.

The Newcastle Municipality Housing Sector Plan was adopted by Council in July 2015. It provides an analysis of the housing situation within the municipality and outlines strategies to address the backlog and the associated housing problems. It clearly indicates the growth of the urban core and the need to accommodate the ever increasing demand for housing. The result of the ever increasing demand for housing has been the spawn of informal settlements or back-yard shacks. However, this plan is now outdated as it predates the introduction of a new national housing policy and does not provide sufficient guidance towards the development of sustainable urban human settlements.

In September 2012, Newcastle Municipality was awarded a Level 2 housing accreditation status. This meant that Newcastle Municipality received a delegation of housing authority by province. As a Level 2 accredited Municipality Newcastle is now responsible for the full Programme Management and Administration of the Human Settlement function within its area of jurisdiction.

3.2.16.1. Housing Need and Demand

The Human Settlements Plan estimates the currently demand for low cost housing at 74 991 units. The income bracket in the municipality is shown in figure 21. Effectively, 57% of households are indigent, with 29% earning less than R800 per month, and 28% of households earning no income. The income profile has significant implications for housing eligibility, with the number of households in each income bracket.

Figure 21 Housing Market Segmentation (Source: adapted from HSP, 2015)

INCOME BRACKET	2001	2011	
No income	19987	15196	MARKET SEGMENTS
R 1 - R 4800	6949	4258	
R 4801 - R 9600	13910	7318	Market (potential need) for low cost housing subsidy amounts to 58 515 people.
R 9601 - R 19 600	9880	16017	
R 19 601 - R 38 200	8398	15638	Market for FLISP and/or Social Housing
R 38 201 - R 76 400	6278	9363	
R 76 401 - R 153 800	4196	7189	Open market addressed mainly through self-help and private sector developments.
R 153 801 - R 307 600	1728	5441	
R 307 601 - R 614 400	379	2770	
R 614 001 - R 1 228 800	83	686	
R 1 228 801 - R 2 457 600	90	207	
R 2 457 601 or more	49	187	
Unspecified	0	2	
Total	71926	84272	

A more informative and complete picture of housing need emerges from the income profile of the population. This provides a perspective into the extent of housing demand and need in the municipality within each of the programmes available for housing delivery. The following tables indicate the income bands for individual and households that can qualify for housing subsidies. The income bands do not correspond exactly with those stipulated in the official policies, but provides a good indication of the number of households that qualify for housing subsidies.

Table 36: Housing Eligibility

INCOME BRACKET	NUMBER OF HOUSEHOLDS
Households with no access to disposable income	15 196
Households with who earn less than R3500/month	43 231
Households with total income between R4 800 and R9 600	16552
Income unspecified	2
TOTAL	74 981

Furthermore, 95% of the total population resides in the urban part of the municipality. Nearly, 60% (195 216) of Newcastle Municipality's population resides within the eastern settlements along P483. These include the townships of Madadeni and

Osizweni, the peri-urban settlements of Johnston, Blaauwbosch and Cavan, and the rural settlements of Khathide and AmaHlubi. Rural areas, dominated mainly by the extensive agricultural farms, account for only 5% of the population. It, therefore, follows that the housing need in the Newcastle Municipal area is concentrated in the urban areas, and occurs as follows:-

- ☛ Informal settlements located in close proximity to Newcastle Town: This entails settlements such as Siyahlalala which indicate a need to create housing opportunities close to areas with higher concentration of employment opportunities.
- ☛ Peri-urban settlements located in the JBC area: The area is poorly provided with basic services and public facilities, yet is one of the areas that have experienced high levels of population growth over the last few years.
- ☛ Settlements located within the Ubuhlebomzinyathi area: this area is rapidly degenerating into urban slums. The majority of these are located to the north of the Osizweni Township and the JBC area.
- ☛ Organized land invasion in areas such as Tuam Farm: Again this serves to highlight a need to create settlement opportunities closer to employment opportunities.
- ☛ Other areas that require attention in terms of the development of sustainable human settlements include the following:
 - ☛ Charlestown area which includes both tenants and informal areas.
 - ☛ Small mining towns, the majority of which are located along the southern boundary of the municipality.
 - ☛ Isolated settlements located on agricultural land such as Ingogo.
 - ☛ Settlements being established in terms of various elements of the land reform programme.

According to the Housing Sector Plan the estimated housing backlog, based on the income profile of the population residing within the NLM jurisdictional area, is sitting at approximately 74 981 households (88.97%). These are basically the households that are eligible for a housing subsidy based on the 2011 Census Data. The housing sector plan further estimates housing backlog at between 19 000 and 30 000 units and a Housing Waiting list of 35 000 people. However, the waiting list has not been updated thus to cater for the changing circumstances of those who are in the waiting list. There's also a large number of forms which have not yet been captured into the database.

The current projects indicated in the HSP, suggests that the majority of housing need is in the Madadeni/Osizweni (MBO) and JBC complex, which is currently expanding outwards. The housing need is evident in the quality of the existing structure, poor access to basic services and unsecured land tenure. It also relates to the

consequences and impact of urbanization and the inflow of people into the urban areas of Newcastle. In order to address the housing need the MBO complex and Newcastle town need to be integrated and the quadrant between P483 and the N11 must be unlocked for housing development.

In conclusion, the housing backlog for Newcastle Municipality is estimated at 74981 and households who constitute the housing demand qualify for housing subsidies based on their income profile. However, a more detailed understanding of these household units will be required in order to determine with certainty whether all these households qualify for housing subsidies, and if so, which subsidies can be appropriated. It is important to note that income is not the only determining factor when assessing the qualification for housing-related subsidies. Other typical factors include the citizenship of the household members; their relation to the housing waiting list; and whether or not the household has benefited from government assistance previously. The qualification criteria will vary across subsidy programmes, and it is essential to take this into account in human settlement projects. Housing delivery mechanisms will be discussed in the following section, whereby the possible subsidies which can be utilised in the provision of housing or incremental upgrading interventions will be explored.

Moving forward, it is of utmost importance that further studies are undertaken in order to gain statistically accurate information relating to the current housing need as determined by existing households/units as well as the projected housing need and future development potential in informal settlements/areas based on the current development trends and pressures as well as the capacity of the land

3.2.16.2. Housing Delivery.

Over the past 10 years Newcastle Municipality and the Department of Human Settlements have actively delivered approximately 9000 units. Future housing projects should go beyond the delivery of housing units and focus on the creation of sustainable communities and settlements. This includes improving access to basic services, social/public facilities and creating opportunities for economic development. Housing projects in the Newcastle Municipality are at different stages of development with the majority being at the planning stage. In total, the projects will deliver approximately 11 341 housing units in the next coming 5 years.

The following table provides a breakdown of housing projects to be implemented by the municipality in the next 5 years. The projects are at various stages in terms of, construction and planning.

Table 32: Housing projects under implementation.

NO	PROJECT NAME	TYPE OF PROJECT	WARD	NUMBER OF UNITS	PROJECT VALUE	PROJECT STAGE
1.	Osizweni Section E Phase 2 Housing Project	ISU	9	1240	R 80 538 682.00	
2.	Osizweni Section E Phase 3 Housing Project	ISU	9	634	R 13 601 000.00	Constriction of housing units
3.	Kathide Housing Project	Rural	6 and 12	2000	R 157 092 300.00	Constriction of housing units
4.	Siyahlala-la Housing Project	ISU	25	1200	R 93 441 600.00	Constriction of housing units
5.	Madadeni H 39 Housing Project	ISU	19	928	R69 302 520.00	Construction of Internal Services
6.	Charlestown Housing Project	IRDP	1	1500	R 116 802 000.00	Construction of Internal Services

NO	PROJECT NAME	TYPE OF PROJECT	WARD	NUMBER OF UNITS	PROJECT VALUE	PROJECT STAGE
7.	Emawozeni Housing Project (Greenfield)	IRDP	30	100	R 7 786 800.00	Construction of housing units
8.	JBC Phase 1 Housing Project	ISU	15/16/18/12	2011	R 156 592 548.00	Planning
9.	JBC Phase 2 and 3 Housing Project	ISU	15/16/18/12	7500	R24.1mil For Stage 1 activities approved by province	Planning
10.	Soul City / Stafford Hill Housing Project	ISU	31	3500	Not committed yet	Feasibility
11.	Vezokuhle / Roypoint Housing Project	IRDP	21	900	Not committed yet	Feasibility
12.	Drycut Rural Housing Project	Rural	16	1000	Not committed yet	Planning
13.	Kwamathukuza Phase 2	IRDP	20	200	Not committed yet	Planning
	TOTAL			22 713		

Future housing projects should go beyond the delivery of housing units and focus on the creation of sustainable communities and settlements. This includes improving access to basic services, social/public facilities and creating opportunities for economic development. The municipality has submitted an application to the Department of Human Settlements for Community Residential Units in Fairley, Central along N11 and social housing next to the private hospital. It is hoped that these housing developments will play a significant role in assisting the municipality to alleviate housing shortages.

Table 38: Proposed Pipeline Housing projects.

N O.	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS
1	Ingogo Farm	1	Rural	1000

2.	Normandien	1	Rural	300
3.	Bosworth Farm	21	IRDP	1200
4.	Wykom	1	IRDP	100
5.	Amajuba Forest	1	ISU	800
6.	Kilbachan Settlement	21	IRDP	200
7.	Soulcity Madadeni Section 3	20	Slum Clearance	60
8.	JBC Mining Rehabilitation Project – 85 affected houses	18 / 16	Relocation	85
9.	Mndonzo Extension Rural Housing Project	7	Rural	500
10.	Umshenguville Madadeni	9 / 10	Slum Clearance	380
	Total Units			4625

Table 38: Proposed Rectification Housing projects.

N O.	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS	PROJECT STAGE
1.	Surryville and Fairleigh Municipal Flats Refurbishment	3 / 25	Rectification	120	Application for funding submitted to KZN Human Settlements
2.	Madadeni Storm Damage Houses – Repair of Roofs	20/ 22 / 23 / 24 / 28	Rectification	1931	Application for funding submitted to KZN Human Settlements
3.	Madadeni Sinking Houses	22	Pre 1994 Housing Stock	160	Application for funding submitted to KZN Human Settlements
4.	Osizweni Replacement of Asbestos Houses	10/ 11/ 13 / 17 / 30	Pre 1994 Housing Stock	1600	Application for funding submitted to KZN Human Settlements
5.	Madadeni and Osizweni Intercon Houses	Various Wards in Madadeni and Osizweni	Post 1994 Housing Stock	4000	Still under subjudicare

6.	Madadeni Section K Rectification Project	20 /24	Post 1994 Housing Stock	1141	Application for funding submitted to KZN Human Settlements
7.	Khathide Phase 1	6/7/ /12 /30	Post 1994 Housing Stock	2000	Application for funding submitted to KZN Human Settlements
8	Madadeni Section 7 Rectification – Houses built by Madadeni Housing Forum and ComHousing		Post 1994 Housing Stock	4000	Application to be submitted to KZN Human Settlements for funding
	Total Units			14952	

3.2.16.3. RENTAL HOUSING STOCK.

The KZN Department of Human Settlements through the Social Housing Regulatory Authority has called in all municipalities in the province to submit proposals for the identification and delineation of Social Housing Restructuring Zones to facilitate the development of Social Housing units. Newcastle municipality has been identified as one of the municipalities to submit proposals for the identification of Social Housing Restructuring Zones for consideration for funding the development of Social Housing units in the Municipality's area of jurisdiction.

The Department of Human Settlements is at the same time embarking on the establishment of Community Residential Units which cater for families earning an income of R3500 and less. This leaves a gap in housing provision for income groups earning between R3501 and R7500. The Social Housing project seeks to close this gap and at the same time achieving the objectives mentioned in this report. The project seeks to achieve the following objectives:

- ☛ Spatial restructuring by bringing lower income people into areas of economic opportunity;
- ☛ Social restructuring by promoting mixing of races and class; and
- ☛ Economic restructuring by promoting spatial access to economic opportunities and job creation through the building of medium density housing.

Table 38: Proposed Social and Rental Projects

N O.	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS	PROJECT STAGE	AMOUNT COMMITTED
1	Newcastle-Hospital Street	25	Social Housing	1056	Feasibility	Still to be confirmed
2.	Newcastle-Arbor Park	34	CRU	555	Planning Stage	Still to be confirmed
	Total Units			1611		

According to the Guidelines provided by the Department of Human settlements, for areas to be identified as Social Housing Restructuring Zones they should satisfy the following criteria:

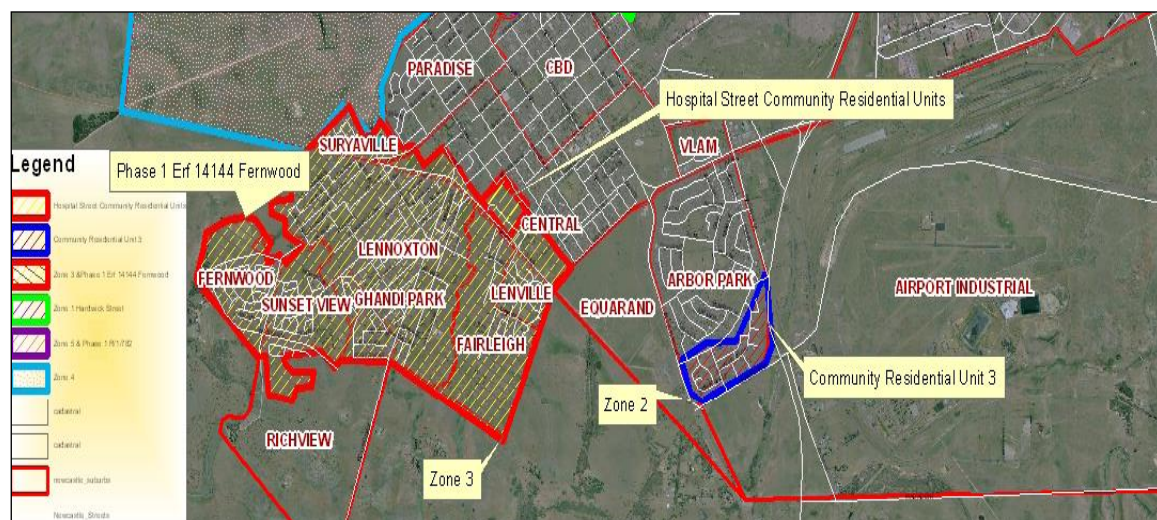
- ☛ Social Housing Restructuring Zones should often coincide with development nodes (inner-city and decentralized) and corridors;

- They should not be about regeneration or renewal in townships but could be adjacent to nodes or within corridors linking townships to the city;
- Ideally restructuring should satisfy all 3 objectives above, but either economic access or mixing of race and class each, on its own can be sufficient motivation;
- A Restructuring Zone cannot however, be motivated solely on the grounds of creating change in spatial morphology of the city e.g. just for the sake of densification/compaction.

A total of six (6) Social Housing Restructuring Zones have been identified by the Department of Development Planning and Human Settlements of which two have been prioritised. The identification of the restructuring zones is in line with the set guidelines. The six zones are as follows:

- Zone 1** – Hardwick Street Social Housing Restructuring Zone.
- Zone 2** – Arbor Park Housing Restructuring Zone (**Prioritized**).
- Zone 3** – Fairleigh, Lennoxton, Lenville, Fernwood, Restructuring Zone (**Prioritized**).
- Zone 4** – Amiel Park, Hutten Heights, Pioneer Park, Aviary Hill, Schuinshoogte, Signal Hill, Sunny Ridge, Barry Hertzog Park, Amajuba Park and Ncandu Park.
- Zone 5** - P483 Corridor Mobility Spine, Activity Spines and Activity Nodes.
- Zone 6** – Future Development Zones (Erven 15048 and 15049, Newcastle).

Map 6: Prioritized Restructuring Zones 2 and 3



3.2.16.4. Informal Settlements

The eradication of informal settlements is a priority for the national and provincial government. A strategy has been devised at a national level and is implemented with the support of the provincial Department of Human Settlement. Newcastle Municipality has been included among the 17 prioritised municipalities for the implementation of an Upgrading of Informal Settlements Programme (UISP).

The Newcastle Informal Settlement Strategy and Programme has been finalised and its intension is to give effect to the National Upgrading Support Programme which acts as a support vehicle to the National Department of Human Settlements in its implementation of the Upgrading of Informal Settlements Programme (UISP). The overall strategy and programme is informed by the Assessment and Categorisation of each of the informal settlements, which is the specific purpose of this report. An assessment and categorisation is conducted in order to determine the current status of the informal settlements with the aim of establishing whether or not an informal settlement is suitable for in situ upgrading, or whether a settlement will require a different type of intervention such as relocation. These different outcomes were categorised into four classes namely: Category A (full upgrade); Category B1 (Interim Basic services); Category B2 (Emergency Basic services) and Category C (Relocation). The following areas have been classified as informal settlements within the municipality:

	INFORMAL SETTLEMENT	HOUSEHOLD NO	CATEGORY
1	Amajuba Forest	83	C
2	Wykom	35	C
3	Soul City	1 080	A
4	JBC	6 360	A
5	Ingogo	85	A
6	Drycut	450	A
7	Bosworth	350	B2
8	Roy Point / Vezukuhle	270	B2
9	Normandien	30	B2
TOTAL		8743	

The eradication of informal settlements is a priority for the national and provincial government. A strategy has been devised at a national level and is implemented with the support of the provincial Department of Human Settlement. Newcastle Municipality has been included among the 17 prioritised municipalities for the implementation of an Upgrading of Informal Settlements Programme (UISP). An informal settlement upgrading strategy for the Newcastle Municipality is being developed. It will be incorporated into the Housing Sector Plan upon its completion.

3.2.16.5. Affordable Housing

Gap Housing is the affordable housing sector comprises of those households that earn between R3 500 and R15 000, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance. The term “Gap Housing” describes the shortfall, or ‘gap’ in the market between residential units supplied by the state and houses delivered by the private sector.

It is noted that currently the municipality has identified sites to promote development of Gap housing via Financial Linked Individual Subsidy Programme (FLISP). In order for the municipality to start delivering housing opportunities in terms of this programme, a detailed analysis of this gap in housing supply needs to be undertaken in collaboration with the Financial Institutions.

3.2.16.6. URBAN RENEWAL

Madadeni and Osizweni are the two main townships located within Newcastle Municipality area of jurisdiction. The area, generally referred to as the MBO (Madadeni, Blaauwbosch and Osizweni areas) is the main focus of urban renewal initiatives by the municipality. To this extent, a regeneration framework has been developed as a means to provide guidance, coordination and alignment of sectoral activities to facilitate development of MBO complex. Key performance areas with their identified strategies identified for the MBO complex include:

- ☛ Quality Living Environment: this key performance area deals with strategies to improve the quality of the environment. It includes, amongst others, strategies for conservation, environmental health, rehabilitation and reclaim of degraded areas, air quality, water resource management, waste management.
- ☛ Access to Public Services and Amenities includes strategies for road maintenance, ensuring adequate and reliable bulk resources for all services over next 20 year period site and service strategies, etc.
- ☛ Functional Local Economy: this KPA identifies strategies for recycling programmes, encouragement of home enterprises, mixed activity Economic Opportunity Zones, multi modal transport interchanges at major nodes, secondary residential property market, land tenure upgrading as part of all housing projects, etc.
- ☛ Linkages and Integration: Strategies of importance are inter-neighbourhood linkages, extension of new road linkages towards improved integration, Investment Promotion Office dealing with specifically the former township areas (now economic opportunity zones).

3.2.16.7. UPGRADING AND FORMALISATION OF THE JBC AREA

The JBC Framework identifies six development units or precincts, and recommends that these form the basis of a housing development program in the area. Layout plans and development applications have already been packaged for some of these precincts. It further suggests the following initiatives for the area:

- ☛ Effective environmental management.
- ☛ Provision of bulk engineering services, particularly waterborne sewerage.
- ☛ Upgrading of main transport networks and the associated public transport networks. This includes walkways and pavements.
- ☛ Promoting local economic development through the development of a new town centre in the area.
- ☛ Introducing an effective land use management system.

It further acknowledges the importance of P483 as the primary development corridor running through the area, and a number of mixed use strips (activity streets). It also

suggests at least three development nodes with the major node being the proposed JBC Town Centre.

3.2.16.8. SWOT Analysis: Service Delivery and Infrastructure Assessment

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Well-developed infrastructure network. ▪ Availability of bulk infrastructure and services to support the economy and meet basic needs. ▪ Relatively well-resourced Technical Services Department. ▪ Aerodrome with potential to develop as a regional airport. ▪ Relatively good road network. ▪ Good access to social facilities and infrastructure (schools and health facilities). ▪ Level 2 Accreditation for the delivery of housing projects. ▪ Blue Drop water status (quality) ▪ Spare capacity for electricity 	<ul style="list-style-type: none"> ▪ Lack of sector plans particularly Water Services Development Plan. ▪ Ageing infrastructure particularly in the CBD and Newcastle West generally. ▪ Bulk infrastructure working at capacity (water treatment works). ▪ Water losses due to old infrastructure. ▪ Limited capacity for future development. ▪ Huge housing backlog particularly in the JBC area and informal settlements. ▪ Gravel roads in Newcastle East. ▪ Slow pace of housing projects. ▪ Lack of bulk services in the JBC area. ▪ Poor storm water management, particularly in the vicinity of Victoria Mall. ▪ Poorly located landfill site. . ▪ Illegal dumping.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Urban renewal programme. • Municipal Infrastructure Grant and other conditional grants. • Informal Settlement Upgrading Programme. • Public private partnerships. • Development of the New dam (Ncandu) 	<ul style="list-style-type: none"> • Increasing rate of urbanisation in areas where there is inadequate bulk infrastructure. • Reduction in infrastructure grants from national and provincial government. • Old infrastructure in the Newcastle west

3.6. LOCAL ECONOMIC AND SOCIAL DEVELOPMENT

Newcastle Municipality has a legal mandate to promote social and economic development within its area of jurisdiction. It is also required in terms of Section 153 of the Constitution, to structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community. In furtherance of this mandate, Newcastle Municipality has initiated a process towards the development of a Local Economic Development (LED) Plan as a sector plan to the IDP and a strategic guide for promoting equitable economic development.

3.6.1. SOCIAL DEVELOPMENT

3.6.1.1. RACES EXISTING WITHIN NEWCASTLE

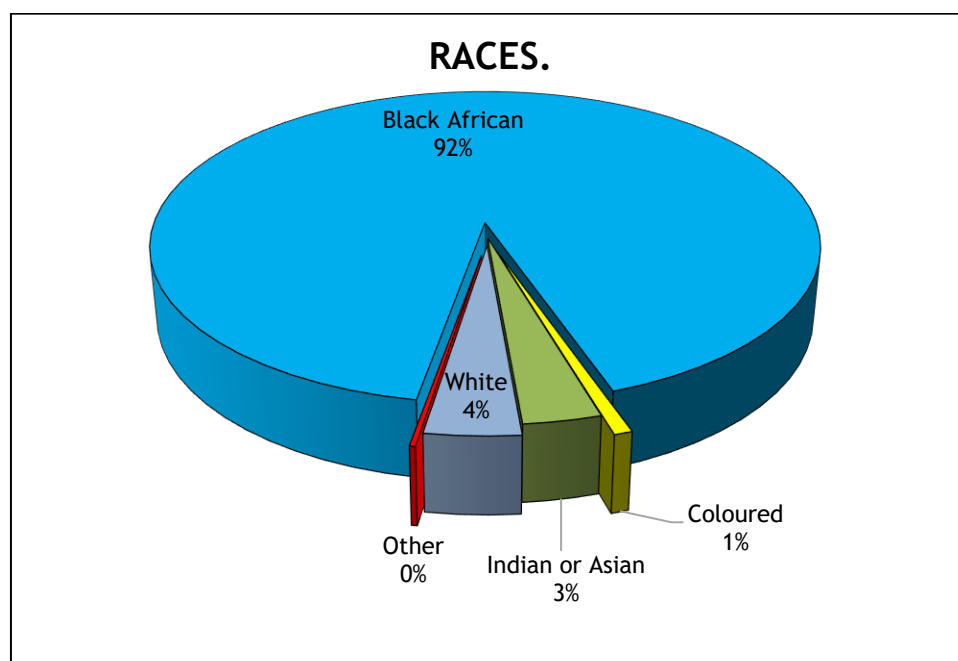
In terms of race, the Black African group makes up the majority of the population in Newcastle at an astounding 91.86% of the total population. The White group makes up the second largest population followed by the Indian or Asian population at 3.93% and 3.22% respectively. The other 0.99% is comprised of either the coloureds and/or other racial groups.

Table 7: Races existing within Newcastle.

	2001		2011	
	Number of people	%	Number of people	%
Black African	302 609	90,88%	333 657	91,86%
Coloured	2 195	0,66%	2 733	0,75%
Indian or Asian	10 128	3,04%	11 686	3,22%
White	18 045	5,42%	14 275	3,93%
Other	-	-	886	0,24%
Grand Total	332 977	100%	363 236	100%

Source: Stats SA –2001 & 2011 Census Data.

Figure 20: Races existing within Newcastle in the year 2011.



3.6.2. SPOKEN LANGUAGES

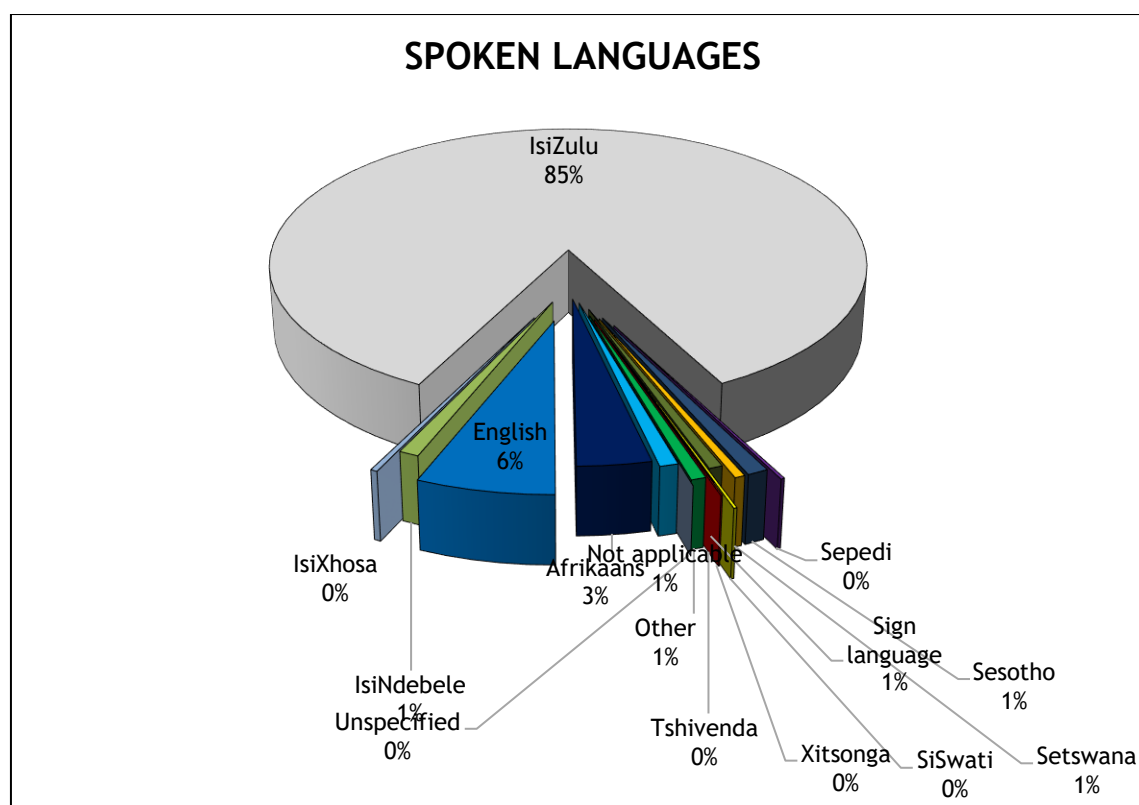
The highest concentration of people (84.87%) have IsiZulu as their spoken language followed by English and Afrikaans at 6.33% and 3.46% respectively. 0.63% of the total population uses sign language to communicate whereas the other 4.71% is evenly distributed amongst people who either have Isindebele, IsiXhosa, Sepedi, Setswana, SiSwati, Tshivenda and Xitsonga as their spoken language. Based on the information presented below, it is clear that Newcastle is a multilingual town well-endowed with a wide variety of cultures.

Table 33: Spoken languages within Newcastle.

	Total Number of People	%
Afrikaans	12 574	3,46%
English	22 979	6,33%
IsiNdebele	3 397	0,93%
IsiXhosa	1 154	0,32%
IsiZulu	308 297	84,87%
Sepedi	607	0,17%
Sesotho	3 539	0,97%
Setswana	1 762	0,48%
Sign language	2 309	0,63%
SiSwati	554	0,15%
Tshivenda	129	0,03%
Xitsonga	264	0,07%
Other	2 524	0,69%
Unspecified	-	0,00%
Not applicable	3 148	0,87%
Grand Total	363 236	100%

Source: Stats SA – 2011 Census Data.

Figure 21: Spoken languages.



3.6.3. BLINDNESS AS A DISABILITY

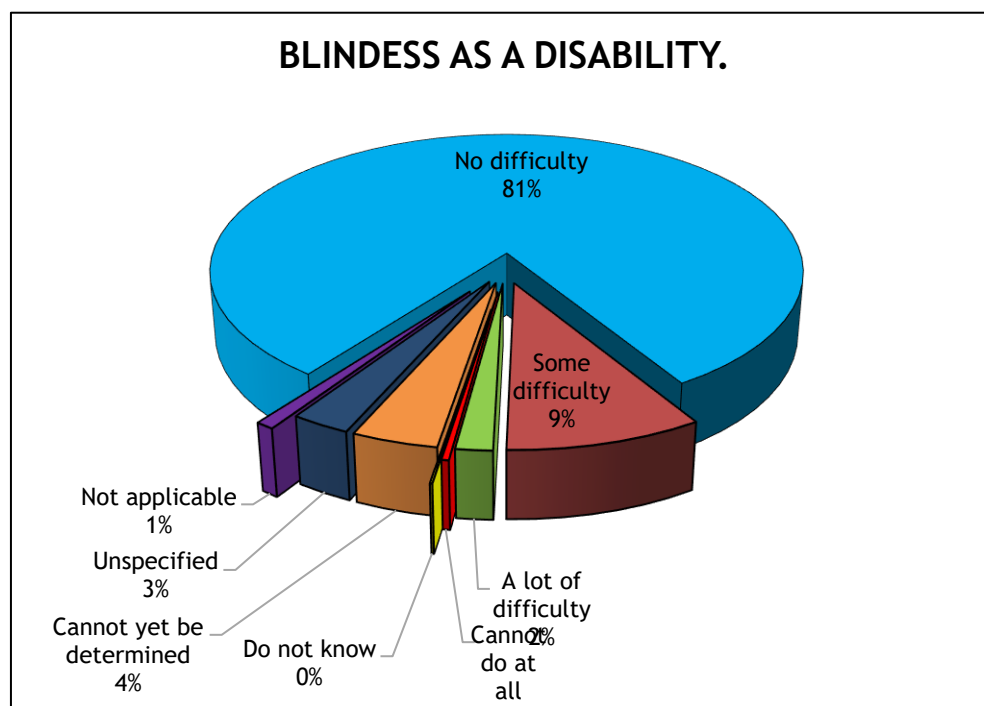
According to *Table 2* below, there is a small number of individuals with blindness as a disability within Newcastle's jurisdictional area. The majority of the people (80.93%) have no difficulties with seeing. Individuals who experience difficulties in this regard collectively constitute 11.27% of the total population, with a higher majority being attributed to the female population. The other 7.80% or so either doesn't know, cannot yet determine whether or not they have difficulties with seeing, are unspecified and/or are not applicable.

Table 34: Blindness as a disability within Newcastle.

	Male	%	Female	%	Grand Total	%
No difficulty	142 919	82,69%	151 059	79,34%	293 979	80,93%
Some difficulty	12 737	7,37%	20 701	10,88%	33 438	9,20%
A lot of difficulty	2 295	1,33%	3 993	2,09%	6 288	1,73%
Cannot do at all	587	0,33%	651	0,35%	1 239	0,34%
Do not know	209	0,13%	186	0,09%	395	0,11%
Cannot yet be determined	7 239	4,19%	7 414	3,89%	14 654	4,04%
Unspecified	4 805	2,78%	5 280	2,77%	10 085	2,78%
Not applicable	2 045	1,18%	1 103	0,59%	3 148	0,87%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Figure 22: Blindness as a disability.



3.6.4. COMMUNICATION IMPAIRED AS A DISABILITY

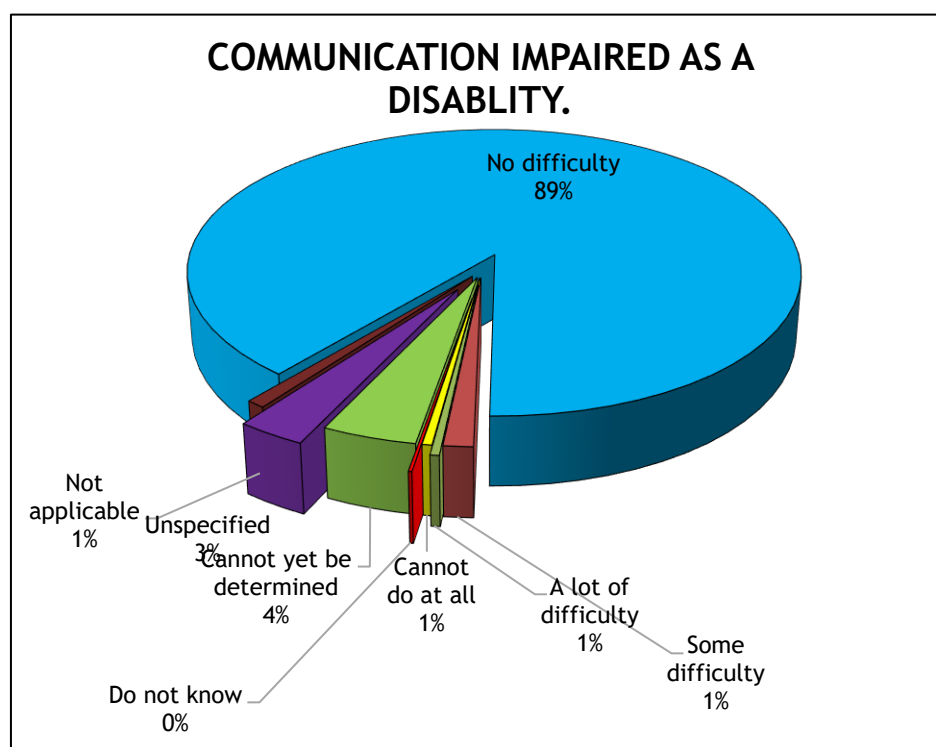
Regarding *Table 9* below, a higher majority (89.21%) of the population within Newcastle has got no difficulties in communicating through speech. About 2.24% of the total population experiences difficulties in this regard with a higher majority being concentrated amongst the male population. The other 8.55% either doesn't know, cannot yet determine whether or not they have difficulties with communicating, are unspecified and/or are not applicable.

Table 35: Communication impaired as a disability within Newcastle.

	Male	%	Female	%	Grand Total	%
No difficulty	153 216	88,64%	170 827	89,72%	324 043	89,21%
Some difficulty	2 374	1,38%	2 594	1,36%	4 967	1,37%
A lot of difficulty	802	0,47%	745	0,39%	1 547	0,42%
Cannot do at all	857	0,49%	763	0,41%	1 620	0,45%
Do not know	319	0,19%	262	0,13%	582	0,16%
Cannot yet be determined	7 776	4,49%	8 050	4,23%	15 826	4,36%
Unspecified	5 448	3,16%	6 044	3,18%	11 492	3,16%
Not applicable	2 045	1,18%	1 103	0,58%	3 148	0,87%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Figure 23: Communication impaired as a disability.



3.6.5. DEAFNESS AS A DISABILITY

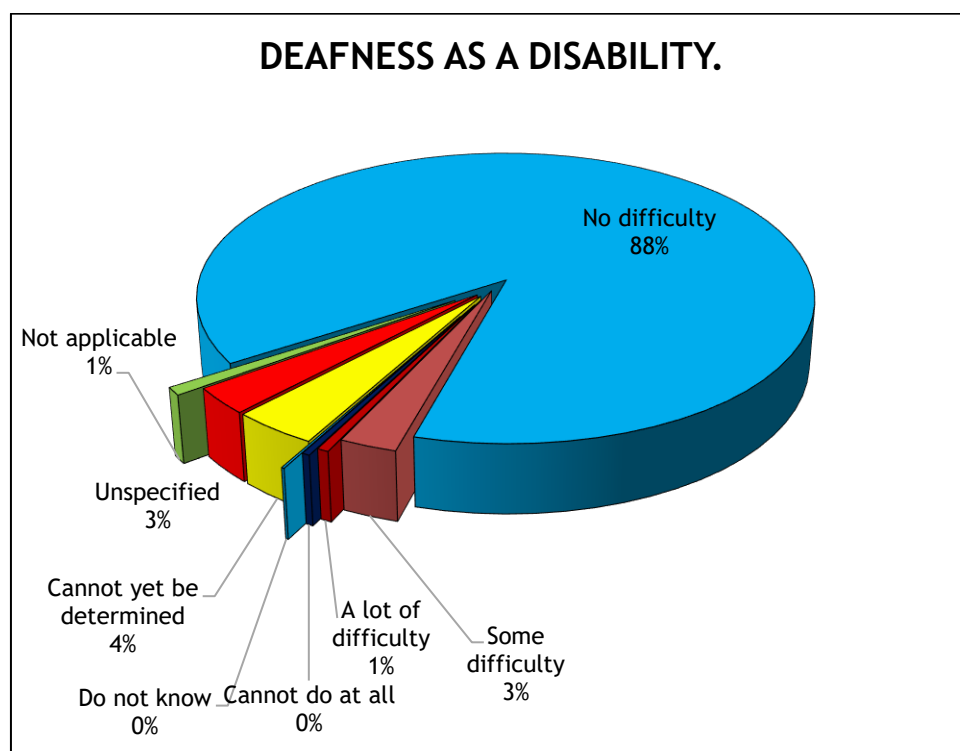
Table 10 below depicts a situation which conforms to the norm regarding deafness as a disability within Newcastle. A high majority of the population within Newcastle (88.50%) have no difficulties in terms of hearing problems. 3.58% of the total population has experienced a variety of difficulties in this regard with the majority concentrated amongst the female population. The rest of the other 7.92% either doesn't know, cannot yet determine whether or not they have difficulties with hearing, are unspecified and/or are not applicable.

Table 36: Deafness as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	152 776	88,39%	168 695	88,60%	321 471	88,50%
Some difficulty	4 039	2,34%	5 702	2,99%	9 741	2,68%
A lot of difficulty	849	0,49%	1 104	0,58%	1 953	0,54%
Cannot do at all	674	0,39%	655	0,34%	1 329	0,36%
Do not know	241	0,14%	229	0,12%	470	0,13%
Cannot yet be determined	7 141	4,13%	7 346	3,86%	14 487	3,99%
Unspecified	5 071	2,93%	5 555	2,93%	10 626	2,92%
Not applicable	2 045	1,19%	1 103	0,58%	3 148	0,87%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Chart 2: Deafness as a disability.



3.6.6. WALKING AND/OR CLIMBING STAIRS AS A DISABILITY

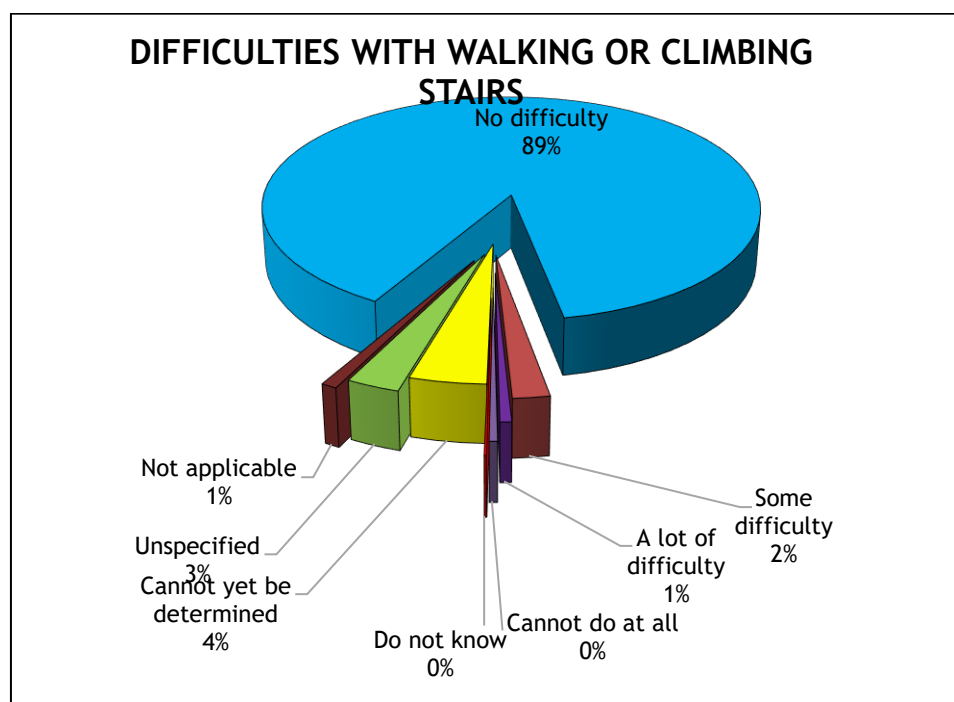
The majority of the population within Newcastle (88.81%) does not have any difficulties with regards to walking and/or climbing stairs. 3.07% of the total population may be deemed as having difficulties with walking and/or climbing stairs with the highest concentration being amongst the female population. The other 8.12% either doesn't know, cannot yet determine whether or not they have difficulties with hearing, are unspecified and/or are not applicable.

Table 37: Walking and/or climbing stairs as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	153 639	88,89%	168 962	88,74%	322 601	88,81%
Some difficulty	2 806	1,63%	4 517	2,37%	7 324	2,02%
A lot of difficulty	855	0,49%	1 385	0,74%	2 239	0,62%
Cannot do at all	749	0,43%	805	0,42%	1 553	0,43%
Do not know	247	0,15%	221	0,12%	468	0,13%
Cannot yet be determined	7 505	4,34%	7 821	4,12%	15 326	4,22%
Unspecified	4 991	2,88%	5 575	2,93%	10 566	2,91%
Not applicable	2 045	1,19%	1 103	0,56%	3 148	0,87%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Figure 24: Waking or climbing stairs as a disability.



3.6.7. REMEMBERING/CONCENTRATING AS A DISABILITY

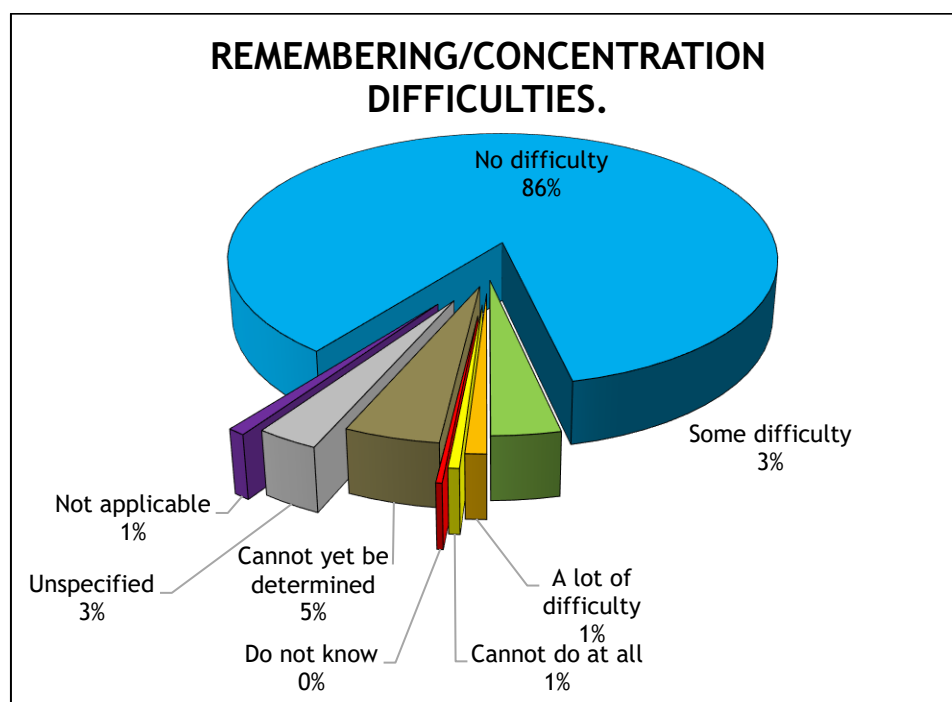
Most of the people within Newcastle (85.96%) do not have any problems related to remembering/concentrating as a disability. Approximately 5.06% of the total population experiences difficulties in this regard whereas the rest of the 8.98% either doesn't know, cannot yet determine whether or not they have difficulties with remembering/concentrating, are unspecified and/or are not applicable. In terms of gender, the male population experiences a higher degree of difficulty with remembering/concentrating as a disability when compared to the females.

Table 38: Remembering/concentrating as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	148 613	85,98%	163 634	85,95%	312 247	85,96%
Some difficulty	5 216	3,02%	7 339	3,85%	12 555	3,46%
A lot of difficulty	1 595	0,93%	2 234	1,17%	3 829	1,05%
Cannot do at all	1 057	0,61%	955	0,50%	2 012	0,55%
Do not know	574	0,33%	531	0,28%	1 106	0,30%
Cannot yet be determined	8 487	4,91%	8 752	4,59%	17 239	4,75%
Unspecified	5 248	3,04%	5 841	3,08%	11 090	3,06%
Not applicable	2 045	1,18%	1 103	0,58%	3 148	0,87%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Figure 25: Difficulties with concentrating/remembering.



3.6.8. SELF-CARE AS A DISABILITY

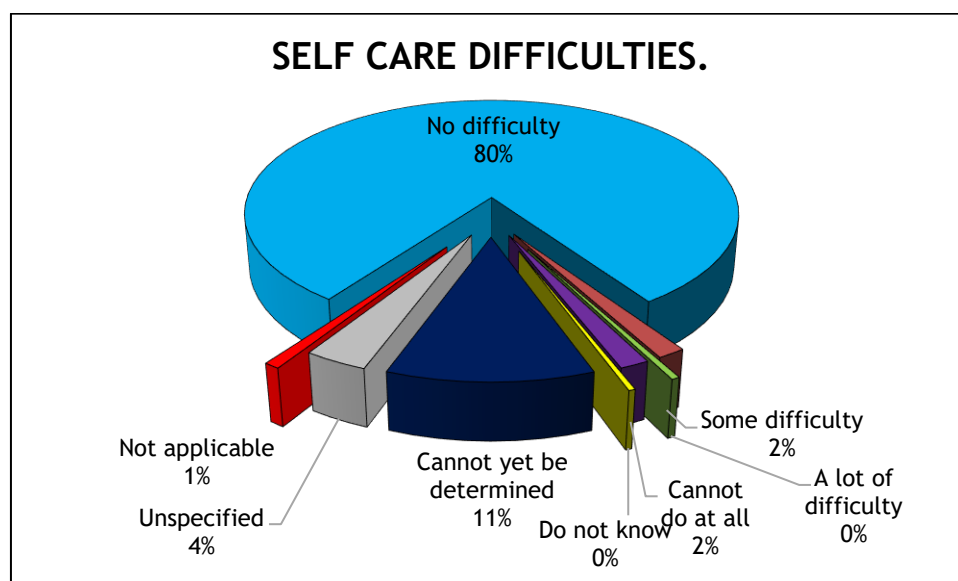
The majority of the population within Newcastle (80.44%) is not experiencing any difficulties regarding self-care. 3.61% of the total population experiences difficulties in this regard with the majority concentrated amongst the female population. The rest of the 15.95% either doesn't know, cannot yet determine whether or not they have difficulties with regards to self-care, are unspecified and/or are not applicable.

Table 39: Self-care as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	137 383	79,49%	154 759	81,28%	292 141	80,44%
Some difficulty	2 642	1,54%	2 979	1,56%	5 621	1,55%
A lot of difficulty	817	0,48%	826	0,43%	1 644	0,45%
Cannot do at all	2 977	1,72%	2 846	1,49%	5 823	1,61%
Do not know	664	0,37%	662	0,36%	1 325	0,36%
Cannot yet be determined	20 353	11,78%	20 513	10,77%	40 866	11,25%
Unspecified	5 956	3,44%	6 702	3,53%	12 657	3,48%
Not applicable	2 045	1,18%	1 103	0,58%	3 148	0,86%
Grand Total	172 837	100%	190 389	100%	363 225	100%

Source: Stats SA – 2011 Census Data.

Figure 26: Difficulties with self-care.



3.6.9. MIGRATION PATTERNS

The majority of the individuals residing in Newcastle are originally from the KwaZulu-Natal Province. Based on the figures presented in Table 15 and 16 below the majority of immigrants into Newcastle emanate from the Gauteng Province with the second largest group coming from the Mpumalanga Province and subsequently Free State. In terms of race, the majority of the immigrants are Black Africans which are followed by the Whites. The cause for immigration into Newcastle may largely be attributed to the rapid development of the town as a regional services center within the Northern KwaZulu-Natal region hence employment opportunities. In terms of gender, the majority of the individuals who immigrate into Newcastle entails the female population. Since the year 2001, there has been an increase in the number of immigrants to Newcastle from Gauteng, Mpumalanga and the Free State Province at an average annual immigration growth rate of 2.76%, 0.07%, and 1.08% respectively over 10 years since 2001 to 2011.

Table 40: Immigration to Newcastle from different provinces.

	Western cape	Eastern cape	Northern cape	Free state	Kwazulu-Natal	North west	Gauteng	Mpumalanga	Limpopo	Grand Total
Black African	103	380	46	670	297 493	126	1 712	1 287	169	302 531
Coloured	57	26	24	3	2 054	-	40	24	-	2 264
Indian or Asian	44	18	-	12	9 969	9	36	30	12	10 154
White	78	112	48	168	16 515	85	515	312	54	18 037
Other	-	-	-	-	-	-	-	-	-	-
Grand Total	282	536	119	852	326 031	220	2 302	1 653	235	332 985

Source: Stats SA – 2001 Census Data.

Table 41: Migration to Newcastle from different provinces.

	Western cape	Eastern cape	Northern cape	Free state	Kwazulu-Natal	North west	Gauteng	Mpumalanga	Limpopo	Outside South Africa	Do not know	Unspecified	Grand Total
Black African	97	478	160	714	322 283	67	2 452	1 444	115	1 475	12	4 359	333 657
Coloured	31	21	26	6	2 474	-	34	14	-	16	-	110	2 733
Indian or Asian	33	18	3	24	10 933	5	140	44	5	372	3	105	11 686
White	93	108	63	210	12 551	46	520	270	59	79	5	272	14 275
Other	3	9	1	1	448	3	33	-	2	349	5	29	886
Grand Total	258	634	253	955	348 689	122	3 179	1 771	181	2 292	25	4 875	363 236

Source: Stats SA – 2011 Census Data.

3.6.10. CHILD-HEADED HOUSEHOLDS.

According to *Table 34* below, out of the total number of households within Newcastle (84 272 households), 1.3% (1 128) of the total number of households is headed by a child who is either 18 years old or younger. In terms of gender, the majority of the child-headed households are headed by males (61.52% of the total 1 128 child headed households) as compared to the females. Out of the total number of child-headed households, 5.23% is employed, 4.25% is unemployed, 1.59% entails discouraged work seekers, whereas a high majority (58.59%) is not economically active meaning they may still be attending school. The other 30.34% is composed of child-headed households with children that are younger than 15 years of age.

Table 42: Child-headed households.

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Age less than 15 years	Grand Total
Male	48	27	9	409	201	694
Female	11	21	9	252	141	434
Unspecified	-	-	-	-	-	-
Grand Total	59	48	18	661	342	1 128

Source: Stats SA – 2011 Census Data.

In terms of the table below, the annual household income of the child-headed households within Newcastle, the majority is living below the lower bound poverty line of 1.25\$ (PPP\$) per day, which is currently R14,67 in terms of the Dollar to Rand exchange rate. The majority of the households living below the lower bound poverty line have no income what-so-ever and they constitute 48.9% (552) of the total number of child-headed households. The implications behind this alarming figure is that such households are leaving in abject poverty hence necessitating some form of intervention.

Table 35: Annual income of child-headed households.

	No income	R 1 - R 4800	R 4801 - R 9600	R 9601 - R 19 600	R 19 601 - R 38 200	R 38 201 - R 76 400	R 76 401 - R 153 800
Male	367	119	89	60	30	13	2
Female	185	64	72	48	37	15	6
Unspecified	-	-	-	-	-	-	-
Grand Total	552	183	161	108	67	28	8
	R 153 801 - R 307 600	R 307 601 - R 614 400	R 614 001 - R 1 228 800	R 1 228 801 - R 2 457 600	R 2 457 601 or more	Unspecified	Grand Total
Male	7	4	-	1	-	-	694
Female	4	2	-	1	-	-	433
Unspecified	-	-	-	-	-	-	-
Grand Total	12	7	-	2	-	-	1 128

Source: Stats SA – 2011 Census Data.

3.6.11. LOCAL ECONOMIC DEVELOPMENT

3.6.11.1. LOCAL ECONOMIC ANALYSIS

The 2011 national census estimated the population of the Newcastle Local Municipality at 363,236 individuals, with over 80% living in Madadeni and Osizweni townships (Statistics South Africa).

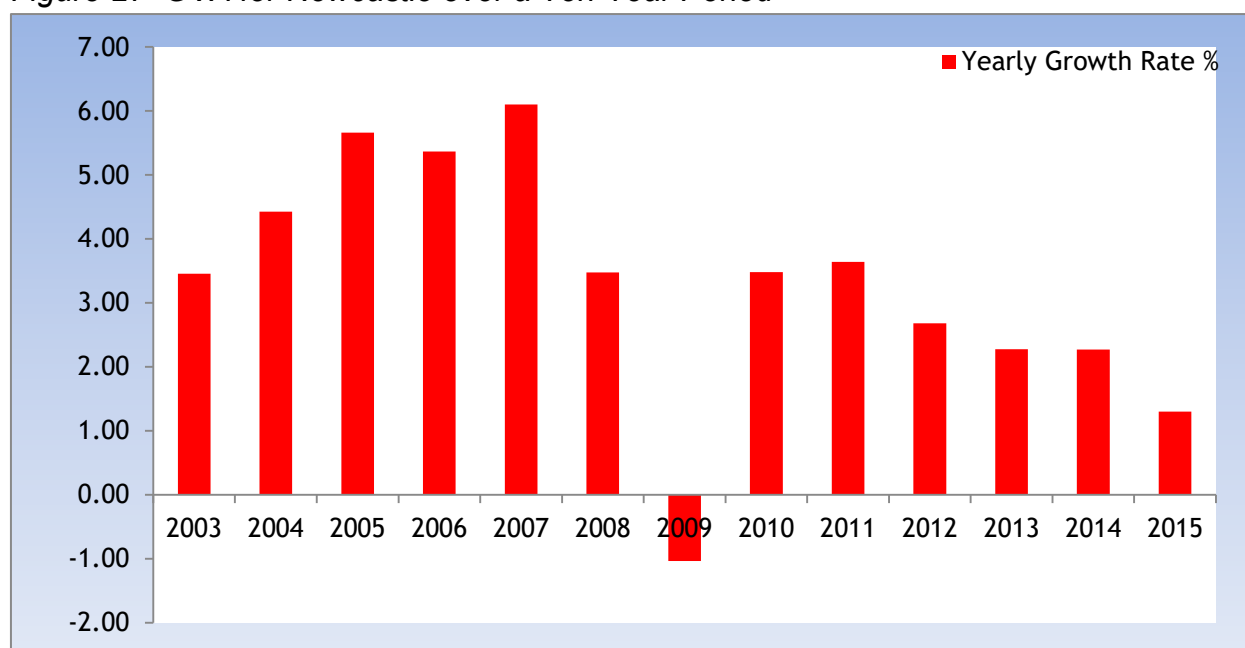
The Newcastle Local Municipality is the main economic hub in northern KwaZulu Natal, and, it forms part of the Johannesburg-Richards Bay-Durban corridor.

This location provides an advantage to Newcastle, in terms of attracting businesses especially from Johannesburg.

The local economy of Newcastle has experienced relative better growth when compared to other towns within the Province.

The diagram below provides a snapshot of the performance of the local economy over a period of ten years. The local economy peaked at 6% in 2007 and has since declined. The decline was not represented in all the sectors in the local economy as some sectors did in fact experience growth whilst others were negatively affected in terms of the global economy.

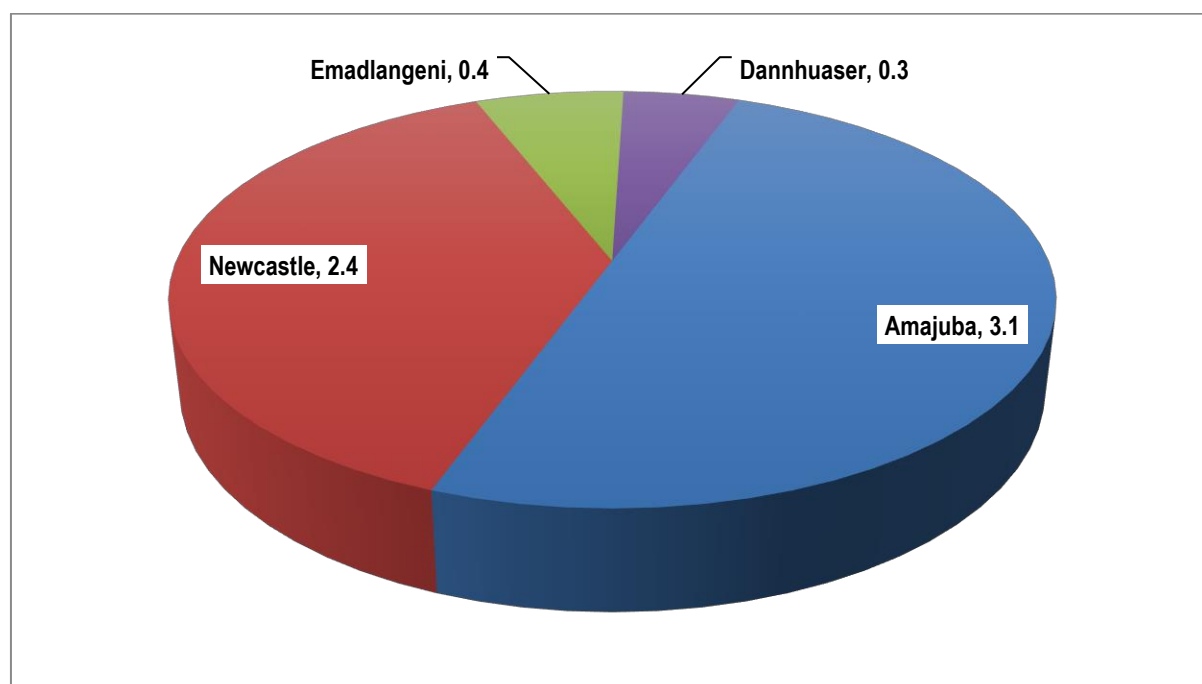
Figure 27 GVA for Newcastle over a Ten Year Period



Gross Value Added

The figure below indicates that Newcastle Municipality accounts for the majority share of the Gross Value Added for Amajuba District. This confirms the dominance of Newcastle in the region and its role as the main economic hub.

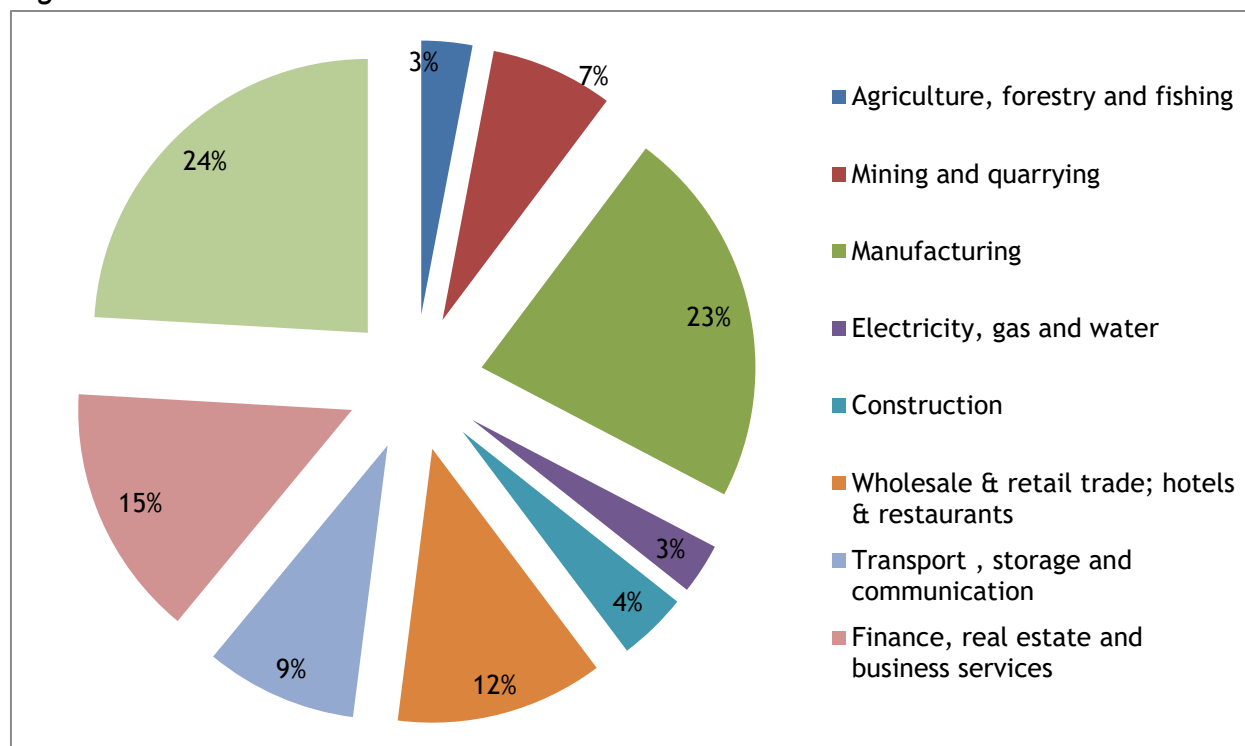
Figure 28: Gross Value Added (GVA) - Current Prices (R000)



Source: Global Insight 2012

The economy of Newcastle is largely driven by the manufacturing sector, which contributes approximately 27% to total GVA. This equates to almost R2,9 billion of the total R10,5 billion GVA generated within the district. This is higher than both the district GVA in relation to its contributions within KZN, and the provincial GVA contribution within the country which is approximately 25% and 22% of total GVA respectively. The manufacturing sector has only experienced modest growth in the past decade (2000 – 2010), with an average real annual GVA growth rate of 0.6%, in comparison with the provincial average growth of 2.2%.

Figure 29 Economic Sector Contribution to Gross Value Added



Other key sectors in terms of GVA contribution are the general government sector; wholesale and retail; and finance and business services sector. GVA generated through general government services is approximately R1,8 billion, which contributes 17.6% to total GVA. This sector has experienced average annual real growth of 2.6% per annum. Just over 17% of GVA can be attributed to finance (6.9%) and business services (10.2%), which collectively generate R1.8 billion worth of GVA to the Newcastle economy.

These have also been the fastest growing subsectors, with finance and insurance services growing at an average rate of almost 9% per annum since 2000, and business services growing at 6.2% over the same period. Wholesale and retail trade contributes R1.4 billion to the local economy, which accounts for almost 14% of total GVA. Wholesale and retail trade have been growing at a modest rate of 2.63% per annum from 2000 – 2010.

3.6.11.2. KEY ECONOMIC DRIVERS

TEXTILE INDUSTRY

The textile industry has been on a downward spiral for some time due to competitiveness related issues. The cost of labour as a cost driver and input in the production process has been the main issue under the spotlight. This decline was foreseen by Robbins, et al (2004) who, in their foresight, suggested ten recommendations to recover and turn the sector towards positive growth. These recommendations are as follows:-

- ☞ Appointment of a part-time clothing project facilitator who would coordinate the industry form a steering committee consisting of the Department of Economic Development and Tourism (DEDT) and Newcastle Municipality.
- ☞ Facilitation of the bargaining council labour dispute.
- ☞ Creation of a high level partnership between various stakeholders, including DTI.
- ☞ Establishment of a clothing business development centre.
- ☞ Provision of support in export standardization and grading.
- ☞ Re-evaluation of investment marketing processes.
- ☞ Formulation and implementation of a diversification strategy to include service and retail growth.
- ☞ Establishment of the Amajuba Business Centre.
- ☞ Creation of partnerships between Ladysmith and Newcastle based industries.
- ☞ Address the question of HIV and Aids which is known to affect productivity.

Except for the diversification of Newcastle's economy towards service industries, none of the above recommendations have been implemented and, as a result, the textile industry might have suffered significant challenges in the past decade. The Provincial Department of Economic Development, Tourism and Environmental Affairs has identified the district of Amajuba as a textile industrial hub. It is hoped that the industrial hubs programme will resuscitate the industry in Newcastle.

STEEL INDUSTRY

The steel industry has been under pressure and this has been evident through the 2015 massive job losses, plant closure, and a sustained threat in terms of further job losses. Newcastle has the second biggest steel plant in the country. The industry has been in disagreement with government over import parity prices adopted by the industry and the carbon tax. In light of the recent pressure on the industry, an alliance consisting of government, labour and the industry held a series of meetings to discuss the state of the industry and measures that could be employed to curb job losses and defend the local industry in the context of global trade.

The industry submitted 10 core demands to government that would ensure competitiveness, sustainability of the industry, and to protect jobs within the industry.

These core demands include the following:-

- ☞ Imposing tariffs on cheap imports from China.
- ☞ Focusing on steel for government infrastructural spending.
- ☞ Urgent roll out of government 18 key infrastructural projects.
- ☞ Banning of scrap steel exports so that local industries can benefit.
- ☞ Delaying implementation of the carbon tax.

CHEMICALS AND PLASTICS INDUSTRIES

The industry in Newcastle is largely focused on the export market with about 85% of output intended for the export market. The industry in Newcastle is well established, suitably located closer to a gas pipeline, and has support from the municipality through efficient electricity supply. Whilst the industry is reasonably stable, the lack of demand

for output produced due to a variety of factors from both a global and local perspective is a significant factor affecting growth prospects of the industry. The current global financial crisis may have dire consequences to the local economy if it persists for a longer period.

WHOLESALE AND TRADE

This sector is mainly supported by the general well-being of the local economy. Unfortunately new Commercial developments had an impact on the CBD as a number of shops are currently vacant. Newcastle has become the commercial hub of North Western Kwazulu Natal and the retail sector is supported by visitors from 100 km radius from Newcastle. Increased consumption sustains this sector and also ensures employment based on its high labour requirements. There has been a number of new commercial developments in the past 5 years which shows that this sector is growing despite other sectors that are shrinking. Examples are new malls like Newcastle mall, Theku mall and the new Spar complex.

GENERAL GOVERNMENT

This category is generally stable in terms of employment with Newcastle also accommodating some of government's regional offices. There is a need however, and this relates to the attraction of more government departments to Newcastle to boost employment further. The recent establishment of the Regional SARS offices is evidence of the regional role that Newcastle is playing.

3.6.11.3. COMPARATIVE COMPETITIVE ADVANTAGE

Newcastle Municipality's industrial sector holds a variety of competitive advantages. Included amongst these are:

- Highly developed manufacturing complex, notably textiles and footwear, building supplies and metal products.
- Central location to major markets by road (N11 and N3 network).
- Fully functional local airport and planned scheduled flights for 2018.
- Established cargo rail link that is currently underutilised.
- Well-developed existing Eskom infrastructure.
- Available commercial and industrial land.
- History of organised mining in the municipality which has generated associated industries.
- Highly organised agricultural sector linking into agro-processing manufacturing expansion.

INVESTMENT OPPORTUNITIES

Newcastle Municipality has a range of key investment areas within the industrial sphere – most notable are down-stream beneficiation opportunities (steel, agriculture and timber) and the prospects of new commercial and retail developments, like the new shopping complex adjacent to the casino.

Based upon the comparative advantages highlighted above, Newcastle's key areas for investment lie within the following industrial sub-sectors:

- aluminum-based beneficiation products
- leather goods production
- textiles and textile products
- automotive components
- metal products and machinery and
- retail

Land availability is a critical factor of Newcastle's attractiveness for investment – the prime sites available off the N11 en route to Newcastle Town have attracted much interest over the past 12 months. Part of the incentive strategy developed for the municipality should be a brief review of available sites and their current town planning zonings. The availability of localised incentives would add impetus to already existing investment opportunities

3.6.11.4. TOURISM

With the need for fast tracking the growth and facilitation of Local Economic Development as a mechanism to generate wealth through business attraction and investment, and to create more viable and quality work opportunities for the local population of Newcastle, the Newcastle Local Municipality developed a comprehensive Tourism Development Strategy and an Implementation Plan which was drafted in 2013. The NLM Tourism Strategic Objectives, Targets and Vision are aligned with the District's targets as presented below:-

The tourism sector is currently a small contributor to the region's economy, but holds a number of opportunities that can be explored. NLM forms part of the Battlefields Route and this route is known to attract 7% of foreign visitors to KZN annually and approximately 42 000 domestic tourists (TIKZN Tourism Statistics, 2015). Amajuba has developed a Tourism Development Plan, as well as a development plan for the Battlefields route. The Tourism Development Plan seeks to implement strategies that would create facilities and the marketing of draw card attractions and activities in the district, while the Battlefields Development Plan seeks to the Battlefields located within the Amajuba District Municipality that have never reached their full tourism potential. It is estimated that NLM generates approximately R116m in tourism related business per annum, with tourism related establishments generating R165m and creating 1 066 jobs in the municipality (Tourism Sector Report: 2015). Comparative advantages identified within Newcastle's Tourism Sector include the following:-

- A. Strong and well preserved historical heritage with well-developed museum structures.
- B. Falls within the Zulu kingdom and engenders good linkages to this cultural heritage.
- C. Halfway point on N11 between two major centres, Johannesburg and Durban.
- D. Gateway to Battlefields Region.
- E. Long history of hosting national sporting events.
- F. Well-established adventure tourism in pristine natural surroundings.

The main emphasis with regards to the development of the tourism sector within Newcastle relates to business, sports and events related tourism. This shall be done through deliberate efforts towards the development of higher order sports facilities and also the attraction of high impact events as calendar events. Newcastle will strive to make itself known for periodic gatherings attracting people locally and outside in order to exploit the economic spin-offs for the benefit of the town. Upon analysis of the proposed direction towards the development of the tourism sector within Newcastle, it was decided that there is feasibility solely based on the ideal spatial positioning of the town relative to the wider region which makes such events sustainable.

Table 43: Summary of the district's strategic clusters.

Strategic Cluster	Strategic Thrust
Marketing – tourism growth & development (demand)	<ul style="list-style-type: none"> • Market Amajuba's strength: Meetings, Incentives, Conferences and Events • Expand and improve tourism information outlets and tools • Branding and route development
Product Development and Planning	<ul style="list-style-type: none"> • Meetings, conferences and events product development • Heritage, avi-tourism and nature based tourism product development • Other niche markets, accommodation and recreational product development • Infrastructure and support services development
People in tourism	<ul style="list-style-type: none"> • Ensure quality experiences through service excellence • Ensure transformation in the tourism industry • Increase tourism awareness
Policy, strategy, governance, research & knowledge management monitoring & evaluation	<ul style="list-style-type: none"> • Improve tourism management through institutional and policy arrangement • Improve tourism management through improved research and knowledge management • Entrench responsible tourism principles

The vision for tourism in Newcastle was developed based on inputs from key stakeholders, as well as considering alignment issues with the vision for tourism in KZN. The vision for the Newcastle tourism destination takes the following elements into consideration:-

- ☞ **Nature and outdoor** – there are a variety of protected areas, conservancies and nature reserves in the area, which is important for the type of tourism to be developed in the area;
- ☞ **Adventure** – the abundance of outdoor and rural experiences lend the area towards adventure tourism;
- ☞ **Heritage** – there are a number of important heritage assets, experiences and historical events associated with the Newcastle area;

- ☛ **Friendly, welcoming people** – the warmth and friendliness of the local people is a major component of the destination’s attractiveness based on feedback from visitors to Newcastle;
- ☛ **Prosperity** – to emphasise the fact that a properly developed tourism industry can result in prosperity for the stakeholders in the Municipality; and
- ☛ **More than just a place to do business** – to indicate that the study area is a destination that is also attractive for leisure and other purposes of visit.

STRATEGIC GOAL 3: DEVELOPMENT AND SUPPORT FOR THE TOURISM SECTOR		
Diversification of Tourism Attractions and Activities	Although there are a fairly wide range, the tourism activities within Newcastle, potential exists to enhance the sector through development of new activities and attractions. Sports tourism, in particular, has the potential to attract a wide range of visitors to the area throughout the year, and it is suggested that the municipality continue to work closely with tourism operators to identify new sporting events that could be established within Newcastle. Various tourism opportunities have also been indentified during the Amajuba Tourism Strategy (2012) of which those key to the Newcastle area have been pulled through into the strategy.	Development of the Battlefields as part of the Amajuba Tourism Route (including cultural tourism).
		Action plan and funding to support establishment of business tourism and event tourism (particularly Sport Tourism).
		Development of opportunities along the MR483 Corridor linking the Newcastle CBD to Madadeni and Osizweni.
		Promote the development of Avi-Tourim (birding).
		Development of Ncandu River Dam Tourism.
STRATEGIC GOAL 4: IMPROVING THE INSTITUTIONAL AND POLICY ENVIRONMENT TOWARDS EFFECTIVE LED		
SMME Participation within the Tourism sector	The tourism sector comprises mainly of small business, from single-owned accomodation facilities to one-man tour guide services. The inclusion of small business is therefore critical to the success of tourism and, in particular, the development of informal and micro-tourism operators. This programme deals with the development of small busienss within the sector, focussing on the Tourism Ambassador programme, development of tour guide and site management training and capacity, identification of potential funding sources for tourism start-ups.	Continue support for the Tourims Ambassador Programme and create linkages with established operators.
		Provide Tour Guide and Site Management Training.
		Identification of potential funding for Tourism start-ups.

3.6.11.5. AGRICULTURE

Agriculture contributes about 3% to the local economy. While the contribution of the agricultural sector in Newcastle may seem particularly low, it remains an important sector for the following reasons:

- A. The sector has the potential to create jobs.
- B. The pursuit of national food security requires continued agricultural production and investment.
- C. A focus of support to agriculture is important to build capacity and productivity in land reform projects.
- D. Agricultural development and support is aligned with prevailing rural development policy objectives.
- E. There are a number of catalytic agricultural projects that have been identified for Newcastle Municipality.

Animal production, Forestry and Agronomic (Field) crops are the key farming enterprises in the region. The high contribution of Beef cattle sales emphasises the high proportion of grasslands occurring in the area. Maize for the production of grain is the major agronomic crop, followed by Soya and Wheat.

Dairy was a significant contributor to Provincial GFI in 2002. Local Farmers Association members report that the Northern Natal Dairy Cooperative, which used to service 28 Dairy farmers in the Normandien area, was bought out by Clover and subsequently shut down. The cooperative acted as a catalyst for dairy and value adding projects. There used to be 28 dairy farmers in the Normandien area and since the closure of the Cooperative, numbers of dairy farmers has declined to three active dairy farmers in the area (Philipps, pers comm).

According to local farmers, the key commodities produced in Newcastle are:

- A. Agronomic crops – mainly soya, maize and wheat
- B. Commercial timber plantations
- C. Extensive beef production
- D. Poultry – broiler and layer production
- E. Wool and mutton in some regions, although this is on the decline
- F. Other manufacturing and processing activities are as follows:
- G. Cattle and sheep abattoir – halaal
- H. Poultry abattoir
- I. Grain mills – mostly private, with mill maize for whole maize, crush for poultry and maize meal for human consumption – hominy chop sold off as an animal feed
- J. Local soya processing.

Agriculture in Newcastle faces a number of challenges. These include issues of land tenure and freehold, low penetration of commercial farming activity, low skills base of emerging farmers, land claims, increasing production costs, high transport costs etc. Amajuba District Municipality commissioned a district level agricultural plan, which was completed in 2006. The main agricultural potential areas of the Amajuba District Municipality are intensive farming, irrigation, dry land farming and stock farming. The focus of Newcastle Municipality's agricultural planning is centred on the following investment opportunities:

- A. Soya bean production linked into oilcake and biodiesel production.
- B. Dairy products have massive potential. This include dairy based agro-processing opportunities for yoghurt, ice-cream, powdered milks, custards production.
- C. Floriculture, which is a sub-sector gaining momentum in the international export markets. Both traditional (roses, carnations and crysants) as well as indigenous (proteas, fynbos and bulbs) flowers are growing in popularity. The ideal location between two major export hubs (King Shaka International Airport and OR Tambo International Airport) makes Newcastle highly suited to flower exports to Europe and the Middle East.
- D. Agri-processing: Expanded production in fruits, vegetable and nuts generates new opportunities for specialist agro-processing. Juicing, drying and canning are all reasonably low capital cost options for fruit processing while opportunities for cold processing (vegetables, herbs and aromatic plants), nut cracking and pressing, distillation of essential oils and hot processing of citrus (jams and spreads) are all highly viable in Newcastle.
- E. Meat processing (both game and cattle) is an attractive option for investment. Game meat has grown in market share both locally and internationally. The Agricultural Plan estimated that an additional 30000ha of grazing land is currently underutilized in the municipality, representing a considerable opportunity in the offering. Aquaculture development with the major thrust being an aquaculture processing plant.

3.6.11.6. SMME DEVELOPMENT

The necessity for radical economic transformation is becoming more and more urgent and the Municipality must play its part in ensuring that its supports and promotes economic transformation. The following interventions are being implemented to ensure increased participation of the Previously Disadvantaged Individuals in the mainstream economy:

1. Preferential Procurement Policy for SMMEs

A policy has been developed in terms whereof specific percentages of capital and operational budgets have been set aside for SMME's. This policy will be submitted to Council for approval.

2. Development of the contractor programme

Previously the Municipality initiated a programme for developing local contractors called Sebenzel' Ekhaya. The programme lost traction and there is a need to revive or develop a more structured contractor development programme.

3. Establishment of the construction incubator

The Municipality has taken a resolution to partner with Seda Incubator for the establishment of the construction incubator which will assist small businesses with technical and business skills to manage their businesses effectively and deliver on their projects. This initiative will be implemented once a budget becomes available.

4. Targeted Expression of Interest to cater for local contractors and service providers

CIDB has indicated that it is possible to earmark certain projects to be done by local contractors without any breach of law. This mechanism will support both the contractor development programme and the incubator but can only be done once the Preferential Policy for SMMEs has been approved and adopted by Council.

5. Skills development and training

Training workshops are being held periodically in response to training needs of SMMEs. However the Municipality needs to establish a strategic partnership with the FET College and other accredited training institutions to uplift and formally develop the skills of all contractors and service provider doing business with the municipality. Every competitive bid must budget for the training and development element.

6. Informal sector

Viewing the informal sector as a nuisance must radically change from the municipal management mind-set as these are essential cogs and levers in driving the economic development growth engine. This sector deserves support through the dedication of appropriate trading spaces in line with its fluid nature in the conduct of business. The chaotic environment where the informal sector usually thrives largely as a result of the failure by relevant line functions in understanding their *modus operandi* (method of doing their business) must be rectified.

3.6.11.7. INDUSTRIAL DEVELOPMENT (MANUFACTURING)

Although the textile industry has been on a downward spiral for some time due to competitiveness related issues like the cost of labour as a cost driver and input in the production process. There has been a dramatic switch recently in this industry which can be ascribed to the R/\$ exchange rate which has forced South African retailers to place more orders locally. This sector has added about 2000 new jobs in the last 12 months.

The steel industry in South Africa has been under pressure and this has been evident through the 2015 massive job losses carried over to 2016 plant closure, and a sustained threat in terms of further job losses.

Newcastle has the second biggest steel plant in the country. The industry has been in disagreement with government over import parity prices adopted by the industry and the proposed carbon tax. In light of the recent pressure on the industry, an alliance consisting of government, labour and the industry held a series of meetings to discuss the state of the industry and measures that could be employed to curb job losses and defend the local industry in the context of global trade. These negotiations have still not been finalised and the outcome thereof could either assist/ affect the local steel plant.

The steel industry in Newcastle is well established, suitably located closer to a gas pipeline, and has support from the municipality. Whilst the industry is reasonably stable, the lack of demand for output produced due to a variety of factors from both a global and local perspective is a significant factor affecting growth prospects of the industry. The current global financial crisis may have dire consequences to the local steel industry if it persists for a longer period.

Manufacturing is has now dropped to the 2nd largest contributing sector within the Newcastle economy, contributing approximately 23% to total GVA. Manufacturing activities in Newcastle include metal production, chemicals and plastics, pharmaceuticals, clothing and textiles, food and beverages, leather and footwear. Large industries are located within Newcastle and they account for over 83% of total GVA in the Amajuba District manufacturing industry, followed by Dannhauser with 12.7% and Emadlangeni with 3.8% of GVA.

Newcastle has a strong base of existing infrastructure geared towards manufacturing, and is considered an important node within the wider provincial manufacturing sector. Although the Arcelor/Mittal steelworks and the Karbochem synthetic rubber plant (which covers an impressive 500 000 m² of manufacturing space), dominate the Newcastle industrial portfolio, there is a wide range of manufacturing undertakings sharing in the economic growth of the region.

The manufacturing sector consists of strong clusters of manufacturing industries, and has historically attracted a large number of foreign (mainly Chinese and Taiwanese) manufacturers. The sector consist of small and medium size factories, which presents the opportunity to diversify the manufacturing base to promote the growth of SMME's within the sector.

Overall, the manufacturing sector has only experienced modest growth since 2011, with average annual growth floating around 0.6%. The 'metals, metal products, machinery and equipment' industry contributes 53% to total manufacturing output within Newcastle, followed by 'petroleum products, chemicals, rubber and plastics' with 16%. This is largely due to the contribution of major manufacturers such as Arcelor/Mittal, Lanxess and Karbochem. The metals industry has also experienced the greatest average annual growth since 2000 of 2.5%. 'Transport equipment', although only contributing around 2% to GVA, experienced an average annual growth rate of 1.5% since 2011.

Furniture and other manufacturing contributes 10%, while the 'textiles, clothing and leather goods' industry contributes 8% to total GVA within Newcastle. Both these sectors have experienced negative growth, with average annual growth at -0.57% and -1.5% respectively. Other less significant contributors are 'food, beverages and

tobacco (5%)' and 'other non-metal mineral products (3%)', with 'transport equipment' and 'wood, paper, publishing and printing' both contributing 2%. The 'non-metal mineral product' and 'wood and paper industries' experienced the most negative growth rates with -3.3% and -3.1% per annum on average since 2011 respectively.

Newcastle accounts for approximately 86% of all textile and footwear manufactured in the district. Although the industry has shown recent growth it still remains under threat due to partial non-compliance with bargaining council regulations and minimum wages. This non-compliance with these regulations is not unique to Newcastle as more than 60 % of the clothing factories in South Africa does not comply.

The problem however is that should compliance drives be done by the bargaining council and other role-players then we can expect that companies can close as had happened in the past where many clothing manufacturers who could not afford to comply with labour regulations have reverted to using their factory space as storage for imported textiles from China, while others relocated to Lesotho, Swaziland and Mozambique. These countries present low labour costs as their competitive advantage. A major concern on the side of textile manufactures is that there has been little to no support for them during these bargaining council discussions. This issue is a complex one, especially because it results from National labour regulation, and therefore cannot be resolved through local initiatives. The worrying factor is that this industry accounts for over 30% of employment in the municipality.

The metals industry, despite contributing the greatest to total GVA, only contributes 27.7% to total employment. This indicates that the industry is less labour-intensive than industries such as clothing. Other significant contributing industries are 'furniture and other manufacturing' with 8.7% of total formal employment, and 'petroleum products, chemicals, runner and plastic' with 7.3% of formal employment.

3.6.11.8. MINING

Mining forms an important component of the economy of Newcastle and the history of organized mining in the municipality which has generated associated industries. Mining activities includes coal mining, brick clay, Iron Oxide, dimension stone, aggregate and sand. Particularly two areas are of interest, namely KIB and the MBO area.

Coal Mining

Mintek (2007) estimates that 23% of the coal resources still remain within the Klip River coalfield, of which 51% are found in the Top seam and 49% within the Bottom seam. The coal reserves can (and probably will) be increased with additional coal exploration. It is also estimated that there are approximately 4.5Mt of *in situ* coal within the Klip River coalfield – a large portion of which is located within the Newcastle LM. The vast majority (87%) of this coal is considered to be thermal (or steam) coal with a minor portion (8%) of anthracite and 5% of metallurgical coal. The only coal mining and associated operations that appear to be taking place within the LM are related to dump / stockpile reclamation along the N11 outside Newcastle and to the east near

the old Ngagane Colliery, as well as a char plant and siding stockpiles (for coal from outside the Newcastle area) within the Ballengeich area.

There are a number of areas where mining has ceased through decommissioning or abandonment, but rehabilitation has either not taken place or is incomplete. These include:

- ☛ Macalman Walmsley
- ☛ Tendeka North Opencast (Osizweni area)
- ☛ Ballengeich / Natal Cambrian Colliery
- ☛ Kilbarchan Colliery
- ☛ Horn River Colliery – Gardinia
- ☛ Witklip Colliery near Charlestown

This has implications for environmental management in terms of water, ground stability and issues of safety. Many of the operations were underground with a number of audits (underground access points) that were linked to a single mining entity or operation. This has an impact on potential land use; however the footprint of the workings cannot be determined from surface¹.

According to the DMR, there are several prospecting projects that are currently being carried out within the NLM. The accuracy of this data is questionable as there are duplicate holders of prospecting rights over the same farms and farm portions. Nevertheless, coal applications are located north-south and east of the N11. In September 2010 a six month moratorium on prospecting right applications was put in place to audit the applications, process and irregularities. It is therefore important for the LM to obtain an updated database from the DMR.

Iron oxide

Iron oxide potential is concentrated east of Newcastle within the Madadeni / Osizweni areas. Two mines appear to have been operational to the far east of Osizweni, with a number of abandoned areas of mining or with mining potential. However, field verification of these areas show no latent evidence of mining, with most being within areas that are now built up. It is now unclear whether surface disturbance within these areas is from mining or construction activities. In general, it would appear that the deposits are small and may have been mined out. Mining of weathered dolerite within the area may be a source of iron oxide for pigment; however much of this may also be used in the construction industry.

Bauxite (Al)

Several bauxite occurrences have been reported from within the Newcastle LM. These can be found to the west and southwest of the town, but are all considered to

be of insufficient scale and / or grade to be economically viable at this stage. However, further detailed exploration may well prove otherwise. At this stage, bauxite is unlikely to be mined within the LM therefore the potential environmental risk is low.

Dimension stone

In the Newcastle area, there is an abundance of dolerite and sandstone, which both have potential as sources of dimension stone. The dolerite is commonly very dark in colour – due to its fine grain size and enrichment in magnetite – with the result that it is often commercially attractive and is marketed as “Black Granite”. Despite this, there do not appear to be any dimension stone mines within the Newcastle LM. Dolerite outcrops throughout the LM, primarily west of the N11. Although the quality of these deposits for use as dimension stone is currently unknown, there is significant potential.

Aggregate

AfriSam have an aggregate quarry southwest of Newcastle town off the N11. This dolerite quarry appears to be well run and supplies gravel for crush and cement. A number of other abandoned quarries and borrow pits are in evidence north and east of Newcastle town. Most of these would have been used for road construction and water services infrastructure, as well as for the local building industry.

Sand Winning

There are plenty of quaternary deposits along stream and river courses for sand winnowing (such as along the Buffels, Horne and Ngagane Rivers) In the Newcastle area. Much of the sand mining within the Newcastle LM is associated with the wetland areas adjacent to water courses and not within/immediately adjacent to the dynamic zone. Sand mining was prevalent east and southeast of Newcastle town in close proximity to the target market (Osizweni/Madadeni building industry. This has serious environmental implications. According to the DMR there is only one sand application (mining permit) northeast of Osizweni from 2005. The accuracy of this data is questionable and appears to be an irregularity as the area covered by this permit far exceeds 1.5 ha (the limit of a mining permit).

Brick clay

The Department of Mineral Affairs is currently busy with a project worth R120 million, to rehabilitate an illegal coal mine in the Blaauwbosch area. The intention of the project is to rehabilitate the mine by using the local community that is mining there and create economic opportunities by developing a block-making facility and brick-making yard. The bricks will be collected and purchased by Corobrick.

3.6.11.9. LOCAL ECONOMIC DEVELOPMENT STRATEGY

Newcastle Municipality’s LED Strategy was developed in the year 2012, it must be noted that it will now be going under full review in line with the 4th Generation IDP. During the development of the strategy there was extensive stakeholder engagements so as to ensure that the strategy is responsive to the issues around LED within

Newcastle as raised by the general public. Furthermore, the strategy tries by all means to align with the development imperatives of the PGDP and those of the DGDP through the related development goals, objectives, strategies and programme. In terms of the departmental capacity to deliver on the DGDP objectives and intervention areas, the capacity is currently insufficient as there are only 8 qualified personnel whereas the approved organogram makes provision for 24 personnel thus meaning there is a shortage of 16 personnel. The lack of capacity is particularly around specialist staff who have agricultural and economic expertise.

3.6.11.10. KEY GAPS AND CHALLENGES TO LED

A number of threats and constraints facing the local firms/industries and businesses have been identified and these have the ability to impede upon economic growth hence development of Newcastle. Such threats and weaknesses have been identified particularly within the agricultural sector and, in order to counteract the weaknesses, a number of strengths and opportunities have been highlighted that ensure effective facilitation of local economic development initiatives from a municipality's perspective. Newcastle Municipality is committed to addressing the challenges around LED even though some of the issues are not part of local government's prerogatives. The strategic goals which were developed are essential in addressing the key gaps and challenges identified and also to transform the various economic sectors within Newcastle.

Below is a table translating the key gaps or challenges identified during the situational analysis of Newcastle's LED into problem statements, and displays the strategic responses that have been developed to ensure that the problem statements are sufficiently addressed:-

PROBLEM STATEMENT	STRATEGIC GOAL IN RESPONSE
Good potential agricultural land, and opportunities that are currently underutilised	Expansion and diversification of the agricultural sector
Strong manufacturing base with the potential for expansion through diversification and addressing of challenges.	Expansion and diversification of the manufacturing sector
Under-exploited tourism assets.	Development and support for the tourism sector.
Institutional challenges exist which are threatening proper planning, implementation and sustainability of LED initiatives.	Improving the institutional and policy environment towards effective LED.
Under-developed infrastructure is deteriorating the potential for new investment and expansion of existing sectors.	Expansion and development of strategic economic infrastructure.
Low growth and success in terms entrepreneurship and small business expansion (Including informal economy development).	Effective support to the informal economic and development small enterprises.

Lack of industry-driven skills development and training.	Ensuring effective skills, education and capacity development.
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Furthermore, the Newcastle Municipality's Department of Development Planning and Human Settlements conducted an Economic Development Indaba on the 24th of August 2015. This was basically an interdepartmental meeting held through the Extended Executive Committee gathering and the procedure entailed discussion groups after which a feedback meeting was convened on the 31st of August 2015. The feedback meeting entailed some recommendations on the route to be taken towards the development of Newcastle's local economy. Amongst the issues that were discussed are the following:-

ITEM OF DISCUSSION	BROAD LOCAL ECONOMIC DEVELOPMENT INITIATIVE
Broad local economic development initiatives	<ul style="list-style-type: none"> • Pro-active development-orientated political leadership. • Set clear roles and responsibilities on the political-administrative dichotomy. • Set up think-tank on local economic development. • Exploitation of the town's comparative and competitive advantages. • Identify downstream opportunities within thriving sectors. • Uplift people from the indigent register. • Upgrade EPWP jobs. • Promotion of events/sports and recreation (including arts). • Improve marketing and branding. • Sound financial management. • Policy shift to favour small emerging companies.
Growth engines/catalytic projects	<ul style="list-style-type: none"> • Establishment of a university. • Planning and servicing of the Equarand mixed use precinct. • Development at Newcastle Airport precinct. • JBC urban hub precinct plan. • Exploit the remaining coal reserves. • Address land related matters – land release/tenure/rates for the municipality for development purposes. • Mass supply of middle income housing development. • Expansion of the industrial area. • Strengthen agrarian reform through partnerships between the Department of Rural Development and the municipality. • Support the informal sector. • Broadband Strategy for the provision of low cost connectivity.

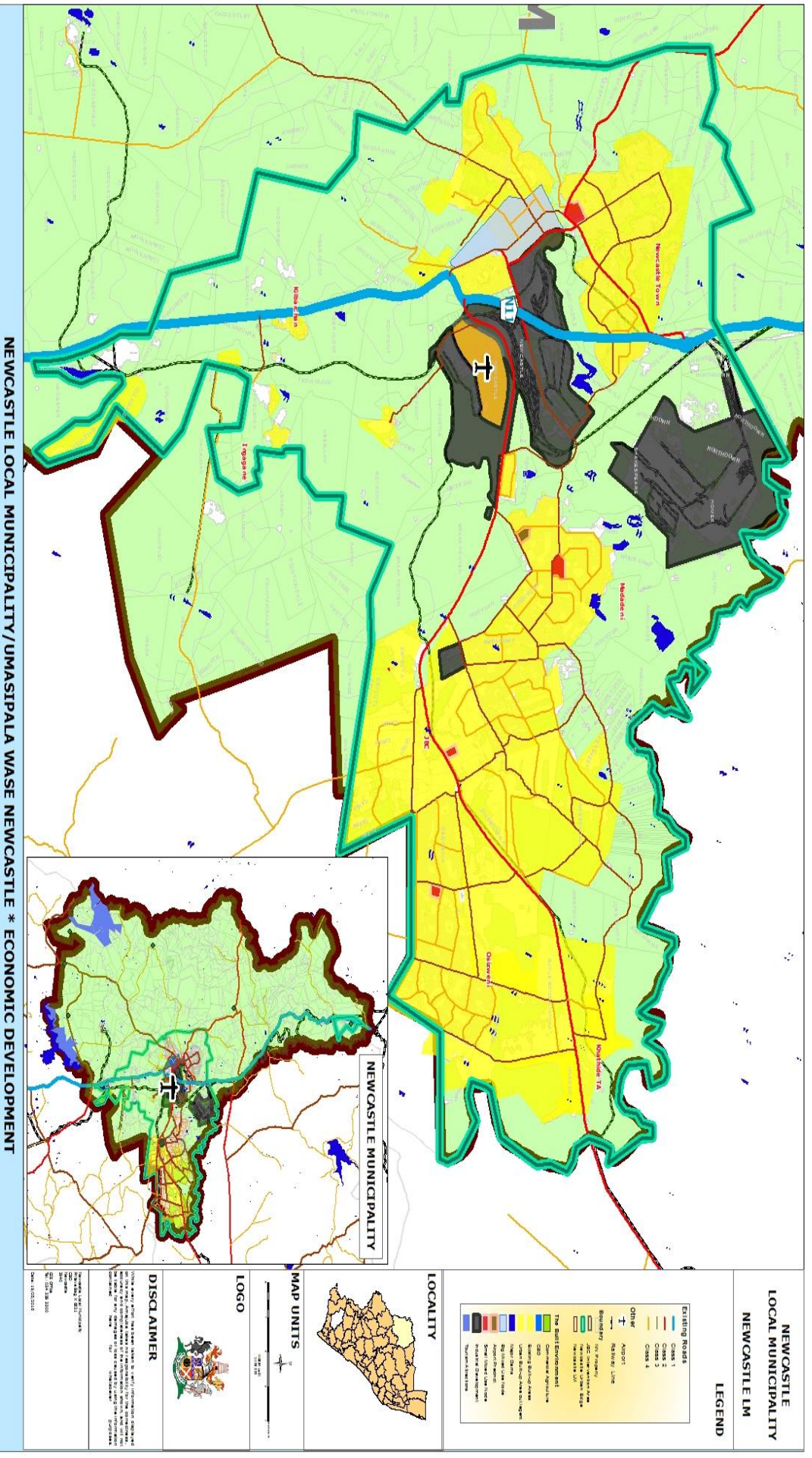
Furthermore, the discussions identified key development challenges in the local economy that pose a threat to economic sustainability and these were organised in terms of the different sectors of the economy as follows:-

ECONOMIC SECTOR	SECTOR SPECIFIC GAPS OR NEEDS
Agriculture	<ul style="list-style-type: none"> • Development of dams and supportive water infrastructure. • Regeneration/redevelopment of vacant farms. • Encouragement towards the growth of agro-processing industries. • Relationships and understanding of farming. • Coordination between stakeholders in terms of agricultural development. • Support for small-scale and emerging farmers. • Support mechanisms for farmers. • Tunnel farming, dry land farming and livestock farming. • Fast tracking the process of land reform.
Manufacturing	<ul style="list-style-type: none"> • Provision of zoned industrial space. • Assistance and support to the textile industry to reduce and reverse job losses. • Leverage of national incentives and funds to encourage industrial development. • Development of a clear vision for the manufacturing sector. • Promotion of investment into new technology. • Diversification of the sector. • Manufacturing of renewable energy products. • Regeneration of vacant or under-utilised industrial space.
Institutional	<ul style="list-style-type: none"> • Access to funding for implementation of LED interventions. • Improvement of intergovernmental relations and coordination (between national, provincial and local government, SOEs and traditional authorities). • Strengthening of public-private partnerships. • Effective investment promotion and facilitation (including incentives). • Business retention and expansion programme. • Efficient project and financial management for LED initiatives (project management unit to run LED projects). • Reduction of red-tape and the collective administrative burden. • Improve collections. • Political buy-in.

ECONOMIC SECTOR	SECTOR SPECIFIC GAPS OR NEEDS
Skills development and training	<ul style="list-style-type: none"> • Ensuring tertiary institutions are producing skills aligned to industry demand (especially manufacturing and agriculture). • Need for private and public sector apprenticeships and internships (including support for companies currently undertaking skills development and training). • Retention of skilled personnel within Newcastle.
Infrastructure	<ul style="list-style-type: none"> • Upgrade and increase the capacity of the N11 and R34. • Encourage regeneration of the rail network for both passenger and cargo transport. • Development of bulk services (including dams and water infrastructure). • Inland logistics hub with supporting industrial development for export-orientated manufacturing. • Improve access to land for development (public land, private land and Ingonyama Trust Board land). • Upgrading of the Newcastle Airport. • Continued maintenance and development of recreational facilities. • Assistance in the provision of infrastructure for small-scale farming such as fencing and dip-tanks. • Tariff modelling and cost of supply study. • Optimise the utilisation of MIG.
Tourism	<ul style="list-style-type: none"> • Provision for a one-stop information centre. • Establishment of local tourism forum or CTO. • Need for more funding for tourism (maintenance, infrastructure upgrades, and new facilities). • Encouraging development of tourism activities within Madadeni and Osizweni. • Need for comprehensive tourism research. • Expansion of business and event tourism. • Marketing of the region.
SMME Development	<ul style="list-style-type: none"> • Growth of sustainable SMMEs in areas such as Osizweni and Madadeni. • Enhancing local procurement (including proper management thereof). • Business support and financial assistance to SMMEs. • SMME development through linking to value chain manufacturing, tourism and agriculture.

3.6.11.11. PROGRAMMES TOWARDS ADDRESSING LED CHALLENGES

SHORT TERM (0 – 6 MONTHS)	MEDIUM TERM (6 – 12 MONTHS)	LONG TERM (>12 MONTHS)
Extended public works programme (EPWP).	All items in 0 – 6 months are still applicable	Renewable energy projects focusing on solar and wind-turbine farms including the conversion of waste to energy.
INEP	Manufacturing concrete products to be provide as inputs in all construction projects of the municipality (e.g. establishment of the brick manufacturing yard)	Promotion and development of SMMEs to make VIP structures, door and window frames, street lighting and mechanical pipes.
Intensive construction (e.g. roads rehabilitation and side-walks).	Promote water re-use which should work to support the agricultural sector.	Explore the mining potential that exists within the town in partnerships owners of mining rights and prospective investors. Support small quarries to establish business that can work with the municipality, Department of Roads and Transport and Public Works.
Water Conservation and Demand Management (WCDM).	Land is a means for production and the municipality should consider providing land at reasonable costs to unlock the economic potential of the town. Municipality should also consider developing and servicing land upfront so as to use attract potential investors.	Maintenance of tourism infrastructure for the attraction of visitors to Newcastle and promote use by local residents for revenue enhancement and job creation.
Use the Municipal Infrastructure Grant (MIG) to promote labour intensive programmes for job creation.	Local office support programme towards industrial innovation.	Establishment of an International Convention Centre to attract major conferences and events.
Ncandu River Clean-up Project		Bus Rapid Transit System (BRT).
Strengthen agrarian reform to support emerging farmers.	Develop a Broadband Strategy to ensure coordination roll-out of broadband.	Supply of middle income housing development.
Support the informal sector	Expansion of the industrial area and establishment of an industrial area in Newcastle East.	Exploitation of the coal reserves.
Address land issues.	JBC urban hub precinct plan.	Establishment of a university.
Development of Newcastle Airport.	Planning and servicing the Equarand precinct.	



Map 7: Newcastle Municipality Economic Development (Source: NLM Final SDF 2016/17).

3.6.12. NEWCASTLE AIRPORT TECHNO-HUB.

The Newcastle Airport Techno-hub concept is based on the dynamic and integrated trio of institution, enterprise and business whose main aim is to generate innovation. The institutional sphere involves knowledge generation through students and research activity which feeds into the enterprise sphere associated with business support, idea generation and training and technology transfer to develop small businesses to eventually expand to become medium to large establishments. These spheres combined, result in innovation and a sustained knowledge economy.

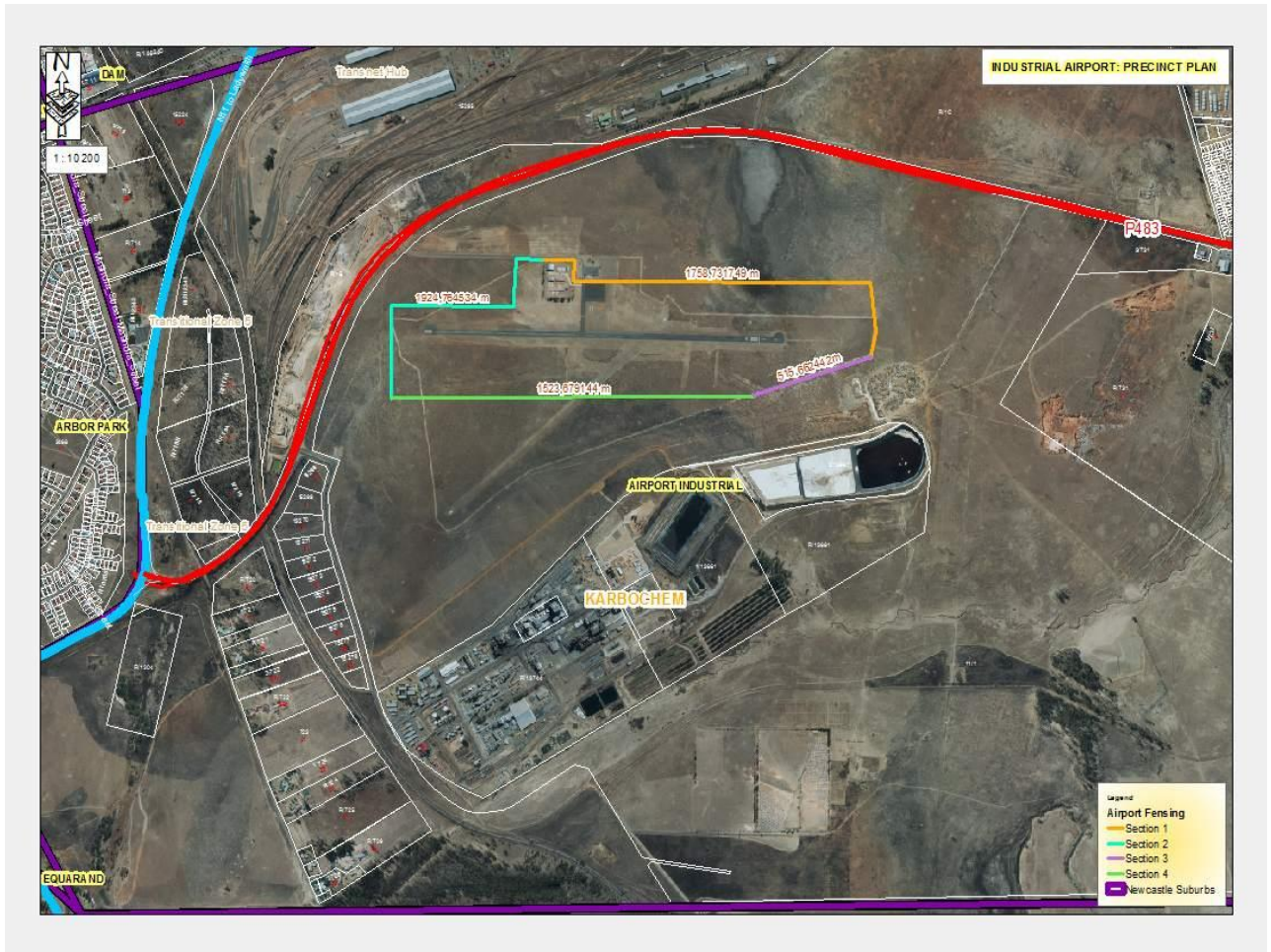
The techno-hub is defined as “an enterprise associated with research, development, design and related activities in the high technology sector which is accommodated in park-type work environment specifically created for the industrial needs of the enterprise concerned.”

The main attributes of a technology hub include:

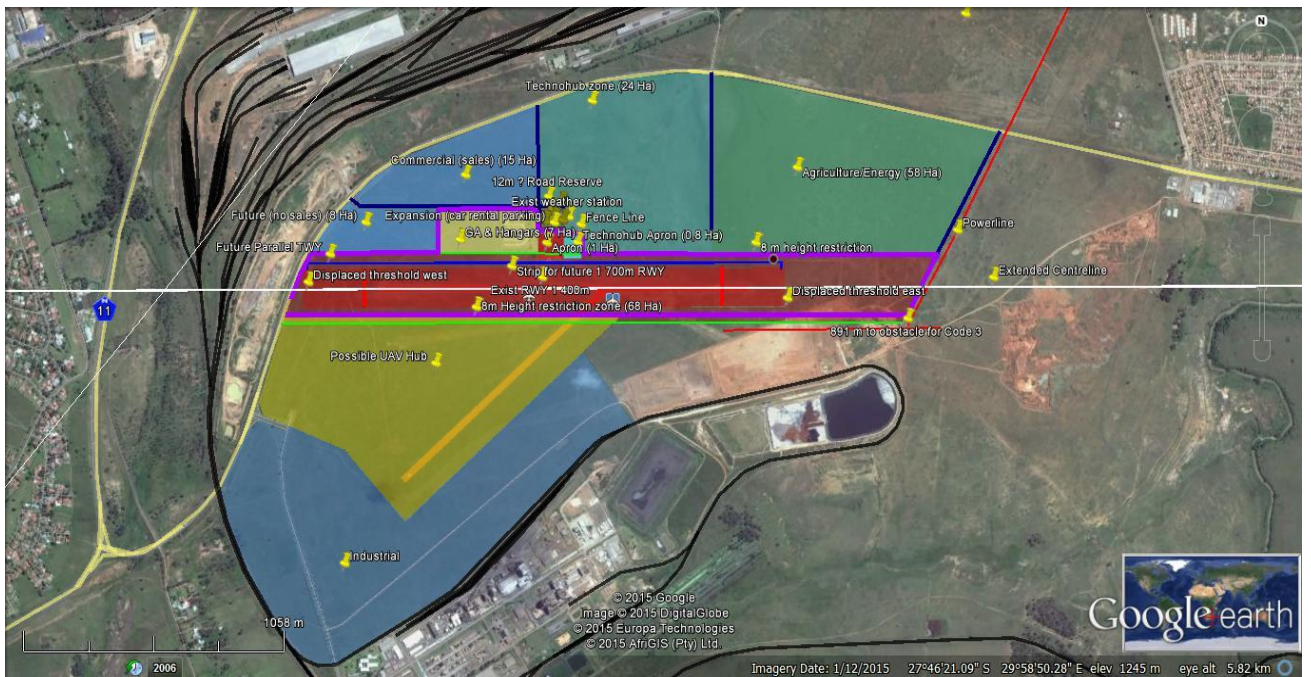
- ☛ Specialised Business Park with tenants focused on technology, and scientific research;
- ☛ Close alignment to tertiary institutes, and their academic staff: parks linked to wider innovation and collaboration between formal educational institutions; research firms and the end user business;
- ☛ Business incubation and support and technological capacity building;
- ☛ Creating business synergies;
- ☛ Should have good physical infrastructure, steady power, communal services like security and management and often shared business administrative services; and
- ☛ Facilities should include, manufacturing, high level training, technology and business incubation, financing institutions, standardization and calibration laboratories, and testing.

The main aim of a techno-hub is the commercialisation of innovative ideas through which products, processes, strategies, and services are formulated to create jobs and to generate wealth in Newcastle. The notion of a techno-hub is supported by all business chambers within Newcastle. Such support is mainly vested upon the anticipated job opportunities which will emanate through the hub. This will have an advantage in terms of the existing pool of advanced wireless and IT companies that are within Newcastle. The benefits of establishing a techno-hub are not only limited to job creation only, but also to investment opportunities and skills development.

The Project will be executed over a two (2) year period starting from March 2015, and the techno-hub site will be owned by the Municipality as an asset and managed preferably by a separate Municipal Entity. The airport was identified as an integral part of the hub, and the hub entity will be required to include services to the hub such as security, cleaning and other operating facilities. Training facilities will accommodate the National Development Skills Plan (SDPS), and the hub will be in a state that will enable to compete with other International techno-hubs.



Map 8: The current site where the Airport is situated.



Map 9: Techno-hub development plan.

With the development of the Techno hub, the old Airport will undergo a series of improvement such as fencing, sewer upgrades, and the upgrading of the terminal building. The following entails an outline of the objectives as raised by the stakeholders of the project, including those of the Department of Science and Technology, through various engagements with the municipality:-

- ☞ Ensure that the Techno Hub meets the National Development Plan, Regional and Local IDP Development Plans;
- ☞ Envisaged as a mechanism of Innovation and Knowledge development;
- ☞ Important that the Newcastle Municipality and Treasury emphasize the purpose of the hub to their stakeholders, it is not meant to be a Business Park;
- ☞ Meant to bring together Academia/Business/Government in order to generate knowledge and R&D as a balanced approach;
- ☞ Must be representative of the community with a forum to manage the hub with independent and neutral stakeholders;
- ☞ Training facilities to accommodate the National Development Skills Plan (SIPS);
- ☞ Require the hub to be a Balanced Playing Field with realization of dis-quality;
- ☞ Be able to compete with International Techno-Hubs; and
- ☞ Revive the economy through the development of the hub.

In addition to the abovementioned objectives, some other issues to be taken into cognisance and which are essential to establishing a world class techno-hub were raised by the stakeholders and these are as follows:-

- ☞ Request for free wifi at the techno-hub;
- ☞ Investigate the student facilities required for the transfer of skills towards skills development for the community;
- ☞ 67% of the Newcastle industry is within the manufacturing sector;
- ☞ The entire hub precinct detailed in Spatial Development Plan of municipal site to be called techno hub site;
- ☞ Adopt a techno hub will suit South Africa, as other countries models not suitable;
- ☞ Should have a separate Municipal Property Entity formed to own and manage the precinct;
- ☞ Due diligence should be performed on any Business/Tenant entering the hub;
- ☞ Techno-hub to create development for Skills Science and Technology.

3.6.13. NEWCASTLE MUNICIPALITY EPWP

Newcastle Municipality's IDP is formulated in line with the strategic directives of the KZN PGDS, and is also fully aligned to the national development goals. Amongst other things, the PGDS gives focus to the delivery of infrastructure and basic services in order to address the identified backlogs. It also places emphasis on intervention towards socio-economic well-being within KZN. The status of the physical and economic development of a community is measured based on the the provision of quality infrastructure for technical services i.e. quality of roads, access to electricity,

access to water and sanitation. Within Newcastle this has proven to be a huge challenge evident in the form of the contrast between the need for maintaining existing roads within the urban areas and the provision of new roads in rural areas, including basic services. The challenge is further exacerbated by the need to attend to the various needs of the community whereas there are limited financial resources. However Newcastle Municipality has made progress in addressing the development challenges and, in the process, has made progress towards socio-economic transformation through the provision of employment opportunities that also advocate for skills development through the EPWP.

3.6.13.1. KEY FOCUS AREA OF NEWCASTLE EPWP

The key focus area of the Newcastle Municipality's EPWP may be summed as the Triple-Bottom Line – social, economic, and environmental development. In terms of social development, the focus is on contractor development in what is known as the Sebenzel'ekhaya Programme. In terms of environmental sustainability, the focus is on building environmental knowledge and a culture of sustainability through the Food for Waste Programme which has seen Newcastle Municipality receiving accolades for being the cleanest town in the KZN province. In terms of economic development, Newcastle continues to create a conducive environment for attracting investments and subsequently economic development. This is done through municipal projects for road maintenance and unblocking of stormwater drains in naming just a few.

The Siyazenzela Programme may be deemed as one of the success programs of the municipality. The name of the programme translates to “we’re doing it for ourselves,” and it was initiated by two municipal departments namely - the Department of Technical Services and the Department of Community Services. The intention was to reduce the levels of unemployment within Newcastle whilst also fighting against poverty. The main beneficiaries of the programmes are the previously disadvantaged communities targeting specifically the poorest of households usually characterised by a general lack of skills due to absence of any form of formal education. The programme started on the 4th of June 2012 and will be completed at the end of EPWP Phase II. Training of labourers in relation to the programme is done through the Amajuba FET College.

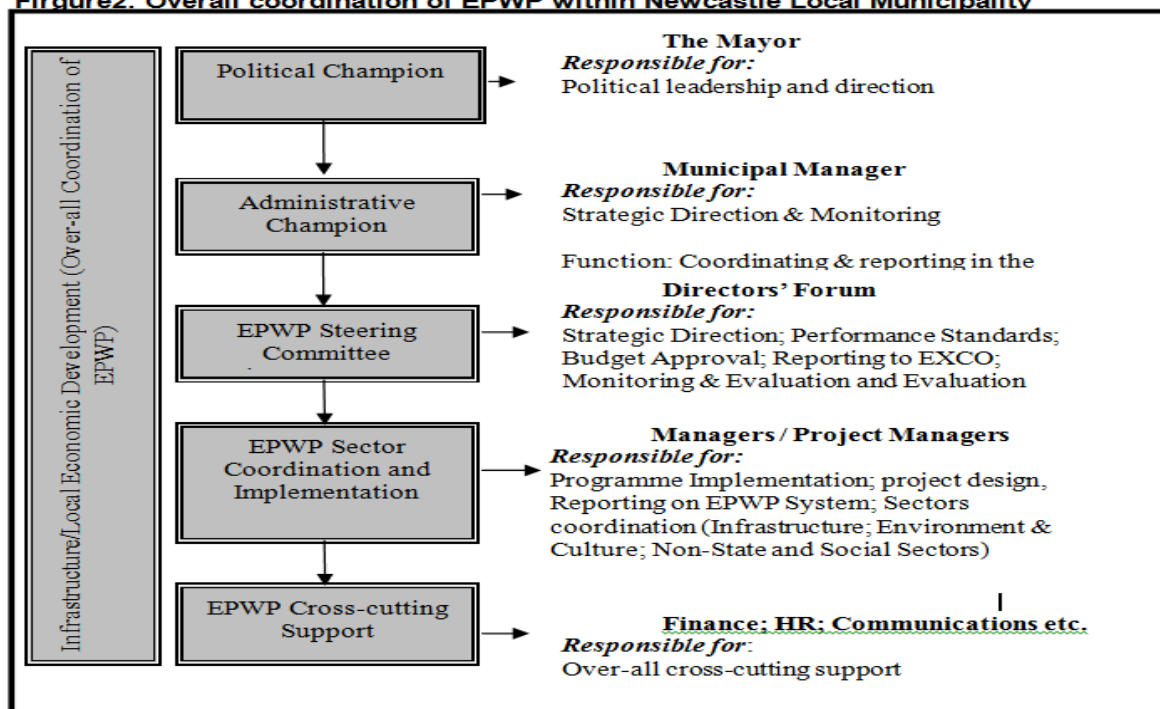
Figure 2: Overall coordination of EPWP within Newcastle Local Municipality

Figure 30: Overall coordination of EPWP within NLM.

So far the Newcastle Municipality EPWP has had a lot of success with regards to the outcomes of its implementation. Under the municipal infrastructure programme, there has been 127 (55 Females and 72 Males) beneficiaries which includes. There has also been an additional 248 (136 Females and 112 Males) beneficiaries within municipal initiatives for improved environmental management which translates to a total of 375 jobs created since the EPWP started within the Newcastle Municipality. Based on the numbers presented above, it is also evident that the programme is also addressing issues of gender equality through women employment. Some of the beneficiaries of the programme have also received training for environmental management and the details of the training are as follows:-

UNIT STANDARD TITLE	USA SAQA ID	US NQF LEVEL	CREDITS	DURATION
Apply Environmental Management tools to assess impact	119554	2	5	6
Keep the work area safe and productive	13220	2	8	10
Participate in work group activities	13258	2	4	5

3.6.13.2. PHASE III TARGETS - EPWP

The following entails Newcastle Municipality's EPWP targets for phase 3 and these relate to the number of people to be employed under the programme within municipal development initiatives:-

FINANCIAL YEAR	TARGET NO. OF PEOPLE
2014/15	784
2015/16	969
2016/17	1 160
2017/18	1 424
2018/19	1 568

The following entails projections for 2015/16 in terms of budget allocations from a municipal perspective for EPWP:-

ALLOCATION (R)	TARGET NO. OF PEOPLE	SALARIES (R)	PPE & TOOLS
3 286 000.00	239	2 868 000.00	R418 000.00

3.6.14. SWOT Analysis: Local Economic and Social Development.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Central location to existing industrial centres - Johannesburg and Durban • Good existing agricultural and manufacturing base • Large domestic market - located between the Gauteng, KwaZulu-Natal and Free-State markets • Array of events that occur within Newcastle attracting thousands of people each year, as well as business visitors • Good base of educational and research institutions (a number of higher education institutions including Amajuba college, Damelin, Boston and UNISA) • Relatively reliable transportation network and relatively good basic infrastructure • Relatively safe locality • Close proximity to mining centres – mainly Dannhauser and Mpumalanga 	<ul style="list-style-type: none"> • Lack of value-adding (including agro-processing) • Decline in employment within agriculture and manufacturing • Insufficient funding for the implementation of LED projects • Lack of coordination between the private and public sector (especially provincial and national departments relevant to the project) • Poor institutional support and assistance in the region from public sector. • Red-tape is creating an regulatory and administrative burden for business (incl environmental processes) • Current weak tourism sector • Lack of business retention and expansion • High levels of unemployment • Inadequate infrastructure (road and rail network, and bulk services) • Limited access to credit
OPPORTUNITIES	THREATS

<ul style="list-style-type: none"> • Community development through agro-processing and community agricultural projects • Diversification of the manufacturing sector and development of new value-chains (incl renewable energy products) with a clear vision • Infrastructure development • Opening of new mines in Dannhauser (30 km away) - Newcastle has traditionally provided housing for mining workers • Targeting of national, provincial and regional sporting events and conferences/functions • Capturing of the new emerging skilled workforce • Development of an ICT and Innovation base within Newcastle to stimulate the knowledge economy (including industrial product design) <p>Investment promotion and facilitation (including development of incentives)</p> <ul style="list-style-type: none"> • Development of under-utilised or unutilised agricultural and industrial land (vacant farms and industrial lots) – such as an inland logistics hub geared for exports • Promotion of business retention and expansion programmes • Upgrading of the airport • Establishment of industry driven training and skills development through internships and apprenticeships. 	<ul style="list-style-type: none"> • Increased international competition in both the manufacturing and agricultural sectors, with limited protection or support from government • Threat of mechanisation in both industrial and agricultural development • Increasing input costs (electricity, transport, capital and equipment) • Collapse of the rail network and unreliability of the current rail service • Corruption and a lack of accountability (financial and management) • Worsening climatic conditions which have translated into water scarcity and therefore negatively impacting on farming around Northern KwaZulu-Natal. • National labour regulations which has impacted negatively on the textile industry with little support for the industry by local government • Lack of relevant and suitable skills being produced by FET and tertiary institutions (particularly engineers) • Land reform and associated challenges (poor skills transfer to new farmers, slow process, etc)
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3.7. GOOD GOVERNANCE AND PUBLIC PARTICIPATION.

The Newcastle Municipality is a Category B Municipality. It functions under the Collective Executive system, consisting of 9 members. The Mayor is elected from the Executive Committee. The Council consists of 61 councillors of which 10 are full-time councillors. 31 of the 61 councillors are ward elected councillors while the other 30 comprises of proportional representation councillors. The Council has five Portfolio Standing Committees, with members of the Executive Committee serving as a Chairperson and Deputy Chairpersons.

3.7.1. GOOD GOVERNANCE.

3.7.1.1. INTERGOVERNMENTAL RELATIONS.

Newcastle Municipality participate in the District IGR forum which is in two folds, the Mayors Forum and the Technical Forum for Municipal Managers. These Forums gives the strategic and political direction for all municipalities within the District particularly on planning and development. There is also a Growth and Development Summit that is being held annually for municipalities to discuss development agenda for the region. Newcastle being the District hub takes the leading role as well as the centre stage on infrastructure development and economic issues. At the Provincial level, the municipality participate on the Premiers Coordinating Forum and Min-Mec Forum for Municipal Managers. For Economic Issues, the municipality participate on SIP2 forum which is a body coordinated by the KZN Trade and Investment.

3.7.1.2. INTERNAL AUDIT ACTIVITY.

Newcastle Municipality has a fully functional internal audit unit that reports to audit committee quarterly.

The Institute of Internal Auditors defines internal auditing as:

“An independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

The internal audit activity evaluates and contributes to the improvement of risk management, control and governance systems of the organisation. Typical input/responsibilities of the internal audit activity include, amongst others:

(a) Governance

The Internal Audit Activity assists management in achieving the goals of the Municipality by evaluating the process through which:

- Goals and values are established and communicated.

- The accomplishment of goals is monitored.
- Accountability is ensured and corporate values are preserved.

(b) Controls

Internal Audit evaluates whether the controls, which management relies on to manage the risks down to acceptable levels, are appropriate and functioning as intended (i.e. are they effective yet efficient) and propose recommendations for enhancement or improvement.

The Internal Audit unit will conduct audits in accordance with the "Code of Ethics" and "Standards for the Professional Practice of Internal Auditing- of The Institute of Internal Auditors, as well as other corporate governance regulations.

(c) Internal Audit Strategic/Coverage Plan

The "Standards for the Professional Practice of Internal Auditing- as issued by the Institute of Internal Auditors requires that: "The internal audit activity's plan of engagements should be based on a risk assessment, undertaken at least annually. The inputs of senior management should be considered in this process."

The Internal Audit Plan is aligned with the strategic risks identified and could encompass risk-based, compliance, financial discipline and cyclical reviews.

The planned audit activities will be focussed at strategic, process and component level as appropriate.

The plan for each year will be determined by the priority ranking (based on the risk assessment) of identified audit areas and the expertise and resources available to Internal Audit.

(d) Authority

Internal audit reports via the Accounting Officer to the Municipal Audit Committee and has unrestricted access to the Chairperson of Audit Committee, the Accounting Officer and Senior Management and has unrestricted access to all relevant functions, records, property and personnel

(e) Audit committee

The audit committee is a committee of Council. The requirement for municipalities and municipal entities to establish Audit and Performance Committee is contained in

Section 166 of the Municipal Finance Management Act 56 of 2003 and article 14 (2)(a) of the Municipal Planning and Performance Management Regulations 2001.

The Audit and Performance Committee is an independent advisory body, appointed by Council to assist Council in discharging its responsibilities.

The Audit and performance Committee Charter sets out the committee specific responsibilities and details the manner in which it will operate. The audit committee charter is approved annually by Council.

Members of the committee

The following audit committee members were appointed by Council on the 1 January 2015 for a period of three years:

Name of Member
S Majola (Acting chairperson)
Ms B. Molefe
Mr B. Madliwa
Mr L. Quayle
Mr A Jordan

3.7.1.3. EFFECTIVENESS OF INTERNAL CONTROL

The municipality's system of internal control is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are effectively managed. According to the Municipal Finance Management Act (Act No. 56 of 2003) and the King Reports on Corporate Governance requirements, Internal Audit and the Auditor General reports provide that the Audit Committee and Management, with assurance that the internal controls of the municipality, are appropriate and effective. This is achieved by means of a risk assessment and review process, testing of controls, as well as identification of corrective actions and suggested enhancements to controls and processes. The committee has reviewed various reports from the Internal and External Auditors, which highlighted the adequacy and effectiveness of internal control systems within the municipality. The Committee noted a significant improvement within the Supply Chain Management process, in particular, the issue of irregular expenditure. This has also improved in the last quarter of the financial year.

Management has taken the views of both the Internal and External Auditors seriously even though some of the processes did not allow the municipality to move from its previous audit opinion. A lot of efforts in terms of human resources and financial resources were employed to assist the situation which is hoped that the results will be realised in the 2015/2016 financial year audit. Quarterly reports on progress made in implementing the plan was also tabled at the Audit Committee for the purposes of continuous monitoring.

3.7.1.4. Objectives.

- ☞ Maintaining oversight responsibilities of all financial and performance reporting.
- ☞ Seek reasonable assurance that the operations of the municipality are conducted efficiently and effectively.
- ☞ Seek reasonable assurance that the Council has developed and complies with its policies, plans, procedures and internal controls.
- ☞ Seek assurance that the Council complies with relevant legislation, regulations and professional pronouncements.

3.7.1.5. Internal Audit.

- ☞ Review the Internal Audit Charter and submit to audit committee for approval.
- ☞ Review of the Audit Committee Charter and submit to council for approval.
- ☞ Report to audit committee as to whether the internal audit unit is given the resources and operational independence required to fulfil its role as outlined in the Internal Audit Charter.
- ☞ Prepare the annual risk based internal audit plan which is approved by the audit committee.
- ☞ Prepare internal audit reports and provide independent, objective assurance and consulting services to management on matters relating to:
 - ☞ Internal Audit;
 - ☞ Internal controls;
 - ☞ Accounting procedures and practices;
 - ☞ Risk and risk management;
 - ☞ Performance management;
 - ☞ Loss control;
- ☞ Compliance with the Municipal Finance Management Act, Division of Revenue Act (DORA) and any other applicable legislation; and
- ☞ Investigate any other matter as requested by the Municipal Manager.

3.7.1.6. Internal Control.

- ☞ Evaluate the overall effectiveness of the internal control and risk Management frameworks and consider whether recommendations made by the internal and/or external auditors have been implemented by management.
- ☞ Assess whether proper adequate accounting records are being maintained.
- ☞ Ensure that Council has the necessary policies in place to protect and safeguard assets and to ensure legal compliance with all relevant legislation. Examples - Prevention of Fraud Policy, Procurement Policies

3.7.1.7. MUNICIPAL BY LAWS AND POLICIES

As a creature of statute and an organ that subscribes to the rule of law, the Municipality exercises vested executive powers make law and polices to provide for regulation of

its activities and environment. By-Laws play vital roles in assisting the Municipality to discharge its functions in terms of values of the rule of law and accountability that that is founded on law. There are at least eleven By-laws that have been precertified by Legal Services and currently pending with respective departments for consultation with stakeholders. It is anticipated that By-laws all the eleven By-laws will be gazetted this year in order to enhance efficiency and effectiveness of the Municipality.

3.7.1.8. Municipal Governance Structures.

The Newcastle Municipality has 61 democratically elected councillors which constitute the council. Council meets at least monthly and is the final decision making body within the municipality. The Executive Committee (EXCO) is responsible for the day-to-day running of the organization, and decision making. They meet regularly to receive reports from the Municipal Manager. EXCO is supported by the following portfolio committee, who serve as oversight structures in respect of various line functions and responsibilities of the municipality:-

Table 44: Portfolio Committees

PORTFOLIO	CHAIRPERSON
Finance	Cllr. Cllr E.M. Nkosi: Mayor
Technical Services	Cllr. R. M. Molelekoa
Community Services	Cllr. D.P. Sibiyi: Deputy Mayor
Development Planning and Human Settlements	Cllr. M. Shunmugam
Corporate Services	Cllr. R.N. Mdluli

In addition, the municipality has established a Municipal Public Accounts Committee (MPAC) to oversee the expenditure and accountability for public funds entrusted to the municipality. The structure and current membership of this committee is indicated on the table below:

Municipal Public Accounts Committee:

- 1) Cllr M E Ngcobo (Chairperson)
- 2) Cllr B S Dlamini
- 3) Cllr N P Kunene
- 4) Cllr S G Miya
- 5) Cllr N M Ngcobo
- 6) Cllr S J Nhlapho
- 7) Cllr S E Shabangu
- 8) Cllr L G Thwala
- 9) Cllr M S Mlangeni
- 10) Cllr T M Zulu
- 11) Cllr A P Meiring

12)Cllr M W Twala

3.7.1.9. RISK MANAGEMENT.

Newcastle Municipality has implemented risk management system in compliance with Section 62 (1) (c) (i) of the Municipal Finance Management Act No. 56 of 2003 (MFMA), which requires the Accounting Officer/Municipal Manager to take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of risk management and internal controls.

South Africa's codes on corporate governance, the King iv report on good corporate governance, has consistently identified Risk Management as one of the key pillars for good governance practices and this, as a continuous process, enables constant improvements in strategy design and implementation as well as an organisation's systems and operations. The King iv report on corporate governance has identified risk governance as one of the cornerstones that if successfully implemented can create and sustain stakeholder value.

Newcastle Municipality recognizes risk management as a critical part of the municipality's strategic management, which is a process whereby the municipality both systematically and intuitively mitigates the risk attached to its strategic objectives with the ultimate goal of achieving sustained benefit within each programme and across the portfolio of activities. Risk Management is therefore recognized as an integral part of sound organizational management and is being promoted throughout the municipality as good management practice for ensuring good governance.

Like all other government institutions, Newcastle Municipality also faces uncertainty, and the challenge for management is to determine how much **uncertainty** the municipality is prepared to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance **value**. Newcastle Municipality recognizes that value is maximized when management sets objectives to strike an optimal balance between growth and related risks, and effectively deploys resources in pursuit of the municipality's objectives.

The Municipality has adopted an integrated approach to risk management with the primary aim to embed a culture of making the right and timely decisions which take into consideration associated risk exposures and opportunity. This therefore means that, risk management at Newcastle Municipality, is not just a simple compliance with the requirements of the Municipal Finance Management Act (MFMA) which requires the Municipal Manager as the Accounting Officer to implement a system of risk management, however, it has been implemented in recognition of the substantial value-add of risk management.

Risk Governance in the Municipality

The Municipality has an independent governance oversight and advisory committees, namely, the Audit Committee (AC); which operates in accordance with Council approved terms of reference, corporate governance guidelines and practices (King iv), and professional practice standards and codes. The audit committee is responsible for independent oversight and appropriate advice on the risk management process in the Municipality, the mitigation of key risk exposures and advisories on emerging risk issues that may have an impact on the Municipality.

Some of the key strategies in the short to medium term to ensure successful implementation of Risk Governance and Enterprise Risk Management in the Municipality are itemised below:

- Risk Governance Structure, Framework, Policy and Activities
- Risk Infrastructure and Oversight
- Adoption and alignment of risk frameworks,
- Risk Ownership and Accountability
- Risk Management Approach and Principles
- Risk Management Language
- Risk assessment Methodology
- Continuous risk assessment, design and implementation of risk responses, and continuous monitoring
- Risk Profile and Integrated Risk Reporting

Enterprise Risk Management (ERM)

The management of risks has evolved from the management of financial risks, and transfer of risks through insurance, to business risk management and recently to enterprise risk management which includes the management of risks at all levels of the organisation. The ERM process creates that consciousness at both political and administrative levels of the Municipality's risk appetite and profile. The benefits which the Municipality strives to achieve include:

- aligning risk appetite to the Municipality's strategies;
- enhancing management's risk response decisions;
- seizing opportunities and,
- reducing operational surprises and losses through continuous identification of potential events;
- identifying and managing multiple and crossenterprise risks;
- improving deployment of capital and allocation of resources through the use of reliable,
- relevant and timeous risk information.

The overall strategic objective is to embed a culture of risk management in the Municipality, at strategic and operational levels.

Accordingly, the risk management unit has mapped the Enterprise Risk Management programme to the Municipal IDP.

A number of priorities have been identified in the Municipality's ERM programme, for the first year of the 4th generation of the IDP, and these cover:

- Identification, documentation and communication of the Municipal-Wide Risk Universe
- Municipal Risk threshold levels / appetite
- Strategic & Operational Risk Profiles
- Standardised Municipality risk assessment methodology
- IT, Fraud, Compliance risk assessments and profiles
- Risk Monitoring and Risk response plans advisories
- Departmental risk profiles & registers, and risk reporting
- Municipal-wide risk threshold / tolerance levels
- Consulting on risk responses
- Business Continuity Management (BCM) plans & advisories

Enterprise Risk Management Projects

Projects in the ERM programme are advisory and management consulting services, are long term in nature, will straddle the entire current 5-year IDP, and even go beyond this term though the focus in each year may vary:

- Municipality Risk Governance
- Integrated Risk Management Implementation Planning
- Risk assessment and advisories on management of risks:
 - o Strategic Risk Management
 - o Operational risk management
 - o Financial Risk Management
 - o Compliance Risk Management
 - o Project Risk Management advisories
 - o Contracting and contract risk management
- Business Continuity Management
- Risk Finance (Insurance covers)
- Risk management application software
- Integrated reporting capabilities (dashboard)

Integrated approach to Risk Management and GRC functions

There is therefore a high co-dependence between Risk Management unit and the other assurance functions within the Municipality. The Municipality has adopted an integrated approach to the management of risk, risk advisory and assurance processes and systems. This will enable collaboration and cooperation between all the internal assurance role players.

Risk ownership and accountability

The embedding of a risk management culture is one of the priorities that have been agreed to by the leadership of the Municipality.

- One of the key strategies that has been designed is to ensure that there is convergence in the management of risks and performance.
- The Municipality's organisational scorecard and performance scorecards of executive and senior management now include risk management as one of the key performance areas.
- Further, each of the top strategic risks is assigned a risk owner at Executive Director or Divisional head in respect of the Municipal Manager's department.
- Risk owners must ensure that risk response plans and mitigation actions are designed and implemented by responsible officials.

Continuous Risk Assessment

The assessment of risks requires the identification of organisational objectives and strategies, and an analysis of inherent events that may impact on the achievement of objectives and strategies. While Municipality's Risk Management unit facilitates the assessments of risks through workshops or reviews of existing risks, the primary responsibility for the management of identified and emerging risks lies with the respective executive management.

The Municipality continuously assesses its risk exposures and measures and prioritises these risks using its risk assessment methodology. Priority is given to the potential uncertainties that have been measured to have extreme and high inherent risk exposures. Similar priority is given to those risks have high residual risk exposure, alternatively, where the respective risk response plans are inadequate and/or ineffective.

Strategic Risk Management

Strategic risk assessments are conducted at least annually, and facilitated internally by the Municipality's Risk Management Unit. The Municipality identifies the top 15 Municipality-wide strategic risks for each financial year.

Operational Risk Management

Operational risk assessments are conducted at the level of each directorate in the departments and at the level of business units or directorates in the entities. The outputs hereof are departmental risk profiles, and directorate risk profiles. Both Internal Audit and the Auditor General usually focus on the risk, control and audit universe at operational levels to evaluate the design and effectiveness of the internal control environment, which is a bottom-up approach. Therefore it is critical that management assisted by Municipality Risk Management unit should consistently analyse

operational risk exposures and implement adequate systems of internal controls. Operational risk profiles must be communicated to the management and staff of the department or directorate to ensure that all role players are aware of the risk environment and the responsibilities for the management of identified and emerging risks.

Risk Response Plans Advisories on Risk Management Strategies

The risk matrix enables the prioritisation of risks. The risk mitigation strategies, i.e. whether to accept, avoid, transfer or control risks, will be evaluated to ensure they appropriately respond to the identified risks, and the cost vs benefit analysis conducted. While Risk management unit will monitor the design of risk mitigation strategies / responses in respect of all identified risks, focus will be placed on those risks that have been identified as Extreme or High according to the risk matrix.

Risk Monitoring and Risk Reporting/ Communication

Subsequent to the risk assessments and identification of risk management strategies by respective management, Municipality's Risk Management unit analyses the adequacy of the risk strategies in bringing the risks to acceptable tolerance levels. The Internal Audit Activity prepares risk based audit plans having assessed the risk environment and determined the risk and audit universe. The risk based auditing approach ensures that internal audit effort is focused on extreme and high risk areas, and internal audit projects are therefore derived from the strategic and operational risk registers. Internal audit also provides independent assurance on the effectiveness and efficiency of risk mitigation plans.

3.7.2. Land Use Management.

In terms of the Municipal Systems Act (Act No. 32 of 2000), a Land Use Management System is a legal requirement that Newcastle Municipality is obliged to meet. In response, Newcastle municipality has developed a wall-to-wall scheme as part of a comprehensive review of the existing Newcastle Town Planning Scheme, and a process towards the introduction of land use controls in areas hitherto not covered by the scheme. However, this document has not been implemented as due process is being followed to amend the Newcastle Town Planning Scheme as provided for in the KwaZulu Natal Planning and Development Act, 2008 (Act No. 6 of 2008). The Newcastle municipality has taken an incremental approach toward the implementation of the town-planning scheme in all areas, except the agricultural land. At present, Newcastle town is the only area that is covered by a Town Planning Scheme within the municipality.

The Newcastle Municipality has established a MPT. Due to the capacity of the Municipality, it has a Stand-alone MPT. The first composition of the MPT was approved by Council on 2 September 2015 with 5 internal members in the employ of the Municipality and 2 external members. The MPT is functional and sits once in a month on average. The Municipality has complied with the said regulation in terms of the determining on the submission on land use and development applications. The Municipality resolved on this appointment of 2 September 2015. The Newcastle Municipal SPLUMA Bylaws were prepared in 2015 and the municipality has categorised applications. The SPLUMA Bylaws were adopted on the 2nd of September 2015 and were gazetted on the 9th of October 2015.

3.7.3. PUBLIC PARTICIPATION.

3.7.3.1. MECHANISMS FOR PARTICIPATION.

Public participation is important to determine the exact needs that exist in the communities in relation to the developmental priorities during the public meetings and information gathering. The Newcastle Municipality will be utilizing the following mechanisms for public participation when developing its IDP.

- ☛ **IDP Representative Forum (IDP RF):** This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees, AmaKhosi, Non-Governmental Organizations (NGOs), Community Based Organisations (CBOs), Organized Business, Faith Organizations and organized agriculture.
- ☛ **Media:** Local newspapers will be used to inform the community of the progress of the IDP and further due meetings' including the IDPRF and community road shows.
- ☛ **Radio Slots:** The Newcastle Community radio station will be used to make public announcements where necessary.
- ☛ **The Newcastle Website:** The Newcastle Municipality's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for communities, general stakeholders and service providers to download.
- ☛ **Ward Committees:** The Newcastle Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. The municipality considers ward committees as one of the institutional bodies to fast-track service delivery and deepen democracy. Ward Committees represents a wide range of community interest through the IDP RF meetings and their inputs are always considered. They also being used to disseminate the information about the developmental agenda of the municipality.
- ☛ **IDP/ Budget Road Shows:** The Newcastle Municipality hosts its community road shows through ward committee system to publicize the draft IDP and Budget during April and May 2015. The venues for these meetings are publicized at the IDP RF, public places and as well as through the local print media.

3.7.3.2. WARD COMMITTEE SYSTEM.

The Municipality has thirty four (34) wards, and each ward has a Ward Committee constituted of ten (10) members. In line with the requirements of Outcome 9, all of these wards combined at a municipal wide level and shall constitute a region. The region shall be divided into four (4) zones, viz;

- Zone A which will have 11 wards.9 (Madadeni)
- Zone B which will have 9 wards. (Osizweni)
- Zone C which will have 6 wards. (Blauubosch)
- Zone D which will have 8 wards (Town)

The Ward Committee system is structured according to the following fora:-

Chairpersons forum.(all 34 ward councillors)

Secretaries forum

340 ward committees.

The Public Participation Directorate, established in the Office of the Development Planning and Human Settlement and supports the Speaker, is responsible to ensure that the ward committees are functional in line with an approved Ward Committee policy. Furthermore, as part of the government programmes stream-lined towards the improvement of good governance, the Provincial government shall be rolling out workshops on the role of ward committee members in the implementation of the Back to Basics Programme and Newcastle Municipality is to benefit from the programme.

The functionality of Ward Committees are monitored through the submission of ward reports regarding Ward Committee Performance, which basically assesses the performance of Ward Committees within Newcastle. The performance is measured in terms of the following indicators:-

Number of Ward Committee Meeting held – 1 per month;

Number of Ward Committee Meetings chaired by the Councillor – 1 per month;

Percentage of attendance – 50 plus 1;

Number of community meetings held – 1 per quarter;

Number of sectoral reports – 10 per month; and

Number of reports submitted to the municipality – 1 per quarter.

The assessments are made on a quarterly basis, namely, the periods between July – September, October – December, January – March, and April – June of each year. The following entails the common challenges that have surfaced based on the report:- In general, the overall performance of the Newcastle Ward Committees is satisfactory. The stringent measures are being implemented by the Office of the Speaker to improve the situation.

Newcastle Municipality will facilitate Constituency meetings across all 34 wards as part of strengthening democracy and governance structures within the municipality. It also played an integral role to cascade the service delivery information and information sharing within the governance structures.

Furthermore, a Capacity Building Training for all Ward Committees is to be facilitated by the Public Participation Unit whose main purposes is to train Ward Committees on municipal processes.

Table 45: Ward Committee Database of Ward Committee.

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y/N	
					M	F				Y	N
1	Ward Councillor	Diadla	Xolani	870102 6248 083	M				082 407 0309		
		Kubheka	Phunyula Daniel	490919 5626 088	M		Enketheni		076 842 4805		
		Ntombela	Jerom	770414 5982 088	M		Clavis School		060 466 0593		
		Nsibande	Nomsa Princess	790104 0378 087		F	Clavis School		079 101 5885		
		Shabalala	Ntombincane Pauline	700714 0718 089		F	Clavis School		073 143 2570		
		Vilakazi	Thulane Wiseman	9110295478-83	M		Ingogo Sch		078 225 2154		
		Mphuthi	Lindiwe Fortunate	870519 0680 088		F	Ingogo Sch		073 985 9206		
		Mnteshi	Sibongile	790325 0414 081		F	Ekuboneni		078 473 3551		
		Ngubeni	Siphiwe	870813 5973 089	M		Botha's Pass		071 373 9741		
		Nkosi	Ester Zinhle	870707 1007 084		F	Mahobe		071 833 6451		
		Nkosi	Nomzamo								
Total		09+1 Cllr			4	5					
Age Different			18-35		36-60				61 - 85		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

4	4	1
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DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y N	
					M	F				Y	N
2	Ward Councillor	Cronje	Elizabeth J.C	650408 0032 084		F			073 501 5020		
		Nsukazi	Mbono Lucas	450302 5426 080	M		Ferrum Sch		073 123 5582		
		Ntombela	Sipho Gabriel	610226 5591 087	M		Albetros		0722123795		
		Mbatha	Lynette Lindiwe	740711 0310 083		F	Ferrum Sch		083 256 9599		
		Clark	John Herbert Attlee	870418 5035 085	M		Albetros		082 865 4464		
		Clark	Daphne Bernice	560715 0012 083		F	Albetros		082 897 1435		
		Majola	Mthokozisi	870102 5662 086	M		Albetros		084 868 2832		
		Mashego	Lungile Beauty	900420 1146 084		F	Open Space		079 779 2949		
		Mazibuko	Andile Zithulele	820803 5610 089	M		Albetros		076 902 0354		
		Ntshangase	Eric Muzi	600819 5802 084	M		Ferrum		073 305 8452		
	Nkosi	Nonkululeko Gugulethu	730917 0921 082		F	Drakensburg		082 967 2507			
Total		10+1 Cllr			6	4					
Age Different			18-35		36-60			61-85			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

4	3	3
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DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y N	
					M	F					
3	Ward Councillor	Shunmugam	Matthew	600729 5260 086	M				082 087 8919		
		Pillay	Patamavathie	770120 0208 087		F	Lenixton		076 468 1683		
		Tealo	Mathanlall	550626 5077 082		F	Suryaville		072 673 9899		
		Khakie	Winnie love Thandekile	650105 0352 087		F	Lenixton		071 306 8674		
		Hoosen	Omar Ally	540508 5025 084	M		Lenixton		084 645 4742		
		Gajee	Ashukumar Kasidas	461212 5069 086	M		Lenixton		084 631 7128		
		Mazibuko	Wilson Nkosinathi	661117 5560 083	M		Suryaville		072 430 4179		
		Jaggernath	Rajendra Sookdew	760306 5172 086	M		Lenixton		084 631 7128		
		Ramdhani	Rishree	471128 5172 084	M		Lenixton		079 941 8027		
		Maharaj	Karoonduth Nainsooklall	610613 5221 082	M		Suryaville		084 229 4945		
Total		Singh	Roopchurrnd	621029 5227 085	M		Lenixton		076 344 4299		
Age Different		10+1 Cllr			7	3					
			18-35				36-60				61-85

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

0	7	3
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DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y	N						
					M	F											
4	Ward Councillor	Meiring	Albertus Pieter	540218 5121 087	M				084 406 4953								
						Hair						Peter Alexander	430713 5007 081	M		Farmers hall	082 466 7724
						Hair						Felera Magdalena	431123 0037 084	M		Farmers Hall	082 466 7724
						Sithebe						Percy Sibusiso	610320 5802 089	M		Farmers Hall	084 488 8865
						Lukhele						Lorraine Bonglwe	700614 0571 084		F	Farmers Hall	060 686 6380
						Mngomezulu						Mxolisi Sabelo	9111286389081	M		Hutten Park	072 298 1519
						Nkosi						Thabo Phakamani	950913 5466 085	M		Farmers Hall	071 014 2387
						Buthelezi						Siyabonga	960302 5597 081	M		Hutten Park	073 018 4143
						Shezi						Sigananda Khayaletu	940509 5333 086	M		Pioneer Park	073 084 8944
						Mchunu						Sandile	940301 5982 087	M		Hutten Park	060 806 9422
	Hlatshwayo	Thembi	860601 0869 085		F	Hutten Park	072 578 2905										
Total		10+1 Cllr			8	2											
Age Different		18-35		36-60		61-85											

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

6	2	2
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DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
5	Ward Councillor	Thwala	Lindiwe Goodness	630102 0558 082		F			073 408 4237 060 982 5628		
		Motloung	Topsy Hellen	711128 1024 081		F	Hope H. Sch		076 933 1118		
		Dludla	Khulekani Wonderboy	8306065780085	M		Hope H. Sch		071 372 1053		
		Nkosi	Siphiwe Bonginkosi Cecil	740303 5740 082	M		Hope H. Sch		072 713 9257		
		Buthelezi	Lynnette Thoko	701017 0585 089		F	Hope H. Sch		083 574 7245		
		Mininzi	Nontokoza Sharon Sandra	890211 0405 080		F	Hope H. Sch		061 209 7069		
		Sibisi	Xolani Irvin	890503 5510 082	M		Hope H. Sch		071 923 7220		
		Mbatha	Thabo Sophist	810621 5730 083	M		Panorama H.		071 292 0053		
		Khumalo	Hedwick Nontethelelo	930124 0372 089	M		Panorama H.		072 5146 473		
		Sithole	Mathens Simphiwe	680703 5559 089	M		Panorama H.		084 063 8267		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Nkonyane	Sinethemba	950624 6034 083		F	Panorama H.	071 573 2874		
Total	10+1 Cillir			6	4				
Age Different	18-35	5		36-60				61-85	
				4				0	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

•	• ME MB ERS HP	• SURN AME	• FULL NAMES	• ID NO. (13 DIGITS)	• G E N D E R		• V.D	• SEC TOR REP RES ENT ED	• CONT ACT NO.	•	
•	• Ward d Cou ncill or	• Zulu	• Siphos akhe Z.	•	•	•	•	•	•	•	•
•	• Ward Committ ee Member	• Thabe de	• Sabelo Patrick	• 900304 6323 080	•	•	•	•	•	•	•

		• Hadebe	• Xolisile Heyzel	• 890124 0809 088	•	•	•	•	• 083 897 4825	•	•
		• Mncwango	• Nonhlanhla Fortunate	• 720101 1706 089	•	•	•	•	• 073 406 3144	•	•
		• Nhlabathi	• Thobani Wilson	• 620726 5570 080	•	•	•	•	• 073 275 1474	•	•
		• Nzuza	• Hlobisile Leginah	• 680822 0306 088	•	•	•	•	• 078 198 0205	•	•
		• Xulu	• Zanele Mbali	• 870824 1164 086	•	•	•	•	• 073 333 9484	•	•
		• Mfusi	• Bertinah	• 621007 0572 085	•	•	•	•	• 072 849 7721	•	•
		• Dhludhlu	• Nonhlanhla Annah	• 670923034 1083	•	•	•	•	• 07228 68149 07283 64846	•	•
		• Nsuntsha	• Lungile Cynthia	• 940529039 4081	•	•	•	•	• 07175 73309	•	•
•	•	• 10 +1Cllr			•	•	•	•		•	•
Age Different			18-35		36-60			61-85			

4	4	4	4
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DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
7	Ward Councillor	Khumalo	Bawinile Vierah	601231 0750 087		F			082 436 0766 084 815 5821		
		Sibiya	Bhekithemba Amos	761028 5322 086	M		Sgodiphola		084 804 5134		
		Ndabandaba	Thandeka Princess	921127 0529 088		F	Sgodiphola		076 946 2800		
		Sikhakhane	Nonhlanhla Siminya	770608 1079 084		F	Sgodiphola		079 289 3811		
		Manyathi	Nelisiwe Doreen	740213 0620 082		F	Izazi		078 854 5520		
		Mazibuko	Thembinkosi Lucky	720617 5901 087	M		Izazi		071 889 1670 082 488 4173		
		Mfusi	Phakamane Sphiwe	880610 5452 082	M		Izazi		071 183 5701		
	Mapanga	Nomusa Isabela	721125 1417 081		F	ZCC- Church		078 471 5932			
	Makhubu	Zinhle Fortunate	850904 1191 083		F	ZCC- Church		078 472 3587			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Shabalala	Themba Sydney	560310 5501 080	M		ZCC-Church	079 537 0076	
	Mokoena	Ntombizodwa Setris	790119 0576 086		F	ZCC-Church	082 728 6876	
Total	10+1 Cllr			4	6			
Age Different		18-35		36-60			61-85	
		3		7		0		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
8	Ward Councillor	Kubheka	Vukile Derick	810228 5513 087	M				073 302 2178		
		Mbhele	Ayanda Ronald	710507 5824 086	M		Indoni		083 760 3341		
		Khoza	Mthokozisi Perseverance	800512 5538 083	M		Indoni		083 344 6929		
		Kubheka	Zandile Ivy Albertina	590210 0847 088		F	Indoni		060619 0443		
		Maphobole	Zacharia Moeketsi	830414 5613 087	M		Indoni		073 604 5363		
		Langa	Gugu	920716 0863 082	M		Indoni		073 798 2451		
		Madi	Bheki Gift	840628 5664 083	M		Phambili		083 683 2403		
		Mtshali	Joseph Fana	570417 5518 085	M		Phambili		060 639 0443		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Ngidi	Nombuso Gloria	720324 0390 081		F	Phambili	073 311 7448		
	Khumalo	Phindile Joyce	731225 1146 082		F	Phambili	071 724 8296		
	Ndlovu	Siyabonga Hopewell	851225 5835 087	M		Phambili	078 409 7240		
Total	10+1 Cilir			7	3				
Age Different		18-35			36-60			61-85	
		5			5			0	

DISTRICT:

DC 25 - AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y N																					
					M	F																									
9	Ward Councillor	Ngema	Bhekuyise Cyril	800311 0533 086	M				073 964 9299 034 314 5496																						
												Xulu	Mixolisi Gabriel	781010 6537 082	M		Flattela		072 262 2765												
													Ngwenya	Lethumusa Mbuseli	890518 6085 082	M		Flattela		078 165 8789											
														Manatha	Sphamandla Mike	851028 6118 088	M		Fairview		079 417 5413										
												Zulu	Paulos Siphwe	721213 5440 083	M		KwaMhlaba		063 149 0619												
												Ward Committee Member																			

	Mhlongo	Vusi Robert	850106 6067 082	M		Baker	076 846 0260		
	Mkhwanazi	Elias Boy	651117 5463 082	M		Roman C.	079 852 5697		
	Dlamini	Veruscia Nlwazi	851111 0371 083		F	Weseli	082 067 7334		
	Gogo	Mthembeni Johannes	710302 5648 085	M		Section - E	074 742 4329		
	Zondo	Jabulani Joseph	610911 5711 080	M		Long-Home	073 958 9923		
	Mazibuko	Phumzile Phamela Stella	800323 0927 085		F	Skater camp	072 187 1592		
Total				8	2				
Age Different	18-35		36-60		61-85				
	5		5		0				

DISTRICT:

DC 25 - AMAJUBA

LOCAL MUNICIPALITY:

KZ 252 - NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
10	Ward Councillor	Nhlapho	S'khumbuzo Julius	831018 5762 080	M				073 431 5841		
		Sibeko	Sigwayi wisky	5504035530084	M		Enhlokweni		0839520060		
		Poutten	Nombuso Daphney	7804240389088		F	Enhlokweni		0730215914		
	Ward Committee Member	Shongwe	Nomgqibelo Esther	8112120971085		F	Zibambeleni		0634498411 0731671080		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Mbele	Mdumela Petros	4511125278087	M		Zibambelen i	0826997270		
	Buthlezi	Musawenkosi	8803296184087	M		Enhlokweni	0711101666		
	Tshabalala	Maria Thandi	7005060975085		F	Zibambelen i	0787640684		
	Phakathi	Ntombenhle Jabulile	8212190485089		F	Zibambelen i	0765609697		
	Cele	Nomusa Brenda	8009140628085		F	Zibambelen i	0724140948		
	Dlamini	Hamilton Siphamandla	8010107055080	M		Enhlokweni	0737993518		
Total	9 + 1 Cilir			4	5				
Age Different		18-35		36-60			61-85		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
11	Ward Councillor	Majozi	Nokuthula Kheslina	721225 0879 081		F			079 726 7083		
		Nhlapho	Thabisile Faith	8905200701086		F			0785784345		
		Maleka	Letta Malefu	7412040662082		F			0839622153		
		Ntomabela	Ezekiel Siphho	6707245263086	M				0789870076		
		Khanye	Lucas Phalan	6005125307085	M				0839634242		
	Ward Committee Member										

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Mbatha	Vusi Robert	7208095681088	M			0343660033 0734301430		
	Nkosi	Thembi Pretty	8806161287083		F		0791578288		
	Nkosi	Mhlupheki Alfred	4608205294081	M			0810792404		
	Mdlalose	Sibongakonke Donaldson	9105036158085	M			0718011010		
	Konjelwayo	Simphiwe Mpho	8205176116082	M			0717449140		
	Mbatha	Phumzile Queen	8302250485085		F		0786416568		
Total	10+1 Cllr			6	4				
Age Different		18-35			36-60		61-85		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
12	Ward Councillor	Molelekoa	Reuben Moses	880312 5347 087	M		Ekukhanye ni		073 748 2289		
		Sibiya	Nkosinathi	950724 5938 084	M		Ekukhanye ni		072 759 7228		
		Mkhwanazi	Mbali Princess	820617 0702 083		F	Ekukhanye ni		072 320 0565		
	Ward Committee Member										

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Makhoba	Theminkosi April	710401 1570 082	M		Ekukhanye ni	076 138 9510		
	Sekhosana	Thabo Jonas	790603 5429 084	M		Ekukhanye ni	083 686 5982		
	Kunene	Simanga	840209 6167 085	M		Ekukhanye ni	063 280 8296		
	Mbokazi	Ntombikayise Princess	691003 0462 083		F	Cebelihle	079 225 7424		
	Phakathi	Sandile Goodman	800501 5376 081	M		Cebelihle	072 779 8753		
	Kubeka	Lindiwe Flora	761201 0776 081		F	Cebelihle	073 717 3079		
	Mnguni	Sanele Gift	840527 5807 082	M		Sizamokuhle	072 881 0876		
	Xaba	Thembeke Valenta	930207 0399 085		F	Sizamokuhle	078 517 5429		
	10+1 Cilir			6	4				
Total	18-35		36-60		61-85				
	6		4		0				
Age Different									

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
13	Ward Councillor	Mdluli	Racheal Ncini	580712 0493 088		F			072 208 3753		
	M P O E	Makhubo	Nkululeko Thabani	781217 5240 085	M		Xolani High		076 626 4265		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Ntombela	Bongani Johannes	750501 6171 085	M		Xolani High	074 904 1416		
	Mlangeni	Sunnyboy Hamilton	720619 5536 087	M		Xolani High	082 432 4252		
	Pillay	Ntombikayise Gloria	661113 0501 081		F	Xolani High	079 110 3062		
	Zwane	Zama Crescentia	790913 0728 087		F	Xolani High	073 016 3474		
	Kubeka	Magonondo Doctor	730513 5431 082		F	Xolani High	083 473 3559		
	Dukashe	Monde Wordsworth	470903 5407 081	M		Nokukhany ^a	072 942 4859		
	Mthanti	Gugu Sara	860305 1339 086		F	Nokukhany ^a	071 083 5158		
	Mthanti	Sandile Goodenough	870727 6973 080	M		Nokukhany ^a	078 595 8748		
	Ndlovu	Nzolo Alfred	410705 5303 084	M		Nokukhany ^a	078 984 6443		
Total	10+1 Cllr			6	4				
Age Different	18-35		36-60		61-85				
	2		6		2				

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDER		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y	N
					M	F					

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Age Different	Ward Councillor	Zikhali	Mandla Flep	541215 5733 084	M				076 966 2334				
14	Ward Committee Member	Msibi	Mncedisi	890824 5458 084	M				073 243 1889				
		Mbokazi	Billy Siyabonga	950718 6147 083	M				072 179 7905				
		Msimango	Sandile Vincent	810808 5766 080	M				073 650 6503				
		Mlambo	Ntokozo Wiseman	890524 5861 085	M				081 021 5313				
		Ndlovu	Elias Johannes Fana	650127 5381 086	M				078 625 1627				
		Thusi	Andile Stanley	820416 5768 086	M				079 081 0948				
		Qwabe	Phumlani Erick Peter	701128 5357 083	M				082 965 0267				
		Magagula	Bonginkosi	510430 5581 089	M				0838980801				
		Magwaza	Theminkosi Cordelia	840727 1494 089	F				082 812 8472				
		Simelane	Lindiwe Victoria	550726 0700 082	F				083 316 4005				
		Total	10+1 Cllr			8	2						
		Age Different	18-35		36-60		61-85						
			6		2		2						

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE R		V.D	SECTOR REPRESENTED	CONTACT NO.					
					M	F				Y	N			
15	Ward Councillor	Ndaba	Thobani Mphumuzi	920301 5949 085	M				076 524 0078					
		Nxasane	Clifford	540812 5763 086	M		AME Church		076 580 2775					
		Zwane	Bongani	810910 6016 083	M		AME Church		079 6587 914					
		Mbatha	Lucky Goodman	780828 5733 084	M		AME Church		072 349 5225					
		Msimanga	Richard Vusumuzi	560121 5301 085	M		Ezamakhanya a		082 473 9181					
		Khumalo	Phumelele Nonhlanhla	760904 0261 084		F	Ezamakhanya a		073 339 8663					
		Vilakazi	Mphikheleli Alpheus	710303 5626 089	M		Ezamakhanya a		072 988 3042					
		Mthembu	Reiny Normvula	690910 0944 087		F	Ezamakhanya a		083 648 9951					
		Magubane	Sithembiso	891025 6170 087	M		Nzimonde		071 148 6682					
		Khumalo	Linford Mbuyiseni	710821 5524 087	M		Nzimonde		072 271 0371					
		Pungwayo	Job Sikhumbuzo	691202 5564 089	M		Nzimonde		079 442 0044					
		Total	10+1 Cllr				8	2						
		Age Different	18-35		2		36-60		5		61-85		3	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENTED	CONTACT NO.		
					M	F				Y	N
16	Ward Councillor	Ngwenya	David	800816 5426 086	M				078 603 2531		
		Mbhele	Sikhumbuzo Allison	590420 5566 084	M		Mntimande		0782444200		
		Lephoto	Thandi Elizabeth	820112 0337 080		F	Mntimande		073 950 7708		
		Siyaya	Bhekisisa Sabelo	810308 5570 083	M		Mntimande		078 580 9083		
		Kubeka	Perecia Bongeka	830313 0917 087		F	Mntimande		071 977 7657		
		Ntsele	Sabelo	851001 6246 084	M		Mntimande		062 195 7850		
		Nkosi	Nozipho Silvia	890928 0809 082		F	Mzamo High		078 326 8019		
		Mbatha	Nicholas Bhekumuzi	690505 5535 086	M		Mzamo High		079 666 5441		
		Mzimela	Sabatha Patrick	820124 5645 086	M		Sizwe		0711538165		
		Coka	Thakasile Caroll	850314 1031 083		F	Sizwe		078 013 1491		
		Mdluli	Hlakaniphile Perseverance Valentine Scelimpilo	960905 0804 086		F	Sizwe		061 028 0522 0767695100		
Total		10+1 Cllr			5	5					

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Age Different	18-35	36-60	61 - 85
	8	2	0

DISTRICT:

DC 25 - AMAJUBA

LOCAL MUNICIPALITY:

KZ 252 - NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESEN TED	CONTACT NO.	Y		N		
					M	F								
17	Ward Councillor	Sibilwane	Deannah Maria	640630 0471 086		F			073 450 1692					
		Madonsela	Sandile Bhuti	87072246119087	M				0742196427					
		Nkosi	Lindiwe Ruth	82101609994080		F			0763681865					
		Zikalala	Bongani Promise	91032276100081	M				0736238980					
		Mfusi	Buyisiwe Ester	71111100686086		F			0714529404					
		Zozi	Delive Hatty	6507150555082		F			0735025495					
		Sithole	Luka Amon	7308265475087	M				0732009039					
		Kubheka	Ettie Jessie	6210250649083		F			0833472738					
		Madida	Sylvia Thandi	6211130388082		F			0730233711					
		Mkhwanazi	Xolane Bethwel	8504175435083	M				0764042359					
		Thwala	Thandi	5904090347087		F			0769494481					
		10+ 1c/lr					4	6						
		Total												
		Age Different		18-35		36-60		61 - 85						

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE R		V.D	SECTOR REPRESEN TED	CONTACT NO.		
					M	F				Y	N
18	Ward Councillor	Mnguni	Nomusa Grace	610521 0628 088		F			072 516 6305		
		Kheswa	Thembi Martha	811125 0556 088		F	Nhlosokuhle		072 935 4246		
		Matona	Mollie Prudence	690928 0841 087		F	Nhlosokuhle		072 304 7142		
		Mncwango	Mziwendoda Elias	671223 5714 080	M		Sisizakele		083 956 4814		
		Ngubeni	Nokusa Shelly	890314 0889 087		F	Sisizakele		060 318 5660		
		Mthethwa	Sifiso Henry	860907 6460 088	M		Sisizakele		078 680 4611		
		Sangweni	Bhekisisa Victor Shumi	710215 5870 089	M		Siphumelele		083 371 1100		
		Mngomezulu	Sbongile Patricia	6009110336083		F	Siphumelele		078 133 0142		
		Mtshali	Sandile	7908205261081	M		Siphumelele		076 188 9563		
		Sithole	Zanele Nozipho	760527 0903 080		F	St Lewis		083 989 0442		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

		Nene	Mbongeni Benson	771025 5296 086	M		St Lewis		078 319 5150 072 699 2123		
Total		10+1 Cllr			5	5					
Age Different			18-35			36-60			61 - 85		
			3			6			0		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENTED	CONTACT NO.	Y N	
					M	F					
19	Ward Councillor	Miyi	Simpfiwe Goodness	790705 0624 088		F			063 505 2176 074 935 5509		
						F	Muzikayise	082 216 3528			
						F	Muzikayise	073 325 4449			
						F	Muzikayise	071 846 4244			
						F		072 855 3533			
						F	Assembly	078 777 8659			
						F					
	Ward Committee Member	Mthembu	Vimbile Elizabeth	690626 0871 088		F					
		Kunene	Nikiwe Zamile Briged	790103 0895 082		F					
		Mthembu	Njabulo Sizwe	960625 5433 083	M						
		Xhakaza	Finliwe Sarah	521119 0263 085		F					
		Pita	Henry	720715 6297 081	M						

	Mabanga	Simangele Patronica	570616 0466 083		F	Assembly	082 505 1505		
	Bessit	Pretty Lauren	870927 0656 083		F	Assembly	078 061 6968		
	Mahlaba	Sibonelo	900225 5653 085	M		Simunye	078 061 6968		
	Vilakazi	Buyisiwe Doris	780209 0508 088		F	Simunye	073 657 8433		
	Kubheka	Sayinile Promise	810225 0516 082		F	Simunye	071 502 5521		
Total	10+1 Cllr			4	6				
Age Different		18-35		36-60			61 - 85		
			4		5		1		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENTED	CONTACT NO.		
					M	F				Y	N
20	Ward Councillor	Sikhosane	Lamille Truelove	761212 0713 081		F			083 635 6670 078 098 0415		
		Kunene	Malusi Jeremiah	540309 5681 087	M		Vukani		061 003 1894		
		Mpanza	Jabulile Maureen	570606 0660 088		F	Vukani		082 229 9571		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Mkhize	Zethembe Michael	940718 5372 081	M		Vukani		061 895 1963		
	Khumalo	Sibongile Lillian	600515 0289 083		F	Vukani		083 760 8642		
	Nene	Bongani Augustine James	701017 5662 081	M		Vukani		072 432 6523		
	Thanjekwayo	Philani Innocent	841022 5704 082	M		Mbukeni		073 198 4397		
	Dludlu	Duduzile	740615 1296 086		F	Mbukeni		071 419 0400		
	Khumalo	Sindi	820629 1141 088		F	Mbukeni		060 347 7859		
	Mncwango	Velemseni Nathaniel	741018 5639 089	M		Hofina		076 120 5620		
	Simelani	Ntombi Khanyisile	780115 0754 087		F	Hofina		063 452 1817		
Total	10+1 Cllr			5	5					
Age Different		18-35		36-60				61 - 85		
		3		6				1		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENTED	CONTACT NO.		
					M	F				Y	N
21	Ward Councillor	Molefe	Mildred Vangile	681028 1010 088		F			072 013 6231		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Ward Committee Member										
	Khumalo	Nkosinathi Johannes	840918 5443 086	M		Ingwe		072 300 2999		
	Zulu	Smanga David	820329 5464 087	M		Ingwe		082 597 7471		
	Mlambo	Vivaphi Steven	831010 7180 080	M		Ingwe		071 118 5529		
	Nkabinde	Shiella	801122 0301 088		F	Ncandu Sch.		073 315 8304		
	Khumalo	Ester Zodwa	791007 0869 089		F	Ex moor		083 487 8666		
	Xulu	Mbuyiseni Wiseman	920930 5624 080	M		Abahlokazi		076 719 1605		
	Mashaya	Sibonelo Gary Siyabonga	851111 6672 088	M		Ziphakamiseni		073 183 0183		
	Nkosi	Phumzile Maria	590204 0250 088		F	Qhawelesizwe		081 860 4244		
	Ndovane	Amos Solomon	540901 5837 089	M		Qhawelesizwe		082 423 4916		
	Kubheka	Nkosinathi Jomo Eugene	7201017198083	M				0731902566		
Total	10+1 Cilir			7	3					
Age Different	18-35		36-60		61-85					
	6		2		1					

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					R	F				Y	N

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Age Different	18-35		36-60		61-85					
	2	6	2	2						
22	Ward Committee Member	Hlabisa	Thomas Sibusiso	670125 5610 088	M		034 314 1240 076 138 3718			
		Mbatha	Thandi Phyllis	611250 8990 082		F	Ikhwezi High	071 571 0663		
		Mavundla	Eida	520305 0775 084		F	Ikhwezi High	076 688 5441		
		Thango	Makhosazana Sibongile Charity	711210 5190 087		F	Qhubeka	076 483 0331		
		Mnyazana	Lumkile James Lisborn	530321 5746 086		F	Qhubeka	072 267 8801		
		Sithebe	Bongani	660104 5824 082	M		Mbalenhle H.	071 003 0656		
		Dlamini	Prisca Nonhlanhla	700517 0516 084		F	Mbalenhle H.	083 502 2197		
		Zikalala	Sthembiso Nomusa	701010 1592 089	M		Vumelani P.	083 345 5527		
		Nkosi	Brenda Noluthando	881207 0891 080		F	Vumelani P.	072 058 6949		
		Mlangeni	Lindokuhle	860426 0755 088	M		Vumelani P.	082 761 0493		
		Madonsela	Francisca Mumsy	700910 0853 088		F	Duck Point	079 657 6810		
		Total	10+1 Cllr		3	7				

DISTRICT:

DC 25- AMAJUBA

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WAR D NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE R		V/D	SECTOR REPRESENT ED	CONTACT NO.	Y/N				
					M	F				Y	N			
23	Ward Councillor	Ngcobo	Nonhlanhla Miriam	800311 0533 086		F			034 314 5496 073 964 9299					
					Ndlangaman dla	Vusi Patrick	7909229 6068 083	M		Phikelela High		063 809 2321		
					Khanye	Tsietsi Eric	650806 5653 087	M		Phikelela High		076 966 5067		
					Zitha	Bright Siphamandla	830117 1053 089		F	Phikelela High		076 893 0628		
					Mhlongo	Dora Nomsa	581104 0633 088		F	Phikelela High		076 952 6596		
					Sikhakhane	Jabulani Remecuis	751206 5579 085	M		Khulakahle		084 789 0657		
					Langa	Brightness Beaulla Nonceba	730907 0962 087		F	Khulakahle		073 090 9089		
					Senephane	Tibello Richman	750512 6129 084	M		Zuza		072 218 9670		
					Xaba	Mandla Khulu Mcdonald	700808 6129 083	M		Zuza		063 390 2517		
					Mngomezulu	Mthobisi Chrysogonus	840917 5839 088	M		Hlabana High		064 642 1085		
					Madi	Bonginkosi Isaiah	710608 5758 082	M		Hlabana High		073 831 9517		
Total		10+1 Cllr				7	3							

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Age Different	18-35	36-60	61 - 85
	2	8	0

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERSH P	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
24	Ward Councillor	Shabangu	S'khumbuzo Emmanuel	820501 5430 082	M				071 924 9999 074 928 2980		
		Maduna	Veli	880129 5354 081	M		Com. Hall		073 344 3383		
		Mletwa	Wandile	880328 5811 088	M		Com. Hall		073 754 6970		
		Mwelase	Fikile	500218 0212 087		F	Com. Hall		072 895 1306		
		Nxele	Ntombi Happiness	6410100905087		F	Com. Hall		084 984 3081		
		Ngubeni	Bongokuhle Precious	850306 0389 082		F	Com. Hall		084 878 3930		
		Madonsela	Zakhele Vincent	610625 5586 082	M		Com. Hall		074 604 7762		
		Sibiya	Bongokuhle	870413 0964 082	M		Com. Hall		079 658 9912		
		Thwala	Paulos Kwazi	761031 5342 088	M		Com. Hall		072 853 5993		
		Ward Committee Member									

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Chilli	Bongani	680211 5534 086	M		Com. Hall	073 129 7978		
	Mathunjwa	Nomalanga Mamazana Prizina	670920 0713 089		F	Com. Hall	073 086 9548		
Total	10+1 Cllr			6	4				
Age Different		18-35				36-60		61-85	
		5				4		1	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERSH P	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					R	F				Y	N
25	Ward Councillor	Ngcobo	Mqapheleni Ephraim	580920 5819 088	M				083 595 8302		
		Goga	Farhana	700313 0248 088		F			073 947 5673		
		Montgomery	Henry Malcolm	5511085119080	M				078 824 5165		
		Hendricks	Geraldine Murcia	540331 0028 080	M				063 012 3147		
		Nkabinde	Nelisiwe Rose	780620 0283 086		F			083 880 1454		
		Moloi	Fedlle Sara	740707 0744 081		F		083 938 7548			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Ndebele	Maki Grace	650722 0375 081		F		082 696 4977		
	Nxumalo	Sister Margaret	691029 0572 082		F		081 480 0006		
	Ndonga	Kholeka	640914 0891 083		F		082 487 2428		
	Mdluli	Lindiwe Sizakele Beauty	790810 0892 089		F		083 757 9656		
	Manyathela	Nozipho Prudence	900912 1550 083		F		060 951 8519		
Total	10+1 Cllr			2	8				
Age Different		18-35			36-60		61 - 85		
		1			7		1		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERSH P	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.																				
					R	M				Y	N																		
26	Ward Councillor	Dlamini	Bongumusa Schriener	830815 5832 081	M	F	Amadoda		078 785 0079																				
												Magwaza	Zama Nonhlanhla	790702 0750 088	F	Amadoda		082 047 2949 078 787 1903											
																					Maseko	Duduzile Doreen	640525 0718 082	F	Amadoda		084 698 8405		
Ward Committee Member																													

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

		Ntshakala	Buhle Precious	930728 0800 087		F	Amadoda	073 788 7844		
		Mchunu	Vukile Siyabonga	890214 5792 080		F	Hlalanathi	076 464 4027		
		Sithole	Jabulile Sarah	590129 0657 083		F	Hlalanathi	072 462 3018		
		Kubheka	Layton Dumisani	751225 6173 086		M	Hlalanathi	076 782 9351		
		Kunene	Khumbulani Sicelo	780810 5239 080		M	Qaphelani	082 788 5950		
		Mdiniso	Russel Sibusiso Thamsanqa	630407 5532 085		M	Qaphelani	078 401 2084		
		Mbuli	Friedah Themballini	740402 0862 089		F	Qaphelani	082 404 5789		
		10+1 Cllr				3	7			
		Total								
		Age Different								
			18-35	2		36-60	8	61-85	0	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					R	F				Y	N
	Ward Councillor	Ndlangaman dla	Stanley Sibusiso	811017 5344 083	M				076 366 6387		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

												083 620		
												8146		
27	Ward Committee Member	Zondo	Vuyani Gift	820826 5564 089	M		Maranatha C.		083 218 0586					
		Radebe	Mandla Nkululeko	841116 5752 083	M		Maranatha C.		078 016 0119					
		Masondo	Duduzile Margaret	680428 0826 081		F	Maranatha C.		071 927 8479					
		Cele	Mesuli Victori	821222 6309 089	M		Roman C.		079 346 9230					
		Mngadi	Mxolisi	890314 6227 084	M		Roman C.		073 009 2399					
		Vilakazi	Thandeka Innocentia	690712 1029 086		F	Roman C.		082 481 4092					
		Masondo	Sibongile Eunice	680816 0570 081		F	Roman C.		076 870 3435					
		Cindi	Duduzile Silvia	790116 0661 080		F	Celani		084 032 3435					
		Kunene	Ngcebo	880614 6350 089		F	Celani		083 328 9732					
		Xaba	Siyabonga Erol	881121 5509 086	M		Celani		076 257 4875					
Total	10+1 Cllr			5	5									
		Age Different		18-35		36-60		61-85						
				6		4		0						

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	F				Y	N
	Ward Councillor	Khoza	Ally	770609 5913 088	M				072 143 7013		
28	Ward Committee Member	Thomo	Brian Themba	731203 5388 083	M		Ntobeko P.		078 489 6151		
		Sibankulu	Ntuthuko	860503 5738 083		F	Ntobeko P.		073 073 8474		
		Mbatha	Khethiwe Angel	740805 0199 089		F	Ntobeko P.		079 790 8661		
		Khumalo	Jabile Klara	410829 0199 089		F	Ntobeko P.		083 373 6014		
		Kubheka	Dennis Thembinkosi	760102 7022 084	M		Mlamlleli P.		078 447 6499		
		Mkhwanazi	Zinhle	870522 0275 081		F	Mlamlleli P.		076 947 1887		
		Nhlapho	Valentia Dimakatso	880216 0998 085		F	Mlamlleli P.		063 140 4040		
		Mazibuko	Strike Jetro	750930 5812 086	M		Bumbisiszwe		078 373 4472		
	Thwala	Simangaliso Kwazi	830404 5316 088	M		Bumbisiszwe		082 049 4300			
	Ngcobo	Cyprian Sizwe	820324 5375 086	M		Bumbisiszwe		076 793 2387			
Total		10+1 Cllr			5	5					
Age Different			18-35			36-60			61-85		
			5			4			1		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENTED	CONTACT NO.		
					M	F				Y	N
29	Ward Councillor	Mthembu	Miriam Vangile	581129 0443 089		F			078 388 8190		
		Nkosi	Sibusiso Jeffrey	781127 5385 089	M		Mcebowlwa zi		079 276 4328		
		Mathe	Rachel	630305 0458 084		F	Mcebowlwa zi		073 516 1310		
		Mbatha	Bonginkosi Joshua	580514 5437 080	M		Mcebowlwa zi		071 170 7203		
		Halom	Mcebisi Brian	810903 6081 082	M		Mcebowlwa zi		072 529 8577		
		Sithole	Ellie Ntombenhle	710704 0508 083		F	Mcebowlwa zi		074 448 3617		
		Hadebe	Khehla Petros	581029 5329 087	M		Cathulani		073 106 4098		
		Mthanti	Lungile Eurecia	770107 0443 086		F	Cathulani		060 678 8269		
		Mallindi	Miriam Nonhlanhla	620826 0694 081		F	Cathulani		079 992 4172		
		Khumalo	Siphivesihle	810710 6752 083		F	Cathulani		073 570 2447		
		Radebe	Thembeke Mitchell Petronella	711010 0910 082		F	Cathulani		082 742 7666		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Total	10+1 Cllr		4	6	
Age Different		18-35		36-60	61-85
		2		8	0

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					M	R				Y	N
30	Ward Councillor	Mkhwanazi	Happiness Nosipho	590513 0687 085		F			072 907 6808		
		Makhathini	Pearl Philisiwe	860612 1164 087		F	Ntuthuko		071 183 8521		
		Lahlani	Sibongile Joannah	560909 0423 081		F	Ntuthuko		073 441 4754		
		Mtshali	Brenda Gugulethu	790603 0939 087		F	Ntuthuko		073 309 0690		
		Mfusi	Nonhlanhla Joannah	761006 1283 080		F	Handicraft		071 639 2932		
		Mkhwanazi	Fana Abram	520101 1743 084	M		Handicraft		072 907 6808		
		Mahlambi	Grace	641007 0247 080		F	Handicraft		072 090 8463		
		Nkomo	Thembu Catherine	731209 0409 089		F	Nhlonipheni		071 174 8639		
		Shongwe	Johnson Lungani	721004 5562 087	M		Thiyasizwe		079 569 8277		
		Ward Committee Member									

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Hadebe	Ntombikayise Sellinah	740114 0768 089		F	Thiyasizwe		073 753 8547		
	Ndlovu	Muntu Henry	610202 5819 088	M		Thiyasizwe		072 945 7355		
Total	10+1 Cllr			3	7					
Age Different		18-35			36-60			61 - 85		
		1			8			1		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.		
					R	F				Y	N
31	Ward Councillor	Danisa	Thembinkosi J.C	630206 6063 086	M				083 822 3187		
		Ntanda	Lucky Goodenough	731222 5647 082	M		Esididini		079 951 0725		
		Zwane	Makhosazane Cyprian	9309036454086	M		Esididini		076 909 9881		
		Mbatha	Nompilo Truelove	770402 0766 085		F	Esididini		079 672 1317		
		Makhoba	Godfrey Bhekisisa	620720 5642 080	M		Esididini		083 207 8511		
		Diadla	Thulile Ellinah	501125 0387 083		F	Esididini		071 438 0638		
	Zwane	Ketrina	580111 0919 087		F	Dutch Ref		081 053 1402			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Tshabalala	Fikile Martha	820110 0648 084		F	Dutch Ref	071 252 6367		
	Kunene	Maffika Johan	630415 5482 086		F	Dutch Ref	078 906 5544		
	Nzima	Nomusa	830511 0585 085		F	Dutch Ref	073 815 8943		
	Luvuno	Mildred Dudu	550211 0305 083		F	Dutch Ref	078 370 5452		
Total	10+1 Cllr			2	8				
Age Different		18-35			36-60		61-85		
		2			6		2		

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y N	
					M	F				Y	N
32	Ward Councillor	Gama	Fikile Phamela	810525 1218 086		F			076 111 0210		
						F			0785933645		
						F			0826788268		
						F			0833393357		
						M			0837596023		
	Ward Committee Member	Mnguni	Aron	6107065797085	M			0720347956			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Makhubvu	Queen Cyneclesia	6801011968083		F		0721726570			
	Mpanza	Phumzile	6708240857088		F		0783058877			
	Khumalo	Lovis sifiso	7201275508080	M			0739860200			
	Kubeka	Xolisile Precious	8401031353081		F		0791054378			
	Kunene	Thokoziile Daphney	7801070727080		F		0731481227			
Total	10 +Cllr									
Age Different	18-35				36-60				61-85	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V/D	SECTOR REPRESENT ED	CONTACT NO.	Y/N	
					R	F				Y	N
33	Ward Councillor	Thwala	Greaterman	67120755597082	M				0781556599 0343287686		
	Ward Committee Member	Hadebe	Vivian Jenny	581024 5856 080	M				073 347 6222		
		Msibi	Irene Thenjiswiwe	551022 0740 081		F			078 600 5861		
		Ngema	Priscilla Gugu Ulrich	780322 0717 086		F			079 965 9021		
	Buthelezi	Siyabonga	801103 5354 082	M				082 387 5376			

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Buthelezi	Jabulice Olga	640708 0637 086		F			073 794 5159		
	Mthembu	Khethowakhe Hezekia	6304275533081	M				0782811347		
	Thwala	Thandy Happeness	9010060563087		F			0843618548		
	Khanyle	Godfrey linda	6607165557089	M				0725010516		
	Nene	Thoko Meisie	6212260554089		F			0723902033		
	Xaba	Philisiwe Ribecca	8810100444086		F			0820862308		
Total	10 +1Cllr			5	5					
Age Different		18-35	1		36-60	3		61 - 85	1	

DISTRICT:

DC 25- AMAJUBA

LOCAL MUNICIPALITY:

KZ 252- NEWCASTLE

WARD NO.	MEMBERS HP	SURNAME	FULL NAMES	ID NO. (13 DIGITS)	GENDE		V.D	SECTOR REPRESENT ED	CONTACT NO.	Y/N	
					R	F				Y	N
34	Ward Councillor	Mkhwanazi	Thabisile Princess	681109 0425 087		F			034 312 3072 073 180 9544		
	Ward Committee Member	Xhaso	Mzobanzi	831206 5932 080	M		V.S. Zulu		073 543 2989		
		Sibiya	Nokuthula	781208 0754 089		F	V.S. Zulu		072 490 5314		
		Mpungose	Jabulani Ephraim	721103 5445 085	M		V.S. Zulu		081 051 5505		
		Ngema	Mduduzi Den	691218 5574 084	M		V.S. Zulu		081 054 8625		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	Kuneme	Andile Loverboy	851221 5809 084	M		V.S. Zulu	073 044 0768		
	Sokhela	Vusumuzi Victor	520204 5731 087	M		NHS	074 218 2790		
	Dlamini	Solomon Mfaniseni	590124 5646 082	M		NHS	082 315 3735		
	Zuma	Margaret Fikile	720919 0754 085		F	Recreation	071 629 4201		
	Captain	Cornelius Isaac Gerald	811021 5166 082	M		Recreation	084 887 0620		
	Sikhosana	Nora Fakazile	700303 0951 088		F	Recreation	076 902 6079		
Total	10+1 Cllr			8	2				
Age Different	18-35			36-60			61-85		
	3			6			1		

3.7.4. SWOT Analysis: Good Governance and Public Participation

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Functional Municipal Public Accounts Committee (MPAC) • Functional section 79 and Section 80 committees. • Functional Audit Committee in accordance with section 166 of the Municipal Finance Management Act, no 56 of 2003. • Municipal policies in place. • Functional Independent Internal Audit activity established in terms of section 165 (1) (c) of the MFMA • Functional Risk Management Unit established in terms of section 62 (1) (c) of the MFMA • Functional Performance monitoring and evaluation unit established in terms chapter 6 of the Municipal systems act. • Functional IGR structures. • Functional portfolio committees that perform an oversight function. • Public involvement in municipal affairs. • Functional ward committees. 	<ul style="list-style-type: none"> • Human resource capacity constraints (High vacancy rate/ Unfilled vacant positions); • Financial resource constraints, Negative/Low cash flows; • Out-dated Municipal policies; • Lack of in-house investigation capacity; • Lack of consequence management systems; • Lack of proper whistle-blowing system; • Lack of an ethics committee; • Slow progress in implementation of internal audit and risk action plans; • Ineffective internal controls; • Non-implementation of policies approved by council; • Accuracy, usefulness and credibility of performance information;
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Support from national and provincial government (including grants) • Public confidence and good media coverage • Publicity and good marketing campaigns • External newsletter; • IGR Support; • Revenue enhancement strategy providing additional revenue streams; • Enhanced revenue collection system; • Improved credit control and debt collection processes • Filling of critical vacancies • Reduced expenditure through Cost cutting measures 	<ul style="list-style-type: none"> • Constant changes in local government legislation and policies. • Political violence and intolerant • Slow pace of service delivery which may spark service delivery protests. • Non-Compliance with legislations, regulations and Municipal policies, • Failure to achieve service delivery targets; • Loss of key staff • Loss of critical data due to lack of off-site backup storage facility; • New technologies; • Unfavorable audit outcomes • Failure to ensure business continuity in case of disruption;

	<ul style="list-style-type: none">• Fraud and corruption;• Unmitigated risks could materialize and cause severe impact to the operations of the Municipality and ultimately on service delivery.• Lack of integrity, accuracy, and credibility of financial and performance information.• Collapse of aged and ageing infrastructure (water reticulation infrastructure and electrical distribution infrastructure, roads and stormwater, etc) resulting in service delivery failure and community unrest.
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3.8. FINANCIAL VIABILITY AND MANAGEMENT

3.8.1. CAPITAL BUDGET EXPENDITURE OVER 3 YEARS

The municipality is capital expenditure performance over the past three financial years is tabulated as follows:

Financial Year	Budget	Expenditure	Percentage %
2013/14	436 653	413 015	95%
2014/15	390 297	350 892	90%
2015/16	389 860	305 574	78%

Capital expenditure indicate the ability of the municipality to provide services to communities. It comprise of service delivery projects that are required by communities through the IDP and the MTREF Budget. Over the three previous financial years, the capital performance of the municipality has been deteriorating with 95% spent in 2013/14 to 78% spent in 2015/16. This was mainly due to some of the projects that were suspended before the end of the financial year due to funding challenges.

The municipality is already established and implemented cash-cashed reserves that will ensure that funding for internally funded capital expenditure is available as and when needed. Separate bank accounts with a view to ring-fence all capital grants for the purpose of capital budget have been opened and are operational.

3.8.2. MUNICIPAL FINANCIAL PERFORMANCE

3.8.2.1. Emphasis of matters relating to financial management

There is a need for management develop and strengthen systems and processes that will ensure adequate review of financial statements by Internal Audit as well as the Audit Committee. The financial statements contained errors and restatements of corresponding figures, which were however subsequently corrected during the audit. This calls for a need for management to design, strengthen and maintain an effective internal control system that will ensure that financial statements are free from errors. There were no steps taken by Council to investigate irregular expenditure incurred in the previous financial years. Irregular expenditure continue to increase in the 2016 and the systems to detect service providers in the service of state proved to be ineffective. While the systems are already in place, there is a need to investigate effectiveness of such.

Although the municipality has come out of the assets qualification, there is still a huge risk of regressing in this area. Management will need to watch closely all areas that have led to this qualification in the past and ensure that resources and processed are acquired and maintained in order not to regress.

The municipality also contravened S65(3)(e) of the Municipal Financial Management Act, No.56 of 2004 by failing to pay some of the service providers within 30 days as prescribed. There is an urgent need to design an organisation-wide system that will ensure that all invoices reach the Budget and Treasury Office on time for payment purposes.

3.8.2.2. Financial Performance

The analysis of financial performance covers three sections, namely revenue, expenditure and the net operating results. Each of these sections is discussed below.

3.8.2.2.1. Revenue

The revenue base of the Municipality increased from R1 521 856 239 in 2015 to R1 647 055 009 in the financial year ended 30 June 2016. This represents a growth of 8% in revenue. There has been a significant increase in the municipal revenue over the three years under review. The major increase has been on the following revenue categories; Service charges, government grants, property rates, rental of facilities and fines. There is still a decrease in the interest received on investments due to the number of investment withdrawals in 2015/16 in order to pay capital projects that were internally funded. The summary of the total revenue pattern of the past four years is summarised as follows:

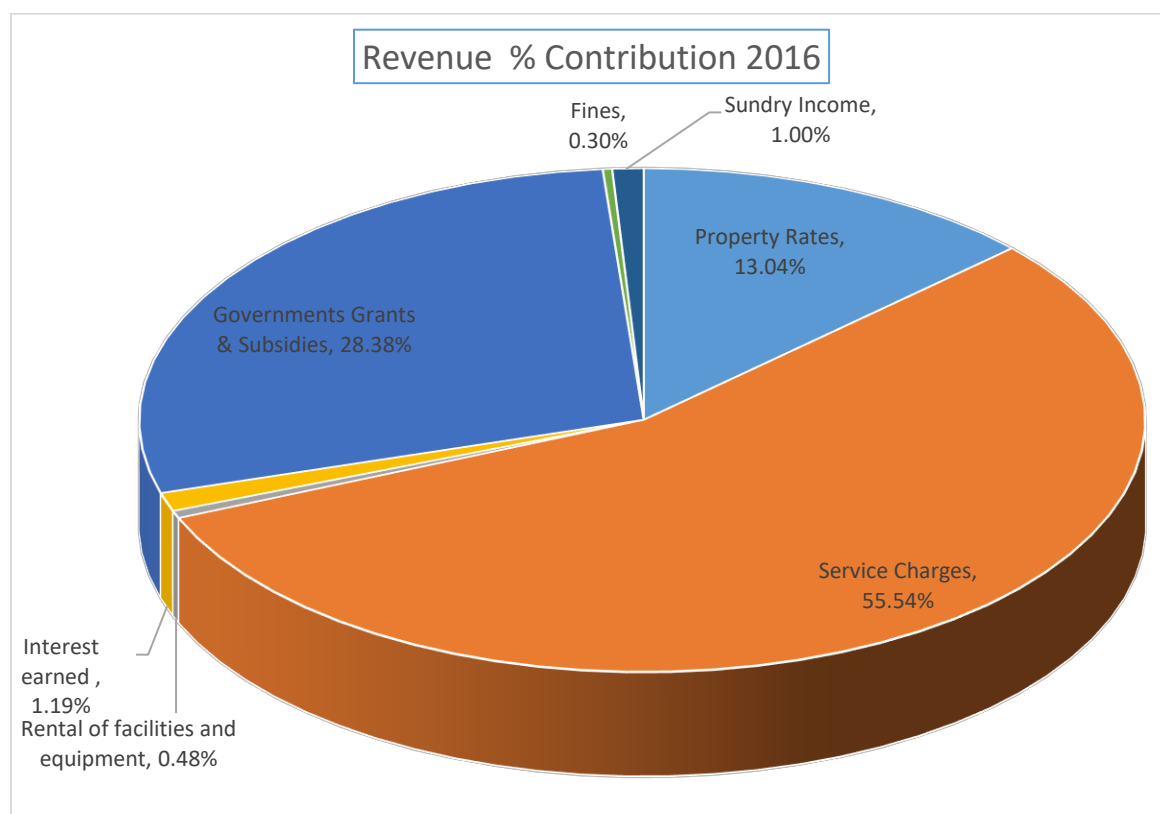
Table 2: Total revenue trends

Year	Total Revenue (R)	Revenue increase/decrease	%increase/ (decrease)
2016	1 647 055 009	125 198 770	8%
2015	1 521 856 239	65 645 350	5%
2014	1 456 210 889	92 97 817	7%
2013	1 363 513 072	-51 540 523	-4%

The increase of 8% in revenue from 2015 to 2016 was slightly above the inflation rate of 6.56% as at 30 June 2016. This means that the municipality's financial performance was rather fair during the period under review. Although tariffs were increased by 7% during the budget process, the increase in grants and other revenue bases ensured that the municipality's revenue performed is fairly satisfactory.

The following graph depicts a contribution of each revenue source to the total revenue of the municipality during 2016 financial year:

Figure 1: Revenue source contribution to total revenue



The table 3 reflects major revenue sources which had a huge impact to the total revenue during 2016 financial year. The municipality generates more than half its total revenue base from service charges, which is 55%. The other significant sources of revenue are Property Rates at 13%, and Government grants and Subsidies at 28%. Rental of facilities and interest earned contributed about 1.8% collectively. The percentage contribution of various revenue sources to total income have remained fairly constant in the years under consideration.

In the analysis below, the focus is on the material revenue contributing elements with a view to analyse their behaviour over the past three year. In total these revenue sources contributed R1 624 557 576, to the Municipality's total revenue of R1 647 066 006 in 2016, representing 98.6%.

Table 3: Major revenue sources

Revenue source / item	% Contribution 2016	Revenue: 2016
Property Rates	13.04%	214 713 798
Service Charges	55.54%	914 750 787
Rental of facilities and equipment	0.48%	7 918 136
Interest earned	1.19%	19 673 326
Governments Grants & Subsidies	28.38%	467 501 529
Material revenue items	98.6%	1 624 557 576.00

Percentage Increase from 2015		8%
Total revenue elements		1 647 055 009
% Total		98.6%

Over 98% of the municipality's revenue is generated from service charges, property rates, government grants, rental of facilities and interest income. These are therefore regarded as primary sources of revenue which the municipality needs to ensure for its survival. Other revenue such as fines, profit of sale of asset and sundry revenue together contribute less than 2% of the total revenue.

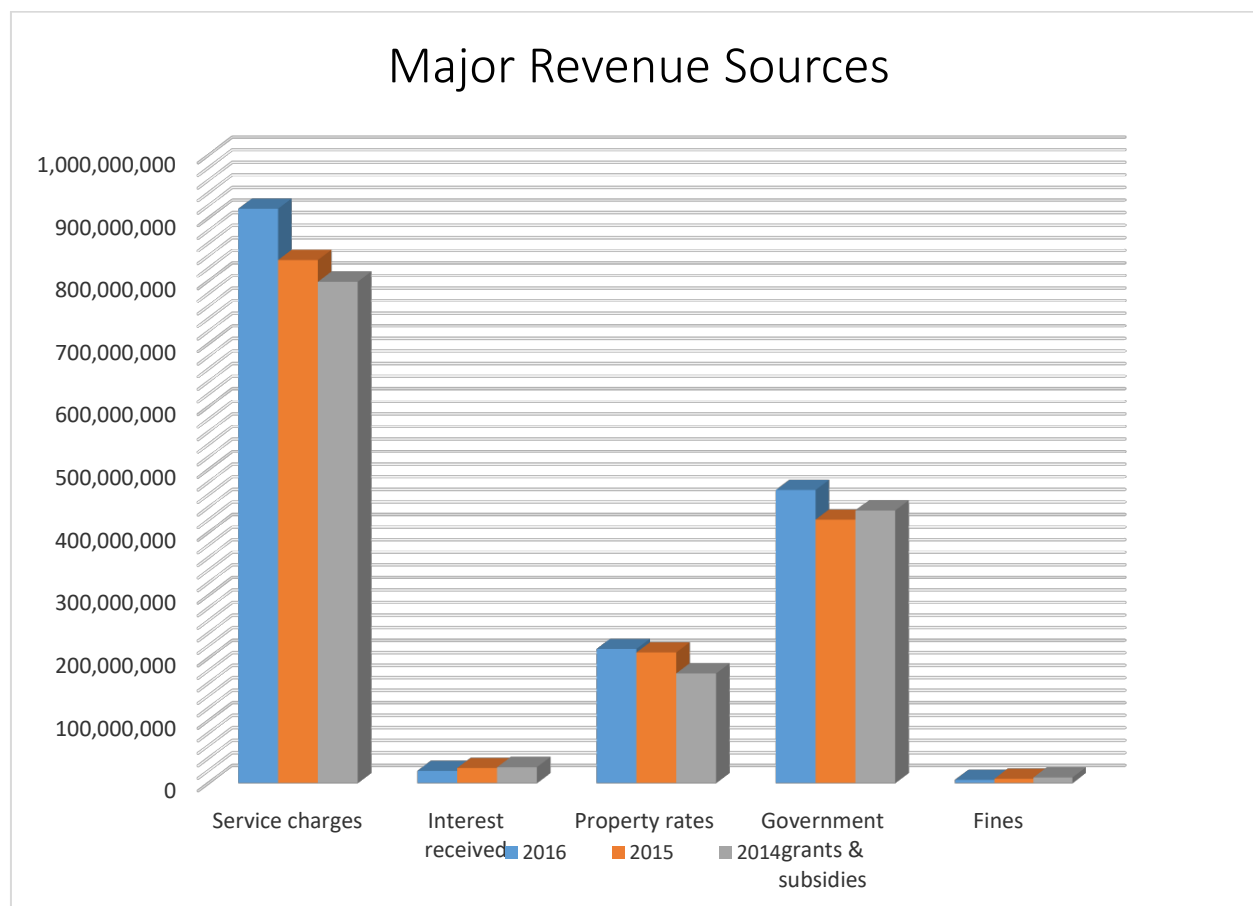
Table 4 below reflects the movement in major revenue streams over the period under consideration. The table shows an increase in the revenue categories mainly due to the normal annual increase in the tariffs as per the budget guidelines approved. In addition, increase on property rates might be due to the valuation roll which started on the 1st of July 2014. During the 2013/14 financial year there was an implementation of GRAP 1, which required that the municipality recognises all fines issued as revenue. There has been huge provision for impairment of fines due to non-collection over the past few years. This has seen revenue from fines decreasing from R9m to R5m over a three year period. The summary of movement of major revenue sources is summarised as follows:

Table 4: Movement of major revenue sources

Line Item	2016 (R)	2015 (R)	2014 (R)
Service charges	914,750,787	833,255,041	798,616,634
Interest received	19,673,326	24,314,535	25,518,310
Property rates	214,713,798	209,012,676	175,478,677
Government grants & subsidies	467,501,529	420,438,604	434,932,499
Fines	5,205,647	7,069,254	9,022,484

The following is a graphical presentation of the patterns of movements of these elements.

Figure2: Movement of major revenue sources



3.8.2.2.2. Expenditure

The total expenditure of the municipality has increased by 68.9% from R1 520 588 071 in 2015 to R2 568 354 986 in 2016. The following tabulates the municipality's total expenditure performance over the past three years:

Table 5: Total expenditure trends

Year	Total Expenses (R)	Expenditure increase/ (decrease) (R)	% increase/ (decrease)
2016	2,568,354,986	1,047,669,915	68.9%
2015	1,520,588,071	151,326,195	11.4%
2014	1,369,261,876	133,052,711	-10.2%

There has been a major increase in the overall expenditure in the years under review. Over the period, expenditure has increased by 87.5% (R1 199 093 110). Expenditure items which have contributed to this major increase are depreciation, debt impairment, employee costs, bulk purchases, repairs and maintenance and finance charges. The reasons for increase in each of these items will be elaborated below.

Below is a table of the proportionate contributions of each expenditure element to total expenses at the end of 2016. It is clear from the table that major expenditure drivers for the municipality are the following:

- Bulk purchases
- Employee related costs
- General expenses
- Depreciation, amortisation and impairments.
- Repairs and maintenance

Table 6: contrition of expenditure items to total expenditure

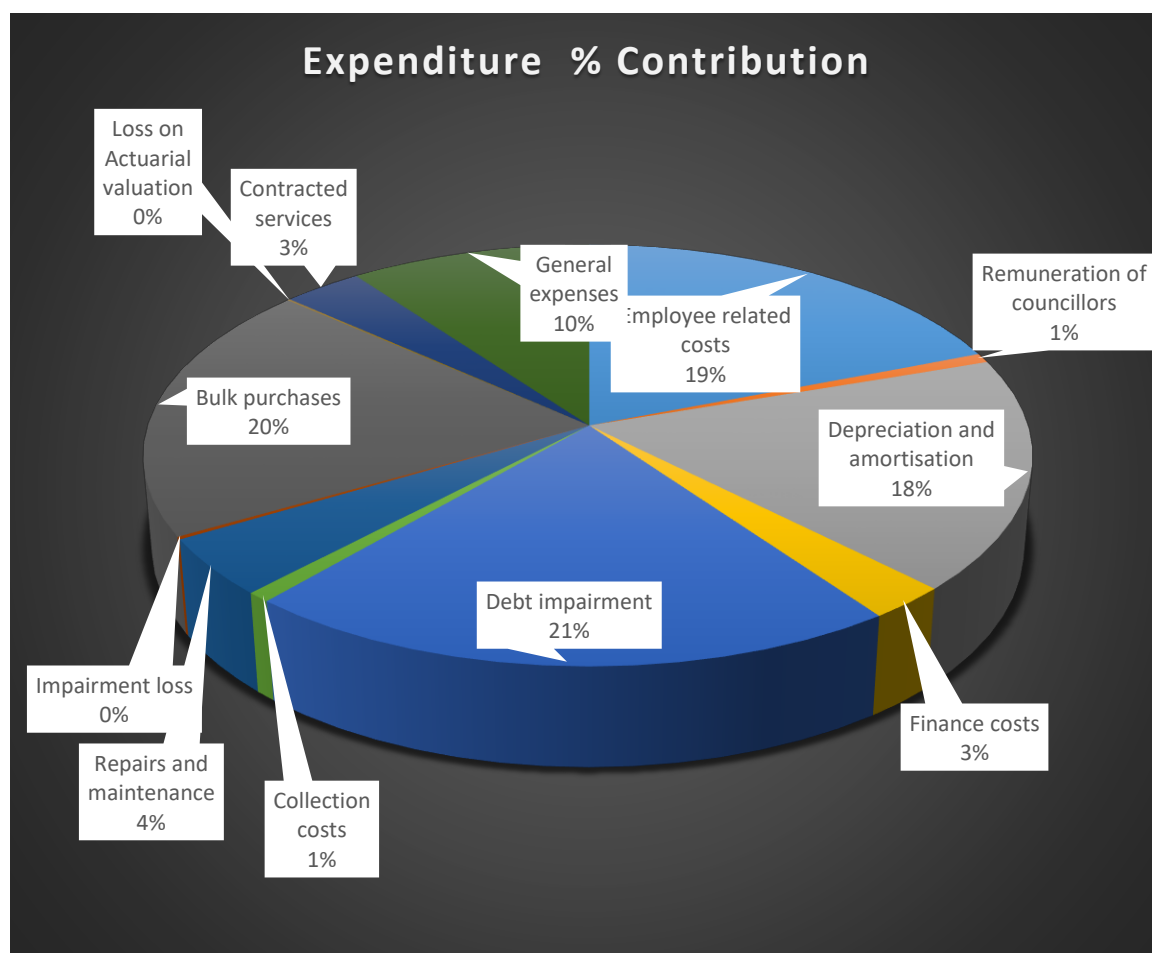
Line Item	% Contribution	2016
Employee related costs	19.06%	489,601,018
Remuneration of councillors	0.72%	18,453,108
Depreciation and amortisation	17.78%	456,740,714
Finance costs	2.57%	66,141,054
Debt impairment	21.13%	542,782,561
Collection costs	0.76%	19,792,327
Repairs and maintenance	4.4%	112,986,512
Impairment loss	0.2%	2,590,041
Bulk purchases	19.9%	513,530,461
Loss on Actuarial valuation	0.1%	3,472,031
Contracted services	3.3%	84,691,042
General expenses	10.03%	257,574,117
Total expenditure	100.0	2,568,354,986

General Expenses, Repairs and Maintenance and depreciation and debt impairment. The municipality's employee related costs is 19.6% of total operational expenditure. This percentage is significantly lower than the prescribed threshold of 35% determined by the National Treasury. While it needs to be mentioned that critical vacant positions need to be filled in order to ensure adequate service delivery, it is however not possible to fill all positions due to the financial position of the municipality.

Depreciations contributes 17.7% to the total expenditure. The huge capital injection and the taking of reticulation assets from Uthukela Water has seen this expenditure item being one of the major one.

Debt impairment contributes 21.1% to the total expenditure of the municipality. This is a clear indication of failure of the current credit control and debt management strategies, which has warranted the municipality to provide for more on its doubtful debts. General expenses seen to slowing down, with only 10% of the total expenditure. Below is a graphical presentation contribution of each expenditure item to the total expenditure of the municipality. While is it clear that employee costs, depreciation, debt impairment, repairs and maintenance and general expenses are the major expenditure items contributing about 82% of the total expenditure, the municipality may not overlook expenditure of at least 17% percent on finance charges, collection costs, impairment loss, actuarial loss and contracted services.

Figure 3: contrition of expenditure items to total expenditure



The following table depicts movements of major expenditure drivers:

Table 7: Movement of major expenditure drivers

Expenditure driver	% Increase since 2014	2016 (R)	2015 (R)	2014 (R)
Employee related costs	41.3	489,601,018	364,365,654	346,358,464
Depreciation	81.5	456,740,714	307,477,393	251,616,481
Debt impairment	4 956	542,782,561	-50,390,243	-11,177,793
Repairs and maintenance	63.3	112,986,512	75,588,106	69,164,085
Bulk purchases	34.1	513,530,461	479,490,916	382,802,503
General expenses	10.8	257,574,117	208,941,866	232,323,381

During period under review, employee costs recorded an increase of 41.3% (R143.2 million). This was due to the taking over of Uthukela Water reticulation staff, absorption of contact workers, implementation of the organisational re-engineering, additional staff employed by the municipality as well as annual salary increases as approved by the Bargaining Council.

Depreciation recorded an increase of 81.5% (R205.1 million) during the same period. This is due to the huge capital programme implemented by the municipality, the taking

over of Uthukela reticulation assets and the revaluation of assets conducted during 2015 and 2016 financial years.

Debt impairment recorded an increase of 4,956% (R553.9 million) during the same period. This is due to additional provision for doubtful debts which was not previously provided in respect of property rates, sewer and refuse. The normal escalating debt in respect of water and electricity also had an effect in the increase.

Repairs and maintenance recorded an increase of 63.3% (R43.8 million) during the same period. This is mainly due to the huge capital injection implemented by the municipality over the past few financial years, as well as the maintenance of assets taken over from Uthukela Water. Given the asset portfolio of the municipality, it is worth mentioning that the expenditure on the repairs and maintenance is still far from being adequate.

Bulk purchases recorded an increase of 34.1% (R130.7 million) during the same period. This increase is due to the tariffs increases approved by NERSA over the years, as well as the provision of water to Charlestown purchased from Pikely KaSeme municipality to deal with issues of drought.

General expected has shown a fairly steady increase over the past three years with only 10.8% (R25 250 736). This indicates that municipality has been conservative in terms of its spending on general expenses.

3.8.2.2.3. Net Operational Performance

The Municipality recorded a surplus of R61 079 817 in 2014 which was followed by a surplus of R202 378 714 in 2015 and then a huge deficit of R891 363 526 in 2016. The reason for such results may be obtained from the analysis of major expenditure drivers which increased drastically at the end 2016. At times deficits are as a result of the noncash items such as depreciation and debt impairment, which have no impact on the Municipality's cash flow. This has been the case with the Municipality. However the current picture is a cause for concern that the revenue generated by the municipality in 2016 was not adequate to cover all expenses that that municipality was required to incur.

3.8.3. FINANCIAL MANAGEMENT POLICIES

The financial management of the municipality is guided by the following adopted financial policies, which are crafted in cognisance of relevant legislation and prescripts.

- ☞ Asset Management Policy
- ☞ Cash Management & Investment Policy
- ☞ Credit Control Policy
- ☞ Supply Chain Management Policy

- ☞ Municipal Property Rates Policy
- ☞ Credit Control, Debt Collection and Customer Care Policy
- ☞ Tariff Policy
- ☞ Rates Policy
- ☞ Debt Write-off Policy
- ☞ Indigent Policy
- ☞ Budget Policy
- ☞ Virement Policy
- ☞ Borrowing Policy
- ☞ Funding and Reserves Policy
- ☞ Petty Cash Policy

3.8.4. GRANT FUNDING AND DEPENDENCY ON GRANTS VERSUS OWN INCOME

Below is an extract of the municipality's operating revenue as per the municipality's MTREF budget.

Description R thousands	2017/18 Medium Term Revenue & Expenditure Framework					
	Budget 2017/18	Year	Budget Year +1 2018/19	Budget Year +2 2019/20	Total MREF	% of Total Revenue
Financial Performance						
Property rates	266 182		284 316	303 684	854 182	16%
Service charges	990 210		1 057 709	1 129 809	3 177 729	60%
Investment revenue	4 601		4 913	5 247	14 761	0%
Transfers recognised operational	345 790	-	369 269	394 343	1 109 402	21%
Other own revenue	43 583		46 542	49 702	139 826	3%
Total Revenue (excluding capital transfers and contributions)	1 650 366		1 762 749	1 882 785	5 295 900	100%

Over the next three financial years, the municipality will generate operating revenue to the amount of R5.2 billion, with R1.6 billion, R1.8 billion and R1.8 billion to be generated in 2017/18, 2018/19 and 2019/20 financial years respectively. The main and the primary source of the municipality's operating revenue comprise of property rates and service charges, which together contribute 77 percent to the total revenue of the municipality. Grants and subsidies contribute only 21% to the total revenue. This is a clear indication that the municipality is not dependent on government grants for its operations.

The table below is an extract of the municipality's capital expenditure revenue as per the municipality's MTREF budget.

Description R thousands	2017/18 Medium Term Revenue & Expenditure Framework				
	Budget 2017/18	Year	Budget Year +1 2018/19	Budget Year +2 2019/20	Total MREF

Capital expenditure & funds sources					
Transfers recognised - capital	229 854	215 998	227 168	673 020	87%
Internally generated funds	23 924	39 000	41 000	103 924	13%
Total sources of capital funds	253 778	254 998	268 168	776 944	100%

Over the next three financial years, the municipality will spent R776.9 million on capital projects, with 253.7 million, R254.9 million and R268.1 million to be generated in 2017/18, 2018/19 and 2019/20 financial years respectively. The main and the primary source of the municipality's capital expenditure is government grants, which is 87%. This comprise of MIG, NDPG, MWIG and NIEP. The remainder is 13% will funded from internal reserves.

The municipality is no intending to take any new loans over the next three financial years. The municipality had previously taken up loans.

3.8.5. INDIGENT SUPPORT

In terms of the **Indigent Policy** (see attached as Annexure), the monthly household earnings of an indigent application is limited to R3,500 for old aged pensioners and poor households. The onus lies with the applicant to come forward and register for indigent support in line with the Council approved indigent policy. The Free Basic Services is funded through the equitable share which is received from National Government.

The table below reflects the growth in the indigent register from 30 June 2014 until 31 May 2017

Date	Approved indigents	Growth
30 June 2014	18 415	
30 June 2015	18 735	1.73%
30 June 2016	19 593	4.58%
31 May 2017	20 696	5.63%

As per the above table the growth in the indigent register is steadily increasing. This is directly attributable to the high levels of unemployment especially amongst the youth within the Newcastle area. This trend is most likely to continue due to the downward turn of the economy and the closure of a large number of businesses such as Venco is testament to this. However, all account holders who qualify for indigent support are encouraged to register accordingly.

The wards with the highest concentration of indigents are represented on the table below:-

WARD	NO. OF INDIGENTS
------	------------------

WARD 20	1 570
WARD 14	1 395
WARD 9	1 395
WARD 10	1 296
WARD 17	1 181
WARD 11	1 115
WARD 24	1 094

3.8.5.1. Indigent Subsidies and Rates Rebates

ITEM	ADJ. BUDGET 2016/17	MTREF 2017/18	MTREF 2018/19	MTREF 2019/20
Indigent subsidies				
a) Electricity consumption	50 kwh/ mth	50 kw	50 kwh/ mth	50 kwh/ mth
b) Water consumption	12 kl/mth	6 kl	6 kl/mth	6 kl/mth
c) Basic Water	100%	100%	100%	100%
d) Basic electricity	100%	100%	100%	100%
e) Sanitation	100%	100%	100%	100%
f) Property Rates	100%	100%	100%	100%
g) Refuse Removal	100%	100%	100%	100%
The Rates Rebates				
1) Flood victims	50%	50%	50%	50%
2) Pensioners - funded from Own Revenue.	25%	25%	25%	25%
3) Bed and Breakfast Businesses - From own revenue	25%	10%	10%	10%
4) Business developments with property > R50m				
From year 0 to 4	75%	40%	40%	40%
From year 5 to 6	50%	25%	20%	20%
From year 7 to 8	25%	10%	10%	10%
From year 9 onwards	0%	0%	0%	0%

;

3.8.6. MUNICIPAL CONSUMER DEBT POSITION

As at the end of 2016 financial year, the outstanding debt was standing at R991 413 751, stated at R332.5 million net of impairments and bad debt provisions. This after

debts in excess of R360 million were written off during the year. This will indeed have a negative impact on our liquidity position if it is not addressed urgently. Hence, it is important that municipality keep on re-examining the effectiveness of its credit control and debt collection strategies with a view to curb or reduce the current level of consumer debtors. The municipality appointed a new service provider, New Integrated Credit Solutions (NICS) for credit control & debt collection in May 2015. The impact of this appointment is still under close surveillance.

The municipality has conducted roadshows at Madadeni and Osizweni with a view to engage the communities on debt management. This ranged from informing them that should they receive the letter of demand from NICS, they need to come to the municipality to make payment arrangements, informing about our Credit Control policy and Indigent Policy. The municipality is also planning to write-off long outstanding debts as per the Prescription Act, debt for deceased consumers as well for consumers who are under debt review as per the Transunion report and recommendations. Council approval in this regard is still awaited as writing off will assist the municipality in focusing on the debt which is realistically collectable.

As the municipality has already embarked on roadshows as explained above, the following strategies are on the pipeline and need to be implemented as a matter of urgency:

- Appointment of a field worker to specifically deals with site visits where a debtor cannot be traced telephonically.
- Appointment of a field worker to perform indigent audit site visits in cases of de-registrations.
- A Call Centre for debt collection purposes with regards to arrears.
- Non-queried accounts to be forwarded to the respective consumers for payment arrangements.
- Monitor queried accounts for speedy resolution for both the consumer and municipality.

Furthermore, the municipality needs to increase the deposit currently standing at R 1 000.00 from January 2016, as it is not sufficient to cover the final account. The billing is six to eight weeks behind, and this attributes to the causes for debt escalation. In areas where the municipality is not providing electricity, water flow regulator meters still needs to be installed.

3.8.7. SUPPLY CHAIN MANAGEMENT (SCM)

The Newcastle Municipality has in place functioning Bid Committees established in line and in terms of regulations 26, 27, 28, and 29 of the MFMA Supply Chain Management Regulations. The committee system for competitive bids consists of the following committees:

- (i) Bid Specifications Committee
- (ii) Bid Evaluation Committee

(iii) Bid Adjudication Committee

The accounting officer appoints the membership of the bid committees which is only valid for one financial year and the process is repeated every year to ensure that for each financial year a functioning bid committee system is in place.

3.8.8. MUNICIPAL INFRASTRUCTURE AND ASSET MAINTENANCE (Q&M)

As at the end of 2016, the municipality had total assets to the value of R7.9 billion, which comprises of Property, Plant and Equipment, Cash and cash equivalent, Investment Property, Intangible Assets, Investment in Associate, Receivables, Vat receivable, Inventory and Consumer Debtors. It is worth mentioning that property, plant and equipment of the municipality amounted to R7.2 billion at the end of 2016, and this is a good indicator of the municipality's capacity to render service delivery to communities that it serves. Net consumer debtors amounted to R332.5 million, which requires management to collect in order to convert to cash.

Table 8: Total municipal asset structure

Asset Item	2016	2015	2014
Total Assets	7,912,605,862	8,075,646,240	3 399 312 816
Property, Plant & Equipment	7 275 444 252	7 478 262 847	2 349 860 723
Cash & cash equivalents	44 572 895	340 812 924	327 907 203
Investment Property	275 974 000	207 527 190	273 695 000
Heritage Assets	6 326 820	2 964 899	2 904 899
Intangible Asset	8 539 564	1 759 720	1 348 001
Investments in Associate	346 321 2206	385 131 584	154 822 299
Long-Term Receivables	7 922	9 836	2 904 899
Vat	10 753 011	27 751 286	34 801 284
Inventory	13 380 566	10 896 236	12 439 141
Consumer Debtors	395 096 860	749 006 588	522 181 845
Other Debtors	42 838 395	37 087 650	44 354 725

The performance of the repairs and maintenance against the Property Plant and equipment seem to be very low than the required norm of 8%. Over the past three financial year, the ratio has been as follows:

Description	2016	2015	2014
Property, Plant & Equipment	7 275 444 252	7 478 262 847	2 349 860 723
Repairs and maintenance	112 986 512	75 593 072	68 790 677
Investment Property	1,55%	1,01%	2,93%

The ratio seem to be decreasing when compared over the years. The decrease and failure of the municipality to meet the targeted norm is attributable to the valuation of infrastructure assets which was perform by the municipality in 2014/15 and 2015/16

financial years. This resulted in the value of infrastructure assets increasing by over 100 percent. While the municipality will strive to improve this situation through in budget, but it is acknowledged that it will take a number of years for this position to be achieved.

The 2017/18 budget indicate this ratio reducing even further due to the reduction in the budget of repairs and maintenance. The ratio is projected to be 0.6%. Due to the revamp of the municipality entire expenditure system, it will be noted that all categories of expenditure were negatively affected, with the exception of those that are regulated by externally. While this picture is projected to improve over the entire MTREF period, it is however acknowledged that it will take time, given the constrained financial resources.

3.8.9. MUNICIPALITY CREDIT RATING

The municipality can utilize financial ratios to aid in managing their cash position as well as alert them to the possibility of financial difficulties. Calculating the ratios are not enough. The municipality needs to also consider the trends and patterns over the various financial periods and thus ascertain a better understanding of their cash position.

6.1 Solvency Ratio

The entity remains solvent with total assets in excess of total liabilities. This is a comforting scenario, as the municipality continues to invest in assets. During 2016 financial year, over R310 million was invested in assets. As outlined in the table below, the solvency position (ratio of assets to liabilities) of the municipality has improved from 5.11 in 2014 to 8.05 in 2016. The increase is due to the capital assets invested and the revaluation of infrastructure assets.

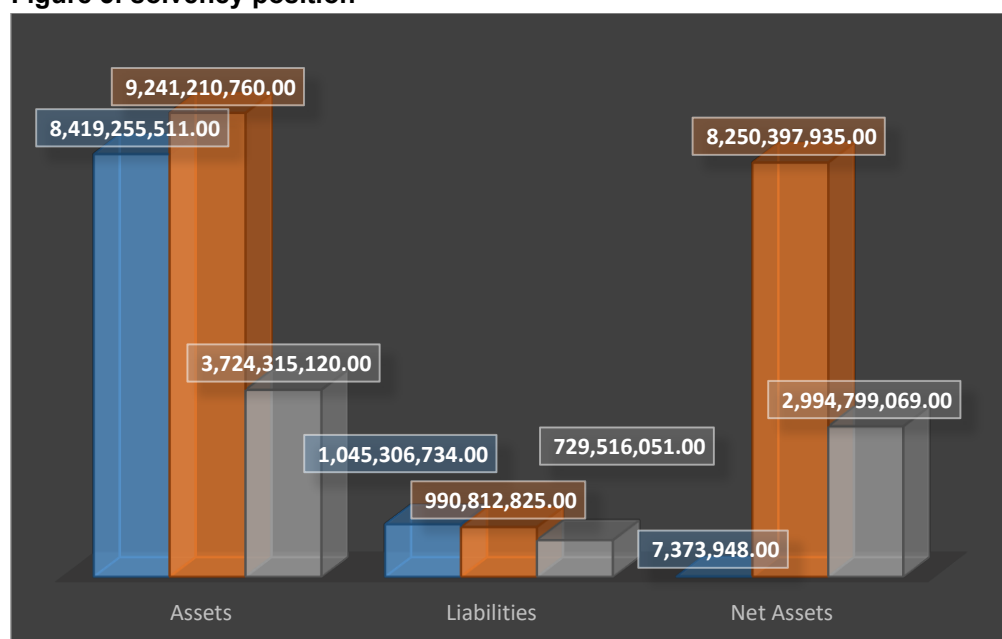
The table below illustrates our solvency situation for the 4 years being analysed. Of concern is the fact that the ratio keeps decreasing as year go by, which means that the municipality may end up having challenging in honouring their obligations in future if no action are taken to improve the situation:

Table 10: Solvency ratio

Item	2016	2015	2014	2013
Assets	8 419 255 511	9 241 210 760	3 724 315 120	3 437 022 178
Liabilities	1 045 306 734	990 812 825	729 516 051	520 629 542
Net Assets	7 373 948 777	8 250 397 935	2 994 799 069	2 916 392 636
Ratio	8.05	9.32	5.11	6.60

The graph below illustrates our solvency ratio analysis:

Figure 5: solvency position



Liquidity Ratios

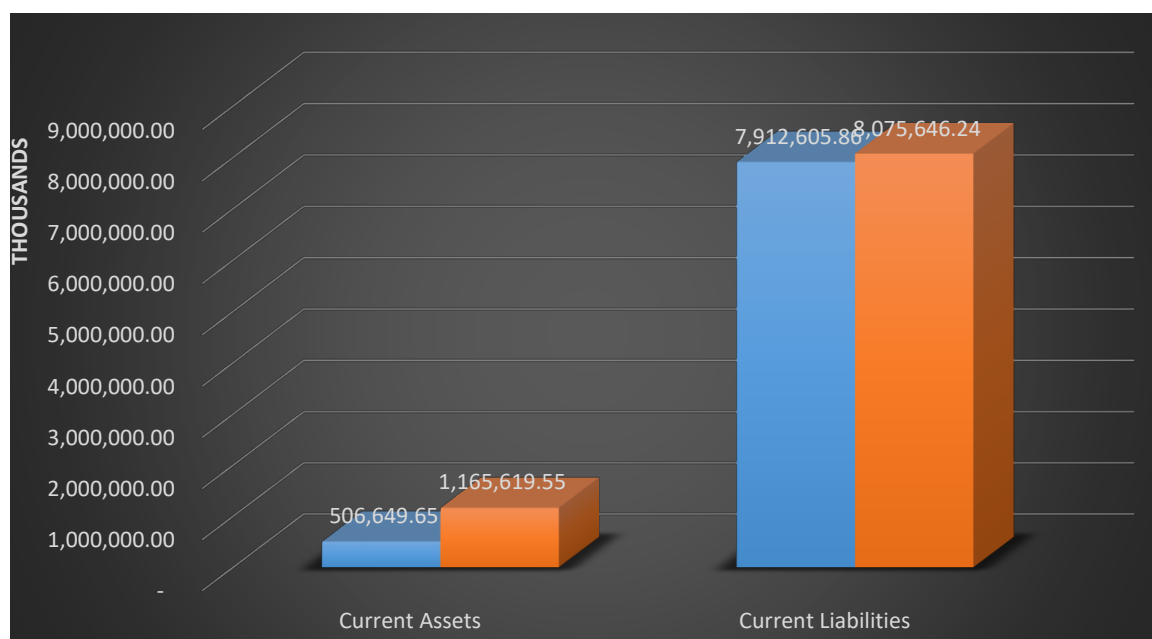
As evident from the table below, the capacity of the Municipality to fulfil its short term obligations is good. The ratio has increase from 2.43 in 2014 to 1.15 in 2016. The decrease is due to additional provision for doubtful debt, when has seen debtors which are likely to be concerted to cash reducing drastically. This ratio is now below the required now of 1:2 and clearly indicate that soon the municipality will be stragglng to pay for its creditors.

Table 11: Liquidity Ratios

Item	2016 (R)	2015 (R)	2014 (R)
Current Assets	506 649 649	1 165 619 548	932 604 120
Current Liabilities	439 888 035	384 486 727	384 652 508
Ratio	1.15	3.03	2.43

The graph below further illustrates our liquidity situation.

Figure 6: Liquidity position



6.3 Net Cash Position (Net of Unspent Conditional Grants)

(Cash and Cash Equivalent – Unspent Conditional Grants)

(R44 572 895 – R32 408 992)

Net Cash Position R 12 163 903

Conditional Grants are provided to municipalities for a specific purpose and cannot be used for the general operations of the municipality. This ratio identifies whether the municipality has sufficient funds to ensure the cash backing of Unspent Conditional Grants. At the end of 2016, adequate cash was available to repay conditional grants.

6.4 Net Cash Position (Net of Unspent Conditional Grants and Reserves)

(Cash and Cash Equivalent – Unspent Conditional Grants – Self Insurance Reserve - Housing Development Fund)

(R44 572 895 – R32 408 992-708 555-26 037 234)

= -R14 581 886

This ratios indicates that as at the end of 2016, available cash was inadequate to repay conditional grants, Housing Development Fund and to provide for Insurance reserve in cases of emergent breakdown.

3.8.10. EMPLOYEE RELATED COSTS (INCLUDING COUNCILLOR ALLOWANCES)

The table below is the extract of the municipality's operating expenditure, including employee related costs and councillor remuneration.

Description R thousands	Budget 2017/18	Year	% of Total Revenue	Budget 2017/18	Year	% of Total Revenue
Employee costs		489 601	19%	514 737		30%

Remuneration of councillors	18 453	0,7%	23 219	1%
Depreciation & asset impairment	456 741	18%	247 895	14%
Finance charges	66 141	2,5%	47 135	3%
Materials and bulk purchases	515 969	20%	583 298	34%
Transfers and grants	90 764	3,5%	–	0%
Other expenditure	900 751	35,00%	315 797	18%
Total Expenditure	2 538 420	100%	1 732 082	100%

During the 2015/16 financial year, employee costs were 19 percent of the total operating expenditure, which councillor remuneration only contributed 0.7 percent. These expenditure levels are well within the norms as required by National Treasury. In the 2017/18 budget, employee costs and bulk purchases and councillor remuneration will contribute 30 percent and 1% respectively to the total operating expenditure. This is showing a significant increase, however such increase is only attributed to increase in salary increase due to annual bargaining agreements as well as the major cuts in depreciation and other expenditure. This has proportionately increased the contribution of employee costs and councillor remuneration to the total operating expenditure.

3.8.11. CURRENT AND PLANNED BORROWINGS

Long-term loans	2016	2015	2014
Long-term loans	458 502 484	471 912 802	221 235 119

The Long Term loans has increased from R221 235 119 to R458 502 484 which is an increase of 107% over three years. The increase is mainly due to a two new loans of R164 million and R284 million that were taken in 2014 and 2015 respectively. It must be noted that the long term loans currently represents 43.8% of the total liabilities of the municipality. In the 2016/17 financial year the municipality has resolved at not taking any further loans and Capital Budget projects to be funded via Grant and Internal funding only.

The municipality is not intending is not intending to take any new borrowing in the next three financial years. This is evidenced in the summary of the capital expenditure in the MTREF budget as reflected in 1.5.4 above. As 31 March 2017, the table below indicate the financial position of the municipality. The position is brought in with a view to assess the municipality affordability to settle its commitments, including borrowings.

Description	2015/16	Budget Year 2016/17		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
R thousands				
Financial position				
Total current assets	817 098	611 816	464 814	618 656
Total non current assets	8 303 445	4 620 712	7 782 730	7 699 954
Total current liabilities	439 749	184 956	303 681	400 647
Total non current liabilities	605 419	676 044	576 043	600 414
Community wealth/Equity	8 075 375	4 371 528	7 367 820	7 317 549

Cash flows				
Net cash from (used) operating	24 166	215 539	229 355	180 512
Net cash from (used) investing	(308 750)	(273 623)	(217 100)	(123 237)
Net cash from (used) financing	(11 656)	59 457	(27 671)	(20 999)
Cash/cash equivalents at the month/year end	44 573	40 554	29 156	80 849

As at 31 March 2017, current liabilities of the municipality amounted to 400.6 million, while current assets amounted to R618.6 million. This indicates that municipality's ability to pay its current liabilities. Analysis further indicate that it will not be in the best interest of the municipality to take new loans. While the long term assets are exorbitantly highly than non-current liabilities, cognisance needs to be taken that R7 billion of these comprise of Property Plant and Equipment, which may not easily converted into cash.

3.8.12. AUDITOR GENERAL'S OPINION

The audit results of the financial statements for the past four years may be summarised as follows:

Table 1: Audit results

Year	Audit opinion	Basis for qualification
2016	Unqualified	N/A
2015	Qualified	Infrastructure assets
2014	Qualified	Leave provision, Work in Progress and Infrastructure Assets
2013	Qualified	Accumulated surplus, Value Added Tax, Property Plant and Equipment and Investment in Associate

The above opinions results on the audit of the financial statements by Auditor General indicate that there has been significant improvement and commitment by management in resolving issues addressed in the audit reports. In 2013, the municipality was qualified on four areas, being the accumulated surplus, Vat, Assets and Investment in Associate. Over the four-year period, management has managed to clear all qualification areas to an extent that the 2016 financial statement was audited to fairly present the financial performance, position and cash flows of the municipality. It will be critical that management strengthen its internal controls so that this position keeps on improving to a point where the clean audit opinion is achieved. The following section however highlights areas where management will need to pay more attention during 2016/17 financial year in order to improve this position even further.

Management has developed the actions plans to both Auditor General's Audit Report and Management report with a view to address all the areas of weaknesses as identified, and to improve the audit outcome. These plans are monitored through a

series of engagements with senior management and through oversight by the Audit Committee, The medium term vision of the municipality is to achieve a clean audit opinion. Management of the municipality remains committed to improve the financial systems and controls of the municipality with a view to continually improve the audit outcomes.

3.8.12.1. Auditor General's Report

Table 46: Report of the Auditor-General to the KwaZulu-Natal Provincial Legislature and the Council on Newcastle Municipality.

REPORT ON THE FINANCIAL STATEMENTS	
INTRODUCTION	
1.	I audited the financial statements of the Newcastle Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.
ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS	
2.	The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
AUDITOR GENERAL'S RESPONSIBILITY	
3.	My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4.	An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5.	I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.
OPINION	

6.	In my opinion, the financial statements present fairly, in all material respects, the financial position of the Newcastle Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.
EMPHASIS OF MATTERS	
7.	I draw attention to the matters below. My opinion is not modified in respect of these matters.
SIGNIFICANT UNCERTAINTIES	
8.	The municipality is the defendant in a number of civil lawsuits as disclosed in note 45 to the financial statements. The municipality is opposing these claims as it believes them to be invalid. The ultimate outcome of these matters was not determinable at year-end and no provision for any liability that may result was made in the financial statements.
RESTATEMENT OF CORRESPONDING FIGURES	
9.	As disclosed in note 48 to the financial statements, the corresponding figures for 30 June 2015 have been restated as a result of errors discovered during 30 June 2016 in the financial statements of the Newcastle municipality at, and for the year ended during the year ended, 30 June 2015.
MATERIAL IMPAIRMENTS AND LOSSES	
10.	As disclosed in note 59 to the financial statements, the municipality incurred material water losses of 15,21 million (2014-15: 14,15 million) kilolitres amounting to R38,94 million (2014-15: R35,23 million) as a result of technical distribution losses.
11.	As disclosed in note 60 to the financial statements, the municipality incurred material electricity losses of 53,48 million (2014-15: 44,37 million) kilowatts amounting to R29,24 million (2014-15: R21,47 million) as a result of technical and non-technical distribution losses.
12.	As disclosed in note 14 to the financial statements, the municipality provided for impairment of receivables amounting to R596,32 million (2014: R400,96 million) due to poor collection practices.
ADDITIONAL MATTER	
13	I draw attention to the matter below. My opinion is not modified in respect of this matter.
UNAUDITED DISCLOSURE NOTES	
14.	In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.
REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS	
15.	In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.
PREDETERMINED OBJECTIVES	
16.	I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the infrastructure and service delivery development priority presented in the annual performance report of the municipality for the year ended 30 June 2016.

17.	I evaluated the reported performance information against the overall criteria of usefulness and reliability.
18.	I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
19.	I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20.	The material findings in respect of the selected development priority are as follows: Infrastructure and service delivery <ul style="list-style-type: none"> ▪ Usefulness of reported performance information ▪ Measurability of indicators and targets ▪ Performance indicators not well defined and verifiable and targets not measurable
21.	The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and are easy to understand and use. Important indicators were not well defined.
22.	The processes and systems that produced the indicator should be verifiable, as required by the FMPPI. A total of 23% of the indicators were not verifiable.
23.	The measurability of 23% of planned targets and indicators could not be assessed due to a lack of technical indicator descriptions, proper systems and processes, formal standard operating procedures and documented system descriptions.
RELIABILITY OF REPORTED PERFORMANCE INFORMATION	
24.	The FMPPI requires municipality's to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable corroborating evidence could not be provided for the reported achievements against planned targets of important indicators.
ADDITIONAL MATTERS	
25.	I draw attention to the following matters:
ACHIEVEMENT OF PLANNED TARGETS	
26.	The annual performance report on pages x to x includes information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected development priority reported in paragraphs 21 to 24 of this report.
ADJUSTMENT OF MATERIAL MISTATEMENTS	
27.	I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for the infrastructure and service delivery development priority. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information.
COMPLIANCE WITH LEGISLATIONS	

28.	I performed procedures to obtain evidence that the municipality complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:
ANNUAL FINANCIAL STATEMENTS	
29.	The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.
PROCUREMENT AND CONTRACT MANAGEMENT	
30.	Awards were made to providers who were in the service of other state institutions or whose directors were in the service of other state institutions, in contravention of section 112(j) of the MFMA and supply chain management (SCM) regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).
EXPENDITURE MANAGEMENT	
31.	Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
32.	Reasonable steps were not taken to prevent irregular and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.
ASSET MANAGEMENT	
33.	An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.
CONSEQUENCE MANAGEMENT	
34.	Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.
INTERNAL CONTROL	
35.	I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
LEADERSHIP	
36.	Oversight over financial and performance reporting as well as compliance with legislation, was inadequate, as the positions of the accounting officer and chief financial officer were vacant for majority of the year. Leadership was slow in responding to the filling of these key positions.
FINANCIAL AND PERFORMANCE MANAGEMENT	
37.	Management did not undertake adequate reviews of registers, reconciliations and schedules supporting amounts reported in the financial statements. Furthermore, management did not adequately prepare complete and accurate performance reports and monitor compliance with legislation due to key positions being vacant.

GOVERNANCE	
38.	The risk assessment processes and reviews were not adequate to ensure that key financial, performance and compliance risks were mitigated and responded to in good time by management due to instability at senior management level.
OTHER REPORTS	
39.	I draw attention to the following engagements that could potentially impact on the municipality's financial, performance and compliance related matters. My opinion is not modified in respect of these engagements that are either in progress or have been completed.
INVESTIGATIONS	
40.	KwaZulu-Natal Provincial Treasury is performing five investigations which covered the period June 2013 to June 2015. The investigations were initiated based on allegations of irregularities in the procurement processes. These investigations are currently in progress.
41.	The Legal Services Department at the municipality, at the request of the municipal council conducted an investigation relating to two suspended employees, which covered the period May 2015 to March 2016. The investigation was finalised in the current year and the employees have been re-instated.

3.8.13. SWOT ANALYSIS: FINANCIAL VIABILITY AND MANAGEMENT

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Implementation of the MPRA. • Supply chain management systems in place. • Integrated Financial Management System. • Indigent support. 	<ul style="list-style-type: none"> • Non-payment for services, particularly in the Madadeni and Osizweni areas. • Increase in expenditure in relation to revenue generated. • Debt collection. • Increase in list for indigent support and Free Basic Services. • Limited access to funding in relation to need. • Over-committed reserves into the funding of capital expenditure • Increased employee related costs
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Support from Treasury and COGTA. • New municipal property rates system. 	<ul style="list-style-type: none"> • Corruption. • Poor implementation of the supply chain and financial management policies. • No sufficient Surplus • Inadequate provision for repairs and maintenance in relation to the value of assets.

- Inadequate reserves

1.2. KEY CHALLENGES.

Although the NLM has made significant progress in addressing service backlogs and promoting development within its area of jurisdiction, there are still a number of key development challenges that face the municipal area and its people. These are discussed briefly and categorised according to the national key performance areas below.

3.8.14. Service Delivery and Infrastructure.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Huge backlogs in the delivery of basic services (electricity, water, sanitation) within the Newcastle-East area (Johnstown, Blauuwbosch and Cavan), Madadeni and Osizweni townships as well as the surrounding rural settlements located within the vicinity of the Ubuhlebomzinyathi area.	<ul style="list-style-type: none"> - Improved roll-out of projects towards basic service delivery particularly within the Madadeni, Osizweni and the JBC area including the surrounding rural settlements. - Develop Comprehensive Infrastructure Master Plan. - Construction of a new raw water source in order to improve access to potable water. - Upgrade wastewater collection and treatment facilities
Challenges with the maintenance and development of basic road and storm-water infrastructure particularly within the Newcastle-East area.	<ul style="list-style-type: none"> - Roads and Stormwater Master Plan. - Improved roll-out of capital program towards basic road infrastructure particular within the Newcastle-East area.
Poor condition of public facilities and a general lack of the required tools and equipment for effective delivery of the related services. i.e. schools, clinics, community halls, early childhood education centers, the library etc.	<ul style="list-style-type: none"> - Improve access to public facilities through refurbishment of the related infrastructure. - Introduction of new technology in order to improve access .i.e. outdoor gym equipment, ICT systems within libraries etc.
A huge housing backlog due to a large number of people in Newcastle residing in informal settlements, backyard shacks and poorly developed traditional housing structures. The low cost housing need in	<ul style="list-style-type: none"> - Improved roll-out of the housing program in order to meet the housing demand. - Introduction of Community Residential Units (CRUs).

DEVELOPMENT CHALLENGES	RECOMMENDATION
Newcastle is currently estimated at 74 991 units with the majority concentrated mainly in the Newcastle-East area.	<ul style="list-style-type: none"> - Provision of affordable housing opportunities for middle income to address the gap in the market. - Servicing of sites for people to build their own homes.

3.8.15. Municipal Transformation and Organisational Development.

Over the last few years, Newcastle Municipality has gone through a process of fundamental transformation as an organisation with the intention of developing sufficient organisational capacity for an effective performance of municipal functions. As such, a new organogram was developed and is currently being implemented. The majority of critical positions, particularly those of Strategic Executive Managers and Directors have been filled. Management committees have been restructured and new systems and procedures introduced. The new challenges facing the organisation are none other than those of a learning and growing organisation and include issues such as gender equity, cascading down the organisational culture down the hierarchy, horizontal integration of development programmes, etc.

3.8.16. Local Economic Development.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Over the last few decades, the economy of Newcastle Municipality experienced variable trends marked, in all, by shifts from one sector to the other and a general decline in both output and performance thereof.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Review of the NLM LED Strategy. - Development of bulk services and economic zones.
There has been a general decline in coal mining activity with Newcastle and the same applies for agricultural activity. This has led to the shedding of jobs hence increasing the levels of unemployment within Newcastle.	<ul style="list-style-type: none"> - Promotion of coal mining activity through the NLMs Revenue Enhancement Strategy. - Conservation of agriculturally valuable land. - Provision of support to SMME development particularly towards agrarian reform.

DEVELOPMENT CHALLENGES	RECOMMENDATION
General decline in the manufacturing sector due to structural changes coupled with the poor performance of global financial markets.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry.
Unemployment, poverty and inequality fuelled by the concentration of employment opportunities in and around the Newcastle CBD.	<ul style="list-style-type: none"> - Improved roll-out of the LED program. - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area.
Vacancy of the Madadeni Industrial Centre due to its inability to attract investments.	<ul style="list-style-type: none"> - Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry. - Skills training and development. - Development of relationships between industry and SETAs and other tertiary training institutions.
Concentration of private investments within the nodes of Newcastle-West (primary CBD node) and Newcastle-South (regional node), with minor investments to the nodes within the Newcastle-East area (Madadeni, Blaauwbosch, Osizweni). This has implications on the community's transportation economics through increased costs in order to access the related services within these few nodes.	<ul style="list-style-type: none"> - Fast-track JBC Urban Hub Precinct Plan to attract public investment, funding and private, community investment to unlock social and economic potential of the area - Revitalization of township economy - Continued rejuvenation and/or transformation of the Madadeni and Osizweni CBDs through urban renewal programs.

3.8.17. Financial Viability and Management.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Inadequate revenue collection systems within the municipality.	<ul style="list-style-type: none"> - Introduction of new technology towards improving revenue collection .i.e. water smart meters, prepaid electricity. - Strategic support and assistance to industry.
Low recovery of amounts owed for rendering of municipal services from consumer debtors.	<ul style="list-style-type: none"> - Outstanding accounts with no queries to be forwarded to the respective consumers for making the necessary payment arrangements. - Indigent verification. - Capacitating of staff and field workers.
Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts.	<ul style="list-style-type: none"> - Appointment of field workers. - Investigate the possible use of a service provider for meter reading as compared to performing the function in-house.
Lack of advice to Council on revenue enhancement mechanisms.	<ul style="list-style-type: none"> - Updated financial plan. - Capacity building towards revenue enhancement and the related mechanisms.

3.8.18. Good Governance and Public Participation.

The Newcastle Municipality is a developmental local government structure that is committed to working with citizens and organised interest groups to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. This assertion complements the right of communities to participate in the decisions that affect development in their respective areas, and a corresponding duty on the municipality to encourage community participation in matters of local governance. The Municipality achieves this goal mainly through Ward Committee structures and a variety of other measures designed to foster open, transparent and consultative municipal governance.

However, the functionality and effectiveness of the ward committees remains a major challenge. Some of these are not unique to Newcastle Municipality as they relate to the design of the ward committee system as well as the procedures for their operation. As such, they are systemic in nature and should be addressed as part of government programmes to deepen democracy. Synergistic relations should also be strengthened

with the business community, farmers associations, organised labour and other stakeholders.

3.8.19. Cross-cutting issues.

DEVELOPMENT CHALLENGES	RECOMMENDATION
<p>The town serves as an administrative and economic hub for the North-Western part of KwaZulu-Natal, including the whole of Amajuba District and some of the surrounding areas in the Ubuhlebomzinyathi District and the Mpumalanga Province. However the key question raised relates to whether or not NLM is developed with sufficient infrastructure including adequate capacity to play its role as a sub-regional economic hub.</p>	<ul style="list-style-type: none"> - Infrastructure Master Plan. - Absorption and retainment of highly skilled personnel within NLM.
<p>There's been a rapid increase in the rate of urbanization in Newcastle resulting in the development of settlements along P483, in particular, linear settlements such as KwaMathukuza, JBC towards the Khathide area. Rapid urbanization bring with it many problems and places huge demands on the need for land, municipal services, housing, transportation and employment.</p>	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction. - Establishment of service delivery centers. - Sustainable human settlements.
<p>NLM can broadly be defined as a region exhibiting a legacy of poor apartheid planning through an inefficient spatial pattern. This includes the low-density urban sprawl which is fuelled in the Newcastle-West area by anti-city values of suburbia that promotes large plots as an image of good urban living, a cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighborhood unit or super block, and the separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively homogenous blobs of different</p>	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction. - Development of community residential units (CRUs) in order to achieve higher densities within the urban areas.

DEVELOPMENT CHALLENGES	RECOMMENDATION
uses tied together by high speed transport routes.	
Poor quality of the environment manifested in the form of deteriorating water quality, poor air quality, poor waste disposal and collection thereof, and a general lack of open spaces within NLM.	<ul style="list-style-type: none"> - Development of a climate change strategy. - Environmental awareness campaigns. - Development of positively performing open spaces. - Air quality management. - Water conservation awareness campaigns. - Planting of trees.
High levels of poverty attributed to general low levels of income and skilled labour.	<ul style="list-style-type: none"> - Improved roll-out of the LED program. - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area. - Skills training and development.
Disparities regarding residential densities within the municipality. Higher densities are found closer to established nodes as well as informal settlements. Subsequently the lower densities are found on the peri-urban areas located within the urban edge and other rural nodes beyond the urban edge. This has resulted in a disintegrated spatial pattern characterized by uniform, irregular, random and concentrated residential densities at specific areas.	<ul style="list-style-type: none"> - Spatial integration through densification, gentrification and compaction.
Lack of sufficient GIS data pertaining to the environment.	<ul style="list-style-type: none"> - Improved alignment with environmental management custodians such as KZN Wildlife as well as the World Wildlife Fund in order to align and streamline priorities towards improved environmental management and also data sharing. - Finalization of the environmental management framework.

DEVELOPMENT CHALLENGES	RECOMMENDATION
The NLM waste disposal site is nearing the end its carrying capacity hence its lifespan.	- Establishment of a new landfill site.

3.9. DEVELOPMENT TRENDS AND PATTERNS.

3.9.1. Regional Role and Significance of Newcastle.

The identification of Newcastle as an important secondary investment node with potential for industry, agriculture and tourism, indicates its importance on a regional and provincial scale. Newcastle is strategically located halfway between Johannesburg and the harbours of Durban and Richards Bay, and is well connected to these centres by means of both rail and road infrastructure. The N11, P612 and the P483 are some of the roads running through the NLM serving a national, provincial and regional function.

The town serves as an administrative and economic hub for the north-western part of KwaZulu-Natal. This includes the whole of Amajuba District and some of the surrounding areas in Mpumalanga Province and Umzinyathi District. This raises a key question whether the town is developed with sufficient infrastructure and has enough capacity to play its role as a sub-regional economic hub. Some of the critical infrastructure includes tertiary education and health facilities, regional government offices and sports facilities. Equally important is the ability to create employment opportunities and absorb the urbanising labour force. Therefore, planning for the future development of the NLM should go beyond a narrow focus on local issues and incorporate regional social and economic issues.

3.9.2. Urbanisation – SUSTAINABLE HUMAN SETTLEMENTS.

Urbanisation is the process in which the number of people living in cities increases compared with the number of people living in rural areas. An area is considered to be urbanised when over 50% of its population lives in urban places. Rate of urbanisation in Newcastle has been very rapid, resulting in the development of settlements along P483 in particular as linear settlements from KwaMathukuza through JBC to Khathide in the north.

Rapid urbanisation brings with it many problems as it places huge demands on land, water, housing, transport and employment. In Newcastle like many other South African Towns, apartheid has made the problems of urbanisation more complex. Urbanisation of black people was made difficult by forcing them to live in areas far from the town. With the lifting of racial restrictions on where people may live and work, many unemployed people have migrated to urban centres such as Newcastle in search of work, bringing their families with them. The shortage of accommodation in town has forced them to live in informal settlements hence the informal settlements that are spread throughout the area with huge concentrations in the eastern areas. Land under the control of Ubuhlebomzinyathi Community Authority has also been specifically targeted as these areas present opportunities for a rural lifestyle in an urban context.

This presents the municipality with a challenge to devise strategies to manage the urbanisation phenomenon, and ability to undertake pro-active planning in anticipation of population growth. All housing projects undertaken to-date have been reactive.

3.9.3. Roads and Stormwater.

Local government has a constitutional duty to provide basic services and Newcastle Municipality is no exception. In conjunction with both national and provincial plans, Newcastle Municipality is required to build infrastructure in order to grow the capacity of the economy, boost various sectors of the economy with a specific emphasis for faster growth and address the inequality that marginalize the poor in the second economy. In terms of road infrastructure, over 80% of all roads in Newcastle are in a poor state, of which 704km are unpaved with 254km surfaced roads. The gravel roads constitute 404km of roads. In an attempt to address this, the municipality has intensified their roads programs over the past 5 years, which addresses primary and secondary roads. Newcastle Municipality has a huge legacy in addressing the basic needs. The challenge is also due to spatial inefficiency in ensuring that rural communities also enjoy the same benefits as those enjoyed by urban communities. In this regard, roads and transport plays a critical role in facilitating the movement of goods and services and rural areas to urban centres. The accommodation of storm-water has a tremendous influence on the life of a road. This requires the municipality also to focus on storm-water management in order to increase the life span of the roads. While the municipality focuses on upgrading new roads, they also need to do maintenance on the existing roads in order to keep the municipal area an accident free.

3.9.4. Inefficient Spatial Structuring.

While the regional economic development forces remain one of the main structuring elements within the NLM, the past apartheid policies have had a profound impact on the structure and functionality of the area. It fragmented communities, marginalised their economic activities and undermined their participation in the economy. It located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development.

The NLM could broadly be described as an apartheid region in the sense that it embodies most if not all the attributes of apartheid spatial patterns. These include the following:

- ☛ Low density sprawl which is fuelled in the Newcastle West by anti-city values of suburbia which promotes large plots as an image of good urban living. Factors that contribute to urban sprawl includes continued existence of low density residential suburbs designed in terms of garden city concepts, and entrenched into the Town Planning Scheme through inflexible density controls

and scheme clauses such as coverage, minimum site sizes and permissible uses, and easy access to land for settlement in the east.

- ☛ Cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighbourhood unit or super block. This has given rise to a coarse grain urban environment characterized by single dwelling units and building ancillary thereto on large plots of land (garden city concept). As such there is a high impact on available land in relation to population size, and travel within the city is costly in terms of time. This gives rise to inefficiency in the use of energy, transportation and movement, and delivery of services.
- ☛ Separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively homogenous blobs of different uses tied together by high speed transport routes. The separation of places of work and residence was deeply entrenched in the philosophy of urban management. A large number of the poor are living on the urban periphery further away from the opportunities.
- ☛ Despite businesses being attracted to decentralised locations, the central area has shown some resilience in that new businesses have moved in to occupy space vacated by those who have moved to decentralised locations. However, decay/decline is evident in some sections of the central area.
- ☛ The combined consequences of these spatial patterns have been phenomenal leaving the area with entrenched inequality and functional inefficiency. It created islands of spatial affluence in a sea of geographical misery (CSIR, July 2002:4). It created a distorted, fragmented, incoherent and inefficient settlement pattern. It also gave rise to spatial, social and economic exclusion of certain race groups to the benefit of other, and created a poorly functioning land and housing market.

3.9.5. Economic Stagnation.

Over the last few decades, the economy of the Newcastle Municipality area of jurisdiction experienced variable trends marked, in all, by shift from one sector to the other and general decline in both output and performance. Although some mining activities are still evident in the area, it is no longer appropriate to regard Newcastle as a coal mining town. The same applies to agriculture. Both sectors have shed a number of jobs and their contribution to the local economy is at the lowest point ever. Manufacturing remains the main economic activity in the NLM, but is itself facing a number of structural challenges which if not addressed at this juncture will relegate this sector into insignificance. These challenges include the dominance of the clothing and textile sub-sector which implies the lack of economic diversity, poor labour conditions in some of the factories and lack of new investment.

In the light of this, there is an urgent need to redefine the role of Newcastle in the provincial and national economy. This may include the identification of new sectors, diversification of some existing factors and strengthening functional integration between Newcastle Town and the surrounding rural hinterland. Tourism development is also one of the key sectors that need to be explored.

3.9.6. Poor Access to Social Facilities.

Huge backlogs in the delivery of public services have been identified as one of the key issues facing Newcastle Municipality. It manifests itself in the following forms:

- ☞ Poor condition of schools, which does not contribute to building a culture of learning and teaching.
- ☞ Poor access to institutions for early childhood education. This field has been identified by the national government as a priority area of intervention.
- ☞ Poor access to health services which affects delivery of primary health care. The latter is a strategy used by the national government to deliver health services.
- ☞ Poor access to library services which also affects the development of a culture of learning and teaching.
- ☞ Poor access to welfare services including pension pay points, magistrate services, etc.
- ☞ Poor access to cemeteries.

Attention should be given to lack of sport fields, parks and swimming pools in the MBO area in order to revive the sport in Newcastle considering that the municipality has a history of producing world stars on soccer.

3.9.7. Infrastructure Backlog.

Access to basic services is one of the main elements of socio-economic wellbeing of an area. The status of the physical and economic development level of a community such as that of Newcastle is often measured based on the provision and quality of infrastructure for technical services, i.e. access to roads, electricity, water and sanitation. These are found to be a huge challenge for Newcastle Municipality whereas the town suffers from maintaining of existing services while rural areas have no basic services at all. In addition, the Newcastle Local Municipality is challenged with the maintenance and development of basic road and storm water infrastructure to serve the local community, particularly in the Newcastle East. This will be severely constrained by limited financial resources. Public transport plays an important role in the economy of Newcastle and deserves some attention in the planning efforts of the municipality.

3.9.8. Poor Quality of the Environment.

The quality of the environment within the NLM requires an urgent attention. This is symbolized mainly by the following:

- ☞ Deteriorating quality of water due to mining activities, pit latrines, use of pesticides and fertilizers, and other water contaminating activities.
- ☞ Poor air quality due to emissions. Equipment for air quality monitoring is in place but has not been maintained. Closer collaboration with local industries needs to be developed in this regard.
- ☞ Urbanization which results in the establishment of settlements in areas that is unsuitable for human habitation. These include flood lines, wetlands, etc.
- ☞ Waste collection and disposal. The municipality needs to work together with local communities, particularly in the townships to develop community based programs for keeping the area clean.
- ☞ General lack of active open space in the NLM, particularly the township areas.
- ☞ Dirt roads which also contribute to a sterile environment.

3.9.9. Financial Management and Accounting.

The general lack of requisite knowledge by the finance team on GRAP/GAMAP requirements culminates in:-

- ☞ An inability to account for financial accounts in line with GRAP/GAMAP accounting standards;
- ☞ Reliance on consultants in preparing financial statements in line with GRAP/GAMAP requirements by municipalities already converted from IMFO to GRAP/GAMAP;
- ☞ Lack of preparedness by those municipalities still to convert to GRAP/GAMAP requirements; and
- ☞ Financial systems not geared towards GRAP/GAMAP requirements.

In addition, the financial diagnostic report identifies the following challenges in financial administration, management and reporting within municipality:

- ☞ Lack of systems of internal controls to manage assets evidenced by asset registers not updated when acquisitions, impairments or disposals are made. Reconciliations' of the asset register to the general ledger not performed. Further, the existence of assets cannot be ascertained due to a lack of ongoing process to verify them.
- ☞ Inadequate revenue collection systems within municipalities evidenced by low recovery of amounts owed for municipal services from consumer debtors, Lack

of procedures to enforce recovery of debts or follow-up on outstanding amounts, Lack of advice to the council on revenue enhancement mechanisms.

- ☛ Lack of month end discipline resulting in month end closure not performed, critical month end reconciliations not performed, inability to identify completeness of recording of transactions, and inability to report meaningfully to the municipal structures on financial performance;
- ☛ Poor record management resulting in difficulties in tracing financial records supporting the financial affairs of the municipality;
- ☛ Lack of processes to identify and manage unauthorised, irregular and wasteful expenditure;
- ☛ Issues raised by the Office of the Auditor General not followed up and cleared on time.

3.9.10. High Rate of Poverty.

Poverty manifests itself in different dimensions with income poverty and human poverty being the most common. Income poverty refers to the lack of sufficient income to satisfy basic food needs and essential non-food needs such as clothing, energy and shelter. It arises from a high rate of unemployment, poor access to productive resources, lack of marketable skills and general lack of job opportunities.

Human poverty broadly refers to the lack of basic human capabilities and it arises from high representation of the members who cannot read, write and numerate food insecurity, malnutrition, declining life expectancy, increase of sickness and deaths related to preventable diseases and poor access to basic services. Overcrowding also contributes to this situation.

3.9.11. Impact of HIV and AIDS.

Accurate statistical information about the prevalence of HIV and AIDS in the NLM could not be obtained. However, AIDS has generally been identified as one of the key factors that will influence development over the next few decades. HIV and AIDS will lead to a range of social and economic problems including the following:

- ☛ Increase in the dependency ratio as the number of the economically active who dies of AIDS increase.
- ☛ Increase in the number of orphans, which in turn may put strain on the limited welfare budget.
- ☛ Decline of population with 20 and below years of age.
- ☛ Increase in the number of households with members who need special care and treatment thus putting burden on their families, particularly women who are often the ones who look after the sick in addition to their daily activities

- ☞ Slowing of population growth.
- ☞ Lack of income in cases where breadwinners die of AIDS.
- ☞ Low productivity rate.

3.9.12. Debt Management.

Newcastle Municipality has a total debt roll amounting to R 748 934 335. The majority of this is more than 180days old. Individual households account for R647 851 436 of this amount while government departments owing about R23 174 411. This situation arises from a number of factors including the following:-

- ☞ Lack of control over excessive water leaks is the main and major contributing factor for low payment factor – where does a person start paying an account when it amounts to thousands of rands.
- ☞ Indigent using excess water – about 14100 indigent accounts have arrears of R 178 million leaving only about 7000 accounts having balances of less than R 500.
- ☞ Electricity meter audit not yet finalized – awaiting technical section report
- ☞ Lack of community and or buy in from communities
- ☞ No policies regarding water leaks other than that account is to be paid
- ☞ Need an improved customer care facility, i.e. call centre, with a proper query recording system.

However, the politicians are showing the political will to resolve this predicament by resolving that a Task Team needs to be established with a clear plan to improve the payment factor.

3.9.13. Lack of Financial discipline.

Lack of systems of internal controls to manage assets evidenced by:-

- ☞ Asset registers not updated when acquisitions, impairments or disposals are made;
- ☞ Reconciliations of the asset register to the general ledger not performed;
- ☞ Regular verifications of assets to ascertain existence and condition not in place.

A lack of these processes contribute to delays in the submission of financial statements due to difficulties encountered in reconciling general ledger / trial balance to corresponding supporting schedules. Further, the existence of assets cannot be ascertained due to a lack of ongoing process to verify them.

Inadequate revenue collection systems within municipalities evidenced by:

- ☞ Low recovery of amounts owed for municipal services from consumer debtors;

- ☞ Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts,
- ☞ Lack of advice to the council on revenue enhancement mechanisms.
- ☞ Extraordinarily large provisions for doubtful debts being posted on the Annual Financial Statements.
- ☞ Lack of month end discipline resulting in month end closure not performed, critical month end reconciliations not performed, inability to identify completeness of recording of transactions, and inability to report meaningfully to the municipal structures on financial performance;
- ☞ Poor record management resulting in difficulties in tracing financial records supporting the financial affairs of the municipality;
- ☞ Lack of processes to identify and manage unauthorised, irregular and wasteful expenditure;
- ☞ Issues raised by the Office of the Auditor General not followed up and cleared on time.

3.9.14. Skills.

Section 83 of the MFMA prescribes that the accounting officer, senior managers, the Chief Financial Officer and other financial officials of a municipality must meet the prescribed financial management competency levels. The following skills are critical for finance staff:

- ☞ Knowledge of generally recognised accounting practise at transaction level (i.e. inability to account for financial accounts correctly through basic principle of debit and credit),
- ☞ Understanding of the importance of month end closure,
- ☞ Understanding of reconciliations and their purpose,
- ☞ Adequate supervision of staff activities,
- ☞ Ability to present meaningful monthly management reports and provide sound advice to the council,
- ☞ Ability to prepare annual financial statements in accordance with applicable generally recognised accounting standards.

3.10. KEY ISSUES BY KPA'S.

KEY PERFORMANCE AREAS	KEY ISSUES
Spatial Rational	<ul style="list-style-type: none"> • The role of Newcastle as a regional hub in the northern part of KZN. • Spatial fragmentation between Newcastle East and Newcastle West. • Low density largely informal urban sprawl particularly in Newcastle East. • Increase in the isolated and dislocated settlements such as Ingogo. • Lack of housing opportunities for the poor in and around the CBD. • Settlements occurring in environmentally sensitive areas. • Implementation of a wall-to-wall scheme.
Municipal Transformation and Organisational Development	<ul style="list-style-type: none"> • Appointment of females and the disabled in senior management positions. • Implementation of Municipal Turn Around Strategy. • Developing systems for effective information management and institutional memory. • Ongoing staff training and capacity building. • Ability to attract and retain qualified and experienced staff in technical and financial management functions.
Service Delivery and Infrastructure Analysis	<ul style="list-style-type: none"> • Aging infrastructure in Newcastle West. • Service backlogs in JBC and surrounding rural settlements. • Lack of spare capacity in the water treatment works. • Storm water management. • Dirt roads in the MBO. • Poorly located landfill site. • Informal settlements. • Lack of social housing opportunities.
Local Economic and Social Development	<ul style="list-style-type: none"> • Lack of investment. • Lack of structured support for the SMMEs. • Decline in the agricultural sector. • Decentralisation of shopping facilities and increase in the number of shopping centres. • Opportunities in the coal mining sector.
Municipal Financial Viability and Management	<ul style="list-style-type: none"> • Debt collection. • Revenue generation. • Implementation of the MPRA. • Financial management.
Good Governance and Public Participation	<ul style="list-style-type: none"> • Legislative compliance.

3.11. COMMUNITY BASED PLANNING 2017

As a grass root approach advocating for sustainable livelihoods, the Community Based Planning sessions were conducted across all 34 wards within Newcastle Municipality's jurisdiction. The process was focused on robust grouped engagements amongst the Ward Committees, NPO's, NGO's, Government Departments and other sector representatives from the wards to give a status quo that indicates the strengths and weaknesses, and the identification of development priorities of their wards. The CBP process was meant to enhance consultative public participation in the IDP process thus ensuring the credibility and relevance of the municipality's IDP. To undertake development at grass root level, community submissions from the CBP were prioritized and informed the consolidated Newcastle Local Municipality's fourth generation Integrated Development Plan priorities. Subsequently the municipal budget will be directly linked to the ward priorities as identified during the CBP process in terms of allocation of the capital investment programme.

The following schedule was followed during the CBP process:

AREA	VENUE	WARDS	DATES
ZONE 1 (Town)	Fairley	All wards within the town zone which was inclusive of ward 1.	10/02/2017- 11/02/2017
ZONE 2 (Madadeni)	Madadeni Community Hall	All wards within the Madadeni zone.	12/02/2017- 13/02/2017
ZONE 3 (Osizweni)	Arts Centre	All wards within the Osizweni zone.	14/02/2017- 15/02/2017
ZONE 4 (Blaauwbosch)	Youth Centre	All wards within the Blaauwbosch Zone.	17/02/2017- 18/02/2017

Following a lengthy process and concentrated deliberations in group effort between the Newcastle Local Municipality, Ward Committee Members, and Community Based Organisations, the following outcomes emanated as Ward Priorities within all 34 wards of the Newcastle Local Municipality:-

ZONE 1 PRIORITY NEEDS								
PRIORITY NEED.	WARD 1	WARD 2	WARD 3	WARD 4	WARD 5	WARD 21	WARD 25	WARD 34
1.	Poor access to electricity for lighting and cooking (including solar energy and the changing from meter to prepaid electricity)		Poor access to housing and land	No access to a war room	Robots at Drakensburg Road and Umfolozi Road	Poor access to electricity for cooking and lighting	Unemployment	Poor access to housing and land
2.	Poor access to water and sanitation		Ageing infrastructure – Water and Roads	Pedestrian walkways along the Volksrust road	Construction of speed humps	Poor access to adequate water	Poor access to housing	Poor access to basic services (i.e. water, sanitation)
3.	Poor access to land for grazing, farming and human settlement		Unemployment and poverty alleviation	High mast lights	Poor access to social facilities (library)	Poor maintenance of roads	Poor environmental management services (i.e. regular cutting of grass and trees, and illegal dumping)	Poor access to electricity
4.	Poor maintenance of the roads		Poor maintenance of the roads	Poor environmental management services (i.e. cleaning of Ncandu river and the Newcastle Trimpark)	Poor access to health facilities (i.e. clinic)	Poor access to housing and land	Poor environmental sustainability services (i.e. cleaning of Ncandu river)	Unemployment
5.	Poor access to housing (RDP) for poverty alleviation and employment creation		Poor maintenance of sports facilities (i.e fencing of Fernwood grounds)	Traffic robots at Memel Road	Provision of student accommodation	Land Reform	High prevalence of crime and safety	Poor access to health facilities
6.	Poor access to sports facilities		Poor maintenance of stormwater drains	Pedestrian safety (i.e. pedestrian walkways near D96)	Poor access to economic facilities (i.e. Mini Supermarket)	Unemployment	Poor quality of sporting facilities	Poor implementation of municipal bylaws

7.	Poor access to social facilities (i.e. hall and library)		Poor access to adequate sanitation	Poor access to quality sporting facilities	Provision of a pedestrian bridge	Poor access to health facilities (i.e. clinic)	Poor access to social facilities (i.e. skills incubation centre)	Poor access to sports facilities
8.	Construction of a taxi rank		Poor access to sports facilities (i.e. indoor cricket facility)	3 phase robots at Victoria Road	Poor access to social facilities (i.e. pension pay point)	Poor access to educational facilities (i.e. High School)	Drug abuse in the absence of a rehabilitation centre	Poor access to quality roads
9.	Provision of waste removal services		High mast lights and the replacement of streetlights	Poor maintenance of stormwater drains	Poor access to sports facilities	Poor access to community safety facilities (i.e. police station)	Poor access to health facilities (i.e. clinic)	
10.	Fencing of the N11 from Charlestown to Wykom		Poor environmental management services and community safety (i.e. illegal dumping and crime in vacant sites)	Poor maintenance of roads and pedestrian walkways	Crime and safety (i.e. police station)	Poor access to social facilities (i.e. hall)	Sustainable human settlements (i.e. Siyahhala La and the provision of housing; roads, schools, churches, supermarket etc)	
11.	Job creation (i.e. revival of the firms and the introduction of a shopping centre)				Poor access to educational facilities (i.e. crèche)	Poor access to sports and recreational facilities	Improved access to land	
12.								

ZONE 2 PRIORITY NEEDS

	WARD 14	WARD 19	WARD 20	WARD 22	WARD 23	WARD 24	WARD 26	WARD 27	WARD 28	WARD 29	WARD 31
1.	Poor access to public facilities (i.e. community)	Poor access to educational facilities (i.e. high school)	Poor access to housing	Pedestrian safety (i.e. speed humps)		Pedestrian safety (i.e. speed humps)	Poor road infrastructure (i.e. upgrading of gravel roads)	Poor access to housing	Poor road infrastructure	Poor access to health facilities (i.e. mobile clinic)	Poor access to adequate water services

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

	hall and library)																			
2.	Poor access to educational facilities (i.e. high school)	Poor access to health facilities (i.e. clinic)	Poor access to adequate sanitation	Poor access to adequate sanitation (i.e. upgrading of current system)		Poor access to adequate sanitation services (i.e. toilets and bulk sewer)	Local economic development	Poor road infrastructure (i.e. upgrading of gravel roads)	Poor maintenance of existing roads and stormwater drainage	Poor access to sports and recreational facilities (i.e. sports centre and youth centre)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)	Poor access to social facilities (i.e. community hall and library)
3.	Poor access to sports facilities (i.e. sports field)	Poor access to recreational facilities (i.e. children's play park)	Community safety (i.e. streetlights and high mast lights)	Access to adequate housing (i.e. removal of asbestos)		Poor access to recreational facilities (i.e. children's play parks)	Poor access to educational facilities (i.e. finishing school)	Community safety (i.e. high mast lights)	Poor access to sports and recreational facilities (i.e. sports centre and youth centre)	Poor access to community safety and security facilities (i.e. satellite police station)	Poor access to health facilities (i.e. mobile clinic)	Poor access to social facilities (i.e. library)	Poor access to social facilities (i.e. community hall and library)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)	Poor access to community safety and security facilities (i.e. mobile police station)
4.	Pedestrian safety (i.e. speed humps)	High cost of electricity	Poor management of stormwater (drainage system)	Community safety and security (i.e. street lights)		Poor access to educational facilities (i.e. schools)	Poor access to community safety and security services (i.e. satellite police station)	Community safety and security services (i.e. mobile clinic)	Poor access to sports and recreational facilities (i.e. sports centre and youth centre)	Poor access to community safety and security facilities (i.e. satellite police station)	Community safety and security services (i.e. mobile clinic)	Community safety (i.e. street lights)	Poor road infrastructure	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)
5.	Poor access to community safety and security services (i.e. police station)	Poor access to housing (i.e. H39)	Poor road infrastructure	Pedestrian safety (i.e. sidewalks)		Poor access to health facilities (i.e. clinic and HIV/Aids centre)	Poor access to adequate housing (i.e. ratification of housing)	Community safety and security services (i.e. police station)	Community safety (i.e. street lights)	Poor access to sports and recreational facilities (i.e. sports centre and youth centre)	Community safety and security services (i.e. mobile clinic)	Community safety (i.e. street lights)	Poor road infrastructure	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)	Community safety and security services (i.e. mobile clinic)
6.	Poor access to adequate sanitation services (i.e. bulk sewer)	High mast lights and street lights	Pedestrian safety (i.e. speed humps)	Poor access to adequate water services (i.e. upgrading of pipes)		Poor access to social facilities (i.e. arts centre and pension pay point)	Poor access to quality student accommodation	Poor stormwater management (i.e. stormwater drains)	Poor environmental management services (i.e. grass cutting)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)	Pedestrian safety (i.e. speed humps and pedestrian bridge)

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

7.		Security of tenure (i.e. Title Deeds)	Poor access to social facilities (i.e. community hall)	Stormwater management		Poor access to housing	Environmental sustainability (i.e. soil stabilizers to reduce soil erosion of river banks)	Poor access to community safety and security services (i.e. mobile clinic)	Poor access to sports and recreational facilities (i.e. children's play park, sports fields, arts centre)	Poor access to educational facilities (i.e. schools)
8.		Pedestrian safety (i.e. speed humps)	Job creation (unemployment)	Environmental management (i.e. cutting of trees)		Poor access to community safety and security facilities (i.e. crisis centre)	Poor access to sports facilities (i.e. netball and basketball court)	Job creation (i.e. entrepreneurship and the allocation of 30% of the total value in terms of the allocated projects)	Security of tenure (i.e. Title Deeds)	Poor access to recreational facilities (i.e. children's play park)
9.		Robots (i.e. intersection at brewery)	Poor access to educational facilities (i.e. public crèche)			Poor access to telecommunication facilities (i.e. ICT centre)		Poor access to housing	High mast lights and street lights	Security of tenure (i.e. Title Deeds)
10.			Poor telecommunication infrastructure (i.e. Wifi)					Food security (i.e. community gardens)	Education (i.e. bursaries for matriculants)	

ZONE 3 PRIORITY NEEDS

	WARD 7	WARD 8	WARD 9	WARD 10	WARD 11	WARD 13	WARD 17	WARD 30	WARD 32
1.	Poor access to adequate water and sanitation services	Pedestrian safety (i.e. stop signs and robots)	Job creation	No access to a war room	Poor pedestrian safety (i.e. pedestrian bridge)	Poor access to housing and land (i.e. RDP)	Poor access to health facilities (i.e. clinic)	Poor access to adequate sanitation	

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

2.	Poor access to electricity services	Poor access to adequate water and sanitation services	Poor access to adequate sanitation	Pedestrian walkways	Poor stormwater management (V-drain)	Poor access to adequate sanitation services (i.e. toilets and Jakkalspan)	Poor access to sports and recreational facilities (i.e. parks and sportfields)	Poor access to adequate electricity services	
3.	Poor road infrastructure	Poor access to adequate housing	Poor access to housing and land	High mast lights	Poor public health and safety (i.e. asbestos)	Poor quality of roads	Poor access to housing and land	Poor access to housing and land	
4.	Absence of high mast lights and street lights	Poor stormwater drainage systems	Poor management of roads and stormwater	Poor environmental management services	Poor access to housing and land (i.e. RDP)	Youth unemployment	Roads and stormwater (including sidewalks)	Poor quality of roads	
5.	Pedestrian safety (i.e pedestrian bridge)	Poor access to social facilities (i.e. library and hall)	Pedestrian safety (i.e. pedestrian bridge)	Speed humps	Environmental management services (i.e. termites infestation in the floor cracks of some of the 4 rooms)	Crime and safety (i.e. substance abuse)	Arts and recreational facilities (i.e. arts centre)	Poor access to adequate water services	
6.	Poor access to housing and land	Street lights	Poor access to electricity for cooking and lighting	Poor access to quality infrastructure that is also aging	Pedestrian safety (i.e. speed humps and street lights)	Social problems (i.e. unregulated taverns)	Poor access to land (i.e. occupation of vacant sites)	Pedestrian safety (i.e. pedestrian bridge)	
7.	Poverty and unemployment		Crime and safety (i.e. street lights and high mast light)	No street lights	Job creation and poverty alleviation	Poverty	Poor environmental management services (i.e. cleaning of dongas)	Involvement in municipal programme and projects (i.e. EPWP)	
8.	Poor access to social facilities (i.e. library and hall)		Poor access to community facilities (i.e. clinic, halls,	Provision of socio-economic facilities (i.e. shopping centre)	Poor access to social facilities (i.e. pension pay point)	Poor maintenance of roads (i.e. upgrading of roads)	Unemployment and poverty	Street lights	

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

				educational facilities)									
9.				Skills and training (i.e. bursaries)	Poor access to health facilities (i.e. upgrading of the existing clinic)	Poor access to sports facilities	Pedestrian safety (i.e. scholar patrol for school children)			Pedestrian safety (i.e. Speed humps)			
10.				Poverty and unemployment (i.e. indigent support)	Poor access to recreational facilities (i.e. children's play park)	Crime and safety (i.e. police station)	Poor access to health facilities (i.e. increased consultation hours at the clinic)						
11.				Poor access to land (i.e. land tenure upgrading and the use of vacant sites)			Poor access to social facilities (i.e. public gym)						
12.				Environmental management services (i.e. grass cutting, skip bins, and the cleaning od streams)		Poor access to educational facilities (i.e. crèche)	Poor access to social facilities (i.e. swimming pool)						
14.				Poor access to infrastructure for the disabled			Poor quality of roads (i.e. maintenance of roads)						
15.							Street lights and sidewalks						

ZONE 4 PRIORITY NEEDS					
Ward 6	WARD 12	WARD 15	WARD 16	WARD 18	WARD 33

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

1.	Poor road infrastructure	Poor access to adequate water and sanitation	Poor access to housing	Job creation (poverty and unemployment)	Job creation (poverty and unemployment)	Job creation (poverty and unemployment)	Poor road infrastructure
2.	Poor access to housing	Poor access to housing	Poor access to adequate water and sanitation	Poor access to housing	Poor access to housing	Poor access to Community Safety and Security Services (i.e. mobile police station)	Poor access to energy for cooking and lighting
3.	Poor access to adequate water and sanitation	Poor access to energy for cooking and lighting	Infrastructure Backlog	Poor access to adequate water and sanitation	Poor access to adequate water and sanitation	Poor access to housing	High mast light
4.	Poor access to energy for cooking and lighting	High mast lights	Poor access to health facilities (i.e. clinic)	Poor access to community safety and security services (i.e. mobile police station)	Poor access to community safety and security services (i.e. mobile police station)	Poor access to adequate water and sanitation	Poor access to adequate water and sanitation
5.	High mast lights	Poor access to refuse removal services (skip bin)	Poor access to community safety and security services (i.e. mobile police station)	Poor road infrastructure	Poor road infrastructure	Poor access to public facilities (i.e. library)	Poor access to housing (i.e. RDP)
6.	Poor access to health facilities (i.e. clinic)	Poor access to health facilities (i.e. clinic)	Poor access to social facilities (i.e. library)	Poor access to educational facilities (i.e. school)	Poor access to educational facilities (i.e. school)	Poor access to health facilities (i.e. hospice and old age home)	Poor access to adequate sanitation
7.	Poor access to educational facilities (i.e. school)	Poor access to Public facilities (i.e. community hall)	Poor access to educational facilities (i.e. school)	Alcohol and drug abuse (i.e. programmes towards the reduction of substance abuse)	Poor roads infrastructure	Poor access to health facilities (i.e. mobile police station)	Poor access to community safety and security services (i.e. mobile police station)
8.	Poor access to public facilities (i.e. community hall and youth centre)	Poor access to sports and recreational facilities (i.e. recreational centre)	Poor access to sports and recreational facilities	Poor access to social facilities (i.e. library)	Poor access to Sports and recreational facilities (Sports Field)	Poor access to health care facilities (i.e. clinic)	Poor access to health care facilities (i.e. clinic)
9.	Poor access to social facilities (i.e. library)	Poor access to recreational facilities (i.e. children's play park)	Job creation (poverty and unemployment)	Poor access to health facilities (i.e. clinic)	Food security (i.e. community gardens)	Poor access to educational facilities (i.e. school)	Poor access to educational facilities (i.e. school)
10.	Job creation (poverty and unemployment)	Poor road infrastructure	Poor access to social facilities (i.e. pensioners pay-point)	Poor access to refuse removal services	Poor access to refuse removal services	Community safety (i.e. closure of farm ponds)	Community safety (i.e. closure of farm ponds)

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

11.	Poor access to sports and recreational facilities		Lightning conductors			Poor access to public facilities (i.e. children's play park)
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In order to improve the participation of the general public, a detailed process plan for the annual review of the Community Based Plans for all the 34 wards is currently being developed. This will ensure the alignment of the CBP with the IDP hence the budget ensuring the development of projects that are reflective of the needs and aspirations of the communities. Through the process plan, the CBP's will be presented to the general public through constituency consultation meetings to allow communities at large to provide inputs, voice their opinions, and endorsement of the plans.



**SECTION 4:
VISION, GOALS,
OBJECTIVES AND
STRATEGIES.**

4. DEVELOPMENT STRATEGY.

The development strategy of the NLM is designed to fit-in and give effect to the intention of both the national and provincial development strategies. This includes, within the national development plan, Vision 2030 and various government programs. NLM IDP also fits within the provincial development framework as set out in the PGDS. The NLM strategy covers the following:-

- Strategic fit (alignment with national and provincial development strategies).
- NLM long-term strategic direction and organizational culture.
- NLM short to medium term strategies and action plans.

In addition, the IDP also considers the emerging national and provincial long term strategic plans as encapsulated in the Draft National Development Plan and the Draft Provincial Growth and Development Strategy. Given its strategic location in the northern part of KwaZulu-Natal, Newcastle Municipality will make a significant contribution towards the implementation and attainment of the strategic objectives of each of these strategic plans. Again, it is critically important to ensure that the IDP

The strategic approach is meant to highlight the impact that the municipality seeks to create in the short to long term period. As indicated on Figure 29 above, in addition to outcome 9, the NLM will contribute to the attainment of outcomes 2, 4, 5, 6, 8, 9, 10 and 12 with the 5 KPAs as the strategic areas for intervention. As such, the development strategy for the NLM is designed to address issues that are specific to the NLM while also contributing to the attainment of the national priorities.

4.1. VISION, MISSION.

The following vision statement for Newcastle Local Municipality was formulated during a joint sitting at a strategic planning session with active participation of both the political and administrative heads of the municipality. The vision commits the municipality to sustainable, integrated, equitable and effective development and it reads as follows:-

VISION

BY 2035, NEWCASTLE WILL BE A RESILIENT AND ECONOMICALLY VIBRANT CITY, PROMOTING SERVICE EXCELLENCE TO ITS CITIZENS.

MISSION

NEWCASTLE MUNICIPALITY TOGETHER WITH ITS CITIZENRY, COMMITS TO REALISE ITS VISION THROUGH INNOVATIVE SERVICE EXCELLENCE, ACCELERATED SERVICE DELIVERY, SUSTAINABLE INFRASTRUCTURE

DEVELOPMENT, PROMOTING SOCIO-ECONOMIC DEVELOPMENT AND SPATIAL INTEGRATION .

4.2. PRIORITY DEVELOPMENT ISSUES.

- Sound Financial Management/Viability.
- Improved access to basic service delivery (i.e. water, sanitation, electricity, housing, waste removal).
- Local Economic Development (eradication of poverty and unemployment).
- Improved quality of roads and stormwater infrastructure (including sidewalks).
- Environmental sustainability (environmental conservation/management).
- Accelerated Municipal Transformation and Corporate Development.
- Improved access to public facilities (including educational facilities – provincial mandate).
- Improved community safety.
- Improved access to basic health services (NB: provincial mandate).
- Improved access to land (including Land Reform).

4.3. IDP STRATEGIC OBJECTIVES.

4.3.1. INSTITUTIONAL TRANSFORMATION AND CORPORATE DEVELOPMENT.

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITIES	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability.	Building capable local government institutions.	Accelerated Municipal Transformation and Organizational Development	IT 1	To enhance organisational performance by attracting and retaining best talent by 2021.	IT 1.1	To embark on an investigation aimed at understanding efficiency and effectiveness of organizational systems and procedures by 2021	IT 1.1.1	Percentage of investigations conducted as received from the office of the Municipal Manager	100%	Corporate Services: Human Resources
					IT 1.2	To implement systems that will ensure compliance with the Employment Equity Act by ensuring equitable representation at all levels.	IT 1.2.1	the number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	23	Corporate Services: Human Resources
					IT 1.3	To facilitate the development of skills through the complete implementation of the workplace skills plan	IT 1.3.1	%age of municipal budget actually spent on implementing its workplace skills plan	100%	Corporate Services: Human Resources
					IT 1.4	To align current policies with changes in legislation	IT 1.4.1	Approval of the following policy by council 1. Employment practice policy permanent (review) 2. Acting policy (Review) 3. Overtime policy (Review) 4. Leave policy (develop) 5. Employment practice policy temporal(Develop) 6.EAP policy (Review)	Approval of the following policy by council 1. Employment practice policy permanent (review) 2. Acting policy (Review) 3. Overtime policy (Review) 4. Leave policy (develop) 5. Employment practice policy temporal(Develop) 6.EAP policy (Review)	Corporate Services: Human Resources

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITIES	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
								7.Occupational health and safety (review)	7.Occupational health and safety (review)	
					IT1.5	To promote employee relations (ER) and labour stability	IT1.5.1	Number of LLF meetings held as per organisational rights agreement	12	Corporate Services: Human Resources
					IT2.1	To develop policies and realign systems and procedures that ensure good governance and an efficient and effective secretariat and general administration support by 2021	IT2.1.1	Number of Administration policies or procedures developed or reviewed 1. Meeting management(developed) 2.records management (review)	1. Meeting management(developed) 2.records management (review)	Corporate Service: Administration
		Accelerated Municipal Transformation and Organizational Development	IT2	To provide quality administrative services, to support optimal organisational performance	IT2.2	Ensure that all statutory Committees convene as per legislation and policies of Council	IT2.2.1	%age on compliance with Annual Meeting Plan as approved by Council	100%	Corporate Services : Administration
		Accelerated Municipal Transformation and Organizational Development	IT3	To comply with health and safety legislation	IT3.1	To promote zero fatalities and ensure a healthy and safe working environment	IT3.1.1	%age of safety issues as raised by Safety Committees addressed	100%	Corporate Services
		Accelerated Municipal Transformation and Organizational Development	IT4	Health	IT4.1	To promote zero fatalities and ensure a healthy and safe working environment	IT4.1.1	Section 16.2 appointments finalised by Municipal Manager	Section 16.2 appointments finalised by Municipal Manager	Corporate Services

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

4.3.2. GOVERNANCE AND PUBLIC PARTICIPATION.

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITIES	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
OUTPUT 6: Administrative and financial capability.	Good Governance	Accelerated Municipal Transformation and Organizational Development	GG5	To ensure good governance through openness, transparency and accountability in the organization.	GG5.1	To develop and implement an optimal communication strategy and service charter by 2021	GG5.1.1	Monthly Progress reports on execution of resolutions for MANCO, EXCO, Council and MPAC	11	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)
					GG5.2	To develop a system of delegation that will maximise administrative and operational efficiencies	GG5.1.2	Annual Review of Delegations Policy by 30 June 2018	Annual Review of Delegations Policy by 30 June 2018	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)
					GG5.3	To strengthen executive support.	GG5.1.3	Approved Intergovernmental Relations Framework and Strategy by 30 June 2018.	Approved Intergovernmental Relations Framework and Strategy by 30 June 2018.	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)
		Accelerated Municipal Transformation and	GG6	To promote and enhance good governance in the organization. To promote and enhance good governance in the organization.	GG5.4	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	GG5.4.1	Annual review of Risk Management Policy and strategy, Anti-Fraud & Corruption Policy and strategy by 30 June 2018	Annual review of Risk Management Policy and strategy, Anti-Fraud & Corruption Policy and strategy by 30 June 2018	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)
					GG5.5	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	GG5.5.1	Annual risk assessment report for 2018/19 as approved by Manco by 31 May 2018	Annual risk assessment report for 2018/19 as approved by Manco by 31 May 2018	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITIES	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT		
GOOD GOVERNANCE	PUTTING PEOPLE FIRST	Accelerated Municipal Transformation and Organizational Development	GG9	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	GG9.1	To improve both internal and external communication	GG9.1.1	Approval of Public Participation Strategy by June 2018	Approved Public Participation Strategy by June 2018	DPHS		
					GG8.4	To provide effective and efficient legal support services	GG8.4.1	%age of bylaws published as prioritised by ManCo	100%	Office of the Municipal Manager		
					GG8.3	To provide effective and efficient legal support services	GG8.3.1	%age of objections addressed within 60days as per SCM Regulations	100% of objections resolved within 60days	Office of the Municipal Manager		
					GG8.2	To provide effective and efficient legal support services	GG8.2.1	Approved Contract Management Policy by June 2019	n/a	Office of the Municipal Manager		
					GG10	To keep internal & external communities and stakeholders informed, empowered and involved by 2021	GG10.1	To develop and implement an optimal communication strategy	GG10.1.1	Approved Communication strategy by June 2018	Approved Communication strategy by June 2018	CORPORATE COMMUNICATIONS
					GG11	To ensure good governance through openness, transparency and accountability in the organization.	GG11.1	To provide an enhanced internal and external communication service.	GG11.1.1	Number of Internal Communications Forum meetings held	12	Corporate Services
		Accelerated Municipal	GG12	To promote ICT governance by ensuring alignment of ICT and organizational objectives	GG12.1	To facilitate the annual implementation of good ICT governance processes	GG12.1.1	Number of ICT Steering Committee meetings	4	Corporate Services (IT)		
					GG12.2	Review of ICT Strategy, ICT policies and procedures	GG12.2.1	Number of reviewed ICT Strategy / ICT	1	Corporate Services (IT)		

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITIES	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		Transformation and Organizational Development			GG12.3	To ensure that the ICT activities and investments are in alignment with organizational objectives and strategies	GG12.3.1	Approval of ICT Strategic Plan by June 2018	Approval of ICT Strategic Plan by 2018	INFORMATION AND TECHNOLOGY
		Accelerated Municipal Transformation and Organizational Development	GG13	To obtain a clean audit on the Audit of Performance Objectives by 2020	GG13.1	To facilitate the development, review and implementation of the PMS annually	GG13.1.1	Number of performance reports submitted to Audit Committee quarterly	3	OFFICE OF THE MUNICIPAL MANAGER (PERFORMANCE MANAGEMENT)
		Accelerated Municipal Transformation and Organizational Development	GG14	To promote good governance through the Annual performance reporting process	GG14.1	To ensure compliance with Annual performance Reporting process	GG14.1.1	Annual Performance Report submitted to the Auditor-General by 31 August 2017	Annual Performance Report submitted to the Auditor-General by 31 August 2017	OFFICE OF THE MUNICIPAL MANAGER (PERFORMANCE MANAGEMENT)
					GG14.2	To ensure compliance with Annual report process	GG14.2.1	Approval of Annual Report by 31 March 2018	Approval of Annual Report by 31 March 2018	OFFICE OF THE MUNICIPAL MANAGER

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

4.3.3. FINANCIAL VIABILITY AND MANAGEMENT.

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT		
Output 6: Administrative and financial capability.	Sound Financial Management	Sound Financial Management/ viability	FV15	Improve the payment factor by at least 2 percentage basis points annually (by June of every year)	FV15.1	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent are eligible for the support and to eradicate a culture of non-payment.	FV15.1.1	Number of meetings held per quarter to discuss indigent applications and explain the billing processes and emphasises the payment of municipal bill as per Approved policy and procedures	34 (1 meeting per ward)	Budget & Treasury Office		
					FV15.2	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	FV15.2.1	An annual verification of the indigent register performed at 30 July 2017	An annual verification of the indigent register performed at 30 July 2017	Budget & Treasury Office		
					FV15.3	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	FV15.3.1	Increase of payment factor by 2 percentage basis point by 30 June 2017	77.50%	Budget & Treasury Office		
					FV15.4	Eradication of the culture of non-payment;	FV15.4.1	%age of queries addressed within 90 days	100%	Budget & Treasury Office		
					FV16	Achieve Value for money	FV16.1	To have an effective Supply Chain Management system in place;	FV16.1.1	Approved annual procurement plan by July 2017 approved by the Finance Portfolio Standing Committee	Approved annual procurement plan by July 2017 approved by the Finance Portfolio Standing Committee	Budget & Treasury Office
							FV16.2	Have an effective Supply Chain Management system in place;	FV16.2.1	Turnaround times for bids at 120 days and for quotations 60 days (Tenders/Quotations)	120 days for bids and 60 days for quotations	Budget & Treasury Office
					FV17	To ensure sound financial and fiscal management and good governance	FV17.1	review the financial policies to ensure sound financial and fiscal management and good governance	FV17.1.1	Number of Financial policies reviewed by May 2018: 1. Tariff by-law	15 policies submitted to council for approval	Budget & Treasury Office

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
								<ul style="list-style-type: none"> 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15 SCM Policy approved by Council 	<ul style="list-style-type: none"> 1. Tariff by-law 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 	Budget & Treasury Office
			FV18	To ensure sound financial and fiscal management and good governance	FV18.1	<ul style="list-style-type: none"> To ensure compliance with the roll out of MSCOA To ensure efficient and effective implementation of financial internal controls To ensure efficient and effective implementation of financial internal controls 	<ul style="list-style-type: none"> FV18.1.1 FV18.1.2 FV18.1.3 	<ul style="list-style-type: none"> %age compliance with MSCOA assessment by National Treasury %age compliance with MFMA reporting obligations as per MFMA calendar Approval of Annual Budget for 2018-19 by the 31 May 2018 	<ul style="list-style-type: none"> 100% 100% Approved Budget by 31 May 2018 	<ul style="list-style-type: none"> Budget & Treasury Office Budget & Treasury Office Budget & Treasury Office

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		Sound Financial Management/ Viability				To ensure efficient and effective implementation of financial internal controls	FV18.1.4	Approval of Adjustment Budget by 28 February 2018	Approval of Adjustment Budget by 28 February 2018	Budget & Treasury Office
						To ensure efficient and effective implementation of financial internal controls	FV18.1.5	Financial viability in terms of debt coverage	6%	Budget & Treasury Office
						To ensure efficient and effective implementation of financial internal controls	FV18.1.6	Financial viability in terms of cost coverage	1 Month	Budget & Treasury Office
						To ensure efficient and effective implementation of financial internal controls	FV18.1.7	Financial viability in terms of outstanding service debtors	80%	Budget & Treasury Office
		Sound Financial Management/ Viability	FV19	Revenue enhancement	FV19.1	Facilitate the annual Review of the Revenue Enhancement Strategy	FV19.1.1	Review the Revenue Enhancement Strategy by September 2017	Review the Revenue Enhancement Strategy by September 2017	Budget & Treasury Office

4.3.4. BASIC SERVICE DELIVERY (INFRASTRUCTURE DEVELOPMENT).

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
Output 2: Improving access to basic services	Basic Service Delivery		BS20	To assemble adequate and reliable data for Infrastructure Planning, Management and Operations	BS20.1	Develop a Comprehensive Infrastructure Master Plan (It will cater for key focus areas including: Housing development, Water and sanitation, water safety plan, Roads and storm water, Energy – High voltage, Electrification, Maintenance Plan, Asset replacement plan, waste management and catalytic projects)	BS20.1.1	Submission of a Business Plan to obtain funding for the preparation of the comprehensive Infrastructure Master Plan Roads & Storm water	3	Technical Services

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT						
		Basic service Delivery and Infrastructure	BS21	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS20.3	Develop a Comprehensive Infrastructure Master Plan (it will cater for key focus areas including: Housing development, Water and sanitation, water safety plan, Roads and storm water, Energy – High voltage, Electrification, Maintenance Plan, Asset replacement plan, waste management and catalytic projects)	BS20.3.1	Submission of a business plan to obtain funding for the development of a comprehensive master plan on high voltage network, electrification and network maintenance by June 2018	Submission of a business plan to obtain funding for the development of a comprehensive master plan on high voltage network, electrification and network maintenance to prospective funders by June 2018	Electrical & Mechanical						
											BS21.1	Increase number of households with access to basic potable (drinkable) water.	BS21.1.1	% Of households with access to a basic level of water	96.00%	Technical Services
											BS21.2	Increase number of households with access to basic sanitation.	BS21.2.1	% Of households with access to a basic level of sanitation	94.93%	Technical Services
		Basic service Delivery and Infrastructure	BS22	To reduce water loss	BS22.1	To reduce the percentage of water losses. (Non-revenue water loss)	BS22.1.1	Reduction of water loss by 2% per annum for Non-Revenue Water loss	40.30%	Technical Services						
											BS21.3	Upgrade wastewater collection and treatment facilities	BS21.3.1	Number of Water Treatment plants upgraded	n/a	Technical Services

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT						
		Basic service Delivery and Infrastructure	BS23	To create a safe and healthy environment	BS23.3	To establish a new landfill site including management of the existing facility	BS23.3.1	Annual audit compliance report from EDTEA on existing site by June 2018	Annual audit compliance report from EDTEA on existing site by June 2018	Community Services						
											BS23.2	To provide a refuse removal service to the Newcastle Community	BS23.2.1	%age of households with access to basic level solid waste removal	65-90%	Community Services
					BS24	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	BS24.1	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	BS24.1.1	Km of Roads ressealed/rehabilitated	12km	Technical Services				
													BS24.2	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	BS24.2.1	km's of roads gravelled
					BS25	Upgrade of gravel roads to tared roads with storm water infrastructure and street furniture	BS25.1	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	BS25.1.1	Km's of roads upgraded from gravel to blacktop including street furniture	1.22km	Technical Services				
													BS26	To ensure access to electricity within the Newcastle Licence area	BS26.1	To develop and implement the Electricity Services Delivery Plan (ESDP)

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT								
Output 1: Implement a differentiated approach to municipal financing, planning and support	Basic Service Delivery	Basic service Delivery and Infrastructure	BS27	To ensure management and replacement of vehicles for proper rendering of services.	BS27.1	To review a vehicle replacement policy and plan to address Fleet replacement, tyre Management, fuel and lubricant management	BS27.1.1	Annual review of Vehicle Replacement Plan by June 2018	Annual review of Vehicle Replacement Plan by June 2018	Electrical & Mechanical								
Output 4: Actions supportive of the human settlement outcome	Basic Service Delivery	Basic service Delivery and Infrastructure	BS28	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	BS28.1	To develop a Human Settlement Plan in line with the 4th Generation IDP	BS28.1.1	To develop Human Settlements Plan in line with the 4th Generation IDP by 30 June 2018	Approval of Human Settlements Plan in line with 4th Generation IDP by 30 June 2018	Human Settlements								
											BS28.2	To reduce housing backlog to meet the provincial and national targets	BS28.2.1	Number of houses built in a year	300	Human Settlements		
																	BS29.1	Fast-track Title Deed Restoration Project
		Basic service Delivery and Infrastructure	BS29	To facilitate secure tenure and clear property rights	BS29.1	Disposal of municipal land in line with Land Disposal Policy	BS30.1.1	Number of Residential Sites released for disposal	20	Human Settlements								
											BS30	To facilitate secure tenure and clear property rights	BS30.2	To develop and maintain a reliable National Housing Needs Register (NHNR)	BS30.2.1	Number of approved beneficiaries captured on National Housing Needs Register	100%	Human Settlements

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		Basic service Delivery and Infrastructure				to address gap market (i.e Social Housing/ Gap / Flisp)		one Gap/Flips Housing Project	development of at least one Gap / FLIPS Housing Project by June 2018	Human Settlements
					BS30.4	Provision of affordable housing opportunities for middle income to address gap market (i.e Social Housing/ Gap / Flisp)	BS30.4.1	Initiate development of at least one CRU Housing Project	Initiate development of N11 CRU Housing Project	

4.3.5. LOCAL ECONOMIC DEVELOPMENT.

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Putting people first	Local Economic Development (eradication of poverty and unemployment)	ED31	To facilitate economic development that will result in sustainable job creation and growth of the Town	ED31.1	To develop LED Strategy in line with the 4th generation IDP	ED31.1.1	DEVELOPMENT & APPROVAL OF THE NEW LED STRATEGY IN LINE WITH 4TH GENERATION IDP BY 30 JUNE 2018	DEVELOPMENT OF THE NEW LED STRATEGY in line with the 4th generation IDP BY 30 JUNE 2018	DPHS
					ED31.2	To Promote Business Retention and Expansion (BNR) to support local businesses	ED31.2.1	Approved Business Retention and Expansion (BNR) by 30 June 2018	Approved Business Retention and Expansion (BNR) by 30 June 2018	DPHS : LED
					ED31.3	Facilitation and Promotion of SMME development and Entrepreneurship	ED31.3.1	N/A	n/a	DPHS : LED
					ED31.4	Facilitation and Promotion of SMME development and Entrepreneurship	ED31.4.1	N/A	N/A	DPHS : LED
					ED31.5	Facilitation and Promotion of SMME development and Entrepreneurship	ED31.5.1	Number of SMMEs linked to Markets by 30 June 2018	10	DPHS : LED

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		poverty and unemployment)			ED31.6	Facilitation and Promotion of SMME development and Entrepreneurship	ED31.6.1	Number of SMME's Training events	50	DPHS : LED
					ED31.7	Promotion of the value-chain opportunities for SMME's	ED31.7.1	n/a	n/a	DPHS : LED
					ED31.8	Establishment of Newcastle as a Regional Airport Hub for Northern KZN	ED31.8.1	Launch of SCHEDULED FLIGHTS between Newcastle and other major airports by 31 March 2018	Launch of SCHEDULED FLIGHTS between Newcastle and other major airports by 31 March 2018	LED
					ED31.9	Establishment of Techno Hub Innovation Centre Building in Newcastle	ED31.9.1	Completed Techno Hub Building by 31 March 2018	Completed Techno Hub Building by March 2018	DPHS : LED
					ED31.10	To promote local and foreign investment to Newcastle	ED31.10.1	Identification of economic growth engines (catalytic projects) that stimulate the local economy by December 2017	Identification of economic growth engines (catalytic projects) that stimulate the local economy by December 2017 as reported to Council	DPHS : LED
		Local Economic Development (eradication of poverty and unemployment)	ED32	To ensure radicalisation of the local economy	ED32.11	Support livelihood initiatives and home based enterprises(sector specific infrastructure for hairdressers, motor mechanics, car wash, music production and film making, etc) – enhance what is already there.	ED32.11.1	n/a	n/a	n/a
					ED32.12	Promotion of local procurement of goods and services to stimulate local economy and job creation	ED32.12.1	Development and Implementation of the SMME Procurement Policy by December 2017	Approved SMME Procurement Policy by December 2017	DPHS : LED

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

4.3.6. CROSS CUTTING ISSUES.

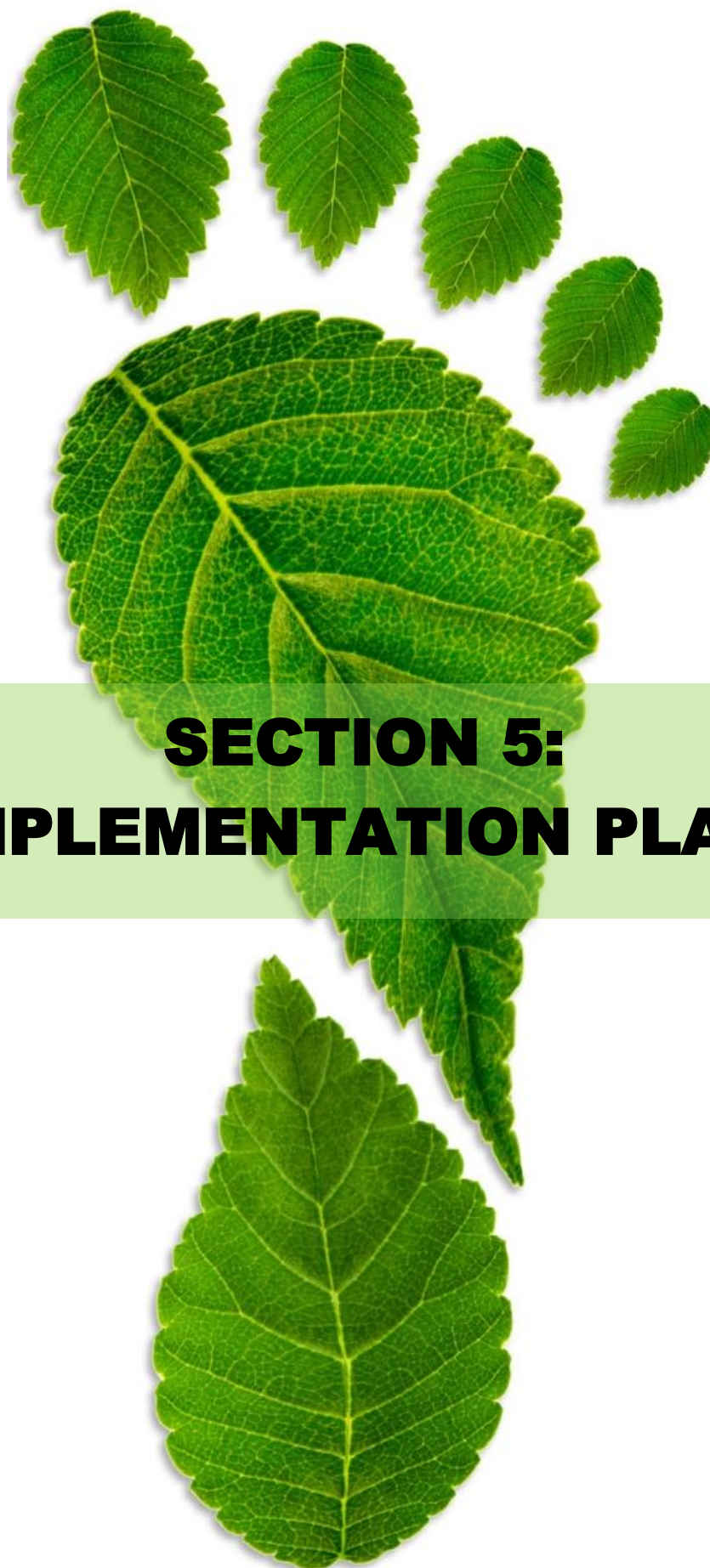
OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
<p>Output 1: Implement a differentiated approach to municipal financing, planning and support.</p> <p>Putting people first</p>		Local Economic Development (eradication of poverty and unemployment)	CC33	To facilitate economic development that will result in sustainable job creation and growth of the Town	CC33.1	To facilitate Revitalisation of Township Economy	CC33.1.1	n/a	n/a	n/a
					CC33.2	To facilitate economic development that will result investment in the town	CC33.2.1	Report / Study on identification of pieces of land to be regarded as 'pockets of excellence' by 30 June 2018	Report / Study on identification of pieces of land to be regarded as 'pockets of excellence' by 30 June 2018	DPHS : LED & TP
		Improve access to land (including Land Reform)	CC34	To develop an efficient and effective land use management system so as to promote a rational and harmonious land use activity system.	CC34.1	Review of the Land Use Scheme in line with SPLUMA	CC34.1.1	Finalise Diagnosis Report on the Land Use Scheme by 30 June 2018 submitted to Portfolio Committee	Finalise Diagnosis Report on the Land Use Scheme by 30 June 2018 submitted to Portfolio Committee	DPHS : TP
					CC34.2	To undertake efficient and effective building controls.	CC34.2.1	Completed feasibility in relation green building development within the municipality	Undertake a feasibility to develop bylaws in relation to green buildings 30 June 2018	DPHS : TP
		Improve access to land (including Land Reform)	CC35	To ensure an effective and integrated Geographic Information Management System.	CC35.1	GIS System integration with other municipal systems.	CC35.1.1	Complete TOR in relation to feasibility of integrating GIS with other systems by 30 June 2018	Complete TOR in relation to feasibility of integrating GIS with other systems by 30 June 2018	DPHS : TP
		Improve access to land	CC36	To promote spatial restructuring and integration	CC36.1	Development of municipal SDF in line with the 4th Generation of IDP	CC36.1.1	Approved Spatial Development Framework by 31 May 2018	Approved Spatial Development Framework by 31 May 2018	DPHS : TP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		(Including Land Reform)			CC36.2	To produce plans, policies and strategies to guide and manage development and investment.	CC36.2.1	Approval of one Local Area Plan / Precinct Plan by 30 June 2018	Approval of one Local Area Plan / Precinct Plan by 30 June 2018	DPHS : TP
		Improve access to land (including Land Reform)	CC37	To promote sustainable development and sound environmental planning	CC37.1	To ensure compliance with environmental legislation and regulations.	37.1.1	Gazetting of the Environmental Management Framework (EMF) by 30 June 2018	Gazetting of the Environmental Management Framework (EMF) by 30 June 2018	DPHS : TP
					CC37.2	Review of the municipal open space system	37.2.1	Review and approval of the municipal Open Space System by 30 June 2018	Review and approval of the Open Space Policy Framework by 30 June 2018	DPHS : TP
					CC37.3	Identification of suitable land for cemeteries and relevant Geotech studies	37.3.1	Geotech Report on identified sites for cemetery by 31 March 2018	Geotech Report on identified sites for cemetery by 31 March 2018	DPHS : TP
		Improved community safety	CC38	To ensure the provision of traffic management services	CC38.1	Intensify Law Enforcement activities	CC38.1.1	Number of roadblocks conducted	24	Community Services
		Improved community safety	CC39	To improve safety and security	CC39.1	To provide and maintain an efficient and effective disaster management service to Newcastle.	CC39.1.1	N/A	N/A	Community Services
		Improved community safety	CC40	To ensure provision of fire and disaster management services	CC40.1	To provide and maintain an efficient and effective disaster management service to Newcastle.	CC40.1.1	Adoption of Disaster Risk Management Policy and Newcastle Disaster Management Plan by June 2018	Adoption of Disaster Risk Management Policy and Newcastle Disaster Management Plan by June 2018	Community Services

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTCOME 9	BACK TO BASICS PILLAR	IDP PRIORITY	OBJECTIVE NO.:	STRATEGIC OBJECTIVE	STRATEGY NO.:	STRATEGY	KPI NO.:	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT
		Improve access to public facilities (including educational facilities- Provincial mandate)	CC41	To ensure efficient use and management of community facilities.	CC41.1 CC41.2	Establishment and provision of community facilities	CC41.1.1 CC41.2.1	Progress made on the Construction of Charlestown Library Progress made on the Upgrading of Newcastle Library	Commencement of construction.	Arts, Culture and Amenities
		Improved community safety	CC42	To facilitate the responsive role of government Civil society and private sector.	CC42.1	To mainstream programmes with the National and Provincial government, Civil society and private sector	CC42.1.1	% Percentage of OSS issues received and referred	100%	OFFICE OF THE MUNICIPAL MANAGER (SPECIAL PROGRAMMES)
		Improved community safety	CC43	To facilitate the responsive role of the municipality in OSS.	CD43.1	To mainstream OSS through Internal OSS and Special Programmes Steering Committee	CC43.1.1	Number of Special Programme and OSS meetings	2	OFFICE OF THE MUNICIPAL MANAGER (SPECIAL PROGRAMMES)
		Improved community safety	CC44	To respond to needs of vulnerable groups within Newcastle jurisdictional area.	CC44.1	Empowerment of target groups (Senior citizens, Disability, People living with HIV/AIDS, Women Men)	CC44.1.1	Number of functional Special Programmes FORA	8	OFFICE OF THE MUNICIPAL MANAGER (SPECIAL PROGRAMME)
		Improved community safety	CC45	To respond to the needs of vulnerable groups	CC45.1	To host human rights activities to address issues affecting the vulnerable groups	CC45.1.1	Number of special programs implemented	29	OFFICE OF THE MUNICIPAL MANAGER (SPECIAL PROGRAMMES)

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP



**SECTION 5:
IMPLEMENTATION PLAN.**

5. IMPLEMENTATION PLAN.

5.1. THREE YEAR INVESTMENT PROGRAMME.

5.1.1. CAPITAL INVESTMENT PLAN.

To ensure the practical application and success of the spatial principles, concepts, strategies and policies of the SDF, a multifaceted implementation plan is required. The implementation of the SDF also requires the alignment of spatial strategies and infrastructure planning and budgeting through the IDP.

The Newcastle Municipality developed a capital investment framework as part of this SDF, which identify where funds will be allocated through the spatial priorities and corresponding implementation strategies identified within the Western Service Delivery Region (WSDR), Eastern Service Delivery Region (ESDR) and Rural Service Delivery Region (RSDR). This Capital Investment Framework guides the Newcastle Municipality's capital expenditure in order to achieve citizen-centered public service and to shape the desired form of the municipality. It intends to bridge the gap between the spatial priorities, strategies and the implementation plan and sets the background and basis on which other sector plans should focus with their priorities.

The process of developing a Capital Investment Framework includes the collection of information from other municipal departments and verifying it where necessary. **Collected information from other departments will give an indication of the current development profile of the different departments through the Service Delivery and Budget Implementation Plan (SDBIP).** This is followed by a spatial illustration to also inform spatial interventions and investments for example bulk infrastructure and corridor development.

The Capital Investment Framework explores areas that present potential for sustainable economic and corridor development, therefore attracting private sector investment and creating long term employment for the public. In conclusion, the Capital Investment Framework for this SDF assists the Newcastle Municipality to address spatial distortions and inequalities of past policies in the form of densification, compaction and nodal development.

The major key capital projects with a spatial dimension/implication, which are currently planned or underway as part of the IDP process and have a spatial impact or significance are listed below and illustrated on the attached Capital Projects Plan.

5.1.2. CAPITAL PROJECTS.

5.5.1.1. CAPITAL ADJUSTMENT BUDGET (2017/18).

	PROJECT DESCRIPTION	WARD	WARD/CBP PRIORITY	NLM PRIORITY	STRATEGIC OBJECTIVES	NLM STRATEGY	FUNDING SOURCE/GRANT NAME	FULL YEAR BUDGET	INTERNAL ROLL OVERS	FULL YEAR BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET
TECHNICAL SERVICES													
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	MF55	19	MIG FUNDED FROM 2015/16	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 632 500,00	-	2 632 500,00	825 765,00	(632 500,00)	2 000 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	MD35	24	MIG FUNDED FROM 2015/16	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 825 000,00	-	2 825 000,00	583 831,00	(1 325 000,00)	1 500 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	MD30	26	Poor road infrastructure (ie. upgrading of gravel roads)	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	1 175 000,00	-	1 175 000,00	201 395,00	325 000,00	1 500 000,00

BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	ME11 (A)	28	Poor road infrastructure.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	4 815 000,00	-	4 815 000,00	445 184,00	(2 815 000,00)	2 000 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	ME11 (B)	28	Poor road infrastructure.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 935 000,00	-	2 935 000,00	640 595,00	(1 435 000,00)	1 500 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	OE41	9	Poor management of roads and storm-water.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 690 000,00	-	2 690 000,00	461 872,00	(990 000,00)	1 700 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	OA85 (A)	8	Poor road infrastructure.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	4 367 500,00	-	4 367 500,00	312 428,00	(2 367 500,00)	2 000 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	OA85 (B)	8	Poor road infrastructure.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and	Refurbishment and maintenance of roads, storm-	MIG	2 882 500,00	-	2 882 500,00	666 228,00	(1 582 500,00)	1 300 000,00

INFRASTRUCTURE.					effective storm-water	water infrastructure, traffic calming devices and provision of pedestrian side-walks.												
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	OC20	10	Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 366 000,00	-	2 365 000,00	555 799,50	(565 000,00)	1 800 000,00					
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	Construction of OC23	10	Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	-	40 479,00	40 479,00	-	-	40 479,00					
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	Construction of Watt Street		Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.		-	2 645 788,00	2 645 788,00	-	(400 000,00)	2 245 788,00					
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	Construction of Charlestown Road 1	1	Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and		-	1 312 327,00	1 312 237,00	-	(1 300 000,00)	12 327,00					

BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	Widening of Allen Street		Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	-	1 706 405,00	1 706 405,00	119 333,00	(1 587 072,00)	119 333,00								
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	Esidini Road		Poor quality of infrastructure that is ageing.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	-	2 715 873,00	2 715 873,00	-	2 000 000,00	4 715 873,00								
	Community Hall						-	3 152 661,00	3 152 661,00	2 377 801,00	-	3 152 661,00								
	Extension of Municipal Offices						1 037 990,00	1 037 990,00	1 037 990,00	-	(1 037 990,00)	-								
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	OA103	30	Poor quality of roads.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	2 927 500,00	2 927 500,00	713 981,00	(1 427 500,00)	1 500 000,00								
BASIC SERVICE DELIVERY AND INFRASTRUCT URE.	MADADENI WWTP	31	Poor access to adequate water services.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming	MIG	20 000 000,00	-	20 000 000,00	16 351 982,00	8 715 000,00	28 715 000,00							

BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	PIPE REPLACEMENT AND UPGRADE PROJECT	3	Poor access to sanitation.	housing, waste removal)	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Increase number of households with access to basic potable (drinkable) water.	MIG	7 489 000,00	-	7 489 000,00	2 817 143,00	2 000 000,00	9 489 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	OSIZWENI E AND F	11	MIG FUNDED FROM 2015/16	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MIG	9 000 000,00	-	9 000 000,00	900 237,00	(9 000 000,00)	-
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	NGAGANE BULK WATER SUPPLY PROJECT	21	Poor access to adequate waters	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Increase number of households with access to basic potable (drinkable) water.	MIG	10 000 000,00	-	10 000 000,00	3 466 865,00	-	10 000 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	WCMD OSIZWENI	10,13,8,9,11,12,30,17,18,32		Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	MW1 G	10 000 000,00	-	10 000 000,00	6 523 306,00	2 500 000,00	7 500 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	NEWCASTLE EAST WATER SUPPLY EXTENSION	31,6,33,12		Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Increase number of households with access to basic potable (drinkable) water.	MW1 G	35 000 000,00	-	35 000 000,00	21 112 956,00	-	35 000 000,00
BASIC SERVICE	SIYAHHLA LA	25	ELECTRIFICATION FOR	Improved access to basic	To ensure access to electricity and	To provide electricity within	Integ rated	9 000 000,00	-	9 000 000,00	1 395 450,00	(9 000 000,00)	-

DELIVERY AND INFRASTRUCTURE	ELECTRICITY ACTION		THE COMING HOUSING PROJECT	services (i.e. water, sanitation, electricity, housing, waste removal)	other forms of energy where applicable.	the Newcastle Municipality Licensed Areas.	National Electricity Commission (Municipal)													
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	SIYAHLALA LA ELECTRICITY ACTION	25	ELECTRICITY ACTION FOR THE COMING HOUSING PROJECT	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	To ensure access to electricity and other forms of energy where applicable.	To provide electricity within the Newcastle Municipality Licensed Areas.	Integrated National Electricity Commission (Municipal)													
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	Network Refurbishment		ELECTRICITY ACTION FOR THE COMING HOUSING PROJECT	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	To ensure access to electricity and other forms of energy where applicable.	To provide electricity within the Newcastle Municipality Licensed Areas.														
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	Street lighting High mast		ELECTRICITY ACTION FOR THE COMING HOUSING PROJECT	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	To ensure access to electricity and other forms of energy where applicable.	To provide electricity within the Newcastle Municipality Licensed Areas.														
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	RESEALING OF ROADS - NEWCASTLE WEST	5,4,3,2	Ageing infrastructure- Water and roads	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian sidewalks.	INTL RNA FUN DS	6 000 000,00	-	6 000 000,00	6 249 484,00	249 484,00	6 249 484,00							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	RESEALING OF ROADS - MADADENI	22,24,23,19	Ageing infrastructure- Water and roads	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and	Refurbishment and maintenance of roads, storm-water	INTL RNA FUN DS	2 000 000,00	-	2 000 000,00	1 999 856,00	-	2 000 000,00							

					effective storm-water	infrastructure, traffic calming devices and provision of pedestrian side-walks.									
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	RESEALING OF ROADS - OSIZWENI	10,8,9, 11,12,3 0,17,18	Poor maintenance of roads and storm-water.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	INTE RNA L FUN DS	2 000 000,00	-	2 000 000,00	1 970 910,00	-	2 000 000,00		
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	RESEALING OF ROADS - KILBARCHANN	21	Poor maintenance of roads.	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	INTE RNA L FUN DS	1 000 000,00	-	1 000 000,00	860 851,00	(124 742,00)	875 258,00		
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	RESEALING OF ROADS - CHARLESTOWN	1	Poor maintenance of roads	Improved quality of roads and storm water infrastructure.	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	INTE RNA L FUN DS	-	-	1 000 000,00	874 096,00	(124 742,00)	875 258,00		
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	SIYAHLALA LA BULK WATER SEWER	25	Poor access to water and sanitation.	Improved access to basic services (i.e. water, sanitation, electricity, waste removal)	To improve sanitation systems	Increase number of households with access to basic sanitation.	Provisional Government: COGTA	-	-	-	-	6 000 000,00	6 000 000,00		

BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	SIYHLHLALA LA BULK WATER SEWER	25	Poor access to water and sanitation.	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	to improve sanitation systems	Increase number of households with access to basic sanitation.	Provincial Government: COGTA	-	-	-	-	4 000 000,00	4 000 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	NCANDU SEWERAGE PUMP STATION		Poor access to water and sanitation.	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	to improve sanitation systems	Increase number of households with access to basic sanitation.	MIG	-	-	-	-	455 000,00	455 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	STAFFORD HILL SEWER PUMP STATION PHS		Poor access to water and sanitation.	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	to improve sanitation systems	Increase number of households with access to basic sanitation.	MIG	-	-	-	-	980 000,00	980 000,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	STAFFORD HILL SEWER PUMP STATION PHS		Poor access to water and sanitation.	Improved access to basic services (i.e. water, sanitation, electricity, housing, waste removal)	to improve sanitation systems	Increase number of households with access to basic sanitation.	MIG	-	571 804,00	571 804,00	144 211,00	-	571 804,00
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	PANORAMA STORMWATER	3	Ageing infrastructure (Water and water)	Improved quality of roads and storm water infrastructure.	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Increase number of households with access to basic potable (drinkable) water.	INTERNAL FUNDS	2 374 000,00	187 071,00	2 561 071,00	1 814 362,00	(700 000,00)	1 861 071,00
KPA	PROJECT DESCRIPTION	WARD	WARD/CBP PRIORITY	NLM PRIORITY	STRATEGIC OBJECTIVES	NLM STRATEGY	FUNDING SOURCE/GRANT NAME	FULL YEAR BUDGET	INTERNAL ROLL OVERS	FULL YEAR BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET
COMMUNITY SERVICES													

CULTURE, RECREATION, AMENITIES.	CONSTRUCTION OF CHARLESTON OWN LIBRARY	1	Poor access to public facilities (i.e. Hall, Library)	Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.	PRO VINC IAL GRANT	11 000 000,00	-	11 000 000,00	-	(8 703 500,00)	2 296 500,00
CULTURE, RECREATION, AMENITIES.	REFURBISHMENT AND EXTENSION OF NEWCASTLE LIBRARY	25	PROVINCE FUNDED FROM PREVIOUS FINANCIAL YEAR.	Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.	PRO VINC IAL GRANT	5 425 000,00	-	5 425 000,00	2 478 872,00	6 230 562,00	11 655 562,00
CULTURE, RECREATION, AMENITIES.	REPLICA RAILWAY STATION	25	PROVINCE FUNDED FROM PREVIOUS FINANCIAL YEAR.	Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.	PRO VINC IAL GRANT	280 000,00	-	280 000,00	-	20 000,00	30 000,00
CULTURE, RECREATION, AMENITIES.	ESTABLISHMENT OF MODULAR LIBRARY			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	-	-	-	370 000,00	370 000,00
CULTURE, RECREATION, AMENITIES.	FORT AMIEL ABLUTION			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	20 972,00	20 972,00	-	(20 972,00)	-
CULTURE, RECREATION, AMENITIES.	FURNITURE CHARLESTON OWN LIBRARY	1		Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		11 000,00	-	11 000,00	-	(8 703 500,00)	2 296 500,00
CULTURE, RECREATION, AMENITIES.	FURNITURE JBC HALL			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	100 000,00	100 000,00	104 296,00	4 296,00	104 296,00
CULTURE, RECREATION, AMENITIES.	MOBILE OFFICE			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	-	-	-	120 220,00	120 220,00
CULTURE, RECREATION, AMENITIES.	FURNITURE AND EQUIPMENT			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	-	-	-	10 000,00	10 000,00

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

CULTURE, RECREATION, AMENITIES.	REPLICA RAILWAY STATION			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		280 000,00	-	280 000,00	-	20 000,00	30 000,00
CULTURE, RECREATION, AMENITIES.	FURNITURE AND EQUIPMENT			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	-	-	-	9 756,00	9 756,00
CULTURE, RECREATION, AMENITIES.	UPGRADE OF PHELANDA BA INDOOR SPORTS CENTRE			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	-	-	-	889 000,00	889 000,00
CULTURE, RECREATION, AMENITIES.	ROAD TRAFFIC SIGNS			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	114 000,00	114 000,00	-	-	114 000,00
CULTURE, RECREATION, AMENITIES.	ESTABLISHMENT OF PLAY PARKS X 2			Improved access to public facilities	Refurbish and maintain safe and acceptable municipal buildings and facilities.	Building and facilities maintenance plan.		-	284 212,00	284 212,00	-	(284 212,00)	-
KPA	PROJECT DESCRIPTION	WARD	WARD/CBP PRIORITY	NLM PRIORITY	STRATEGIC OBJECTIVES	NLM STRATEGY	FUNDING SOURCE/GRANT NAME	FULL YEAR BUDGET	INTERNAL ROLL OVERS	FULL YEAR BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET
DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS													
BASIC SERVICE DELIVERY AND INFRASTRUCTURE.	JBC to Osizweni Secondary Link Road Phase 2 House relocations	18	Poor road infrastructure.	Improved quality of roads and storm-water infrastructure (including side-walks)	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	NATIONAL GRANT	1 000 000,00	-	1 000 000,00	-	-	1 000 000,00

<p>BASIC SERVICE DELIVERY AND INFRASTRUCTURE.</p>	<p>Madadeni Secondary Link Road</p>	<p>24/28/2 1/19/14</p>	<p>Poor road infrastructure.</p>	<p>Improved quality of roads and storm-water infrastructure (including side-walks)</p>	<p>To ensure the provision and maintenance of safe roads and effective storm-water</p>	<p>Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.</p>	<p>NATIONAL GRANT</p>	<p>29 124 702,00</p>	<p>(10 124 702,00)</p>	<p>19 000 000,00</p>	<p>2 182 320,00</p>	<p>(2 113 912,00)</p>	<p>16 886 088,00</p>
<p>BASIC SERVICE DELIVERY AND INFRASTRUCTURE.</p>	<p>JBC to Osizweni Secondary Link Road Phase 1</p>	<p>18/13</p>	<p>Poor road infrastructure.</p>	<p>Improved quality of roads and storm-water infrastructure (including side-walks)</p>	<p>To ensure the provision and maintenance of safe roads and effective storm-water</p>	<p>Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.</p>	<p>NATIONAL GRANT</p>	<p>-</p>	<p>10 500 000,00</p>	<p>10 500 000,00</p>	<p>4 332 125,00</p>	<p>-</p>	<p>10 500 000,00</p>
<p>BASIC SERVICE DELIVERY AND INFRASTRUCTURE.</p>	<p>JBC to Osizweni Secondary Link Road Phase 2</p>	<p>18/13</p>	<p>Poor road infrastructure.</p>	<p>Improved quality of roads and storm-water infrastructure (including side-walks)</p>	<p>To ensure the provision and maintenance of safe roads and effective storm-water</p>	<p>Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.</p>	<p>NATIONAL GRANT</p>	<p>15 000 000,00</p>	<p>-</p>	<p>15 000 000,00</p>	<p>-</p>	<p>(10 037 088,00)</p>	<p>4 962 912,00</p>
<p>BASIC SERVICE DELIVERY AND INFRASTRUCTURE.</p>	<p>Refurbishment of Surveyville and Fairleigh Flats</p>		<p>Poor road infrastructure.</p>	<p>Improved quality of roads and storm-water infrastructure (including side-walks)</p>	<p>To ensure the provision and maintenance of safe roads and effective storm-water</p>	<p>Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.</p>	<p>NATIONAL GRANT</p>	<p>250 000,00</p>	<p>-</p>	<p>250 000,00</p>	<p>78 978,00</p>	<p>-</p>	<p>250 000,00</p>

INFRASTRUCTURE																			
LOCAL ECONOMIC DEVELOPMENT	JBC Urban Hub Informal Trading Stalls	16	Job creation (poverty and unemployment)	Local Economic Development (eradication of poverty and unemployment)	To facilitate Economic Development that will result in sustainable job creation.	Facilitation and Promotion of SMME development.	NATIONAL GRA NT	4 875 298,00	(375 298,00)	4 500 000,00	-	(4 500 000,00)	-						
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	Provision of Services at JBC Urban Hub	16	Poor infrastructure.	Improved quality of roads and storm-water infrastructure (including side-walks)	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	NATIONAL GRA NT	-	-	-	-	-							
LOCAL ECONOMIC DEVELOPMENT	Ingogo Fresh Produce Market	1	Job creation	Improved quality of roads and storm-water infrastructure (including side-walks)	To facilitate Economic Development that will result in sustainable job creation.	Radicalization of the local economy	PROVINCIAL GRA NT	145 404,00	-	145 405,00	-	(145 405,00)	-						
LOCAL ECONOMIC DEVELOPMENT	Building of New Infrastructure (AIRPORT/TECHNO HU)	34	Unemployment (LED)	Local Economic Development (eradication of poverty and unemployment)	To facilitate Economic Development that will result in sustainable job creation.	Enhancement of airport precinct.	PROVINCIAL GRA NT	6 400 000,00	-	6 400 000,00	11 140 578,00	11 900 000,00	18 300 000,00						
BASIC SERVICE DELIVERY AND INFRASTRUCTURE	JBC WALKWAYS	34	Poor road infrastructure.	Improved quality of roads and storm-water infrastructure (including side-walks)	To ensure the provision and maintenance of safe roads and effective storm-water	Refurbishment and maintenance of roads, storm-water infrastructure, traffic calming devices and provision of pedestrian side-walks.	PROVINCIAL GRA NT	-	-	-	-	685 000,00	685 000,00						
KPA	PROJECT DESCRIPTION	WARD	WARD/CBP PRIORITY	NLM PRIORITY	STRATEGIC OBJECTIVES	NLM STRATEGY	FUNDING SOURCE/GRANT	FULL YEAR BUDGET	INTERNAL ROLLOVERS	FULL YEAR BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET						

CORPORATE SERVICES													
									NAM E				
ADMINISTRATI ON	PA System	N/A	N/A	Accelerated Municipal Transformation and Organisational Development	To provide quality administrative services, to support optimal organisational performance	To develop policies and realign systems and procedures that ensure good governance and an efficient and effective secretariat and general administration support by 2021		2 700 000,00	-	2 700 000,00	-	(1 700 000,00)	1 000 000,00
ADMINISTRATI ON	Furniture Equipment	N/A	N/A	Accelerated Municipal Transformation and Organisational Development	To provide quality administrative services, to support optimal organisational performance	To develop policies and realign systems and procedures that ensure good governance and an efficient and effective secretariat and general administration support by 2021		1 000 000,00	-	1 000 000,00	636 630,00	160 000,00	1 160 000,00
	Civic Centre Network Design and Cabling							-	1 428 645,00	1 428 645,00	-	(1 428 645)	-
	TOTAL OPERATING CAPITAL PROJECTS							<u>252 778 405,00</u>	<u>17 328 762,00</u>	<u>271 107 167,00</u>	<u>102 102 231,00</u>	<u>(38 243 954,00)</u>	<u>232 863 213,00</u>

5.1.3. OPERATING ADJUSTMENT BUDGET BY DEPARTMENT (2017/18).

DEPARTMENT	ORIGINAL BUDGET	YEAR TO DATE ACTUAL AS AT 13 FEBRUARY 2018	ADJUSTMENTS	ADJUSTED BUDGET	CASH FLOW ADJ BUDGET
OPERATING REVENUE					
BUDGET AND TREASURY OFFICE	(311 886 271)	(178 824 721)	(675 718)	(312 561 989)	(257 638 663)
COMMUNITY SERVICES	(112 138 809)	(65 881 982)	5 219 110	(106 919 699)	(107 762 528)
CORPORATE SERVICES	(63 305 072)	(47 147 694)	(4 034 072)	(67 339 144)	(67 339 144)
DEV. PLANNING AND HUMA SETTLEMENTS	(14 351 376)	(25 232 615)	166 883	(14 184 493)	(14 184 493)
MUNICIPAL MANAGER	-	-	(2 000 000)	(2 000 000)	(2 000 000)
TECHNICAL SERVICES	(1 148 684 102)	(785 123 779)	(46 139 961)	(1 194 824 063)	(993 016 683)
TOTAL REVENUE	(1 650 365 630)	(1 102 210 791)	(47 463 759)	(1 697 829 389)	(1 441 941 512)
OPERATING EXPENDITURE			-		
BUDGET AND TREASURY OFFICE	165 604 608	101 167 352	4 186 536	169 791 144	151 384 509
COMMUNITY SERVICES	247 813 536	154 274 813	18 210 635	266 024 171	261 854 561
CORPORATE SERVICES	68 372 475	38 637 777	73 239 104	141 611 579	70 610 985
DEV. PLANNING AND HUMA SETTLEMENTS	53 531 020	30 219 690	1 358 459	54 889 479	54 889 479
MUNICIPAL MANAGER	55 851 465	35 559 498	9 981 203	65 832 668	65 832 668
TECHNICAL SERVICES	1 140 908 407	782 621 492	270 851 402	1 411 759 809	837 369 309
TOTAL EXPENDITURE	1 732 081 511	1 142 480 623	377 827 340	2 109 908 851	1 441 941 512

DEPARTMENT	ORIGINAL BUDGET	YEAR TO DATE ACTUAL AS AT 13 FEBRUARY 2018	ADJUSTMENTS	ADJUSTED BUDGET	CASH FLOW ADJ BUDGET
(SURPLUS)/ DEFICIT	81 715 881	40 269 832	330 363 581	412 079 462	0

5.1.4.HIGH LEVEL OPERATING ADJUSTMENT BUDGET (2017/18).

ITEM LISTING	ORIGINAL BUDGET	YEAR TO DATE ACTUAL AS AT 13 FEBRUARY 2018	ADJUSTMENTS	ADJUSTED BUDGET	CASH FLOW ADJ BUDGET
FINES	(5 203 136)	(3 250 525)	(369 193)	(5 572 329)	(2 228 931)
INTEREST: EXTERNAL INVESTMENTS	(4 603 828)	(2 564 125)	208 186	(4 395 642)	(4 395 642)
INTEREST: OUTSTANDING DEBTORS	(12 573 010)	(7 260 221)	126 918	(12 446 092)	(4 978 437)
LICENCES	(12 210)	(6 845)	477	(11 733)	(11 733)
OTHER REVENUE	(17 716 698)	(7 411 796)	(12 955 800)	(30 672 498)	(30 672 498)
PROPERT RATES	(266 182 266)	(152 535 780)	9 140 761	(257 041 505)	(209 585 834)
RENTAL	(8 074 599)	(4 582 822)	218 333	(7 856 266)	(7 856 266)
SERVICE CHARGES: WATER	(151 000 856)	(87 834 985)	(5 487 660)	(156 488 516)	(90 030 109)
SERVICE CHARGES: ELECTRICITY	(690 521 488)	(419 679 760)	(5 175 098)	(695 696 586)	(594 190 954)
SERVICE CHARGES: REFUSE	(63 475 077)	(31 745 443)	5 054 317	(58 420 760)	(62 606 986)
SERVICE CHARGES: SANITATION	(85 212 462)	(52 629 043)	(5 008 755)	(90 221 217)	(56 377 876)
TRANSFERS RECOGNISED	(345 790 000)	(332 709 447)	(33 216 245)	(379 006 245)	(379 006 245)
TOTAL REVENUE	(1 650 365 630)	(1 102 210 791)	(47 463 759)	(1 697 829 389)	(1 441 941 512)
BULK PURCHASES	579 385 013	286 872 035	(3 000 000)	576 385 013	576 385 013

ITEM LISTING	ORIGINAL BUDGET	YEAR TO DATE ACTUAL AS AT 13 FEBRUARY 2018	ADJUSTMENTS	ADJUSTED BUDGET	CASH FLOW ADJ BUDGET
CONTRACTED SERVICES	22 202 732	21 190 281	18 819 109	41 021 841	41 021 841
COUNCILLORS REMUNERATION	23 219 286	10 941 188	-	23 219 286	23 219 286
DEBT IMPAIRMENT	101 807 371	90 221 802	52 858 576	154 665 947	-
DEPRECIATION	247 894 714	266 696 379	247 000 043	494 894 757	-
EMPLOYEE RELATED COSTS	514 737 492	308 403 363	1 733 437	516 470 929	516 470 929
FINANCE CHARGES	47 135 450	28 189 392	212 320	47 347 770	47 347 770
MATERIAL	3 912 715	1 870 415	(682 368)	3 230 347	3 230 347
OTHER EXPENDITURE	146 776 653	98 476 923	27 304 868	174 081 521	155 674 886
REPAIRS AND MAINTENANCE	45 010 085	29 618 847	33 581 356	78 591 441	78 591 441
TOTAL EXPENDITURE	1 732 081 511	1 142 480 623	377 827 340	2 109 908 851	1 441 941 512
(SURPLUS)/ DEFICIT	81 715 881	40 269 832	330 363 581	412 079 462	0

5.1.5.CAPITAL ADJUSTMENT BUDGET BY FUNDING SOURCE (2017/18).

FINANCE SOURCE DESCRIPTION	FULL YEAR BUDGET	INTERNAL ROLL OVERS	FULL YEAR TOTAL BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET
ASSET FINANCING RESERVE	18 354 000.00	14 612 889.00	32 966 889.00	17 908 840.01	(8 508 586.72)	24 458 302.28
ASSET FINANCING RESERVE: ROLL OVER	5 425 000.00	-	5 425 000.00	2 478 871.52	6 370 538.07	1 179 538.07
National Government: INEP	9 000 000.00	-	9 000 000.00	1 395 450.00	(9 000 000.00)	-

FINANCE SOURCE DESCRIPTION	FULL YEAR BUDGET	INTERNAL ROLL OVERS	FULL YEAR TOTAL BUDGET	YEAR TO DATE AS AT 31 JANUARY 2018	MOVEMENTS	ADJUSTED BUDGET
National Government: MIG	108 204 000,00	-	108 204 000,00	34 948 806,22	(18 265 000,00)	89 939 000,00
National Government: MMIG	45 000 000,00	-	45 000 000,00	27 636 262,49	(2 500 000,00)	42 500 000,00
National Government: NDPG	50 145 405,00	-	50 145 405,00	11 477 356,80	(16 796 405,00)	33 349 000,00
Provincial Government: COGTA	-	2 715 873,00	2 715 873,00	-	6 000 000,00	8 715 873,00
Provincial Government: Charleston Library	11 000 000,00	-	11 000 000,00	-	(8 703 500,00)	2 296 500,00
Provincial Government: Public Transport	250 000,00	-	250 000,00	78 978,00	-	250 000,00
Provincial Government: Sports and Recreation	-	-	-	-	889 000,00	889 000,00
Provincial Government: Upgrade of Airport	6 400 000,00	-	6 400 000,00	6 177 666,04	11 900 000,00	18 300 000,00
PROVINCIALIZATION	-	-	-	-	370 000,00	370 000,00
TOTAL CAPITAL EXPENDITURE	253 778 405,00	17 328 762,00	271 107 167,00	102 102 231,08	(38 243 953,65)	232 863 213,35

5.1.6. CAPITAL PROJECTS FROM SECTOR DEPARTMENTS.

5.5.1.2. DEPARTMENT OF EDUCATION.

Static Data							Expenditure and Cashflow				MTEF		
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure 2015-2016 as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019	
500268361	SISIZAKELE PRIMARY SCHOOL - NEWCASTLE	DoPW	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	0	0	0	0	0	0	0	
500190883	BUMBISIZWE SPECIAL SCHOOL	DoPW	Upgrades and Additions	Special Schools	Learners with Special Educational Needs	8 983 475	5 813 246	1 735 767	1 398 600	35 862	0	0	
500137899	ENKULULEKW ENI P	DoPW	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	5 080 329	3 307 208	960 641	812 480	0	0	0	
500156103	HLALANATHI H	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	1 584 959	1 584 959	0	0	0	0	0	
500414659	HLALUNOLWAZI P SCHOOL	Coega Development Corporation	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	12 000	0	53 484	0	0	0	0	
500162726	INDONSA S	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Curriculum Redress	8 221 875	7 390 474	864 369	0	0	0	0	
500166648	INVERNESS P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	4 976 865	3 420 027	473 092	1 056 652	25 739	0	0	
500166648	INVERNESS P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	3 729 000	3 729 000	51 710	0	0	0	0	
500168091	ISIKHALISEZW E	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Curriculum Redress	0	0	189 069	0	0	0	0	

Static Data							Expenditure and Cashflow				MTEF	
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019
500248307	PHENDUKANI H	Coega Development Corporation	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	17 895 250	15 454 981	0	2 379 262	57 956	0	0
500257076	SABELA H	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	998 248	998 248	0	0	0	0	0
5004 14585	SIPHESI HLE P	Coega Development Corporation	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	25 585 957	21 224 245	683 201	2 789 538	844 525	0	0
500105598	ST LEWIS BERTRANDS S	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	9 074 395	7 550 095	892 598	631 702	0	0	0
500285455	TUGELA SPECIAL SCHOOL	DoPW	Refurbishment and Rehabilitation	Special Schools	Repairs and Renovations	4 443 000	4 442 583	0	417	0	0	0
500343730	VULINDLELA P	DoPW	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	9 903 000	9 902 667	0	333	0	0	0
500337662	VUMANISABEL O SPECIAL SCHOOL	DoPW	Upgrades and Additions	Special Schools	Learners with Special Educational Needs	17 015 000	16 373 000	0	642 000	0	0	0
500300588	ZIPHAKAMISEN IH	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Curriculum Redress	7 046 000	5 911 000	185 547	949 453	0	0	0
500140193	ESIDIDINI P	Coega Development Corporation	Upgrades and Additions	Public Ordinary Schools	Full Service Schools	25 977 902	18 586 297	3 928 948	2 625 848	794 968	0	0
5004 14548	EZAMAKHANY A P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 676 695	2 330 877	509 589	0	0	0	0
500155881	HLABANA P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	4 272 448	3 202 559	1 348 914	0	0	0	0

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Static Data						Expenditure and Cashflow				MTEF		
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure 2015-2016 as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019
500414659	HLALUNOLWAZ IP	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 538 457	1 610 275	283 996	644 186	0	0	0
500173826	KHASELIHLE P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	4 191 296	2 608 226	1 699 919	0	0	0	0
500175047	KHULAKAHLE P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 482 839	1 923 864	696 446	0	0	0	0
500212528	MLAMLELI JP	Independent Development Trust	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 343 000	2 056 000	0	287 000	0	0	0
500212528	MLAMLELI P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	3 394 786	1 917 869	1 170 617	306 300	0	0	0
500213712	MNTIMANDE P	Independent Development Trust	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 735 944	2 423 032	0	312 912	0	0	0
500224109	NDABANHLE P (OSIZWENI)	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	3 278 948	2 711 299	346 490	221 159	0	0	0
500252488	QEDIZABA P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	2 984 381	1 719 290	871 323	393 768	0	0	0
500267880	SIPHUMELELE P	Coega Development Corporation	New Infrastructure Assets	Public Ordinary Schools	New Schools	63 219 488	50 001 685	6 070 685	4 064 923	2 928 085	0	0
500292966	VUKANI P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	3 228 872	2 661 562	976 973	0	0	0	0
500301439	ZUZA P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	4 319 378	2 802 573	449 225	1 040 891	26 690	0	0
500247530	PHAMBILI P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	1 626 000	0	42 134	1 544 269	39 597	0	0
500153106	HAIG COMBINE S	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	0	0	52 198	0	0	0	0

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Static Data						Expenditure and Cashflow				MTEF		
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019
500269915	SIYAMUKELA H	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	3 000 000	0	0	2 925 000	71 250	0	0
500447552	KADWA S	DoPW	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	8 700 000	0	0	0	6 715 313	4 665 375	0
500158434	HOPE COMBINED	Coega Development Corporation	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	0	0	675 364	0	0	0	0
500163355	INGOGO P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	2 000 000	0	0	0	1 298 333	1 254 000	0
500221926	MZAMO H	Independent Development Trust	New Infrastructure Assets	Public Ordinary Schools	New Schools	41 960 770	2 235 078	170 389	3 955 530	9 133 429	7 614 396	11 536 963
500234173	NOKUKHANYA P	DoPW	Upgrades and Additions	Early Childhood Development	Early Childhood Development	1 711 000	0	273 274	0	982 446	455 280	0
500246124	PANORAMA C	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	28 399 828	0	0	0	5 845 631	5 779 365	9 939 940
500268842	SITHOBELUMT HETHO SP	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	16 125 120	1 484 519	0	0	4 095 301	4 482 464	1 789 407
500271136	SIZANANI SS	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	27 917 070	0	0	0	5 746 264	5 681 124	9 770 975
500298220	YWCA SPECIAL SCHOOL	Coega Development Corporation	Upgrades and Additions	Special Schools	Learners with Special Educational Needs	75 012 000	0	0	0	13 752 200	18 753 000	18 753 000
500318126	ZAMA S	Independent Development Trust	Upgrades and Additions	Public Ordinary Schools	Upgrades and Additions	19 990 080	1 820 382	0	0	4 243 382	4 397 067	5 753 738

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Static Data							Expenditure and Cashflow				MTEF	
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure 2015-2016 as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019
500449291	CELANI P	DoPW	Upgrades and Additions	Public Ordinary Schools	Water and Sanitation	867 800	0	0	0	82 441	409 168	0
500449291	CELANI P	KZNDoe	New Infrastructure Assets	Public Ordinary Schools	New Schools	36 000 000	0	0	0	3 420 000	5 118 545	11 454 545
500149332	GLENCALDER P	DoPW	Upgrades and Additions	Public Ordinary Schools	Electrification	400 000	0	0	0	380 000	0	0
500220520	MULLERSPASS FARM P	DoPW	Upgrades and Additions	Public Ordinary Schools	Electrification	400 000	0	0	0	380 000	0	0
500440041	QHAWELESIZW E P/S	DoPW	Upgrades and Additions	Public Ordinary Schools	Electrification	400 000	0	0	0	380 000	0	0
500137159	ENHLOKWENI PRIMARY SCHOOL	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	5 000 000	0	0	0	500 000	1 015 833	125 000
500162726	INDONSA SEC SCHOOL	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	10 000 000	0	0	0	1 000 000	1 495 000	3 166 667
500186961	LINGANI P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	2 000 000	0	0	0	200 000	540 500	0
500230473	NHLOSOKUHL ES	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	8 000 000	0	0	0	800 000	1 357 000	1 366 667
500269915	SIYAMUKELA HIGH SCHOOL	DoPW	Upgrades and Additions	Public Ordinary Schools	Water and Sanitation	37 206 000	0	0	3 720 600	1 808 625	7 487 708	10 851 750
500303770	SIZAMOKUHLE P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	4 000 000	0	0	0	400 000	812 667	100 000
500271765	SIZWE P	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	4 000 000	0	0	0	400 000	812 667	100 000

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

Static Data				Expenditure and Cashflow				MTEF				
EMIS No1.	Name of School	Implementing Agent	Category	Programme Name	Sub Programme	Contract Amount / Estimate	Previous Years Expenditure	Expenditure e 2015-2016 as at end of July 2015	Cashflow 2015-2016	2016-2017	2017-2018	2018-2019
500297813	XOLANI H	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	2 000 000	0	0	0	200 000	540 500	0
500299626	ZIBAMBELENI S	DoPW	Refurbishment and Rehabilitation	Public Ordinary Schools	Repairs and Renovations	2 000 000	0	0	0	200 000	540 500	0

5.5.1.3. DEPARTMENT OF TRANSPORT.

PROJECT NAME	ACTIVITY	LM CODE	LOCAL MUNICIPALITY NAME	DM CODE	DISTRICT MUNICIPALITY NAME	START KM	END KM	2016/17 BUDGET
2034 - Widening of Ngagane river bridge	UPGRADING STRUCTURES	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	N/A	N/A	2 000 000
2034 - Widening of Ngagane river bridge	UPGRADING STRUCTURES	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	N/A	N/A	1 000 000
2133 - Widening of Railway bridge	UPGRADING STRUCTURES	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	N/A	N/A	2 000 000
2133- Widening of Railway bridge	UPGRADING STRUCTURES	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	N/A	N/A	1 000 000
Capacity Improvement P483 (Phase 1 Sec 1&2)	UPGRADING ROADS	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	0	19.5	1 000 000
Capacity improvement P483 (Road Phase 1 Sec 1)	UPGRADING ROADS	KZ252	Newcastle Municipality	DC25	Amajuba District Municipality	0	7.1	10 127 475
3399 -Ystermynspruit pedestrian bridge	NEW PEDESTRIAN BRIDGES	KZ253	Emandlangeni Municipality	DC25	Amajuba District Municipality	N/A	N/A	950 000
P420	UPGRADING ROADS	KZ253	Emandlangeni Municipality	DC25	Amajuba District Municipality	0	6.5	10 000 000
Professional fees	UPGRADING ROADS	KZ253	Emandlangeni Municipality	DC25	Amajuba District Municipality	0	6.5	1 100 000
3351 - Mbabane River Pedestrian Bridge (Sandhines)	NEW PEDESTRIAN BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	N/A	N/A	5 500 000
3351 - Mbabane River Pedestrian Bridge (Sandhines)	NEW PEDESTRIAN BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	N/A	N/A	600 000
3398 - MBANE PEDESTRIAN BRIDGE	NEW PEDESTRIAN BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	N/A	N/A	8 000 000
3398 - MBANE PEDESTRIAN BRIDGE	NEW PEDESTRIAN BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	N/A	N/A	325 000
3399 -Ystermynspruit pedestrian bridge	NEW PEDESTRIAN BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	N/A	N/A	2 000 000

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

PROJECT NAME	ACTIVITY	LM CODE	LOCAL MUNICIPALITY NAME	DM CODE	DISTRICT MUNICIPALITY NAME	START KM	END KM	2016/17 BUDGET
Buffels River Bridge (Jiyane)	NEW BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	31,82	36,82	500 000
Professional fees	NEW BRIDGES	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	31,82	36,82	50 000
<u>D181</u>	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	3,77	10 000 000
Professional fees	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	3,77	6 200 000
<u>D280</u>	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	6,2	5 000 000
Professional fees	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	11,61	2 500 000
<u>L1364</u>	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	5	50 000
L1364	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	0	5	50 000
<u>Upgrading of P296</u>	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	31,82	36,82	15 000 000
Upgrading of P296	UPGRADING ROADS	KZ254	Dannhauser Municipality	DC25	Amajuba District Municipality	31,82	36,82	5 000 000
TOTAL								89 902 475

LOCAL MUNICIPALITY NAME	ACTIVITIES	PROJECT NAME	START KM	END KM	UNIT	PLANNED OUTPUT 2016/17	LOCATION	TOTAL
Dannhauser Municipality	HEAVY REHAB	P272 (km32 to km33,5)	32	33,5	m ²	13 620	Dundee - Osizweni	36 475 000
		P39-1 (km0 to km3)	0	3	m ²	26 160	Newcastle - Cundycloigh	12 500 000
		Professional Fees	0	3			Newcastle - Cundycloigh	1 875 000
			32	33,5			Dundee - Osizweni	5 471 250
Newcastle Municipality	Reseal	P210 (km0 to km8,1)	0	8,1	m ²	64 800	Ngagane - Normandien	4 860 000
		Professional Fees	0	8,1			Ngagane - Normandien	729 000
Emadlangeni Municipality	HEAVY REHAB	P308 (km0 to km1) & P565-0(from km 0 to km3,2)	0	1 & 3,2	m ²	50 686	Utrecht - Burgers Pass	13 000 000
		P41 (km13 to km16)	13	16	m ²	161 500	Utrecht - Blood River	67 830 000
		Professional Fees	13	16			Utrecht - Blood River	3 375 000
			0	1 & 3,2			Utrecht - Burgers Pass	1 950 000
Amajuba Total Reseal & Rehab								148 065 250

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

5.5.1.4. DEPARTMENT OF PUBLIC WORKS.

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
Blacktop Patching										
	C253/1718/BP/725	KZ 253 : Blacktop Patching P420	0	6,7	Grade 2 - contractors	R 600 000,00	800,00	3	AMANTUNGWA TA	NKOSI KHUMALO
	C253/1718/BP/726	KZ 253 : Blacktop Patching P374	0	13	ZNT 3236	R 600 000,00	800,00	4	AMANTUNGWA TA	NKOSI SHABALALA
	P252/1718/BP/472	KZ 254 : Blacktop Patching P 211	0	30,64	ZNT 3236	R 1 166 666,67	2000,00	1	INGWE TA	INKOSI ZWANE
	P252/1718/BP/474	Blacktop Patching A - P 272	11,8	50,69	ZNT 3236	R 1 300 000,00	1300,00	3	INGWE TA	INKOSI ZWANE
	P252/1718/BP/475	Blacktop Patching P 35-2	0	14,32	ZNT 3236	R 1 170 000,00	1170,00	1,2,21	INGWE TA	INKOSI ZWANE
	P252/1718/BP/476	Blacktop Patching P296	0	16	ZNT 3236	R 1 000 000,00	1000,00	4,6	AMANTUNGWA TA, EMALANGENI TA	NKOSI HADEBE
	P252/1718/BP/477	Blacktop Patching P483	0	28	ZNT 3236	R 2 205 178,89	2205,18	25,20,21,3,2	NGUNDENI TA	MABASO
	P252/1718/BP/478	Blacktop Patching P39	31	40	ZNT 3236	R 1 600 000,00	1600,00	1	INGWE TA	NKOSI ZWANE
	P252/1718/BP/479	Blacktop Patching D718	0	2,4	Grade 2 - contractors	R 600 000,00	800,00	1	INGWE TA	NKOSI ZWANE
	P252/1718/BP/480	Blacktop Patching P34-1	0	26,3	Grade 2 - contractors	R 600 000,00	800,00	2	INGWE TA	NKOSI ZWANE
	P253/1718/BP/725	KZ 252 : Blacktop Patching P565	0	7	ZNT 3236	R 966 666,67	966,67	2	AMANTUNGWA TA	NKOSI SHABALALA
	P253/1718/BP/721	KZ 252 : Blacktop Patching P41	32	40	ZNT 3236	R 600 000,00	800,00	3	AMANTUNGWA TA	NKOSI SHABALALA
	P253/1718/BP/723	Blacktop Patching P 483 / P37	21	42	Grade 2 - contractors	R 600 000,00	800,00	20,4	NGUNDENI TA	MABASO
	P253/1718/BP/724	Blacktop Patching P40	0	2	ZNT 3236	R 1 600 000,00	1600,00	1	AMANTUNGWA TA	NKOSI SHABALALA
Blacktop Patching Total						R 14 608 512,23	16641,85			
Betterment & Regravelling										
	C252/1617/P/G/555	D264	0	4	Grade 2 - contractors	R 0,00	0,00	1	INGWE TA	NKOSI ZWANE

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C252/1718/BR/553	Regravelling D1339	0	10	ZNB 2800	R 3 200 000,00	10,00	9,10	EMALANGENI TA	NKOSI NKOSI
	C252/1718/BR/554	Regravelling D114	0	12,9	ZNT2800	R 2 461 333,33	12,90	2,3	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/555	Regravelling D2443	4,4	12,84	ZNT2800	R 2 700 800,00	8,44	8	AMASHANDU TA	NKOSI MBATHA
	C252/1718/BR/556	Regravelling D301	0	6,67	ZNT2800	R 2 134 400,00	6,67	3,6	GULE TA	NKOSI GULE
	C252/1718/BR/557	Regravelling L2400	0	2,16	Grade 2 - contractors	R 691 200,00	2,16	6	AMASHANDU TA	NKOSI MBATHA
	C252/1718/BR/558	Regravelling P376-1	0	7,07	ZNB 2800	R 2 262 400,00	7,07	2	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/559	Regravelling L2350	0	2,64	Grade 2 - contractors	R 844 800,00	2,64	6	AMASHANDU TA	NKOSI MBATHA
	C252/1718/BR/560	Regravelling P39	45	50,5	ZNB 2800	R 1 760 000,00	5,50	1	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/561	Regravelling D446	0	6,01	Grade 3 - contractors	R 1 923 200,00	6,01	1	KHATHIDE TA	NKOSI KUBHEKA
	C252/1718/BR/562	Regravelling P446	0	4,82	Grade 3 - contractors	R 1 542 400,00	4,82	21	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/563	Regravelling L1559	0	7,2	ZNB 2800	R 2 304 000,00	7,20	21	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/564	Regravelling P213	0	8	ZNB 2800	R 2 560 000,00	8,00	1	KHATHIDE TA	INKOSI KUBHEKA
	C252/1718/BR/566	Regravelling : P207	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	1	INGWE TA	INKOSI ZWANE
	C252/1718/BR/567	Regravelling : P279	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	4	THEKWANE TA	NKOSI SHABALALA
	C252/1718/BR/568	Regravelling : D98	0	10,69	ZNT2800	R 2 587 466,67	10,69	1	KHATHIDE TA	NKOSI KUBHEKA
	C252/1718/BR/580	Regravelling : D264	0	4	Grade 3 - contractors	R 1 280 000,00	4,00	1	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/581	Regravelling : L1434	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	24	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/569	Regravelling : D445	0	4,7	Grade 3 - contractors	R 1 504 000,00	4,70	1	INGWE T.A	NKOSI ZWANE
	C252/1718/BR/570	Regravelling : L1557	0	5,59	Grade 3 - contractors	R 1 788 800,00	5,59	9,8	EMALANGENI TA	NKOSI NKOSI
	C252/1718/BR/571	Regravelling : L2465	0	3,42	Grade 3 - contractors	R 1 094 400,00	3,42	10	AMAHLUBI TA	NKOSI HADEBE

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C252/1718/BR/562	Regravelling : L1572	0	5,24	Grade 3 - contractors	R 1 676 800,00	5,24	11,6	GULE TA	NKOSI GULE
	C253/1718/BR/813	Regravelling P214	16	23	Grade 3 - contractors	R 2 240 000,00	7,00	3	AMASHANDU TA	NKOSI MBATHA
	C253/1718/BR/814	Regravelling P215	10	16	Grade 3 - contractors	R 1 920 000,00	6,00	4	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/815	Regravelling P290	0	3,5	Grade 3 - contractors	R 1 120 000,00	3,50	4	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/816	Regravelling P40	31	38	ZNT2800	R 2 240 000,00	7,00	1	THEKWANETA	NKOSI SHABALALA
	C253/1718/BR/817	Regeavelling P279	18,3	26,9	ZNT2800	R 2 752 000,00	8,60	1	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/818	Regravelling P43	17	24	Grade 3 - contractors	R 2 240 000,00	7,00	1	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/819	Regravelling D326	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	4	AMASHANDU TA	NKOSI MBATHA
	C253/1718/BR/820	Regravelling L1428	5	19,8	ZNB 2800	R 4 736 000,00	14,80	1	AMANTUNGWA TA	NKOSI KHUMALO
	C253/1718/BR/821	Regravelling L1428	0	10,1	ZNB 2800	R 3 232 000,00	10,10	4	NDLAMLENZE TA	NKOSI NZIWA
	C253/1718/BR/840	Regravelling D89	0	5	Grade 3 - contractors	R 1 248 000,00	5,00	4	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/822	Regravelling L1565	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	3,4	THEKWANE TA	NKOSI SHABALALA
	C253/1718/BR/822	Regravelling L1565	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	3,4	AMANTUNGWA TA	NKOSI KHUMALO
	C253/1718/BR/822	Regravelling L1565	0	6	Grade 3 - contractors	R 1 920 000,00	6,00	3,4	AMANTUNGWA TA	NKOSI KHUMALO
Betterment & Regravelling Total						R 67 564 000,00	220,05			
Causeway Construction										
	C252/1617/CC/600	L2848 Causeway 1			Grade2	R 400 000,00	0,00	10	EMALANGENI TA	NKOSI NKOSI
	C252/1617/CC/601	L2848 Causeway 2			Grade2	R 400 000,00	0,00	10	EMALANGENI TA	NKOSI NKOSI
	C252/1617/CC/602	P 376/1			Grade2	R 1 359 008,15	1,00	2	INGWE T.A	NKOSI ZWANE
	C252/1617/CC/603	D279			Departmental Teams	R 1 679 504,08	1,00	1	INGWE T.A	NKOSI ZWANE

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C253/1617/CC/740	L2416 A			Grade2	R 400 000,00	1,00	1	NDLAMLENZE TA	NKOSI NZIMA
	C253/1617/CC/741	L2416 B			Grade2	R 400 000,00	1,00	1	NDLAMLENZE TA	NKOSI NZIMA
	C253/1617/CC/748	L2872 Upgrade (Thuthuka)			Grade2	R 859 008,15	1,00	1	NGUNDENI TA	MABASO
	C253/1617/CC/749	L1561 Upgrade			Grade2	R 679 504,08	1,00	4	AMANTUNGWA TA	NKOSI KHUMALO
	C253/1718/CC/743	L1431 A			Departmental Teams	R 400 000,00	1,00	1	INGWE T.A	NKOSI ZWANE
	C253/1718/CC/744	L1431 B			Departmental Teams	R 400 000,00	1,00	1	INGWE T.A	NKOSI ZWANE
	Causeway Construction Total					R 6 977 024,46	8,00			
New Gravel Roads										
	C252/1617/NGR/544	(L3171) Manzana	0	4,3	ZNT2800	R 2 365 000,00	4,30	30	AMAHLUBI TA	NKOSI HADEBE
	C253/1718/NGR/783	L1431 Ext	0	2,5	Grade 3 - contractors	R 1 375 000,00	2,50	1	AMASHANDU TA	NKOSI MBATHA
	C253/1718/NGR/784	(L1430 - L3175 - L3176)Borrow Road	0	2,5	Departmental Teams	R 0,00	2,50	3	AMANTUNGWA TA	NKOSI KHUMALO
	C252/1718/NGR/533	L3197 (Stofoni)	0	5,4	ZNT2800	R 3 139 008,15	5,40	1	THEKWANE TA	NKOSI SHABALALA
	C252/1718/NGR/534	L3174 (Shisampama)	0	3,6	Grade 4 - contractors	R 2 199 504,08	3,60	1	AMASHANDU TA	NKOSI MBATHA
	C252/1718/NGR/535	L3173 (KHESHE)	0	2,254	Grade 3 - contractors	R 1 257 304,08	2,25	10	AMASHANDU TA	NKOSI MBATHA
New Gravel Roads Total						R 10 335 816,30	20,55			

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
Blacktop Patching	C252/1819/BP/452	KZ 252 : Blacktop Patching P272,P39	0	40,2	ZNT 3236	R 3 000 000,00	3000,00	1	GULE TA,INGWE TA	INKOSI GULE,INKOSI ZWANE
	C252/1819/BP/453	KZ 254 : Blacktop Patching P 211 ,P279	Various	Various	ZNT 3236	R 1 000 000,00	1500,00	1,6	INGWE TA,KHATHIDE TA	INKOSI GULE,ZWANE
	C252/1819/BP/454	Blacktop Patching A - Projects P 483	6	19,6	ZNT 3236	R 1 000 000,00	1500,00	19,20,21	AMAHLUBI TA, AMANTUNGWA TA	NKOSI HADEBE, NKOSI KHUMALO
	C252/1819/BP/455	Blacktop Patching B - Projects P 241A,P296	11	47	Grade 2 - contractors	R 1 000 000,00	650,00	6,13,17	AMAHLUBI TA	NKOSI HADEBE
	C252/1819/BP/456	Blacktop Patching C - Projects D96	Various	Various	Grade2	R 650 000,00	450,00	1	INGWE T.A	NKOSI ZWANE
	C252/1819/BP/457	Blacktop Patching P 210,P209	0	8,1	ZNT 3236	R 1 000 000,00	1500,00	1	INGWE TA	INKOSI ZWANE
	C252/1819/BP/458	Blacktop Patching P 35/2	0	14,3	ZNT 3236	R 1 000 000,00	1000,00	1	INGWE TA	INKOSI ZWANE
	C252/1819/BP/459	Blacktop Patching P 34/1	0	26,3	ZNT 3236	R 1 000 000,00	750,00	1,2	INGWE TA	NKOSI ZWANE
	C253/1819/BP/751	KZ 253 : Blacktop Patching P483	0	3,5	Grade 2	R 650 000,00	800,00	3	AMAHLUBI TA, AMANTUNGWA TA	NKOSI HADEBE, NKOSI KHUMALO
	C253/1819/BP/752	KZ 253 : Blacktop Patching P374	0	13	Grade 2	R 650 000,00	800,00	4	THEKWANETA	NKOSI SHABALALA
	C253/1819/BP/753	KZ 253 : Blacktop Patching P34-2	32	47	ZNT 3236	R 2 000 000,00	2000,00	6	INGWE T.A	NKOSI ZWANE
	C253/1819/BP/754	KZ 254 : Blacktop Patching - P 565	0	7,3	Grade2	R 2 000 000,00	2000,00	1	AMASHANDU TA	NKOSI MBATHA
	C253/1819/BP/755	Blacktop Patching A - Projects P 420	0	6,7	Grade2	R 650 000,00	800,00	3	AMANTUNGWA TA	NKOSI KHUMALO
Betterment & Regravelling Total						R 15 600 000,00	16750,00			
Betterment & Regravelling										
	C252/1819/BR/458	Regravelling L2579	0	6,285	Grade 3 - contractors	R 2 828 250,00	0,00	9	EMALANGENI TA	NKOSI NKOSI
	C252/1819/BR/459	Regravelling D2476	0	5,571	Grade 3 - contractors	R 2 506 950,00	0,00	9	EMALANGENI TA	NKOSI NKOSI

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C252/1819/BR/462	Regravelling D2358	0	3,42	Grade 3 - contractors	R 1 539 000,00	0,00	5,9	EMALANGENI TA	NKOSI NKOSI
	C252/1819/BR/463	Regravelling L2578	0	3,5	Grade 3 - contractors	R 1 575 000,00	0,00	1	EMALANGENI TA	NKOSI NKOSI
	C252/1819/BR/466	Regravelling D151	0	7,02	Grade 3 - contractors	R 3 159 000,00	10,00	5	EMALANGENI TA	NKOSI NKOSI
	C252/1819/BR/467	Regravelling L1570	0	2,26	Grade 3 - contractors	R 1 017 000,00	12,90	4	GULE TA	NKOSI GULE
	C252/1819/BR/468	Regravelling OL176	0	3	Grade 3 - contractors	R 1 350 000,00	8,44	4	GULE TA	NKOSI GULE
	C252/1819/BR/469	Regravelling OL979	0	2	Grade 3 - contractors	R 900 000,00	6,67	5	GULE TA	NKOSI GULE
	C252/1819/BR/470	Regravelling : L1558	0	5,7	Grade 3 - contractors	R 2 565 000,00	2,16	3	EMALANGENI TA	NKOSI NKOSI
	C252/1819/BR/471	Regravelling : D96	0	12	Grade 3 - contractors	R 5 400 000,00	7,07	1	INGWE TA	NKOSI ZWANE
	C252/1819/BR/472	Regravelling : L2399	0	5,6	ZNB 2800	R 2 520 000,00	2,64	4	GULE TA	NKOSI GULE
	C252/1819/BR/473	Regravelling : L1574	0	4,27	Grade 3 - contractors	R 1 921 500,00	5,50	3	GULE TA	NKOSI GULE
	C252/1819/BR/474	Regravelling : L1366	0	2,05	ZNB 2800	R 922 500,00	6,01	3	GULE TA	NKOSI GULE
	C252/1819/BR/475	Regravelling : L2140	0	2,68	Grade 3 - contractors	R 1 206 000,00	4,82	3	GULE TA	NKOSI GULE
	C253/1819/BR/781	Regravelling P214	8,5	16	ZNT2800	R 2 925 000,00	6,00	2	AMASHANDU TA	NKOSI MBATHA
	C253/1819/BR/782	Regravelling P215	16	22,5	ZNT2800	R 4 050 000,00	4,70	4	THEKWANE TA	NKOSI SHABALALA
	C253/1819/BR/783	Regravelling D93	0	9	ZNT2800	R 3 150 000,00	5,59	1	MGUNGENI TA	NKOSI MBASO
	C253/1819/BR/784	Regravelling P43	24	31	ZNT2800	R 1 530 000,00	3,42	4	AMASHANDU TA	NKOSI MBATHA
	C253/1819/BR/785	Regravelling P40	24	31	ZNT2800	R 3 150 000,00	5,24	3	THEKWANE TA	NKOSI SHABALALA
	C253/1819/BR/786	Regravelling D326	6	9	Grade 3 - contractors	R 1 350 000,00	0,00	2	AMANTUNGWA TA	NKOSI KHUMALO
	C253/1819/BR/787	Regravelling L2416	0	5,8	Grade 3 - contractors	R 2 610 000,00	0,00	4	NDLAMLENZE TA	NKOSI NZIMA
	C253/1819/BR/788	Regravelling L2414	0	2,3	Grade 3 - contractors	R 1 035 000,00	0,00	4	GULE TA	NKOSI GULE

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C253/1819/BR/789	Regraveling D699	0	9,5	ZNB 2800	R 4 275 000,00	7,00	4	GULE TA	NKOSI GULE
	C253/1819/BR/790	Regraveling D754	0	8,4	ZNB 2800	R 3 780 000,00	6,00	1	AMASHANDU TA	NKOSI MBATHA
	C253/1819/BR/791	Regraveling L1566	0	3,4	Grade 3 - contractors	R 1 530 000,00	3,50	1	NGUNDENI TA	NKOSI MABASO
	Betterment & Regraveling Total					R 58 795 200,00	107,66			
Causeway Construction	C253/1718/CC/742	L1431 A	-	-	Grade2	R 650 000,00	1,00	1	INGWE T.A	NKOSI ZWANE
	C253/1718/CC/743	L1431 B	-	-	Grade2	R 650 000,00	1,00	1	INGWE T.A	NKOSI ZWANE
	C253/1819/CC/743	L1566	-	-	Grade 2 - contractors	R 650 000,00	1,00	3	NGUNDENI TA	NKOSI MABASO
	C252/1819/CC/520	Gwabaza Causeway No 1 L 2848	-	-	Grade 3 - contractors	R 2 000 000,00	1,00	2	EMALANGENI TA	NKOSI NKOSI
	C252/1819/CC/521	Gwabaza Causeway No 2 L 2848	-	-	Grade 3 - contractors	R 2 000 000,00	1,00	1	EMALANGENI TA	NKOSI NKOSI
	C252/1819/CC/522	Biskop Road Causeway	-	-	Grade 2 - contractors	R 650 000,00	1,00	11	INGWE TA	NKOSI ZWANE
	Causeway Construction Total					R 6 600 000,00	6,00			
New Gravel Roads	C252/1617/NGR/540	D423 EXT	0	2	ZNB 2800	R 1 600 000,00	2,00	1	KHATHIDE TA	NKOSI KUBHEKA
	C252/NGR/562	(L3172) Biskop Road	0	0,59	Grade 2 - contractors	R 472 000,00	0,59	Various	INGWE TA	NKOSI ZWANE
	C253/1718/NGR/782	Kwamancamane	0	2,5	Grade 3 - contractors	R 2 000 000,00	2,50	2	AMASHANDU TA	NKOSI MBATHA
	C253/1819/NGR/785	Kwaluhlunye Road	0	3	Grade 3 - contractors	R 2 400 000,00	3,00	4	AMASHANDU TA	NKOSI MBATHA

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C253/18/19/NGR/786	Emanamshini Road	0	3	Grade 3 - contractors	R 2 400 000,00	3,00	2	AMASHANDU TA	NKOSI MBATHA
	C252/18/19/NGR/559	L3174	0	3,608	Grade3	R 2 886 400,00	3,61	8	AMASHANDU TA	NKOSI MBATHA
	C252/18/19/NGR/562	L3173	0	2,254	Grade3	R 1 803 200,00	2,25	1	AMASHANDU TA	NKOSI MBATHA
	C252/18/19/NGR/564	D100 Ext	0	2,5	Grade4	R 2 000 000,00	2,50	1	INGWE T.A	NKOSI ZWANE
	C253/18/19/NGR/862	D 326 ext	0	1	Grade 2 - contractors	R 800 000,00	1,00	3	AMANTUNGWA TA	NKOSI KHUMALO
Supervision & Mangement Total						R 16 361 600,00	20,45			

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
Blacktop Patching	C253/1920/BP/725	KZ 252 : Blacktop Patching P420	0	6,7	Grade 2 - contractors	R 650 000,00	800,00	3	AMASHANDU TA	NKOSI MBATHA
	C253/1920/BP/726	KZ 252 : Blacktop Patching P374	0	13	Grade 2 - contractors	R 650 000,00	800,00	4	THEKWANE TA	NKOSI SHABALALA
	P252/1920/BP/472	KZ 254 : Blacktop Patching P 211	0	30,64	ZNT 3236	R 1 000 000,00	1000,00	1	INGWE TA	NKOSI ZWANE
	P252/1920/BP/474	Blacktop Patching A - P 272	11,8	50,69	ZNT 3236	R 2 000 000,00	2000,00	4.5.1	GULE TA	NKOSI NTULI
	P252/1920/BP/475	Blacktop Patching P 35-2	0	14,32	ZNT 3236	R 1 500 000,00	1500,00	2.5.2.1	GULE TA	NKOSI NTULI
	P252/1920/BP/476	Blacktop Patching P296	0	16	Grade 2 - contractors	R 650 000,00	800,00	15,16,9,8	GULE TA	NKOSI NTULI
	P252/1920/BP/476	Blacktop Patching P483	0	28	ZNT 3236	R 3 000 000,00	3000,00	20,19,20,21,16,12,13	GULE TA	NKOSI NTULI
	P253/1920/BP/725	KZ 252 : Blacktop Patching P565	0	7	Grade 2 - contractors	R 650 000,00	800,00	3	AMASHANDU TA	NKOSI MBATHA
	P253/1920/BP/721	KZ 252 : Blacktop Patching P41	0	13	Grade 2 - contractors	R 650 000,00	800,00	3	AMASHANDU TA	NKOSI MBATHA
	P253/1920/BP/723	Blacktop Patching P37	0	35	ZNT 3236	R 650 000,00	1000,00	4	THEKWANE TA	NKOSI SHABALALA
	P253/1920/BP/724	Blacktop Patching P40	0	2	Grade 2 - contractors	R 650 000,00	800,00	2,1	THEKWANE TA	NKOSI SHABALALA

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
						R 12 050 000,00	13300,00			
Betterment & Regravelling	C252/1920/BR/553	L1427	0	9,09	Grade 4 - contractors	R 4 090 500,00	9,09	3	GULE TA	NKOSI NTULI
	C252/1920/BR/554	L1564	0	6,18	Grade 4 - contractors	R 2 781 000,00	6,18	3	GULE TA	NKOSI NTULI
	C252/1920/BR/555	D109	0	7,18	Grade 4 - contractors	R 3 231 000,00	7,18	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/556	D112	0	10,78	ZNT2800	R 4 851 000,00	10,78	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/557	P554	0	13,82	Grade 2 - contractors	R 6 219 000,00	13,82	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/558	D672	0	2,87	ZNB 2800	R 1 291 500,00	2,87	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/559	P210	0	12,79	Grade 2 - contractors	R 5 755 500,00	12,79	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/560	P213	6	12	ZNB 2800	R 2 700 000,00	6,00	1	KHATHIDE TA	NKOSI KHUBEKA
	C252/1920/BR/561	P205-1	10	22	Grade 3 - contractors	R 5 400 000,00	12,00	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/562	P205-2	10	22	Grade 3 - contractors	R 5 400 000,00	12,00	1	INGWE TA	NKOSI ZWANE
	C252/1920/BR/563	L1435	0	6,54	ZNB 2800	R 2 943 000,00	6,54	1,2	EMALANGENI TA	NKOSI NKOSI
	C252/1920/BR/564	D1338	0	8,9	ZNB 2800	R 4 005 000,00	8,90	9	EMALANGENI TA	NKOSI NKOSI
	C252/1920/BR/566	L1567	0	4,88	Grade 3 - contractors	R 2 196 000,00	4,88	4,3	GULE TA	NKOSI NTULI
	C252/1920/BR/567	D2357	0	5,01	Grade 3 - contractors	R 2 254 500,00	5,01	3,7	GULE TA	NKOSI NTULI
	C253/1920/BR/813	D104	0	9	Grade 3 - contractors	R 4 050 000,00	9,00	3,13	AMASHANDU TA	NKOSI MBATHA
C253/1920/BR/814	D332	15	25	Grade 3 - contractors	R 4 500 000,00	10,00	3	AMASHANDU TA	NKOSI MBATHA	
C253/1920/BR/815	D296	0	1,28	Grade 3 - contractors	R 576 000,00	1,28	3	AMASHANDU TA	NKOSI MBATHA	

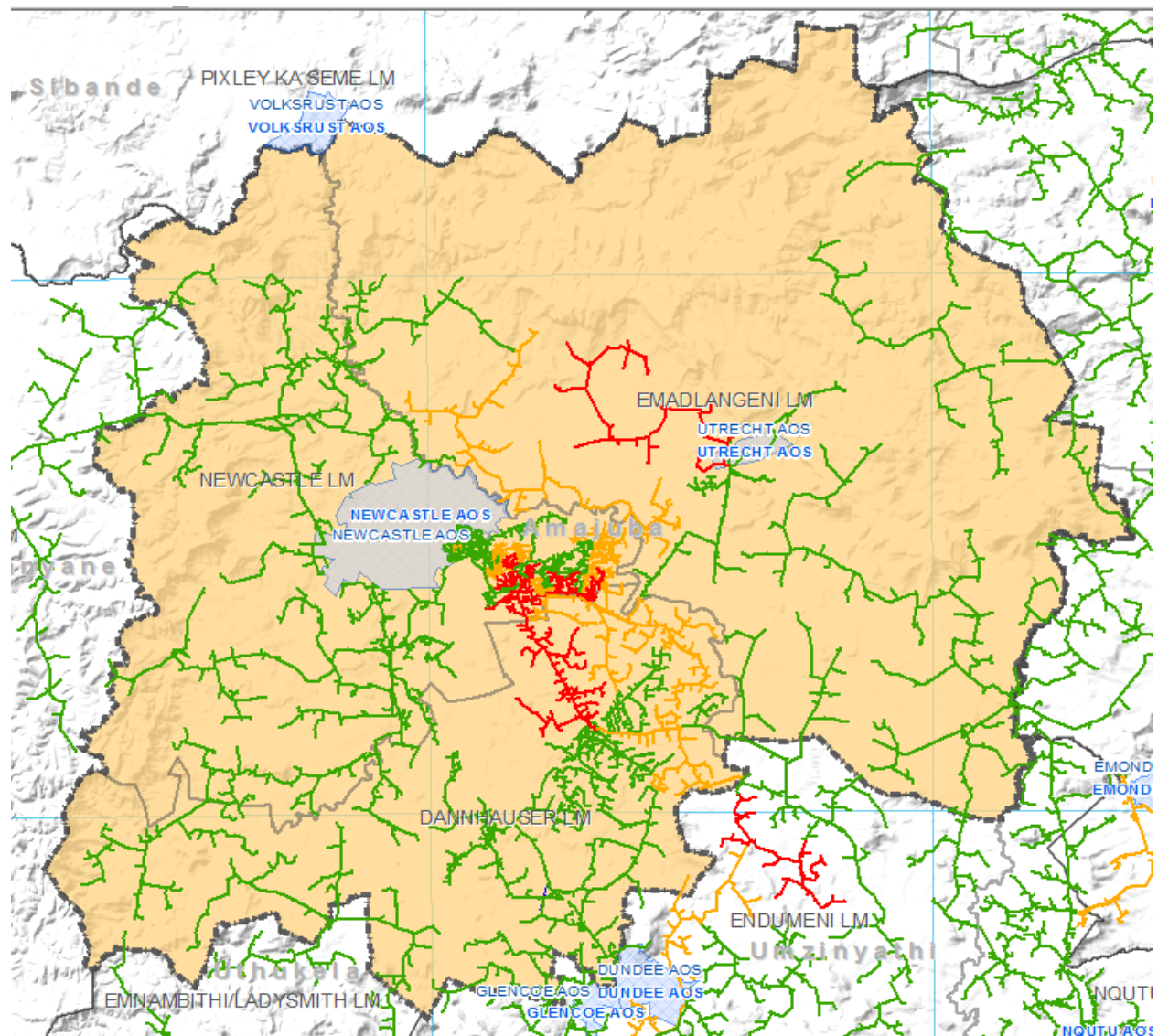
NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C253/1920/BR/816	D426	0	4,5	ZNB 2800	R 2 025 000,00	4,50	1	AMASHANDU TA	NKOSI MBATHA
	C253/1920/BR/817	P214	8	12	ZNB 2800	R 1 800 000,00	4,00	8,6,4	GULE TA	NKOSI NTULI
	C253/1920/BR/818	P215	0	5	Grade 3 - contractors	R 2 250 000,00	5,00	4	THEKWANE TA	NKOSI SHABALALA
	C253/1920/BR/819	D93	6	9	Grade 3 - contractors	R 1 350 000,00	3,00	1	KHATHIDE TA	NKOSI KHUBEKA
	C253/1920/BR/820	P43	41	47	ZNB 2800	R 2 700 000,00	6,00	1	MGUNDENI TA	NKOSI MABASO
	C253/1920/BR/821	P40	18	24	ZNB 2800	R 2 700 000,00	6,00	1	MGUNDENI TA	NKOSI MABASO
	C253/1920/BR/821	D358	0	6	Grade 3 - contractors	R 2 700 000,00	6,00	3	AMASHANDU TA	NKOSI MBATHA
Betterment & Regravelling Total						R 77 769 000,00	172,82			
Causeway Construction										
	C253/1920/CC/740	L1566	-	-	Grade 3 - contractors	R 1 000 000,00	1,00	1	MGUNDENI TA	NKOSI MABASO
	C253/1920/CC/741	Kwamancamane	-	-	Grade 3 - contractors	R 1 000 000,00	1,00	2	AMASHANDU TA	NKOSI MBATHA
	C253/1920/CC/821	Ogodweni	-	-	Grade 3 - contractors	R 1 000 000,00	1,00	3	INGWE TA	NKOSI ZWANE
	C253/1920/CC/823	L2415	-	-	Grade 3 - contractors	R 1 000 000,00	1,00	1	AMASHANDU TA	NKOSI MBATHA
	C252/1920/CC/503	D423	9	9	Grade 3 - contractors	R 2 000 000,00	1,00	1	INGWE TA	NKOSI ZWANE
	C252/1920/CC/504	L3174	2	2	Grade 3 - contractors	R 2 000 000,00	1,00	1	INGWE TA	NKOSI ZWANE
	C252/1920/CC/504	L3171	3	3	Grade 3 - contractors	R 2 000 000,00	1,00	11	INGWE TA	NKOSI ZWANE
Causeway Construction Total						R 10 000 000,00	7,00			
New Gravel Roads										
	C252/1920/NGR/541	D100 Ext	0	2,2	ZNB 2800	R 935 000,00	1,10	1	INGWE TA	NKOSI ZWANE
	C252/1920/NGR/543	(L3170) Nkululeko	0	3,597	ZNB 2800	R 3 057 450,00	3,60	1	KHATHIDE TA	NKOSI KHUBEKA

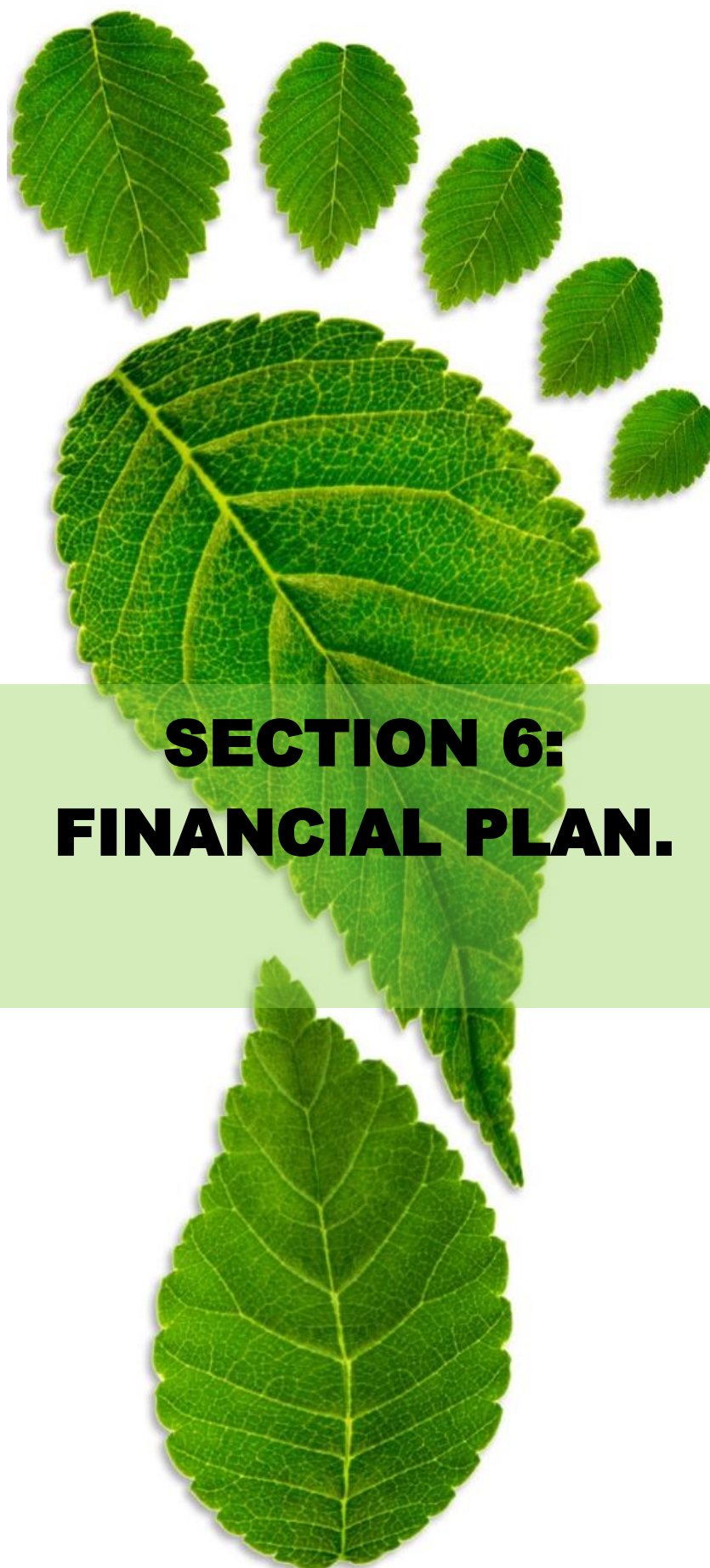
NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

ACTIVITIES	2016/17 CONTRACT NO.	PROJECT NAME	START KM	END KM	GRADE	BUDGET	PLANNED OUTPUT	WARD	TRIBAL AUTHORITY	INKOSI
	C253/1920/NGR/787	L 1563 ExI	0	3	Grade 3 - contractors	R 1 275 000,00	1,50	3	AMASHANDU TA	NKOSI MBATHA
	C253/1920/NGR/863	D378 ExI	0	2	Grade 3 - contractors	R 1 700 000,00	2,00	1	MGUNDENI TA	NKOSI MABASO
	C253/1920/NGR/864	D514 ExI	0	2,5	Grade 3 - contractors	R 2 125 000,00	2,50	1	AMASHANDU TA	NKOSI MBATHA
	C253/1920/NGR/867	L2415EXI	0	2,5	Grade 3 - contractors	R 2 125 000,00	2,50	3	AMASHANDU TA	NKOSI MBATHA
	C253/1819/NGR/868	Ndwakazane	0	2,5	Grade 3 - contractors	R 2 125 000,00	2,50	-	AMASHANDU TA	NKOSI MBATHA
	C252/1920/NGR/533	D459 ExI	0	5,4	Grade 3 - contractors	R 2 125 000,00	2,50	1	INGWE TA	NKOSI ZWANE
	C252/1920/NGR/534	D377 ExI	0	5	Grade 3 - contractors	R 2 125 000,00	2,50	4	KHATHIDE TA	NKOSI KHUBEKA
	C252/1920/NGR/535	D538 ExI	0	2,5	Grade 3 - contractors	R 2 125 000,00	2,50	1	KHATHIDE TA	NKOSI KHUBEKA
New Gravel Roads Total						R 19 717 450,00	R 23,20			
GRAND TOTAL										
206 763 762,98										
	RECONCILED					R 206 763 763,0				

5.5.1.5. ESKOM.



#	PROJECT NAME	FORM STATUS
1	Incadu-Madadeni 132 kV Line Est - Completed	ERA
2	Madadeni 132/33 kV & 132/11 kV TRFR Est - Completed	ERA
3	Blaauwbosch SS increase cap - Completed	ERA
4	Matsheketseni 132/11 kV 20 MVA SS establishment	CRA
5	Matsheketseni 132 kV Tee Line	CRA
6	Kilbarchan SS 88/22 kV TRF Establish	CRA
7	Kilbarchan NB 5 22kV Upgrade	CRA



**SECTION 6:
FINANCIAL PLAN.**

6. ANNUAL IMPLEMENTATION PLAN.

To achieve delivery on the IDP goals, focus areas and objectives, it is essential to align the municipality budget with the strategy. Sections below expand on aspects of the Newcastle Municipality's medium term financial planning and the extent to which it is possible to align the budget to all priorities of the wards, given our financial constraints and the need to concentrate on basis service delivery.

The long-term financial viability of municipalities depends largely on:

- The extent to which improved and sustainable revenue capacity can be achieved.

- Sound financial management of its resources.

These imperatives necessitate proper multi-year financial planning. Future impacts of revenue and expenditure streams and the financial implications for the community (i.e. the potential influence on rates, tariffs and service charges) must be identified and assessed to determine the sustainability of planned interventions, programs, projects and sundry service delivery actions.

The following are significant results of our analysis on the Municipality's Financial Performance, Financial Position, and Cash Flows & Organisation Environment.

5.5.2. Operational budget estimates.

A municipality is a non-profit organization and it should break even after contributing to the different funds and reserves and meeting normal operating expenses. With the structuring of rates and tariffs both the user-pay principal and full cost recovery are applied. However, reliance is placed on economic and trading services to fund the "Rate- and General Services".

5.5.3. Financial Position

The analysis of financial position covers two major sections, namely assets and liabilities. Each of these sections is discussed below.

5.5.3.1. Assets

As at the end of 2016, the municipality had total assets to the value of R7.9 billion, which comprises of Property, Plant and Equipment, Cash and cash equivalent, Investment Property, Intangible Assets, Investment in Associate, Receivables, Vat receivable, Inventory and Consumer Debtors. It is worth mentioning that property, plant and equipment of the municipality amounted to R7.2 billion at the end of 2016, and this is a good indicator of the

municipality's capacity to render service delivery to communities that it serves. Net consumer debtors amounted to R332.5 million, which requires management to collect in order to convert to cash.

Table 8: Total asset structure

Asset Item	2016	2015	2014
Total Assets	7,912,605,862	8,075,646,240	3 399 312 816
Property, Plant & Equipment	7 275 444 252	7 478 262 847	2 349 860 723
Cash & cash equivalents	44 572 895	340 812 924	327 907 203
Investment Property	275 974 000	207 527 190	273 695 000
Heritage Assets	6 326 820	2 964 899	2 904 899
Intangible Asset	8 539 564	1 759 720	1 348 001
Investments in Associate	346 321 2206	385 131 584	154 822 299
Long-Term Receivables	7 922	9 836	2 904 899
Vat	10 753 011	27 751 286	34 801 284
Inventory	13 380 566	10 896 236	12 439 141
Consumer Debtors	395 096 860	749 006 588	522 181 845
Other Debtors	42 838 395	37 087 650	44 354 725

For the sake of clarity we deemed it necessary to unpack these assets as follows:

5.5.3.2. Consumer debtors

As at the end of 2016 financial year, the outstanding debt was standing at R991 413 751, stated at R332.5 million net of impairments and bad debt provisions. This after debts in excess of R360 million were written off during the year. This will indeed have a negative impact on our liquidity position if it is not addressed urgently. Hence, it is important that municipality keep on re-examining the effectiveness of its credit control and debt collection strategies with a view to curb or reduce the current level of consumer debtors. The municipality appointed a new service provider, New Integrated Credit Solutions (NICS) for credit control & debt collection in May 2015. The impact of this appointment is still under close surveillance.

The municipality has conducted roadshows at Madadeni and Osizweni with a view to engage the communities on debt management. This ranged from informing them that should they receive the letter of demand from NICS, they need to come to the municipality to make payment arrangements, informing about our Credit Control policy and Indigent Policy. The municipality is also planning to write-off long outstanding debts as per the Prescription Act, debt for deceased consumers as well for consumers who are under debt review as per the Transunion report and recommendations. Council approval in this regard is still awaited as writing off will assist the municipality in focusing on the debt which is realistically collectable.

As the municipality has already embarked on roadshows as explained above, the following strategies are on the pipeline and need to be implemented as a matter of urgency:

- Appointment of a field worker to specifically deals with site visits where a debtor cannot be traced telephonically.
- Appointment of a field worker to perform indigent audit site visits in cases of de-registrations.
- A Call Centre for debt collection purposes with regards to arrears.
- Non-queried accounts to be forwarded to the respective consumers for payment arrangements.
- Monitor queried accounts for speedy resolution for both the consumer and municipality.

Furthermore, the municipality needs to increase the deposit currently standing at R 1 000.00 from January 2016, as it is not sufficient to cover the final account. The billing is six to eight weeks behind, and this attributes to the causes for debt escalation. In areas where the municipality is not providing electricity, water flow regulator meters still needs to be installed.

5.5.3.3. Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one reporting period.

The municipality has significantly invested in assets which augur well for service delivery. Property, plant and equipment assets increased by 209% (R4,925,583,529) from 2014 to 2016. Property, Plant and Equipment represents 92% of the capital structure of the municipality.

5.5.3.4. Cash and cash equivalents

Cash includes cash on hand and cash invested with banks. Cash and cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank

overdrafts. The municipality experience a decrease of 86% (R283 334 308) in cash and cash equivalents from 2014 to 2014. This is due to the expanded investment in the capital assets which resulted in the increase of the asset base as mentioned above.

5.5.3.5. Investment property

Investment property is Property (land or a building – or part of a building – or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for administrative purposes, or
- Sale in the ordinary course of operations.

Investment Property represents 3.4% of the capital structure of the municipality. Most of Investment Property is vacant land which means the municipality has adequate potential to facilitate development, which bode well for our future revenue growth. There has not been an major movement in this asset class since 2014.

5.5.3.6. Investment in Associate

Investment in Associate represents the municipality's 34% stake in Uthukela Water. The investment increased from R154.8 million in 2015 to R395 million in 2016. This is mainly due to the fact that the Uthukela Water revalued its assets and acquired additional 0assets over the past three years.

5.5.4. Liabilities

As at 30 June 2016, the liabilities of the municipality were stated just in excess of a R1.0 billion as reflected below. Clearly the Municipality is a going concern with assets in excess of liabilities.

Table 9: Total liability structure

Liability Item	2016	2015	2014
Total liabilities	1 045 306 734	990 812 825	729 747 904
Long-term loans	458 502 484	471 912 802	221 235 119
Non-current provision for landfill site	26 814 753	27 200 543	25 860 274

Non-current provisions: defined benefit plan obligations	120 075 542	107 212 753	93 802 319
Non-current Finance Lease Obligation	25 920	-	231 853
Consumer Deposits	12 752 606	11 048 084	10 027 543
Current Provisions	5 775 189	4 691 613	4 425 946
Unspent Conditional Grants and Receipts	32 408 992	69 609 604	44 948 444
Finance Lease Obligation	65 694	386 033	509 592
Current Portion of Long-term loans	29 375 168	27 326 675	20 979 603
Payables from exchange transaction	359 510 386	272 264 248	307 727 211

For the sake of clarity we deemed it necessary to unpack these liabilities further as follows:

5.5.4.1. Long-term loans

The Long Term loans has increased from R221 235 119 to R458 502 484 which is an increase of 107% over three years. The increase is mainly due to a two new loans of R164 million and R284 million that were taken in 2014 and 2015 respectively. This items represents 43.8% of the total liabilities of the municipality.

5.5.4.2. Non-Current Provision for Landfill Site

In terms of the licencing of the landfill refuse site, council will incur rehabilitation costs of R 26.8 million to restore the site at the end of its useful life, estimated to be in 2017 by the engineers. Provision has been made for the net present value of this cost using the average cost of borrowing interest rate.

5.5.4.3. Consumer Deposits

Deposits held in lieu of providing municipal services on credit. This amounted to just over R12.7 million at the end of 2016 financial year.

5.5.4.4. Non-Current Provisions: Plan Obligations

The municipality provides retirement benefits for its employees and councillors. This means should the Retirement Fund gets liquidated, the municipality will be required to fulfil the obligation to retired employees and councillors. The provision is currently stated at R120 million.

5.5.4.5. Unspent Conditional Grants

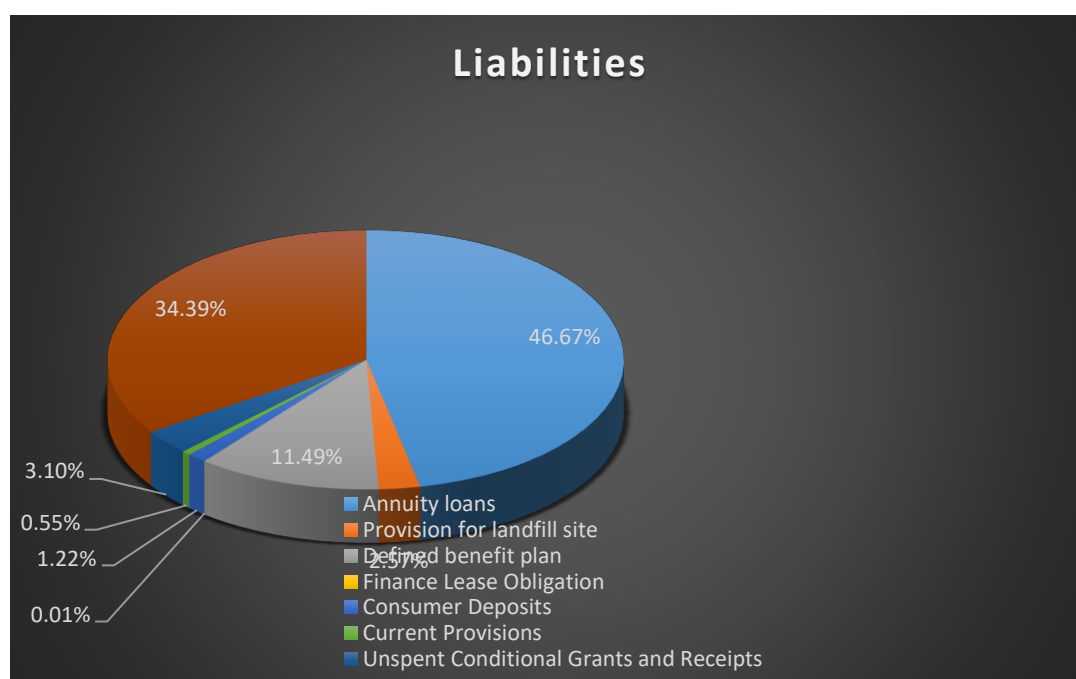
These are conditional grants from other spheres of government. These amounts represent the obligation of the municipality to comply with the conditions of the grant. If the municipality fails to fulfil the obligations, it will be required repay the money to the National Revenue Fund. The unspent conditional grants are stated at R32.4 million during 2016.

5.5.4.6. Trade and other Payables

Trade creditors, staff leave accrual and payments received in advance which represent amounts invoiced or received by the Municipality where services still have to be rendered. These are obligations which the Municipality will be required to fulfil in the future. The Trade and Other Payables are stated at R359.5 million in 2016.

The proportionate share of individual liabilities to total liabilities is as per the diagram below:

Figure 4: contribution of liability item total liabilities



5.5.5. Financial Ratios

The municipality can utilize financial ratios to aid in managing their cash position as well as alert them to the possibility of financial difficulties. Calculating the ratios are not enough. The municipality needs to also consider the trends and patterns over the various financial periods and thus ascertain a better understanding of their cash position.

5.5.5.1. Solvency Ratio

The entity remains solvent with total assets in excess of total liabilities. This is a comforting scenario, as the municipality continues to invest in assets. During 2016 financial year, over R310 million was invested in assets. As outlined in the table below, the solvency position (ratio of assets to liabilities) of the municipality has improved from 5.11 in 2014 to 8.05 in 2016. The increase is due to the capital assets invested and the revaluation of infrastructure assets.

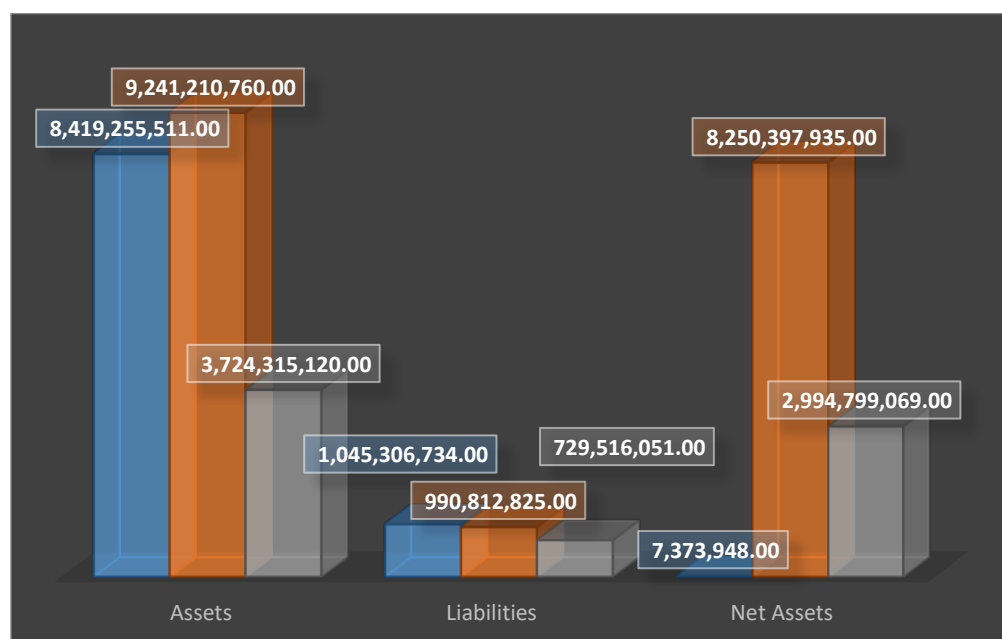
The table below illustrates our solvency situation for the 4 years being analysed. Of concern is the fact that the ratio keeps decreasing as year go by, which means that the municipality may end up having challenging in honouring their obligations in future if no action are taken to improve the situation:

Table 10: Solvency ratio

Item	2016	2015	2014	2013
Assets	8 419 255 511	9 241 210 760	3 724 315 120	3 437 022 178
Liabilities	1 045 306 734	990 812 825	729 516 051	520 629 542
Net Assets	7 373 948 777	8 250 397 935	2 994 799 069	2 916 392 636
Ratio	8.05	9.32	5.11	6.60

The graph below illustrates our solvency ratio analysis:

Figure 5: solvency position



5.5.5.2. Liquidity Ratios

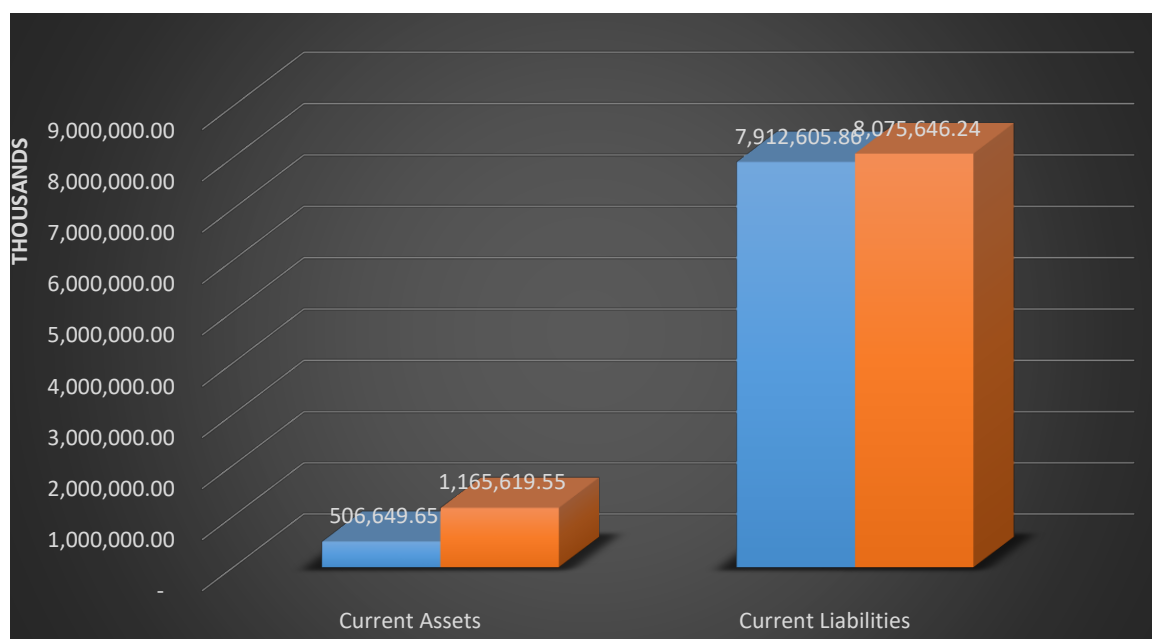
As evident from the table below, the capacity of the Municipality to fulfil its short term obligations is good. The ratio has increase from 2.43 in 2014 to 1.15 in 2016. The decrease is due to additional provision for doubtful debt, when has seen debtors which are likely to be concerted to cash reducing drastically. This ratio is now below the required now of 1:2 and clearly indicate that soon the municipality will be straggling to pay for its creditors.

Table 11: Liquidity Ratios

Item	2016 (R)	2015 (R)	2014 (R)
Current Assets	506 649 649	1 165 619 548	932 604 120
Current Liabilities	439 888 035	384 486 727	384 652 508
Ratio	1.15	3.03	2.43

The graph below further illustrates our liquidity situation.

Figure 6: Liquidity position



5.5.5.3. Cash Flows

Net Cash Position (Net of Unspent Conditional Grants)

(Cash and Cash Equivalent – Unspent Conditional Grants)

(R44 572 895 – R32 408 992)

Net Cash Position R 12 163 903

Conditional Grants are provided to municipalities for a specific purpose and cannot be used for the general operations of the municipality. This ratio identifies whether the municipality has sufficient funds to ensure the cash backing of Unspent Conditional Grants. At the end of 2016, adequate cash was available to repay conditional grants.

6.4 Net Cash Position (Net of Unspent Conditional Grants and Reserves)

(Cash and Cash Equivalent – Unspent Conditional Grants – Self Insurance Reserve - Housing Development Fund)

(R44 572 895 – R32 408 992-708 555-26 037 234)

= -R14 581 886

This ratios indicates that as at the end of 2016, available cash was inadequate to repay conditional grants, Housing Development Fund and to provide for Insurance reserve in cases of emergent breakdown.

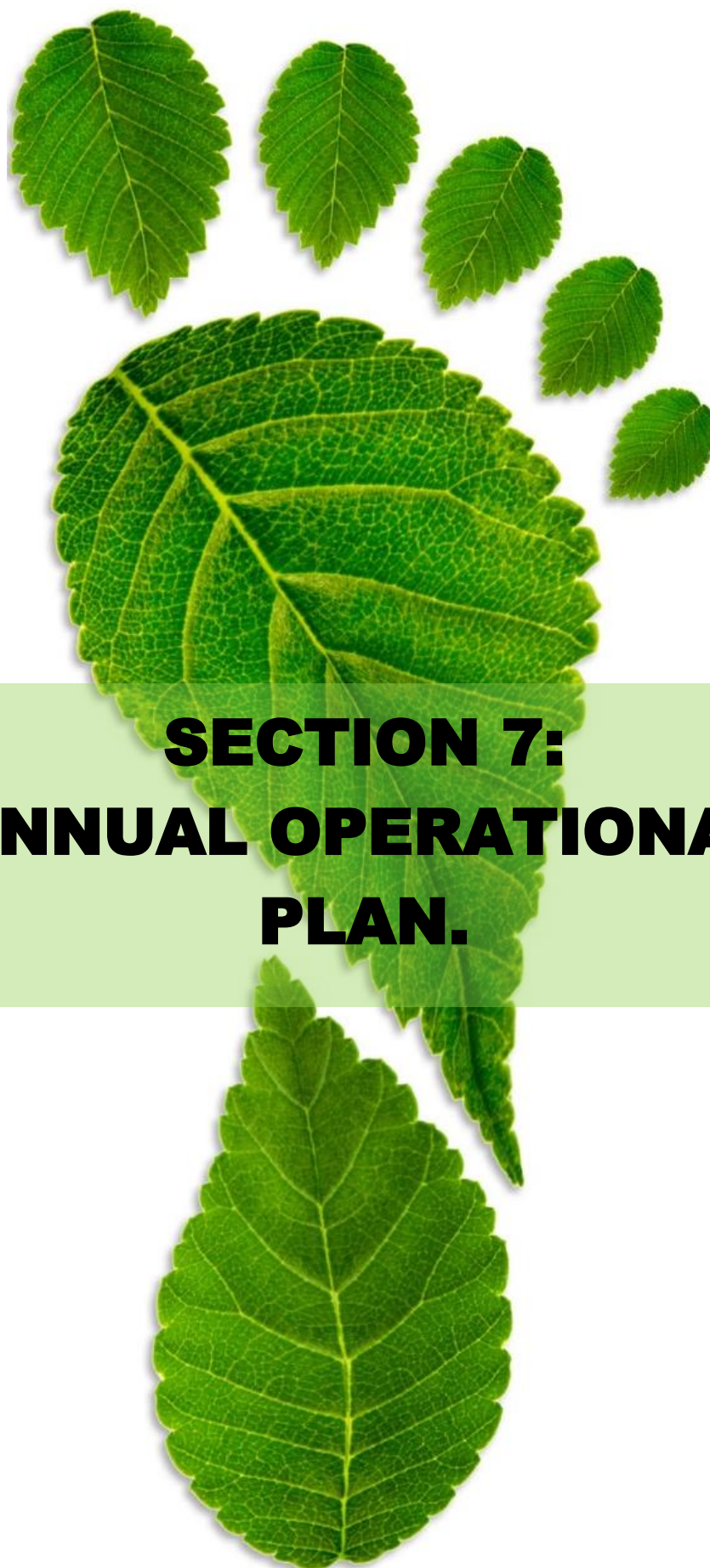
5.5.6. Conclusion

Although revenue has increased well above inflation over the past financial year, such increase was however not adequate to cover the level of expenditure that the municipality has incurred over the same period. Huge increase in non-cash items such as depreciation and debt impairment has had an impact in the deficit as at the end of 2016. This is a clear indication that the municipality reserves and provision have not been adequate to deal with these expenses should the need arise in future.

The solvency of the municipality has seen to be improving during the period under review. The major impact of this improvement is the property plant and equipment which has increased substantially due to revaluation of assets, taking over of Uthukela Water and acquisitions. Consumer debtors have reduced as a result of write-offs and additional provision. It is concerning to note that such reduction has not yielded substantial cash to the municipality. This is the area where the municipality need to concentrate in order to improve its cash base. Furthermore, liabilities have been observed to have increased during the same period. It noted with concern that such increase in mainly due to additional loans that were taken, as well as trade and payables, which could be linked to cash flows problems.

The cash position of the municipality has been observed to decrease drastically over the period. While is noted the some of the cash recorded at the end of each financial year included loans taken by the municipality, it also equally important to note that reserves that the municipality had were utilised to fund capital projects as per approved budgets of the municipality. It is further noted that the available cash at the end of 2016 is not adequate to cover for conditional grants and reserves that need to be cash-backed.

The 2017 is going to be a very difficult year for the municipality, given its cash position. Unless stringent majors are taken to collect more revenue, the municipality will been to slow down of its operation and ensure that as little as possible capital projects are funded internally.



**SECTION 7:
ANNUAL OPERATIONAL
PLAN.**

7. ANNUAL IMPLEMENTATION PLAN.

7.1. ORGANIZATIONAL SCORECARD.

ORGANISATIONAL SCORE-CARD 2017-18 - 2021/22							
NEWCASTLE MUNICIPALITY							
GOOD GOVERNANCE							
OUTCOME 9	GOAL/OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To develop and implement an optimal communication strategy and service charter by 2021	Monthly Progress reports on execution of resolutions for MANCO, EXCO/Council and MPAC	11	11	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)	Minutes of Exco/Council / MPAC
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To develop a system of delegation that will maximize administrative and operational efficiencies	Annual Review of Delegations Policy by 30 June 2018	Approved Delegations on 30 June 2014	Annual Review of Delegations Policy by 30 June 2018	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)	Council Resolution and Approved Delegation Policy
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To strengthen executive support.	Approved Intergovernmental Relations Framework and Strategy by 30 June 2018.	New KPI	Approved Intergovernmental Relations Framework and Strategy by 30 June 2018.	OFFICE OF THE MUNICIPAL MANAGER (Executive Support)	Council Resolutions and approved IGR Framework and Strategy

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	Annual review of Risk Management Policy and strategy, Anti-Fraud & Corruption Policy and strategy by 30 June 2018	Existing Risk Management Policy and strategy, Anti-Fraud & Corruption Policy and strategy	Annual review of Risk Management Policy and strategy, Anti-Fraud & Corruption Policy and strategy by 30 June 2018	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)	Council resolution and Approved Strategy and Policy
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	Annual risk assessment report for 2018/19 as approved by MANCO by 31 May 2018	Risk Register 2016/17	Annual risk assessment report for 2018/19 as approved by MANCO by 31 May 2018	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)	MANCO Resolution / Attendance registers for risk assessment workshops and Annual Risk assessment report/Risk assessment report , risk registers, and attendance registers for risk assessment workshops
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote and enhance good governance in the organization.	To provide compliance monitoring support towards ensuring that compliance risks are mitigated effectively resulting in the positive audit outcomes	Finalised Clean Audit Strategy by 31 December 2017	Draft clean audit strategy	Clean Audit strategy approved by Audit Committee by 31 December 2017	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)	Reports /Minutes of Audit Committee
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote and enhance good governance in the organization.	Quarterly risk Management reports on implementation of risk management action plan submitted to Audit Committee	To specify last report submitted to AC	4	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)	Audit Committee Resolution and Quarterly risk Management reports	

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote and enhance good governance in the organization.	To provide compliance monitoring support towards ensuring that compliance risks are mitigated effectively resulting in the positive audit outcomes	Quarterly Compliance Monitoring reporting submitted to Audit Committee	Current quarterly Compliance Monitoring reporting reports	4	OFFICE OF THE MUNICIPAL MANAGER (RISK MANAGEMENT)	Quarterly Compliance Monitoring reporting reports
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To facilitate good governance by providing assurance to council on internal controls, risk management and governance processes.	Providing recommendations and advice to management to improve internal controls, risk management and governance processes.	%age of Projects implemented as per Internal Audit Plan	100%	100%	OFFICE OF THE MUNICIPAL MANAGER (INTERNAL AUDIT)	Progress report against approved Internal Audit Plan and Internal audit reports
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To facilitate good governance by providing assurance to council on internal controls, risk management and governance processes.	Providing recommendations and advice to management to improve internal controls, risk management and governance processes.	Council Approval of audit committee charter by April 2018	Approved Audit Committee Charter by Council in May 2016	Council Approval of audit committee charter by March 2018	OFFICE OF THE MUNICIPAL MANAGER (INTERNAL AUDIT)	Council resolution approving audit committee charter
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To provide effective and efficient legal support services	%age of contracts drafted and vetted as requested by departments	New KPI	100%	OFFICE OF THE MUNICIPAL MANAGER (LEGAL SERVICES)	Registers of all contracts received with a date received and date finalised , and contracts vetted and drafted
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To provide effective and efficient legal support services	Approved Contract Management Policy by June 2019	New KPI	n/a	Office of the Municipal Manager	N/A
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To provide effective and efficient legal support services	%age of objections addressed within 60days as per SCM Regulations	100% of objections resolved within 60days	100% of objections resolved within 60days	Office of the Municipal Manager	Objections register with dates of objection received and resolved, Objections and communication to Objector

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To provide effective and efficient legal support services	%age of bylaws published as prioritized by MANCO	new KPI	100%	Office of the Municipal Manager	Proof of publication of bylaws
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	To improve both internal and external communication	Approval of Public Participation Strategy by June 2018	New KPI	Approved Public Participation Strategy by June 2018	DPHS	Council resolution and Approved Public participation policy
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	To ensure the effective functionality of ward committees	Approved Ward Committee Operational Plan by June 2018	New KPI	Approved of Ward Committee Operational Plan by June 2018	DPHS	Council resolution, Draft Ward Committee Operational Plan, Appointment letter, Approved Ward Committee Operational Plan
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To keep internal & external communities and stakeholders informed, empowered and involved by 2021	To develop and implement an optimal communication strategy	Approved Communication strategy by June 2018	Draft communication strategy	Approved Communication strategy by June 2018	CORPORATE COMMUNICATIONS	Council resolution and approved Communication Strategy
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To ensure good governance through openness, transparency and accountability in the organization.	To provide an enhanced internal and external communication service.	Number of Internal Communications Forum meetings held	12	12	Corporate Services	ICF Minutes and attendance registers
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote ICT governance by ensuring alignment of ICT and organizational objectives	To facilitate the annual implementation of good ICT governance processes	Number of ICT Steering Committee meetings	4	4	Corporate Services (IT)	Minutes and Attendance Register
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote ICT governance by ensuring alignment of ICT and organizational objectives	Review of ICT Strategy, ICT policies and procedures	Number of reviewed ICT Strategy / ICT policies / ICT procedures	4	1	Corporate Services (IT)	Council Resolution/ SED Approval for procedures

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote ICT governance by ensuring alignment of ICT and organizational objectives	To ensure that the ICT activities and investments are in alignment with organizational objectives and strategies	Approval of ICT Strategic Plan June by 2018	New KPI	Approval of ICT Strategic Plan by 2018	INFORMATION AND TECHNOLOGY	Minutes & Attendance Register
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To obtain a clean audit on the Audit of Performance Objectives by 2020	To facilitate the development, review and implementation of the PMS annually	Number of performance reports submitted to Audit Committee quarterly	4	4	OFFICE OF THE MUNICIPAL MANAGER (PERFORMANCE MANAGEMENT)	Audit Committee resolution and Quarterly performance report
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To obtain a clean audit on the Audit of Performance Objectives by 2020	To implement outreach and awareness workshops on PMS to departments and other role-players	Number of PMS workshops held quarterly	New KPI	4	OFFICE OF THE MUNICIPAL MANAGER (PERFORMANCE MANAGEMENT)	Workshops attendance register
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote good governance through the Annual performance reporting process	To ensure compliance with Annual performance Reporting process	Annual Performance Report submitted to the Auditor-General by 31 August 2017	Annual Performance report submitted to AG on the 31 August 2016	Annual Performance Report submitted to the Auditor-General by 31 August 2017	OFFICE OF THE MUNICIPAL MANAGER (PERFORMANCE MANAGEMENT)	Acknowledgement of receipt from AG
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY	To promote good governance through the Annual performance reporting process	To ensure compliance with Annual report process	Approval of Annual Report by 31 March 2018	Approved Annual Report by Council 31 March 2017	Approval of Annual Report by 31 March 2018	OFFICE OF THE MUNICIPAL MANAGER	Council Resolution and Approved Annual Report

ORGANISATIONAL SCORE-CARD 2017/18 - 2021/22

NEWCASTLE MUNICIPALITY

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

OUTCOME 9	GOAL/OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	BASELINE	APPROVED ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
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NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To enhance organizational performance by attracting and retaining best talent by 2021.	To embark on an investigation aimed at understanding efficiency and effectiveness of organizational systems and procedures by 2021	Percentage of investigations conducted as received from the office of the Municipal Manager	New KPI	4	Corporate Services: Human Resources	Summary of a report signed off by the head of department. Investigation report and final report as submitted to MM/MANCO
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To enhance organizational performance by attracting and retaining best talent by 2021.	To implement systems that will ensure compliance with the Employment Equity Act by ensuring equitable representation at all levels.	the number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	18	23	Corporate Services: Human Resources	Employment Equity Report
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To enhance organizational performance by attracting and retaining best talent by 2021.	To facilitate the development of skills through the complete implementation of the workplace skills plan	the percentage of the municipality's budget actually spent on implementing its workplace skills plan	NEW CALCULATION	100%	Corporate Services: Human Resources	WSP Budget Review Report
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To enhance organizational performance by attracting and retaining best talent by 2021.	To align current policies with changes in legislation	Approval of the following policy by council 1. Employment practice policy permanent (review) 2. Acting policy (Review) 3. Overtime policy (Review) 4. Leave policy (develop) 5. Employment practice policy/ temporary(Develop) 6. EAP policy (Review) 7. Occupational health and safety (review)	New	5	Corporate Services: Human Resources	Council minutes and approved policies
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To enhance organizational performance by attracting and retaining best talent by 2021.	To promote employee relations (ER) and labour stability	Number of LFF meetings held as per organizational rights agreement	New	12	Corporate Services: Human Resources	Attendance register and LFF minutes

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To provide quality administrative services, to support optimal organizational performance	To develop policies and realign systems and procedures that ensure good governance and an efficient and effective secretariat and general administration support by 2021	Number of Administration policies or procedures developed or reviewed 1. Meeting management(developed) 2.records management (review)	New	1. Meeting management(dev eloped) 2.records management (review)	Corporate Service: Administration	Approved procedure by SED and Council minutes for policy approval
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To provide quality administrative services, to support optimal organizational performance	Ensure that all statutory Committees convene as per legislation and policies of Council	%age compliance with Annual Meeting Plan as approved by Council	100%	100%	Corporate Services : Administration	Progress report against approved Annual Plan and Minutes of statutory committee meeting
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To comply with health and safety legislation	To promote zero fatalities and ensure a healthy and safe working environment	%age of safety issues as raised by Safety Committees addressed	New KPI	100%	Corporate Services	Minutes of Safety Committee Meeting and progress report on Safety issues resolved submitted to MANCO
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To comply with health and safety legislation	To promote zero fatalities and ensure a healthy and safe working environment	Section 16.2 appointments finalised by Municipal Manager	New KPI	Section 16.2 appointments finalised by Municipal Manager	Corporate Services	Appointment letters signed by MM

NEWCASTLE MUNICIPALITY

REVISED ORGANISATIONAL SCORE-CARD 2017/18

BASIC SERVICE DELIVERY AND INFRASTRUCTURE

OUTCOME 9	GOAL/OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	BASELINE	APPROVED ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
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NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

<p>OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES</p>	<p>To assemble adequate and reliable data for Infrastructure Planning, Management and Operations</p>	<p>Develop a Comprehensive Infrastructure Master Plan (It will cater for key focus areas including: Housing development, Water and sanitation, water safety plan, Roads and storm water, Energy – High voltage, Electrification, Maintenance Plan, Asset replacement plan, waste management and catalytic projects)</p>	<p>Number of business plans submitted for funding for the compilation of comprehensive infrastructure masterplans (Roads and Stormwater, water and sanitation)</p>	<p>0</p>	<p>3</p>	<p>Technical Services</p>	<p>Council Resolution and proof of submission of the business plan to relevant stakeholders</p>
<p>OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES</p>	<p>To assemble adequate and reliable data for Infrastructure Planning, Management and Operations</p>	<p>Develop a Comprehensive Infrastructure Master Plan (It will cater for key focus areas including: Housing development, Water and sanitation, water safety plan, Roads and storm water, Energy – High voltage, Electrification, Maintenance Plan, Asset replacement plan, waste management and catalytic projects)</p>	<p>Submission of a Business Plan to obtain funding for the preparation of the comprehensive Infrastructure Master Plan Roads & Storm water</p>	<p>0</p>	<p>Submission of a Business Plan to obtain funding for the preparation of the comprehensive Infrastructure Master Plan</p>	<p>Technical Services</p>	<p>Council Resolution and proof of submission to sector departments, quarter 3: Feasibility study, Quarter 4: council resolution and proof of submission to sector departments</p>
<p>OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES</p>	<p>To assemble adequate and reliable data for Infrastructure Planning, Management and Operations</p>	<p>Develop a Comprehensive Infrastructure Master Plan (It will cater for key focus areas including: Housing development, Water and sanitation, water safety plan, Roads and storm water, Energy – High voltage, Electrification, Maintenance Plan, Asset replacement plan, waste management and catalytic projects)</p>	<p>Submission of a business plan to obtain funding for the development of a comprehensive masterplans on high voltage network, electrification and network maintenance by June 2018</p>	<p>New</p>	<p>Approval of masterplans for high voltage network, electrification and network maintenance by June 2018</p>	<p>Electrical & Mechanical</p>	<p>Proof of submission to prospective funders</p>

OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	Increase number of households with access to basic potable (drinkable) water.	% Of households with access to a basic level of water	93.00%	96%	Technical Services	Progress report based on Stats SA census figures, BTO reports on new connections OR supported by completion certificates and final payment certificates/invoices signed by the Director and SED.
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	Increase number of households with access to basic sanitation.	% Of households with access to a basic level of sanitation	78.13%	68%	Technical Services	Progress report based on Stats SA census figures, BTO reports on new connections OR supported by completion certificates and final payment certificates/invoices signed by the Director and SED.
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	Upgrade wastewater collection and treatment facilities	Number of Water Treatment plants upgraded	4	n/a	Technical Services	n/a
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To reduce water loss	To reduce the percentage of water losses. (Non-revenue water loss)	Reduction of water loss by 2% per annum for Non-Rvenue Water loss	44.00%	40.30%	Technical Services	Water balance scorecard
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To create a safe and healthy environment	To implement the Waste Management Strategy in line with relevant legislation	Annual review of the Integrated Waste Management Plan by June 2018	Existing Plan	Reviewed Integrated Waste Management Plan by June 2018	Community Services	Council Resolution

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To create a safe and healthy environment	To provide a refuse removal service to the Newcastle Community	%age of households with access to basic level solid waste removal	65.50%	71.00%	Community Services	BTO and progress reports on Stats SA Census information
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To create a safe and healthy environment	To establish a new landfill site including management of the existing facility	Annual audit compliance report from EDTEA on existing site by June 2018	Existing Report	Annual audit compliance report from EDTEA on existing site by June 2018	Community Services	EDTEA Audit Compliance Report
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To create a safe and healthy environment	To establish a new landfill site including management of the existing facility	Planning and Identification of Land Fill Site by 30 June 2018	None	Planning and Identification of Land Fill Site by 30 June 2018	DPHS	Progress reports as submitted to PFSC
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	Km of Roads resealed/rehabilitated	7.26KM	8km	Technical Services	Reports signed by the Director and confirmed by the Portfolio Councillor for Technical Services
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	km's of roads graveled	5 Km	2.5km	Technical Services	Reports signed by the Director and confirmed by the Portfolio Councillor for Technical Services
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	Upgrade of gravel roads to tarred roads with storm water infrastructure and street furniture	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	Km's of roads upgraded from gravel to blacktop including street furniture	9.903km	1.22km	Technical Services	(invoices will be linked to relevant PIP's) Completion certificates, progress reports signed by the Director/SED

OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure access to electricity within the Newcastle License area	To develop and implement the Electricity Services Delivery Plan (ESDP)	Appointment of Service Provider to develop Electricity Service Delivery Plan (ESDP) by June 2018	0	Approval of ESDP by June 2018	Electrical & Mechanical	Appointment Letter
OUTPUT 2: IMPROVING ACCESS TO BASIC SERVICES	To ensure access to electricity within the Newcastle License area	To provide electricity within the Newcastle Municipality Licensed Areas.	%age of households with access to a basic level of electricity	94.50%	83%	Electrical & Mechanical	BTO and progress reports against STATSA/ census information
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	To ensure management and replacement of vehicles for proper rendering of services.	To review a vehicle replacement policy and plan to address Fleet replacement, tyre Management, fuel and lubricant management	Annual Review of Vehicle Replacement Plan by June 2018	2016/17 Replacement Plan	Annual review of Fleet Replacement Policy and Plan by June 2018	Electrical & Mechanical	D1 - Draft Policy Q2 - Draft Plan Q4 - Reviewed Vehicle Replacement Plan
OUTPUT 4: ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	To develop a Human Settlement Plan in line with the 4th Generation IDP	To develop a new Human Settlements Plan in line with the 4th Generation IDP by 30 June 2018	Annual Review of Housing Sector Plan approved as part of the IDP	Preparation of new Human Settlements Plan in line with 4th Generation IDP by 30 June 2018	Human Settlements	COUNCIL RESOLUTION
OUTPUT 4: ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	To reduce housing backlog to meet the provincial and national targets	Number of houses built	Completion certificated	600	Human Settlements	Progress Reports and D6 Certificates
OUTPUT 4: ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate secure tenure and clear property rights	Fast-track Title Deed Restoration Project	Number of houses transferred through Enhanced Extended Discount Benefit Scheme (EEDBS)	40	120	Human Settlements	Title Deeds COPIES
OUTPUT 4: ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate secure tenure and clear property rights	Disposal of municipal land in line with Land Disposal Policy	Number of Residential Sites released for disposal	15	20	Human Settlements	Adverts, Deed of sale, supply chain records/ deed of transfer.

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate secure tenure and clear property rights	To develop and maintain a reliable National Housing Needs Register (NHNR)	%of approved beneficiaries captured on National Housing Needs Register	TBC	To be confirmed (TBC)	Human Settlements	Applications received and updated report from NHNR
OUTPUT 4: ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME	To facilitate secure tenure and clear property rights	Provision of affordable housing opportunities for middle income to address gap market (i.e. Social Housing/ Gap / Flips)	Progress on the planning and implementation of at least one Gap/Flips Housing Project	New KPI	Disposal of land to developers for development of at least one Gap / FLIPS Housing Project by June 2018	Human Settlement	Council resolution, Advert for release of land

ORGANISATIONAL SCORE-CARD 2017-18 - 2021/22

NEWCASTLE MUNICIPALITY							
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY							
OUTCOME 9	GOAL/OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To improve access to basic services	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent are eligible for the support and to eradicate a culture of non-payment	The percentage of households earning less than R1100 per month with access to free basic services:	% (19 487/84270*100)	24% (19829/84270*100)		
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure implementation of capital programme		%age of capital budget spent as per approved cash flows				

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	Improve the payment factor by at least 2 percentage basis points annually (by June of every year)	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	Number of meetings held per quarter to discuss indigent applications and explain the billing processes and emphasises the payment of municipal bill as per Approved policy and procedures	0	34 (1 meeting per ward)	Budget & Treasury Office	Agenda and attendance register of meetings and report back to SED.
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	Improve the payment factor by at least 2 percentage basis points annually (by June of every year)	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	An annual verification of the indigent register performed at 30 July 2017	0	An annual verification of the indigent register performed at 30 July 2017	Budget & Treasury Office	Verification report including methodology used in the process and portfolio committee in august
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	Improve the payment factor by at least 2 percentage basis points annually (by June of every year)	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	Increase of payment factor by 2 percentage basis point by 30 June 2017	77	79%	Budget & Treasury Office	Payment factor report submitted to finance Portfolio Committee and portfolio minutes
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	Improve the payment factor by at least 2 percentage basis points annually (by June of every year)	Eradication of the culture of non-payment:	%age of queries addressed within 90 days	New KPI	100%	Budget & Treasury Office	Query Ageing report
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	Achieve Value for money	To have an effective Supply Chain Management system in place:	Approved annual procurement plan by July 2017 approved by the Portfolio Steering Committee	New KPI	Approved annual procurement plan by July 2017 approved by the Portfolio Steering Committee	Budget & Treasury Office	Minutes of PFSC and Approved Procurement Plan

<p>OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.</p>	<p>Achieve Value for money</p>	<p>Have an effective Supply Chain Management system in place:</p>	<p>Turnaround times for bids at 120 days and for quotations 60 days (Tenders/Quotations)</p>	<p>120 days for bids and 60 days quotations</p>	<p>Turnaround times for bids at 120 days and for quotations 60 days (Tenders/Quotations)</p>	<p>Budget & Treasury Office</p>	<p>register certified by CFO with calculation, Bid committees and letter of awards etc.</p>
<p>OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.</p>	<p>To ensure sound financial and fiscal management and good governance</p>	<p>review the financial policies to ensure sound financial and fiscal management and good governance</p>	<p>Number of Financial policies reviewed by May 2018: 1. Tariff by-law 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15. Supply chain management policy</p>	<p>Finance policies approved by 31 May 2017</p>	<p>Number of Financial policies reviewed by May 2018: 1. Tariff by-law 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15. Supply chain management policy</p>	<p>Budget & Treasury Office</p>	<p>Council Resolution</p>
<p>OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.</p>	<p>Revenue enhancement</p>	<p>Facilitate the annual Review of the Revenue Enhancement Strategy</p>	<p>Review the Revenue Enhancement Strategy by September 2017</p>	<p>Revenue Enhancement Strategy approved in 2012/13</p>	<p>Review the Revenue Enhancement Strategy by September 2017</p>	<p>Budget & Treasury Office</p>	<p>Council resolution and approved Revenue Enhancement Strategy</p>

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	%age compliance with MFMA reporting obligations as per MFMA calendar	100%	100%	Budget & Treasury Office	National Treasury Compliance Report
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	Approval of Annual Budget for 2018-19 by the 31 May 2018	Approve annual budget for 2017-18 by 31 May 2017	Approved Budget by 31 May 2018	Budget & Treasury Office	Council resolution
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	Approval of Adjustment Budget by 28 February 2018	28-Feb-17	Approval of Adjustment Budget by 28 February 2018	Budget & Treasury Office	Council Resolution/ Proof of submission to the Mayor
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	Financial viability in terms of debt coverage	60%	6%	Budget & Treasury Office	Loan statements, Section 71 Reports and calculation
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	Financial viability in terms of cost coverage	1 Month	1 Month	Budget & Treasury Office	Bank Statement and Investment Schedule and Section 71 Reports
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	Financial viability in terms of outstanding service debtors	82%	80%	Budget & Treasury Office	Monthly income report submitted to Portfolio and calculation
OUTPUT 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY.	To ensure sound financial and fiscal management and good governance	To ensure compliance with the roll out of MSCOA	%age compliance with MSCOA assessment by National Treasury	New KPI	100%	Budget & Treasury Office	Compliance report by National Treasury

NEWCASTLE MUNICIPALITY

ORGANISATIONAL SCORE-CARD 2017/18 - 2021/22

LOCAL ECONOMIC DEVELOPMENT

OUTCOME 9	Goal / Objective	Strategy	KEY PERFORMANCE INDICATOR	BASELINE	APPROVED ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	To develop LED Strategy in line with the 4th generation IDP	Development and approval of the new LED Strategy in line with 4th Generation IDP by 30 June 2018	LED Strategy (3rd Generation)	Development and approval of the new LED Strategy in line with 4th Generation IDP by 30 June 2018	DPHS	Q1. Appointment letter Q2. Attendance register and minutes. Q3 draft strategy Q4. council resolution and approved strategy
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	To Promote Business Retention and Expansion (BNR) to support local businesses	Approved Business Retention and Expansion (BNR) by 30 June 2018	Existing BNR Strategy	Approved Business Retention and Expansion (BNR) by 30 June 2018	DPHS : LED	Council Resolution and Approved BNR
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Facilitation and Promotion of SMME development and Entrepreneurship	N/A		n/a	DPHS : LED	N/A
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Facilitation and Promotion of SMME development and Entrepreneurship	N/A	N/A	N/A	DPHS : LED	N/A

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Facilitation and Promotion of SMME development and Entrepreneurship	Number of SMMEs linked to Markets by 30 June 2018	5	10	DPHS : LED	Minutes of Portfolio Committee approving Report on SMME's
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Facilitation and Promotion of SMME development and Entrepreneurship	Number of SMME's Trained	50	TRAINING	DPHS : LED	Training registers / Attendance registers
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Promotion of the value-chain opportunities for SMME's	n/a	n/a	n/a	DPHS : LED	N/A
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Establishment of Newcastle as a Regional Airport Hub for Northern KZN	Launch of SCHEDULED FLIGHTS between Newcastle and other major airports by 31 March 2018	New KPI	Launch of SCHEDULED FLIGHTS between Newcastle and other major airports by 31 March 2018	LED	service agreement between municipality and airline
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	Establishment of Techno Hub Innovation Centre Building in Newcastle	Completed Techno Hub Building by 31 March 2018	new KPI	Completed Techno Hub Building by March 2018	DPHS : LED	Completion Certificate and Invoices
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	To promote local and foreign investment to Newcastle	Identification of economic growth engines (catalytic projects) that stimulate the local economy by December 2017	New KPI	Identification of economic growth engines (catalytic projects) that stimulate the local economy by December 2017 as reported to Council	DPHS : LED	Council Minutes / Report on Growth Engines

OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure radicalization of the local economy	Support livelihood initiatives and home based enterprises (sector specific infrastructure for hairdressers, motor mechanics, car wash, music production and film making, etc.) – enhance what is already there.	n/a	n/a	n/a	n/a	n/a	n/a
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure radicalization of the local economy	Promotion of local procurement of goods and services to stimulate local economy and job creation	Development and Implementation of the SMME Procurement Policy by December 2017	Draft SMME Procurement Policy	Approved SMME Procurement Policy by December 2017	DPHS : LED	Council resolution Approved SMME procurement policy	
ED6	Local Economic Development (eradication of poverty and unemployment)	To promote economic development that will result in sustainable job creation	Number of jobs created through Municipal Programmes	700	aligned as per IA finding9&10	DPHS : LED	Progress Report to Portfolio Committee	

NEWCASTLE MUNICIPALITY

ORGANISATIONAL SCORE-CARD 2017'18 - 2021/22

CROSS CUTTING ISSUES 2017'18

OUTCOME 9	Goal / Objective	Strategy	KEY PERFORMANCE INDICATOR	BASELINE	APPROVED ANNUAL TARGET 2017/18	RESPONSIBLE DEPARTMENT	PRIMARY SOURCE OF EVIDENCE
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	To facilitate Revitalization of Township Economy	n/a	n/a	n/a	n/a	n/a

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate economic development that will result in sustainable job creation and growth of the Town	To facilitate economic development that will result investment in the town	Report / Study on identification of pieces of land to be regarded as 'pockets of excellence' by 30 June 2018	None	Report / Study on identification of pieces of land to be regarded as 'pockets of excellence' by 30 June 2018	DPHS : LED & TP	Minutes of PFSC and Report on "Pockets of Excellence
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To develop an efficient and effective land use management system so as to promote a rational and harmonious land use activity system.	Review of the Land Use Scheme in line with SPLUMA	Finalize Diagnosis Report on the Land Use Scheme by 30 June 2018 submitted to Portfolio Committee	Approved Land Use Scheme in line with SPLUMA	Finalize Diagnosis Report on the Land Use Scheme by 30 June 2018 submitted to Portfolio Committee	DPHS : TP	PFSC Minutes, Draft Report and Finalised Report
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To develop an efficient and effective land use management system so as to promote a rational and harmonious land use activity system.	To undertake efficient and effective building controls.	Completed feasibility in relation green building development within the municipality	New KPI	Undertake a feasibility to develop bylaws in relation to green buildings 30 June 2018	Senior Building Inspector	Progress report & portfolio Council minutes
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure an effective and integrated Geographic Information Management System.	GIS System integration with other municipal systems.	Complete TOR in relation to feasibility of integrating GIS with other systems by 30 June 2018	New KPI	Complete TOR in relation to feasibility of integrating GIS with other systems by 30 June 2018	DPHS : TP	FINAL TERMS OF REFERENCE
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To promote spatial restructuring and integration	Development of municipal SDF in line with the 4th Generation of IDP	Approved Spatial Development Framework by 31 May 2018	Newcastle SDF approved 31 May 2017	Approved Spatial Development Framework by 31 May 2018	DPHS : TP	Council Resolution and Approved SDF

OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To promote spatial restructuring and integration	To produce plans, policies and strategies to guide and manage development and investment.	Approval of one Local Area Plan / Precinct Plan by 30 June 2018	1	Approval of one Local Area Plan / Precinct Plan by 30 June 2018	DPHS : TP	Council Resolution and Approved LAP
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To promote sustainable development and sound environmental planning	To ensure compliance with environmental legislation and regulations.	Gazetting of the Environmental Management Framework (EMF) by 30 June 2018	Environment at Management Framework	Gazetting of the Environmental Management Framework (EMF) by 30 June 2018	DPHS : TP	Decision from MPT, Publication in Gazette
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To promote sustainable development and sound environmental planning	Review of the municipal open space system	Review and approval of the municipal Open Space System by 30 June 2018	Open Space Policy and Framework	Review and Approval of the Open Space Policy and Framework by 30 June 2018	DPHS : TP	Council Resolution and Approved Opens Space Policy
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To promote sustainable development and sound environmental planning	Identification of suitable land for cemeteries and relevant Geotech studies	Geotech Report on identified sites for cemetery by 31 March 2018	none	Review and Approval of the Open Space Policy and Framework by 30 June 2018	DPHS : TP	Geotech Report
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure the provision of traffic management services	Intensify Law Enforcement activities	Number of roadblocks conducted	24	24	Community Services	Road block statistics and register
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To improve safety and security	To provide and maintain an efficient and effective disaster management service to Newcastle.	N/A	N/A	N/A	Community Services	N/A
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure provision of fire and disaster management services	To provide and maintain an efficient and effective disaster management service to Newcastle.	Adoption of Disaster Risk Management Policy and Newcastle Disaster Management Plan by June 2018	Draft Disaster Management plan	Adoption of Disaster Management Plan by 30 June 2018	Community Services	Council Resolution and Approved Disaster Risk Management Policy and Newcastle Disaster Management Plan

NEWCASTLE LOCAL MUNICIPALITY 4TH GENERATION IDP

OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure efficient use and management of community facilities.	Establishment and provision of community facilities	Number of new libraries built	6	0	Arts, Culture and Amenities	N/A
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To ensure efficient use and management of community facilities.	Establishment and provision of community facilities	Number of Libraries upgraded	New	1	Community Services	Completion Certificate
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate the responsive role of government, Civil society and private sector.	To mainstream programmes with the National and Provincial government; Civil society and private sector	% Percentage of OSS issues received and referred	New KPI	100%	Office of the municipal manager (special programmes)	Registers and no. of issues received and referred
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To facilitate the responsive role of the municipality in OSS.	To mainstream OSS through Internal OSS and Special Programmes Steering Committee	Number of Special Programme and OSS meetings	NEW	2	Office of the municipal manager (special programmes)	Special Programme and OSS Steering Committee Minutes and Attendance registers
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To respond to needs of vulnerable groups within Newcastle jurisdictional area.	Empowerment of target groups (Senior citizens, Disability, People living with HIV/AIDS, Women Men)	Number of functional Special Programmes FORA	8	8	Office of the municipal manager (special programmes)	Forum meeting register and Attendance register
OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT.	To respond to the needs of vulnerable groups	To host human rights activities to address issues affecting the vulnerable groups	Number of special programs events implemented	12	10	Office of the municipal manager (special programmes)	Attendance registers, minutes and photos

7.2. IDP, BUDGET AND PMS INTEGRATION THROUGH THE SDBIP.

7.2.1. Organisational Performance Management System (PMS).

The White Paper on Local Government (1998) proposed the introduction of performance management systems to local government, as a tool to monitor service delivery progress at local government. It concludes that the integrated development planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands and to direct resources allocations and institutional systems to a new set of development objectives.

Chapters 6 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000), requires local government to:-

- Develop a performance management system.
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP)
- Publish an annual report on performance management for the councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for local government.
- Conduct an internal audit on performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

7.2.1.1.1. RATIONALE OF PERFORMANCE MANAGEMENT.

Policy and Legal Context for PMS:-

- The White Paper on Local Government (1998).
- Batho Pele.
- The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
- The Local Government: Municipal Systems Act, (32/2000): Municipal Planning and Performance Management Regulations (2001) , Chapter 3, by the Department Cooperative Governance.
- Guide on Performance Agreements Workshop, 2001, by the South African Local Government Associations (referred to as SALGA Guidelines in short).
- DPLG, 2001, PMS Training Manuals (referred to as PMS Training Manuals in short).
- Municipal Finance Management Act (2003).

- Municipal Performance Management Regulations (2006).

7.2.1.1.2. OBJECTIVES OF THE PERFORMANCE MANAGEMENT SYSTEM.

- Facilitate increased accountability.
- Facilitate learning and improvement.
- Provide early warning signals.
- Facilitate decision-making.

7.2.1.1.3. GUIDING PRINCIPLES OF THE PERFORMANCE MANGEMENT SYSTEM.

- Simplicity.
- Politically driven.
- Incremental implementation.
- Transparency and accountability.
- Integration.
- Objectivity.

7.2.1.1.4. IMPLEMENTATION OF THE SCORECARD.

The Newcastle Municipality, had adopted a two-level approach of implementing the scorecard. The levels are:-

- The Strategic or Organizational Scorecard Level – reflecting the strategic priorities of the municipality
- This scorecard will also inform the individual scorecards of the Section 54/57 Managers.
- The Service Scorecard Level (SDBIP) – which captures the municipality's performance in each defined service by department and functional area, provides a comprehensive picture of the performance of a particular functional area as budgeted and consisted of objectives, indicators and targets .
- The two levels of scorecards will then become the performance management system (PMS) of The Newcastle Municipality. All reporting on the municipality's performance will be informed by information derived from the two-level scorecard and reflect the municipality's performance on the SIX perspectives.

7.2.1.1.5. DEVELOPING THE SCORECARD AND OUTLINING THE CONCEPT.

During the IDP process a corporate vision and mission were formulated for The Newcastle Municipality, together with broad key performance areas (KPA's),

development objectives and key performance indicators (KPIs) which feed into the vision and mission. It is now necessary to take this process further into the performance management system, by developing an organizational or strategic scorecard that will encompass all the relevant areas or concepts that will allow measurement of the performance of the organization using this scorecard. This will be done by using relevant concepts to populate the organizational and service scorecards of The Newcastle Municipality. This process of developing the organizational and service/departmental scorecards will be followed every year after adoption of the IDP and the budget and after evaluation of the previous year's scorecard or municipal performance. An illustration of the components of an organizational or strategic scorecard is reflected below.

Below is the concept used for the organisational scorecard:-

Step 1	Outline the National Key Performance Areas (KPA's) and IDP alignment
Step 2	Define Strategic Focus Areas (SFA's) that fall under each KPA
Step 3	Formulate appropriate development objectives (IDP Objectives) for each SFA
Step 4	Develop suitable Key Performance Indicators (KPIs)
Step 5	Indicate the types of Key Performance Indicators
Step 6	Provide baseline information
Step 7	Set annual targets for each KPI over the 5 year period to be reviewed annually
Step 8	Indicate quarterly targets to be met arising out of the each of the set annual targets based on the budget for the year under review which will cascade into the SDBIP
Step 9	Allocate responsibility to departments for execution of actions
Step 10	Provide frequency of reporting on progress
Step 11	Specify the source of evidence to be used for verification and auditing purposes

7.2.1.1.6. IMPLEMENTATION OF THE PMS.

Having identified the preferred performance model to be the Revised Municipal Scorecard, and having agreed to measure its performance against the SIX perspectives, The Newcastle Municipality will adopt a process plan for implementing its performance management system. The PMS implementation and management process will be carried out within the following phases:

Phase 1: Planning for Performance

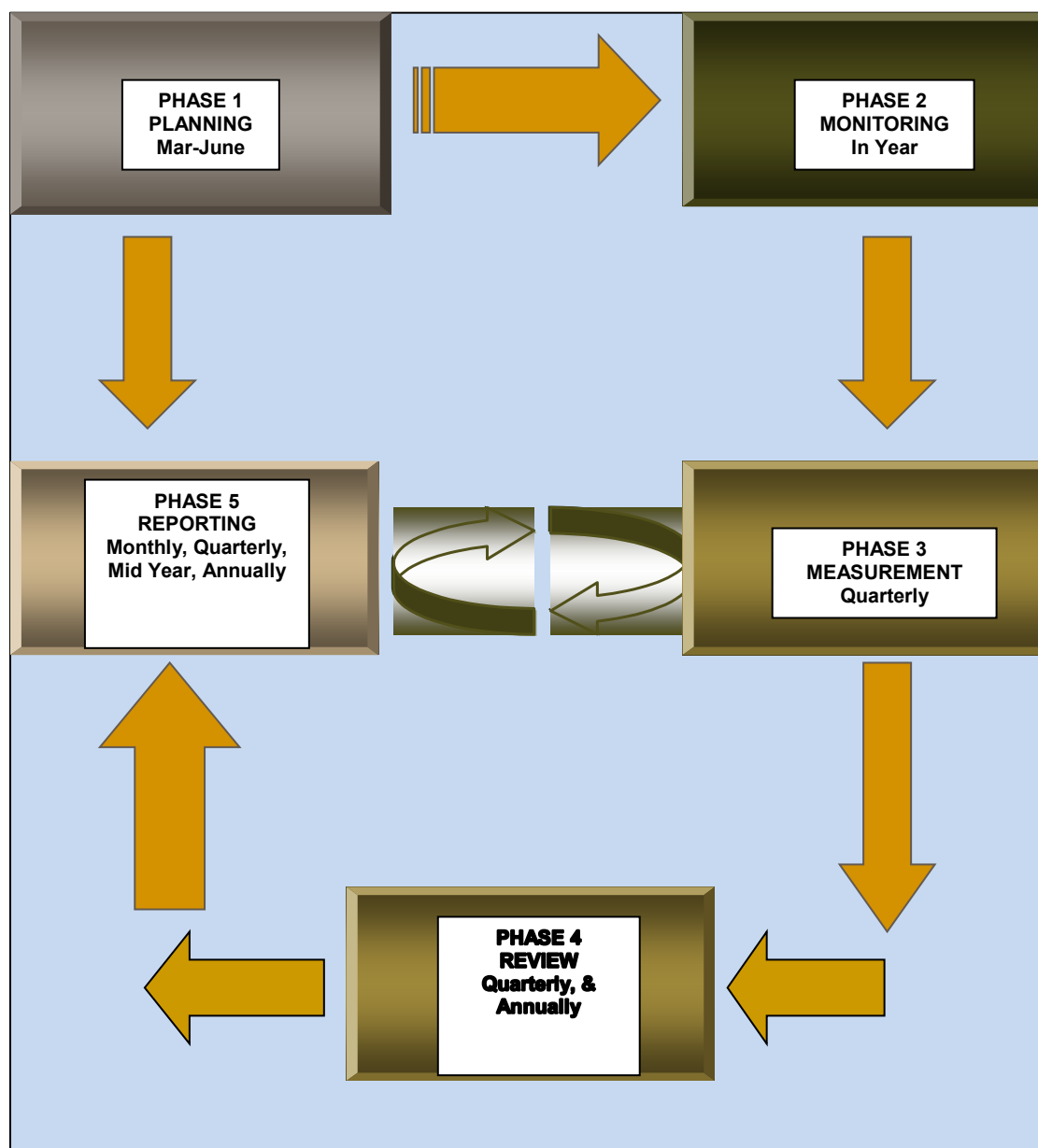
Phase 2: Performance Monitoring and Managing Performance Information

Phase 3: Performance Measurement and Analysis

Phase 4: Performance Review and Improvement

Phase 5: Performance Reporting

The Performance Management Cycle:-



The methodology for the performance assessment is based on the rating calculator for Municipal Manager's and managers directly accountable to the Municipal Manager, as well as the Dashboard illustrations used by the Auditor-General. This will cascade into individual performance assessments. A PMS Checklist is used to ensure that performance information as reported is :-

- Sufficient.
- Relevant.
- Accurate.

For the purpose of this monitoring, the Dashboard results will be highlighted in terms of:-

DASHBOARD ASSESSMENT KEY	
	TARGET OVER ACHIEVED
	TARGET MET
	TARGET IN PROGRESS
	TARGET NOT MET

7.2.1.1.7. EMPLOYEE PERFORMANCE MANAGEMENT.

In local government, municipal employees now fall into two broad categories: namely, the employees who are governed by Section 54/57 of the Municipal Systems Act and enter into time-specified employment contracts with the municipality, and those that are employed on permanent basis and are governed by the provisions of the Local Government Bargaining Council. The local government legislation has provided guidance on managing and rewarding performance of Section 54/57 Managers, i.e. the Municipal Manager and all Managers directly accountable to her. The Performance Management Regulations for Municipal Managers and Managers Directly Accountable of 2006 make special provisions for employment and managing performance of these employees.

Section 57 managers must enter into employment contract with the municipality on assumption of duties and the regulations give a detailed guide on the elements of an employment contract:-

- **Performance Agreements** must be signed on each financial year or part thereof.
- **Performance Agreements** must be signed for all employees appointed in an Acting capacity in terms of section 54 and 56 of the Municipal Systems Act (As amended) for any period of 3 months, or an extension thereof (as approved by Council), if applicable. Such agreement MUST be concluded within 30 days of the appointment as aligned to the approved IDP and SDBIP targets. The evaluation process as specified in Performance Management Regulations for Municipal Managers and Managers Directly Accountable of 2006, will also apply to an incumbent appointed in the “acting” capacity for the duration of the acting appointment. Such performance agreements MUST be approved by Council.
- A new **performance agreement** must be concluded within **one month** after the commencement of the new financial year, i.e. by 31 July of every year.
- A **personal development plan** must be documented at the end of the performance review and form part of the performance agreement.

The employee’s performance must be assessed against two components::

Key Performance Areas (KPA's) at (80%) and Core Competency Requirements (CCR's) at (20%):

- A **5 - point rating scale** should be provided for each Key Performance Indicator in the employees scorecard;
- The municipality must establish Evaluation Committees who must meet annually to evaluate the performance of the Municipal Manager and the managers directly accountable to the Municipal Manager;
- The Municipal Manager's annual performance must be evaluated by The Mayor, Chairperson of the Performance Audit Committee, Member of the Mayoral Committee, Mayor and/or Municipal Manager from another municipality and Member of a Ward Committee nominated by The Mayor;
- Managers directly accountable to the Municipal Manager must be rated by the Municipal Manager, Chairperson of the Performance Audit Committee, Member of the Mayoral Committee and a Municipal Manager from another municipality.

A performance bonus ranging from a minimum of 5% - 14% maximum of the all-inclusive remuneration package must be paid as follows:-

- **A score of 130 - 149% is awarded a bonus from 5% - 9%**
- **A score of 150% and above is awarded a bonus from 10% - 14%;**

Rewarding of Performance for Section 54/57 employees must be done after the adoption of the Annual Report. As can be seen from the above provisions, the Section 54/57 employees in Newcastle Municipality will align with the above regulations and their performance will be measured through their performance plans/scorecards. The same organizational scorecard will be cascaded to the employee scorecard and these will form part of their performance agreements. It is the intention of the municipality to formally incorporate the permanent employees into the overall performance management system of the municipality. This will translate into all employees of Newcastle Municipality developing annual scorecards that are aligned to their functional areas of responsibility and thereafter entering into performance agreements with their respective supervisors. Just like in the Section 54/57 employee performance provisions, the performance agreements of the permanent employees will include a personal development plan. An Individual performance policy as compiled by the Corporate Services Department will be submitted to Council for approval, to include a process for the phasing-in of individual performance management system for the Newcastle Municipality in the short-medium term. Organised Labour is to be engaged in this regard through the Local Labour Forum.

Recognition Awards

To promote an organisational culture that is performance driven, an Annual Management and Staff Awards will be introduced. The awards will be classified into different categories. Annually, after the adoption of the Annual Report of Council, all employees will be given an opportunity to nominate employees of their choice for each

category. Screening and evaluating of nominations will take place and ultimately one nominee wins the prize for each category. The categories are as follows:-

CATEGORIES	DESCRIPTION
Employee of the Year:	AN individual who has most effectively lived and practiced organisational values and displayed organisational and/or departmental mandate
1. Top Management	
2. Senior Managers	
3. Middle Management	
4. Supervision	
5. Non Supervision	
Customer Satisfaction	Provides service excellence that exceeds customer expectations
• Support Service	
• Service Delivery	
• Satellite Offices	
Best Performing Department	Department that at least has improved performance in all 4 quarters consistently, and promoted organisational values
Most Innovative – across all task grades	New creative contributions or solutions implemented in the year that improves efficiency, effectiveness and economy for the department or organisation
Excellence	To continuously strives to be the best through exceptional performance that exceed expectations
Integrity	To constantly act in a manner that promotes trust, dependability and commitment to honest behavior at all times
Special Awards	To be determined by Management and/or Exco

7.2.2. Annual Performance Report (2015/16).

7.2.2.1.1. LESSONS LEARNT IN 2015/16.

Reporting requires that the priorities of the organisation, its performance objectives, indicators, targets, measurements and analysis, are taken and presented in a simple and accessible format, relevant and useful to the specified target groups for review. While it is important that the reporting formats are relevant, useful and cater for the reader's need in reviewing performance, the existence of too many reporting formats can become both confusing and burdensome to the organisation. The ideal situation is the existence of one reporting format that contains the necessary information for all users, yet remains simple and accessible to all users. This was done using a basic Excel spreadsheet.

In the year under review, every attempt was made to align the planning and reporting template with KPI's from the National Treasury through the IDP process, and then subsequently at Mid-Year Review with the Back to Basics programme. This became rather confusing and frustrating for departments who were already accustomed to

KPI's from previous years which were also aligned to the IDP, which may have been phrased differently.

It is also apparent that in order for an effective PMS, it is necessary for all stakeholders to be involved in the planning, monitoring and review process. Of specific note is the need for the streamlining of oversight activities by the Council and Community through processes specified in a framework to be aligned to other key strategic processes of the organisation. Furthermore, the need for a National and Provincial reporting system integrated with local government is re-iterated for the purposes of mainstreaming of national programmes and reporting requirements.

Perhaps one of the critical factors influencing performance in the organisation is the value chain and instilling a culture of performance. This would include amongst others - change management and team building techniques, awareness of and practicing of Batho Pele principles and a Code of Ethics. Leadership and management processes are key to ensuring an outcome driven entity with recognition and acknowledgment systems being implemented. In the year under review, the organisational re-engineering, budget cuts, and the high vacancy rate in top management negatively impacted on the quality of performance reporting. It is therefore deemed appropriate to ensure that together with skills development and change management processes, performance management is cascaded to all levels of employees once the re-engineering process is finalised.

For the performance Management process to be efficient, it is necessary for an automated system to be implemented to ensure accurate reporting that is aligned to financial reporting processes. This must be followed by effective risk management and internal audit processes to ensure that review mechanisms are implemented timeously. For the year under review, the need to align with other governance processes was emphasised through the PMS process. Unfortunately, institutional challenges amongst others, contributed to inadequate monitoring mechanism for governance related issues. It is therefore necessary to ensure that when the PMS is automated, that it interfaces with the governance systems, including amongst others a project management module, GIS and financial systems.

The institutional arrangements within the organization must be such that it supports the process. This would include sufficient capacity to lead the process and to ensure that compliance issues are administered. The need for each department to also identify performance champions administratively to co-ordinate performance information to support performance managers and leaders is critical for ensuring compliance with reporting requirements. This would include adequate administrative systems such as record keeping, consistency with administrative support officials. Furthermore, ongoing awareness and training is necessary to ensure that the entity is abreast of all performance related issues and how this integrates into other municipal processes. This was affirmed by the Audit Committee, resolving that no interns be

used to co-ordinate PMS reporting in departments and that a co-ordinator in departments with administrative functions be nominated by each department. This continues to be a challenge in most departments resulting in lack of consistency in quality reporting.

Of critical importance is the need for top and senior management posts to be filled to ensure management and leadership in so far as performance management processes are concerned. This is necessary especially in terms of motivating a goal orientated environment, quality control in respect of reporting and monitoring, review and submission of evidence and more importantly ensuring accountability at a senior management level. Actions plans in so far as the filling of critical posts must be implemented to meet the targets as specified in the SDBIP, including reducing the turnaround time for the filling of these posts. The vacancy rate in levels of senior management and operationally within the organisation also impacts negatively on performance. This is re-affirmed by Audit Committee recommendations that the use of interns for supporting the performance management process had to be reversed to ensure accountability at a management level, and to improve the quality of reporting. Of course these factors must be taken into account when aligning targets to resources available. The PMS unit have in the year under review introduced a "*Monitoring and Evaluation Checklist*" to support KPI and project owners review of performance information to meet the basic requirements of the PMS. It was designed also to support the monitoring and evaluation process. The pilot process of the checklist was not entirely successful as departments opted to use traditional methods of submission of performance information – thus contributing to poor quality reporting. The success of this new support approach is dependent on effective and functional senior management at a strategic and operational level. It is incumbent on both management and Council to ensure a resource orientated monitoring and evaluation environment. The role of the PMS unit as defined in the PMS Framework was operationally reviewed in the year under review to that of supporting departments to ensure quality reporting. This is also dependent on the co-operation and buy-in of officials in departments working with performance information and proved challenging in an organisational with institutional and transformational challenges. Furthermore – skills capacity and competencies in the PMS unit is evolving more towards analytical and audit orientated – as opposed to primarily administrative as is contained in the job requirements for key positions within the unit. It is necessary for the relevant skills development programmes to also be extended to all relevant officials in department to improve quality of performance processes.

The need for improved Intergovernmental relations to ensure streamlining of performance based reporting processes is also necessary This would require that all spheres of government to integrate and co-ordinate these reporting requirements through the identification and rationalization of key performance indicators aligned to the National Growth Path. Furthermore the alignment to the national government Medium Term Strategic Framework and national priorities is necessary to ensure that

all spheres of government are striving to common goals and targets. It is also deemed appropriate for a common reporting, monitoring and assessment process be developed for all spheres of government in respect of specific key intervention /performance areas.

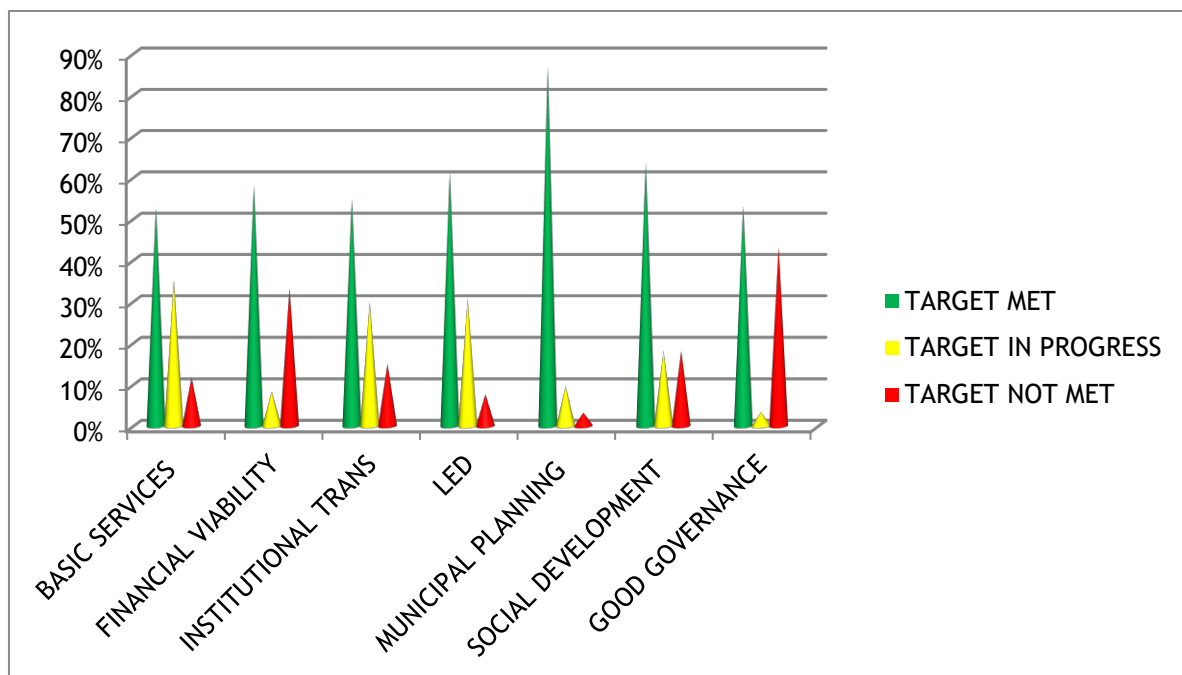
7.2.2.1.2. ORGANASATIONAL SCORE-CARD 2015/16 ANALYSIS.

For the 2015/16 financial year, a total of 145 key performance indicators (relevant and applicable) are evaluated against targets set as summarized below:-

KPA	BASIC SERVICES	FINANCIAL VIABILITY	INSTITUTIONAL TRANS	LED	MUNICIPAL PLANNING	SOCIAL DEVELOPMENT	GOOD GOVERNANCE	
TARGET MET	4	5	7	5	18	9	12	60
TARGET IN PROGRESS	6	1	6	4	3	4	1	25
TARGET NOT MET	2	4	3	1	1	4	13	28
TARGET OVER ACHIEVED	5	2	4	3	9	5	4	32
								0
TOTAL KPIS	17	12	20	13	31	22	30	145

From the above 63% Of targets were achieved ,of which 21% was exceeded for all key performance indicators on the organisational score-card linked to the IDP. This is a regression 75% targets met from the previous financial year. 19% of targets were not achieved, with 17% of targets being partially achieved or still in progress and 6% not met at all.

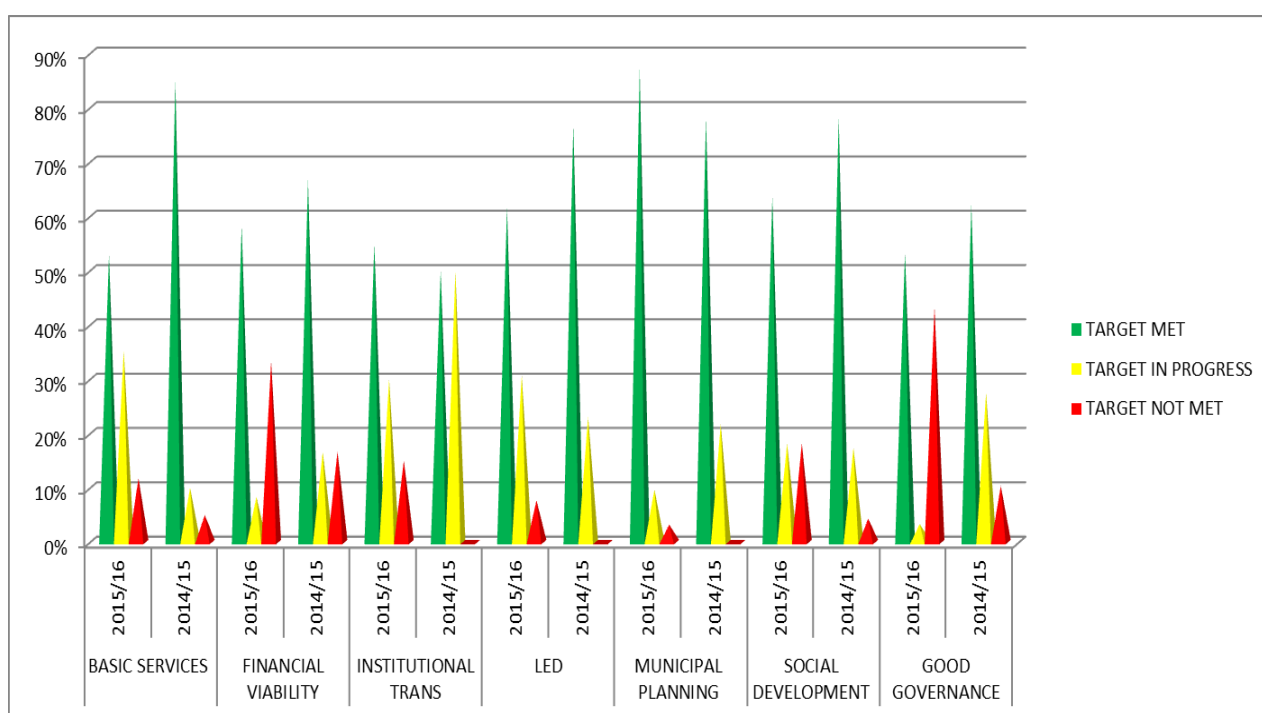
7.2.2.1.3. 2015/16 KPA PERFORMANCE.



Where performance was not reported and/or reported but was not backed with relevant, sufficient or accurate evidence, the target was deemed to have not been achieved or still in progress.

The graph below illustrates the performance against each KPA as included in the organisational score-card for the 2015/16 compared to performance for the same KPA in the previous financial year.

- KPA PERFORMANCE 2014/15 vs 2015/16:-**



7.2.3. Service Delivery Budget Implementation Plan (2015/16).

The progressive performance for all 4 quarters was assessed against the annual target to determine the annual actual – and thus annual performance.

The table below highlights the annual SDBIP performance using the dash board as mentioned above :-

	TARGET MET	TARGET NOT MET	TARGET IN PROGRESS	TARGET OVER ACHIEVED	
BTO	21	6	11	3	41
COMMUNITY SERVICES	13	6	7	8	34
CORPORATE SERVICES	7	6	8	6	27
DPHS	21	3	9	18	51
ELECTRICAL	6	4	7	6	23
MUNICIPAL MANAGER	21	24	6	12	63
TECHNICAL SERVICES	9	7	17	6	39
	98	56	65	59	278

The total number of KPI's on the performance score-cards (Departmental SDBIP's) is 278 (relevant and applicable) of which targets on the score-cards forms the basis of this assessment. From the table above 157 KPI's (57%) of targets have been met (of which 21% is overachieved) for the year under review on the SDBIP's holistically compared to 69% from the previous financial year. 20% of targets are either partially met or still in progress. 23% of the targets are not met at all. A target is assessed as not met or in progress if no actual has been reported and/or where insufficient, irrelevant or inaccurate evidence is submitted to support reported performance or reason for variance.

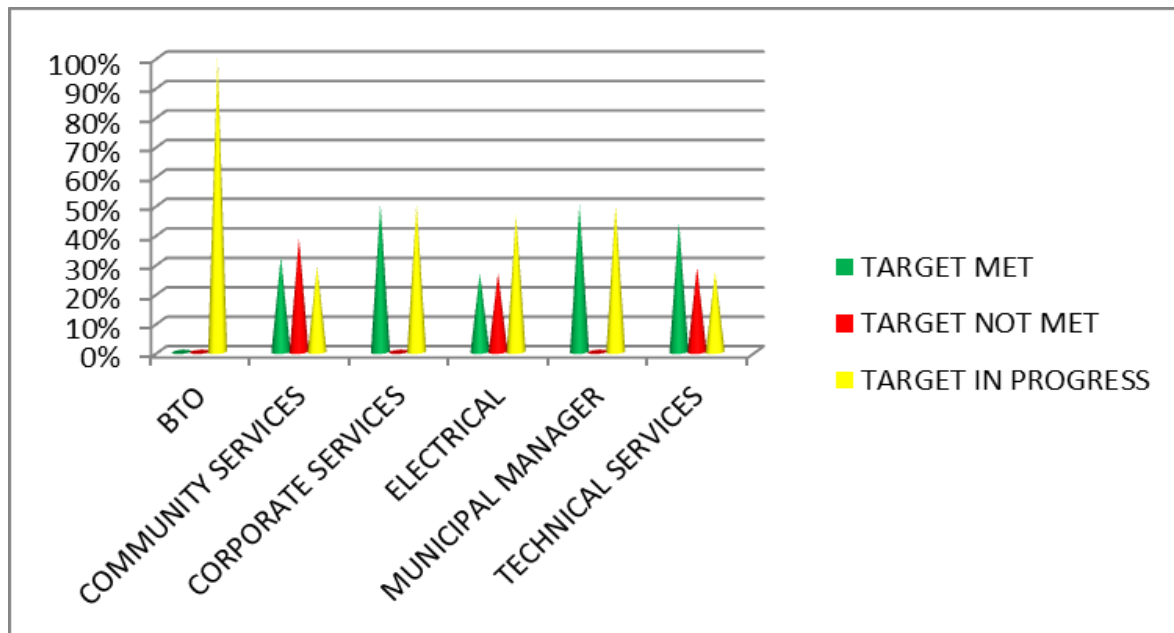
7.2.4. Performance of the Capital Programme (2015/16).

The status of the capital program is illustrated below :

	TARGET MET	TARGET NOT MET	TARGET IN PROGRESS	
BTO	0		1	1
COMMUNITY SERVICES	20	24	18	62
CORPORATE SERVICES	2	0	2	4
DPHS	2	3	5	10
ELECTRICAL	4	4	7	15
MUNICIPAL MANAGER	1	0	1	2
TECHNICAL SERVICES	32	21	20	73
TOTAL	61	52	54	167

From the above table only 36 % of projects were completed during the 2015/16 financial year compared to 53% from 2014/15. 32% of project was still in progress at year end, of which it is recommended that the projects be rolled over into the 2016/17 financial year for completion. The total number of projects under review is 167 of which 61 have been completed/ target met as per the approved project implementation plan.

The graph below illustrates performance of departments in relation to the number of projects per department.



7.2.5. Financial Performance (2015/16).

7.2.5.1.1. FINANCIAL PERFORMANCE AGAINST IDP KEY PERFORMANCE AREAS.

IDP KEY PERFORMANCE AREA	FULL YEAR TOTAL			YEAR TO DATE		
	BUDGET	ACTUAL		BUDGET	ACTUAL	
	CAPITAL			OPEX		
INFRASTRUCTURE DEVELOPMENT	235,573,866.00	186,970,889.73	48%	1,333,107,003.00	1,722,509,808.26	91%
SOCIAL DEVELOPMENT	51,011,626.00	23,859,137.27	6%	75,278,891.00	82,243,150.00	4%
FINANCIAL VIABILITY	2,256,029.00	1,712,535.80	0%	180,314,364.00	180,961,032.31	10%
GOOD GOVERNANCE & PUBLIC CONSULTATION	72,669,259.00	64,150,316.82	16%	258,636,852.00	11,235,118.59	1%
INSTITUTION DEVELOPMENT &	3,796,222.00	3,644,520.00	1%	20,975,266.00	31,257,345.96	2%
LOCAL ECONOMIC DEVELOPMENT	7,386,774.00	3,491,519.97	1%	14,966,088.00	15,830,062.53	1%
SPATIAL AND ENVIRONMENTAL	17,166,184.00	14,089,800.63	4%	19,616,875.00	16,434,747.29	1%
GRAND TOTAL	389,859,960.00	297,918,720.22	76%	1,902,895,339.00	2,060,471,264.94	108%

7.2.5.1.2. FINANCIAL PERFORMANCE BY DEPARTMENT/VOTE.

DEPARTMENT/VOTE	FULL YEAR TOTAL			YEAR TO DATE		
	BUDGET	ACTUAL		BUDGET	ACTUAL	
	CAPEX			OPEX		
CORPORATE SERVICES	69,845,259.00	60,365,696.35	15%	179,199,528.00	(73,594,489.03)	-4%
COMMUNITY SERVICES	64,952,875.00	33,360,905.02	9%	273,412,842.00	309,225,153.29	16%
MM's OFFICE	2,824,000.00	3,784,620.47	1%	79,437,324.00	84,829,607.62	4%
DPHS	28,349,180.00	21,225,840.60	5%	55,558,229.00	63,522,155.78	3%
BTO	2,256,029.00	1,712,535.80	0%	180,314,364.00	180,961,032.31	10%
ELECTRICAL SERVICES	39,803,049.00	32,283,648.83	8%	534,437,121.00	543,065,756.02	29%
TECHNICAL SERVICES	181,829,568.00	145,185,472.93	37%	600,535,931.00	952,462,048.95	50%
	389,859,960.00	297,918,720.00	76%	1,902,895,339.00	2,060,471,264.94	108%



**SECTION 8:
SECTOR PLANS.**

8. SECTOR PLANS.

8.1. NEWCASTLE LOCAL MUNICIPALITY SECTOR PLANS.

Ref	Activity/ Item Description	Levels of Execution		*LM Responsibility over Period					Comments
		*LM	*DM	2013/14	2014/15	2015/16	2016/17		
1.	Disaster Management Plan/ Contingency Plan	✓	✓	✓	✓	✓	✓	Completed	District Municipality is implementing through shared Services but Newcastle has recently developed its own Disaster Management Plan.
2.	HIV/AIDS Action Plan	✓	✓	✓	✓			Completed	Special Programs implemented through the Operation Sukuma Sakhe Provincial Program.
3.	Institutional Plan	✓		✓	✓	✓		Completed	Completed and approved by Council
4.	Performance Management System (PMS)	✓		✓	✓	✓		Completed	PMS review completed and approved by Council in line with the IDP, Budget and the SDF. It's being implemented with Section 57, and rollout is well underway
5.	Skills Development Plan	✓		✓	✓	✓		Completed	Approved and adopted by EXCO/Council with implementation is well underway.
6.	Financial Management Plan	✓		✓	✓	✓		Completed	Fully-fledged Financial Plan in-place and approved by Council together with the Budget.
7.	Capital Investment Programme/ Framework (CIP)	✓		✓	✓	✓		Completed	Three Year Capital Program incorporated into the IDP but the Municipality on the process of developing a five year capital investment program once all sector plans are in place.
8.	Environmental Management Framework	✓				✓		Completed	Final document completed, approved and adopted by EXCO/Council.
9.	Local Economic Development (LED)	✓		✓	✓	✓		Completed	Completed in November 2012 and is currently being implemented.
10.	Poverty Relief/Alleviation Programme	✓		✓	✓	✓		Completed	Approved and adopted by Council. Implementation underway.
11.	Revenue Enhancement Strategy	✓		✓	✓	✓		Completed	Review underway, very critical for NLM.
12.	Housing Sector Plan	✓		✓	✓	✓		Completed	Final Housing Sector Plan complete. Currently being implemented.
13.	Water Services Development Plan (WSDP)	✓	✓	✓	✓	✓		Completed	WSDP completed but still due for a review in order to reflect the latest trends regarding the current predicament of low rainfall and water shortages.
15.	Waste Management Plan	✓	✓	✓	✓	✓		Completed	Completed, approved and adopted by Council. Implementation thereof is well underway.
16.	Roads and Storm water Master Plan	✓		✓	✓	✓		Completed	The Road and Stormwater plan is done in line with GRAP.
17.	Integrated Traffic and Transportation Plan	✓	✓			✓		Completed	Developed and finalised. Awaiting endorsement by the PSC so as to seek approval and adoption by EXCO/Council.
18.	Electrification Plan	✓	✓					Underway	Available with the DC. But Newcastle to develop its own in 2014/2015 financial year
19.	Tourism Strategy	✓	✓	✓	✓	✓		Completed	Approved and adopted by Council. Implementation underway.
20.	Town Planning Scheme	✓		✓	✓	✓		Underway	Wall-to-wall finalised. Awaiting endorsement by the PSC so as to seek approval and adoption by EXCO/Council.

Ref	Activity/ Item Description	Levels of Execution		*LM Responsibility over Period				Comments
		*LM	*DM	2013/14	2014/15	2015/16	2016/17	
21.	Spatial Development Framework	✓		✓	✓	✓	Completed	Reviewed SDF approved and adopted by Council together with the Final IDP (2016/17).
22.	Gender Employment Equity Plan	✓		✓	✓	✓	Completed	Approved and adopted by EXCO/Council with implementation underway.
23.	Communication Strategy	✓					Underway	Currently being developed.
24.	IT Communications Policy	✓		✓	✓	✓	Completed	Approved and adopted by EXCO/Council and implementation underway.
25.	IT Policy	✓		✓	✓	✓	Completed	Approved and adopted by EXCO/Council and implementation underway.
26.	Asset Management Policy	✓		✓	✓	✓	Completed	Approved and adopted by EXCO/Council. Currently undergoing review in line with the changing circumstances.
26.	Fraud and Corruption Prevention Strategy	✓			✓	✓	Completed	Approved and adopted by EXCO/Council. Implementation underway, very critical for the NLM.
27.	Cemetery Plan	✓			✓	✓	Underway	Investigation on identification of suitable sites underway.
28.	Ward Committee Policy	✓		✓	✓	✓	Completed	Implementation well underway.
29.	Business Retention and Expansion Strategy	✓	✓				Underway	Currently being developed.

LIST OF ANNEXURES.

- ANNEXURE A - NEWCASTLE MUNICIPALITY FINAL SPATIAL - DEVELOPMENT FRAMEWORK.
- ANNEXURE B - MAP WORK.
 - SITUATIONAL ANALYSIS.
 - FACILITIES.
 - CAPITAL INVESTMENT FRAMEWORK
- ANNEXURE C - PERFORMANCE MANAGEMENT SYSTEMS.