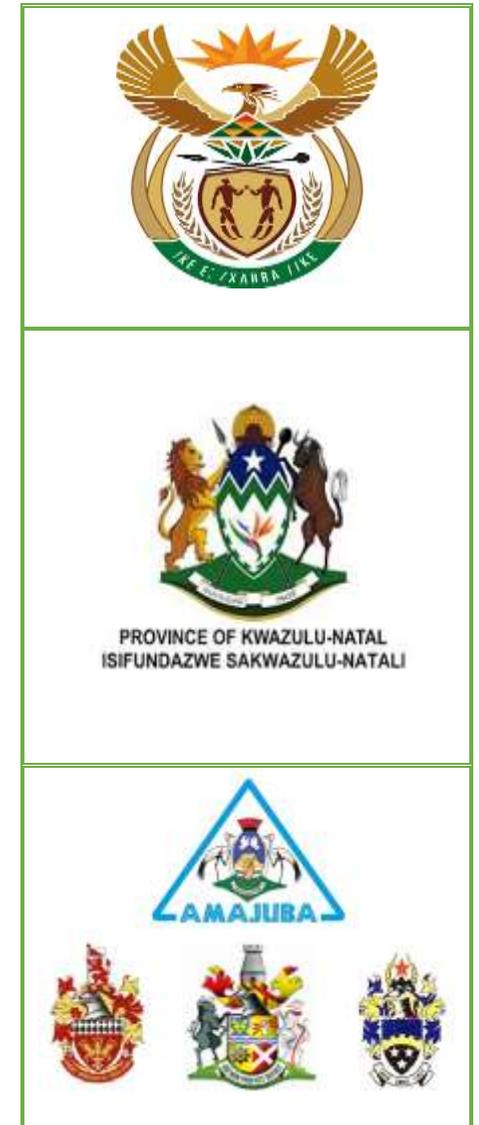


AMAJUBA DISTRICT MUNICIPALITY, KZN DISTRICT DEVELOPMENT MODEL PROFILE AND ANALYSIS

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SOURCE DOCUMENTS REFERENCED

Name of Document	Date of version	Author/ owner
Draft National Spatial Development Framework	2019	DPME
Provincial Growth and Development Strategy	2019	OTP
KZN Human Settlement Master Spatial Plan	2016	HDA
District Growth and Development Plan	2019	Amajuba
Spatial Development Frameworks	2022	Amajuba, Newcastle, Dannhauser, eMadlangeni
Integrated Development Plans	2022	Amajuba, Newcastle, Dannhauser, eMadlangeni
District Rural Development Plan	2019	DRD&LR
Amajuba District Profile Spatial Analysis	2019	DRD&LE
State of Municipalities Assessment Outcomes	2019	COGTA
Water Service Delivery: KZN Reference to Bulk	May 2019	COGTA
Amajuba District Development Model	November 2019	MISA
Progress on Municipal Turn-around Strategy as Intervention Approach, Back to Basics & Municipal Support Plan: Amajuba District & Local Municipalities	2020	COGTA
One on One Engagement Reports	2022	Newcastle, eMadlangeni

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1 Executive summary

This is a desktop analysis making use of available data sources and the outcomes of the assessment of the first generation Amajuba DDM. This report will mature as more information becomes available from National Government, Provincial Departments, and the municipalities themselves.

The DM is located in the north-west corner of the province and is well connected and accessible in the spatial and economic functional region. Based on its accessibility and the higher order of its public and private sector facilities, the urban centre of Newcastle has established itself as an important retail and service centre servicing northern KZN, the Eastern Free State, and southern Mpumalanga.

The spatial policies of the past have had a very strong impact on the structure and functionality of the different areas within the Amajuba DM. The most visible impact is fragmentation of communities as well as marginalisation of economic activities which has resulted in poor participation in the economy. Recent land reform interventions have continued to entrench past settlement practices and have settled communities on the economic and spatial peripheries.

The population of the District is a youthful population growing at an estimated rate of 1.2% per annum from 2011 to 2016. Educational levels are comparably low with a concentration of people with higher education qualifications in the urban core of Newcastle. Poverty and HIV/ Aids levels are high and there is a moderate

reliance on social grants due to the suppressed nature of the economy. This also has an impact on affordability and payment for services. Further research and analysis is needed on the poverty, hunger and inequality trends within the District and this needs to inform the priority interventions identified in the forward planning interventions.

It is noted that there is misalignment of statistics used for forward planning by the three spheres of government within the District and that there is a need to use agreed-upon data sources for all planning and future projections. Migration and settlement patterns within the District need to be more effectively tracked.

In terms of misalignment in investments/ projects, those identified in existing plans are not always in areas where it will have the most impact. State investments are also not unlocking private sector investment to its full potential. It is very apparent that most plans are largely working without the private sector and wondering why the private sector is not responding as envisaged. Fragmented settlement structures are resulting in high cost of providing services. Under current funding models, Municipalities cannot afford to supply services to the outer-lying areas. Maintenance of existing infrastructure is also not adequately planned or budgeted for. It is also noted that Municipal technical service departments are poorly resourced and in many instances have poorly trained and motivated staff. The same is true for planning staff who are central coordinators in the long-terms planning, monitoring and reviews.

Long term planning and infrastructure projects are poorly linked. As a result, long-term projected demands are not sufficiently addressed in designs. Bulk services that are put in the ground are too small to cater for future demands. Water storage planning requires attention and new storage dams need to be planned for, funded and developed.

The process to populate the projects included in the Amajuba DDM made use of the four clusters. Cluster representatives from national and provincial departments as well as municipalities were required to highlight projects that their respective entities have committed to as well as the catalytic projects they will be involved in.

2 Purpose of the profile

The Profile document provides key data to guide decision making relating to interventions within the DDM areas.

The profile will :-

- Provide the District Hub members with a brief overview of the District demographics, and development profile.
- Provide a high level assessment of the key strategies and priorities for improvement and transformation in the following:- economic positioning, spatial restructuring, infrastructure engineering, housing and services provisioning, and governance and management.
- Identify and collate all current sector and sphere commitments (projects and investments) in the District area for the next 18 months.
- Identify catalytic projects
- Identify key gaps and areas of misalignment between SDF, IDP and DGDP and gaps between sector plans with the DGDP, SDF and IDP.

3 Introduction: brief overview

3.1 Location

The Amajuba District Municipality is one of 10 District Municipalities within KwaZulu- Natal and is located in the north-west corner of the province. The District

comprises of the Newcastle (KZ252), eMadlangeni (KZ254) and Dannhauser (KZ254) municipalities.

MAP 1: Amajuba District Municipality in the provincial context.



The DM occupies approximately 7,102 km² and is well connected and accessible in the spatial and economic functional region. The geographical location along the border of KwaZulu-Natal, the Free State and Mpumalanga Provinces establishes the area as a gateway/ entry point from these provinces. In terms of roads, the DM is bisected by the N11 linking KZN to Mpumalanga and Gauteng, the R34 linking to Vryheid in the Zululand DM and the port of Richards Bay in the King Cetshwayo DM, and the R68 linking to Dundee and Glencoe in the uMzinyathi DM. The national rail link from Gauteng to the Port of Durban also travels through the DM.

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Based on its accessibility and the higher order of its public and private sector facilities, the urban centre of Newcastle has established itself as an important retail and service centre servicing northern KZN, the Eastern Free State, and southern Mpumalanga.

The District settlement pattern is influenced by the 3 urban centres of Newcastle, Dannhauser and Utrecht, the Traditional Authority areas between these three centres, as well as the steep topography particularly to the North and West of the District.

MAP 2: Settlement in relation to Slope



(Source: Rural Development Plan for the ADM, 2019, p35)

3.2 Spatial Equity status

3.2.1 Legacy Issues Affecting Access and Marginalisation

The spatial policies of the past have had a very strong impact on the structure and functionality of the different areas within the Amajuba DM. The most

visible impact is fragmentation of communities as well as marginalisation of economic activities in an effort to undermine participation in the economy. These policies enforced a system of physically locating people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development. In the context of the Newcastle urban complex where most residents reside within the District, spatial fragmentation was implemented to effectively separate Newcastle west and the former dormitory suburbs of Madadeni and Osizweni which were approximately 15km and 35km respectively from the Newcastle CBD.

In terms of spatial equity and access to services, which will be dealt with in more detail below, the urban centres/ former Transitional Local Council (TLC) areas and associated formal townships generally have good access to services. The Water Services Authorities of Amajuba and Newcastle have been focussing on water reticulation and sanitation provision in the inter-joining areas and a number of housing projects by the Department of Human Settlement have also resulted in greater access to basic services. Many of the communities that have benefited from Land Reform initiatives, however, particularly redistribution initiatives, have been settled and left without adequate services and post settlement support. Many of the farms purchased are also a significant distance from the urban and employment cores. The unintended consequences of many of these interventions has been to further entrench marginalisation. The agri-village initiative in the eMadlangeni municipality is a positive way of reversing this and ensuring greater

access to both economic opportunities and basic and government services.

3.2.2 Land Ownership

The District Municipality is characterised with a very diverse land ownership composition, with most of the land being privately owned.

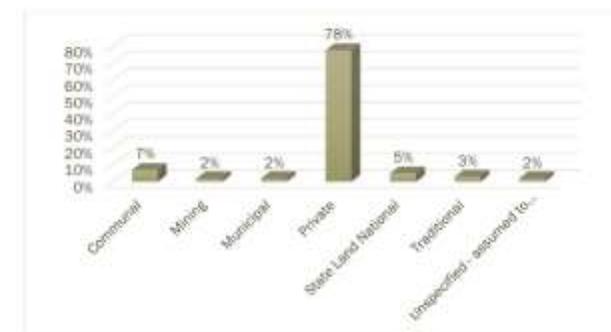
The ADM DGDP (2019) indicates that 51% of land is estimated to be privately owned, with Trust ownership accounting for a further 18%, and companies owning around 16%. State ownership accounts for 2.4%, municipal ownership for 1.4% and Traditional Authority land comprises 4.2% of the land. In terms of Traditional Authority Land, there are two Traditional Councils within the District Municipality who manage the land in terms of the Ingonyama Trust Act (3KZ of 1994), namely the Ubuhle- Bomzinyathi and Nyanyadu Tribal Councils.

TABLE 1: Extent of Traditional Councils within the District

Traditional Authority	Extent (Ha)
Ubuhle-Bomzinyathi	47 005.28
Gule / Nyanyadu	4 104.93
Total	51 110.21

(Source: Rural Development Plan for the ADM, 2019, p20)

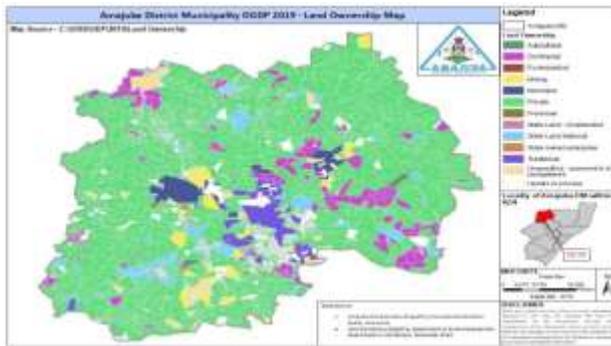
FIGURE 1: Land Ownership within the Amajuba DM



(Source: Rural Development & Land Reform 2018, in DGDP 2019, p38)

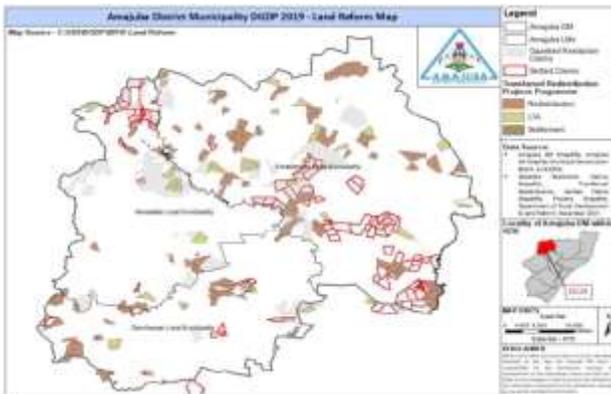
The DM is characterized by complex and intricate land reform challenges. These include farm dwellers whose land rights are protected in terms of the Extension of Security of Tenure Act (62 of 1997). These are households that are established within commercial farms, but their members no longer provide labour to the farms. Although these households may not be evicted unless the ESTA process has been followed, their land remains insecure, and in most cases, residents live without basic services. The 2019 Pietermaritzburg High Court Ruling, however, challenges this and is set to have significant impacts on municipal service planning and implementation in the commercial farming areas henceforth.

MAP 3: Land Ownership



(Source: Rural Development & Land Reform 2018, in DGDP 2019, p39)

MAP 4: Land Reform Projects



(Source: Rural Development & Land Reform 2018, in DGDP 2019, p 41)

One of the common scenarios that has characterised the negative output of the land reform programme within the District Municipality is the situation whereby productive agricultural lands have been misused or transformed into settlements. The outcome of this process has serious spatial implications including the emergence of small isolated settlements in the middle

of commercial agricultural areas. These are often hard to service and may be associated with future pressures to expand into commercial agricultural lands further diminishing the outputs from the District Municipality.

The demand for agricultural land is tied up in a number of unresolved land claims which have yet to be properly processed and resolved. Once completed, the demand for agricultural land will be clarified.

3.2.3 Settlement Patterns

Information based on Community Survey 2016 data shows that the district population resides in the following settlement types:

TABLE 2: Settlement Types

Settlement Types	Description
Urban	Build-up areas
Tribal/Traditional	Traditional Authority areas
Farms	Communities living outside tribal areas on farms

(Source: STATSSA, 2016 in DGDP 2019, p 52)

TABLE 3: % Population by Settlement Typology

Typology	Dannhauser	Emadlangeni	Newcastle
Formal Dwelling	50.5%	52.1%	68.8%
Informal Dwelling	0.3%	0.7%	13.2%
Traditional Dwelling	49.2%	48.2%	18%

(Source: STATSSA, 2016 in DGDP 2019, p 52)

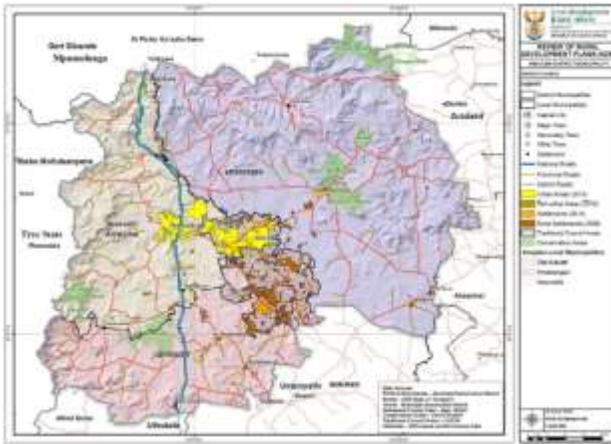
These figures indicate that the majority of urban settlements are located in the Newcastle Municipality. Dannhauser has the highest proportion of its population residing in the tribal/ traditional authority areas. Most of the district populations, who live in urban areas, are located in Newcastle, Utrecht and Dannhauser.

Dannhauser Municipality is predominantly rural in character with urban areas limited to Dannhauser and surrounding areas that formed part of the coal mining activities. The locality is also characterized by vast commercial farmlands populated at very low densities by commercial farmers and farm dwellers. The development in most of the area is scattered with an absence of a strong nodal hierarchy. Uneven topography, membership of the community and traditional land allocation practices are the major factors that shape this settlement pattern.

In eMadlangeni, the main urban settlements are situated in Utrecht, where an urban edge has been demarcated. Other significant settlements are Groenvlei, Amantungwa, Kingsley, Blue Mountain, Nzima and Mabaso. Scattered settlement patterns exist throughout the municipality and this mainly occurs along roads.

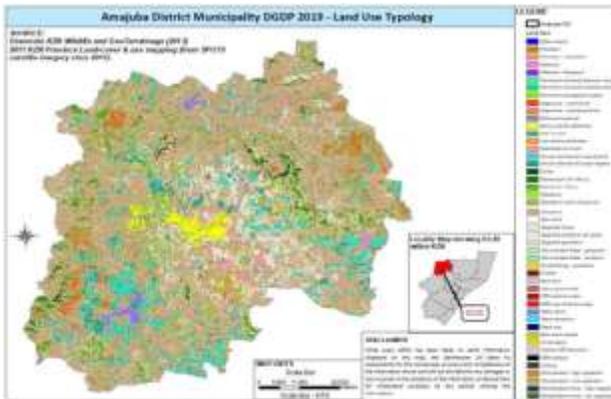
The settlement pattern in Newcastle has largely followed access routes thus forming an economic system with definite interdependencies between and among various elements. However, it has also been highly influenced by the past Apartheid planning and segregationist policies. The current settlement pattern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

MAP 5: Settlement Patterns



(Source: Rural Development Plan for the ADM, 2019, p22)

MAP 6: District Land Use Map



(Source: Amajuba GIS, 2018 in DGDP 2019, p 41)

3.2.4 Transportation & Communication Networks

In terms of roads, there are 4 classes of roads in the DM, namely National, Provincial, District and local. Amajuba is mainly served by the N11 North- South corridor between Ladysmith, Newcastle and Volksrust which was part of the SIP2 corridor study. The P37 Provincial road to the north of Newcastle provides further access to Utrecht and Vryheid. The P483 Provincial road forms the major access road from Newcastle to Madadeni, Osizweni and Utrecht all located to the east of Newcastle. Newcastle Municipality’s long term planning indicates a major upgrade to this road thereby improving accessibility to the Newcastle CBD and the JBC Node and beyond.

The rest of Amajuba are served by lower order provincial surfaced roads as well as gravel roads. The total length of road in Amajuba is 2255km. The national and provincial main roads that run through the District are mainly surfaced whilst the majority of district and community access roads are not.

TABLE 4: Surfacing of Roads in the Amajuba DM

Local Municipality	Surfaced Roads (km)		Unsurfaced Roads (km)		Total Length (km)
	Length	(%)	Length	(%)	
Newcastle	162,7	44,4%	103,9	35,6%	366,6
Utrecht	115,2	16,3%	592,9	83,7%	708,1
Dannhauser	140,5	46,5%	177,1	33,5%	317,7
Amajuba	318,4	32,6%	1 074,0	67,4%	1 502,4

(Source: DGDP 2019, p 51)

Most community access unsurfaced roads are not constructed to proper geometric design standards due

to the rough terrain and limited funding available. Several of these access roads are used by public transport vehicles, resulting in high maintenance cost of vehicles and unsafe travel conditions for passengers. Unsurfaced roads are often very slippery during the rainy season due to flooding and poor *in situ* soil conditions, which results in the rural communities having no vehicle access or an unreliable public transport service.

In terms of traffic volumes, 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.

In terms of rail, the main rail link between Gauteng and eThekweni passes through Ladysmith, Newcastle, Charlestown and Volksrust. The railway line is a freight railway line serving the Mittal area and runs parallel to and abutting the road, linking Newcastle, Madadeni, Osizweni and Utrecht. Spoornet is the landowner of the station as well as the rail line.

No commuter rail service currently exists within the Amajuba area and is mainly the result of the location of the Newcastle station in relation to the actual residential areas and the employments centres. Although the alignment of the railway line lends itself to the provision of a rail commuter service several factors hamper the actual provision of such a service. These include:

- High capital investment for the provision of rolling stock;
- Increase in the annual maintenance of the rail line because of the inclusion of passenger transport service and not only freight service;
- High capital investment for the provision of suitable stations along the rail line in the areas of Madadeni and Osizweni;
- Remote location of the current station in terms of residential areas and employment opportunities; and
- People settling within the rail reserve between Osizweni and Dicks.

In terms of air transport infrastructure, the District is serviced by a Category II Airport which has recently been upgraded and forms an integral part of a planned Techno- Hub. The main aim of a techno-hub is the commercialization of innovative ideas through which products, processes, strategies, and services are formulated to create jobs and to generate wealth in Newcastle.

3.3 Key gaps and misalignment between spheres on analysis and interventions

- The main issues facing Amajuba DM is a poor settlement pattern, which manifests in the form of the dominance of small towns as regional service centres and economic hubs, as well as the expansive farming areas and a general rural character of the area. The net effect of this is the inability to decentralize and co-ordinate service delivery at a localized level.

- Slow release of land for housing by both the public and private sector resulting in densifying settlements where land is available, often far from employment or servicing options.
- Land tenure reform planning is not integrated into planning tools and frameworks due to a lack of high level integration between the Department of Rural Development and Land Reform, the Department of Agriculture and Rural Development, the Commission of Restitution of Land Rights and the District and Local Municipalities. The net result has been the settlement of communities in deep rural areas further entrenching marginalisation. Post settlement support has not been forthcoming further worsening the communities' quality of life.
- The purchase of commercial farms for communities who in turn do not commercially farm these areas, together with the closing of many coal mines within the District, has placed strain on rural towns like Utrecht in the district. Due to the decline of spend in these towns, many of the higher order shops have closed, resulting in spend leakage, as well as diminishing rates for the municipality.
- In terms of transport options, there is a need to further investigate the viability of a rail commuter service that will complement the existing public transport service and become significant as settlement expands and densifies.
- There are cellular network coverage issues along the northern portions of the eMadlangeni municipality which need addressing particularly as

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urban nodes like Groenvlei and other potential agri-village sites come on line.

- Better digital accessibility and internet coverage is needed for the District so as to allow greater access to information for schools, training facilities and communities at large.
- There is limited tracking in the Municipal IDPs and SDFs of informal settlements and settlements on commercial farmlands. The net result is that these settlements do not feature in the municipal servicing plans or priorities.
- Spatial transformation as contemplated in SPLUMA (16 of 2013), and Spatial Equity (PGDS Goal 7) are broadly discussed and referenced in the municipal planning documents but are rarely institutionalised in the local context and forward planning.
- Traditional settlement planning on Ingonyama Trust and on free hold land in-between Ingonyama Trust land is not adequately addressed. There is a need to refine the Traditional Settlement Master Plans and ensure that the outcomes imbed within the municipal SDFs and scheme controls. This will ensure alignment and prevent continued low density sprawl over the few remaining pockets of good agricultural lands within these areas.
- There are a number of communities on the periphery of the District that are reliant on cross-border services, both within KZN, and across provincial borders. These include Charlestown, Inkosi Nzima area, Blue Mountain and Groenvlei, Fort mistake area and the newly incorporated farming areas to the south-west of Dannhauser, and the areas of Kingsley and Blood River.

4 Social Development profile

4.1 Key Social Demographics

4.1.1 Population Dynamics

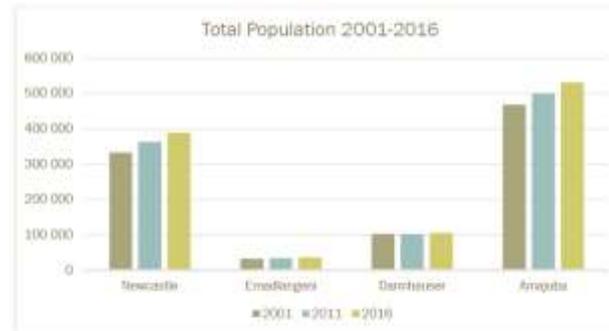
According to STATSSA figures, Amajuba District experienced an increase in its total population figures by 1.2% growth rate from 2011 to 2016. It is interesting to note that Dannhauser has experienced a decline in its population figures between 2001 and 2011 (-0.1 growth rate) and an increase of only 0.6% in 2016. This could be attributed to a mixture of socio-economic factors which can indicate an improvement in health care services, reduction in mortality rates, improving economic conditions which create employment opportunities amongst others (Amajuba District Municipality Growth and Development Plan, 2019: 18).

TABLE 5: Total Population in the ADM

Municipality	2001	2011	2016	Population Growth Rate (2011-2016)
Newcastle	330 085	363 136	389 327	1.4%
eMahlangueni	22 577	24 442	26 806	1.4%
Dannhauser	102 779	102 381	95 341	-0.6%
Amajuba	455 441	490 065	512 315	1.2%

(Source: Statistics SA, Census 2011 & Community Survey 2016 in Amajuba District Municipality Growth and Development Plan 2019, P18)

FIGURE 2: Total Population in the ADM 2001- 2016



(Source: Statistics SA, Census 2011 & Community Survey 2016 in Amajuba District Municipality Growth and Development Plan 2019, P18)

It is noted that there are contradictions in the statistics and population growth rate figures in key forward-looking documents. Therefore, figures used in this document are from the DGDP as it is the most recent document available.

The table below indicates the population projections from 2020 to 2035 based on an average population growth rate of 1% per annum (rounded off to the nearest hundred).

TABLE 6: Amajuba Population Projections

Year	2020	2025	2030	2035
Projected Population	546 667	574 532	603 860	634 663

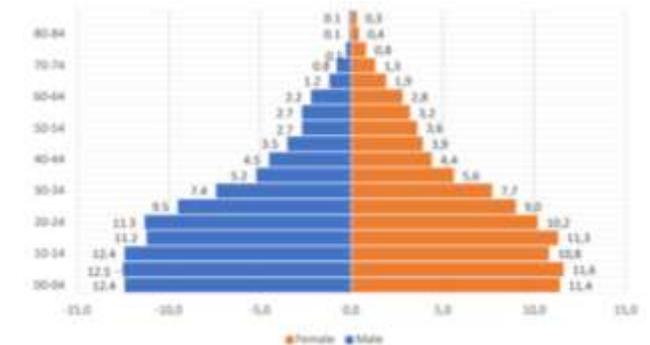
(Source: Rural Development Plan for the ADM, 2019, p23)

4.1.2 Gender and Age Profiles

The population pyramid below outlines the District's age and gender distribution profile. What can be seen is that the population is a youthful population with the majority of the population being below 30 years of age. The figures suggest that the infant mortality rate is

Year 2 Amajuba District Profile Report 2022 decreasing. This is a good indication as it translates that there are improvements in health care services and the general livelihood of the residence in the Amajuba District. There are also more males than females.

FIGURE 3: Amajuba Gender and Age Pyramid



Source: Statistics SA - 2016 Community Survey on 30-06-2016

(Source: StatsSA- 2016 Community Survey in Amajuba District Municipality IDP 2019-2020, p36)

The Community Survey (2016) indicates that:

- 52% of the Newcastle population are female;
- 52% of the eMahlangueni population are female; and
- 53% of the Dannhauser population are female.

In terms of the working age population together with the median age, the Community Survey (2016) indicates that:

- 54% of the Newcastle population is between 18 to 64 years with the median age being 22 years;
- 49% of the eMahlangueni population is between 18 to 64 years with the median age being 20 years; and
- 50% of the Dannhauser population is between 18 to 64 years with the median age being 19 years.

The dependency ratio measures the proportion of the population outside of the labour force (i.e. proportion of the population between the ages 0-14 years and over 65 years) that is dependent on the economic activity of those working (i.e. population between the ages 15-64 years). The dependency ratio can be interpreted as a crude measure of poverty - insofar as it reflects the number of people in the labor force sustaining dependents (i.e. the young and old population). The table below highlights the dependency rates for the district for 2001 and 2011.

TABLE 7: Amajuba Dependency Ratios

	2001	2011
Population 0-14 years	168 374	188 258
Population 65 years+	23 271	19 755
Dependent population	191 645	208 013
Population 15-64 years	108 304	113 313
Dependency ratio	62.2%	64.3%

(Source: Amajuba DGDP. p23)

The District has seen an increase of 2.1% in the dependency rate from 62.2% in 2011 to 64.3% in 2016. However, when interpreted in conjunction with the low-income levels of households/ people employed, the figures reflect that a high proportion of the population place an additional burden on the economically active population within the District.

4.1.3 Population Groups

The population of the Amajuba DM comprises mainly of Africans (93.2%), followed by whites (20.8%), Asians (3.4%) and Coloureds (0.6%). Of the African population, 67.6% are geographically located in Newcastle. It is noted that for the Community Survey (2016) results, Asians do not form a significant part of the population of eMadlangeni.

TABLE 8: Amajuba Population Groups

Group / Municipality	Year	Population Groups			
		Newcastle LM	eMadlangeni LM	Dannhauser LM	Amajuba DM
African	2011	335142	32001	99650	466793
	2016	359 117	33670	102129	495 116
White	2011	14275	1968	787	17030
	2016	13816	2601	1885	18104
Asian	2011	11686	42	1439	13167
	2016	13664	-	1121	14785
Coloured	2011	2733	431	285	3449
	2016	2519	396	406	3321

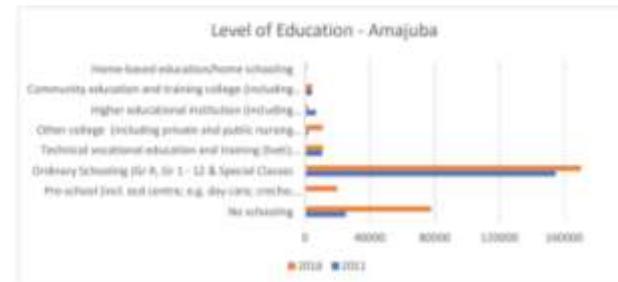
Source: Statistics SA – Census2011, Community Survey 2016 on 30-06-2016

(Source: StatsSA- 2016 Community Survey in Amajuba District Municipality IDP 2019-2020, p36)

4.1.4 Education Levels

It is noted that the proportion of the population with no schooling has increased significantly between 2011 and 2016, from 25,352 to 77,923. In spite of this, the numbers of scholars in Pre-school and ordinary schooling has increased significantly.

FIGURE 4: Amajuba Levels of Education



(Source: Amajuba District Municipality IDP 2019-2020. p228)

In terms of early childhood development, the following is noted:

- **Amajuba DM:** about 18% of age group 3 to 4 years have access to ECD in contrary to the 2020 target of 35%.
- **Newcastle LM:** has an approximate of 48 ECD facilities within the municipality.
- **eMadlangeni LM:** provides resources and support in the field of early childhood development and; Strives to ensure the effectiveness and efficiency of ECD provision to all children;
- **Dannhauser LM:** established a firm foundation for a comprehensive ECD programme that is an integral part of the education system; with support from non-governmental organizations Dannhauser has developed 2 child care facilities and anticipated to provide further 2 child care centres in the 2019/20 financial year.

4.2 Multi-dimensional Poverty

4.2.1 South African Multi- Dimensional Poverty Index

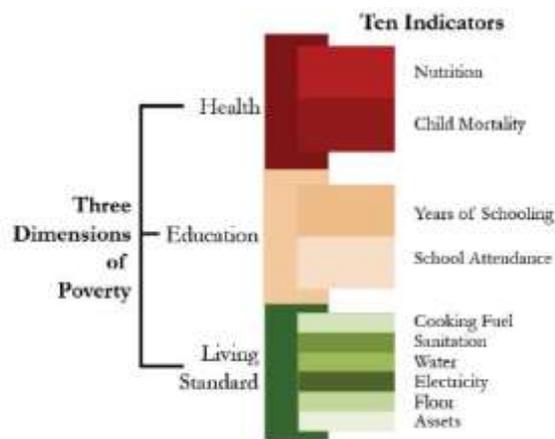
The South African Multi-dimensional Poverty Index (MPI) was published by STATSSA in 2014 and provides poverty maps and data at a provincial and municipal level.

STATSSA (2014, p1) indicate that SAMPI was prepared out of the desire to develop a new product that could build onto the work started with the development of the Provincial Indices of Multiple Deprivation (PIMD) after Census 2001. The approach used is based on the following:

- Poverty is a complex issue that manifests itself in economic, social and political ways;
- Income denotes the means to achieving a better life, but is not actually the better life itself;
- Poor people themselves describe their experience of poverty as multidimensional;
- The more policy-relevant information there is available on poverty, the better equipped policy-makers will be to reduce it; and
- Some methods of multidimensional measurement can be used for additional purposes such as targeting or conditional transfers.

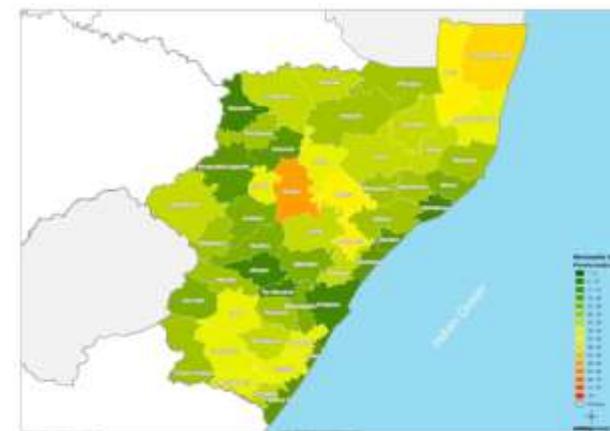
The MPI is an international measure of acute poverty. The model was developed by Alkire & Foster from Oxford University for the United Nations (UN) and has been used in over 100 developing countries. The MPI “complements traditional income/expenditure-based poverty measures by capturing the severe deprivations that each person or household faces with respect to education, health and living standards”. The figure below indicates its components.

FIGURE 5: Dimension and Indicators of the MPI



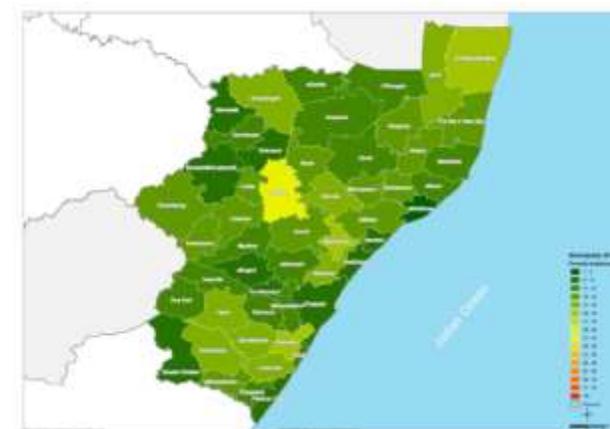
(Source: STATSSA, 2014, p3)

MAP 7: Poverty Head Count (H) in KZN at a Municipal Level in 2001



(Source: STATSSA, 2014, p34)

MAP 8: Poverty Head Count (H) in KZN at a Municipal Level in 2011



(Source: STATSSA, 2014, p35)

The municipal scores are indicated below.

TABLE 9: Poverty Measures for Census 2001 and 2011 at municipal level in KZN

	Census 2001			Census 2011		
	Headcount (%)	Intensity (%)	SAMPI (R/k)	Headcount (%)	Intensity (%)	SAMPI (R/k)
Mogale	59.2%	44.2%	0.28	27.2%	43.7%	0.14
Umkhanyakange	49.9%	44.8%	0.22	29.5%	42.7%	0.12
Vuhozi	26.2%	42.3%	0.15	29.0%	41.2%	0.12
Mphahlele	42.5%	42.7%	0.18	25.4%	40.8%	0.10
Khuzulethu	44.2%	43.3%	0.18	24.2%	41.2%	0.10
East	43.0%	42.8%	0.18	22.2%	42.2%	0.09
Umtsheni	38.4%	41.4%	0.15	22.8%	41.2%	0.09
Umkhanyakange	40.0%	43.4%	0.17	22.2%	42.7%	0.09
Amajuba	33.8%	42.0%	0.14	21.8%	42.7%	0.09
Umtsheni	39.0%	23.2%	0.15	21.7%	41.3%	0.09
Nelson Mandela	34.7%	42.2%	0.15	21.0%	41.0%	0.09
Inqutu	39.2%	43.0%	0.17	21.4%	41.3%	0.09
Umtsheni	32.7%	41.3%	0.14	19.9%	41.4%	0.09
Ficksburg	38.2%	42.8%	0.17	19.2%	41.2%	0.09
Umtsheni	34.2%	44.5%	0.18	18.7%	42.8%	0.08
Inkomo	38.8%	43.3%	0.18	18.3%	42.7%	0.08
The Big 5 Park Bay	36.0%	42.8%	0.18	17.2%	42.1%	0.07
Umtsheni	37.7%	42.2%	0.16	17.8%	41.2%	0.07
Handeni	29.8%	41.0%	0.12	16.4%	41.3%	0.07
Handeni	33.8%	43.7%	0.18	16.1%	41.8%	0.07
Umtsheni	24.0%	46.0%	0.11	15.9%	40.3%	0.07
Umtsheni	27.7%	41.3%	0.11	15.8%	40.5%	0.07
Umtsheni	29.8%	42.4%	0.13	15.1%	41.5%	0.07
Hlangana	34.8%	43.0%	0.18	15.3%	41.7%	0.06
Umtsheni	27.5%	42.8%	0.12	15.8%	40.4%	0.06
Bungweni	32.0%	42.2%	0.14	13.0%	41.2%	0.06
Umtsheni	19.2%	45.7%	0.09	12.8%	43.8%	0.06
Umtsheni	33.2%	42.1%	0.10	14.8%	40.7%	0.06
Inqutu	28.0%	43.1%	0.12	14.2%	41.3%	0.06
Umtsheni	31.0%	42.8%	0.13	13.4%	41.2%	0.06
Umtsheni	28.2%	42.2%	0.11	13.0%	39.9%	0.05
Umtsheni	26.0%	43.0%	0.11	12.5%	41.4%	0.05
Umtsheni	31.7%	43.2%	0.14	12.4%	41.8%	0.05
Dannhauser	27.4%	44.1%	0.12	17.8%	41.8%	0.05
Umtsheni	27.2%	23.2%	0.12	11.2%	41.3%	0.05
Umtsheni	27.0%	44.3%	0.12	11.2%	41.9%	0.05
Umtsheni	21.0%	40.2%	0.08	10.9%	40.8%	0.04
Umtsheni	21.8%	44.3%	0.10	10.0%	40.9%	0.04
Umtsheni	23.2%	41.2%	0.10	10.8%	40.3%	0.04
Umtsheni	23.8%	43.7%	0.10	10.9%	41.5%	0.04
Umtsheni	29.7%	41.8%	0.13	9.3%	42.8%	0.04
Umtsheni	17.9%	42.7%	0.08	8.2%	41.2%	0.04
Umtsheni	19.2%	42.0%	0.08	8.2%	41.2%	0.04
Umtsheni	18.2%	42.7%	0.08	8.1%	41.9%	0.04
Umtsheni	17.2%	43.2%	0.07	8.0%	41.8%	0.03
Umtsheni	18.8%	40.2%	0.08	7.2%	40.2%	0.03
Umtsheni	14.8%	45.2%	0.07	6.0%	42.8%	0.03
Umtsheni	13.8%	44.4%	0.06	5.9%	42.5%	0.03
Umtsheni	11.2%	41.4%	0.05	5.7%	43.4%	0.02
Umtsheni	14.2%	44.0%	0.08	5.5%	42.1%	0.02
Umtsheni	15.2%	44.4%	0.08	4.7%	41.5%	0.02
Umtsheni	22.2%	42.8%	0.10	10.9%	42.0%	0.05

(Source: STATSSA, 2014, p33)

According to the Amajuba SDF (2019), 52% of the population are estimated to be living under poverty. The major factors that contribute to high level of poverty are high unemployment rates and minimum job opportunities. The plan notes that the majority of residents earn less than R800 per month, which

indicates that individuals cannot afford basic services such as housing and health services. The table below indicates the total number of people below the poverty line.

TABLE 10: People below the poverty Line

	Amajuba	Newcastle	eMahlangueni	Dannhauser
Year	People below the food poverty line (StatsSA defined) 2015			
2014	172 763	116 708	13 946	42 109
2015	172 152	117 417	13 950	40 785
Year	People below the lower poverty line (StatsSA defined)			
2014	263 508	179 701	20 904	62 904
2015	262 609	180 610	20 788	61 212

(Source: Amajuba IDP, 2019 p 42)

The following table is extracted from the Amajuba IDP (2019) and indicates Social Grant Support. Although not dated or referenced, the figures paint a bleak picture and indicate a high dependency on the state, particularly relating to the child support grant.

TABLE 11: Social Grant Support

Grant Type	% per category	Social Grant Beneficiaries			
		No. of beneficiaries 2010	No. of beneficiaries 2011	No. of beneficiaries 2016	No. of beneficiaries 2018
Older Pension Grant	27.0	34171	3267	17967	2567
Disability grant	9.5	10514	2212	7000	462
Family Care grant	3.6	4655	1890	2621	369
Child support grant	0.8	380	37	242	11
Asset transfer	1.6	1780	873	1181	169
Care Dependency grant	36.0	10076	311	19152	103
Child support grant	45.0	49922	13960	17128	1144
Total beneficiaries		118021	22000	40041	2080
Percentage Contribution to AGM	100	100.0	18.8	34.1	1.8

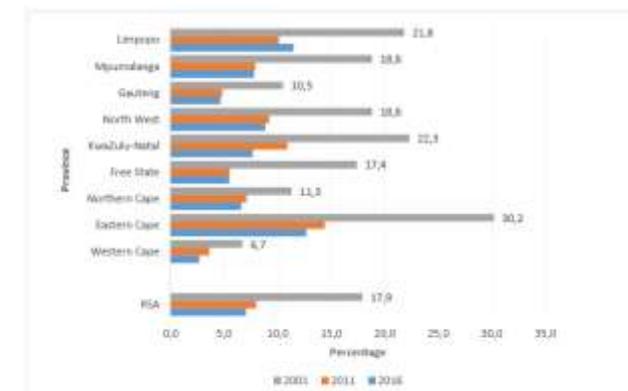
(Source: Amajuba IDP, 2019 p 253)

4.3 Hunger

STATSSA (2019) released a report measuring the extent of food security in South Africa so as to examine hunger and food adequacy, thereby shedding greater

light on the state of food and nutrition security in South Africa. The report seeks to provide information on the extent of households' experiences of hunger and access to food, as well as to provide insight on the location and the profile of households that are food insecure in terms of access to food and exposure to hunger. The report also provides insight on the extent of households' involvement in agricultural activities. The report indicates that in the province of KwaZulu-Natal Multi-dimensional Poverty has dropped from as high as 22.3% in 2001.

FIGURE 6: Multi-dimensional poverty by province in South Africa in 2001, 2011 and 2016



(Source: STATSSA, 2019)

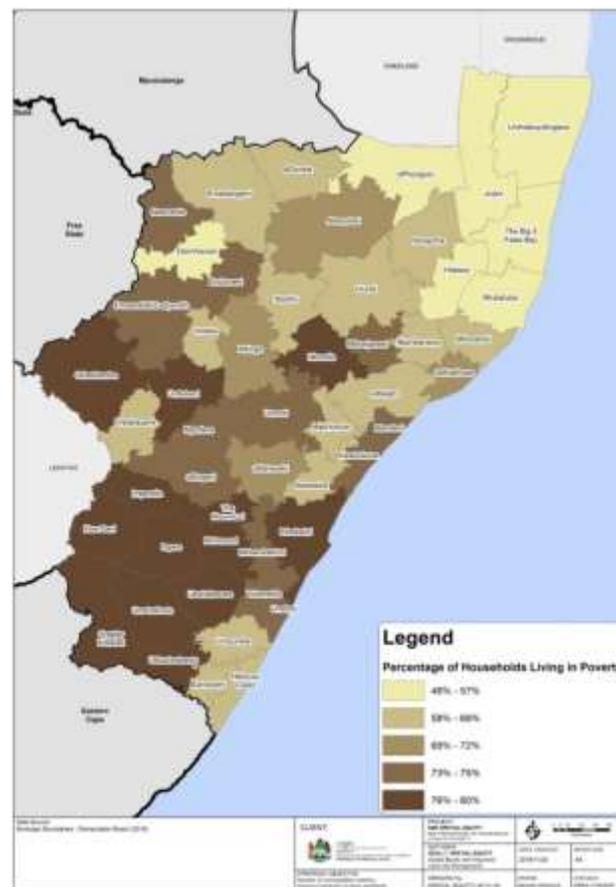
The study also analysed households involved in agricultural production activities and the impacts of this on food security and poverty levels. The study found that in 2011, 28.2% of households were involved in agricultural production activities which dropped to 18.5% in 2016. Droughts and declining numbers of household involved in agricultural activities negatively

affect food availability and accessibility at household level.

As a province the study indicated that 20.9% of households were vulnerable to hunger. The study also found that as people urbanise, fewer people are directly involved in agricultural production resulting in higher levels of household and child hunger.

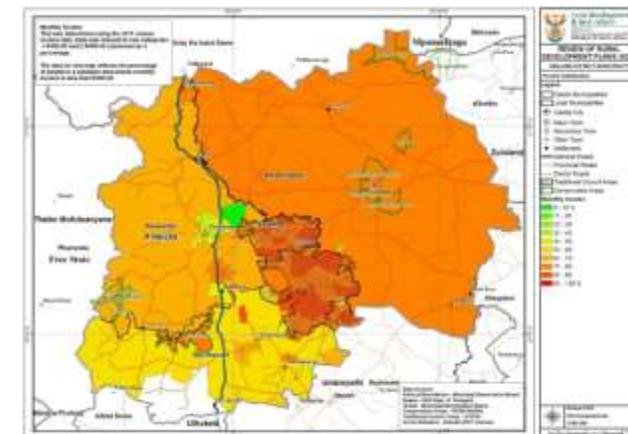
The following map illustrates levels of poverty within the province by indicating the percentage of households living in poverty. It must be noted that the darker the colour, the higher the percentage of households living in poverty. Through this categorisation, Newcastle has the highest percentage of households living in poverty.

MAP 9: Percentage of households living in Poverty



The following map has been extracted from the Amajuba Rural Development Plan and reflects STATSA (2011) data showing the percentage of people in a sub-place area whose monthly income is less than R400.

MAP 10: Poverty Distribution from the Amajuba Rural Development Plan (2019)



(Source: Rural Development Plan for the ADM, 2019, p80)

According to the Amajuba SDF (2019), 52% of the population are estimated to be living under poverty. The major factors that contribute to high level of poverty are high unemployment rates and minimum job opportunities. The plan notes that the majority of residents earn less than R800 per month, which indicates that individuals cannot afford basic services such as housing and health services.

The following figure illustrates the Annual Household income levels.

4.5 Social Capital

It is noted that no Spatial Capital Index data could be sourced for the Amajuba District in existing documents. Two documents were utilised to unpack the concept and to map levels of education respectively, namely the PGDS (2018) and the Rural Development Plan (2019)

The PGDP (2018) identifies that education and skills development are critical success factors for economic growth and social stability. It identifies it as goal 2 in the PGDP and aligned to National Outcomes 1, Quality Basic Education, and Outcome 5, A skilled and capable workforce to support an inclusive growth path.

National Outcome 1 is aimed at:

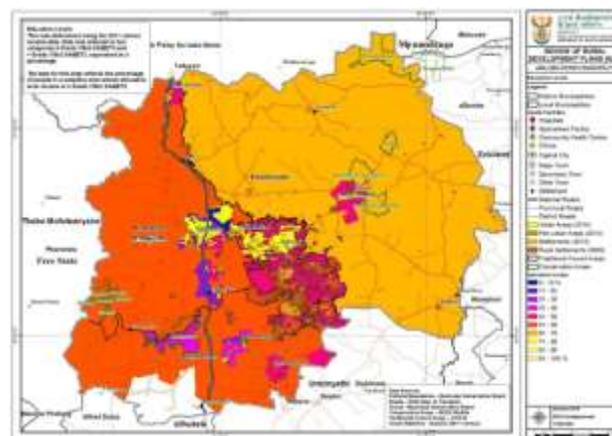
- Improving the quality of teaching and learning through development, supply and effective utilisation of teachers;
- Provision of adequate, quality infrastructure and Learning and Teaching Support Materials (LTSM);
- Tracking learner performance, expanded access to Early Childhood Development (covered in Outcome 13) and improvement of the quality of Grade R;
- Strengthening accountability and improving management at the school, community and district level; and
- Partnerships aimed at education reform and improved quality.

National Outcome 5 seeks to:

- Create a credible institutional mechanism for labour market and skills planning;
- Increase access and success in programmes leading to intermediate and high level learning and occupationally directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.

The following map from the Rural Development Plan (2019) illustrates the distribution of educational levels within the District. What is noted from the map is the urban concentration of skills in the urban centres of Newcastle inclusive of Madadeni and Osizweni, Dannhauser, and Utrecht.

MAP 12: Distribution of Educational Levels



(Source: Rural Development Plan for the ADM, 2019, p67)

4.6 Health

The Department of Health's Amajuba District Health Plan (2018, p2) indicates that the burden of disease that affects the District's citizens is mainly in the following 4 areas: HIV and TB, Maternal and Child morbidity and mortality, NCDs, Trauma and injuries.

In terms of primary health care, the Health Plan (2018, p3) indicates that in terms of primary health care and universal coverage, the majority of the citizens in District are solely reliant on the public sector services, mainly delivered through the Primary Healthcare (PHC) services. Of the total population, 90.6% of the citizens are not medically insured leaving only 9.4% with medical or health insurance. The District's primary healthcare services are delivered through 8 mobile services, within 25 fixed PHC facilities and 1 CHC. The Department of Health in the District works to: promote health, prevent illness and injury, and influence our stakeholders on the change towards improving the social determinants that affect health. The Department notes that their success in achieving better health outcomes in the District depends on the collective ability to build relationships and work across sectors to create cohesive communities and enabling environments that promote health. Few other challenges relates to human resources for health and physical infrastructure, with the high burden of disease resulting in immense strain on the health system. The Department of Health remains committed to forge ahead with the implementation of the National Health Insurance (NHI) initiatives. In order to progress towards the accreditation of facilities to implement NHI in the District, a concerted effort is required to

understand population health, increase responsiveness to community needs, improve the quality of services provided, and to work collaboratively with the community served.

In terms of HIV/ Aids, the District has had significant strides in improving access to treatment and reducing mother to child transmission, however, this scourge is a serious concern. There have been and still are successes with regard to ART initiations with a total of 53 646 clients remaining on ART at the end of the financial year 2016/17. The district did not do well with regard to HIV prevention interventions, both male and female condom distribution and Male Medical Circumcision (MMC), with the latter recording only 4 471 males circumcised. This is a challenge as it hampers efforts and interventions towards reducing HIV incidence. It is estimated that a total of 88 000 citizens in Amajuba are People Living with HIV (PLHIV), HIV Tembisa Estimates; 2016.

Tuberculosis (TB) continues to be the leading cause of deaths affecting the citizens of the District and also contributes to maternal deaths. Despite the efforts and resources injected towards fighting TB, declining treatment success rate from 77.8% to 77.6% that was achieved in 2015/16 is a worrying concern. It is estimated that more than 4 000 people had TB in the District in 2017 (*WHO TB estimates*). This places TB at the top of public health problems in Amajuba. Renewed focus will be directed towards reducing the detrimental impact that the disease has on many communities within the District borders.

Maternal deaths remain a concern for the District with the previous financial year recording 11 maternal deaths (i.e. 130.3/100 000 live births in 2016/17 Financial Year). This affects the progress toward the Sustainable Development Goals (SDGs) which envisions the reduction of Maternal mortality Rate (MMR) to less than 70/100 000 live births. Child health is another area of service delivery concern and includes the challenge to deal adequately with malnutrition, which along with other related diseases like, HIV and Diarrhoeal Diseases (DD), make-up child morbidity and mortality concerns. The uptake of vaccines is not as high as it should be and there is a need to improve the mass immunisation campaign to reach as many children as possible. Improved health by reducing preventable diseases and injuries are another strategic focus area in the current strategic term.

Non-communicable Diseases (NCDs) are becoming a global threat. The success of HIV treatment also contributes to people living longer some eventually developing NCDs. The District's citizens are not immune to the burden posed by the diseases of lifestyle. Among these, Diabetes has since been among the top 4 leading causes of deaths. There are, however, worrying signs of the dangers posed by these global threats, the increasing incidence and the number of amputations that were performed as a result of complications. Promoting healthy lifestyle and health seeking behaviour is essential in order to have healthy communities. The Department of Health has adopted a Life Course approach in dealing with all the risks and the interventions will have to cover

Year 2 Amajuba District Profile Report 2022 everything from pre-natal and post-natal care services that promote healthy lifestyle, eating and encourage active living. Palliative care is an integral part of the management of the NCDs.

The Health priorities for the District are summarised in the table below.

TABLE 12: District Health Aspirations and Priorities

Strategic Objective	Health Aspirations	Strategic Objectives
1. Reduce maternal deaths and neonatal deaths	Reduce the burden of disease	
2. Reduce and prevent child injuries and deaths	Reduce the burden of disease	
3. Reduce HIV incidence	Reduce the burden of disease	
4. Reduce mortality due to TB	Reduce the burden of disease	
5. Reduce diabetes and hypertension incidence	Reduce the burden of disease	
6. Increase the number of births	Strengthen health system effectiveness	
7. Increase expenditure per 1000 live births	Strengthen health system effectiveness	
8. Increase service coverage	Strengthen human resources for health	
9. Improved compliance to clean and FOC	Improve quality of health care	

(Source: Amajuba District Health Plan, 2018. P17)

TABLE 13: Number of Facilities per Sub-district

Sub-district	World Journal of Health Forum	CHC	CHC	District Hospital	Regional Hospital	Central/ Tertiary Hospital	Other Hospital
Danphouler SD	2	10	1	0	0	0	0
Emazingen SD	2	2	0	1	0	0	0
Heacoffe SD	2	14	0	0	0	0	1
Amajuba	12	26	1	1	2	0	1

(Source: Amajuba District Health Plan, 2018. P12)

The following table summarises the Public Health Facilities per sub- district.

TABLE 14: Number of Facilities per Sub-district

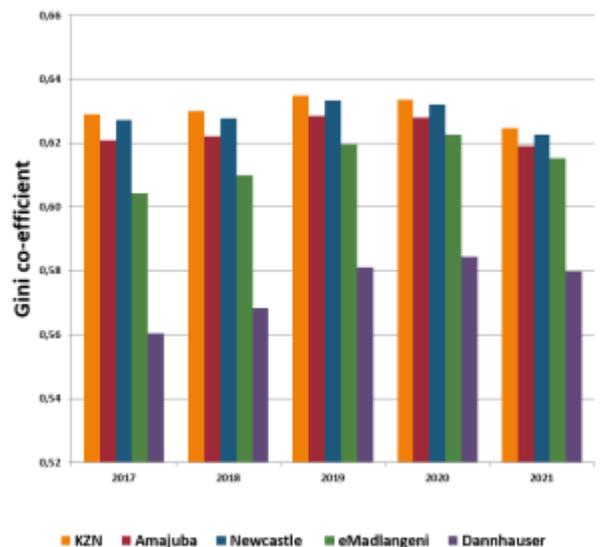
Dannhauser sub-district	eMadlangeni sub-district	Newcastle sub-district
1) Dumoos Clinic	1) Groenval Clinic	1) Christown Clinic
2) Thandani Clinic	2) Klemeyer Gateway	2) Ingogo Clinic
3) Vredet Clinic		3) Newcastle PHC
4) Ladybok Clinic		4) Madaeni 1 Clinic
5) Kalkedam Clinic		5) Madaeni 2 Clinic
6) Sauman Clinic		6) Madaeni 7 Clinic
7) Thembisa Clinic		7) Madaeni Gateway
8) Greenock Clinic		8) Jeffara Clinic
9) Kapaam Clinic		9) Kapaam Clinic
10) Buhaweni Clinic		10) Osheni 1 Clinic
11) Dannhauser CHC		11) Osheni 2 Clinic
		12) Osheni 3 Clinic
		13) Mindaas Clinic

(Source: Amajuba District Health Plan, 2018. P12)

4.7 Inequality

The Gini coefficient is commonly used as a measure of inequality of income or wealth. The Gini coefficient ranges from 0 to 1 - where a low Gini coefficient indicates a more equal distribution (with 0 corresponding to complete equality); while higher Gini coefficients indicate more unequal distribution, (with 1 corresponding to complete inequality). The figures indicate that Dannhauser has the lowest levels of inequality followed by eMadlangeni for the period 2017 to 2021.

FIGURE 8: Amajuba Gini Coefficient



(Source: EDTEA presentation, IHS, 2022)

The table below indicate the level of deprivation within the District, with each municipality within District being analysed against the 51 local municipalities in KZN.

TABLE 15: Multiple Deprivation Levels

	Income	Employment	Health	Education	Living Environment	Crime	Final Ranking
Newcastle	45	50	13	45	45	30	49/51
eMadlangeni	20	19	5	36	36	29	21/51
Dannhauser	3	8	44	21	16	28	11/51

(Source: Amajuba IDP, 2019 p41)

The analysis shows that within the District, Dannhauser has the highest level of deprivation, ranked number 11 out of 51 municipalities in the province, while Newcastle has the lowest deprivation and is ranked number 49 within the province.

The table below highlights the poverty levels within the District in terms of food poverty and lower-bound poverty and indicates that Dannhauser suffers the highest levels of poverty.

TABLE 16: Poverty levels

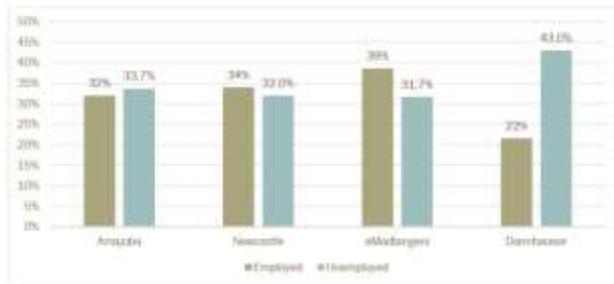
	POVERTY									
	2017		2018		2019		2020		2021	
	Food Poverty (%)	Lower-Bound Poverty (%)								
Amajuba	42,5	58,2	43,7	59,3	44,4	60,5	47,4	62,8	47,7	63,1
Newcastle	30,9	55,3	40,7	56,4	41,8	57,6	44,8	60,0	45,0	60,1
eMadlangeni	48,0	63,8	49,1	64,9	50,7	66,3	54,0	68,5	55,0	69,1
Dannhauser	50,1	67,2	50,8	68,0	51,9	69,1	53,0	71,1	53,5	71,1
Province	36,2	51,1	36,8	51,0	37,9	51,2	40,7	55,6	40,8	55,1

(Source: EDTEA, IHS, 2021)

4.8 Unemployment/Employment

The figure below illustrates the proportion of employed (in both the formal and informal sectors), unemployed and not economically active populations within the three local municipalities and Amajuba District.

FIGURE 9: Employment Levels by Municipality (2016)

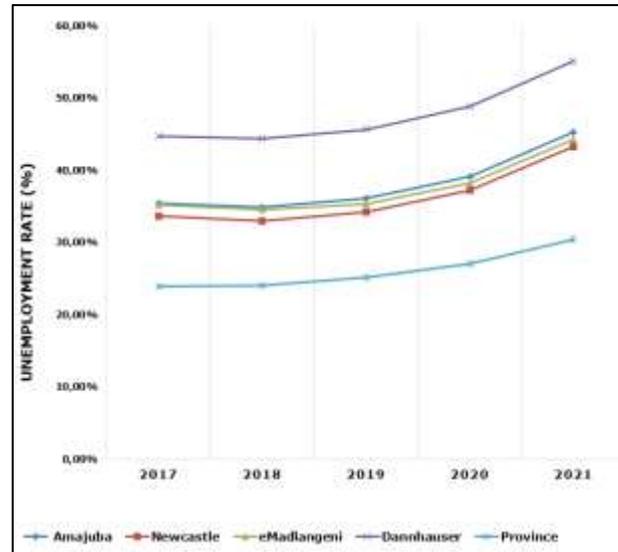


(Source: Provincial Treasury 2016 based on Global Insight Regional Explorer, in DGDP, 2019, p62)

It is noted that based on the 2016 data, 32% of Amajuba DM's working age population are formally employed, with 34 % for Newcastle, 39% for eMadlangeni, and 22% for Dannhauser. Dannhauser Local Municipality has the highest proportion of its population that are unemployed at 43%. Key areas of concern are the significant gaps between the percentage of working age population, employment and the large numbers of not economically active residents, indicating high dependency levels.

The following graph was prepared by EDTEA based on IHS (2021) data and indicates unemployment trends from 2017 to 2021. These figures highlight the high levels of unemployment across the three municipalities which are above the provincial average.

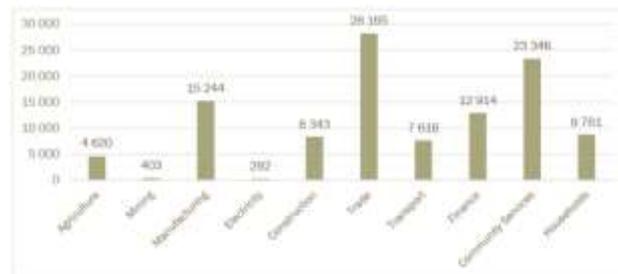
FIGURE 10: Average Unemployment trends (2021)



(Source: EDTEA, IHS, 2021)

The figure below displays the number of people employed per sector in the Amajuba District in 2016.

FIGURE 11: Number of People Employed by Sector (2016)



(Source: Provincial Treasury 2016 based on Global Insight Regional Explorer, in DGDP, 2019, p63)

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Agriculture experienced a -8% decline in employment over the past 5 years, while this figure was -1% for the tourism industry. Both the catering and accommodation, and agricultural sectors only contributed 3.9% each to total employment in the Amajuba DM. It is therefore important that initiatives are taken to ensure sustainable agricultural developing within the region, as well as to enhance employment in tourism related industries.

Although the manufacturing sector is the largest contributor to total district GVA (17.65%), this sector only contributed 13.1% to total employment in 2010, which is an indication of the capital intensiveness of the manufacturing activities within the district, and also highlights the importance of creating further employment opportunities within the manufacturing industry. In addition, the manufacturing sector has experienced a -1.6% decline in average annual growth of employment over the past 5 years (in line with GVA growth), which indicates a gradual decline within the sector, and highlights the need for further interventions in order to retain and expand existing manufacturing businesses.

The wholesale and trade sector make the largest contribution towards district employment levels, accounting for 25% of total employment in the district. The other two largest contributing sectors are community, social and personal services, and general government services, each contributing about 18% to total employment in the district. These sectors only contribute 11.2% and 13.8% respectively to total GVA, indicating that they are labour- intensive industries within the region. Both sectors only experienced

between 0.5% - 1.1% growth in employment over the past five years.

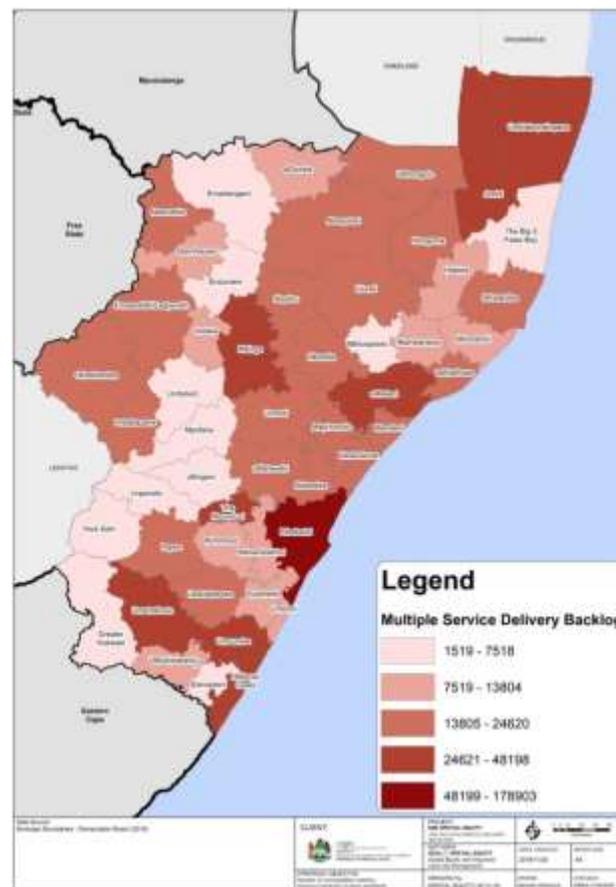
Overall, no sectors have experienced sufficient employment growth since 2005, with the greatest growth being Business Services, with 2.7% on average over the past five years.

Both the catering and accommodation, and agriculture sectors only contributed 2% each to total employment. Initiatives need to be developed to ensure sustainable agricultural development within the District, as well as to enhance employment in tourism related industries.

4.9 Service Delivery Index

The following map illustrates a multiple service delivery backlog which is a composite of backlogs in water, sanitation, electricity, waste removal, and housing. The figures illustrate that the Newcastle municipality has the highest multiple service delivery backlog in the District.

MAP 13: Multiple Service Delivery Backlog



4.10 Household dynamics

The following table illustrates the household size per municipality between 2011 and 2016. As a whole, the household size in Amajuba has increased marginally from 4.3 people per household in 2011, to 4.5 people per household in 2016.

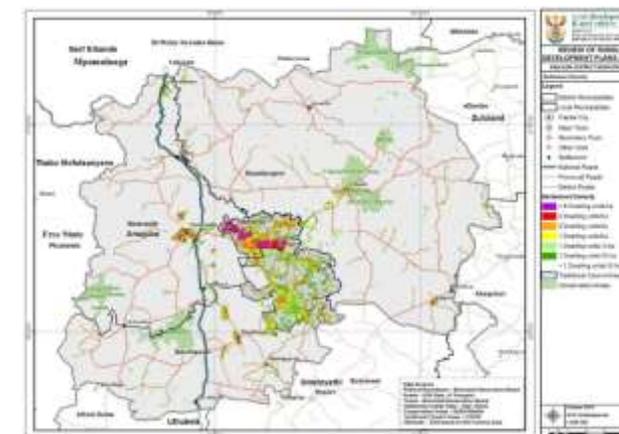
Year 2 Amajuba District Profile Report 2022
TABLE 17: Amajuba Household Informants

Municipality	HH 2011	HH 2016	Average HH Size (2011)	Average HH Size (2016)	Female Headed HH % (2011)	Female Headed HH % (2016)	Formal Dwellings % (2011)	Formal Dwellings % (2016)
Newcastle	84 272	90 347	4.2	4.3	47.5	48.2	91.1	89.1
Emadlangeni	8 252	5 567	5.2	5.5	38.8	45.3	58.3	67.4
Darrnhauer	20 580	20 242	4.9	5.2	50.6	50.2	62.3	69.3
District Total	111 104	117 256	4.3	4.5	47.8	48.4	67.6	64.4

(Source: Rural Development Plan for the ADM, 2019, p23)

The following map illustrates the settlement densities based on household clusters. In order for servicing levels to improve, the nodes and corridors within the District need to be consolidated and sprawl needs to be discouraged. The potential efficiencies that result should mean that backlogs will and can be addressed more simply, more quickly, and at lower cost.

MAP 14: Settlement Densities



(Source: Rural Development Plan for the ADM, 2019, p29)

CATALYTIC PROJECTS

GOAL: Demographic/ People Development
FOCUS AREA VISION: Fostering information-driven planning, based on updated population data, particularly relating to population growth and movement, that can be used for effective forward planning and proactive delivery of services. The creation of a better quality of life for all residents that will include improved levels of education, reductions in poverty and youth unemployment, thereby reducing social ills, including gender- based violence, xenophobia and the widespread dependence on drugs and alcohol.
OUTCOME: Fundamentally and radically improve the Quality of Life and overall well-being of people living in the district/metro area with emphasis on vulnerable and marginalised groups
CLUSTER
Social
STRATEGY
Fundamentally and radically improve the Quality of Life and overall well-being of people living in the district/metro area with emphasis on vulnerable and marginalised groups
PRIORITY
Skills development to support local production.
CATALYTIC PROJECT
Development of a University
DRIVER
Newcastle Municipality
DESCRIPTION
Multi- campus university and student accommodation. It is noted that the communities from northern- KZN, the eastern Free State, and southern Mpumalanga province commute to Newcastle to enrol in the limited number of tertiary institutions available. It has also been noted that there has been a proliferation of illegal communal homes in the suburbs around these facilities catering for student accommodation..

TABLE 18: Amajuba Social Development SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Moral Regeneration programs have been implemented minimally through OSS partnerships Operation Siyaya Entloboveni and the Annual Reed Dance was implemented through partnerships with sector Departments ADM has been assisting by transporting Arts groups to Provincial Events The minimal available budget will assist in implementing the Child Protection Week Programme The Active Ageing programme was implemented through Sector Department and NGOs (SAOFF) partnerships and donations TVET Activation programmes were done through OSS partnerships (HEADS) World AIDS Day was commemorated also in partnership with sector departments The internship programme was implemented in partnership with TVET Colleges and NGOs The District has also hosted Matric Excellence Awards annually Team Amajuba participated in the 2017 SA/GA Games, through partnerships with sector departments and sports federations 	<ul style="list-style-type: none"> All Social Development programs are expected to be delivered for prevention and intervention as per Provincial mandates and annual, however, minimal budgets are attached to all SDU Programs The SDU is grossly understaffed Insufficient capacity and resources.
Opportunities	Threats
<ul style="list-style-type: none"> Partnering with Sector Departments and also PPP Keen interest of youth in the development of skills 	<ul style="list-style-type: none"> Staff capacity challenges – not all programs are implemented sufficiently Budgetary constraints Social Ills

(Source: Amajuba IDP, 2019, p 254)

4.12 Planned strategies and interventions

The DDM strategic framework document contains a number of strategies that respond directly to the issues raised within this section. Catalytic projects as well as sector department and municipal projects have been highlighted.

4.10.1 Household Profile

The table below provides a summary of household information for the District. It is noted that formal dwellings decreased in the district between 2011 and 2016. The average household size for the district stayed relatively stable at 4.3 in 2011 and slightly increasing to 4.5 in 2016. Average household size indicates relatively smaller nuclear families. The larger household size in eMadlangeni and Dannhauser, confirms their rural nature.

4.11 Social changes

Very little reference is made in any of the documents reviewed relating to the tracking of social change. What is, however, noted across all plans is a greater urbanisation, particularly in the JBC area of Newcastle which is creating a greater burden on physical and social services in these areas. A further social change noted across plans is a reduction on the reliance on agriculture by households, and a greater dependency on social grants.

The following table is extracted from the Amajuba IDP (2019) and highlights the Social Development SWOTs for the District.

4.13 Key gaps and misalignment between District & local, between spheres and sectors, and on analysis and interventions, and priorities

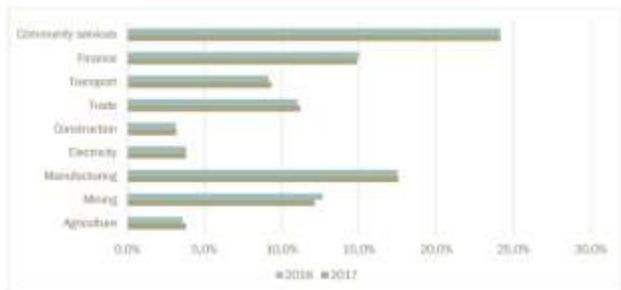
- It is noted that there is misalignment of statistics used for forward planning by the three spheres of government and that there is a need to use agreed- upon data sources for all planning and future projections.
- Migration and settlement patterns within the District need to be more effectively tracked.
- Planning needs to be forward- looking to effectively address Spatial Equity and not be focussed on strategies and interventions that solely target the addressing of backlogs. Backlogs will continue to grow, and investment needs to focus more on areas where it will have the highest impact on addressing Spatial Equity.
- Further research and analysis is needed on the poverty, hunger and inequality trends within the District. This needs to inform the priority interventions in the IDPs and DGDP.
- More focused attention needs to be provided in rural areas that experience the most hardships in terms of increased access to skills initiatives, facilities, services and practices and programs related to food security.
- A greater focus needs to be provided in planning for the rural areas of the District for both servicing, and food security.

5 Economic Positioning

5.1 Key Economic opportunities and constraints

The figure below provides a graphical representation of the Amajuba District economy between 2015 and 2016 based on Global Insight figures.

FIGURE 12: GVA Contributions for the ADM and KZN



(Source: DGDP 2019, p 61)

According to the DGDP (2019, p61-62), which is referenced below, overall the Amajuba DM made a limited contribution to the economy of KwaZulu- Natal in 2017, contributing for about 2.7% of the total provincial GVA, with the structure of the District economy differing from the structure of the provincial economy.

Agriculture accounts for approximately 2.7% of the provincial GVA and has grown in the province on average by approximately 3.2% over the past 5 years. Agriculture contributes 3,8% towards the District economy and has declined by about -0.2% per annum on average.

18% of the province’s GVA stems from the manufacturing sector, while this figure is 17.6% for the Amajuba DM. This indicates the importance of manufacturing in the region and highlights the importance of ensuring sustainable growth in the manufacturing sector in the Amajuba DM. However, the Amajuba DM experienced negative growth (-1.6%), compared to an average annual growth in the province of 0.4%.

Mining is growing within the District contributing 12.1% to the total district GVA, but this is more than the province’s contribution of 1.5%. This is largely due to the coal deposits found within the north-western areas of the province.

The wholesale and retail trade sector contributes significantly to both the provincial and district economies. The sector accounts for 18% of the provincial GVA, and 17.6% of the district GVA.

However, average annual growth in the province was 2.4% and 1.3% in the province and district respectively over the past 5 years. This sector relies on growth in primary and secondary sectors in order to increase production and income. Given that growth has been relatively low in these sectors, this low growth in retail and trade is expected.

The general government sector contributes approximately 23.5% to the provincial GVA, while this figure is 23% for the district, with the province and district experiencing an average annual growth rate of 3.9% and 3.3% respectively.

The Finance sector accounts for almost 16% of total GVA in Amajuba, in comparison with 20% in the province. Average annual growth was about 6.6% for the district, compared to 2.7% for KZN.

The following Table indicates the Local Economic Development Strengths, Weaknesses, Opportunities and Threats.

TABLE 19: Amajuba Economic SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Strong existing manufacturing and tertiary sector base in Newcastle; Locational advantages (N11 and midway between DBN and JHB); Existing coal deposits; Fertile tracts of land for agricultural development; Natural resources and wildlife 	<ul style="list-style-type: none"> Low level of skills within the labour force and lack of labour-force retention; Migration of labour force to larger industrial centres; Declining manufacturing, mining and agricultural production; Failure to attract sufficient new investment into the region and therefore reliance on existing industries; Lack of diversity within the manufacturing sector (dominated by a few large players)
Opportunities	Threats
<ul style="list-style-type: none"> Expansion of the tourism sector; Expansion of the manufacturing sector including the promotion of SMEs within this sector through linkages with large players Diversification from reliance on agriculture Informal trade support and formalisation 	<ul style="list-style-type: none"> HIV/AIDS is undermining the growth potential of the district; Labour legislation might cause the closure of more textile factories Land claims are constraining investment into agriculture and mining Lack of sufficient skills and resources; Stringent funding criteria especially in relation to emerging farmers Deteriorating infrastructure

- The general decline of non-agricultural sectors pre-empts the need to resuscitate these sectors as well as intensify investment in agriculture. In the medium-term, it is important that skills transfers and agriculture-based capacity development among local citizens within the District Municipality be implemented.
- Apart from few seasonal functions, tourism activities are barely present in the municipality. Part of the issue lies in perceptions that the region is dry and ‘common’. These sorts of perceptions

can be dispelled, especially by embarking on investments on tourism sites for both local and supra-local tourism. The understanding that tourism is only valuable when it attracts 'foreigners' is not a constructive one. Mobilizing local residents as well as creating functions and events [such as the annual Newcastle air show, for example] would go a long way in recovering the growth of the tourism sector.

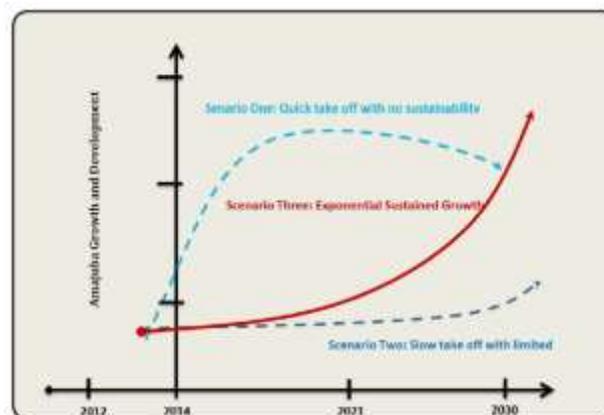
- As part of diversification, the manufacturing sector, especially animal hides and skin processing, textile and timber processing, are 'strategic way forward' options. But this also needs to be accompanied by skills training and sub-sector based capacity development.

5.2 Catalytic interventions current and planned

The DGDP (2019, p86) identifies three potential scenarios for growth as follows:

- **SCENARIO 1:** Insufficient growth for development;
- **SCENARIO 2:** Unsustainable growth for development; and
- **SCENARIO 3:** Exponential growth for development.

FIGURE 13: DGDP Scenarios for Growth



(Source: DGDP, 2019, p86)

Scenario 3 is the desired scenario in order to achieve the levels of growth and development required to sustain job creation and social development. It is based on all stakeholders committing to a shared vision for the district and underpinning this with increased levels of sustainable investment, co-operation and innovation.

In order to realise Scenario 3 and the Vision for the Amajuba DM, the DGDP (2019) has identified strategic goals, objectives and indicators which are useful to list as these can be built upon for the development of the one plan as contemplated by this initiative. The plan concludes with catalytic projects which are included below.

5.2.1 Catalytic Projects

The DGDP (2019, p160) defines a catalytic project an intervention that has a strong leverage and/or multiplier effect by addressing three or more strategic goals, or by creating a strong leverage factor toward the achievement of the overall objectives of the Amajuba DGDP. It further indicates that a catalytic project addresses the root cause of obstacles to development in Amajuba, rather than symptoms. It also notes that they unlock resources and opportunities that exist within government and the private sector. The DGDP notes that catalytic projects can have very different characteristics and prerequisites:

- Contributes to 3 or more strategic goals;
- Major financial resources needed and secured; and
- High commitment to cooperation needed and secured – all implementation partners have been contacted.

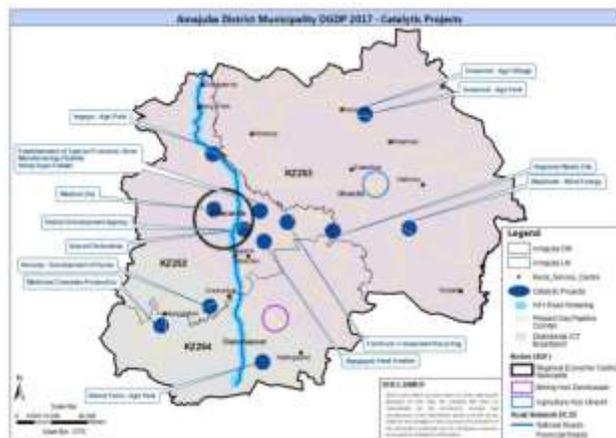
The following catalytic projects have been identified in the DGDP (2019) for implementation in the Amajuba DM. They are summarised in the following table and visually displayed in the accompanying map.

TABLE 20: Catalytic Projects Identified in the DGDP (2019)

Name of Project	Sector	Location	Value
Establishment of Special Economic Zone	Economic, Manufacturing, Human Capital	District wide, Newcastle	R25 million
Manufacturing (Textile)			
Upgrade of Newcastle Airport	Economic, Infrastructure, Human Capital	Newcastle	TBD
Ngqongqo Steel Smelter	Economic, Manufacturing, Infrastructure, Human Capital	Newcastle	R 50 Billion
KZN Technology Science Park project	Economic, IT, Human Capital	Newcastle	R 1.5 Billion
Greenfield Agri- Village and Agri- Park	Agricultural, Human Settlements	Dundee	TBD
Ngqongqo Agri- Park	Agricultural, Human Settlements	Newcastle	TBD
Belton Farm Agri-Park	Agricultural, Human Settlements	Dundee	TBD
Cassaba Produce (Medicinal Plants)	Agricultural Sector, Health Sector	TBD	TBD
District Development Agency	Economic Sector	Newcastle	TBD
Energy input feeder	Textile and Clothing	Newcastle	TBD
Wylbank - Wind Energy	Energy (Green Technology)	Dundee	TBD
Health of City	Health Sector	Newcastle	TBD
Heritage and Development of Duma	Integrated Infrastructure	District Wide	TBD
Wildering of Nu	Integrated Infrastructure	Newcastle, Dundee	TBD
Regional Waste Site	Environmental Management	District wide	TBD
Electronic Component Recycling	Manufacturing	Newcastle	TBD
Districtwide ICT Broadband	Integrated Infrastructure	District wide	TBD
Coal Mining	Mining	District wide and outside sensitive areas	TBD
Gas pipeline	Integrated Infrastructure	District wide	TBD

(Source: DGDP, 2019, p160)

MAP 15: Catalytic Projects Identified in the DGDP (2019)



(Source: DGDP, 2019, p161)

Additional Catalytic Projects identified include:

TABLE 21: Catalytic Projects additional to those in the DGDP

PROJECT NAME	SHORT DESCRIPTION OF PROJECT	PROJECT OWNER / DEPARTMENT / SIK / COMPANY NAME	DRIBBEK MUNICIPALITY	LOCAL MUNICIPALITY
PROPOSED DEVELOPMENT OF A UNIVERSITY IN NEWCASTLE	The proposed project entails the development of a university in Newcastle either through government initiative such as Sol Plaatje university and university of Mpumalanga or through the initiation of an existing university as a satellite campus. The municipality has identified three alternative sites for the establishment of the university. However, the viability of the educational institution does not only require that a feasibility study be undertaken but also that the licensing of the relevant activities be sought. This is a catalytic project which would directly stimulate and leverage for further investment in associated projects. It has would address wide-scale regional needs to that apart from servicing the northern parts of the province, the university would resolve spatial inequity in accessing university education in the southern parts of Mpumalanga province and eastern parts of the Free State province.	NEWCASTLE LOCAL MUNICIPALITY KZN 232- DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS/TECHNICAL SERVICES	AMAJUBA	NEWCASTLE
ARCELORMITTAL BLAD PERFORMANCE	Relining of blast furnace number 4, providing the steel plant scheduled lease of its medium and long term. Provides Newcastle with competitive edge regarding heavy manufacturing sector. 4 month project	ARCELORMITTAL	AMAJUBA	NEWCASTLE
KZN HUMAN SETTLEMENT		NEWCASTLE	AMAJUBA	NEWCASTLE

A composite catalytic project list for the district is confirmed in the DDM Strategic Framework document and summarised below.

CATALYTIC PROJECTS

GOAL: Economic Positioning
FOCUS AREA VISION: The creation of an investor- friendly environment that is free of red tape, that leads to private- sector driven job creation. This growth will focus on manufacturing, and value- add on raw materials produced within the District. Strategic infrastructure that creates growth will also be targeted, together with support to small enterprises.
OUTCOME: Define Strategic Role of the District/Metro in National Economy and build a Resilient and Transformed regional Economy.
CLUSTER
Social
STRATEGY
Support skills alignment for economic growth.
PRIORITY
To facilitate the development of a Skills Plan for every major sector in the District, as the start of a comprehensive data base on human resources supply and demand, on a spatial basis.
CATALYTIC PROJECT
Skills Audit
DRIVER
Amajuba DM, EDTEA
DESCRIPTION
Skills audits are typically conducted in communities to ascertain the level of skills available. Such audits help identify gaps in required competencies, after which appropriate capacity-building interventions can be designed. This will facilitate targeted training programmes that will proactively develop capacity in key sectors identified.

CLUSTER
Economic
STRATEGY
Business retention and expansion.
PRIORITY
Incentive policy for new and expanding business.
CATALYTIC PROJECT
(1) Developer contribution Policy coupled with investment framework. (2) Red tape reduction
DRIVER
Amajuba, Newcastle, EDTEA, COGTA
DESCRIPTION
1) Development Contributions are a once-off charge levied by municipalities on the landowner, as a condition for approving a land development application, to cover the capital costs incurred by the municipality when

installing new infrastructure or the upgrade of existing infrastructure. This policy would ensure that the municipal environment is investor- friendly.
 2) Red tape makes it difficult for businesses to succeed, grow, create jobs and invest in infrastructure and development. It is often caused by a range of factors including outdated or inappropriate policies, rules and regulations, inefficient processes and systems, poor management and staff skills shortages. This initiative would focus on reducing or eliminating obstacles created through government processes to make investment in the area easier.

CLUSTER
Economic
STRATEGY
Agriculture and Rural Development.
PRIORITY
Agri- parks.
CATALYTIC PROJECT
(1) Ingogo Agri- Park. (2) Reiner Farm Agri- park
DRIVER
Amajuba, Newcastle, DARD, DALRRD
DESCRIPTION
The agri-parks initiative supports rural enterprises, develops rural industries and facilitates the efficient movement of rural produce to markets. The initiative develops networked systems of agro-production, processing, logistics, marketing, training and extension services in district municipalities and developments on underused land. Each agri-park supports smallholder farmers by providing capacity-building, mentorship, farm infrastructure, extension services, and production and mechanisation inputs. Smallholder farmers own 70% of an agri-park, while the remainder is owned by government and commercial farmers.

CLUSTER
Economic
STRATEGY
Agriculture and Rural Development.
PRIORITY
Expand Hemp production.
CATALYTIC PROJECT
(1) Hemp input feeder. (2) Cannabis Produce (Medicinal Plants).
DRIVER
Amajuba, DARD
DESCRIPTION
1) Climate change proponents and environmentalists emphasise the potential of industrial hemp bast fibres and hurds to provide green, sustainable and renewable alternatives to traditional building materials, paper products,

textiles and industrial products such as plastics. To deliver the project, organic farming skills will need to be developed and supported, Good Harvesting Practices will need to be used to gather the crop and Good Storage and manufacturing standards (international) applied for export. Capacity, capabilities, auxiliary and support activities developed to service this initiative will provide strategic and competitive positioning as future industrial hemp value chain market opportunities become more commercially viable.

2) 'Medicinal cannabis' is a term that refers to legal, high quality and standardised products made from crude or raw cannabis. The medical cannabis industry is still in its infancy stage with many theories and methods available on how to cultivate it. But if growers want to be competitive and grow their business, it's important to adopt the best practices of a well-established horticultural methodology. This project seeks to develop this into a viable industry within the district.

CLUSTER
Economic
STRATEGY
Industrial Development.
PRIORITY
Establishment of industrial economic Hub.
CATALYTIC PROJECT
Special Economic Zone establishment (Textiles)
DRIVER
Amajuba, Newcastle, EDTEA
DESCRIPTION
Newcastle is already a clothing and textile hub boasting a stronghold of factories throughout the area, with a special economic zone potentially being established, it will bring about more job creation, boost the local economy, and improve exports.

CLUSTER
Economic
STRATEGY
Industrial Development.
PRIORITY
Industrial Park revitalisation programme.
CATALYTIC PROJECT
Proactive Land assembly.
DRIVER
Amajuba, Newcastle, EDTEA
DESCRIPTION
Cities have a limited number of levers to direct the form, function and performance of their spaces. The most powerful of these levers are decisions about land use and infrastructure. Spatial targeting refers to a 'crowding in' investment approach. It is an approach to built environment investment

prioritisation where specific areas within an urban system are highlighted for investment at a range of geographic scales to achieve particular development outcomes. Ideally, this prioritisation is shared inter-governmentally. Successful strategies spatially target urban investment and management (operational) efforts across a range of role-players to build the pre-conditions for household and business demand, and private-sector investment that responds to this demand.

CLUSTER
Economic
STRATEGY
Industrial Development.
PRIORITY
Green energy development.
CATALYTIC PROJECT
Wyhoek Wind Farm.
DRIVER
Amajuba, EDTEA, NERSA,ESKOM
DESCRIPTION
Wind power is the most efficient technology to produce energy in a safe and environmentally sustainable manner. It is zero emissions, local, inexhaustible, competitive and it creates wealth and jobs. Wind turbines can turn the power of wind into the electricity we all use to power our homes and businesses.

CLUSTER
Economic
STRATEGY
Industrial Development.
PRIORITY
Further Industrialisation.
CATALYTIC PROJECT
(1) Ngagane Steel Smelter (2) Relining Arcelor Mittal blast furnace 5.
DRIVER
Amajuba, Newcastle, EDTEA, DMR, Private Sector
DESCRIPTION
Industrial Smelter Projects

CLUSTER
Economic
STRATEGY
Industrial Development.
PRIORITY
Gas pipeline

CATALYTIC PROJECT
Gas pipeline
DRIVER
Amajuba, Newcastle, EDTEA, DMR, Private Sector
DESCRIPTION
Natural Gas pipeline

CLUSTER
Economic
STRATEGY
The Newcastle Airport to operate at optimal capacity.
PRIORITY
Develop and Implement Amajuba Regional Airports Strategy.
CATALYTIC PROJECT
Upgrade of Newcastle Airport
DRIVER
Amajuba, Newcastle, Civil Aviation Authority, EDTEA, Private Sector
DESCRIPTION
The intention of this initiative is to transform the current airport to a vibrant node for mixed use development carrying from industrial to commercial development. This will ensure the ease of movement of goods and services from production spaces to market destinations.

5.3 Key gaps and misalignment between District & local, between spheres and sectors, and on analysis and interventions, and priorities

- The IDP lists of projects are largely wish-list projects and in many cases are outdated. A question needs to be asked as to whether or not the IDP project lists are being cross-referenced when national and provincial projects are being identified and budgets allocated.
- Project management and project implementation tracking at a local level is limited. Attention to institutional arrangements and more effective project management and impact measurement is needed. Institutional instability and the lack of institutional knowledge seriously impacts on this.
- Capital investment frameworks and capital expenditure frameworks, tied to effective long-term spatial visions are needed in all municipal plans within the family of municipalities.
- Better alignment and coordination is required between the Local and District Municipalities, as well as with sector departments, to ensure vertical alignment and credible output. Approaches are suggested through the DDM strategic framework and reporting template.
- Shared services models within the family of municipalities varying levels of success and

Year 2 Amajuba District Profile Report 2022 impact in the past. Key areas within planning, including strategic planning, GIS, building inspectors, compliance and approval monitoring could benefit greatly from a shared service approach. Centralising of other functions that local municipalities should be performing but are not, could also be centralised at the District.

- Better engagement with the private sector is needed. Unfortunately, the planning approach utilised largely involves planning for the private sector and not with the private sector. Future government expenditure on LED projects should focus on key interventions that unlock the private sector spend so as to grow the economy. The 30:70 principle should be institutionalised whereby 30% state expenditure should unlock 70% private sector expenditure.
- Stronger engagement and participation is required with the relevant Chambers of Commerce to get support and participation from the private sector is required. Previous Institutional structures like AFLED should be revisited.
- The potential of the informal sector potential needs to be realised. The informal economy has not been well analysed in any of the relevant documents for the District as well as Local Municipalities. Contributions and strategies for growth remain extremely limited.
- Resolving land reform issues within the District should be resolved as a matter of priority. This will result in greater certainty

within the agricultural sector hopefully resulting in higher agricultural sector investment and outputs.

- The amount of red tape that entrepreneurs, SMMEs and family businesses need to comply with is also seriously limiting growth. Red- tape limitations to growth in the District need to be identified with the private sector and strategies need to be put in place to address these. Furthermore, strategies developed in Gauteng and the Western Cape to prepare land for development from a planning perspective (ie. The municipality applying for planning and environmental amendments and compliance thereby preparing an area for investors) need to be pursued.

6 Spatial Restructuring

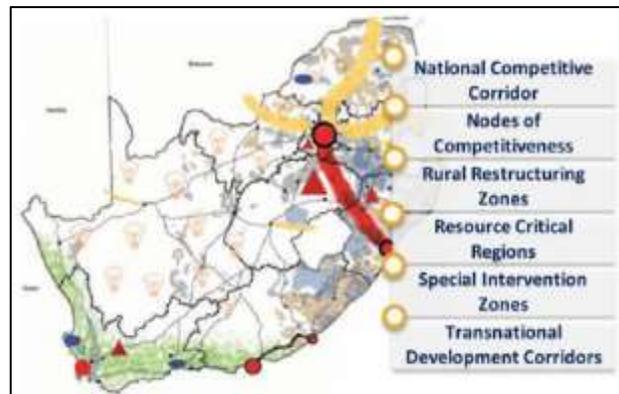
6.1 Transformation & Equity Vision

6.1.1 The Draft National Spatial Development Framework (2019)

The Draft National Spatial Development Framework (NSDF) was launched by national government earlier in 2019.

The NSDF takes guidance from the National Development Plan and seeks to optimise, integrate and coordinate the energies and economic impacts of the strategic interventions in the national space which it terms 'national spatial framing'. The plan recognises the crucial importance of space and access to land in (1) bringing about transformation at scale, and (2) ensuring that people and places benefit from this intervention. The plan proposes the following national schema for spatial targeting which is summarised below.

MAP 16: THE NDPs Proposed Schema for Spatial Targeting



(Source: Draft NSDF, 2019)

The following map summarises the ideal national spatial development pattern and identifies the following:

- The mountainous areas (Drakensberg and Balelesberg) in the Amajuba DM as an important Eco-resource production areas in terms of water production.
- The entire District as an Agri- enterprise and small- scale farming resource region.
- Newcastle as one of four National Urban Nodes within KZN.
- Key Regional Roads (N11) and Key Rail routes traversing the District.

MAP 17: The Ideal National Spatial Development Pattern



(Source: Draft NSDF, 2019, p110)

In terms of National Urban Nodes, the following interventions are identified that are relevant to Newcastle:

- Consolidate and direct the rapid population growth in the eastern half of the country to national urban nodes, clusters and corridors by creating (1) quality human settlements, and (2) centres of human capital excellence, innovation, trade, inclusive green economies and regional enterprises, and in the process *reaping the urban dividend*.
- In addition to strengthening and consolidating expected population growth in range of urban regions, and existing cities and intermediary cities, proactively support the development and emergence of a number of new cities in identified densely populated and high potential transformation corridors.

In terms of agri- enterprise regions, the following is pertinent to the District:

- Productive use of high value agricultural land to support national food security.
- Rehabilitation of degraded land and effective land-use management.
- Improvement of rural-to-rural connections, market accessibility and key agricultural production infrastructure.
- Enhancement of connectivity through well-planned infrastructure investment and settlement consolidation in well-connected regional development anchors.

In terms of the Eco-resource Production and Livelihood Regions, which affects the mountainous areas to the west and north of the District, the following is noted:

- Enhance (1) the productive capacity, (2) environmental and livelihood quality, (3) cultural heritage, and (4) natural resource-access of these regions through effective agrarian practices and enterprise development programmes that are focussed on natural resource restoration and custodianship.
- Discourage further land and settlement development, and carefully manage existing settlements and land uses in productive agricultural regions that play a crucial role in national strategic water production, national food security and rural livelihoods.

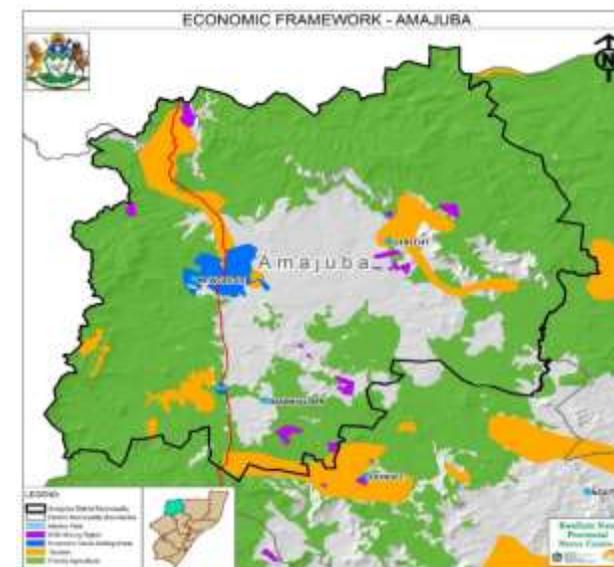
- Pursue effective management and custodianship of national strategic water source production regions.
- Ensure efficient rural-to-rural connectivity in rural regions, to enhance the prospects of making a life in these areas.
- Rehabilitate degraded land and ensure effective land use management, settlement consolidation, improved rural connectivity and an eco-resource related enterprise focus, to (1) provide opportunities for livelihoods and industry development, and (2) support national water availability.

The NSDF identifies portions of the District as National Resource Risk Area 3. This encompasses the Upper Vaal, Olifants, Waterberg, uMngeni, Berg and Breede Rivers.

Although as noted, the NSDF is not yet adopted, the elements above are important national structuring elements affecting the District.

6.1.2 The Provincial Growth and Development Strategy and Plan

The PGDS is referenced in the existing Amajuba strategic documents but it is noted that the Strategic Goals and Objectives need greater alignment with the IDP and SDF Goals, Objectives and Strategies. The DPDS/ P also contains a spatial analysis as well as the PSDF. The following maps summarise this.



(Source: DGDP, 2019, p81)

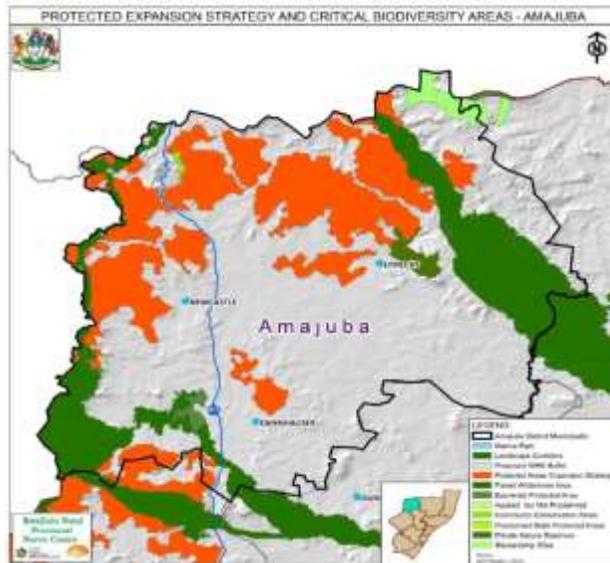
The above map indicates the following:

- Areas with mining rights;
- Areas for economic- value adding around Newcastle;
- Areas of tourism potential largely in the mountainous areas on the edges of the District; and
- Priority agricultural areas.

The following map illustrates:

- The protected areas expansion strategy highlighting key areas that need to come under conservation;
- Key landscape corridors identified provincially that need to come under conservation.

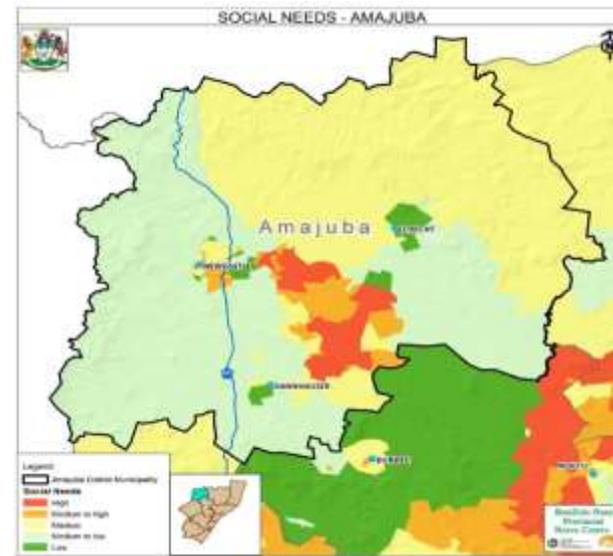
MAP 19: Protected Areas Conservation Strategy



(Source: DGDP, 2019, p80)

The following map illustrates the areas of high social need which largely correlate with the communities living within the Traditional Council areas as well as in and around Madadeni and Osizweni.

MAP 20: Areas of Social Need



(Source: DGDP, 2019, p82)

The following map illustrates areas where communities need to travel significant distances to access urban- associated facilities. As can be seen, the areas with highest marginalisation occur in the North- Eastern corner of the District where road access to the eMadlangeni municipality is first via the Mpumalanga province. The Nzima land reform project is located in this area.

MAP 21: Urban Accessibility Index



(Source: DGDP, 2019, p83)

6.1.3 The Provincial Spatial Development Framework

The Amajuba SDF was reviewed in 2022 and is aligned to the Provincial SDF. The document notes and aligns with the identification of high eco-resource production areas, with areas of high poverty.

6.1.4 The District Spatial Development Framework

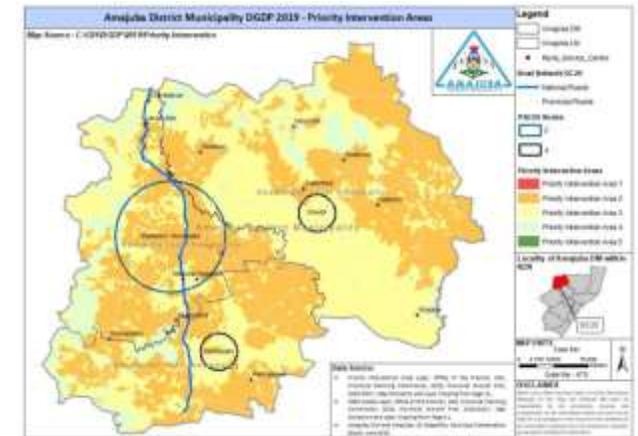
The District SDF is highlighted in the map below. The SDF map identified the following:

- Newcastle as the Regional Economic Centre, with Dannhauser as a Mining Hub and Utrecht as an Agricultural Hub.

6.1.5 The District Growth and Development Framework

The Amajuba DGDP (2019) develops a number of maps linked to the strategic framework. These are displayed below.

MAP 23: DGDP Priority Intervention Areas



(Source: DGDP, 2019, p108)

- The N11 is identified as the District's primary corridor and an Economic Trade Route. The Mr483 which links Newcastle East and West, is identified as a mixed activity corridor. The R34 to Memel and the D96 and Normandien Pass are also identified as Mixed Activity Corridors. The R621 and the R34 are tertiary mixed activity corridors.
- CBA Irreplaceable areas are identified as are game reserves, combined protected areas, and open spaces.
- The intervening areas/ remainder of the District is identified for agriculture.

MAP 22: Amajuba Spatial Development Framework (2022)

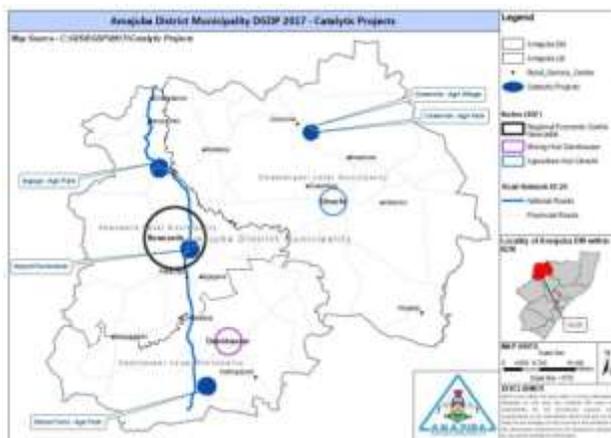


(Source: Received from the Amajuba GIS Section as not displayed in the SDF)



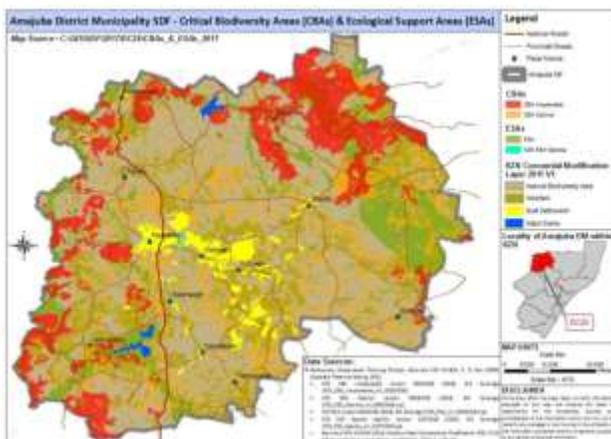
CATALYTIC PROJECTS

MAP 24: DGDP Catalytic Projects



(Source: DGDP, 2019, p138)

MAP 25: Critical Biodiversity Areas & Ecological Support Areas



(Source: DGDP, 2019, p146)

6.2 Strategies

The DDM strategic framework document contains a number of strategies that respond directly to the issues raised within this section. Catalytic projects have been identified linked to these strategies.

There is good alignment between the DDM strategies and the District Growth and Development Plan, the District's Economic Recovery Plan, and the District and local municipal SDFs and IDPs.

GOAL: Spatial Restructuring and Environmental
FOCUS AREA VISION: Developments in nodes and along corridors will be maximised through the preparation of local area plans. This will facilitate the proactive release of land for development and investment, thereby minimising urban and rural sprawl. Urban centres will be revitalised to create quality spaces reversing urban decay and combating illegal development.
The benefits of the green economy and bio- resource entrepreneurship will be maximised and Planning processes will ensure the protection for future generations of areas of environmental importance, agricultural- potential and water production.
OUTCOME: Develop a transformed, efficient and sustainable spatial form as dynamic platform for economy and integrated human settlements.
CLUSTER
Social
STRATEGY
Enhancing health of communities and citizens.
PRIORITY
Enhancing the development of resilient communities in relation to pandemics and natural disasters.
CATALYTIC PROJECT
Funding of Local Area Plans for pressure points.
DRIVER
DALRRD, COGTA, Newcastle, Dannhauser, eMadlangeni
DESCRIPTION
The function of a local area plan is to take a detailed look at a specific area, particularly areas which require urban renewal or where large-scale development is expected, identifying and analysing the various issues of relevance, before establishing and setting out principles for the future development of the area. These plans facilitate proactive spatial planning and the prioritisation of infrastructure interventions towards achieving the desired vision for the area.

CLUSTER
Social
STRATEGY
Sustainable Human Settlement.
PRIORITY
Densification of Human Settlements.
CATALYTIC PROJECT
Johnston- Blaaubosch- Cavan (JBC) Housing project.
DRIVER
DHS/ HDA, Newcastle Municipality
DESCRIPTION
This development is located midway between the Madadeni and Osizweni townships and involves a total of R303 million in public sector spending. The development of this node will positively impact on the region with benefits extending to as far as communities in Dannhauser and eMadlangeni.

CLUSTER
Economic
STRATEGY
Informal economy support (short term interventions).
PRIORITY
Waste Management/ Recycling.
CATALYTIC PROJECT
(1) Regional Waste Site (2) Electronic Component Recycling
DRIVER
Amajuba, Newcastle, EDTEA
DESCRIPTION
Key elements of the green economy are to reduce, reuse and the recycling of manufacturing products. The Green Economy is an alternative vision for growth and these initiatives focus on the economic and environmental benefits of waste.

6.3 Challenges and opportunities

6.3.1 Challenges

- Relatively high service backlogs especially in rural areas.
- Few of the villages have benefitted from formal spatial planning processes while others have not. This has a potential to compromise uniformity as advocated by the Spatial Land Use Management Act (13 of 2013) (SPLUMA).
- Poverty is relatively high (52.2% of the population qualify as indigents).
- Newcastle accounts for 88% of GVA which implies that the district economy is not well diversified.
- Impact of Post-Apartheid Spatial Planning Legacy is still evident.
- Rural settlement patterns are very fragmented with poorly resourced rural centres and this results in people being dependent on services that are located far away.

6.3.2 Opportunities

- Amajuba is positioned within a region that is rich in terms of natural resources which includes Ncandu and Chelmsford Reserves at the foothills of the Drakensberg.
- Newcastle is the established economic hub (commercial and industrial) of the district with market that covers the northern of KwaZulu-Natal, Mpumalanga and Free-State.
- The N11 is an existing important trade route which has recently upgraded. R34 links the district with Richards Bay Trade Port.

- Amajuba entails all the priority sectors (Agriculture, Manufacturing, Tourism and Retail/ Wholesale/ Business Sector) that are advocated by the national and provincial policies.
- The PGDS identified Newcastle Town as a Value Adding Area, while the areas that surround this town are considered to be requiring economic support.
- eMadlangeni is considered to be a provincial priority in terms of agricultural investment. eMadlangeni and Dannhauser are considered to be a provincial priority in terms of mandated service delivery.
- The space economy of the District is beyond one (KZN) province since Amajuba is 144km away from Harrismith (Free-State), 152km from Ermelo (Mpumalanga), 259km from Pietermaritzburg (KwaZulu-Natal), 291km from Johannesburg (Gauteng) and 339km from Durban (KwaZulu-Natal). This implies that there are a lot of residents in Free-state and Mpumalanga who travel to Newcastle for commercial and trade services since it is larger than Harrismith and Ermelo but closer than Pietermaritzburg, Johannesburg and Durban.
- The area has a growing population which is positive for future development.
- There is a fair spread of electricity network within the district.
- There is a landing strip in Newcastle which act a positive role in terms of the manufacturing sector.
- Terrain is mostly gentle within the urban areas and major settlement areas.

6.4 Key gaps and misalignment between District & local, between spheres and sectors, and on analysis and interventions, and priorities

- Vertical alignment of municipal planning documents with national and provincial document is poor. The IDP and SDF make reference in the narrative to some of these plans but have not explicitly or effectively linked the national and provincial strategies and plans to the strategies in their plans. Attention is needed to address this.
- Sector Department spend is not always going to areas prioritised in provincial or municipal plans. The DDM process seeks to address this and monitor it through the DDM clusters, as well as the technical and political hubs.

7 Bulk Infrastructure Engineering

7.1 Key opportunities and constraints

Before the report explores the key opportunities and constraints, this section will review the current status of infrastructure provision in the District as captured in the DGDP (2019. p27 - 30).

7.1.1 Water

The following table indicates access to water in each of the Water Service Authority Areas (WSA) in the province and shows a positive trend for the Amajuba and Newcastle WSAs.

TABLE 22: Access to Water summarised for Water Service Authority Areas in KZN

Water Service Authority	2011			2016			Trend: No. of hh with access
	Total households	hh access to piped water	% access	Total households	hh access to piped water	% access	
Ugu District	179 441	149 613	83.4	180 921	158 402	87.6	↑
Msunduzi LM	163 993	157 590	96.1	180 198	177 981	98.8	↑
uMgungundlovu District	108 672	90 787	83.5	120 754	96 586	80.0	↓
uThukela District	147 286	117 501	79.8	161 864	122 162	75.6	↓
uMzinyathi District	113 469	74 734	65.9	126 071	79 642	63.2	↓
Newcastle LM	84 272	80 982	96.1	90 347	89 057	98.6	↑
Amajuba District	26 690	21 440	80.3	26 834	22 566	84.1	↑
Zululand District	157 748	109 396	69.3	178 513	115 071	64.5	↓
uMkhanyakude District	128 195	79 286	61.8	151 245	75 672	50.0	↓
uMhlatuze LM	86 609	84 077	97.1	104 336	102 660	98.6	↑
King Cetshwayo	118 367	86 034	72.9	121 463	67 443	55.5	↓
Ilembe	157 692	127 514	80.9	191 369	144 923	75.7	↓
Harry Gwala	112 282	79 178	70.5	122 436	89 175	72.8	↑
Ethekwini	356 711	329 898	92.5	1 119 492	1 101 610	98.4	↑
KwaZulu-Natal	2 539 429	2 182 032	85.9	2 875 643	2 457 336	85.4	↓

(Source: COGTA, 2019, Slide 5)

There has been an improvement in the levels of access to piped (tap) water across all the local municipalities - with more households having access to tap water inside their dwellings/yards. Within the same period there has been an overall decline in the

number of district households who access piped water from a communal stand (28.0% to 16.4%).

Furthermore, the proportion of the district population without access to tap water has fallen to 7.7% in 2011. However, it remains a concern that although Dannhauser has seen an improvement in the levels of access to piped water inside the yard between 2011 and 2016, the majority of the households in the locality still do not have access to piped (tap) water (89,5% of households) in 2016.

TABLE 23: Access to Piped Water

Municipality	Piped (tap) water inside dwelling/yard		Piped (tap) water on a communal stand		No access to piped (tap) water	
	2011	2016	2011	2016	2011	2016
Newcastle	71612	165537	4847	1547	3200	1821
Emadlangeni	240	5725	1260	1337	2926	2333
Dannhauser	3025	9711	7505	6125	2660	1639
Amajuba	8220	180974	8202	10809	8240	9824

(Source: DGDP, 2019, p27)

The Amajuba District Municipality and Newcastle are both Water Service Authorities (WSAs) with Amajuba providing services to both eMadlangeni and Dannhauser.

Communal taps are not metered, and a lot of water is wasted due to poor leak reporting by the community.

The following table summarises the water availability and Treatment for WSAs in KZN. As can be seen, both the Amajuba and Newcastle WSAs have had a regression in their Blue Drop scores.

TABLE 24: Water Availability and Treatment

WSA	Water availability: l/c/d (average)	% of water systems in balance	Blue Drop OWS 2012	Blue Drop OWS 2014	Blue Drop (trend)
Ugu District	81.1	60.0%	52.8%	66.0%	↓
Msunduzi LM	123.0	50.0%	95.4%	96.0%	↓
uMgungundlovu District	123.0	50.0%	92.4%	90.0%	↓
uThukela District	132.7	68.8%	57.4%	35.0%	↓
uMzinyathi District	88.8	16.7%	93.5%	76.0%	↓
Newcastle LM	280.1	66.7%	86.3%	89.0%	↓
Amajuba District	285.1	66.7%	81.3%	58.0%	↓
Zululand District	67.2	18.3%	81.3%	51.0%	↓
uMkhanyakude District	37.1	66.7%	77.8%	56.0%	↓
uMhlatuze LM	228.2	43.8%	93.0%	90.0%	↓
uThungulu District	228.2	43.8%	72.3%	74.0%	↑
Ilembe District	109.4	50.0%	88.3%	67.0%	↓
Harry Gwala	107.7	30.8%	69.4%	63.0%	↓

(Source: COGTA, 2019, Slide 8)

The following table indicates the results of the Universal Access Plan Phase 2 study that was prepared in 2016. It indicates that in the District there were 15,544 households without universal access, with a future demand of 160.6 Ml/ day. The estimated infrastructure cost for all bulk components was R2.35 Billion.

TABLE 25: Universal Access Plan Phase 2

RESULTS OF UAP PHASE 2 STUDY (July 2016) (Costed at Yard connection level of service)						
District Municipality	Backlog %	Total Households	House-holds with water access	Backlog (House-holds)	Future Demand Ml/day	Infrastructure Cost (Billion) for all bulk components
Amajuba	14	126,572	111,028	15,544	160.6	R2.36
uThukela	32	200,560	151,939	48,621	177.16	R2.05
uMkhanyakude	49	202,720	136,053	66,666	131.2	R3.38
uMgungundlovu	11	305,329	275,071	30,258	335	R2.18
Ugu	34	220,016	164,191	55,825	141.7	R4.51
Mhlatuze LM	5	97,551	92,905	4,645	396.1	R3.07
Zululand	38	221,144	160,715	60,429	133.97	R3.07
Harry Gwala	44	162,061	112,542	49,519	95.23	R16.58
Ilembe	31	235,800	178,474	55,327	296.4	R15.24
uMzinyathi	45	168,345	116,100	52,245	140.73	R6.67
King Cetshwayo	37	182,580	133,270	49,310	127.8	R18.93
Ethekwini*	6.6	1,119,492	1,050,548	68,944	1300	R3.10
Total	22.6%	3,240,171	2,682,838	557,332	3436	R81.14

(Source: COGTA, 2019, Slide 9)

The following table summarises the non- revenue water/ water loss per WSA. The information indicates a 40.7% real loss through water leaks, burst pipes and overflows for the Amajuba WSA, and 36% for the Newcastle WSA. Apparent losses which consists of unauthorised consumption, inaccurate meters, and unbilled and authorised consumption, accounts for 11.8% in the Amajuba WSA, and 18.2% for the Newcastle WSA. When combining the apparent losses with the real losses and the unbilled authorised consumption, non- revenue water for the Amajuba WSA is 52.5% and 54.1% for the Newcastle WSA.

TABLE 26: Non- revenue Water/ Water Losses as at end February 2019

WSA	Total Systems Input Volume Ml	Real Losses (Physical Leaks)	Real Losses %	Apparent Losses (Unauthorised Consumption + Unbilled Authorised Consumption)	Apparent Losses %	Non-Physical Losses	Non-Physical Losses %	NRW %	Non-Revenue Water %
Amajuba (End Dec 2018)	488,300	201,179	41.2%	80,589	16.5%	206,532	42.3%	58.7%	52.5%
Chakama (End Dec 2018)	29,918,448	10,626,423	35.5%	5,290,219	17.7%	14,016,642	46.8%	43.2%	43.6%
Harry Gwala GM (End Dec 2018)	308,879	84,767	27.5%	19,289	6.2%	104,136	33.8%	33.7%	28.3%
Madlangeni (End Feb 2019)	2,388,512	1,046,291	43.8%	396,258	16.6%	1,047,003	43.8%	52.5%	54.1%
King Cetshwayo (End Jan 2019)	2,045,232	884,832	43.3%	221,158	10.8%	1,159,292	56.9%	54.1%	54.1%
Phuthaditjhaba (End Feb 2019)	8,883,804	1,814,302	20.3%	1,289,841	14.5%	2,673,343	30.1%	34.8%	48.1%
Newcastle (End Jan 2019)	2,962,872	852,872	28.8%	476,907	16.1%	1,428,957	48.1%	44.9%	54.1%
Ngqongqongwane (End Feb 2019)	3,440,578	867,891	25.2%	277,236	8.1%	1,284,347	37.3%	36.8%	54.1%
Ngqongqongwane (End Feb 2019)	1,864,214	842,889	45.2%	178,842	9.6%	1,041,879	56.1%	56.1%	56.1%
City of eThekweni (End Jan 2019)	3,687,287	238,862	6.5%	448,224	12.2%	2,198,201	59.3%	65.5%	65.5%
King Cetshwayo (End Jan 2019)	1,275,938	109,224	8.6%	362,844	28.4%	482,048	37.8%	44.8%	44.8%
Ukhayelethu (End Dec 2018)	987,918	83,918	8.5%	0	0%	80,000	8.1%	8.5%	8.5%
eThekweni (End Feb 2019)	3,344,582	1,314,171	39.3%	1,854,233	55.5%	3,168,421	94.7%	94.7%	94.7%
Phuthaditjhaba (End Dec 2018)	1,948,882	238,888	12.3%	1,688,891	86.5%	1,320,999	68.3%	68.3%	68.3%
Total End Jan/Feb 2019	38,918,280	16,782,832	43.1%	8,848,221	22.7%	28,418,781	73.0%	73.0%	73.0%
Total End October 2018	38,794,428	17,282,833	44.6%	8,771,248	22.6%	28,964,382	74.7%	74.7%	74.7%
Difference (3 months)	123,852	5,055,500	4.1%	777,000	2.0%	1,774,600	4.5%	4.5%	4.5%

(Source: COGTA, 2019, Slide 12)

The following table illustrates the water Scarcity Index for the province. As can be seen, the District has been classified as a water- stressed District.

TABLE 27: Water Scarcity Index

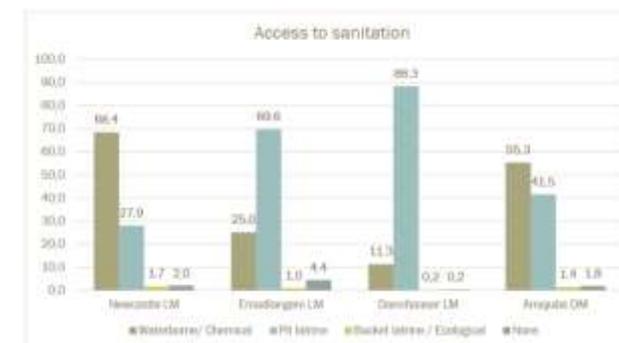
District	District WSA (Water Losses - Cubic Meters)	POPULATION District Size	POPULATION Community Survey 2018	Fresh water available per person per annum in cubic meters (DMA)	Fresh water available per person per annum in cubic meters (COMMUNITY SURVEY)	Water scarcity
Pekuleni	1381	819375	892310	1858	1503	Water stressed
Amajuba	809	499239	511527	1817	1521	Water stressed
Ukhayelethu	736	820545	892992	1192	1098	Water stressed
eThekweni	2027	688848	706588	3031	2969	Not stressed
uMkhayeli	700	510858	554862	1570	1262	Water stressed
King Cetshwayo	1201	807519	871185	1524	1238	Water stressed
uMgungundlovu	1732	1011783	1095865	1702	1530	Not stressed
Benoni	568	896909	857612	916	884	Water stressed
Harry Gwala	1586	861419	110865	4504	3888	Not stressed
eThekweni	509	3442541	3702251	80	83	Water stressed
Ngq	817	722484	755586	1181	1095	Water stressed

(Source: COGTA, 2019, Slide 14)

7.1.2 Sanitation

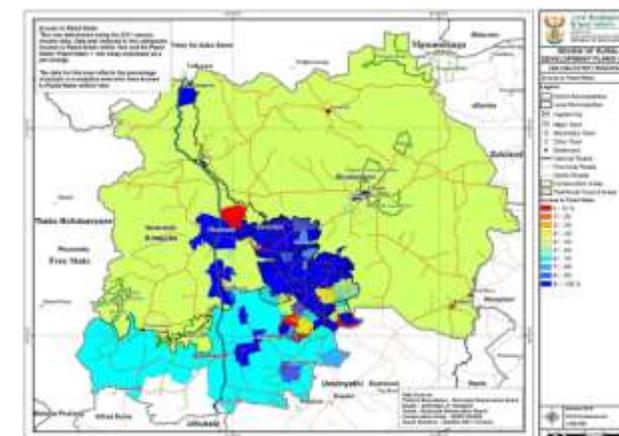
The highest proportions of households in Newcastle and eMadlangeni have access to a flush or chemical toilet (68,4% and 25% respectively). Over 80% of the households in Dannhauser use pit latrines, with 11,3% having access to a flush or chemical toilet. For the district as a whole, 1,8% of the population did not have any type of toilet facility. eMadlangeni is the most severely affected with 4,4% of the households indicating that they do not have access to toilet facilities.

FIGURE 14: Access to Sanitation



(Source: DGDP, 2019, p29)

MAP 26: Water Infrastructure



(Source: Rural Development Plan for the ADM, 2019, p71)

7.1.3 Water and Sanitation Summary

The following table summarises progress towards universal access for water and sanitation.

TABLE 28: Progress Towards Universal Access

Municipality (Local Government)	Number of households (2019, 2018, 2017)	Progress towards universal access							
		Number of households with access to water	% of households with access to water	Number of households with access to electricity	% of households with access to electricity	Number of households with access to sanitation	% of households with access to sanitation	Number of households with access to refuse collection	% of households with access to refuse collection
Newcastle DM	10 000	5 200	52%	10 000	100%	10 000	100%	10 000	100%
Madadeni LM	1 500	1 200	80%	1 500	100%	1 500	100%	1 500	100%
Dannhauser LM	10 000	1 000	10%	10 000	100%	10 000	100%	10 000	100%
Amajuba District	21 500	7 400	34%	21 500	100%	21 500	100%	21 500	100%

(Source: Rural Development Plan for the ADM, 2019, p141)

The COGTA Assessment noted the following challenges:

- In order to avert unrest, Amajuba DM in urgent need of funding for boreholes to the value of R40mill. Have made submission to DWS; business plan for WSIG funding. Need is in Dannhauser Ward 1 (Normandien), 4, 6 (10 production boreholes). In eMadlangeni Ward 1 and 4, where 40 will be refurbished and 20 new boreholes will be drilled. BP being appraised by DWS.
- In eMadlangeni LM, Goedehoop WWTW also services Utrecht and is need of urgent upgrade but WULA is still with DWS national office.
- Shortages of water in Buffalo Flats and other parts of Dannhauser LM, struggling to abstract enough water for treatment. Buffalo river is still low, with only occasional rainfall. ADM believe that users upstream on the river are using/ trapping more water than previously.
- Dannhauser waste water works (WTW) needs to be decommissioned properly as it can be fed from the new Durnacol 5ML/day WTW. Welgedacht

WWTW in eMandlangeni LM also **needs to be decommissioned properly** (area to be made safe).

- DMC water supply project (next to Madadeni) is being delayed (85% complete). Contractor is being replaced (having to go out to tender). This is a MIG project.

The following challenges were encountered at the Amajuba DM WSA:

- Poor performance on the WSIG grants, especially in this and previous Financial Years. In addition, MISA helped the municipality roll over R32 Million from the previous financial year, which the WSA is now spending. PMU and SCM of Amajuba need to be strengthened (in hand).
- Note the wards in Amajuba DM, Dannhauser and eMadlangeni LM are sparsely populated thus this make the provision of yard connection (reticulation and bulk service) expensive. Very little chance of revenue collection in these areas, especially as it is fairly rural.
- The municipality’s Water & Sanitation delivery plan is not approved by council at present. In need of review of Bulk planning for water & sanitation.
- The implementation of projects always takes much longer than the original contract period and generally run into shortages of funds, requiring AFAs, difficult for DWS and COGTA to keep approving. There is a need for better planning.

The following challenges were encountered at the Newcastle WSA:

- Some recent protests and uprising in community of Osizweni regarding the sanitation project in Ward 19, section E and F. 700 houses are being converted to water borne sanitation. Community does not accept that NWC LM have to implement this project in phases each year. 300 houses have received their waterborne service to date and the LM has had to submit AFA to DWS for further funding as the funds are depleted (was meant to be midblock system, but houses have not been located in appropriate fashion).
- Charlestown uprising has been eased due to COGTA intervening and unblocking the issue of outstanding Eskom connections and permission to cross the N11 high way etc. This is being recommissioned.
- Newcastle require at least R10mill funding for urgent desludging of VIPs.
- WULA issue is causing delays on upgrade & refurbishment of the Madadeni waste water treatment works (WWTW). MIG funded. Amendment to the funding agreement (AFA) and the WULA is being appraised by DWS currently. Contractor is on site but has to go- slow.
- Feasibility study on the Ngagane WTW (future capacity versus available source – Ntshingwayo dam). Water shedding still in place in Madadeni and Osizweni WTWs due to high water losses.
- In response, NWC LM is busy with a pressure management project funded through WSIG (R4mill for Madadeni and R4mill for Osizweni) which will reduce water losses but water demand will still be high due to non-payment for services in Madadeni and Osizweni.

7.1.4 Electricity

Census data for the years 2001 and 2011 indicate a significant increase in the usage of electricity for lighting, cooking and heating purposes across all of the local municipalities in the district. The highest proportion of households with access to electricity are located in the Newcastle Local Municipality. It is interesting to note that Dannhauser experienced the highest increases in its levels of access to electricity between 2001 and 2011.

TABLE 28: Electricity Usage for Lighting, Cooking, and Heating: 2001- 2011

Municipality	Lighting		Heating		Cooking	
	2001	2011	2001	2011	2001	2011
Newcastle	84.1	87.2	53.3	68.7	58.3	82.8
Emadlangeni	29.1	48.5	14.3	32.0	25.2	40.2
Dannhauser	43.5	85.4	15.2	39.9	18.7	55.1

(Source: DGDP, 2019, p29)

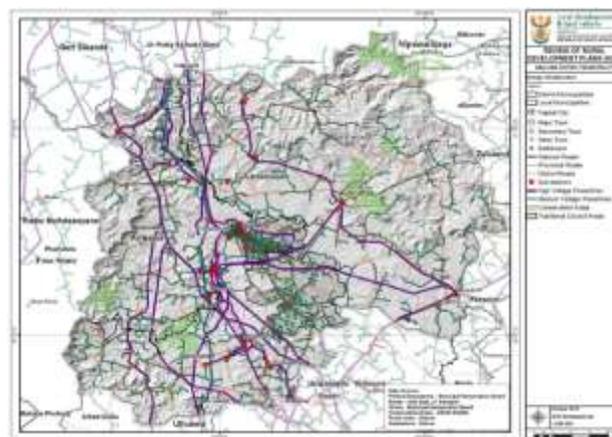
The figure below illustrates the District Summary comparing 2011 to 2016.

FIGURE 15: Energy for Lighting



(Source: Rural Development Plan for the ADM, 2019, p68)

MAP 27: Energy Infrastructure



(Source: Rural Development Plan for the ADM, 2019, p69)

7.1.5 Opportunities and Constraints

The Amajuba IDP (2019, p177) identifies the following opportunities and constraints relating to Infrastructure Provision

OPPORTUNITIES:

- Installation of meter system for revenue enhancement;
- Shared services with Local Municipalities;
- Public Private Partnerships;
- Development of new dam;
- Available technical support from Sector Departments; and
- Exploring alternative technologies to aid in sanitation related challenges

CONSTRAINTS:

- Influx of new settlements or households which lead to an endless and ever- growing backlog;
- Planning is disrupted due to influx for provision of basic services;
- Poor maintenance of water infrastructure;
- Most bulk and reticulation infrastructure has exceeded its service life.
- Illegal connections to bulk infrastructure;
- Water loss due to illegal connections;
- Poor revenue collection (business and rural);
- Water and air pollution by industries; and
- Outdated and outstanding sector plans making detailed planning difficult.

7.2 Catalytic interventions current and planned

The following Strategic Infrastructure Projects are identified in the DGDP (2019, p137).

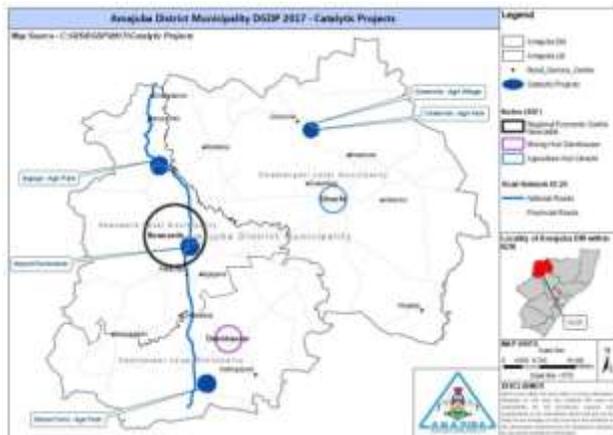
TABLE 29: Strategic Infrastructure Projects

Project Name	Project Description	Project Location	Project Status	Project Budget	Project Start Date	Project End Date
Water supply project	Construction of a new water supply system for the area.	Area A	Completed	R100 million	2015	2018
Sanitation project	Construction of a new sanitation system for the area.	Area B	In Progress	R50 million	2019	2022
Electricity project	Construction of a new electricity supply system for the area.	Area C	Planned	R200 million	2023	2025

(Source: DGDP, 2019, p137)

Certain of these projects are mapped below as catalytic projects

MAP 28: DGDP Catalytic Projects



(Source: DGDP, 2019, p138)

The targets associated with these, and estimated budgets, are highlighted below.

TABLE 30: DGDP Identified Strategic Infrastructure Projects

STRATEGIC INFRASTRUCTURE PROVIDES FOR THE SOCIAL AND ECONOMIC GROWTH AND DEVELOPMENT NEEDS OF THE DISTRICT

NO.	PROJECT DESCRIPTION	NO.	Priority Indicator	Budget (R'000)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	30th Year	Initiation	Planning
1.1	Development of N11	1.1.1	Widening of N11 from 4 lanes to 6 lanes	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.2	Development of N11	1.2.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.3	Development of N11	1.3.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.4	Development of N11	1.4.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.5	Development of N11	1.5.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.6	Development of N11	1.6.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.7	Development of N11	1.7.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.8	Development of N11	1.8.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.9	Development of N11	1.9.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.10	Development of N11	1.10.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.11	Development of N11	1.11.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.12	Development of N11	1.12.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.13	Development of N11	1.13.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.14	Development of N11	1.14.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.15	Development of N11	1.15.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.16	Development of N11	1.16.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.17	Development of N11	1.17.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.18	Development of N11	1.18.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.19	Development of N11	1.19.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.20	Development of N11	1.20.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.21	Development of N11	1.21.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.22	Development of N11	1.22.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.23	Development of N11	1.23.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.24	Development of N11	1.24.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020
1.25	Development of N11	1.25.1	Construction of N11 bypass	120 000	0	0	0	0	0	0	0	0	0	0	0	2020	2020

CATALYTIC PROJECTS

GOAL: Infrastructure Engineering

FOCUS AREA VISION: All spheres of government will prioritise budgets for the implementation of catalytic infrastructure projects that will unlock the economic potential of the District and address the projected population expansion. Focused government investment will also work to unlock private-sector investment applying the 80:20 principle.

Proactive forward planning for infrastructure will be undertaken, supported by the frequent review of sector plans, together with ensuring that key built environment posts are filled with skilled professionals.

Maintenance of infrastructure investments will be a priority to extend the life spans of and benefits from investments.

Greater accessibility of communities will be facilitated through improved access to broadband and ICT infrastructure, well maintained roads and reliable public transport.

OUTCOME:
Mobilise, target, align and manage investment in infrastructure in a sustainable way supporting the economic positioning and transformed spatial structure Outcomes Indicators.

CLUSTER

Economic

STRATEGY

Mobilise, target, align and manage investment in infrastructure in a sustainable way supporting the economic positioning and transformed spatial structure Outcomes Indicators.

PRIORITY

Create additional Capacity along Primary Movement Corridors.

CATALYTIC PROJECT

Widening of the N11.

DRIVER

SANRAL, Amajuba, Newcastle

DESCRIPTION

CLUSTER
Economic
STRATEGY
Ensure availability and sustainability of water and sanitation.
PRIORITY
Development of 20-year Master water and sanitation infrastructure plan.
CATALYTIC PROJECT
Revamp and development of dams
DRIVER
DWS, Amajuba, Newcastle, Private Sector
DESCRIPTION
The development of additional dams to augment water supply and increase resilience to drought and disaster.

7.3 Key gaps and misalignment between District & local, between spheres and sectors, and on analysis and interventions, and priorities

- Investment/ projects identified in existing plans are not always in areas where it will have the most impact.
- State investments are not unlocking private sector investment on 30: 70 principle. Most plans are largely working without the private sector and wondering why the private sector is not responding as envisaged.
- Fragmented settlement structures are resulting in high cost of providing services. Under current funding models, Municipalities cannot afford to supply services to the outer-lying areas.
- Maintenance of existing infrastructure is not adequately planned or budgeted for.
- Municipal technical service departments are poorly resourced and in many instances have poorly trained and motivated staff.
- Long term planning and infrastructure projects are poorly linked. As a result, long- term projected demands are not sufficiently addressed in designs. Bulk services are put in the ground that are too small to cater for future demands.
- Water storage planning requires attention and new storage dams need to be planned for, funded and developed.

8 Integrated Services Provisioning

8.1 Background

Integrated service delivery is dependent on spheres of government planning together in an integrated way. SPLUMA (16 of 2013) gives the function for planning in municipal space to municipalities and requires higher levels of government to align their planning to the municipal detailed plans as contemplated in the SPLUMA (16 of 2013) hierarchy of plans. This section will briefly analyse available integrated service plans.

8.2 Key opportunities and constraints

8.2.1 The KwaZulu-Natal Master Spatial Plan (2016)

The KwaZulu-Natal Master Spatial Plan (2016) (MSP) developed by the HDA and is based on the following principles:

- Guide and align all investment in Human Settlements;
- Creation of balanced settlements reflecting spatial equity, economic potential and competitiveness and environmental sustainability;
- Spatial targeting and spatial concentration;
- Accessibility and choice;
- Value creation and capture;
- Effective governance; and
- Responsiveness to demographic and economic context.

It is based on the following objectives:

- Spatial transformation;

- Compact settlements and settlement patterns;
- Connected settlements and settlement patterns;
- Integrated settlements and settlement patterns;
- Functional residential property market in urban and rural areas;
- Consistent application of policies, principles, objectives and concepts across various scales (provincial, regional & local); and
- Institutional capacity for effective planning and implementation.

The proposed investment allocation procedure is as follows:

Component 1:

70% of available discretionary funding to be reserved for projects located in the identified priority human settlement areas.

Component 2:

20% of available discretionary funding to be allocated to projects not located in the identified priority human settlement areas.

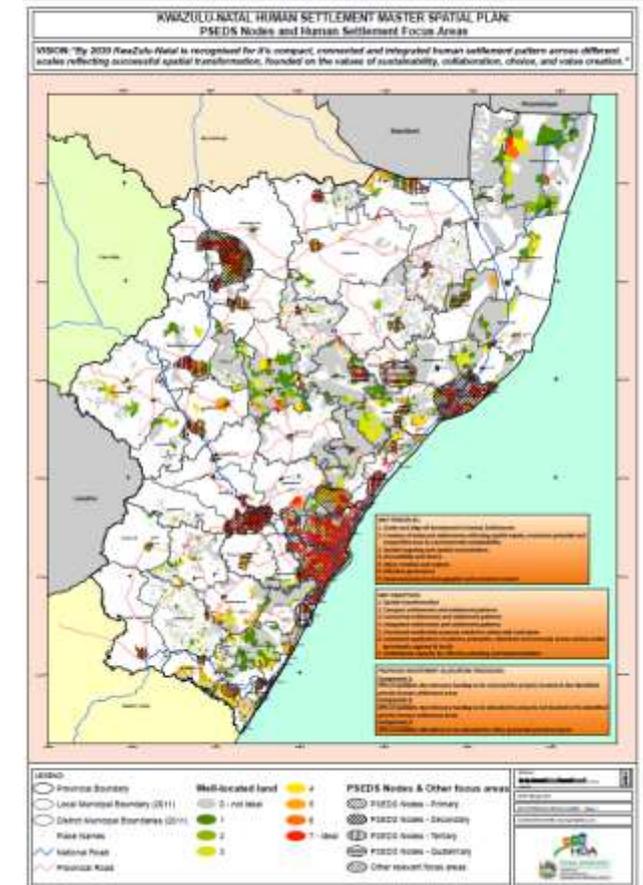
Component 3:

10% of available allocations to be allocated to other provincial priority projects.

The provincial map summarising interventions is highlighted below followed by a map focusing on the Amajuba DM. Areas of ideally located land is highlighted in red on the maps and is located in and around the urban centres in Newcastle, Dannhauser

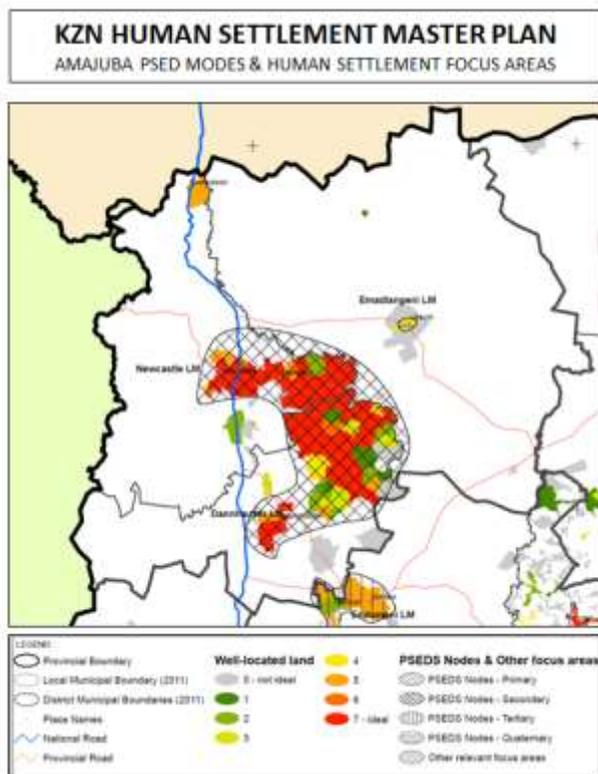
Year 2 Amajuba District Profile Report 2022 and on the inter-joining areas in Dannhauser on the Buffalo Flats.

MAP 29: KZN Human Settlement Master Spatial Plan



(Source: HDA, 2016)

MAP 30: KZN Human Settlement Master Spatial Plan: Amajuba DM



(Source: HDA, 2016)

The KZN Human Settlement Master Plan offers opportunities for integrated human settlement as it aligns to the detailed municipal plans and projects.

8.2.2 Municipal Detailed Plans

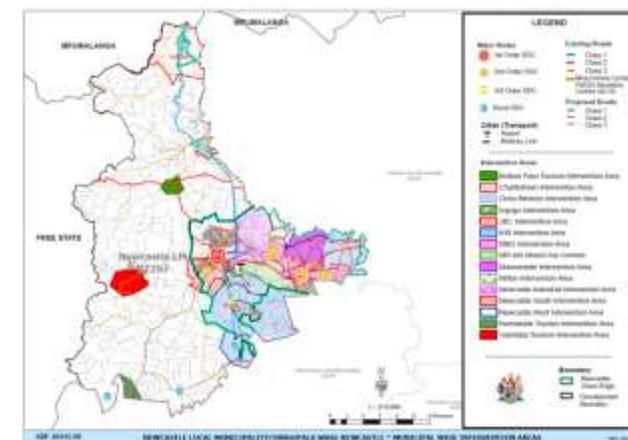
The Newcastle municipality has the most detailed Hierarchy of Plans of the three local municipalities and has identified the following 15 intervention areas

where detailed plan, termed Local Area Development Plans (LADPs), have been prepared:

- Charlestown Intervention Area
- Ingogo Intervention Area
- Botha's Pass Intervention Area
- Vulintaba Intervention Area
- Normandien Intervention Area
- Newcastle West Intervention Area
- Newcastle Industrial Intervention Area
- Milton Intervention Area
- Massondale Intervention Area
- Dicks Mndoza Intervention Area
- Newcastle South Intervention Area
- MR 483 Mixed use Corridor
- MBO Intervention Area
- JBC Intervention Area
- KIB Intervention Area

These are displayed in the map below.

MAP 31: Municipal Intervention Areas



(Source: Newcastle SDF, 2019, p198)

8.3 Catalytic interventions current and planned

Each of the Newcastle LADPs have a list of priority projects which are briefly highlighted below. More detailed information can be obtained from the municipal plans. The plans have not highlighted catalytic projects per se but have identified short to medium term projects which are highlighted.

NEWCASTLE SOUTH:

- Siyahlalala Housing Development;
- Service Infrastructure Provision ;
- Hospital Street CRU's;
- Equarand Mixed Use Township Establishment; AND
- Link Road construction.

**KILBARCHAN, INGAGANE,
BALLENGEIGH (KIB)**

- Refurbishments and upgrade of existing buildings and maintenance of open spaces in Kilbarchan and Ingagane;
- Bosworth Farm Slum Clearance - Rural Housing (Medium term);
- Roypoint informal settlement upgrade – Low cost housing (Short – medium); and
- Upgrading of Ingagane Water purification plant (Short Term).

NEWCASTLE CBD

- Review of CBD Development Plan;
- Reconfiguration of Allen Street;
- River Front – Upgrade of existing public transport facility;
- Gateway Node – Widening of Allen Street bridge;
- Civic and Cultural Node – Provision of public open spaces and cultural facilities ;
- Avenues / Street Scaping – Improve appearance and function of CBD streets;
- Additional Multi Modal Public Transport Facility along Hardwick Street; and
- Provide affordable housing (Community Residential Units) in Hardwick Street precinct.

NCANDU RIVER FRONT

- Upgrade of Taxi Rank including informal trading facilities; and
- Upgrade of Newcastle Trim park

HARDWICK STREET

- Multi Modal Public Transport Ring Route and community Facilities;
- Lower Density Residential; and
- Light Industrial

DICKS, MNDOZO, MANZANA, JACKALSPAN

- Sports and recreation facilities;
- Establishment of a library;
- Establishment of a clinic;
- Preparation of precinct plans;
- Rural housing project;
- Formalization of informal graveyards;
- Electrification of areas without electricity;
- Upgrade water infrastructure;
- Upgrade internal road infrastructure; and
- Eco-friendly sanitation.

JOBSTOWN, BLAAUBOSCH, CAVAN (JBC)

- Finalize and obtain approval for outstanding layouts to cover the entire area;
- Bulk sewerage plant for the entire JBC area;
- Provision of waterborne sewerage in the JBC primary node;
- JBC housing project;
- Rehabilitation of the informal coal and clay mining of pit;
- Relocation of Mzamo High School to a new site;
- Construction of brick manufacturing factory;
- Blaauwbosch housing project – phase 1;
- Sports field;
- Upgrading of main roads;

- Landscaping along main roads and creation of gateways;
- Phased upgrading of internal access roads;
- JBC Civic Centre; and
- Phased Social Housing Development.

MADADENI CBD

- Provision of public ablution facilities;
- Landscaping;
- Sidewalk Paving Provision of Public Parking lots;
- Resurfacing and stormwater provision of main road in CBD;
- Upgrading of internal distribution and link roads;
- Urban Greening and Parks development; and
- Warehousing and formal stalls for hawkers.

OSIZWENI CBD

- Area cleaning programme;
- Data base of all sectoral support role-players;
- Detail terrain modelling of core investment area;
- Infrastructure maintenance programme;
- Provision of public ablution facilities;
- Provision of public parking lots;
- Regional solid waste disposal site;
- Resurfacing and stormwater provision of main road in current CBD;
- Sidewalk paving;
- Taxi interchange;
- Landscaping, public furniture;
- Upgrading of internal distribution and link roads;
- Urban greening & parks development; and
- Warehousing and formal stalls for hawkers.

BLAAUBOSCH

- Area cleaning program;
- Data base of all sectoral support role-players;
- Detail terrain modelling of core investment area;
- Infrastructure maintenance programme;
- Provision of public ablution facilities;
- Provision of public parking lots;
- Regional solid waste disposal site;
- Resurfacing and stormwater provision of main road in current CBD;
- Sidewalk paving;
- Taxi interchange;
- Landscaping, public furniture;
- Upgrading of internal distribution and link roads;
- Urban greening & parks development;
- Warehousing and formal stalls for hawkers;
- Blaauwbosch LUMS formulation.

CHARLESTOWN

- Electrification;
- Finalization of the NIC water supply project.;
- Commission a study to evaluate the potential of charcoal production;
- Establishment of Waste Disposal Facility;
- Demarcation and fencing of graveyard for Charlestown;
- Finalization of LED Strategy;
- Refurbishment of water works and new infrastructure finance;
- Charlestown housing project;
- Grading and adding of rocks for drivability of the road for Clavis (Short Term); and

- VIP toilets in Lindelani, Clavis and Clavis extension. (Short Term).

CATALYTIC PROJECTS

GOAL: Integrated Service Provisioning
FOCUS AREA VISION: Social service delivery will be brought to all communities through the implementation of innovative service delivery mechanisms like the Agri- village initiative. Further to this, social services will be clustered at accessible locations in accordance with the Provincial Norm and Standard on Public Social Facilities.
OUTCOME: Enable residents to experience reliable, cost effective, viable, sustainable and seamless provisioning of services in functioning places.
CLUSTER
Social
STRATEGY
Eradicate poverty and improve social welfare service.
PRIORITY
Expanding social welfare services to underserved areas.
CATALYTIC PROJECT
MPCC/ Thusong Centre implementation.
DRIVER
COGTA, DSD, EDTEA, DARD, DAC
DESCRIPTION
These centres have played a leading role in strengthening citizen's access to government services which impact on their daily lives. These facilities are rolled-out in previously under-served areas by government, civil society partners and private sector bodies, and have made it easier for citizens to access identity documents, birth and marriage certificates, computer training, health services and UIF applications, among others. They aim to deliver information and services to communities, and to strengthen community access to government.

CLUSTER
Social
STRATEGY
Enhancing health of communities and citizens.
PRIORITY
Ensure equitable access to health services.
CATALYTIC PROJECT
(1) Development of new private hospital. (2) Medical City
DRIVER
Newcastle, DOH, Private Sector
DESCRIPTION
This development is adjacent to the existing Medi-Clinic precinct in Newcastle and will involve the development of two new private hospitals in close proximity to one another. The development will also be supported with ancillary services such as office parks, high density residential facilities, outdoor food outlets, and a training centre on the current municipal premises.

CLUSTER
Social
STRATEGY
Eradicate poverty and improve social welfare services.
PRIORITY
Expanding social welfare services to underserved areas.
CATALYTIC PROJECT
Groenvlei Agri-village
DRIVER
DARD, COGTA, EDTEA, eMadlangeni
DESCRIPTION
An Agri-Village is the development of a new settlement where farm workers and farm dwellers will have security of tenure. They will live close to their places of work, without having to live on the farm. Households will have enough land to grow their own food as well as have the choice of taking part in agricultural business enterprises that will be developed within the Agri-village. The settlement will have basic services as well as amenities like clinics, schools and a community center. The village will have the services of better transport systems and the plan is that over time, it can be developed into a fully-fledged small town.

CLUSTER
Economic
STRATEGY
Development of information and communications technology.
PRIORITY
ICT infrastructure nodes established in Amajuba.
CATALYTIC PROJECT
District-wide ICT Broadband.
DRIVER
Amajuba, OTP, Private Sector
DESCRIPTION
Studies have revealed that broadband and fast connectivity fosters economic growth through improvements in productivity and efficiency; and that information access has positive effects on welfare and well-being. This project seeks to ensure a phased roll-out of broadband coverage.

8.4 Key gaps and misalignment between District & local, between spheres and sectors, and on analysis and interventions, and priorities

- A key question that needs to be asked of plans in respective municipal Hierarchy of Plans and in developing new plans, is whether or not the plans have the political vision and support to deliver on Spatial Equity. Linked to this is the need to educate Senior Municipal Officials, Amakhosi, Councillors and their committees on Spatial Equity- related matters.
- It is noted that many municipalities lack the resources to implement the plans developed as part of their planning processes. Municipalities need to foster closer relationships and linkages with external funders to secure grants, as well as with the municipal engineers to ensure that implementation follows planning.
- Municipalities need to look to their administration and planning structures to see whether there are skills gaps relating to urban designers, town planners and engineers producing quality, integrated, and innovative urban spaces.
- There is a need to work closely with traditional authorities on the periphery of the urban core so that land allocation practices take into account Spatial Equity- related matters. This is equally important in the development of Traditional Settlement Master Plans (TSMPs).
- Greater compaction needs to be encouraged. A key goal of a Hierarchy of Plans should be to

Year 2 Amajuba District Profile Report 2022 create a compact city that breeds innovation and evokes change, and which is the generator of good urbanism.

- Planning needs to facilitate the development of the city with a diverse economy. A huge part of urban areas is the informal sector and small scale economic activity which exist on the margins of the urban system. The plans developed as part of the Hierarchy of Plans need to ensure that the urban environment is inclusive, and they need to consider introducing economic spaces and public spaces that allow for a range of small scale activity.
- There is a need for the development of innovative strategies to develop urban agriculture through the Hierarchy of Plans, to ensure alternative income streams.
- All of these plans developed as part of the Hierarchy of Plans need to feed- upwards into the municipal Spatial Development Frameworks with particular focus on the long- term spatial strategy, the Capital Investment Framework, and the Capital Expenditure Framework.

9 Governance and Management

9.1 LG assessment

9.1.1 Functionality of Ward Committees

In respect of the functionality of Ward Committees as at 25 August 2022, Newcastle had 91% of its ward committees functional with wards 2, 8 and 25 being non-functional and having no community meetings. Dannhauser and eMadlangeni have all ward committees being functional.

9.1.2 Functionality of War Rooms

Of the 53 Wards 18 have active CDWs, which are all operating at 100%.

TABLE 31: War Room Functionality

AMAJUBA OF WAR ROOM FUNCTIONALITY					
District	Local Municipality	No of wards	No. of wards with CDWs	No functional war rooms with CDWs	Overall percentage of functional war room with CDWs
Amajuba	Dannhauser	13	6 (1,3,8,9,11,13)	6	100%
	eMadlangeni	6	4 (1,3,4,6)	4	
	Newcastle	34	8 (8,9,11,12,15,25,31,33)	8	

(Source: COGTA 2021)

9.1.3 Capacity of District and Local Municipalities

According to DPSA, the National Vacancy Rate within Government declined to 6.2% as at July 2018. In the ADM the figure is 32% which is way above this norm.

The vacancy rate is 60% at Newcastle, 34% in eMadlangeni and 28% in Dannhauser. This may be indicative of financial distress at these Municipalities where a number of these posts are left vacant because of financial constraints.

In terms of Section 54/ 56 posts being filled as at February 2021, the following is noted:

- **Amajuba:** 5 of the 6 posts are filled (83%). The report indicates that the Municipal Manager post has been vacant since 15 January 2021. The posts of Director: Planning and Development, Director Technical Services and Chief Financial Officer have been filled.
- **Newcastle:** 6 of 8 posts are filled (75%). MM, CFO has been filled. Director Community Services has been vacant since September 2020 and is expected to be filled by June 2021. Director: Strategic Governance Support Services (Council has appointed an acting incumbent but there are no funds to fill the post. Post has been frozen).
- **eMadlangeni:** 4 out of 4 posts filled (100%). It should however be noted that the Director Technical Services and Municipal Manager are both currently on suspension.
- **Dannhauser:** 5 of 5 posts filled (83%).

9.1.4 Challenges on Technical Service Unit Skills Audit

The Amajuba and Dannhauser municipalities were found to have an under-representation of females and people with disabilities in the audit.

The educational levels of Managers, Professionals and Technicians that reported to having a matric or bellow were found in the audit of the Amajuba, Newcastle and eMadlangeni municipalities.

The eMadlangeni and Dannhauser municipalities were found to have staff in the units with no registration with professional bodies.

9.1.5 Challenges On Finance, Budget & Treasury Office Skills Audit

The Amajuba and eMadlangeni municipalities were found to have staff with educational levels of a matric or below.

The Newcastle and Dannhauser municipalities were found to have managerial and functional staff with competences below the required levels.

9.1.6 Negative Media Coverage

All four municipalities in the District had negative media reports with Newcastle having a significantly higher number than the rest. In this case, negative media coverage has overshadowed all attempts to project an image of a functioning municipality with good governance, sound financial management and adequate service delivery. Negative publicity on Newcastle focused on alleged corruption and service delivery concerns.

9.1.7 Public Protests

There is a steady increase in service delivery protests compared to the first two quarters of the current financial year. Protests were recorded in both eMadlangeni and Dannhauser. There has been an

improvement in the occurrence of protests in Newcastle.

Protests motivators beyond the basic service delivery include grievances pertaining to social issues such as burial space concerns and a number of Covid19 related concerns. Water, Electricity, Allegations of corruption and maladministration in Municipalities, criminal acts involving SAPS dominate the causes of public protests in the period of reporting.

Key corrective measures identified include strengthening and monitoring of Municipal Rapid Response Team functionality by requesting functionality documents on a monthly basis.

9.1.8 Indicators of Poor Financial Health

In terms of the Local Government Assessment undertaken in the 2019 and 2020 Sound Financial Management was found to be poor at all municipalities.

In respect of the financial ratios the Amajuba District was found to have a negative cash position. The Debtors collection rate was below the norm of 80% in Amajuba, Emadlangeni and Dannhauser. It is noted however that the effects of Covid has had an impact in this regard.

Payment of Creditors in excess of 30 days are recorded in all municipalities which reflects cashflow challenges. The cash coverage in all municipalities was at the time of review recorded as below the average.

The current ratio which reflects the ability of the municipality to service its debts were recorded as

below the norm for Amajuba, Newcastle and eMadlangeni.

Unauthorised, irregular, fruitless and wasteful expenditure is recorded in all municipalities and effective reduction in this regard requires strategies to be implemented that talk to consequence management as a preventative tool of the reoccurrence.

Newcastle municipality has entered into a payment plan in respect of historical Eskom debt. Currently the municipality is servicing its current and historical debt in terms of the approved plan.

Capital spending is recorded as below the norm in both Amajuba District and Newcastle Municipality.

In respect of the budget it is concerning to note that Amajuba and Newcastle have both recorded an unfunded budget.

9.1.9 Auditor General's Opinions

In terms of the Audit opinions it is noted that the outcome for Amajuba improved, while Newcastle, Dannhauser and eMadlangeni remained unchanged.

TABLE 32: Auditor General Outcomes

Municipality	2017/2018 Audit Outcome	2018/2019 Audit Outcome	2019/2020 Audit Outcome	2020/2021 Audit Outcome
Amajuba District	Qualified	Qualified	Disclaimer	Qualified
Newcastle	Unqualified	Unqualified	Unqualified	Unqualified
eMadlangeni	Unqualified	Unqualified	Qualified	Qualified
Dannhauser	Qualified	Qualified	Qualified	Qualified

Year 2 Amajuba District Profile Report 2022

9.1.10 Municipalities supported on the appointment of financial experts

The Amajuba DM was supported with the appointment of a financial expert. Support activities include (1) Audit action plan and audit process, (2) performance management, (3) interim financial statements, (4) annual financial statements, (5) addressing UIFW expenditure, and (6) internal controls.

9.2 TC assessment

9.2.1 Traditional Leadership Levels and/or Positions

The following table summarises the Traditional Leadership Levels and/or positions in the Amajuba DM.

TABLE 33: Traditional Leadership Levels and/or Positions

NAME OF INDIVIDUAL	TC NAME	POSITION
Moliso C. M. Mkhabela	Khumbani	Chairperson, Amajuba Local House
Moliso C. M. Mkhabela	Thoboyane	Deputy Chairperson, Amajuba Local House
Moliso P. S. Mkhabela	Amakungu	EMCC, Amajuba Local House
Moliso M. Mkhabela	Mkhabela	EMCC, Amajuba Local House
Moliso A. Mkhabela	Ngweni	EMCC, Amajuba Local House
Moliso R. S. Mkhabela	Amakungu	Amajuba Local House Member
Moliso S. Mkhabela	Khumbani	Amajuba Local House Member
Moliso Z. G. Mkhabela	Ngweni	Amajuba Local House Member
Moliso S. M. Mkhabela	Thoboyane	Amajuba Local House Member

(Source: COGTA Programme 4)

The following table has been prepared by COGTA: Traditional Affairs and indicates the Traditional Councils in each municipality as well as the economic sector associated with these areas.

TABLE 34: Traditional Council Areas, Land Type and Economy

TC NAME	LAND TYPE	ECONOMY SECTOR
NEWCASTLE LM		
Khathide TC	Communal	Agriculture: Crop production
Amahubi TC	Communal	Agriculture: Crop production, Livestock, Sand mining
Khumalo TC	Communal and Privately owned	Agriculture: Crop Production
DANHAUSER LM		
Emalangen TC	Communal and Privately owned	Agriculture: Crop Production and Livestock
Ingwe TC	Communal and Privately owned	Agriculture: Crop production
Gule TC	Communal	Agriculture: Crop production, Livestock, Sand mining
EMADLANGENI LM		
Mbatha TC	Privately owned	Agriculture: Crop Production and Livestock
Amantungwa TC	Privately owned	Agriculture: Crop production, Livestock, Sand and Coal mining
Empundeni TC	Privately owned	Agriculture: Livestock and Crop production and Biodiversity
Thekwane TC	Privately owned	Agriculture: Livestock and Crop production and Biodiversity
Ndlamenze TC	Privately owned	Agriculture: Livestock and Crop production and Biodiversity

(Source: COGTA Programme 4)

In terms of customs, traditions and community rules and their Compliance with Chapter 2 section 2(3)(a)-(b) of the TLGFA, all Traditional Councils except the Khumalo TC have documentation of their customs.

All TCs have quarterly portfolio committee meetings.

9.2.2 Participation of Traditional Leadership in Municipal Council Meetings

As at September 2020 there is an improvement in municipalities that have achieved 80% attendance of traditional leadership for ordinary council meetings. These municipalities are Newcastle, Dannhauser, eMadlangeni and Amajuba still remain challenged.

Corrective measures identified by COGTA include:

- None attending traditional leaders will be visited for an engagement and Programme Four is developing a visitation programme.
- Follow up on the filling of the details form for the assigned individual for amaKhosi communication and protocol responsibilities.
- Inform the District Office to arrange that amaKhosi collect the tools of trade.
- Reassess the need for paying a visit to the Municipality post visitation to traditional leaders who do not attend council meetings.

9.3 IGR assessment

9.3.1 IGR Forums

- In consideration of the magnitude and severity of the Covid-19 outbreak which was declared a global pandemic, Cabinet at a special meeting held on 15 March 2020 resolved to declare a National State of Disaster. In this regard the Minister of Cooperative Governance and Traditional Affairs (Cogta) issued a Gazette declaring a State of Disaster, in terms of Section 27 of the Disaster Management Act 2002.
- The President addressed the nation and announced extra ordinary measures to be implemented to mitigate and combat the spread of Covid-19. To ensure proper monitoring, reporting and implementation of the regulations, directions and guidelines by all sectors, the President established a National Coronavirus Command Council.

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- The directions issued by the Cogta MEC and subsequent to circular 10 of 2020 to all Municipalities stipulates that for the duration of the state of disaster for Covid-19, all Mayors and institutions shall take reasonable measures to facilitate and implement measures to prevent the spread of the virus. One such measure was the establishment of District Command Centres (DCC).
- The purpose of the Coronavirus Command Centres is to facilitate and ensure implementation of measures to combat the spread of COVID-19 across provinces and districts at an administration level. The Command Council further replicates the national and provincial structures at a local level.

The National Corona Virus Command Council (NCCC) and Cabinet endorsed the District Development Model (DDM) as an intergovernmental vehicle for integrating and coordinating the implementation of all of Government Covid – 19 and GBVF Response Plans

In keeping with the COVID-19 protocols, all 10 Districts & Metro have held their DDM Meetings virtually. Participation from all spheres of government, including National Ministers, Deputy Ministers, MEC/HOD Champions, Mayors, Municipal Managers, Traditional Leaders & private sectors saw the DDM engagements in action. The Meetings were held as follows: Amajuba: 25/10/20

- Both the Technical & Political Hubs were operational, however have not met since January

2021 to dealing with both COVID-19 and DDM matters accordingly. These structures should be meeting at least once a quarter

- Further the Clusters, namely JCPS, Social, ESID & GSCID clusters have in some instances been established and are meeting at least once a month to address both COVID-19 & DDM Matters. Some are still challenged.
- MOU between COGTA & Provincial Treasury – Meeting held within COGTA (21/01/21) with the HOD, Legal Services & Programme 2 – to relook at the activities within the MOU and reference it with the MFMA and resubmit a new draft to the HOD by the 29 January 2021.
- MOU with Eskom – Legal Services-Resubmitted on the 25/01/21 to Legal Services at COGTA for vetting
- MOU with the Department of Water and Sanitation – currently in draft phase. Engagements with Water & Sanitation have reconvened post the festive season break to finalize the MOU.

9.3.2 PROGRESS ON THE IMPLEMENTATION OF THE DISTRICT DEVELOPMENT MODEL (DDM)

To date, the following activities have been undertaken:

- A first generation One Plan was developed and adopted.

- This plan was submitted to National Government for assessment and came second in the province after eThekweni.
- The Clusters have been reconstituted.
- A Planning Core Team has been reconstituted and has worked to review the District Profile report with new data where available, and to develop a strategic framework linked to catalytic projects.
- The Amajuba Mayor, Acting Municipal Manager and management team were briefed on the approach and timeframes for the review of the DDM and endorsed it to be discussed with the Cluster Chairpersons. This was a physical meeting on 14 July 2022.
- Three of the four Cluster Chairpersons were then briefed on 14 July via a MS Teams meeting organised by the District IGR. Cluster chairs were requested to convene Cluster Workshops to discuss the approach and actions required. Engagements with two Clusters have subsequently taken place namely, the Justice Cluster and the Economic Cluster.
- The Justice Cluster met on 1 September and was briefed on the actions required. The Cluster has been working on the document and has proposed a catalytic project.
- The Economic and Infrastructure Cluster met on 29 September and was briefed on the actions required. The presenter from the planning core team requested that the chair identify deadlines with the Cluster representatives to submit

Year 2 Amajuba District Profile Report 2022 information to ensure that the Process Plan is adhered to.

9.4 Land Development management assessment

The following table summarises the development of Single Land Use Scheme progress:

TABLE 35: Single Land Use Scheme Progress

2019	Municipal Area/ Entities	Extent of Municipal Area (HECT)	Extent of Land Use Scheme Coverage (HECT)	% of Municipal Area with Land Use Schemes	Comments relating to progress towards Single Land Use Schemes	COGTA Funding Support	Adoption Date / Anticipated Date of Adoption
AMAJUBA DISTRICT	Wesivulo	1821	1821	100.00%	Single Land Use Scheme adopted		18 July 2018
	Libonhlobo	1707	1707	100.00%	Single Land Use Scheme		24 March 2018
	Libonhlobo	1819	85	4.68%	Single Land Use Scheme in the course of preparation.	2018/19 R500 000	Jan 2022

(Source: COGTA Spatial Planning, October 2019)

With regards to the implementation of tools and structures in terms of the Spatial Planning and Land Use Management Act (16 of 2013), the Department of Rural Development and Land Reform (DRDLR), which is an implementing Department, has drafted generic planning by-laws for municipalities. Municipalities may customize these by-laws to suite their requirements. DRDLR and Department of Cooperative Governance and Traditional Affairs (COGTA), South African Local Government Association (SALGA) agreed to introduce interim arrangements to ensure that planning applications are processed while municipalities are busy with the adoption and gazetting of by-laws. Hence, this Province is utilizing the KZN Planning and Development Act, 2008 (KZNPDA) application process (Schedule 1) together with Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 of 2013 institutional structures (Municipal Planning

Tribunal, appointment of an Authorized Officer and the use of either EXCO or an external body as its Appeal Authority).

Amajuba District Municipality has three local municipalities which are Newcastle, eMadlangeni and Dannhauser. All local municipalities are going for a single Municipal Planning Tribunal. Progress to date is summarized below.

NEWCASTLE

Newcastle Municipality has achieved the following in terms of SPLUMA implementation:

- MPT establishment and functionality
- MPAO appointed and functional.
- EXCO is the default Appeals Authority
- Municipal Manager is the default Registrar
- By-law implementation capability is to be addressed to assist all SPLUMA Institutions (i.e. Council, Registrar and Appeals Authority)

To date Newcastle has all the structures in place and are not experiencing any challenges at present.

EMADLANGENI

eMadlangeni Council has achieved the following in terms of SPLUMA implementation:

- MPT is establishment and functionality
- MPAO appointed and functional
- EXCO is the default Appeals Authority
- Municipal Manager is the default Registrar

- By-law implementation capability is to be addressed to assist all SPLUMA Institutions (i.e. Council, Registrar and Appeals Authority)

DANNHAUSER

Dannhauser has achieved the following in terms of SPLUMA implementation:

- Resolution to EXCO as the default Appeals Authority;
- Appointment of the Municipal Manager is the default Registrar;
- MPT is establishment and functionality;
- Appointment and functionality of the MPAO;
- And with the implementation of SPLUMA bylaws; and
- All SPLUMA Institutions i.e. MPAO, MPT, Council, Registrar and Appeals Authority are being capacitated to this end.

9.5 Development Planning Shared Services

The original Development Planning Shared Services Business Plan (DPSS) and memorandum of agreement (MOA) for Amajuba was signed on 26 November 2010 and extended over a period of six years until 1 July 2015. This involved the District and all Local Municipalities in signing the MOA and the business plan. The Department of Co-operative Government and Traditional Affairs (COGTA) provided grant funding to municipalities over this period to assist district families in the establishment of the DPSS and hence is also a signatory of this agreement.

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After an initial period of three years during which district families assumed full responsibility for meeting the costs of DPSS, COGTA elected to assess the status of shared services throughout the province with the view to accommodating changes where necessary. In the case of Amajuba, this assessment resulted in revisions to the 2010 business plan. Signature of revised business plan was completed by municipal managers and COGTA by December 2013. The revised business plan does not change the period of the original agreement for this district family. Due to the Amajuba family's MOA terminating on 31 June 2015, the process of reviewing the DPSS situation was undertaken during early 2015. This has culminated in a new BP being prepared for the three year period 1 July 2015 to 31 June 2018.

In The 2015/16 and 2016/17 financial year it appeared as though eMadlangeni was deciding to withdraw from the Amajuba DPSS and the municipal manager of Dannhauser was unreachable to confirm the continued involvement of that municipality in DPSS for the next 3 years. However there was no formal withdrawal from these two municipalities and they have continued to participate in the DPSS.

Before the end of the DPSS term it was decided that it should continue for another three years since there are still a number of issues which affects municipalities in terms of capacity. The new DPSS term is now from 2018 to 2021.

The following is noted of the Amajuba DPSS:

- Management and co-ordination of DPSS Planning and GIS is taking place in Amajuba.
- The DPSS personnel are in place in the district and in line with the BP.
- There are limitations around GIS hardware and software in eMadlangeni.
- Dannhauser has a functional GIS office in the Technical Department.
- The district GIS unit continues to provide GIS support to the LMs on a request basis. A scheduled support arrangement is likely to be more useful in terms of skills transfer and meeting LMs requirements.

The following table summarises staffing issues for the DPSS.

TABLE 36: DPSS Staffing Arrangements

Entity	DPSS	GIS	Planning	Staffing	Comments	Staffing	Comments	Staffing	Comments	Staffing	Comments
Amajuba	1	1	1	1	1	1	1	1	1	1	1
Dannhauser	1	1	1	1	1	1	1	1	1	1	1
eMadlangeni	1	1	1	1	1	1	1	1	1	1	1
Newcastle	1	1	1	1	1	1	1	1	1	1	1

(Source: COGTA IDP Support, September 2019)

The Amajuba DPSS has for the last 7 years (2009-2016) provided planning and GIS support to local municipalities. LMs have not contributed to the cost of this service and hence the decision in 2013 for locals to appoint their own staff and meet the costs associated therewith. eMadlangeni has appointed entry level staff and recently a director of planning, but

Dannhauser failed to meet the requirements of the 2013 DPSS BP, but they (Dannhauser) have since appointed a Town Planner.

The future of DPSS in the Amajuba family was in question, but with eMadlangeni and Dannhauser municipalities continuing with participation in the programme has ensured that the DPSS remains relevant. COGTA is intervening in Dannhauser to resolve the noncompliance of the municipality with the SPLUMA.

CATALYTIC PROJECTS

GOAL: Governance
FOCUS AREA VISION: The creation of a responsive and forward- focused administration, that effectively manages its resources including finances, land, and human capital. The administration will also focus on improving Intergovernmental relations through the DDM processes, between the three spheres of government and traditional leadership, resulting in greater alignment of projects and budgets.
Local government will also improve revenue generation from the sale of services, through the implementation of an effective indigent policy to benefit the needy and ensure that those who are able to pay for services are doing so.
Institutional capacity will be further strengthened through the creation of shared service mechanisms for the monitoring, evaluation and implementation of key functions and initiatives.
OUTCOME: Improve the performance of all three spheres of government and in relation to district/metro developmental impact.
CLUSTER
Governance
STRATEGY
Building government capacity.
PRIORITY
Promote shared services amongst municipalities in Amajuba.
CATALYTIC PROJECT
Shared Service Centre
DRIVER
COGTA, Amajuba, Newcastle, Dannhauser, eMadlangeni
DESCRIPTION

Shared services or Shared Services Center (SSC) refer to a dedicated unit (including people, processes and technologies) that is structured as a centralized point of service and is focused on defined roles and services. One of the fundamental motivators for shared services is the potential cost benefits, and reducing unnecessary duplications. It offers a potential mechanism for improving the performance of local government.

9.6 Areas for improved functionality to ensure integrated development

- The need for a District level Housing Plan aligned with the KZN Human Settlement Master Plan and associated policies, as well as the municipal housing plans.
- Innovative ways of releasing affordable and correctly located serviced land for residential purposes needs to be explored.
- There is a need to ensure IGR Structures function and deliver on their mandates.
- The staffing requirements and skills of municipal officials in key departments requires attention, particularly in the forward planning, budget, infrastructure, and Town Planning departments.
- There is a need to ensure the finalisation of the single land use schemes in all local municipalities and to ensure intra-municipal scheme alignment for ease of doing business in the District.
- There is a need for closer working relationships with Traditional Authorities.
- There is a need for the roll- out of Traditional Settlement Master Plans.
- There is a need to commit adequate financial and human resources to maintain the municipal planning function, with particular emphasis on development- approval compliance and monitoring, and building inspectors.
- Issues raised by the Auditor General require urgent attention.
- The Shared Services model offers a key mechanism to provide shared skills in key developmental fields.

10 Annexures

10.1 Government Expenditure Review and Mapping

Mapping of projects is still to occur.

10.2 Projects and Budgets

National Departments

Final confirmation of projects for the 2022/23 financial year are awaited.

Update required. To be obtained through the DDM Clusters.

Provincial

Update required. To be obtained through the DDM Clusters.

Municipal

Update required. To be obtained through the DDM Clusters.

10.3 Summary of gaps

- National and Provincial Department, and municipal confirmations of budgets is needed for the 2022/23 years and onwards. This update is being sought through the DDM Clusters.

10.4 Summary of misalignment

Need more data before this can be performed. Data requires 'X- Y' coordinates so that the projects can be mapped to assess alignment. This will mature as data comes in.